

Guidelines for the Supervisory Board of Telekom Austria Aktiengesellschaft (Version, August 19, 2008)

(1) The Supervisory Board may resolve to form committees from among its members and designate the responsibilities and powers thereof, unless the same are reserved to all Supervisory Board members by law, under the Articles of Association or these Guidelines. Committees may be appointed permanently or with respect to individual responsibilities. The right to make decisions may also be assigned to the committees.

(2) Each committee shall consist of at least three members. At least three committee members must be present to form a quorum. Employees' representatives in the Supervisory Board may nominate members with seats and voting rights in the committees of the Supervisory Board in accordance with the proportion laid down in Se 110 para 1 ArbVG.

(3) Resolutions shall be adopted in accordance with the provisions of § 6 1) para (7) and para (8) hereof by analogy. Should the committee not be able to adopt a resolution for any reason whatsoever, the matter shall be referred to all Supervisory Board members who shall deliberate thereon without delay, but not later than in the following meeting.

(4) The Supervisory Board may issue guidelines for its committees. As to the management of Supervisory Board committees, the relevant provisions of these Guidelines shall apply by analogy.

(5) The Supervisory Board appoints the Presidium & Compensation Committee as a permanent committee, comprised of the Chairman and Co-Chairman or if two co-chairmen are elected, of both of them. This committee is responsible for regulating the relations between the company and the members of the Management Board, including granting approval for other positions. At least two members, or, if the committee consists of more than two members, three members must be present to form a quorum. Resolutions to appoint or revoke the appointment of a member of the Management Board as well as to grant options on company shares shall be made by the full Supervisory Board.

In urgent cases the Presidium & Compensation Committee shall be authorized to make decisions, whereby in all cases in which involvement of employee representation applies (as opposed to § 92 Sec. 4 Stock Cooperation Act/AktG), the Presidium shall be enlarged by a member to be nominated from the employee representatives, or if two co-chairman to the Chairman are elected, by two members to be nominated from the employee representatives.

(6) The Supervisory Board shall set up an Audit Committee to audit and prepare the approval of the annual financial statements, to audit the consolidated financial statements, the proposal for distribution of the net profit, the management report, the consolidated management report and the corporate governance report. The Audit Committee shall supervise the accounting process, the effectiveness of the internal controlling system, the internal audit system and the risk management system, as well as the audit of the financial statements and the consolidated financial statements. Furthermore, the Audit Committee shall prepare the proposal by the Supervisory Board for the selection of the auditor of the financial statements and shall appraise and supervise the independence of the auditors of the financial statements (consolidated financial statements), in particular with regard to the additional services provided to the audited company.

The Audit Committee reports to the Supervisory Board about the results of its audit.

(7) One of the members of the Audit Committee must be an individual who has pertinent knowledge and practical experience in finance, accounting, and reporting (financial expert), to meet the demands of the company. The Chairman of the Audit Committee may not be someone who was a member of the Management Board, a leading manager or auditor of the company in the last three years or someone who signed the auditor's report, or is not independent and impartial for other reasons.

(8) The Supervisory Board has set up a Personnel and Nomination Committee. The Nomination Committee submits proposals to the Supervisory Board for appointments to positions in the Management Board that become available and it concerns itself with questions of succession planning.

1) § 6 para (7) *Unless otherwise provided by the law or the Articles of Association, resolutions are adopted by simple majority of the votes cast. Abstentions or conditional votes shall not be counted.*

para (8) *In case of a tie, the Chairman has a casting vote.*