

Deutsche Telekom REMUNERATION REPORT

2021

This Remuneration Report is a publication of Deutsche Telekom AG
and a translation of the German version of the report.
The German version is legally binding.



LIFE IS FOR SHARING.

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This remuneration report is a part of reporting by the Board of Management and the Supervisory Board in accordance with § 162 of the Stock Corporation Act (Aktiengesetz, AktG). It presents in detail the remuneration for the current and former members of the Board of Management and the Supervisory Board of Deutsche Telekom AG. The remuneration report has undergone a formal and substantive audit by the auditor PricewaterhouseCoopers (PWC). The audit opinion resulting from this audit is provided in full at the end of the remuneration report. In addition, the recommendations of the German Corporate Governance Code (GCGC) were met, with the exception of recommendation C.5 (Maximum number of supervisory board mandates), which is in any case not directly linked to Board of Management or Supervisory Board remuneration.

A. Remuneration of the Board of Management

1. Review of annual remuneration for 2021

1.1. Changes in the composition of the Board of Management

The Board of Management members Birgit Bohle and Thorsten Langheim were both reappointed to the Board of Management of Deutsche Telekom for a further five years effective January 1, 2022, in the Supervisory Board meeting on February 25, 2021.

In the Supervisory Board meeting on December 15, 2021, the Supervisory Board extended Chairman of the Board of Management Timotheus Höttges' appointment ahead of schedule. The appointment was extended by five years, until December 31, 2026.

1.2. Approval of the Board of Management remuneration system by the shareholders' meeting

On April 1, 2021, the shareholders' meeting approved with a majority the proposed remuneration system for members of the Board of Management. The proposed remuneration system remains available on the Company's website. Even though no major changes are to be made to the remuneration system, given the ongoing dialog with the Company's investors following the shareholders' meeting on April 1, 2021, the Supervisory Board has decided to amend three points and to present this modified remuneration system to the shareholders' meeting on April 7, 2022 for approval. The planned amendments particularly include the waiving of the option to grant the members of the Board of Management a bonus for extraordinary performance, which was still included in the most recently approved remuneration system. This will respond to the criticisms leveled by investors concerning this remuneration component. The amended remuneration system will be available on the company's website (like the previous proposed remuneration system).

1.3. Application and date of application of the remuneration system

As outlined in the remuneration system submitted to the shareholders' meeting, following approval of the system, the Supervisory Board implemented the new remuneration system with retroactive effect to January 1, 2021, and transferred the members of the Board of Management to the new system with amended service contracts for the Board of Management. All current members of the Board of Management were transferred to the new system.

However, it should be noted that, due to the transition to the new system, the details provided below of the remuneration system and the figures for Board of Management remuneration for 2021 and the subsequent years still include payments that have been made or will be made resulting from a previous Board of Management remuneration system which applied prior to the transition. These are multi-year variable components of remuneration from the old system that will continue unchanged until the end of the agreed term and will lead to future payments. The report will include an explicit indication when components of remuneration from the old system are included in the figures.

In the 2021 financial year, there was no deviation from the components of the remuneration system that were included in the approval of the remuneration system in the 2021 shareholders' meeting.

1.4. Review of appropriateness and customariness of Board of Management remuneration

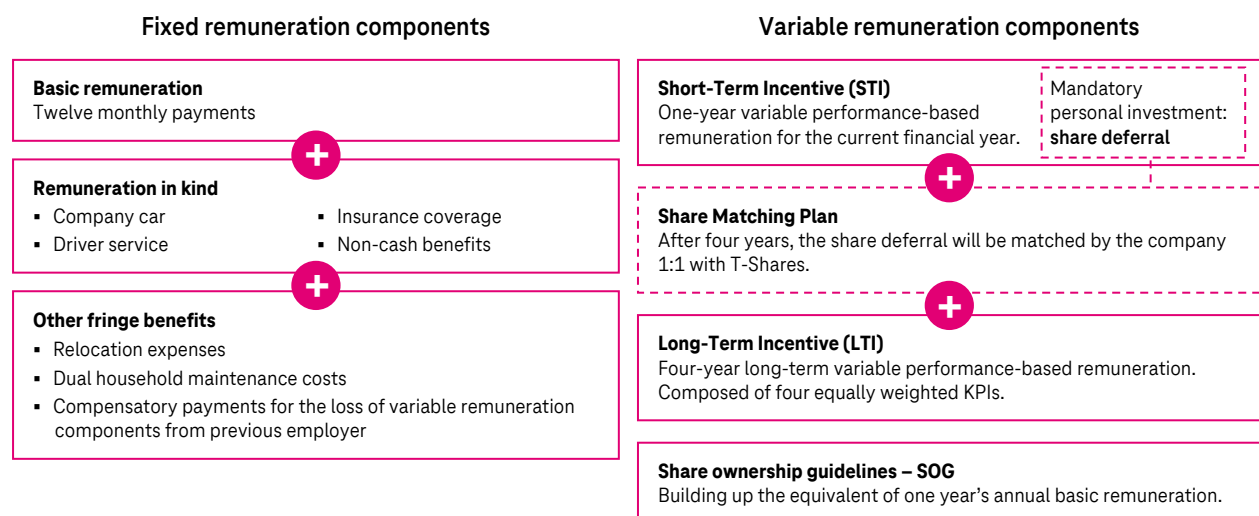
The Supervisory Board determines the structure of the Board of Management remuneration system and transferred the system approved by the 2021 shareholders' meeting in the 2021 financial year to new service contracts for the Board of Management. The Supervisory Board reviews this structure and the appropriateness and customariness of remuneration at regular intervals. It is ensured that Board of Management remuneration is oriented toward the sustained development of the Company and that there is a multi-year measurement base for the variable components for a target achievement level of 100 %. Secondary occupations generally require prior approval. No additional remuneration is generally paid for being a member of the management or supervisory board of other Group entities.

The General Committee of the Supervisory Board last reviewed the appropriateness and customariness of Board of Management remuneration at Deutsche Telekom on December 1, 2021. The results and proposals resulting from this analysis were recommended to the Supervisory Board for resolution and were passed in the Supervisory Board meeting on December 15, 2021. The review was carried out based on a study done by an external service provider on the remuneration components and remuneration levels at DAX-30 companies. The Supervisory Board ascertained that the remuneration components applied in the Board of Management remuneration system are in keeping with and normal for the market, and that the members of the Board of Management are compensated at a level appropriate to their tasks and performance and to the situation of the Company. Based on the statistical size criteria of revenue, employees, and market capitalization, Deutsche Telekom was initially positioned as a company within the DAX-30. A review was then carried out of whether remuneration levels at Deutsche Telekom were similar to those of other companies of a similar size. From this analysis, the Supervisory Board ascertained that the maximum remuneration at Deutsche Telekom set the previous year is significantly lower than at companies of a comparable size. In order to continue to provide competitive Board of Management remuneration that is in keeping with the market, the Supervisory Board therefore resolved a moderate increase of approx. 7 % in Mr. Höttges' maximum remuneration in 2022 and to present an amended remuneration system for approval at the shareholders' meeting in 2022. This decision by the Supervisory Board remains considerably below the upper remuneration threshold for DAX-30 companies that would have been possible given Deutsche Telekom's size and would still have meant that remuneration was appropriate and in keeping with the market. An increase in the upper limit for remuneration does not automatically lead to an increase in Board of Management remuneration. Members of the Board of Management can only receive higher remuneration if business development is better than expected, because the limit on remuneration is only applicable at a higher target amount than the current upper limit for remuneration.

In the same meetings, the General Committee and the Supervisory Board also reviewed the relation between Board of Management remuneration and remuneration of the upper management level and the workforce as a whole. Trends in remuneration over time were also taken into account in this regard. In addition, a qualitative analysis was carried out of the remuneration components of the individual employee groups, and average remuneration within employee groups was also taken into consideration. The German workforce was used for the vertical comparison of remuneration and a total of seven categories of employee group were considered. The process has been used regularly in this way for several years, making it possible to observe changes in remuneration over time.

2. Overview of the remuneration system in 2021

The current Board of Management remuneration system meets the requirements of § 87a AktG and complies with the recommendations of the German Corporate Governance Code, with full compliance in 2021 in regard to Board of Management remuneration. The Deutsche Telekom Board of Management remuneration system consists of non-performance-based and performance-based remuneration components and is detailed in the overview below.



2.1. Non-performance-based remuneration components

Members of the Board of Management receive the following non-performance-based (fixed) remuneration components, which are intended to achieve the objectives of Deutsche Telekom AG stated below.

Overview of possible fixed components of Board of Management remuneration in the remuneration system

| Remuneration components | Structure | Objectives and bearing on strategy |
|------------------------------|---|--|
| Basic remuneration | <ul style="list-style-type: none"> ▪ Fixed agreed remuneration ▪ Paid out at the end of each month | <ul style="list-style-type: none"> ▪ Reflects the person's position within the Board of Management, personal experience, and market conditions ▪ Guaranteed component of remuneration of the Board of Management |
| Remuneration in kind | <ul style="list-style-type: none"> ▪ Provision of a company car/driver ▪ Annual health checkup ▪ Insurance payouts ▪ Consultation on security-related issues and measures for structural and technical security | <ul style="list-style-type: none"> ▪ Assumption of costs which are incurred in the company's interests |
| Other fringe benefits | <ul style="list-style-type: none"> ▪ Reimbursement of job-related relocation costs ▪ Time-limited reimbursement of dual household maintenance costs ▪ Compensatory payments for the loss of variable remuneration components from previous employer in the event of a transfer to Deutsche Telekom | <ul style="list-style-type: none"> ▪ Compensation for financial losses which arise as part of Board activities or are incurred due to the transfer to Deutsche Telekom |

Basic remuneration

Basic remuneration is always paid out in monthly installments. In combination with the remuneration in kind, it represents the minimum amount of remuneration that a member of the Board of Management will receive in a year. When setting the amount, the Supervisory Board differentiates between the Chair and the ordinary members of the Board of Management. In addition, the level of basic remuneration varies according to the number of reappointments and the level of individual experience of each member of the Board of Management.

Remuneration in kind

According to market-oriented and corporate standards, the company grants all members of the Board of Management additional benefits, some of which are viewed as non-cash benefits and taxed accordingly. These include the provision of a company car, the possible service of a personal driver, and the provision of accident and personal liability insurance.

Other fringe benefits

In the 2021 financial year, the Supervisory Board did not take up the opportunity provided for in the remuneration system to offer "Other fringe benefits" in certain cases.

2.2. Performance-based remuneration components

As of 2021, the members of the Board of Management participate in the following performance-based (variable) remuneration components.

Overview of possible variable components of Board of Management remuneration in the remuneration system

| Remuneration components | Structure | Objectives and bearing on strategy |
|--|---|---|
| Variable remuneration arising from the achievement of short-term objectives (STI) | <ul style="list-style-type: none"> ▪ Term: 1 year ▪ Payout date: After the shareholders' meeting of the following year ▪ Possible achievement of the target parameters: 0 % - 150 % ▪ The relevant target parameters are: <ul style="list-style-type: none"> ▪ 1/3 Group financial targets ▪ 1/3 segment financial targets ▪ 1/3 ESG targets ▪ Application of individual performance factor: 0.8 - 1.2 ▪ Possible total target achievement taking into account the performance factor: 0 % - 180 % | <ul style="list-style-type: none"> ▪ Achieving single-year corporate targets derived from medium-term planning ▪ Operational successes at Group and segment level taken into account ▪ Continual development of the operating business ▪ Creating the conditions for being able to pay out dividends and make investments ▪ Sustainable and ecological aspects of the company's business taken into account ▪ Stakeholder interests taken into account ▪ Performance of individual members of the Board of Management may also be taken into account |
| Obligation to invest (personal investment) | <ul style="list-style-type: none"> ▪ Rolling each year after the STI is defined by the Supervisory Board ▪ Minimum investment volume: 1/3 of the STI ▪ Maximum investment volume: 1/2 of the STI ▪ Lock-up period: 4 years (from time of investment) | <ul style="list-style-type: none"> ▪ Achieving budget figures and short-term company targets ▪ Acts as incentive for a long-term increase in shareholder value ▪ Synchronizes the interests of members of the Board of Management with those of shareholders ▪ Retention effect for the member of the Board of Management |
| Share Matching Plan (SMP) | <ul style="list-style-type: none"> ▪ Requires four years of personal investment in advance ▪ Rolling each year following the end of the four-year lock-up period for the personal investment ▪ Matching ratio: 1:1; for each share of the personal investment, 1 share is transferred as a matching share ▪ Limitation on share price development: at 150 % of the paid STI In the event that during the lock-up period the share price increases by more than 150 % of the STI relevant for the personal investment, the member of the Board of Management will not participate in any further increase of the share price. In this case, the matching ratio would be below 1:1. | <ul style="list-style-type: none"> ▪ Acts as incentive for a long-term increase in shareholder value ▪ Synchronizes the interests of members of the Board of Management with those of shareholders ▪ Retention effect for the member of the Board of Management |
| Variable remuneration arising from the achievement of long-term objectives (LTI) | <ul style="list-style-type: none"> ▪ Type of plan: cash-settled and share-based ▪ Term: 4 years (rolling) ▪ Payout date: After the shareholders' meeting following the end of the 4-year term of plan ▪ Target parameters: 4 equally weighted targets <ul style="list-style-type: none"> ▪ Return on capital employed (ROCE) ▪ Earnings per share (EPS) ▪ Customer satisfaction ▪ Employee satisfaction ▪ Based on phantom shares over the term of the plan ▪ Taking into account actual payments of dividends ▪ Possible achievement of the target parameters: 0 % - 150 % ▪ Maximum payment limited to 200 % | <ul style="list-style-type: none"> ▪ Achieving multiple-year corporate targets derived from medium-term planning ▪ Acts as incentive for implementation of the long-term corporate strategy ▪ Stakeholder interests taken into account ▪ Synchronizes the interests of members of the Board of Management with those of shareholders ▪ Retention effect for the member of the Board of Management |

