

THE SUSTAINABLES

WORKING TOGETHER FOR A SUSTAINABLE WORLD!



TELEKOM
AUSTRIA
GROUP

KEY FIGURES TELEKOM AUSTRIA GROUP

ECONOMY (in EUR mn)

	2012	Change in %	2011
Revenues	4,329.7	-2.8	4,454.6
EBITDA comparable ¹	1,455.4	-4.7	1,527.3
EBITDA including effects from restructuring and impairment tests	1,420.8	36.0	1,044.7
Operating income	456.8	n.m.	-7.6
Net result	103.8	n.m.	-252.8
Equity	836.1	-5.3	883.1
Market capitalisation as of 31 Dec. 2012 (in EUR bn)	2.5	-37.9	4.1

¹ Defined as EBITDA, excluding effects from restructuring and impairment tests.

PRODUCTS: PROVIDING RESPONSIBLE PRODUCTS

	2012
Customer contacts in customer service (in '000)	45,569
Employees in Customer Service (in FTE)	3,650
E-billing share (in %)	29
Collected old mobile phones (in pcs)	73,877



ENVIRONMENT: LIVING GREEN¹

	2012
Total CO ₂ emissions (Scope 1 + 2 in tonnes)	218,296
CO ₂ intensity (in tonnes per FTE)	13
Total energy consumption (in MWh)	693,284
Energy efficiency index (in Mwh/ terabyte)	2.1
Share of renewable energy (in %)	56
Paper consumption (in tonnes)	1,890
Recycling quota (in %)	55



¹ For further KPIs as well as definitions and explanations please refer to p. 68.

EMPLOYEES: EMPOWERING PEOPLE

	2012
Employees (in FTE)	16,446
Percentage of female employees (in %)	38
Percentage of female executives (in %) ¹	32
Percentage of local managers (in %) ¹	98
Expenses for professional training and further education per FTE (in EUR)	604
Internally hired positions	666
Result of group-wide engagement index (% share of satisfied employees)	79

¹ In headcount



SOCIETY: CREATING EQUAL OPPORTUNITIES

	2012
Group-wide participants in training on media literacy (number of visitors)	24,292
thereof A1 (A1 Internet for all)	18,592
thereof Si.mobil	5,700
Local educational projects	over 30



TELEKOM AUSTRIA GROUP

GEOGRAPHICAL PRESENCE

A1

Austria
Revenues: 2,787.1 EUR mn
Employees: 9,077
CO₂ (Scope 1 + 2): 76,441 tonnes

Mobiltel

Bulgaria
Revenues: 469.1 EUR mn
Employees: 2,937
CO₂ (Scope 1 + 2): 51,186 tonnes

Vipnet

Croatia
Revenues: 420.4 EUR mn
Employees: 1,104
CO₂ (Scope 1 + 2): 19,812 tonnes

velcom

Belarus
Umsatz: 301.2 EUR mn
Employees: 1,680
CO₂ (Scope 1 + 2): 27,906 tonnes

Si.mobil

Slovenia
Revenues: 199.6 EUR mn
Employees: 366
CO₂ (Scope 1 + 2): 9,501 tonnes

Vip mobile

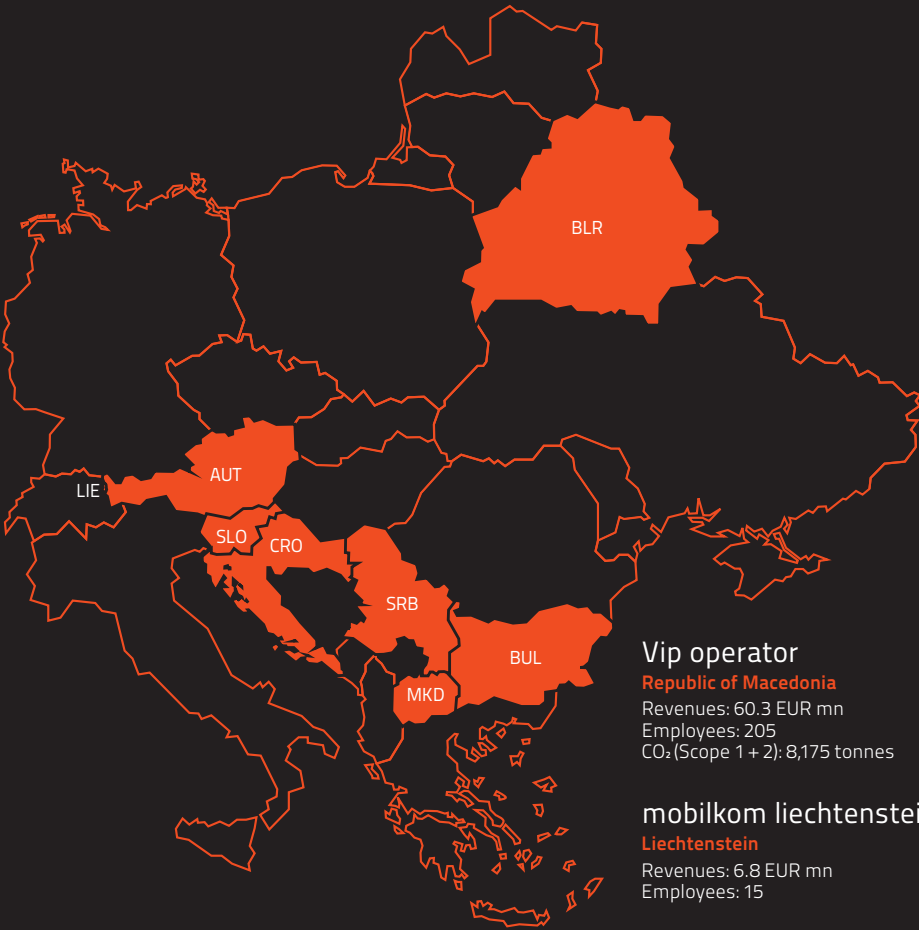
Republic of Serbia
Revenues: 160.4 EUR mn
Employees: 898
CO₂ (Scope 1 + 2): 25,274 tonnes

Vip operator

Republic of Macedonia
Revenues: 60.3 EUR mn
Employees: 205
CO₂ (Scope 1 + 2): 8,175 tonnes

mobilkom liechtenstein

Liechtenstein
Revenues: 6.8 EUR mn
Employees: 15



Figures as of 31.12.2013
Scope 1 includes direct emissions from combustion of fossil fuels for heating, electricity production and mobility without consideration of cooling agents.
Scope 2 measures indirect emissions from electric energy and district heating.

