



Our Code of Conduct:
The way we work.



Preamble

Fix – Transform – Innovate!

That's what we want to achieve with the new Group strategy.

The key to company success lies in a Group-wide company culture that is characterized by integrity, ethics and personal responsibility. The ethical requirements that pertain to business operations and the workplace are becoming increasingly complex.

Our Code of Conduct is the framework for guiding the behavior of all people in the Deutsche Telekom Group. It joins our standard of respecting laws and regulations with the special requirements regarding ethical behavior and with the five Guiding Principles that enable our success in business. It is a demand that we make of ourselves as well as a promise that we communicate to those outside the company.

Our Code of Conduct is dynamic; it is not closed to new behavioral norms. Legal norms can transform over time, and new regulations can serve to clearly define behavioral requirements.

Being part of the Deutsche Telekom Group and sharing its identity requires that each and every individual accept responsibility. We are aware that a single incident of misconduct can damage not only our success, but also the reputation that the company has acquired through the commitment demonstrated by our people on a daily basis. We have to adhere to behavioral standards. Misconduct will therefore not be tolerated.

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What are we working for? How do we want to work?

These two seemingly simple questions have no easy answers.

The Deutsche Telekom Group and Magyar Telekom Group answer the first question with their vision: We want to become a global leader in Connected Life and Work. In doing so, we aim to become the most highly regarded service company in the industry.

This Code of Conduct (CoC) deals with the second question, “How do we want to work?” and is strongly influenced by the five Deutsche Telekom Guiding Principles:

- Customer delight drives our action
- Respect and integrity guide our behavior
- Team together – Team apart
- Best place to perform and grow
- I am T – Count on me

They describe what should characterize our dealings and interactions with third parties and with others within the company. They also serve as the basis for this Code of Conduct, which explains what the five Guiding Principles mean in our daily work as well as their tangible and practical impact.

In general, we work to inspire people's trust. Trust is the foundation of all cooperation. And while winning trust is a long and arduous process, it can be lost almost instantly. And that underscores what this Code of Conduct means: It provides us with orientation for finding ways to justify and win trust in our daily work. It also provides us with explicit examples of what we are not allowed to do so that we do not carelessly jeopardize trust.

Whom does the Code of Conduct apply to?

Our Code of Conduct is applicable to all people at the Deutsche Telekom Group and Magyar Telekom Group, worldwide: from Board members and managing directors to executives and employees. It also equally applies to consultants and individuals whose work is the functional equivalent of that performed by Group employees, such as contract workers, for example.

Upon implementing the Code of Conduct, all Deutsche Telekom Group and Magyar Telekom Group companies will respect their individual local laws and regulations, and within this framework, related cultural customs as well.

Conduct that is ethically and legally sound is every individual's responsibility. The surrounding environment has to support such behavior by not placing the value of business results above that of integrity. In other words: We want to achieve our goals, and conduct ourselves in a responsible and exemplary manner while doing so.

For managers, this results in a responsibility to serve as role models for employees through their own actions. Managers ensure that employees are familiar with, and adhere to, the Code of Conduct.

We will take action in case of deliberate misconduct within the scope of applicable laws and regulations. To ensure that such misconduct can be reported, we want to create an environment in which employees can report wrongdoing without fear of negative consequences.



It's good to know that we all have the same Guiding Principles – worldwide

2 Guiding Principles

2.1 Customer delight drives our action

It's easier said than done: Delight does not happen every day. What makes it happen, for example, is when someone is the first to hold an innovative new product in their hands; experiences extraordinary service; someone goes the "extra mile" for them; their complaint is dealt with using the right degree of sensitivity and is resolved swiftly, or when they receive a good consultation through and through.

To become the most highly regarded service company in our industry, we must improve; be unwavering in further sharpening our focus on the customer, and learn to assess customer needs early on and to go above and beyond meeting those expectations whenever possible. That's why we consistently review our service behavior as well as our products and services.

We are aware of the responsibility that we have towards our customers. They give us their trust, and we neither want nor are we allowed to breach that trust. We adhere to all legal requirements when acquiring or providing service to customers. Our customer data is collected, processed and used both internally and by our sales distribution partners solely in accordance with our policies and respective local laws.

For us, it is simply a matter of course not to differentiate between internal and external service – because behind-the-scenes service success automatically results in service success with our customers.

2.2 Respect and integrity guide our behavior

We act ethically and obey the law and policies. If that were not the maxim for our actions, then we would subject both the Deutsche Telekom Group and Magyar Telekom Group and ourselves to significant financial risk and endanger our good reputation. The most important rules pertaining to this are explained in detail in chapter 3, "Behavioral requirements pertaining to integrity."