Variable remuneration arising from the achievement of short-term objectives (STI)

Functioning

The STI is the short-term variable remuneration instrument, with a term of one year. The STI is based in equal parts (one-third each) on Group financial targets, segment financial targets, and ESG targets. To determine the final target achievement, the Supervisory Board takes into account an individual performance factor, based on which calculated target achievement can be adjusted between 0.8 and 1.2. When deciding to apply the performance factor, the Supervisory Board assesses the strategic individual targets agreed with the respective member of the Board of Management and also assesses individual value adherence. Target achievement is applied to the target amount resulting from the service contract for the Board of Management, and the performance factor can then be applied. Maximum target achievement per KPI is limited to 150 %. If the performance factor is applied, total target achievement is limited to a maximum of 180 % of the target amount.

Contribution to long-term development of the Company

The economic success of the current financial year should be reflected within the framework of the STI. The Supervisory Board considers it important that 1/3 of the STI for the members of the Board of Management responsible for the operating business is determined on the basis of the success of the respective segment for which they are responsible. For members of the Board of Management who do not have any operating responsibility, this measurement takes place on a Group level and, depending on the area of responsibility, includes or excludes U.S. business. For the Chairman of the Board of Management and the Member of the Board of Management for Finance, the target includes U.S. business. The objective of this is to reinforce the cross-area collaboration in the Board of Management team and, at the same time, to align a significant percentage of the annual variable remuneration of members of the Board of Management with responsibility for operating business towards the development of the respective operating segment. Furthermore, the Supervisory Board has decided to support the significance of the sustainability strategy by implementing two ESG targets in the variable remuneration with an assessment period of one year. It has therefore implemented the reduction of energy consumption and the reduction of CO₂ emissions as sustainability targets for the 2021 reporting year.

Target achievement for the STI in the 2021 financial year

2021 was a successful financial year for Deutsche Telekom. Deutsche Telekom exceeded the original capital market expectations in the relevant areas (including EBITDA AL, FCF AL, net income) in 2021 and was in a position to raise its outlook for 2021 multiple times due to performance being better than expected.

Total target achievement for the successful 2021 financial year can be seen in the following table. The STI will be paid out in the 2022 financial year after the 2022 shareholders' meeting.

| | Group financial targets (weighting: 33.3 %) | | | | Segment financial targets (weighting: 33.3 %) | | | | ESG (weighting: 33.3 %) | | | Target achieve- ment | Perfor- mance factor | Total target achieve- ment |
|--|--|--------------------------|-----------|--------------|--|--------------------------|--------------------------------------|--------------|--|--|--------------|----------------------------|----------------------------|-------------------------------------|
| | Service revenues | EBITDA AL (unadj.) | FCF AL | Σ | Service revenues | EBITDA AL (unadj.) | Ext. adj. indirect costs AL | Σ | Reduction in CO ₂ emissions | Reduction in energy consump- tion | Σ | | | |
| Member of the Board of Management | (30 %) | (30 %) | (40 %) | | (33.3 %) | (33.3 %) | (33.3 %) | | (50 %) | (50 %) | | (0.8 – 1.2) | | |
| Adel Al-Saleh | 110 % | 150 % | 150 % | 138 % | 111 % | 131 % | 147 % | 130 % | 150 % | 150 % | 150 % | 139 % | 1.05 | 146 % |
| Birgit Bohle | 110 % | 150 % | 150 % | 138 % | 107 % | 150 % | 132 % | 130 % | 150 % | 150 % | 150 % | 139 % | 1.00 | 139 % |
| Srinivasan Gopalan | 110 % | 150 % | 150 % | 138 % | 109 % | 150 % | 135 % | 131 % | 150 % | 150 % | 150 % | 140 % | 1.15 | 161 % |
| Timotheus Höttges | 110 % | 150 % | 150 % | 138 % | 110 % | 150 % | 132 % | 131 % | 150 % | 150 % | 150 % | 140 % | 1.15 | 160 % |
| Dr. Christian Illek | 110 % | 150 % | 150 % | 138 % | 110 % | 150 % | 132 % | 131 % | 150 % | 150 % | 150 % | 140 % | 1.05 | 147 % |
| Thorsten Langheim | 110 % | 150 % | 150 % | 138 % | 115 % | 150 % | 147 % | 137 % | 150 % | 150 % | 150 % | 142 % | 1.20 | 170 % |
| Dominique Leroy | 110 % | 150 % | 150 % | 138 % | 116 % | 150 % | 143 % | 136 % | 150 % | 150 % | 150 % | 141 % | 1.05 | 149 % |
| Claudia Nemat | 110 % | 150 % | 150 % | 138 % | 107 % | 150 % | 132 % | 130 % | 150 % | 150 % | 150 % | 139 % | 1.05 | 146 % |

Group financial targets

Before the start of the financial year, the Supervisory Board derives the target and threshold values for the Group financial targets and the segment financial targets from the medium-term company planning. The 100 % target value is the budget value from the planning. Target achievement for each KPI can range between 0 % and 150 %.

Service revenues are defined as the revenues that are generated by customer use of services (i.e., revenue from fixed-network and mobile communications - voice services – incoming and outgoing calls – as well as data services) plus roaming revenue, monthly basic charges and visitor revenue, as well as revenue generated from the ICT business. As a result, the service revenues are an important indicator for the successful implementation of the growth strategy of the Group.

EBITDA AL (unadjusted) is the most important KPI when it comes to measuring the operating performance of the company and is the result of our growth strategy on the customer side (consumers and business customers) as well as the savings for promoting investment. EBITDA AL is calculated by adjusting EBITDA (earnings before interest, taxes, depreciation and amortization) for depreciation of the right-of-use assets from lease arrangements and for interest expenses on recognized lease liabilities.

Free Cash Flow (FCF) AL is a further important KPI when it comes to measuring the operating performance of the Group that is directly linked to the financial strategy (the ability to pay a dividend and the ability to reduce liabilities). When determining the FCF AL, the free cash flow (cash generated from operations minus payments for investments) is adjusted for the repayment of lease liabilities.

The target values listed below and the target achievement derived from them, also listed below, applied for the 2021 financial year.

| billions of € | | | | | | |
|------------------------|-----------|--|---------------------------------------|--|---------------------|--------------------|
| | Weighting | Lower target achievement threshold 0 % | Target value 100 % target achievement | Upper target achievement threshold 150 % | Result ¹ | Target achievement |
| Service revenues | 30 % | 71.6 | 79.5 | 82.7 | 80.2 | 110 % |
| EBITDA AL (unadjusted) | 30 % | 29.8 | 33.1 | 33.7 | 35.0 | 150 % |
| FCF AL | 40 % | 6.8 | 7.5 | 7.8 | 9.1 | 150 % |

¹ The actual values have been adjusted to include non-budgeted inorganic effects (first-time consolidations and deconsolidations of companies during the course of the year, exchange rate fluctuations) and one-time effects.

In regard to service revenues, the United States in particular performed better than budgeted, while the Group operating segments excluding the United States were at budget level; this leads to a total result that is slightly above budget, and target achievement of 110 %. Results for the KPIs EBITDA AL (unadjusted) and FCF AL were considerably better than assumed in the budget for both the Group excluding the United States and for the United States, leading to target achievement of 150 %. This results in weighted target achievement for the Group financial targets for the 2021 financial year of 138 %.

Segment financial targets

The explanations for the Group financial targets above in regard to the targets of service revenues and EBITDA AL (unadjusted) apply to the segment financial targets.

The segment target “external adjusted indirect costs AL” is an important metric for the operational efficiency of the company and underlines the strategic efforts to make savings in order to support investment in growth. Savings made in terms of indirect costs contribute towards the improvement of the operating performance that is reflected in EBITDA AL and free cash flow AL and, consequently, have a positive impact on the valuation of the company on the capital market. In a similar manner to the determination of EBITDA AL, the adjusted indirect costs for the adjusted indirect costs AL are also calculated by adjusting for depreciation of the right-of-use assets from lease arrangements and for interest expenses on recognized lease liabilities. The segment targets are distributed among the individual members of the Board of Management as follows:

| | Timotheus Höttges | Christian Illek | Thorsten Langheim | Birgit Bohle | Claudia Nemat | Srinivasan Gopalan | Dominique Leroy | Adel Al-Saleh |
|-----------------------------------|-------------------|-----------------|-------------------|------------------|---------------|--------------------|-----------------|---------------|
| Service revenues ¹ | Group | | Group development | Group excl. U.S. | | Germany | Europe | T-Systems |
| EBITDA AL unadjusted ² | Group | | | Group excl. U.S. | | Germany | Europe | T-Systems |
| External adjusted ind. costs AL | Group excl. U.S. | | | | | | | |

¹ Instead of Total Service Revenue, external T-Systems revenue is now used for T-Systems.

² Instead of unadjusted EBITDA AL, unadjusted EBIT is now used for T-Systems.

ESG targets

The aim of the reduced energy consumption target is to incentivize the members of the Board of Management to behave in a way that will ensure that energy consumption, which is harmful to the environment, is kept at least stable in the medium term. This target supports the implementation of programs and investments in energy-saving measures for all energy sources while, at the same time, implementing optimizations and innovations in terms of the future infrastructure and the use of innovative technology components.

By applying the target of reducing CO₂ emissions, the Board of Management is to be motivated to sustainably anchor the use of green electricity, to optimize consumption levels in buildings, and to successively switch the Group's vehicle fleet from fossil fuels to emission-free or low-emission engine types.

The level of ambition and target achievement can be seen in the following table:

| | Weighting | Lower target achievement threshold 0 % | Target value 100 % target achievement | Upper target achievement threshold 150 % | Result | Target achievement |
|---|-----------|--|---------------------------------------|--|--------|--------------------|
| Reduction in CO ₂ emissions (in ktCO ₂ e) | 50 % | 355 | 277 | 259 | 247 | 150 % |
| Reduction in energy consumption (in GWh) | 50 % | 14,168 | 13,623 | 13,351 | 13,323 | 150 % |

The high target achievement for the reduction of energy consumption is due mainly to the significant overfulfillment of the target values in Germany, Europe, and the international T-Systems units. There were additional measures to those originally planned to reduce energy consumption in the Germany and Europe segments, which had a positive impact on target achievement. T-Mobile US only slightly exceeded plan estimates. This is particularly due to network build-out measures which were more comprehensive than originally planned.

A somewhat stronger effect from the COVID-19 pandemic than expected, in conjunction with noteworthy efficiency measures, meant that the target values were exceeded at T-Mobile US, the international T-Systems companies, and Germany in particular. The Europe segment is almost at the level planned for the reduction of CO₂ emissions.

This leads to weighted target achievement for the ESG targets in the 2021 financial year of 150 %.

Performance factor

To measure the performance factor, the Supervisory Board focuses on the one hand on value adherence by the individual member of the Board of Management and on the other, on achievement of the strategic implementation targets that were agreed with each member of the Board of Management individually prior to the start of the financial year.

Value adherence is determined based on the behavior of the member of the Board of Management using the following categories, which represent adherence to the values of the Group's Guiding Principles:

- Delight our customers
- Act with respect and integrity
- Team together – Team apart
- I am T – count on me
- Stay curious and grow
- Get things done

The members of the General Committee rate each value adherence category per Board of Management member with between 1 and 10 points, and then calculate the average value for each member of the Board of Management. The mathematical result is then put forward as a proposed value in the Supervisory Board meeting in which total target achievement is decided.

For the 2021 financial year, the Supervisory Board agreed the following individual strategic implementation targets with the members of the Board of Management and derived the relevant target achievement from them after the reporting year.

