



MEDIA INFORMATION

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Sustainability Day 2022: Deutsche Telekom Board of Management underscores sustainability as a top priority

- Deutsche Telekom's Board of Management is presenting the company's new sustainability strategy
 - Deutsche Telekom to cut energy consumption in Europe over the next two years
 - Sustainable development goals anchored in the Group strategy and Board of Management's remuneration system
 - Focus on climate neutrality, a circular economy, diversity and digital participation, as well as good corporate governance
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On Wednesday Deutsche Telekom is presenting targets and measures that it will implement on its journey to becoming the world's most sustainable telecommunications company. "Our customers, but also our investors, consider it important that our company grows sustainably. It is not only the price of the products that interests them, but also the price paid by the environment. That is why we are redoubling our efforts, for example, to achieve climate neutrality and a circular economy," says CEO Tim Höttges at the Group's first Sustainability Day. Deutsche Telekom will allow itself to be measured on its sustainability targets, just as it does for its financial figures. The Group confirms its financial targets for 2022 and its medium-term targets announced at the Capital Markets Day 2021.

Among other things, Deutsche Telekom wants to double its energy efficiency gains by 2024, making further progress in decoupling energy consumption from constantly



increasing online data volumes. The company aims to reduce its energy consumption all across Europe. Consumption for 2024 in Germany should be at least ten percent lower than 2020 levels, helping Deutsche Telekom do its bit for the current energy situation.

The company's goal is to achieve climate neutrality along its entire value chain by 2040 (Scope 3). Its own business operations are on course to achieve climate neutrality by 2025 (Scope 1-2).

As Mr. Höttges also underlines: "Specific action is needed to achieve this, not just lofty goals." Sustainability is less about "a great leap forward," he says, and more about making "systematic progress at many different points."

In Germany, for example, this means an end to combustion engines in new company vehicles. This is a first step in converting the entire fleet to electric vehicles. What is more, as of 2025, all devices marketed by Deutsche Telekom will be sold only in sustainable packaging. This is already the case with Deutsche Telekom's branded products.

In line with its motto of "We walk the talk," Deutsche Telekom is underscoring its sustainability targets at its Sustainability Day 2022. While each member of the Board of Management is throwing light on the subject of sustainability from their own particular perspective, they are all of one opinion: sustainability has top priority for Deutsche Telekom. Sustainability is firmly anchored in both Deutsche Telekom's Group strategy and its management remuneration system. The Group is already recognized as being at the front of sustainability initiatives and is viewed positively by rating agencies and sustainability-oriented investors alike.

Deutsche Telekom's sustainability strategy rests on four pillars. 1. Climate neutrality. 2. Circular economy. 3. Diversity and digital participation. 4. Good corporate governance.

Achieving net zero by 2040



As Tim Höttges states: “We have declared our commitment to achieving net zero by 2040. That is a huge task – one we can achieve only through close cooperation with our customers and partners.”

Scope 3 emissions present the biggest challenge. More than 90 percent of the carbon footprint is generated along the value chain – from the production of handsets through to the operation of networks. Deutsche Telekom is not just working to reduce its own carbon emissions – it is also liaising closely with its suppliers to ensure climate neutrality across the board.

Deutsche Telekom aims to become climate neutral by 2025, which means reducing carbon emissions by around 95 percent compared to 2017 levels. The company will work to neutralize the remainder by means of high-quality carbon capture projects. Deutsche Telekom is removing old network components from service as well as modernizing or improving them to reduce energy consumption.

Deutsche Telekom has been utilizing 100-percent green electricity for its networks since 2021. The Group aims to cover 50 percent of its energy requirements in Europe as of 2025 using power purchase agreements (PPAs), supplemented by energy it produces itself. PPAs are direct supply agreements with providers of renewable energy, granting them the financial security to invest in their production facilities. in turn helping to support the continued expansion of renewable energies.

Customers and business partners have a role to play with SDGs

Deutsche Telekom also wants to empower its customers to achieve climate neutrality. The goal: 25-percent reduction in emissions per person along the value chain by 2030 (baseline: 2017). Deutsche Telekom is also striving to achieve a 100-percent circular economy for devices by 2030. The objective is to make the return, repair, and recycling of old devices a matter of course. Deutsche Telekom’s suppliers, too, are to achieve a fully circular economy for technologies, devices, and network technology by 2030.



Deutsche Telekom – a pioneer in diversity, equality, and digital participation

Deutsche Telekom encourages diversity within its workforce and actively promotes equal opportunity and inclusion – both in the company and in society at large.

Deutsche Telekom has set itself a target of 30 percent for women in upper management by 2025, for example. This figure has already been exceeded on the Board of Management, with Deutsche Telekom boasting the most diverse management team of all DAX-listed companies. Three of its eight Board of Management members are women. Three members hail from countries other than Germany. Women already occupy 50 percent of the seats on the Supervisory Board.

Beyond the Group, Deutsche Telekom uses its motto “No hate speech” to support projects such as those promoting media literacy and against online bullying. It has also shown its social responsibility credentials during various crises in recent months. As Tim Höttges states: “Deutsche Telekom is there to help: whether with technical support at the outset of the pandemic, free SIM cards for Ukrainian refugees, or the rapid rebuilding of network infrastructure after flood disasters like the one in Germany’s Ahr valley.” Deutsche Telekom invested 312 million euros in social commitments in 2021, including disaster prevention. The network build-out is important to society, too, and Deutsche Telekom has increased its investments accordingly.

Transparent reporting

Transparency is a fundamental principle for Deutsche Telekom when implementing its sustainability goals. For many years, the Group has aligned its sustainability reporting with the recommendations of the Global Reporting Index (GRI). Deutsche Telekom has made its contribution to achieving the SDGs (Sustainability Development Goals) transparent ever since 2017. In the current reporting year, the Group has been closely examining the standards of the Sustainability Accounting Standards Board (SASB). That also includes specific analysis of the ICT sector.



Deutsche Telekom's broad and diverse engagement is reflected in the financial markets. The Group is an established player in the area of sustainability. By virtue of having achieved various sustainability parameters, the T-Share is listed in ESG ratings such as S&P, Sustainalytics, and CDP.

Accolades for sustainability

Deutsche Telekom has already received numerous awards for its commitment to sustainability, including the 2021 Plastics Recycling Award Europe for its Speed Home WLAN product. In 2022, Deutsche Telekom's sustainability report topped the rankings organized jointly by the German Institute for Ecological Economy Research and the future e.V. corporate initiative. Also in 2022, the company received the best-possible score in the Bloomberg Gender Equality Index. In addition, the DIGITAL@School initiative launched by Deutsche Telekom employees was honored with the IT Executive Club's ITEC Cares Award. The Group sees these accolades as an important benchmark for the progress made with its ESG activities.

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