FOUR STRATEGIC CORPORATE SUSTAINABILITY AREAS OF ACTIVITY

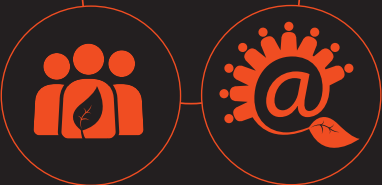
In the course of 2012 the Telekom Austria Group identified in an extensive and multi-stage materiality analysis focal points that are key to the sustainability activities of the company from an internal and external perspective. The prioritised focal points derived from the materiality matrix were grouped into four areas of activity:

Products: Providing Responsible Products
Develop Products in a Future-Oriented and Responsible Way



Environment: Living Green
Manage Resources in an Efficient and Sustainable Way

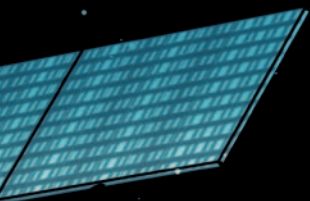
Employees: Empowering People
Systematically Promote Employees' Skills and Utilising Them



Society: Creating Equal Opportunities
Creating Equal Opportunities in the Digital Society

The present sustainability report follows in its structure these areas of activity, which are symbolised via the icons. Further details on the materiality analysis, please refer to page 16. A comparison to prior periods is not possible as Group wide data are reported for the first time.





2013. THE WORLD IS CHANGING – FASTER BY THE DAY. GLOBALISATION, CLIMATE CHANGE, RAW MATERIAL SHORTAGES AND SOCIAL INEQUALITY POSE EVER GREATER CHALLENGES FOR THE HUMAN RACE. NOW AND IN THE FUTURE, INNOVATIVE TECHNOLOGIES CAN PLAY A CRUCIAL ROLE IN BALANCING ECONOMIC, ENVIRONMENTAL AND SOCIAL ASPECTS. THE TELEKOM AUSTRIA GROUP AIMS TO BE ACTIVELY INVOLVED IN THIS. WITH A SUSTAINABLE STRATEGY AND CLEAR OBJECTIVES.

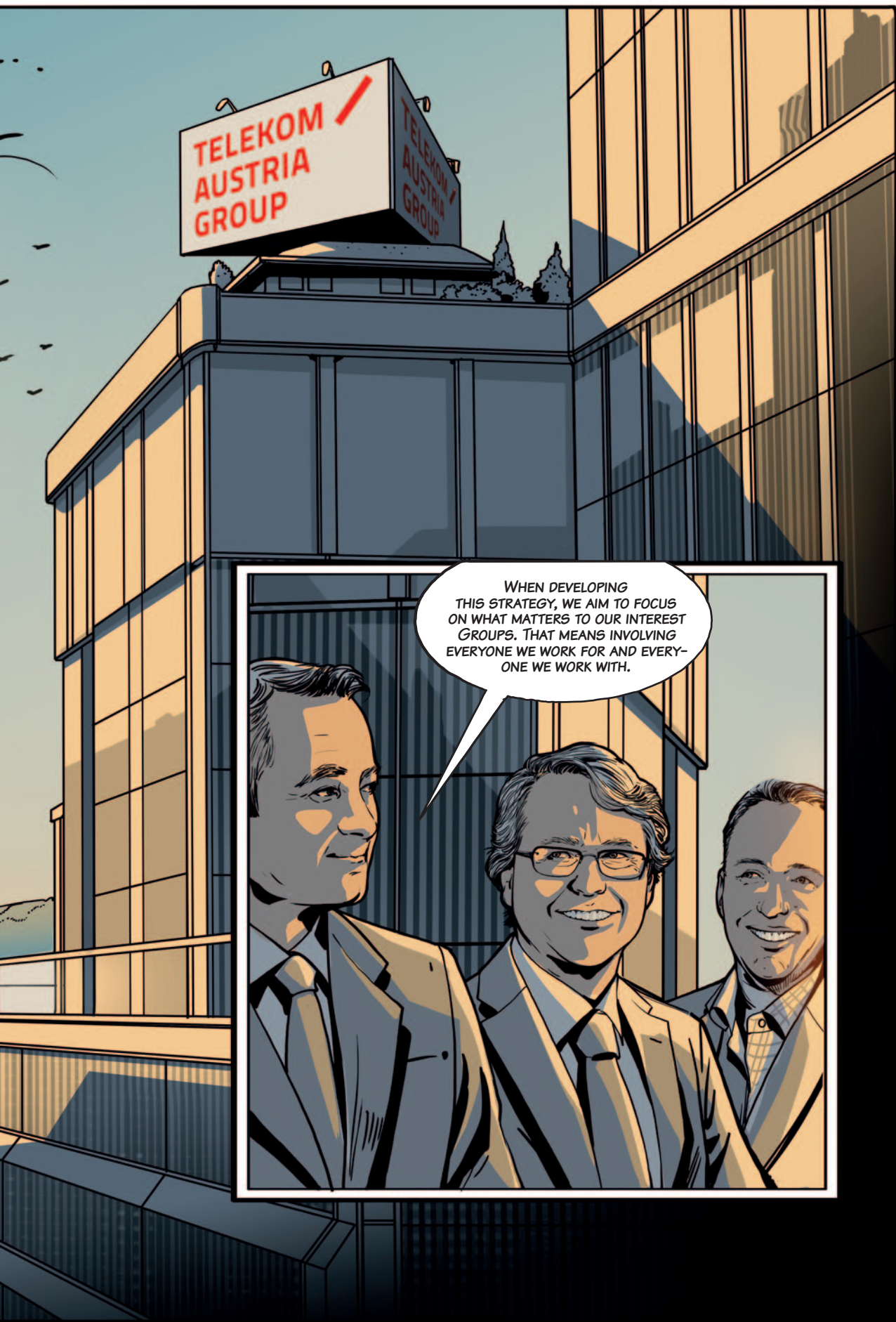


THE TELEKOM AUSTRIA GROUP MANAGEMENT BOARD IS
DELIBERATING ON SUSTAINABLE CORPORATE MANAGEMENT.

OUR INNOVATIVE
TECHNOLOGIES AND PRODUCTS
GIVE PEOPLE MORE AND MORE
OPPORTUNITIES TO COMMUNICATE
AND INTERACT. BUT WE ALSO NEED
TO MAXIMISE THEIR POTENTIAL TO
PRESERVE RESOURCES AND
THE CLIMATE.

EXACTLY: DOING BUSINESS
REQUIRES BOTH ENVIRONMENTAL AND
SOCIAL AWARENESS. WITH OUR INFRA-
STRUCTURE WE MAKE AN IMPORTANT CON-
TRIBUTION TO KEY AREAS OF SOCIETY SUCH
AS EDUCATION, HEALTH OR ENERGY. WE WANT
TO CREATE MORE OPPORTUNITIES FOR EVE-
RYONE AND SIMULTANEOUSLY TO DEAL AS
EFFICIENTLY AS POSSIBLE WITH THE
NATURAL RESOURCES ON OUR
PLANET.

WE NEED
A SUSTAINABILITY
STRATEGY WHICH
RECOGNIZES EXACTLY
THAT.



ACTIVE DISCUSSIONS ARE HELD WITH THE VARIOUS INTEREST GROUPS.