Individual strategy implementation

| | |
|----------------------------|--|
| Timotheus Höttges | <ul style="list-style-type: none"> ▪ Increased value creation TMUS ▪ Continuation of TSI Transformation ▪ Refinement of ways of working in the Group ▪ Creation of more competitive conditions for optical fiber/FTTH and 5G build-out ▪ Successful organization of Capital Markets Day |
| Adel Al-Saleh | <ul style="list-style-type: none"> ▪ Transformation of classic IT business ▪ Strengthening of TSI growth areas ▪ Improvement in employee experiences at TSI ▪ Increase in customer satisfaction with TSI |
| Birgit Bohle | <ul style="list-style-type: none"> ▪ Closing of the skills gap at Deutsche Telekom ▪ Further shaping the “new normal” in the Group ▪ Implementation of the workforce strategy ▪ Minimization of legal and regulatory risks ▪ Improvement in employee experiences in the Group |
| Srinivasan Gopalan | <ul style="list-style-type: none"> ▪ Ensuring profitable revenue growth in Germany ▪ Increased efficiency through digitalization in Germany ▪ Accelerated FTTH build-out and ensuring 5G leadership in Germany ▪ Improved customer satisfaction in Germany |
| Dr. Christian Illek | <ul style="list-style-type: none"> ▪ Increased value creation TMUS ▪ Improved Group efficiency ▪ Ensuring the Group’s refinancing options ▪ Ensuring the Group’s strategic priorities ▪ Successful organization of Capital Markets Day |
| Thorsten Langheim | <ul style="list-style-type: none"> ▪ Value creation TMNL ▪ Value creation DFMG ▪ Value creation TMUS ▪ Ensuring value-oriented portfolio management |
| Dominique Leroy | <ul style="list-style-type: none"> ▪ Acceleration of the digital transformation in Europe ▪ Improvement in customer satisfaction in Europe ▪ Improvement in employee experiences in Europe ▪ Ensuring profitable revenue growth in Europe |
| Claudia Nemat | <ul style="list-style-type: none"> ▪ Increased innovations in delivery ▪ Increased innovations for customer experience ▪ Increased innovations in networks ▪ Ensuring resilience of the supply chain and the network and improving the effectiveness of the partnering approach |

In a comprehensive evaluation, the Supervisory Board translated the scores for value adherence and the individual strategic implementation targets into the following performance factors for each member of the Board of Management. The excellent levels of achievement of the strategic targets were largely responsible for the fact that all Board of Management members were awarded performance factors ≥ 1.0 for the 2021 financial year.

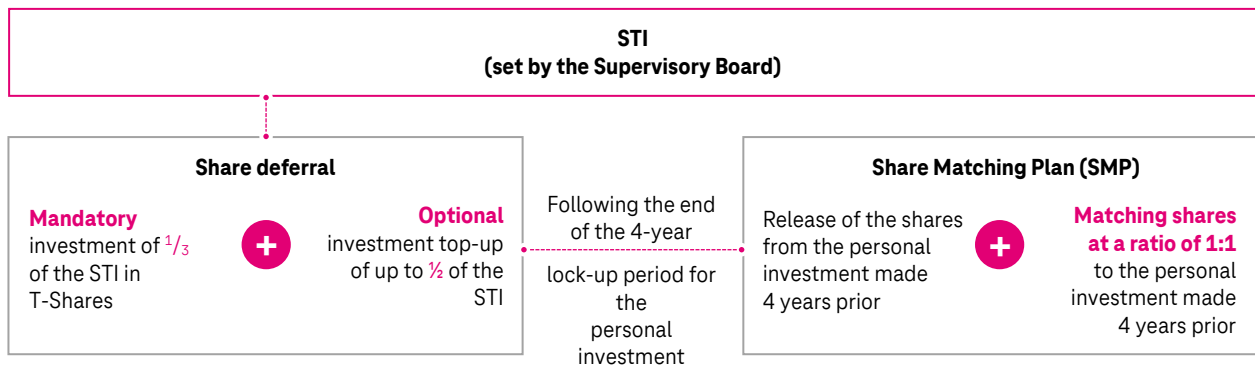
Performance factor

| | |
|---------------------|------|
| Adel Al-Saleh | 1.05 |
| Birgit Bohle | 1.00 |
| Srinivasan Gopalan | 1.15 |
| Timotheus Höttges | 1.15 |
| Dr. Christian Illek | 1.05 |
| Thorsten Langheim | 1.20 |
| Dominique Leroy | 1.05 |
| Claudia Nemat | 1.05 |

Obligation to invest (personal investment)

Members of the Board of Management are obligated to invest a sum totaling at least one-third of the annual gross STI as determined by the Supervisory Board in Deutsche Telekom AG shares. They have the option of extending their personal investment to 50 % of the gross STI. The shares are subject to a four-year lock-up period starting from the date of purchase. The shares acquired by the member of the Board of Management for this purpose are held in a special blocked security deposit of the administering bank so that it is not possible to access the shares early. The personal investment made by the member of the Board of Management then qualifies them to participate in the Share Matching Plan.

The relationship between share investment obligations from the STI and participation in the Share Matching Plan can be seen in the following illustration:



Share Matching Plan (SMP)

The personal investment made by the member of the Board of Management results in participation in the Share Matching Plan. Once the four-year lock-up period for the personal investment is over, the member of the Board of Management may dispose freely of their personal investment and a free additional share is transferred to their deposit account for each share purchased by way of personal investment. The matching shares transferred are available to the Board of Management member immediately, to use as they wish. The transfer of the shares results in a non-cash benefit for the member of the Board of Management and is taxed as income in the salary statement which follows the transfer of the shares. When the matching shares are transferred, the share price development in relation to the equivalent value is capped at 150 % of the relevant STI in the year of the personal investment. This ensures that, when the matching shares are transferred, the equivalent value of these shares does not amount to more than 150 % of the relevant STI. If this case should become a reality, the cap would mean that the matching ratio of a share would decrease to the detriment of the member of the Board of Management for each invested share.

The table below shows the relevant amount of the STI applicable to personal investment in 2020/2021, the minimum investment obligation and maximum possible investment amount resulting from it, the amount invested by each member of the Board of Management, and the specific number of shares acquired in each case. The number of shares acquired in 2021 is equal to the number of matching shares granted by Deutsche Telekom. The table also shows the number of matching shares transferred in 2020 and 2021, based on personal investment in the 2016 and 2017 financial years.

| Member of the Board of Management | Financial year | Variable I (STI) as measurement base for the personal investment | Mandatory personal investment/maximum personal investment (33.33 % - 50 %) | Personal investment made | Number of shares acquired/matching shares granted | Number of shares transferred |
|-----------------------------------|----------------|--|--|--------------------------|---|------------------------------|
| Adel Al-Saleh | 2021 | € 863,555 | € 287,852 - € 431,778 | € 431,767 | 25,128 | 0 |
| | 2020 | € 771,525 | € 257,175 - € 385,763 | € 385,763 | 31,550 | 0 |
| Birgit Bohle | 2021 | € 731,313 | € 243,771 - € 365,657 | € 365,648 | 21,280 | 0 |
| | 2020 | € 699,600 | € 233,200 - € 349,800 | € 330,366 | 24,219 | 0 |
| Srinivasan Gopalan | 2021 | € 916,421 | € 305,474 - € 458,211 | € 458,195 | 26,666 | 0 |
| | 2020 | € 723,800 | € 241,267 - € 361,900 | € 361,636 | 26,450 | 0 |

| | | | | | | |
|---------------------|------|-------------|-------------------------|-------------|---------|--------|
| Timotheus Höttges | 2021 | € 2,494,800 | € 831,600 - € 1,247,400 | € 1,247,397 | 72,596 | 36,155 |
| | 2020 | € 2,334,600 | € 778,200 - € 1,167,300 | € 1,167,128 | 101,450 | 38,969 |
| Dr. Christian Illek | 2021 | € 925,655 | € 308,552 - € 462,828 | € 449,998 | 26,189 | 14,060 |
| | 2020 | € 895,725 | € 298,575 - € 447,863 | € 334,969 | 24,000 | 11,121 |
| Thorsten Langheim | 2021 | € 915,975 | € 305,325 - € 457,988 | € 457,971 | 26,653 | 0 |
| | 2020 | € 839,700 | € 279,900 - € 419,850 | € 418,539 | 31,800 | 0 |
| Dominique Leroy | 2021 | € 112,500 | € 37,500 - € 56,250 | € 56,239 | 3,273 | 0 |
| | 2020 | n/a | n/a | n/a | n/a | 0 |
| Claudia Nemat | 2021 | € 907,200 | € 302,400 - € 453,600 | € 453,590 | 26,398 | 15,632 |
| | 2020 | € 845,775 | € 281,925 - € 422,888 | € 420,526 | 27,350 | 18,120 |

Overview of the number of shares granted as part of the Share Matching Plan

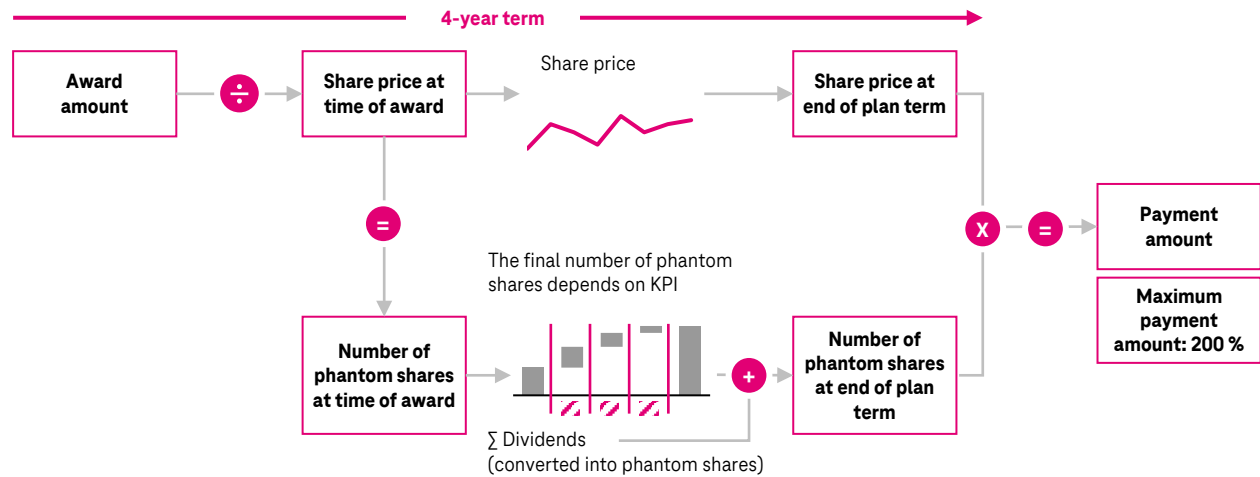
As of December 31, 2021, the following commitments were made for matching shares resulting from the personal investment of each member of the Board of Management. When the personal investment is carried out, a commitment is made to the member of the Board of Management that they will receive the same number of matching shares four years after the date of purchase in question.

| | Adel Al-Saleh | Birgit Bohle | Srinivasan Gopalan | Timotheus Höttges | Dr. Christian Illek | Thorsten Langheim | Dominique Leroy | Claudia Nemat |
|---|---------------|---------------------------|--------------------|--------------------|---------------------|---------------------|-----------------|----------------|
| Matching shares granted 2018 tranche | – | – | 22,730 | 64,896 | 25,500 | – | – | 30,000 |
| Due date | | | May 2022 | May 2022 | June 2022 | | | June 2022 |
| Matching shares granted 2019 tranche | 26,820 | – | 23,505 | 59,367 | 26,000 | – | – | 26,440 |
| Due date | May 2023 | | April 2023 | April and May 2023 | June 2023 | | | June 2023 |
| Matching shares granted 2020 tranche | 31,550 | 24,219 | 26,450 | 101,450 | 24,000 | 31,800 | – | 27,350 |
| Due date | April 2024 | April, May, and June 2024 | May 2024 | April 2024 | May 2024 | April and June 2024 | | June 2024 |
| Matching shares granted 2021 tranche | 25,128 | 21,280 | 26,666 | 72,596 | 26,189 | 26,653 | 3,273 | 26,398 |
| Due date | May 2025 | May 2025 | May 2025 | May 2025 | May 2025 | May 2025 | May 2025 | May 2025 |
| Total | 83,498 | 45,499 | 99,351 | 298,309 | 101,689 | 58,453 | 3,273 | 110,188 |

LTI / Variable II

The LTI for members of the Board of Management in the 2021 financial year is share-based in the new Board of Management remuneration system. The first payment from the 2021 tranche of the LTI will be made in 2025. Until then, the Variable II tranches allocated in previous years will apply, as the predecessor system of what is now the LTI. The term and the strategic performance parameters (return on capital employed (ROCE), adjusted earnings per share (EPS), customer satisfaction and employee satisfaction) remain the same for the two plans. The targets for the performance parameters ROCE and EPS were derived from the medium-term planning, and both represent key performance indicators for Deutsche Telekom. These two parameters were supplemented with customer satisfaction, which is measured using the globally recognized TRI*M method, and employee satisfaction, which the Supervisory Board assesses based on what it considers to be particularly relevant questions for the pulse and employee surveys carried out during the year. The four parameters are weighted equally and the resulting target achievement level can vary between 0 and 150 %. The aim of moving to a share-based plan is to further harmonize the interests of the Board of Management and the shareholders. The LTI is also intended to ensure retention of the members of the Board of Management at Deutsche Telekom. At the start of the LTI plan, the participation contribution of a member of the Board of Management is converted into phantom shares in the Company and divided equally among each of the four years of the plan. The number of phantom shares increases during the term of the plan due to the dividends paid out during the term, which are also converted into phantom shares. The number of phantom shares also changes depending on the level of achievement of the target parameters determined by the Supervisory Board for each of the years of the plan. When the term of the plan is over, the phantom shares are converted into a sum of money based on the relevant share price. This

sum of money is then paid out to the member of the Board of Management along with the dividend for the last year of the plan. The level of achievement of each target parameter is limited to a maximum of 150 %. The maximum amount paid out within the LTI is limited to a maximum of 200 % of the participation contribution taking the share price development into account. The following graphic shows how the LTI, which is in use as of 2021, works.