At the Deutsche Telekom Group and Magyar Telekom Group, we strive to create a climate of acceptance and mutual trust by respecting the individuality of others, acting openly and honestly, and calling for and cultivating individual and cultural diversity. Be it in the form of differences in age, sex, religion, aptitude or in ancestry or sexual orientation – the Deutsche Telekom Group and Magyar Telekom Group thrive on the diversity of their employees. The different cultures, languages and marital statuses of company employees enhance this diversity. We respect our customers, partners, suppliers and shareholders, as well as society.

We do not tolerate any form of unlawful discrimination or harassment neither within the company nor in its business relationships.

We always review our own actions and behavior, and consistently address behavior that is unethical, against policies, or unlawful.

2.3 Team together – Team apart

Our culture of cooperation is characterized by our focus on the goals of the entire Deutsche Telekom Group and Magyar Telekom Group, in keeping with the One Company principle. To achieve this, we think cross-functionally and internationally. We do not accept optimizations that benefit a select few to the detriment of many.

We listen to others, discuss topics openly and professionally, actively seek out the opinions of others, and strive to find the right solution. When criticizing, we address issues and not individuals. Only the exchange of different opinions can lead to the best solution.

We stand firmly behind team decisions and put our full energy into putting those decisions into action. And that's something we can count on.

We maintain a culture of open communication in our company and involve employees when possible in coming up with ideas, decision-making and problem-solving processes.

The cooperation with employee representatives is characterized by the fact that the Deutsche Telekom Group and Magyar Telekom Group recognize both the basic right of freedom of association and the right to engage in collective bargaining within the framework of respective countries' laws and regulations, as well as existing agreements. A constructive dialogue with democratically legitimized and/or statutory employee representatives leads to better results. That's why the Deutsche Telekom Group and Magyar Telekom Group are

committed to working together with them in an honest and open manner in order to achieve a fair balance between the interests of all parties.

2.4 Best place to perform and grow

Good employees are the number one factor for achieving success. Based on the "Best place to perform and grow" Guiding Principle, the Deutsche Telekom Group and Magyar Telekom Group offer their employees attractive career opportunities that promote self-development, and help support the in-house development of its talented individuals. Using globally standardized processes and instruments that are kept as simple as possible, the Deutsche Telekom Group and Magyar Telekom Group win, inspire and qualify experts and executives, develop talents, and, in doing so, secure our company's future in the long term.

We are performance-focused and are dedicated to achieving the best results. We recognize and reward high performance and, at the same time, take individual aptitude and competencies into account. This is an important responsibility that all managers share.

We create an environment in which each of us feels valued, in which we can develop and grow both personally and professionally for the good of the company, and where people enjoy their work. We support behavior that enhances and secures both our company's value and values. It is therefore important to task the right people with the right jobs. Managers support employees in balancing work with personal life and in accessing existing work-life balance and health offers. In doing so, they create a foundation for productive work.

Deutsche Telekom Group and Magyar Telekom Group rely on a motivated and qualified workforce that takes responsibility for its own development and that sees change as an exciting opportunity.

In the context of social responsibility and a steadily changing working world, the Deutsche Telekom Group and Magyar Telekom Group support the employability of their employees and also expect them to take initiative in maintaining their employability.

2.5 I am T – Count on me

"We deliver what we promise!" That is the only way to win our customers' trust and survive in the competitive market. That also means that we take ownership of and complete the tasks assigned to us, and only pass problem cases on to other colleagues if we are certain that they will subsequently be handled properly.

If we discover errors in business processes, we actively seek out dialogue with our colleagues and supervisors in order to find suitable solutions. We can rely on each other, just as our internal and external customers are able to rely on us.

We stand by our company both internally and externally. As proud ambassadors of Deutsche Telekom Group and Magyar Telekom Group, we make sure to conduct ourselves in a manner that never compromises our company's image. We are constructive in dealing with legitimate criticism of the company. We refuse to take part in polemics.

Our Code of Conduct applies everywhere in the Deutsche Telekom Group and Magyar Telekom Group – from employees to Board members



3 Behavioral requirements pertaining to integrity

3.1.1 Business relationships with customers

Integrity and respectful behavior towards one another are indispensable prerequisites for trust. We work in adherence with local laws, our Guiding Principles, and our policies. For situations in which no legal framework of boundaries exists, we hold ourselves to the same high standard of conduct that we expect from others. In doing so, we explicitly set “ethics” as our behavioral benchmark.