WE CAN AND WANT TO IMPROVE ENERGY EFFICIENCY.

MEDIA LITERACY SKILLS SHOULD BE SUPPORTED.

FOR ME DATA SECURITY IS ONE THE MOST IMPORTANT POINTS.

CUSTOMERS WANT INNOVATIVE PRODUCTS AT FAIR, TRANSPARENT PRICES.

INVOLVING THE INTEREST GROUPS HAS TAKEN THIS DISCUSSION TO A COMPLETELY NEW LEVEL.

ABSOLUTELY RIGHT! WE NOW HAVE LOTS OF REPRESENTATIVE DATA AND OPINIONS.

NOW LET'S EVALUATE THE RESULTS AND DRAW UP SPECIFIC TARGETS.



SOME TIME LATER:
THE FINAL
EVALUATIONS ARE IN.

PERFECT! LET'S GO
TO THE MANAGEMENT
BOARD.

THE ANALYSIS OF THE
MATERIALITY SURVEY IS NOW
READY. 4 AREAS OF ACTIVITY
WITH 22 FIRM TARGETS HAVE BEEN
DEFINED FOR OUR SUSTAINABILITY
STRATEGY.

PROVIDING
RESPONSIBLE
PRODUCTS

LIVING
GREEN

EMPOWERING
PEOPLE

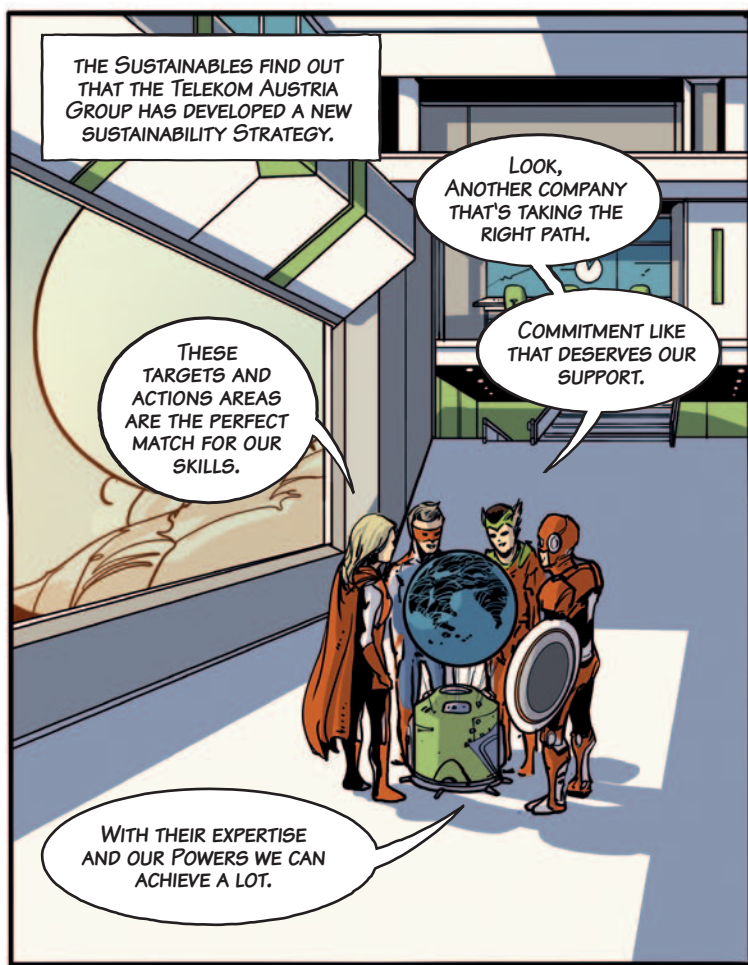
CREATING
EQUAL
OPPORTUNITIES



MEANWHILE, BACK AT THE
SUSTAINABLES' HEADQUARTERS.

QUICK!
COME HERE ALL
OF YOU!







THEY AGREE STRAIGHT AWAY.
THE SUSTAINABLES AND THE
TELEKOM AUSTRIA GROUP
ARE NOW FOLLOWING THE
SAME PATH.

MY INDESTRUCTIBLE
SHIELD FOR SECURE
NETWORKS AND
SUSTAINABLE
PRODUCTS!



MY KEEN
SENSE OF DIVERSITY
AND EMPLOYEE
DEVELOPMENT.



MY FORESIGHT
FOR ENVIRONMENTAL
AND CLIMATE
PROTECTION.



MY INFINITE
KNOWLEDGE FOR
EQUAL OPPORTUNI-
TIES IN SOCIETY.



TELEKOM
AUSTRIA
GROUP

WORKING TOGETHER
FOR A SUSTAINABLE
WORLD!



PREFACE BY THE MANAGEMENT BOARD

Dear Reader,

Why have we chosen to present the latest developments in our corporate sustainability in the style of a graphic novel? Quite simply, with the fictional heroes and heroines on the cover and in the illustrations of our current sustainability report we want to arouse your interest in the entirely new areas we are focusing on for our sustainability strategy. And to do so we have quite literally given them a face and a name.

To begin with, let us assure you that no, the Telekom Austria Group does not consider itself a “sustainability superhero”. In this report, “Securion”, “Environman”, “Diversitas” and “Sapientia” are symbolic figures representing the areas of activity that were identified in a materiality analysis as particularly relevant to the sustainable development of the Group. To address these sustainability aspects head on, in 2012 we implemented a programme called “RE.THINK” in which we critically re-examined our previous initiatives, reorganised them and gave them a clear focus on our core business. Extensive surveys and evaluations, also involving internal and external interest groups for the first time, were used as a sound and valid basis for the materiality matrix developed for this purpose (see page 16).

The multi-stage analysis resulted in the four areas of activity that are represented by “our” four “Sustainables” in the creative concept of this sustainability report.

Without a doubt, high-performance, reliable communication networks form the technological basis of our business. We therefore invest correspondingly high amounts each year to expand and develop these networks. And the measures we take to ensure information and data security are equally diverse. Together with innovative application possibilities and their positive effect on the environment and society, these aspects are described in the area of activity “Providing Responsible Products” (from page 22). In the area of “Living Green”, we develop targeted steps and programmes for continuously reducing the Telekom Austria Group’s ecological footprint (from

page 32). You can find out how we efficiently develop and apply the diverse skills of our employees in the section on “Empowering People” (from page 40). And the area “Creating Equal Opportunities” presents the many different initiatives we use to make an active contribution to creating equal opportunities in the digital world (from page 48).

With these four areas of activity, the Telekom Austria Group’s sustainability strategy takes on a new focus and momentum. Targets and key indicators have been set for all four areas and are linked to an extensive measures programme (from page 54). These include a proportion of women of 35% in the Group – including in management posts – and 100,000 participants in our media literacy training by 2016.