The term of Variable II (2018 tranche), which was part of the old Board of Management remuneration system, ended on December 31, 2021. The Supervisory Board set the final level of target achievement of the 2018 tranche at 119 % and will make the payment in the 2022 financial year. The details of the target achievement are as follows:

| (Weighting) | Year 2018 (25 %) | | | Year 2019 (25 %) | | | Year 2020 (25 %) | | | Year 2021 (25 %) | | | Σ Total target achievement |
|--|---------------------|--------------|--------------------|---------------------|--------------|--------------------|---------------------|--------------|--------------------|---------------------|--------------|--------------------|-------------------------------|
| | Target value | Actual value | Target achievement | Target value | Actual value | Target achievement | Target value | Actual value | Target achievement | Target value | Actual value | Target achievement | |
| ROCE | 4.9 % | 4.8 % | 91 % | 4.7 % | 4.8 % | 110 % | 4.7 % | 7.3 % | 150 % | 5.0 % | 7.4 % | 150 % | 125 % |
| Adj. EPS | 0.93 | 0.97 | 128 % | 0.92 | 1.11 | 150 % | 0.9 | 1.29 | 150 % | 0.98 | 1.32 | 150 % | 145 % |
| Customer satisfaction | 68.1 | 67.7 | 94 % | 69.3 | 66.5 | 61 % | 70.4 | 70.4 | 100 % | 71.6 | 70.6 | 86 % | 85 % |
| Employee satisfaction | 65 | 63 | 80 % | 65 | 65 | 100 % | 66 | 73 | 150 % | 67 | 73 | 150 % | 120 % |
| Total target achievement 2018 tranche | | | | | | | | | | | | 119 % | |

The actual values have been adjusted to include key issues which were not taken into account for the medium-term planning (increased investments for spectrum in the U.S., introduction of the IFRS-16 standard, T-Mobile US business combination).

Share ownership guidelines

In order to harmonize the interests of the Board of Management and the shareholders of Deutsche Telekom as well as to reinforce the sustainable development of the Company, the obligations to purchase and retain shares (share ownership guidelines) are a significant element of the remuneration system for the Board of Management. The annual personal investment that is a obligatory part of the STI, with the associated lock-up period of four years and the additional 1:1 match provided by the Share Matching Plan when the lock-up period for shares bought as personal investment ends, ensures that members of the Board of Management acquire and retain a significant number of shares, which means that they are active participants in the Group's long-term development, both positive and negative. In this way, the requirements from the German Corporate Governance Code (GCGC) and all stipulations from the Stock Corporation Act concerning the alignment of remuneration towards a sustainable company development are met. The member of the Board of Management is given the duration of initial appointment to build up their obligatory number of shares. The equivalent value of one year's annual basic remuneration must be obtained in Deutsche Telekom shares no later than the payment of the third STI.

All members of the Board of Management except Birgit Bohle and Dominique Leroy already owned the obligatory number of shares by December 31, 2021. Birgit Bohle is obligated to prove that she has met her retention obligation in the 2022 financial year for the first time and Dominique Leroy is obligated to do so in the 2023 financial year.

2.3. Clawback rule

In addition to the relevant statutory provisions, which stipulate that the Supervisory Board shall – in the event of a breach of duty by members of the Board of Management – minimize the financial damage to the company and, where necessary, make claims for damages against the members of the Board of Management, the following clawback rule also applies for the members of the Board of Management of Deutsche Telekom: The Supervisory Board has the right to reclaim payments made to the members of the Board of Management from the short-term variable remuneration (STI / Variable I) and the long-term variable remuneration (LTI / Variable II) if it is found that the payment was carried out wrongfully, entirely or in part, because the Supervisory Board had received information regarding the decision determining the level of target achievement which was evidently incomplete or incorrect. The reimbursement claims expire three years after the erroneous determination of the target achievement was made.

In the 2021 financial year, the Supervisory Board saw no reason which would justify the use of the option to reclaim components of variable remuneration from the members of the Board of Management.

2.4. Benefits from third parties

In the 2021 financial year, no member of the Board of Management received or was promised benefits from a third party for their activity as a Board of Management member.

2.5. Benefits in case of early or regular termination

Processing of the remuneration components upon termination

In the event of termination, the primary reason for the termination is the decisive factor in defining the existing remuneration components. Essentially, the member of the Board of Management will receive the monthly basic remuneration and the ongoing fringe benefits until the point of termination. This also applies to the entitlement to participate in the variable remuneration that is calculated on the basis of the achievement of Short-Term Incentives (STI). The STI is paid out in the same way and at the same time as for the still-active members of the Board of Management in accordance with the respective rules of the company. The concrete reason for the termination is decisive with regard to the further participation in the variable remuneration calculated based on the achievement of long-term performance targets (LTI) and the Share Matching Plan (SMP). Depending on the reason for the termination, the plans may be completely forfeited or the members may be able to continue participating on a full or pro-rata basis. It is ensured that, when outstanding variable remuneration components are paid, no deviations from the agreed targets and comparison parameters or from the due dates or lock-up period as defined in the contract occur.

On his reappointment as member of the Board of Management in February 2021, Thorsten Langheim's application to be able to terminate his appointment early at his own request without this negatively affecting his participation in the LTI and SMP was granted; in this case, a pro-rata rule would be applied proportional to the reduced time period.

Incapacity for work

Temporary incapacity for work as a result of an uninterrupted period of illness-related absence up to a period of one month has no impact on the continued payment of the contractually agreed remuneration components. In the event of longer absences due to illness, the basic remuneration will be paid for a maximum of six months and, with regard to variable remuneration components, participation will be solely on the basis of a pro-rata calculation. Service contracts for the Board of Management will end automatically at the end of the month in which permanent incapacity for work is determined for the member of the Board of Management in question. In such a case, there is no entitlement to a severance payment.

Post-contractual prohibition of competition

Board of Management member service contracts generally stipulate a post-contractual prohibition of competition. Pursuant to these provisions, members of the Board of Management are prohibited from rendering services to or on behalf of a competitor for the duration of one year following their departure. To this end, the members of the Board of Management are paid compensation for the period of prohibition of competition. The sum is 50 % of the most recent

basic remuneration and 50 % from the most recent STI assuming target achievement of 100 %. Compensation to be paid for the period of prohibition of competition will be set off against the total of a potential severance payment. In the event of an upcoming contract termination, Deutsche Telekom AG has the right to cancel the post-contractual prohibition of competition provided that appropriate notice is observed. If the agreed deadline is observed, the member of the Board of Management does not receive a compensation payment.

Change of control clause

The service contracts for the Board of Management contain no commitments in relation to the early termination of the employment contract of the member of the Board of Management due to a change of control.

Severance payments

The existing service contracts for the Board of Management stipulate a severance entitlement in certain cases of early termination at the instigation of the company. In such cases, the severance payment will not exceed the value of two years of annual remuneration (severance cap) and compensate no more than the remaining term of the contract. If compensation is paid for the period of prohibition of competition due to an existing post-contractual prohibition of competition, it is ensured that this compensation is offset against the severance entitlement. A severance payment is not considered an element of the maximum remuneration set for members of the Board of Management.

Board of Management pension plan

Under the new Board of Management remuneration system, new members of the Board of Management are not entitled to a Board of Management pension plan. Contribution-based pension commitments from the previous Board of Management remuneration system will be maintained on the basis of the account balance earned as at December 31, 2020, as vested entitlements. This means that in the 2021 financial year, with the exception of the pension commitment for Timotheus Höttges, no further service costs arose for pension commitments from the old Board of Management remuneration system.

Since 2009, newly appointed Board of Management members had received a contribution-based pension commitment. This commitment provided the member of the Board of Management with a contractually agreed specific amount for each year of service, which, plus interest in keeping with market-based rates, was added to the personal pension plan account for the respective member of the Board of Management. Upon retirement the member of the Board of Management receives the accrued balance as a one-off payment.

As at December 31, 2021, the defined benefit obligations (DBO) for members of the Board of Management with contribution-based pension commitments were as shown below in accordance with IFRS reporting.

| Board of Management | Defined benefit obligation (DBO) |
|---------------------|----------------------------------|
| Birgit Bohle | € 659,500 |
| Srinivasan Gopalan | € 1,289,985 |
| Dr. Christian Illek | € 1,675,512 |
| Thorsten Langheim | € 577,006 |
| Claudia Nemat | € 3,198,070 |

Board of Management members Dominique Leroy and Adel Al-Saleh received commitments to “pension substitutes” under the previous Board of Management remuneration system. For each complete year of service, they were given an annual one-off payment instead of a pension commitment.

This pension substitute commitment was not continued under the new remuneration system. Adel Al-Saleh received his last payment in the 2020 financial year. Dominique Leroy received a further pro-rata payment for the period November - December 2020, which was paid out in the 2021 financial year and which is listed in the table “Remuneration granted and due” as part of the non-performance-based remuneration components.

In Point 12.2 of the remuneration system, the shareholders’ meeting of Deutsche Telekom AG agreed that the existing pension commitment for Timotheus Höttges is to remain in place in the new system. Mr. Höttges is the only current member of the Board of Management who has a legacy pension commitment (granted prior to 2009). This model of pension commitment is directly related to individual basic remuneration and is paid out as a monthly retirement pension

when the member of the Board of Management reaches retirement. On his reappointment as Chairman of the Board of Management in 2019, Timotheus Höttges' pension commitment was adjusted such that his pension entitlements accrued up to December 31, 2018 were increased by 2.4 % per further complete year of service using his basic remuneration valid up to December 31, 2018 as the measurement base. Future increases in his basic remuneration as of that date will thus not lead to higher pension payments. Additionally, as part of the pension commitment, pension payments to be made upon retirement increase dynamically at a rate of 1 % per year. The pension agreement also includes arrangements for pensions for surviving dependents in the form of entitlements for widowed spouses and orphans. The pension for surviving dependents for widowed spouses amounts to 60 % of the retirement pension to which Timotheus Höttges would have been entitled to at that point in time. The orphan's pension is 12 % for half-orphans and 20 % for full orphans, not exceeding a total of 60 % of the retirement pension to which Timotheus Höttges would be entitled to at the time of provision. In the event of a permanent incapacity for work (invalidity), Mr. Höttges is also entitled to the pension payments.