The way we interact with customers has a long-term effect on the company’s image. That’s why it goes without saying that we always act ethically and in accordance with regulations in this particularly sensitive area. A few practical examples include: We only call our customers for promotional reasons when it’s legally permissible. Additionally, we don’t recommend products or services to customers if it’s clear that they do not need them.

Active corruption

To maintain our customers’ trust, we refrain from engaging in any and all forms of corruption or even actions that could potentially be construed as such. We are not allowed to offer, promise, or grant illegal benefits to national or international public officials, nor to decision-makers operating in the private sector in order to achieve preferential treatment for, or to influence a decision in favor of the Deutsche Telekom Group and Magyar Telekom Group. It is especially important to keep this in mind when dealing with gifts or invitations to business meals and events.

3.1 Business relationships

Trust, fairness and a large degree of independence in making business-related decisions characterize our dealings with business partners. Private interests or personal gain are not allowed to influence our business decisions.

Should public officials or decision-makers operating in the private sector ask us to do so, we will inform our managers about the incident or report it via the “Tell me!” whistleblower portal.

Orders for the public sector

The public sector is an important customer for the company. We adhere to the regulations pertaining to contract awarding procedures for public orders, especially the strict laws and regulations regarding the avoidance of undue influence.

Trade regulations

The Deutsche Telekom Group and Magyar Telekom Group are actively involved in the international trade of goods and services and support world trade. We follow existing trade laws and act in accordance with import and export regulations as well as economic embargos.

3.1.2 Business relationships with competitors

The Deutsche Telekom Group and Magyar Telekom Group acknowledge that open competition is an elementary component of the free-market system because it promotes efficiency, economic development and innovation.

We pay special attention to obeying the legal parameters regarding the protection of open competition in all of our business agreements and dealings with third parties. This is especially important for agreements with competitors and other third parties in situations where said agreements could potentially hinder free competition. We do not engage in price fixing or illegal attempts to coordinate market influence among competitors. We support fair dealings with our business partners and competitors and do not take advantage of any existing leeway. Furthermore, we do not disseminate false information about our competitors’ products or services or attempt to undertake any other unfair means to gain a competitive advantage. We are explicitly opposed to using industrial espionage as a means of obtaining information about our competitors.

3.1.3 Business relationships with suppliers

We maintain relationships with our suppliers that are based on trust and fairness. In turn, we expect that our suppliers treat us with the same degree of integrity and respect with which we treat them.

Procurement is performed in accordance with the laws and regulations of the countries in which the company operates. Whenever possible, the Deutsche Telekom Group and Magyar Telekom Group obligate all of their suppliers to adhere to the Code of Conduct and favor working with environmentally friendly and socially responsible suppliers.

Suppliers can also often be customers. We refrain from taking advantage of such situations and generally separate any related purchasing and sales activities.

Passive corruption

We make business decisions only for the good of the Deutsche Telekom Group and Magyar Telekom Group and put aside our own personal interests in doing so. We are not permitted to allow our business decisions to be influenced by offers or promises made by suppliers to grant us illegal advantages, nor do we accept such offers. Likewise, we do not request illegal offers from our suppliers.

We want to avoid even the appearance that we allow our business decisions to be influenced by such offers. In cases of doubt, such as whether or not we are allowed to accept a gift, an invitation to a business meal or to an event from a customer or supplier, for example, then we refer to the “Ask me!” advice portal.

If we are offered, promised or granted illegal advantages or benefits, we inform our superiors or report the incident via the “Tell me!” whistleblower portal.

Bypassing procurement

The procurement department is responsible for the competent purchase of goods and services at ideal purchasing conditions. Bypassing procurement can lead to disadvantages for the Deutsche Telekom Group and Magyar Telekom Group. Therefore, all purchase procedures must be effected through the procurement department.

3.1.4 Relationships with third parties

Society

The Deutsche Telekom Group and Magyar Telekom Group are part of this democratically organized and free enterprise society. It is for this reason that we affirm our absolute commitment to our social responsibility.

While keeping economic aspects in mind, the Deutsche Telekom Group and Magyar Telekom Group contribute to maintaining a modern telecommunications infrastructure.

We have a responsibility towards future generations: Social and economic aspects are high priorities for us.

Shareholders

The Deutsche Telekom Group and Magyar Telekom Group companies' shareholders provide the necessary capital and bear a business risk. They expect and trust us to manage and monitor the company according to the existing legal framework, as well as to respect and maintain internationally recognized standards of responsible business management.

Transparent financial reporting

An important part of internal controlling at the Deutsche Telekom Group and Magyar Telekom Group is to maintain the integrity of financial reporting. To ensure that its own high standards are consistently met internally, the Deutsche Telekom Group and Magyar Telekom Group also regularly commission independent financial audits. Each of us is responsible for contributing to financial reporting activities to ensure that they remain a current, complete and real record of business transactions.