In addition, we are aiming



Tschuden
HANS TSCHUDEN
CFO, VICE CHAIRMAN OF
THE MANAGEMENT BOARD

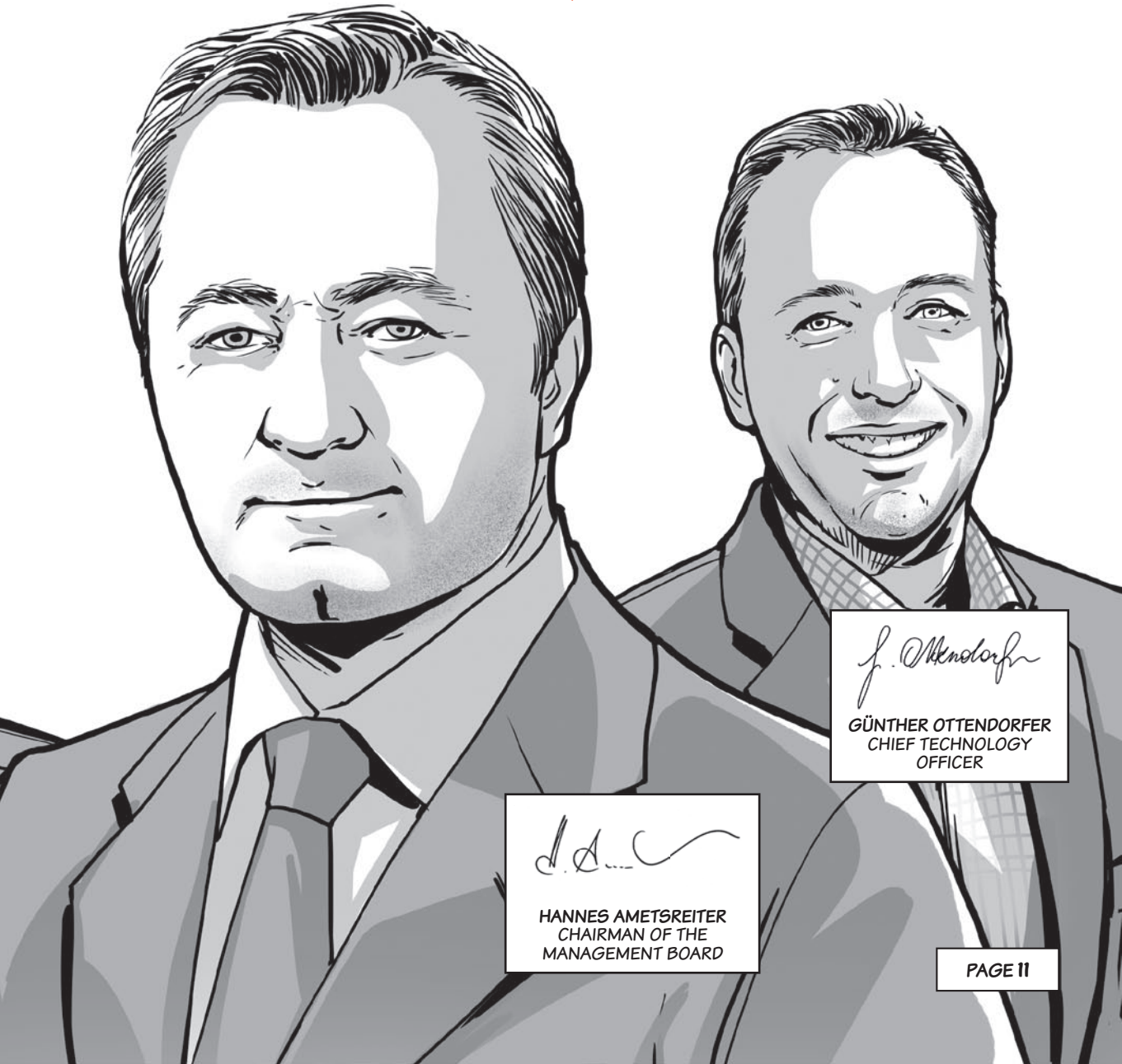
for a 20% increase in energy efficiency for the entire Telekom Austria Group by 2015. The evaluation will be based on the environmental key figures for 2012, which were gathered on a group-wide level for the first time. Furthermore specific parts of the sustainability report have been reviewed by an external auditor with a limited assurance statement (see page 74).

Our very serious commitment – notwithstanding the graphic novel style of the creative concept – to helping create a world worth living in, even beyond our own area of influence, is also demonstrated by the fact that the

Telekom Austria Group became a participant in the UN Global Compact in 2012. In participating, we have explicitly undertaken to comply with global principles in the areas of human rights, labour standards, environmental protection and fighting corruption.

After all, even though the “Sustainables” invented for this report tell our “sustainability story” with something of a twinkle in their eyes, it certainly can’t do any harm to look to great role models and high targets when you are – as the subtitle puts it – working together for a sustainable world.

● GRI 1.1, 4.11-4.13



HANNES AMETSREITER
CHAIRMAN OF THE
MANAGEMENT BOARD

GÜNTHER OTTENDORFER
CHIEF TECHNOLOGY
OFFICER

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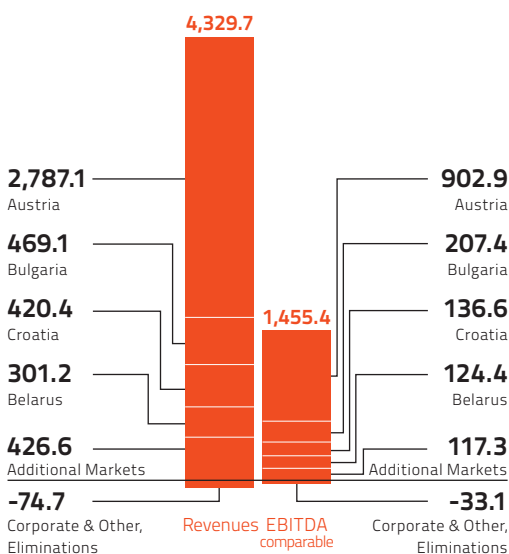
STRATEGY AND CORPORATE SUSTAINABILITY

THE TELEKOM AUSTRIA GROUP

As a leading communication provider, the Telekom Austria Group operates in eight countries across Central and Eastern Europe, serving approximately 23 million customers as of 31 December 2012. Its diverse portfolio of products and services covers all aspects of modern information and communication technology from voice telephony, fixed line and mobile broadband Internet, multimedia services and IPTV to data and IT applications, wholesale offers and electronic payment services.

As of 31 December 2012, the Telekom Austria Group had 16,446 employees. The Telekom Austria Group was affected by the challenging economic environment, fierce competition and price pressure as well as far-reaching intervention by regulators, with revenues falling by 2.8% to EUR 4,329.7 million and EBITDA down by 4.7% to EUR 1,455.4 million in the 2012 financial year.