As at December 31, 2021, Timotheus Höttges was entitled to the defined benefit obligation (DBO) stated below, calculated based on IAS 19. In the 2021 financial year, the following service costs arose.

| | Service costs | Defined benefit obligation (DBO) |
|-------------------|---------------|----------------------------------|
| Timotheus Höttges | € 509,506 | € 19,854,236 |

2.6. Board of Management remuneration for 2021 and compliance with maximum total remuneration

The following tables are based on the tables used in the past by the German Corporate Governance Commission to show benefits granted and benefits received in order to give investors an overview of which remuneration components the members of the Board of Management were granted for the 2021 financial year and which they received in 2021. The section of the table for benefits granted shows the target values based on an implicit target achievement for variable remuneration components of 100 %, supplemented by the minimum remuneration in the absence of all variable remuneration instruments, and the maximum remuneration that would result if all variable remuneration components were calculated for maximum target achievement. The resulting maximum remuneration calculated would, however, then only be paid out up to the amount approved as a maximum remuneration by the shareholders' meeting. The definition of benefits received is based on the method used by the German Corporate Government Commission in its version from February 7, 2017, of the table of benefits received. This means that the "Benefits received" column discloses basic remuneration, remuneration in kind, and fringe benefits received in the 2021 financial year. The "Benefits received" column also shows the STI for 2021, which was earned in full by December 31, 2021, with the amount to be paid out in 2022 on the basis of the resolution of the Supervisory Board. The same applies to Variable II (2018 tranche) from the previous remuneration system, the term of which encompasses the years 2018 - 2021 and which, like the 2021 STI, was earned in full by the members of the Board of Management by December 31, 2021. Here again, the amount to be paid out in 2022 on the basis of the resolution of the Supervisory Board is used. The amount received for matching shares is expressed as the value of the matching shares at the time of their transfer, which was the amount taxed as income.

| | | Adel Al-Saleh | | | | Birgit Bohle | | | |
|---|--------------------------|---|------------------------------|------------------------------|--------------------|--|------------------------------|------------------------------|--------------------|
| | | Member of the Board of Management since January 1, 2018 Board Department: T-Systems | | | | Member of the Board of Management since January 1, 2019 Board Department: Human Resources and Legal Affairs | | | |
| | | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received |
| Non- perform- ance- based remune- ration | Basic remuneration | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 900,000 | € 900,000 | € 900,000 | € 900,000 |
| | Remuneration in kind | € 26,171 | € 26,171 | € 26,171 | € 26,171 | € 15,292 | € 15,292 | € 15,292 | € 15,292 |
| | Fringe benefits | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| | Total | € 1,126,171 | € 1,126,171 | € 1,126,171 | € 1,126,171 | € 915,292 | € 915,292 | € 915,292 | € 915,292 |
| Perform- ance- based remune- ration | STI (2021) | € 780,000 | € 0 | € 1,404,000 | € 1,138,800 | € 635,000 | € 0 | € 1,143,000 | € 882,650 |
| | LTI (Variable II 2018) | - | - | - | € 803,250 | - | - | - | € 0 |
| | LTI (2021) | € 845,000 | € 0 | € 1,690,000 | - | € 700,000 | € 0 | € 1,400,000 | - |
| | SMP (investment 2017) | - | - | - | € 0 | - | - | - | € 0 |
| | SMP (2021) | € 335,656 | € 0 | € 1,170,000 | - | € 273,255 | € 0 | € 952,500 | - |
| | Total | € 1,960,656 | € 0 | € 4,264,000 | € 1,942,050 | € 1,608,255 | € 0 | € 3,495,500 | € 882,650 |
| Pension plan | Service costs | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| Total remuneration | | € 3,086,827 | € 1,126,171 | € 5,390,171 | € 3,068,221 | € 2,523,547 | € 915,292 | € 4,410,792 | € 1,797,942 |

| | | Srinivasan Gopalan | | | | Timotheus Höttges | | | |
|---|--------------------------|---|------------------------------|------------------------------|--------------------|---|------------------------------|------------------------------|--------------------|
| | | Member of the Board of Management since January 1, 2017 Board Department: T-Deutschland | | | | Member of the Board of Management since December 1, 2006 Board Department: Chairman of the Board of Management | | | |
| | | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received |
| Non- perform- ance- based remune- ration | Basic remuneration | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,750,000 | € 1,750,000 | € 1,750,000 | € 1,750,000 |
| | Remuneration in kind | € 19,522 | € 19,522 | € 19,522 | € 19,522 | € 26,530 | € 26,530 | € 26,530 | € 26,530 |
| | Fringe benefits | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| | Total | € 1,119,522 | € 1,119,522 | € 1,119,522 | € 1,119,522 | € 1,776,530 | € 1,776,530 | € 1,776,530 | € 1,776,530 |
| Perform- ance- based remune- ration | STI (2021) | € 780,000 | € 0 | € 1,404,000 | € 1,255,800 | € 1,800,000 | € 0 | € 3,240,000 | € 2,880,000 |
| | LTI (Variable II 2018) | - | - | - | € 654,500 | - | - | - | € 1,596,980 |
| | LTI (2021) | € 845,000 | € 0 | € 1,690,000 | - | € 2,000,000 | € 0 | € 4,000,000 | - |
| | SMP (investment 2017) | - | - | - | € 0 | - | - | - | € 633,591 |
| | SMP (2021) | € 335,656 | € 0 | € 1,170,000 | - | € 774,599 | € 0 | € 2,700,000 | - |
| | Total | € 1,960,656 | € 0 | € 4,264,000 | € 1,910,300 | € 4,574,599 | € 0 | € 9,940,000 | € 5,110,571 |
| Pension plan | Service costs | € 0 | € 0 | € 0 | € 0 | € 509,506 | € 509,506 | € 509,506 | € 0 |
| Total remuneration | | € 3,080,178 | € 1,119,522 | € 5,383,522 | € 3,029,822 | € 6,860,635 | € 2,286,036 | € 12,226,036 | € 6,887,101 |

| | | Dr. Christian Illek | | | | Thorsten Langheim | | | |
|---|--------------------------|---|------------------------------|------------------------------|--------------------|---|------------------------------|------------------------------|--------------------|
| | | Member of the Board of Management since April 1, 2015 Board Department: Finance | | | | Member of the Board of Management since January 1, 2019 Board Department: USA and Group Development | | | |
| | | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received |
| Non- performance- based remune- ration | Basic remuneration | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 | € 1,100,000 |
| | Remuneration in kind | € 42,332 | € 42,332 | € 42,332 | € 42,332 | € 14,206 | € 14,206 | € 14,206 | € 14,206 |
| | Fringe benefits | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| | Total | € 1,142,332 | € 1,142,332 | € 1,142,332 | € 1,142,332 | € 1,114,206 | € 1,114,206 | € 1,114,206 | € 1,114,206 |
| Perfor- mance- based remune- ration | STI (2021) | € 780,000 | € 0 | € 1,404,000 | € 1,146,600 | € 780,000 | € 0 | € 1,404,000 | € 1,326,000 |
| | LTI (Variable II 2018) | - | - | - | € 793,954 | - | - | - | € 0 |
| | LTI (2021) | € 845,000 | € 0 | € 1,690,000 | - | € 845,000 | € 0 | € 1,690,000 | - |
| | SMP (investment 2017) | - | - | - | € 251,421 | - | - | - | € 0 |
| | SMP (2021) | € 335,656 | € 0 | € 1,170,000 | - | € 335,656 | € 0 | € 1,170,000 | - |
| | Total | € 1,960,656 | € 0 | € 4,264,000 | € 2,191,975 | € 1,960,656 | € 0 | € 4,264,000 | € 1,326,000 |
| Pension plan | Service costs | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| Total remuneration | | € 3,102,988 | € 1,142,332 | € 5,406,332 | € 3,334,307 | € 3,074,862 | € 1,114,206 | € 5,378,206 | € 2,440,206 |

| | | Dominique Leroy | | | | Claudia Nemat | | | |
|--|--------------------------|---|------------------------------|------------------------------|--------------------|---|------------------------------|------------------------------|--------------------|
| | | Member of the Board of Management since November 1, 2020 Board Department: Europe | | | | Member of the Board of Management since October 1, 2011 Board Department: Technology and Innovation | | | |
| | | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received | Target remune- ration | Minimum remune- ration | Maximum remune- ration | Received |
| Non- performance based remune- ration | Basic remuneration | € 990,000 | € 990,000 | € 990,000 | € 990,000 | € 1,112,500 | € 1,112,500 | € 1,112,500 | € 1,112,500 |
| | Remuneration in kind | € 11,349 | € 11,349 | € 11,349 | € 11,349 | € 78,547 | € 78,547 | € 78,547 | € 78,547 |
| | Fringe benefits | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| | Total | € 1,001,349 | € 1,001,349 | € 1,001,349 | € 1,001,349 | € 1,191,047 | € 1,191,047 | € 1,191,047 | € 1,191,047 |
| Perfor- mance- based remune- ration | STI (2021) | € 715,000 | € 0 | € 1,287,000 | € 1,065,350 | € 790,000 | € 0 | € 1,422,000 | € 1,153,400 |
| | LTI (Variable II 2018) | - | - | - | € 0 | - | - | - | € 803,250 |
| | LTI (2021) | € 777,500 | € 0 | € 1,555,000 | - | € 860,000 | € 0 | € 1,720,000 | - |
| | SMP (investment 2017) | - | - | - | € 0 | - | - | - | € 269,277 |
| | SMP (2021) | € 307,684 | € 0 | € 1,072,500 | - | € 339,961 | € 0 | € 1,185,000 | - |
| | Total | € 1,800,184 | € 0 | € 3,914,500 | € 1,065,350 | € 1,989,961 | € 0 | € 4,327,000 | € 2,225,927 |
| Pension plan | Service costs | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 | € 0 |
| Total remuneration | | € 2,801,533 | € 1,001,349 | € 4,915,849 | € 2,066,699 | € 3,181,008 | € 1,191,047 | € 5,518,047 | € 3,416,974 |

With the introduction of § 87a (1) sentence 2 no. 1 AktG, the Supervisory Board has set the maximum remuneration for the Chairman of the Board of Management at € 8,500,000 and for the ordinary members of the Board of Management at € 5,300,000 in the new Board of Management remuneration system, capping the remuneration received at these maximum amounts. The maximum remuneration limits the remuneration components basic remuneration, benefits in kind, other fringe benefits, annual variable remuneration (STI/Variable I), long-term variable remuneration (LTI/Variable II) and bonuses for extraordinary performance. This maximum remuneration threshold was approved by the Deutsche Telekom shareholders' meeting on April 1, 2021. In addition, the individual variable remuneration components include specific maximum target achievement, which acts as an additional limitation on each variable remuneration component.

The individual thresholds per variable remuneration component are shown on page 7 of this report. Compliance with maximum total remuneration can only be evaluated retrospectively when the last remuneration component from the financial year in question is paid out. The current Board of Management remuneration system and the previous remuneration system each include two multi-year variable elements of remuneration. The LTI (Variable II in the old system) and the Share Matching Plan (SMP) each have a term of four years. To participate in the SMP, the Board of Management member must use the STI paid out in the previous year to make a personal investment in Deutsche Telekom shares which they must then retain for a minimum of four years from date of purchase. At the end of the lock-up period, the same number of shares as in the personal investment is transferred to the member of the Board of Management. This means that it is only possible to report on compliance with maximum total remuneration for the 2021 financial year in the remuneration report for the 2026 financial year. If it should become clear before this that the maximum total remuneration will be exceeded, the payment of the remuneration component causing the maximum remuneration to be exceeded is capped. In this case, compliance with the maximum total remuneration would be reported in the financial year in which the capping took place.

3. Remuneration granted and due in accordance with § 162 AktG

3.1. Remuneration granted and due for current members of the Board of Management in accordance with § 162 AktG

The remuneration granted and due and the relative share of these for current members of the Board of Management, which are to be made public in accordance with § 162 (1) sentence 1 AktG, are shown in the following table. The table shows the basic remuneration paid out in the 2021 financial year, the remuneration in kind, the STI (Variable I) paid out in the 2021 financial year which was set for 2020, the LTI (Variable II, 2017 tranche) paid out in the 2021 financial year for which the term of the plan was from 2017 to 2020, and the monetary value (value of the shares at the time of transfer) of the matching shares transferred in the 2021 financial year based on the participation in the Share Matching Plan. The STI (Variable I) and the LTI (Variable II) are still components of the remuneration system that applied until 2020.

| | Fixed remuneration components | | | | Variable remuneration components | | | | | | Total remuneration |
|---------------------|-------------------------------|------|----------------------------------|-----|-----------------------------------|------|-----------------------------------|------|-----------------------------|-----|--------------------|
| | Basic remuneration | %* | Benefits in kind/fringe benefits | %* | Short-Term Incentive (Variable I) | %* | Long-Term Incentive (Variable II) | %* | Matching shares transferred | %* | |
| Adel Al-Saleh | € 1,100,000 | 55 % | € 26,171 | 1 % | € 863,555 | 44 % | € 0 | 0 % | € 0 | 0 % | € 1,989,726 |
| Birgit Bohle | € 900,000 | 55 % | € 15,292 | 1 % | € 731,313 | 44 % | € 0 | 0 % | € 0 | 0 % | € 1,646,605 |
| Srinivasan Gopalan | € 1,100,000 | 41 % | € 19,522 | 1 % | € 916,421 | 34 % | € 627,000 | 24 % | € 0 | 0 % | € 2,662,943 |
| Timotheus Höttges | € 1,750,000 | 25 % | € 26,530 | 1 % | € 2,494,800 | 35 % | € 2,129,880 | 30 % | € 633,591 | 9 % | € 7,034,801 |
| Dr. Christian Illek | € 1,100,000 | 37 % | € 42,332 | 1 % | € 925,655 | 32 % | € 627,000 | 21 % | € 251,421 | 9 % | € 2,946,408 |
| Thorsten Langheim | € 1,100,000 | 54 % | € 14,206 | 1 % | € 915,975 | 45 % | € 0 | 0 % | € 0 | 0 % | € 2,030,181 |
| Dominique Leroy | € 990,000 | 86 % | € 53,016 | 4 % | € 112,500 | 10 % | € 0 | 0 % | € 0 | 0 % | € 1,155,516 |
| Claudia Nemat | € 1,112,500 | 35 % | € 78,547 | 2 % | € 907,200 | 29 % | € 769,500 | 25 % | € 269,277 | 9 % | € 3,137,024 |

* As a % of total remuneration

The disclosure of the long-term incentive amount (Variable II) for Timotheus Höttges includes a bonus of € 600,000 for extraordinary performance, which the Supervisory Board approved in 2020 for the performance of activities in connection with the successful finalization of the business combination of T-Mobile US and Sprint, and which was paid out in January 2021. Due to the point in time of the payment in the 2021 financial year and the new regulatory requirements under § 162 AktG, this payment must be reported again, although it was already included in the reporting of Board of Management remuneration in the 2020 combined management report. The remuneration in kind / fringe benefits for Dominique Leroy include a payment of € 41,667 from the pension substitute received, representing pro-rata participation for two months, November and December 2020. This is disclosed at this point in the remuneration report because the sum was paid out in the 2021 financial year. The pension substitute and the resulting pro-rata payment of the pension substitute is based on the Board of Management remuneration system that applied until 2020. It does not exist in the new remuneration system that applies as of the 2021 financial year.