Donations

As a responsible member of society, the Deutsche Telekom Group and Magyar Telekom Group act within the limits of legal and financial frameworks to support education, science, culture, social causes, sports, and the environment with financial and in-kind donations as well as services. We do not donate to obtain business advantages. All donations must conform to the respective legal system and internal policies. Furthermore, all donations are to be recorded including the recipient's name and the purpose of the donation. Donations to individuals or private accounts, as well as individuals or organizations that could potentially damage either the Deutsche Telekom Group's and Magyar Telekom Group's interests or image, will not be granted.

Sponsoring

Sponsoring is one of the Deutsche Telekom Group's and Magyar Telekom Group's communications instruments. Sponsoring differs from donations to the degree that service is provided in return for services rendered. All sponsoring activities are therefore handled transparently and require appropriate and verifiable communications and marketing services from sponsoring partners/organizers. Sponsoring activities are focused on areas that place the Deutsche Telekom Group's and Magyar Telekom Group's business interests or its commitment to social responsibility in the foreground.

Political involvement

Public perception of companies associated with corporate donations to political parties tends to be negative. The Deutsche Telekom Group and Magyar Telekom Group neither donate money to political parties and elected officials, nor do they grant them any monetary value-added benefits that exceed what is lawful and socially accepted. Sponsoring only occurs if the marketing effect is verifiable; for example, if the company is clearly named as a sponsor.

Money laundering

The Deutsche Telekom Group and Magyar Telekom Group take all necessary measures to prevent money-laundering activities within their sphere of influence.

3.2 Handling of information

Data security

The Deutsche Telekom Group and Magyar Telekom Group place the utmost importance on maintaining data security, as this has a significant influence on business success and the company's image among the general public. That is why we protect company as well as customer and employee data with all suitable and appropriate technical and organizational means at our disposal, in order to prevent its unauthorized access, misappropriation, loss, or premature deletion.

Data privacy

We are aware of the highly sensitive nature of our customers', employees', shareholders', and suppliers' personal data, and handle all such information with the utmost confidentiality and care in order to protect it. Each individual is responsible for maintaining a high level of security at the Deutsche Telekom Group and Magyar Telekom Group within the framework of his or her daily tasks. A variety of technical and organizational measures aimed at ensuring the confidentiality of personal data support us in these efforts. Internal policies guarantee a consistently high data protection standard worldwide.

We collect and process data only with personal consent or in cases where a clear legal standard allows it. Furthermore, we collect, process and use personal information only to the extent necessary for its designated purpose. We respect the extensive rights of those individuals whose data we are collecting, processing and using.

General confidentiality

In addition to the technical and organizational measures for data privacy, everyone is required to safeguard operational interests. We therefore do not unnecessarily communicate information from and about the company to those on the outside.

We maintain the confidentiality of such information shared in personal conversations or in telephone conversations with colleagues in public (on public transportation, for example). We also protect our company documents from prying eyes.

Handling insider information

Should insider information about a company be made public, it can have a significant influence on the current exchange or stock market price of the company in question. In order to safeguard investor confidence in the functioning of the capital market, the exchange of insider information is heavily regulated. Everyone with knowledge of insider information is therefore subject to special restrictions that prohibit them from trading, and making related recommendations or suggestions to trade. Additional restrictions prohibit them from unauthorized dissemination of information. Issuers of financial instruments are required to publish insider information that directly affects them without delay (ad hoc publication requirement).

3.3 Preventing conflicts of interest

The Deutsche Telekom Group and Magyar Telekom Group trust that personal interests of employees do not conflict with corporate interests.

Conflicts of interest resulting from secondary employment

Secondary employment is any employment outside of the primary place of work, in which an employee's manpower is made available to a third party, independent of whether the work is paid or unpaid. Self-employment as secondary employment also falls under this category.

We are not allowed to partake in any secondary employment that infringes on the interests of the Deutsche Telekom Group and Magyar Telekom Group, especially if reasons related to competition prohibit such employment.

Private investments

Share ownership in the competitors or business partners of the Deutsche Telekom Group and Magyar Telekom Group that enables the exertion of business influence is not in the interests of the company.

Private use of company property

The private use of company property is generally not permitted, unless otherwise stated in the rights of each individual, in collective agreements, or according to operational procedures and regulations.



We work to inspire people's trust



4 Adhering to behavioral standards

While the strategy clarifies what and where we want to go, the Guiding Principles provide us with the necessary orientation needed to reach our goals. Our understanding of performance always includes the questions, “What have I accomplished?” and “How did I behave in doing so?” Both aspects are important to us. We want to reach our goals and we want to do so in a way that is consistently ethical and exemplary.