Revenues and EBITDA comparable by segment in EUR mn/ in 2012



Starting with Austria, the Telekom Austria Group has successfully positioned itself in selected markets in Central and Eastern Europe over the last 15 years. In the 2012 financial year, 36.7% of revenues and 39.5% of EBITDA comparable were generated outside Austria. Selected key data on these markets can be found opposite and inside the cover of this report. A

Overview of Telekom Austria Group Markets (All figures for 2012)

Segment Austria

Mobile communication customers ¹	5,379.6
Mobile communication market share in %	38.8
Mobile communication penetration rate in %	164.2
Total fixed access lines ¹	2,282.3

Segment Bulgaria

Mobile communication customers ¹	5,574.3
Mobile communication market share in %	46.9
Mobile communication penetration rate in %	159.9
Total fixed access lines ¹	156.4

Segment Croatia

Mobile communication customers ¹	1,921.0
Mobile communication market share in %	38.3
Mobile communication penetration rate in %	116.8
Total fixed access lines ¹	163.0

Segment Belarus

Mobile communication customers ¹	4,800.4
Mobile communication market share in %	43.5
Mobile communication penetration rate in %	116.6

Segment Additional Markets

Slovenia

Mobile communication customers ¹	662.6
Mobile communication market share in %	30.3
Mobile communication penetration rate in %	107.1

Republic of Serbia

Mobile communication customers ¹	1,859.9
Mobile communication market share in %	17.6
Mobile communication penetration rate in %	147.2

Republic of Macedonia

Mobile communication customers ¹	632.0
Mobile communication market share in %	27.3
Mobile communication penetration rate in %	113.1

Liechtenstein

Mobile communication customers ¹	6.2
Mobile communication market share in %	15.9
Mobile communication penetration rate in %	106.4

¹ in '000

detailed description of the operational and economic development of the Group companies is provided in the context of capital market communication and published on the website www.telekomaustria.com under the menu item “Investor Relations”.

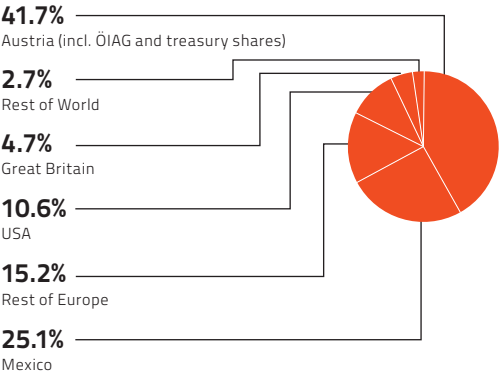
● GRI 1.2, 2.1-2.10, EC1, EC8-9

SUSTAINABLE INVESTMENT

The Telekom Austria share has been listed on the Vienna Stock Exchange since November 2000. As of 31 December 2012, it was one of the leading stocks on this exchange, with a weighting of 4.0% in the leading index ATX.

Since 2001, the Telekom Austria share has been included in the FTSE4Good index series, which features only companies with a special commitment to corporate social responsibility (CSR). The Munich-based rating agency oekom research last analysed the sustainability performance of the telecommunication industry in 2012. In this analysis, the Telekom Austria Group was awarded oekom Prime Status and received an overall score of C+ (on a scale of D- to A+) for its social and environmental commitment. In addition, the Telekom Austria share has been on the rating agency oekom research AG’s recommendation list for sustainable investment products since 2002, and has had a positive rating from imug Sustainable Investment since 2001.

Shareholder Structure by Country as of 31 December 2012



CORPORATE STRATEGY

The markets of the Telekom Austria Group are characterised by fierce competition, regulatory impact and rapid technological change. To make the best possible use of the available added-value potential in the core business, the Telekom Austria Group pursues various strategic approaches that take into account the degree of maturity and the specific circumstances of the individual markets. The four key pillars of the corporate strategy are:



When pursuing these strategic objectives, it is essential to maintain a conservative financial strategy in which ensuring a stable investment grade rating of at least BBB (stable outlook) is the top priority. A net debt/EBITDA comparable ratio of approximately 2.0x is the medium-term target. For the full year 2013, the Telekom Austria Group expects revenues of approximately EUR 4.1 billion. Capital expenditures, excluding investments in licenses, product range and acquisitions, of approximately EUR 650 - 700 million are also envisaged. Based on these forecasts, the management of the Telekom Austria Group aims to distribute a dividend of 5 Eurocents per share for the 2013 financial year.

CORPORATE SUSTAINABILITY STRATEGY RE.THINK

In addition to economic indicators and objectives, environmental and social aspects have also played a key role in the corporate management of the Telekom Austria Group for several years now. Significant milestones were set here in 2012 and 2013. In the “RE. THINK” programme, a sustainability strategy with clear aims has been defined in 2012, and its implementation will be continuously monitored and measured.

The objectives follow four central areas of activity that were identified as important to the sustainable corporate development of the Telekom Austria Group with the involvement of all relevant interest groups.

Active Involvement of Interest Groups

The corporate sustainability strategy and the areas of activity with their main topics are the result of the materiality analysis, which was performed for the first time in 2012. The topics were selected on the basis of an extensive analysis (described below) and prioritisation of social and environmental aspects across the value-added chain and the core business.

Firstly, the social and environmental issues in the individual stages of the value-added chain were determined and assessed in interviews with the management of the Telekom Austria Group. These discussions

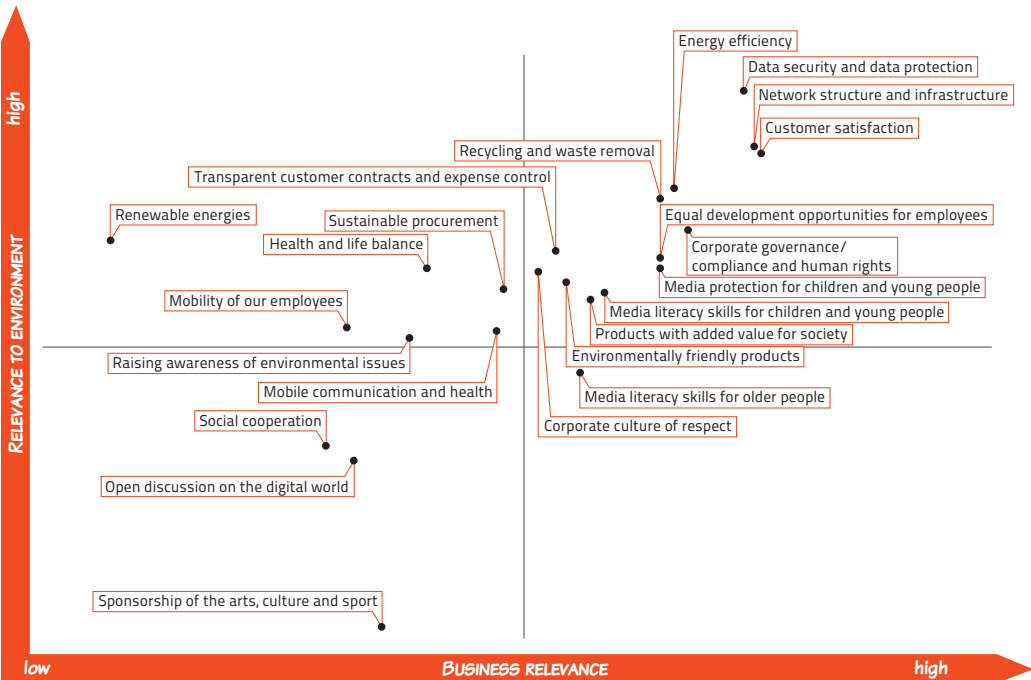
also ensured close integration and compliance with the business and capital market strategy and consideration of opportunities and risks.