Short-Term Incentive (Variable I – 2020)

The short-term variable remuneration (Variable I) paid out in the 2021 financial year is based on the Board of Management remuneration system that applied up to and including 2020 and consisted of 50 % from Group financial targets and 50 % from individual targets (value adherence and strategic targets) for members of the Board of Management. Target achievement for the targets applied can range between 0 % and 150 %. Variable I is largely similar to the STI, which is a part of the remuneration system approved in 2021 by the shareholders' meeting. Please see the details provided from page 7 onwards. In addition to the different weighting of the target parameters and the financial targets selected, Variable I also differs from the STI in that it did not yet include any ESG targets and no performance factors were used. The stipulated targets, the target achievement and the resulting payment amounts can be seen in the following table.

| | Group financial targets (weighting: 50 %) | | | | Individual targets (weighting: 50 %) | | | Target amount of Variable I | Payment of Variable I |
|--|--|-----------------------------------|------------------|-------|---|--------------------------------|-----------------------------|--------------------------------|--------------------------|
| | Revenue (40 %) | Unadjusted EBITDA AL (40 %) | FCF AL (20 %) | Σ | Value adherence (20 %) | Strategic targets (30 %) | Total target achievement | | |
| Member of the Board of Management | | | | | | | | | |
| Adel Al-Saleh | 133 % | 150 % | 150 % | 143 % | 107 % | 117 % | 128 % | € 675,000 | € 863,555 |
| Birgit Bohle | 133 % | 150 % | 150 % | 143 % | 103 % | 136 % | 133 % | € 550,000 | € 731,313 |
| Srinivasan Gopalan | 133 % | 150 % | 150 % | 143 % | 123 % | 132 % | 136 % | € 675,000 | € 916,421 |
| Timotheus Höttges | 133 % | 150 % | 150 % | 143 % | 130 % | 137 % | 139 % | € 1,800,000 | € 2,494,800 |
| Dr. Christian Illek | 133 % | 150 % | 150 % | 143 % | 117 % | 141 % | 137 % | € 675,000 | € 925,655 |
| Thorsten Langheim | 133 % | 150 % | 150 % | 143 % | 120 % | 134 % | 136 % | € 675,000 | € 915,975 |
| Dominique Leroy | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | € 112,500 | € 112,500 |
| Claudia Nemat | 133 % | 150 % | 150 % | 143 % | 115 % | 133 % | 134 % | € 675,000 | € 907,200 |

As Dominique Leroy's appointment only took in two months of 2020, the target achievement for her STI (Variable I) was contractually set at 100 %.

Group financial targets

The Group financial targets set by the Supervisory Board and the Group target achievement derived from these can be seen in the table below.

| billions of € | | | | |
|---|-----------|--------------|---------------------------|--------------------|
| Group | Weighting | Target value | Actual value ¹ | Target achievement |
| Revenue | 40 % | 101.2 | 103.8 | 133 % |
| EBITDA AL (unadjusted) | 40 % | 29.5 | 31.8 | 150 % |
| Free cash flow AL | 20 % | 5.2 | 5.9 | 150 % |
| Achievement of Group financial targets | | | | 143 % |

¹ The actual values have been adjusted to include non-budgeted inorganic effects (first-time consolidations and deconsolidations of companies during the course of the year, exchange rate fluctuations) and one-time effects.

In the target parameter of revenue, the performance of the operating segments USA, Germany and Europe means the Group is considerably over budget, with 133 % target achievement. Results for the KPIs EBITDA AL (unadjusted) and FCF AL were considerably better than assumed in the budget for both the Group excluding the United States and for the United States, leading to target achievement of 150 % for both. Overall, weighted target achievement for the 2020 financial year is 143 %.

Individual targets

Value adherence

The process for setting and deriving the target achievement for the value adherence is in line with the process detailed for the new Board of Management remuneration system. Please refer to the details on page 10. The individual target achievement levels for value adherence in the above table depicting the Short-Term Incentive are based on a qualitative comprehensive evaluation of the criteria for value adherence.

Strategic targets

For the 2020 financial year, the Supervisory Board agreed the following individual strategic implementation targets with the members of the Board of Management. In regard to the strategic targets, it should be noted that Srinivasan Gopalan only took over the Board of Management Department for Germany on November 1, 2020, so his individual targets reflect the targets of the Board of Management Department for Europe, which he headed until October 31.

Individual strategy implementation

| | |
|----------------------------|---|
| Timotheus Höttges | <ul style="list-style-type: none"> ▪ Increased value creation TMUS ▪ Increased broadband coverage ▪ Acceleration of infrastructure build-out in Germany ▪ Implementation of the future B2B business structure ▪ Pushing forward a relaunch (rejuvenation) of the brand |
| Adel Al-Saleh | <ul style="list-style-type: none"> ▪ Reduction in external indirect costs AL ▪ Increased customer satisfaction with TSI ▪ Implementation of the future B2B business structure ▪ Acceleration of an increase in external revenue for T-Systems |
| Birgit Bohle | <ul style="list-style-type: none"> ▪ Quality improvement of the (top) HR products and services ▪ Improved employer attractiveness ▪ Increased efficiency by a reduction in adjusted TWC ▪ Minimization of legal and regulatory risks ▪ Optimization of the E2E skills management process |
| Srinivasan Gopalan | <ul style="list-style-type: none"> ▪ Reduction in external indirect costs AL in Europe ▪ Improved customer satisfaction in relation to specific NatCo targets ▪ Increased app channel use share ▪ Increased B2B FMC and B2B FMCC revenues |
| Dr. Christian Illek | <ul style="list-style-type: none"> ▪ Reduction in Group adjusted external indirect costs AL ▪ Stabilization of net debt / adj. EBITDA ▪ Implementation of the future B2B business structure ▪ Increased customer satisfaction with DTSE |
| Thorsten Langheim | <ul style="list-style-type: none"> ▪ Value creation TMNL ▪ Value creation DFMG ▪ Value creation TMUS |
| Dominique Leroy | <ul style="list-style-type: none"> ▪ Not relevant, as initially appointed in November 2020 |
| Claudia Nemat | <ul style="list-style-type: none"> ▪ Ensuring IT delivery ▪ Increased customer satisfaction with Magenta Speaker ▪ Introduction of innovative 5G-based Campus networks ▪ Increased mobile network quality in Germany |

The individual target achievement levels for the strategic implementation targets listed in the above table depicting the Short-Term Incentive are based on a qualitative comprehensive evaluation of the implementation of the strategic implementation targets specified for each individual member of the Board of Management.

Long-Term Incentive (Variable II – 2017 tranche)

The long-term variable remuneration (Variable II, 2017 tranche) paid out in the 2021 financial year is also based on the Board of Management remuneration system that applied up to and including 2020 and consisted of four equally weighted target parameters for each of which target achievement can vary between 0 % and 150 %. Variable II is an entirely cash-based four-year plan with a term from 2017 to 2020. The level of ambition for the target values was set at the start of the plan term for all four years. Target achievement was calculated as follows.

| (Weighting) | Year 2017 (25 %) | | | Year 2018 (25 %) | | | Year 2019 (25 %) | | | Year 2020 (25 %) | | | Σ Total target achievement |
|--|---------------------|-----------------|----------------------------|---------------------|-----------------|----------------------------|---------------------|-----------------|----------------------------|---------------------|-----------------|----------------------------|-------------------------------------|
| | Target value | Actual value | Target achieve- ment | Target value | Actual value | Target achieve- ment | Target value | Actual value | Target achieve- ment | Target value | Actual value | Target achieve- ment | |
| ROCE ¹ | 5.0 % | 5.8 % | 150 % | 4.8 % | 5.1 % | 142 % | 4.9 % | 5.1 % | 126 % | 4.9 % | 7.5 % | 150 % | 142 % |
| Adj. EPS ¹ | 0.83 | 1.28 | 150 % | 0.94 | 1.02 | 150 % | 0.97 | 1.14 | 150 % | 0.98 | 1.33 | 150 % | 150 % |
| Customer satisfaction | 70.0 | 68.6 | 79 % | 71.5 | 69.2 | 66 % | 72.5 | 67.9 | 29 % | 73.8 | 72.0 | 74 % | 62 % |
| Employee satisfaction | 65 | 64 | 90 % | 65 | 63 | 80 % | 66 | 65 | 90 % | 67 | 73 | 150 % | 103 % |
| Total target achievement 2017 tranche | | | | | | | | | | | | 114 % | |

¹ The actual values have been adjusted to include key issues which were not taken into account for the medium-term planning (increased investments for spectrum in the U.S., introduction of the IFRS-16 standard, T-Mobile US business combination).

Share matching

The amounts shown for total remuneration include the value applicable at the time of transfer of the matching shares in the 2021 financial year, which was the amount taxed as income. All matching shares transferred in the 2021 financial year were transferred four years after the date of the mandatory personal investment in 2017. This means that the date of transfer was different for each member of the Board of Management, as in 2017 there was a window of approximately three months within which the Board member could make the personal investment. This means that Timotheus Höttges received 8,000 shares on April 7 at a share price of € 16.554, and a further 28,155 matching shares on June 29 at a share price of € 17.80. Claudia Nemat received 15,632 matching shares on June 8 at a share price of € 17.226 and Christian Illek received a total of 14,060 matching shares on June 30 at a market rate of € 17.882.

3.2. Remuneration granted and due for former members of the Board of Management in accordance with § 162 AktG

The remuneration granted and due and the relative share of these for former members of the Board of Management, which are to be made public in accordance with § 162 (1) sentence 1 AktG, are shown in the following table. The table shows pension amounts paid out in the 2021 financial year resulting from existing pension commitments; the STI (Variable I) set for the 2020 financial year and paid out in the 2021 financial year for members of the Board of Management whose appointment to the Board of Management ended in the 2020 financial year; and the LTI (Variable II 2017 tranche) paid out in the 2021 financial year to which some members of the Board of Management whose appointment to the Board of Management ended between 2017 and 2020 were entitled on a pro rata basis.

| | Fixed remuneration components | | Variable remuneration components | | | | | | Total remuneration |
|---|----------------------------------|-------|---|-------|---|-------|-----------------------------------|-----|-----------------------|
| | Pension payments | %* | Short-Term Incentive (Variable I) | %* | Long-Term Incentive (Variable II) | %* | Matching shares transferred | %* | |
| Dr. Dirk Wössner (until October 31, 2020) | € 0 | 0 % | € 622,875 | 100 % | € 0 | 0 % | € 0 | 0 % | € 622,875 |
| Dr. Thomas Kremer (until March 31, 2020) | € 2,139,166 | 76 % | € 178,063 | 6 % | € 509,438 | 18 % | € 0 | 0 % | € 2,826,667 |
| Thomas Dannenfeldt (until December 31, 2018) | € 0 | 0 % | € 0 | 0 % | € 481,900 | 100 % | € 0 | 0 % | € 481,900 |
| Reinhard Clemens (until December 31, 2017) | € 0 | 0 % | € 0 | 0 % | € 185,250 | 100 % | € 0 | 0 % | € 185,250 |
| Niek Jan van Damme (until December 31, 2017) | € 0 | 0 % | € 0 | 0 % | € 397,670 | 100 % | € 0 | 0 % | € 397,670 |
| Thomas Sattelberger (until May 02, 2012) | € 279,700 | 100 % | € 0 | 0 % | € 0 | 0 % | € 0 | 0 % | € 279,700 |

* As a % of total remuneration

Pension payments

The pension payment for Dr. Thomas Kremer is the payment of a contribution-based pension commitment that takes the form of a one-time capital payment on reaching retirement, which means that pension payments will not be disclosed in subsequent years.

