



REMUNERATION POLICY FOR THE SUPERVISORY BOARD OF TELEKOM AUSTRIA AKTIENGESELLSCHAFT

1. Introduction

Pursuant to § 98a of the Austrian Stock Corporation Act (AktG), the supervisory boards of listed companies are obliged to draw up a remuneration policy for the members of the Supervisory Board. The remuneration policy shall be reviewed regularly and submitted to the Annual General Meeting at least every fourth year. In the event of significant changes, the remuneration policy must be submitted again to the next Annual General Meeting.

However, the Supervisory Board has no decision-making authority in the execution of the remuneration policy, as the concrete form of the remuneration of the Supervisory Board is decided exclusively by the Annual General Meeting with a binding, separate vote according to Section 98 of the Austrian Stock Corporation Act.

The remuneration policy provides an overview of the remuneration principles for the Supervisory Board and explains how they support the business strategy and long-term development of the company.

The remuneration of Supervisory Board members differs according to whether the Supervisory Board members are elected by the Annual General Meeting (shareholders' representatives) or delegated by the employee representatives (employee representatives). The Articles of Association provide that shareholders' representatives receive appropriate remuneration to be defined by the Annual General Meeting; all Supervisory Board members are entitled to reimbursement of cash expenses and an appropriate attendance fee.

The Supervisory Board has therefore adopted the following remuneration policy for submission to the Annual General Meeting.

2. Compensation elements

Fixed remuneration

Members of the Supervisory Board who are elected receive an annual fixed lump sum remuneration. For the Chairman of the Supervisory Board, this annual fixed lump-sum remuneration is doubled; the Deputy Chairman is entitled to one and a half times of the annual fixed lump-sum remuneration.

Membership of shareholders' representatives in one or more committees is additionally remunerated with a fixed annual lump sum. If capital representatives chair one or more committees, this

fixed annual lump sum increases by 20%.

If a Supervisory Board member resigns during a fiscal year, the fixed remuneration components are paid on a pro rata temporis basis.

Employee representatives are not entitled to the aforementioned fixed remuneration, as they perform their function in an honorary capacity in accordance with statutory provisions.

Remuneration depending on meetings

All members of the Supervisory Board receive a fixed attendance fee per Supervisory Board meeting and per committee meeting.

Cash expenses

Members of the Supervisory Board are entitled to reimbursement of cash expenses.

Payment of the fixed remuneration

The fixed remuneration is due after the resolution is passed by the Annual General Meeting.

No further remuneration elements

Members of the Supervisory Board are not entitled to any further remuneration elements. They receive neither further fixed, variable nor share-based compensation. Nor are they entitled to benefits in kind, pension contributions or insurance benefits. However, Supervisory Board members are included in the D&O insurance.

3. Promotion of the strategy and long-term development of the company

The remuneration of the members of the company's Supervisory Board is structured in such a way as to ensure that they perform their duties independently and are that it ensures the independent monitoring by the Supervisory Board of the company's performance. Since the remuneration of the Supervisory Board is not linked to key company figures or share price developments, it promotes a critical distance to the interests of the Management Board. This independence is a cornerstone for the long-term and sustainable development of the company.

4. Relation of the remuneration components to each other

The remuneration of the elected members of the Supervisory Board is designed to compensate for the time spent. Since the workload for the chairmanship considerably exceeds that of a simple member, the Chairman of the Supervisory Board is entitled to twice and his deputy to 1.5 times the remuneration of a simple member.

Working on a committee or chairing a committee also generates additional work, which should be compensated for. In order to ensure that committee work is efficient and expedient and to avoid accumulation of individual members, remuneration is limited to one committee per Supervisory Board member.

The attendance fee is intended to adequately remunerate those attending the meetings and is therefore dependent on the number of meetings in which the Supervisory Board member attended.

5. Other conditions

The members of the Supervisory Board are elected by the Annual General Meeting for a maximum term of office until the fourth financial year following their approved appointment. The terms of appointment may vary for each member of the Supervisory Board. Extensions are possible and usual. No contracts are usually concluded with members of the Supervisory Board.

The Annual General Meeting may prematurely dismiss Supervisory Board members for cause; Supervisory Board members may also resign from their position at any time. In these cases, the members of the Supervisory Board are not entitled to compensation after their exit.

Employee representatives are delegated and dismissed by the employee representatives. In any event, their membership of the Supervisory Board ends with the loss of their mandate as employee representatives.

6. D&O insurance (directors and officers insurance)

The company has concluded a Group-wide "Directors and Officers" (D&O) insurance policy for its Management Board members, managing directors, Supervisory Board members, executive employees and other specific functionaries and bears the associated costs.

The insurance covers the legal liability of insured persons for financial losses due to misconduct in the exercise of their function.

7. Derogation from the remuneration policy

A deviation from the remuneration of the Supervisory Board defined by the Annual General Meeting is only possible with the approval of the Annual General Meeting.

8. Consideration of the remuneration and employment conditions of employees

The tasks of the Supervisory Board are primarily the supervision of the Management Board. This differs substantially from the tasks of the company's employees. The remuneration and employment conditions of the employees are therefore not related to the remuneration of the Supervisory Board.

9. Definition and review of remuneration policy

The remuneration policy is discussed in the Remuneration Committee and in the Supervisory Board and adopted for submission to the Annual General Meeting. It shall be based on national benchmarks and shall be reviewed at regular intervals to ensure that it is up to date and, if necessary, amended and, in the event of substantial changes, shall be resubmitted to the Annual General Meeting of shareholders at least every fourth financial year.

Conflicts of interest are avoided by the fact that the Annual General Meeting has exclusive authority over the actual structure of Supervisory Board remuneration.