In a second step, external interest groups were incorporated into the materiality analysis. Over 300 customers, employees, interest group representatives, suppliers and NGOs assessed the relevance of various social and environmental topics in an online survey. The requirements of international standards, rankings and rating agencies as well as the sustainability activities of other telecommunication companies were also incorporated into the survey.

In a third step, the focus of the sustainability strategy was identified by combining the internal and external priorities in a materiality matrix before being grouped in four areas of activity.

● GRI 1.2, 4.14–4.17

Materiality Analysis Telekom Austria Group



THE FOUR STRATEGIC CORPORATE SUSTAINABILITY AREAS OF ACTIVITY

As a responsible communication company, the Telekom Austria Group works rigorously to open up the potential of new communication technologies for as many people as possible, while taking care to preserve resources and protect the environment. Building on this fundamental sense of responsibility, the aspects relating to the core business of the Telekom Austria Group were given particular attention when developing corporate sustainability strategy.

Innovative information and communication technologies and the associated products and services make valuable contributions to environmental and climate protection. They enable equal access to information and knowledge, democratic participation and also to modern education and health systems.

However, the increase in digitisation and the huge rise in data volumes also have a negative side such as higher energy requirements for data transmission, electrical waste and a “digital gap” between generations as well as between town and country. These interrelationships are reflected in the areas of activity of the Telekom Austria Group's corporate sustainability strategy, which are set out below.

PROVIDING RESPONSIBLE PRODUCTS

Develop Products in a Future-Oriented and Responsible Way

Modern communication technologies and continuous, demand-oriented infrastructure expansion create social and environmental added value, for instance by enabling mobile working or improved medical care. Backup and protection of data, provision of a failsafe network infrastructure and investment in innovative technologies that deliver added value for customers form the core elements of this area of activity. (Details on page 22).



LIVING GREEN

Manage Resources in an Efficient and Sustainable Way

With extensive and sustainable environmental practices and processes, the Telekom Austria Group consistently pursues the aim of using fewer resources, thus further reducing the environmental footprint of its business activities. The strategic focus is on energy-efficient technologies, renewable energies, climate-friendly mobility and preservation of raw materials through optimised recycling and disposal processes. (Details on page 32).



EMPOWERING PEOPLE

Systematically Promote Employees Skills and Utilising Them

Empowering employees is a top priority at the Telekom Austria Group. In-depth further education and professional training, health promotion, a healthy work-life balance for employees, diversity in the company and a corporate culture of respect are the key factors here. (Details on page 40).



CREATING EQUAL OPPORTUNITIES

Creating Equal Opportunities in the Digital Society

The Telekom Austria Group firmly believes that everyone is entitled to participate equally in the knowledge society, now and in the future. Local initiatives foster the skills that are increasingly necessary for active and responsible participation in order to ensure equal access to information, education and knowledge in a digital world. (Details on page 48).



Measurable targets and key indicators have been set for all four areas of activity in order to trace and improve sustainable corporate development in a structured manner.

GROUP-WIDE KEY ENVIRONMENTAL FIGURES

In the context of the TAGreen project, key environmental figures were defined and gathered for the operating companies in Austria as well as Bulgaria, Croatia, Belarus, Slovenia, the Republic of Serbia and the Republic of Macedonia for the first time. The key environmental figures are the basis for the evaluations of the set targets and are defined for the estimation of the CO₂-emissions according to the definition of the Green House Gas Protocol. (details from page 67).

GROUP-WIDE SUSTAINABILITY MANAGEMENT

In 2010, the Telekom Austria Group set up a Group-wide, integrated corporate sustainability management system that has been enhanced in stages ever since. The sustainability agenda is under the jurisdiction of the CEO of the Telekom Austria Group Hannes Ametsreiter, supported by CFO Hans Tschuden and CTO Günther Ottendorfer.

In the Group Sustainability Board, made up of representatives of top management, the main topics and the development of the corporate sustainability strategy are discussed and adopted at least three times a year. This broad positioning ensures that corporate sustainability strategy, Group strategy and brand strategy are aligned with each other. The members of the Sustainability Board also assume responsibility for sustainability aspects in their respective field, and promote international exchange within the Telekom Austria Group.

The department Corporate Sustainability, which reports directly to CEO Hannes Ametsreiter as part of the Group Corporate Communication and Sustainability unit, controls and coordinates implementation of corporate sustainability strategy with the respective officers in the subsidiaries. This cross-border approach ensures compliance with the overriding group targets. At the same time, this organisational structure creates the necessary flexibility for taking regional differences into account.

● GRI 2.1-2.10, 4.1-4.10

ACTIVE RISK MANAGEMENT

The business activities of the Telekom Austria Group naturally involve a number of risks, which are set out in detail in the Management Report and the Notes to the Consolidated Financial Statements in the 2012 Annual Report.

> gb2012.telekomaustria.com

● GRI 1.2, 4.11

MEMBERSHIPS (SELECTION)

Telekom Austria Group

- UN Global Compact
- respACT
- ETNO

A1

- UN Global Compact
- klima:aktiv
- Austrian Mobile Power
- Electric Mobility Model Region Vienna
- Code of Conduct on Data Centres Energy Efficiency

Mobiltel

- CSR Academy
- Bulgarian Red Cross
- Bulgarian Charities Aid Foundation
- Bulgarian Donor Forum

Vipnet

- UN Global Compact

Si.mobil

- UN Global Compact
- EMS Forum
- Founder of the independent “Si.voda” fund

Vip mobile

- UN Global Compact
- Green Network
- Co-founder of the Serbian Business Leaders Forum

● GRI 4.12-4.13

AMBITIOUS TARGETS IN SUSTAINABILITY MANAGEMENT

Specific projects in various sustainability dimensions were defined in the 2011/12 sustainability report. The table below summarises these aims (Said) as well as the implemented measures (Done) and defines further

targets for the future (Planned). A detailed overall programme of measures in all areas of activity can be found in this report, starting on page 54.