Short-Term Incentive (Variable I – 2020)

The members of the Board of Management Dr. Thomas Kremer and Dr. Dirk Wössner, who both departed in 2020, participated in Variable I for 2020 on a pro-rata basis. This was paid out in 2021. The stipulated targets, the target achievement and the resulting payment amounts can be seen in the following table.

| | Group financial targets (weighting: 50 %) | | | | Individual targets (weighting: 50 %) | | | Target amount of Variable I | Payment of Variable I |
|--|--|-------------------------|--------|--------------|---|----------------------|-----------------------------|--------------------------------|--------------------------|
| | Revenue | Unadjusted EBITDA AL | FCF AL | Σ | Value adherence | Strategic targets | Total target achievement | | |
| Member of the Board of Management | (40 %) | (40 %) | (20 %) | | (20 %) | (30 %) | | | |
| Dr. Thomas Kremer | 133 % | 150 % | 150 % | 143 % | 110 % | 120 % | 130 % | € 137,500 | € 178,063 |
| Dr. Dirk Wössner | 133 % | 150 % | 150 % | 143 % | 115 % | 138 % | 136 % | € 458,333 | € 622,875 |

Individual targets

Value adherence

The process for setting value adherence target achievement is in line with the process detailed for the new Board of Management remuneration system. Please refer to the details on page 10. The aforementioned individual target achievement levels for value adherence are based on a qualitative comprehensive evaluation of the criteria for value adherence.

Strategic targets

For the 2020 financial year, the Supervisory Board agreed the following individual strategic implementation targets with the two members of the Board of Management who departed in 2020.

Individual strategy implementation

| | |
|--------------------------|---|
| Dr. Thomas Kremer | <ul style="list-style-type: none"> ▪ Successful transfer of the Board of Management department for Data Privacy, Legal Affairs and Compliance to the Board of Management departments for Human Resources, Finance, and Technology & Innovation |
| Dr. Dirk Wössner | <ul style="list-style-type: none"> ▪ Reduction in external indirect costs AL in Germany ▪ Increased MagentaEins subscriber base ▪ Increased first-call resolution rate ▪ Increased broadband build-out ▪ Implementation of the future B2B business structure |

The aforementioned individual target achievement levels for the strategic targets are based on a qualitative comprehensive evaluation of the implementation of the strategic implementation targets specified for each individual member of the Board of Management.

Long-Term Incentive (Variable II – 2017 tranche)

Depending on the reason for departure, members of the Board of Management who leave the Group during the four-year term of Variable II may participate on a pro-rata basis. If this is the case, the members of the Board of Management who have departed receive the payment of the tranche due at the same time and with the same level of target achievement as current members of the Board of Management. The participation contribution that was originally agreed is the only element to be reduced pro rata. This means that the same details for target achievement apply as for the current members of the Board of Management and can be seen on page 22. The target achievement taken as the basis for the tranche is also 114 %.

3.3. Comparative information

The following table illustrates the annual trend in development of earnings for the Company, remuneration for current and former members of the Board of Management, and the average remuneration of employees over the last five financial years based on FTE.

Development of earnings is calculated based on company income after taxes under German GAAP and adjusted (Group) EBITDA AL. This is intended to illustrate the Company's operating performance.

The basis for the figures used to show development by percentage of Board of Management remuneration is remuneration granted and remuneration due, in accordance with the requirements of stock corporation law. In the first year of appointment to the Board of Management, "n/a" is shown in the details of development of remuneration of Board of Management members because in the first year it is not possible to show the development of their remuneration in comparison with previous years.

The group of employees taken as the basis for employee remuneration are employees from Group companies in Germany who are subject to the Group Works Agreement on the Conditions of Employment for Non-civil Servants outside the Collective Agreement, as these companies have broadly comparable remuneration systems in place and use comparable remuneration components. In a similar manner to the details given for members of the Board of Management, the figure for total gross employee salaries was used (adjusted for severance payments made) for the relevant financial year in order to obtain the figure for remuneration granted and due in accordance with § 162 (1) sentence 1 AktG. The figure for total gross employee salaries was adjusted for severance payments, which were generally paid out as a result of staff restructuring measures.

| | Difference 2018 to 2017 | Difference 2019 to 2018 | Difference 2020 to 2019 | Difference 2021 to 2020 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Earnings KPIs | | | | |
| Income after taxes under German GAAP | -15.0 % | -58.2 % | 43.8 % | 43.3 % |
| EBITDA AL (adjusted) ¹ | 4.1 % | 6.9 % | 41.7 % | 6.6 % |
| Current members of the Board of Management (as at: December 31, 2021) | | | | |
| Adel Al-Saleh | n/a | 3.4 % | -4.7 % | 2.3 % |
| Birgit Bohle | - | n/a | 45.6 % | 16.3 % |
| Srini Gopalan | -25.3 % | 3.0 % | 16.1 % | 62.0 % |
| Tim Höttges | 12.2 % | 11.5 % | 11.8 % | 18.7 % |
| Dr. Christian Illek | 11.3 % | 50.1 % | 8.6 % | 15.1 % |
| Thorsten Langheim | - | n/a | 91.1 % | 15.7 % |
| Dominique Leroy | - | - | n/a | 282.9 % |
| Claudia Nemat | -0.2 % | 3.8 % | -1.0 % | 11.2 % |
| Former members of the Board of Management (as at: December 31, 2021) | | | | |
| Reinhard Clemens | 56.5 % | -85.3 % | -39.5 % | -46.7 % |
| Thomas Dannenfeldt | 35.4 % | -15.9 % | -72.9 % | -10.4 % |
| Dr. Thomas Kremer | 8.0 % | 3.9 % | -11.5 % | 38.8 % |
| Thomas Sattelberger | 1.0 % | 1.0 % | 1.0 % | 1.0 % |
| Niek Jan van Damme | 79.7 % | -83.2 % | -28.2 % | -27.1 % |
| Dr. Dirk Wössner | n/a | -54.7 % | -8.1 % | -56.7 % |
| Average employee remuneration | | | | |
| Average remuneration | 2.8 % | 4.1 % | 1.3 % | 2.2 % |

¹ To calculate the earnings KPI EBITDA AL (adjusted), EBITDA adjusted for special factors was used to calculate the rate of change from 2017 to 2018, as the initial use of the IFRS 16 accounting standard on January 1, 2019 means that the KPI EBITDA AL is not available for the year 2017.

The in some cases very marked changes in remuneration trends for the members of the Board of Management in individual years are not due to changes in remuneration levels in Board of Management service contracts, but to a range of individual factors:

Generally, the changes in Board of Management remuneration are down to the different levels of target achievement in the variable remuneration components STI and LTI, as well as the different share prices at the time of transfer of matching shares.

Newly appointed members of the Board of Management receive the first payment from the LTI in the fifth year of their appointment and do not receive their first transfer of shares from the Share Matching Plan until the sixth year. There are therefore considerable positive effects when these remuneration components are paid out for the first time, although there have been no changes to contractually agreed remuneration entitlements. One example of this can be seen in the table above in the trend in remuneration for Dr. Illek in the comparison between 2017 and 2018. The 50 % increase shown is due to the first-time payment of variable remuneration resulting from achievement of long-term performance parameters (LTI). The sharp increase in remuneration shown for Birgit Bohle and Thorsten Langheim between 2019 and 2020 is due to a similar effect, as both of them received payment of the short-term variable remuneration (Variable I) in 2020 for the first time.

The reduction in remuneration for Srinivasan Gopalan in the comparison between 2017 and 2018 is due to the fact that in the first year of his appointment, Mr. Gopalan received a sign-on bonus for his transfer to Deutsche Telekom that was not included in the payments to be taken into account the following year.

A contractual agreement is in place for former members of the Board of Management under which existing entitlements to Variable I and Variable II payments, as well as transfers of shares in the Share Matching Plan, take place on a pro-rata basis. As a result, remuneration for former members of the Board of Management reduces considerably after their departure, as the pro-rata share of LTI plans with a four-year term decreases continually, given that participants can only earn more limited shares of the plan. The pension commitments of former members of the Board of Management include an annual increase in their pension payments. The annual pension payments therefore rise in line with the agreed increase.

4. Outlook

The Supervisory Board has decided to submit a proposal for another change in the remuneration system to the 2022 shareholders' meeting for approval. The structure and components of the remuneration system approved in 2021 remain largely unchanged. The proposed change affects the bonus for extraordinary performance, the increase in maximum remuneration for the Chair of the Board of Management, and a change in the payout options for the pension commitment of the Chair of the Board of Management. Further details will be included in the invitation to the 2022 shareholders' meeting.

B. Remuneration of the Supervisory Board

1. Review of annual remuneration for 2021

Resolution on the approval of the remuneration system for Supervisory Board members

The remuneration system for the Supervisory Board, which is regulated by § 13 of the Articles of Incorporation, was also approved by the shareholders' meeting on April 1, 2021, with a majority of 99.15 % of capital represented. The system approved on May 25, 2016 by the shareholders' meeting was therefore confirmed without amendment.

Application of the remuneration system for the Supervisory Board in the 2021 financial year

The remuneration system for the Supervisory Board, which is unchanged from previous years, was applied in full as regulated by § 13 of the Articles of Incorporation.

2. Remuneration of the Supervisory Board in the 2021 financial year

Basis for the remuneration system for the Supervisory Board

The remuneration received by the members of the Supervisory Board is specified under § 13 of the Articles of Incorporation of Deutsche Telekom AG. This ensures that the remuneration of Supervisory Board members is always in line with the remuneration system approved by the shareholders' meeting.

Components, amount, and structure of Supervisory Board remuneration in the 2021 financial year

According to the provisions defined in the Articles of Incorporation, each member of the Supervisory Board receives a fixed basic annual remuneration of € 70,000.00. The Chair and the Deputy Chair of the Supervisory Board receive increased basic remuneration in recognition of the greater organizational and administrative efforts associated with their activities and their responsibility for the successful, efficient collaboration of the overall Board. The increase is € 70,000.00 for the Chair and € 35,000.00 for the Deputy Chair.

Additional remuneration is paid as follows for membership of committees of the Supervisory Board in light of the importance of committee work and the increased preparation and work required.

- (a) The Chair of the Audit Committee receives € 80,000.00, ordinary members of the Audit Committee € 40,000.00.
- (b) The Chair of the General Committee receives € 70,000.00, ordinary members of the General Committee € 30,000.00.
- (c) The Chair of the Nomination Committee receives € 25,000.00, ordinary members of the Nomination Committee € 12,500.00.
- (d) The Chair of any other committee receives € 40,000.00, ordinary members of any other committee € 25,000.00.

Chairpersonship and membership of the Mediation Committee are not remunerated.

Supervisory Board members who are only on the Supervisory Board or a committee for part of the financial year are remunerated proportionally.

To take proper account of the time spent attending meetings, members of the Supervisory Board also receive an attendance fee of € 1,000.00 for each meeting of the Supervisory Board and its committees that they attend.

In the 2021 financial year, the remuneration system for the Supervisory Board was applied in all aspects as regulated by § 13 of the Articles of Incorporation. The members of the Supervisory Board received no further remuneration and/or benefits during the reporting year for services they provided personally, in particular consultancy or mediation services.

