Independent Assurance Report.

To Deutsche Telekom AG, Bonn

We have been engaged to perform a moderate assurance[1] engagement with regard to adherence to the AA 1000 AccountAbility Principles in the CR processes and systems ("type 1 engagement") of Deutsche Telekom AG, Bonn.

Management's responsibility

The company's legal representatives are responsible for observing the inclusivity, materiality and responsiveness principles (the "AA1000 AccountAbility Principles") defined in the AccountAbility Principles Standard (2008) in CR management.

This responsibility includes the design, implementation and maintenance of systems and processes which ensure the adherence to the AA1000 AccountAbility Principles.

Assurance Provider's responsibility

Our responsibility is to express a conclusion based on our work performed as to whether any matters have come to our attention that cause us to believe that the systems and processes put in place by the company are unsuitable for fulfilling the AA1000 AccountAbility Principles of inclusivity, materiality and responsiveness in all material respects.

We have also been engaged to make recommendations on the further development of stakeholder management.

We conducted our independent assurance engagement in accordance with the AA1000 Assurance Standard (AA1000AS) 2008, as well as in accordance with the International Standard on Assurance Engagements (ISAE) 3000.

These standards require that we comply with ethical requirements and that we plan and perform the assurance engagement with due regard for the principle of materiality so as to allow us to express our conclusion with moderateassurance[1], the level of assurance requested by Deutsche Telekom. We are independent within the meaning of section 3.2 of AA1000AS (2008). As a result of our specialist knowledge and experience of non-financial assurance engagements, sustainability management and social and environmental topics, we have the necessary expertise to carry out this assurance engagement.

In a moderate assurance engagement the evidence-gathering procedures are more limited than in a high assurance engagement[2], and therefore a lower level of assurance is obtained than in a high assurance engagement.

The procedures selected depend on the practitioner's judgment. We conducted our work at Group Headquarters level in Bonn, as well as on a random-sampling basis at the level of selected subsidiaries, in particular at OTE A.E, Athens, Greece; Magyar Telekom Plc., Budapest, Hungary and Polska Telefonia Cyfrowa (PTC), Warsaw, Poland. The evidence-gathering procedures we carried out in terms of adherence to the

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AA1000 AccountAbility Principles included:

- Inquiries of the relevant contacts in the "Stakeholder Engagement & Stakeholder Dialog" and "CR Communications" areas;

- Examination of the relevant documentation regarding stakeholder dialog, further communication with stakeholders and stakeholder involvement activities at Group Headquarters level and at the level of selected international subsidiaries;

- Examination of the relevant documentation regarding stakeholder dialog and further communication with stakeholders at Group Headquarters level and at the level of selected international subsidiaries;

- Examination of the relevant documentation regarding pinpointing and prioritization of sustainability topics, CR action areas and identified stakeholder expectations at Group Headquarters level and at the level of selected international subsidiaries;

- Inquiries of selected departments and acquisition of sample evidence from selected projects relating to sustainability and stakeholder management that serves as additional proof that the AA1000 AccountAbility Principles are being observed in the organization.

Key findings and conclusions
Findings regarding the AA1000 AccountAbility Principle of **inclusivity.**

- Stakeholder management is controlled at Group level by the central "Stakeholder Engagement & Stakeholder Dialog" function within the Corporate Responsibility department. In this unit, the Stakeholder Engagement Strategy project was set up with the aim of implementing stakeholder management and involvement systematically throughout the Group.

- The principles of stakeholder involvement at Deutsche Telekom AG have been defined in accordance with the AA1000 AccountAbility Principles.

- It was found that Deutsche Telekom AG has established processes that facilitate dialog with stakeholders and support the involvement of stakeholders in decision-making processes. At the level of selected departments, stakeholders are actively involved in projects.

- At international level, the involvement of stakeholders is organized at international subsidiary level. This takes place in coordination with the central functions at Group level. It was found that stakeholders are regularly involved (e.g., through stakeholder dialog days) at the level of selected subsidiaries. It is planned to roll out the Stakeholder Engagement Strategy project, designed to increase systematization of involvement, at international level over the next months.

Findings regarding the AA1000 AccountAbility Principle of **materiality**:

- As part of the materiality process, key CR topics are systematically identified with the input of internal and external stakeholders and shown in the materiality matrices within Deutsche Telekom AG's CR Report. Three categories were identified as key pillars of the CR strategy with direct relevance to Deutsche Telekom's core business.

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- During centralized stakeholder dialog, the expectations of individual stakeholders are noted and evaluated in a targeted manner, thus allowing these expectations to be taken into account in CR reporting and CR communication.

- There are currently different approaches and processes for identifying key CR topics in the individual international subsidiaries. The methods of systematically involving stakeholders currently vary from international subsidiary to international subsidiary.

Findings regarding the AA1000 AccountAbility Principle of **responsiveness**:

- Our random sample inquiries and the evidence we have acquired show that the processes for responding to stakeholder queries are running appropriately.

- It was found that the principles of the GRI (Global Reporting Initiative) were being used, which are suitable for CR reporting.

- Communication with stakeholder groups is carried out via various channels, with a good balance of topics.

Based on our moderate assurance engagement, nothing has come to our attention that causes us to believe that the systems and processes established by the company are unsuitable for fulfilling the AA1000 AccountAbility Principles of inclusivity, materiality and responsiveness in all material respects.

Recommendations
Without qualifying the conclusion of our engagement set out above, we make the following recommendations for the further development of stakeholder management:

- Further implementation of systematic stakeholder management at international level through the planned roll-out of the Stakeholder Engagement Strategy project;

- More international standardization of processes for identifying key stakeholders and topics;

- Standardization of the centralized documenting of activities as part of stakeholder involvement to allow targeted coordination and steering;

- Continuation of know-how transfer between international subsidiaries.

Düsseldorf, January 16, 2012

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Signed: Signed ppa.:

Andreas Bröcher   Nicole Kummer
Wirtschaftsprüfer (German Public Auditor)

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