**SELECTED AWARDS
IN THE REPORTING PERIOD**

- Carbon Disclosure Project Award for Outstanding Achievement in Climate Protection (Telekom Austria Group)
 - Global Telecoms Business Innovation Award 2013 for the SIM Box Detection Service for Fraud Prevention (Telekom Austria Group)
 - Bronze “Fleggy” at the European Change Communications Awards 2012 for the new code of conduct (Telekom Austria Group)
 - Klima:aktiv Award by the Climate Protection Initiative of the Life Ministry for the use of wind power in air conditioning. (A1)
- Digital Communication Award and Best of Social Media Award 2012 for Online platform “A1 Support Community” (A1)
 - Responsible Business Award 2012 for Work Life Balance-Program (Mobiltel)
 - First Place Croatian Employer Certificate 2012 for Human Resources Strategy and Processes (Vipnet)
 - Best selfcare portal 2012 for online platform Moj Si.mobil (Si.mobil)
- Further Awards can be found in the respective chapters of this report.

● GRI 2.1-2.10

Said in 2011	Done in 2012/2013	Planned for 2013/2014
<ul style="list-style-type: none">– Accession of the Telekom Austria Group to the UN Global Compact– Further development of key figures to measure the Group's sustainability performance– Certification of the Telekom Austria Group Compliance Management System– Embed a culture of integrity within the Telekom Austria Group	<ul style="list-style-type: none">– Participation in the UN Global Compact– Expansion of the reporting scope and collection of key environmental figures (TAGreen)– Development of a new sustainability strategy with extensive stakeholder involvement (materiality analysis)– Training of over 16,000 employees on compliance management to establish a culture of integrity– Certification of this sustainability report by an independent auditor	<ul style="list-style-type: none">– Improvement of reporting systems– Expand the audit by means of an independent auditor– Further development of a supply chain strategy– Completion of the certification of the Group-wide compliance management system– Further roll-out of sustainability trainings

COMPLIANCE

COMPLIANCE MANAGEMENT

All activities of the Telekom Austria Group are naturally rooted in integrity. The Group has responded to past misconduct by fundamentally expanding and improving its compliance management system. In 2011, the Management Board and Supervisory Board of the Telekom Austria Group commissioned an investigation team to fully examine the related allegations. A report on the findings was presented at the Annual General Meeting on 23 May 2012, and measures were taken to prevent future misconduct.

Since November 2011, there has been a Group Compliance Officer who reports directly to the Management Board and is assisted by the experts in the Group Compliance department and local compliance managers in the subsidiaries of the Telekom Austria Group. Existing instruments such as the Code of Conduct and Group guidelines have been updated and expanded, and new instruments such as a “tell.me” platform for anonymous tip-offs have been set up.

A Group-wide training programme ensures the effectiveness of these instruments. In 2012, 1,535 employees took part in compliance training sessions, and 15,018 employees completed the Telekom Austria Group's compliance e-learning programme. The compliance helpdesk “ask.me” is available to receive employees' questions. Around 380 questions were asked and answered via “ask.me” in 2012.

Building on these existing instruments and guidelines, further measures for continuous improvement of the compliance management system are defined on the basis of the annual compliance risk assessment in all subsidiaries of the Telekom Austria Group. Measures in 2012 included intensification of the integrity checks of business partners. The issue of integrity also features even more prominently than before in the professional training programme for managers. In addition, preparations have been made for certification of the compliance management system in accordance with an internationally recognised standard (IDW PS 980) in 2013.

● GRI 4.1–4.10, HR3, 8–10, PR6, SO2–5, 7, 8

CODE OF CONDUCT

Updated in 2012, the Telekom Austria Group's code of conduct is entitled “Integrity is the Basis of Our Business – honest.fair.transparent.” It was published in all languages of the subsidiaries, and its launch was accompanied by an internal communication campaign that won the 2012 European Change Communication Award.

The Management Board of the Telekom Austria Group sets out the objectives of the code of conduct in the foreword: “Our shared aim must be to safeguard the long-term commercial success and reputation of the Telekom Austria Group by making integrity the natural foundation of all our activities and decisions. It is down to us!”

In several sections, the code of conduct describes fundamental conduct requirements as well as specific requirements in terms of integrity with regard to business relationships, handling information and preventing conflicts of interest. Other subjects governed by the code of conduct include the acceptance of invitations to social events and gifts. It explicitly prohibits advertisements in the media of political parties as well as monetary donations or donations in kind to political parties or organisations closely associated with political parties.

The code also provides clear regulations regarding the allocation of consultancy and lobbying mandates. Noncompliance with the conduct requirements results in various disciplinary measures depending on the level of misconduct. The maximum penalty is dismissal. The code of conduct is available on the Telekom Austria Group website at telekomaustria.com under the menu item compliance.

● GRI 4.11–4.13, EC6, SO5, PR6

GROUP GUIDELINES

The provisions of the code of conduct have been set out in more detail in Group guidelines. In April and July 2012, several guidelines on the following subjects were adopted or updated by the Management Board and communicated internally:

- sponsorship, donations and advertising
- gifts and invitations
- management consultancy and lobbying
- anti-trust law
- anti-corruption and conflicts of interest
- capital market compliance

● GRI PR6

"TELL.ME" PLATFORM FOR WHISTLEBLOWING

To give employees and external parties the opportunity to provide information on misconduct anonymously, the Telekom Austria Group set up a new informants' platform in 2012. To preserve anonymity and protect informants, tip-offs are issued via an external information system that is operated by a specialist partner company. Each notification is forwarded to the Compliance and Internal Audit units, which perform a joint analysis and plausibility check. In the event of justified allegations, the Internal Audit department thoroughly investigates the matter.

Access to the "tell.me" platform is open to all interested parties via the Telekom Austria Group website telekomaustria.com under the menu item compliance. The contact details of the Telekom Austria Group's compliance officers can also be found there.

● GRI HR11

FURTHER INFORMATION

Detailed information on ensuring corporate management in compliance with the law and regulations is provided in the Corporate Governance Report in the 2012 Annual Report (online at: ar2012.telekomaustria.com). The "Group Management Report" and "Notes to the Consolidated Financial Statements" chapters also contain in-depth information on the internal control system and risk management.



SECURION

HE COMES FROM THE PLANET SECURA, WHERE THE TECHNOLOGY IS DECADES AHEAD OF THAT ON EARTH. USING THE CORE ELEMENT PROTECTUM, HE HAS MADE HIMSELF A HIGH-TECH SHIELD THAT CAN PROVIDE SAFETY FOR ANY LIVING BEING IN THE UNIVERSE. THIS MAKES HIM THE IDEAL PARTNER FOR THIS AREA.



PRODUCTS

PROVIDING RESPONSIBLE PRODUCTS

In the eight markets of the Telekom Austria Group, its highly efficient and dense infrastructure network provides the backbone for the digital knowledge society of the 21st century. Ongoing investments in new transmission technologies and applications, the highest data protection and fault tolerance standards, and products and solutions that create added value for customers, society and environment are the key pillars of this area. Complete customer focus as well as secure, user-friendly and reliable services help to build up long-term customer relationships and ensure the profitability of the Group.

The following challenges and opportunities determine the strategy for this area and result in concrete targets that the Telekom Austria Group has set itself for 2015.