Publication of individual remuneration of the Supervisory Board

The following table lists the fixed and variable remuneration components granted and due to current and former members of the Supervisory Board in the past financial year, including the relative share of these, in accordance with § 162 AktG. Under § 13 (6) of the Company Articles of Incorporation, remuneration falls due at the end of the

shareholders' meeting to which the consolidated financial statements for the financial year in question are presented or which decides on their approval. The disclosure for the 2021 financial year lists the basic remuneration paid out after the 2021 shareholders' meeting for Supervisory Board activities and the remuneration for membership of committees and attending meetings of these committees in the 2020 financial year.

| Supervisory Board member | Fixed remuneration | | Committee remuneration ¹ | | Meeting attendance fee | | Total sum | Remuneration for seats at subsidiaries and other internal bodies ² |
|--|-----------------------|------|-------------------------------------|------|------------------------|------|-----------------------|---|
| | in € | in % | in € | in % | in € | in % | | |
| Bednarski, Josef until April 30, 2020 | € 23,333.33 | 39 | € 31,666.67 | 53 | € 5,000.00 | 8 | € 60,000.00 | € 3,000.00 |
| Dr. Bösinger, Rolf | € 70,000.00 | 37 | € 82,500.00 | 44 | € 35,000.00 | 19 | € 187,500.00 | |
| Dr. Bräunig, Günther | € 70,000.00 | 51 | € 50,000.00 | 36 | € 17,000.00 | 12 | € 137,000.00 | |
| Chatzidis, Odysseus D. | € 70,000.00 | 60 | € 29,166.67 | 25 | € 17,000.00 | 15 | € 116,166.67 | |
| Greve, Constantin | € 70,000.00 | 53 | € 45,833.33 | 35 | € 17,000.00 | 13 | € 132,833.33 | |
| Hinrichs, Lars | € 70,000.00 | 63 | € 25,000.00 | 23 | € 16,000.00 | 14 | € 111,000.00 | |
| Dr. Jung, Helga | € 70,000.00 | 64 | € 25,000.00 | 23 | € 14,000.00 | 13 | € 109,000.00 | |
| Prof. Dr. Kaschke, Michael | € 70,000.00 | 55 | € 40,000.00 | 31 | € 17,000.00 | 13 | € 127,000.00 | |
| Koch, Nicole | € 70,000.00 | 63 | € 25,000.00 | 23 | € 16,000.00 | 14 | € 111,000.00 | € 4,500.00 |
| Kollmann, Dagmar P. | € 70,000.00 | 33 | € 117,500.00 | 55 | € 25,000.00 | 12 | € 212,500.00 | |
| Kreusel, Petra Steffi | € 70,000.00 | 55 | € 40,000.00 | 31 | € 18,000.00 | 14 | € 128,000.00 | € 8,833.33 |
| Krüger, Harald | € 70,000.00 | 79 | € 4,166.67 | 5 | € 14,000.00 | 16 | € 88,166.67 | |
| Prof. Dr. Lehner, Ulrich (Chairman) | € 140,000.00 | 42 | € 160,000.00 | 48 | € 36,000.00 | 11 | € 336,000.00 | € 9,000.00 |
| Marx, Kerstin since May 1, 2020 | € 46,666.67 | 33 | € 63,333.33 | 45 | € 31,000.00 | 22 | € 141,000.00 | € 7,083.33 |
| Sauerland, Frank (Deputy Chairman since March 27, 2020) | € 99,166.67 | 52 | € 64,583.33 | 34 | € 28,000.00 | 15 | € 191,750.00 | € 19,000.00 |
| Schröder, Lothar (Deputy Chairman until March 27, 2020) | € 78,750.00 | 49 | € 63,750.00 | 39 | € 19,000.00 | 12 | € 161,500.00 | € 32,230.00 |
| Seelemann-Wandtke, Nicole | € 70,000.00 | 52 | € 45,833.33 | 34 | € 19,000.00 | 14 | € 134,833.33 | |
| Spoo, Sibylle | € 70,000.00 | 46 | € 65,000.00 | 43 | € 17,000.00 | 11 | € 152,000.00 | |
| Streibich, Karl-Heinz | € 70,000.00 | 45 | € 65,000.00 | 42 | € 19,000.00 | 12 | € 154,000.00 | |
| Suckale, Margret | € 70,000.00 | 50 | € 50,000.00 | 35 | € 21,000.00 | 15 | € 141,000.00 | |
| Topel, Karin | € 70,000.00 | 63 | € 25,000.00 | 23 | € 16,000.00 | 14 | € 111,000.00 | |
| | € 1,507,916.67 | | € 1,118,333.33 | | € 417,000.00 | | € 3,043,250.00 | |

¹ Fixed remuneration and remuneration for committee activities granted and due in 2021 for Supervisory Board activities in the 2020 financial year. See explanation above.

² Remuneration for seats at subsidiaries of Deutsche Telekom AG and other internal bodies (such as the Data Privacy Advisory Board): allocation of remuneration granted and due in the 2021 financial year.

Employee representatives who are members of a trade union have undertaken to pay their remuneration in line with the guidelines of the German Trade Union Confederation.

3. Comparative figures

The following table illustrates the annual trend in development of earnings for the Company, remuneration granted and due to current and former members of the Supervisory Board, and the average remuneration of employees over the last five financial years based on FTE.

Development of earnings is calculated based on company income after taxes under German GAAP and adjusted (Group) EBITDA AL. This is intended to illustrate the Company's operating performance.

The group of employees taken as the basis for employee remuneration are employees from Group companies in Germany who are subject to the Group Works Agreement on the Conditions of Employment for Non-civil Servants outside the Collective Agreement, as these companies have broadly comparable remuneration systems in place and use comparable remuneration components. In a similar manner to the details given for members of the Board of Management, the figure for total gross employee salaries was used (adjusted for severance payments made) for the relevant financial year in order to obtain the figure for remuneration granted and due in accordance with § 162 (1) sentence 1 AktG. The figure for total gross employee salaries was adjusted for severance payments, which were generally paid out as a result of staff restructuring measures.

| | Difference 2018 to 2017 | Difference 2019 to 2018 | Difference 2020 to 2019 | Difference 2021 to 2020 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Earnings KPIs | | | | |
| Income after taxes under German GAAP | -15.0 % | -58.2 % | 43.8 % | 43.3 % |
| EBITDA AL (adjusted) ¹ | 4.1 % | 6.9 % | 41.7 % | 6.6 % |
| Current members of the Supervisory Board (as at: December 31, 2021) | | | | |
| Dr. Bössinger, Rolf | – | n/a | 68.88 % | 9.97 % |
| Dr. Bräunig, Günther | – | n/a | 17.27 % | 6.20 % |
| Chatzidis, Odysseus D. | – | n/a | 13.81 % | 12.78 % |
| Greve, Constantin | – | n/a | 505.94 % | 30.23 % |
| Hinrichs, Lars | 5.83 % | -5.50 % | -1.94 % | 9.90 % |
| Dr. Jung, Helga | -11.68 % | 13.23 % | 12.60 % | 6.86 % |
| Prof. Dr. Kaschke, Michael | 3.33 % | -3.23 % | -2.50 % | 8.55 % |
| Koch, Nicole | -12.57 % | 14.38 % | 12.57 % | 7.77 % |
| Kollmann, Dagmar P. | 1.46 % | -1.44 % | -1.95 % | 5.46 % |
| Kreusel, Petra Steffi | 4.10 % | -3.94 % | -1.64 % | 6.67 % |
| Krüger, Harald | – | n/a | 48.03 % | 17.56 % |
| Prof. Dr. Lehner, Ulrich (Chairman) | 0.62 % | -0.61 % | 4.92 % | -1.47 % |
| Marx, Kerstin | – | – | – | n/a |
| Sauerland, Frank (Deputy Chairman) | – | n/a | 483.18 % | 84.38 % |
| Schröder, Lothar | 0.38 % | -0.38 % | 4.36 % | -41.38 % |
| Seelemann-Wandtke, Nicole | – | n/a | 133.21 % | 30.91 % |
| Spoo, Sibylle | -29.93 % | 42.72 % | -0.68 % | 4.11 % |
| Streibich, Karl-Heinz | -5.19 % | 5.47 % | 11.76 % | -4.64 % |
| Suckale, Margret | n/a | 267.01 % | 8.71 % | 8.46 % |
| Topel, Karin | n/a | 105,42 % | 25,35 % | 7,77 % |
| Former members of the Supervisory Board (as at: December 31, 2021) | | | | |
| Bednarski, Josef | 0.53 % | -0.53 % | 6.08 % | -70.07 % |
| Average employee remuneration | | | | |
| Average remuneration | 2.8 % | 4.1 % | 1.3 % | 2.2 % |

The, in some cases, very marked changes in remuneration trends for the Supervisory Board members in individual years are not due to changes in remuneration levels but to a range of individual factors (e.g., longer memberships in comparison to the previous year or changes in terms of committee activities).

4. Outlook

Supervisory Board remuneration for the 2021 financial year (payment after the 2022 shareholders' meeting) is distributed among the individual members as follows:

| Supervisory Board member | Fixed remuneration | | Committee remuneration ¹ | | Meeting attendance fee | | Total sum in € | Remuneration for seats at subsidiaries and other internal bodies ² |
|-------------------------------------|-----------------------|------|-------------------------------------|------|------------------------|------|-----------------------|---|
| | in € | in % | in € | in % | in € | in % | | |
| Dr. Bösing, Rolf | € 70,000.00 | 39 | € 82,500.00 | 46 | € 25,000.00 | 14 | € 177,500.00 | |
| Dr. Bräunig, Günther | € 70,000.00 | 65 | € 25,000.00 | 23 | € 12,000.00 | 11 | € 107,000.00 | |
| Chatzidis, Odysseus D. | € 70,000.00 | 51 | € 50,000.00 | 37 | € 16,000.00 | 12 | € 136,000.00 | |
| Greve, Constantin | € 70,000.00 | 65 | € 25,000.00 | 23 | € 12,000.00 | 11 | € 107,000.00 | |
| Hinrichs, Lars | € 70,000.00 | 65 | € 25,000.00 | 23 | € 12,000.00 | 11 | € 107,000.00 | |
| Dr. Jung, Helga | € 70,000.00 | 89 | € 0.00 | 0 | € 9,000.00 | 11 | € 79,000.00 | |
| Prof. Dr. Kaschke, Michael | € 70,000.00 | 57 | € 40,000.00 | 33 | € 13,000.00 | 11 | € 123,000.00 | |
| Koch, Nicole | € 70,000.00 | 65 | € 25,000.00 | 23 | € 12,000.00 | 11 | € 107,000.00 | € 4,500.00 |
| Kollmann, Dagmar P. | € 70,000.00 | 34 | € 117,500.00 | 57 | € 20,000.00 | 10 | € 207,500.00 | |
| Kreusel, Petra Steffi | € 70,000.00 | 56 | € 40,000.00 | 32 | € 16,000.00 | 13 | € 126,000.00 | € 3,250.00 |
| Krüger, Harald | € 70,000.00 | 65 | € 25,000.00 | 23 | € 13,000.00 | 12 | € 108,000.00 | |
| Prof. Dr. Lehner, Ulrich (Chairman) | € 140,000.00 | 49 | € 120,000.00 | 42 | € 27,000.00 | 9 | € 287,000.00 | € 12,000.00 |
| Marx, Kerstin | € 70,000.00 | 36 | € 95,000.00 | 49 | € 30,000.00 | 15 | € 195,000.00 | € 3,250.00 |
| Sauerland, Frank (Deputy Chairman) | € 105,000.00 | 54 | € 70,000.00 | 36 | € 20,000.00 | 10 | € 195,000.00 | € 18,500.00 |
| Schröder, Lothar | € 70,000.00 | 57 | € 40,000.00 | 33 | € 12,000.00 | 10 | € 122,000.00 | € 12,000.00 |
| Seelemann-Wandtke, Nicole | € 70,000.00 | 66 | € 25,000.00 | 24 | € 11,000.00 | 10 | € 106,000.00 | |
| Spoo, Sibylle | € 70,000.00 | 56 | € 40,000.00 | 32 | € 15,000.00 | 12 | € 125,000.00 | |
| Streibich, Karl-Heinz | € 70,000.00 | 47 | € 65,000.00 | 44 | € 13,000.00 | 9 | € 148,000.00 | |
| Suckale, Margret | € 70,000.00 | 51 | € 50,000.00 | 37 | € 16,000.00 | 12 | € 136,000.00 | |
| Topel, Karin | € 70,000.00 | 65 | € 25,000.00 | 23 | € 12,000.00 | 11 | € 107,000.00 | |
| | € 1,505,000.00 | | € 985,000.00 | | € 316,000.00 | | € 2,806,000.00 | |

¹ Fixed remuneration and remuneration for committee activities in the 2021 financial year.

² Remuneration for seats at subsidiaries of Deutsche Telekom AG and other internal bodies (such as the Data Privacy Advisory Board) in the 2021 financial year.

For the Board of Management

For the Supervisory Board

Timotheus Höttges
Chairman of the Board of Management
of Deutsche Telekom AG

Dr. Christian P. Illek
Board Member for Finance
of Deutsche Telekom AG

Prof. Dr. Ulrich Lehner
Chairman of the Supervisory Board
of Deutsche Telekom AG

Auditor's Report

To Deutsche Telekom AG, Bonn

We have audited the remuneration report of Deutsche Telekom AG, Bonn, for the financial year from January 1 to December 31, 2021 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Deutsche Telekom AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for internal controls they consider to be necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2021, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Deutsche Telekom AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. Section 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Frankfurt am Main, den 23. Februar 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Tandetzki
Wirtschaftsprüfer

Dr. Sven Willms
Wirtschaftsprüfer