Misconduct and violations of behavioral standards pertaining to respect and integrity as well as violations of laws and legal regulations can have serious consequences not only for individuals personally, but for the entire company. This is why misconduct cannot be tolerated.

The Deutsche Telekom Group and Magyar Telekom Group effectively discipline individuals guilty of intentional and unlawful misconduct as well as violations within the framework of legal provisions, and do so irrespective of an employee’s rank or position within the company. This particularly applies to cases of corrupt behavior or in situations in which the Deutsche Telekom Group’s and Magyar Telekom Group’s assets were damaged through a criminal offence.

All of the Guiding Principles are firmly anchored, particularly in human resources processes and instruments. The Deutsche Telekom Group competence model is standardized worldwide and based on our Guiding Principles. It forms the basis for development, career advancement, and the filling of internal vacancies.

Because they also function as role models, the Deutsche Telekom Group and Magyar Telekom Group have particularly high expectations of their senior executives and expect their behavior to be commensurate to the competency requirements of their position.

The Deutsche Telekom Group and Magyar Telekom Group expect all employees to act in accordance with the Guiding Principles.

5 Questions, advice and outlook

“How do we want to work?” Our Code of Conduct contains many statements that explain what we have to do in order to build trust and act in accordance with the law. But in the course of day-to-day work, questions may arise that are not covered in detail by the Code of Conduct. The first person to contact in such cases is a supervisor. Additionally, employees can turn to the “Ask me!” portal.

Rules only make sense if violations are disciplined appropriately. Therefore, violations must also be made known. For this purpose, tips can also be reported to the “Tell me!” whistleblower portal.

5.1 “Ask me!”

The “Ask me!” portal is helpful in answering questions about the Code of Conduct. Questions can be submitted via an intranet-based form.

Contact information for “Ask me!”

Intranet: http://matrix.telekom.intra/megfelel-osegi_program/hu/ask_me.html
E-mail: askme.compliance@telekom.hu

5.2 “Tell me!” whistleblower portal

Every employee is responsible for reporting a violation or a potential violation of the laws, Guiding Principles, and internal policies. Whistleblowers that act to the best of their knowledge and in good conscience need not fear any negative consequences, provided that they themselves have not acted in violation of current behavioral rules and policies. Because senior management is responsible for providing support in such situations, employees

should turn first to their immediate supervisor. Should this approach be out of the question, cases of misconduct can also be reported via telephone or regular mail, as well as by fax or e-mail. Tips can also be sent anonymously using the internet-based “Tell me!” portal. However, this should only be done in exceptional cases in which employees have concerns for or fear of serious personal, professional or social harm.

All information submitted will be kept strictly confidential and handled and investigated only by specially trained individuals who are sworn to secrecy.

Contact information for “Tell me!” Magyar Telekom Group’s „Tell me!“

Address: Group Compliance Director
1013 Budapest, Krisztina krt. 55., Hungary
Phone: +36 1 458 7780
E-mail: mondd.el@telekom.hu

Deutsche Telekom Group’s „Tell me!“
Deutsche Telekom AG
140 Friedrich-Ebert-Allee, 53113 Bonn, Germany
Telephone: +8000 382 4835 (Monday - Friday, 9 a.m. - 5 p.m. GMT+1)
Fax: +8000 382 4329
E-mail: Tell-me@telekom.de
Internet: www.telekom.com/tell-me and www.telekom.de/tell-me

We would like to draw your attention that complaints to the Deutsche Telekom Group’s Tell me! **may only be made without the personal data of the person you wish to complain about.** Any other unlawful personal data transfer may result in civil or criminal sanctions.

Anyone using the whistleblower portal to spread rumors about other employees with the intent of harming their reputation is guilty of misconduct.

5.3 Outlook

Corporations, in particular, are measured by what they do and say.

The simple fact that we have a Code of Conduct will not result in positive benefits. These can only be achieved if we live and abide by its contents in our everyday work. There is no alternative: This is the only way we can build up and sustain longstanding trust.

Living the Code of Conduct each and every day – it’s both our ambition and our responsibility!

More information about the Code of Conduct is available on both the Internet and intranet

Internet: www.telekom.hu/about_magyar_telekom/principles/compliance
Intranet: http://matrix.telekom.intra/megfelel-osegi_program/hu/index_eng.html

Group policies and procedures are available in the Corporate Rule Base on the Deutsche Telekom intranet: <http://richtlinien.telekom.de> and on the Magyar Telekom intranet: <http://mtszab.westel.westel900.hu/default.aspx>

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