

Code of Conduct

This Code of Conduct sets out the principles that guide the business activities of Telekom Austria Group and form core elements of its corporate culture. It defines behavior rules and standards and applies to all employees, officers and (managing) directors (hereinafter “employees”) group-wide and to all areas of business.

As a listed company Telekom Austria Group is subject to strict regulations and high standards of financial behavior, risk management and internal control which Telekom Austria Group strictly complies with. Telekom Austria Group emphasizes the importance of transparency towards its shareholders but is also committed to confidentiality where it is required.

All employees are required to comply with applicable law, adhere to insider trading rules, reject all forms of bribery and corruption, avoid conflict of interests, protect company assets and keep business secrets confidential. Undertaking of facilitation payments or any other illegal activities of any kind are strictly forbidden. Unlawful activities will be subject to disciplinary action including dismissal. This Code of Conduct represents a binding set of rules for behavior/behavioral framework for all Telekom Austria Group employees and supplements the Compliance Code.

Foresaid principles shall be concretized but not limited in any way by the following:

FAIR DEALING

Each employee shall deal fairly with customers, suppliers, competitors and employees. No person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

CONFIDENTIALITY

Company and business secrets of Telekom Austria Group or its contractual partners or customers must be treated confidential and must not be disclosed to unauthorized persons. This obligation continues after employment. In case confidential information has to be disclosed due to a decision of a competent court or administrative authority, the respective Legal Department or General Counsel will assist in determining what disclosure is required.

CONFLICT OF INTERESTS, GIFTS AND PERSONAL BENEFITS

All employees must avoid situations where their own personal or financial interests conflict with those of Telekom Austria Group. Managers should avoid placing subordinates in such situations. In this respect management should encourage the principle of voluntary disclosure in order to detect any such potential situation before it occurs.

Employees are prohibited from a) taking for themselves personally opportunities that are property within the scope of the Telekom Austria Group’s activities, b) using corporate property, information or position for personal gain, and c) competing with Telekom Austria Group. Employees owe a duty to Telekom Austria Group to advance its legitimate interests to the best of their ability.

Employees are advised neither to accept nor to offer gifts, trips or special events of any significant value at Christmas or at other times, from vendors or others doing business with Telekom Austria Group. Gifts, offers of trips or special events of significant value should be politely refused or returned respectfully to the donor if possible.

There is no objection to accept or offer invitations to business meals, business events or social, sports or entertainment events of insignificant value as long as only accepted or offered occasionally and infrequently and as long as local laws as interpreted and applied are not violated.

In any event, good faith judgment must prevail and if any question concerning the acceptance of a gift, trip or special event arise (the value of the gift is unclear, the purpose of the gift seems doubtful etc), the recipient's superior shall be consulted.

COMPANY ASSETS

All employees, officers and directors should protect Telekom Austria Group's asset and ensure their efficient use. Theft, carelessness and waste have a direct impact on Telekom Austria Group's profitability. All of Telekom Austria Group's assets shall only be used for legitimate business purposes.

Employees are advised not to use funds or assets of Telekom Austria Group for gifts or favors to government officials or employees. This does not preclude gifts or favors which meet all of the following requirements: (1) the gifts or favors are made for a legitimate business purpose and not to obtain benefits not permitted by local laws nor to escape obligations imposed by local laws, (2) the gifts or favors are modest in amount and are made in accordance with prevailing local custom and are not considered to be in the nature of bribery or be otherwise in violation of local laws as interpreted and applied, (3) disclosure of the gifts or favors would not embarrass Telekom Austria Group nor result in any material adverse action against Telekom Austria Group and (4) the gifts or favors are authorized by the responsible local manager. If, in the judgment of the responsible local manager, the amount may not be construed as modest in amount, the manager shall seek guidance from his or her superior.

REPORTING OF VIOLATIONS

Any employee who is presently in a situation or contemplates an activity or has knowledge of an activity which appears to be contrary to this Code of Conduct should immediately make all pertinent facts known to his superior or to a (managing) director. In situations where reporting to a superior is not possible or an anonymous report seems required, employees can also use whistle-blowing-processes already existing for certain Telekom Austria Group Companies or – where no such whistle-blowing-process is implemented – can report according to the group whistle-blower policy (Annex A). Any such report will be treated confidential and Telekom Austria Group will not tolerate retaliation in any form against any person for complaints or reports made in good faith. The respective Internal Audit Divisions will deal with received reports and involve General Counsel, the respective Legal Departments or the respective Human Resource Division, if necessary. In case of violation of this Code of Conduct the respective Human Resource Division shall take appropriate disciplinary steps, up to and including termination of employment and any further legal actions.

The respective Internal Audit Divisions will report whistle-blowing cases on a regular basis and ad hoc in severe cases to the Group Internal Audit Division who will itself report on a regular basis and ad hoc in severe cases to the Audit Committee of the Supervisory Board of Telekom Austria AG.

IMPLEMENTATION AND MONITORING; TRAINING; MANAGEMENT SUPPORT

The respective local Human Resource Divisions are responsible for the implementation and observation of this Code of Conduct at all Company levels.

Employees are advised and informed about this Code of Conduct and the respective applicable laws either by the General Counsel, the Compliance Officer, the respective Legal Departments or the respective Human Resource Divisions on a regular basis.

The managers of each Telekom Austria Group Company will support the responsible Divisions in fulfilling its duties hereunder and shall actively promote the principles of this Code of Conduct in every day business.

Whistle-Blower Policy

All employees who notice activities which appear to be contrary to law or who notice breaches of the Code of Conduct have the opportunity to discuss this with their superiors. In cases this does not seem reasonable, confident reports may be sent to the e-mail address whistle-blowing.group@telekom.at.

Reports can also be sent on an anonymous basis by mail to the General Counsel or the Head of Internal Audit Group.

Any such report will be treated confidential and Telekom Austria Group will not tolerate retaliation in any form against any person for complaints or reports made in good faith.

Contact:

Head of Internal Audit Group

Christopher Schneck

Tel: (+43) 664 3312010

E-Mail: c.schneck@mobilkom.at

Adr: A-1020 Vienna, Obere Donaustrasse 29

General Counsel

Marielouise Gregory

Tel: 059 059 1 14201

E-Mail: marielouise.gregory@telekom.at

Adr: A-1020 Vienna, Lassallestraße 9