TARGETS FOR 2015:

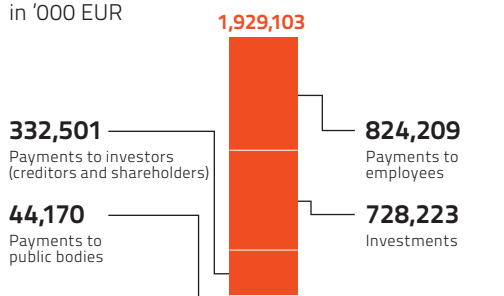
- Ensuring Group-wide coverage of at least 99% with 2G and at least 90% with 3G (except velcom, Si.mobil und Vip mobile)
- Increase in customer satisfaction
- Implementation and enhancement of cost-control applications for customers
- Increase in the Group-wide e-billing rate to 50%
- Increase in the number of old mobile phones collected
- Promotion of climate-friendly products and solutions
- Development of innovative solutions with added value for society (health, education, etc.)
- Maintenance of the highest possible data protection and data security standards in the Telekom Austria Group
- Continuation of ISO 27001 certification
- Annual data protection report for AI (starting in 2014)

DIGITISATION CREATES GROWTH

High-performance ICT infrastructure is now an essential requirement and also a yardstick for a country's economic and social development. According to the World Economic Forum's annual Global Information Technology Report, approximately 6 million new jobs have been created in the ICT sector in the past two years. A 10% rise in the digitisation rate reduces unemployment by more than 1% and increases per-capita GDP by 0.75%¹. In the Network Readiness Index (NRI), which calculates the necessary framework conditions for the ICT sector for over 140 countries, Austria again featured in the top 20 in 2013, ranking 19th. The quality of the ICT infrastructure, commercial use of the Internet and the provision of digital content were rated particularly highly.

● GRI 1.2, EC1, 6, 8-9

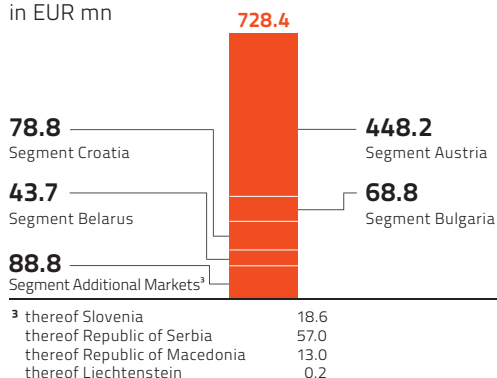
Net value-added Telekom Austria Group 2012 in '000 EUR



Calculated on the basis of the Global Reporting Initiative (GRI) G3 Guidelines for Indicator EC1.

● GRI EC1

Capitall expenditures 2012 in EUR mn



● GRI IO1

¹ Source: http://www3.weforum.org/docs/WEF_GITR_Report_Highlights_2013.pdf

² Source: http://www.cisco.com/web/solutions/sp/vni/vni_mobile_forecast_highlight/index.html

INTELLIGENT NETWORK EXPANSION

The Telekom Austria Group needs secure, high-performance transmission networks – a challenge that matters to the company's 23 million customers and the company itself. A study by Cisco² estimates that the volume of mobile data traffic alone will increase 13-fold between 2012 and 2017. To ensure that it is equipped for these developments, the Telekom Austria Group is pursuing a demand-driven expansion strategy adapted to the general economic situation for the fixed line network and for mobile communication. EUR 728.2 million was invested in this strategy in 2012.

In line with the regulatory framework, network expansion is focused on increasing network coverage and implementing new technologies. In mobile communication, the Telekom Austria Group is pursuing the aim of providing coverage of 99% of the population with the 2G network and 90% for the 3G network in its markets. The Telekom Austria Group has already achieved this network coverage in most of its markets. The exceptions are Si.mobil and Vip mobile, which currently have network coverage of 98% for the 2G network, and velcom and Vip mobile in the 3G network.

Forward-looking network investment in LTE and HSPA+ has already been made in Austria and on the international markets of the Telekom Austria Group. For example, Vipnet in Croatia laid essential foundations for upgrading the mobile communication network to LTE technology by purchasing frequencies in the 800 MHz band in 2012. In Slovenia, Si.mobil introduced LTE in major urban areas in 2012, thus reinforcing its role as a quality leader with the biggest and most powerful mobile communication network in the country. In the Republic of Serbia, Vip mobile continued its expansion of HSPA+. By 31 December 2012, it had already achieved coverage of more than 72%. (Further details can be found in the 2012 annual report)

In the fixed line network, the Telekom Austria Group's main priority is demand-driven infrastructure expansion. A combination of fibre-optic cables and copper-based technologies alongside testing of innovative new developments is the best way to achieve this. In Austria, A1 is currently constructing a fibre network, which meets the requirements of both mobile communication and the fixed line network. The related coverage in the fixed line network, known as next-

generation access (NGA), is to be increased from 56% coverage in 2012 to 60% coverage by 2016. Parallel to this, new technologies are being used to upgrade the existing infrastructure. For instance, vectoring allows the transmission capacity of the existing fixed line copper wires to be increased significantly and cost-effectively by filtering out interference. In 2012, A1 became the first company in the world to apply this technology successfully in a pilot area in the town of Korneuburg. In Bulgaria and Croatia, expansion of fibre-optic technology in particular is being pursued.

● GRI 1.2, EC8-9, IO1, 2, PA1, 4

ENSURING COMMUNICATION IN EMERGENCIES

In emergency situations, mobile phones can be life-savers. A1's mobile communication network handled approximately 2.5 million emergency calls in 2012. Network availability even in remote locations and in the mountains is particularly relevant here. In all countries, the Telekom Austria Group cooperates closely with the fire and rescue services and the Red Cross. Phone calls to official emergency numbers are free in all countries.

To restore technical communication channels as quickly as possible, including in the event of natural disasters or power cuts, effective measures have been taken at all Telekom Austria Group subsidiaries. The technical precautions include providing emergency power generators and satellite phones and setting up crisis rooms. In several countries, professional crisis management teams have also been set up and train on a regular basis. In addition, for example, A1's crisis management team is in direct contact with the crisis management of the government and the warning centres of the individual countries.

● GRI 1.2, PA3, 6

SAFETY IS THE TOP PRIORITY

Participants in digital life should also have confidence that they are protected against inappropriate use of their data. The data protection and information security measures that the Telekom Austria Group takes are correspondingly extensive and diverse to justify this confidence.

DATA PROTECTION, DATA SECURITY & INFORMATION SECURITY

- Data protection is the legal framework for protecting the privacy of people whose data is being processed.
- Data security involves technical measures to protect confidential data.
- Information security relates to management of the security measures taken to ensure the confidentiality, availability and integrity of data processing.

Information and Data Security

Protecting sensitive data and systems and countering potential threats are top priorities for the Telekom Austria Group. The Information Security Policy and the supplementary Information Security Standards apply throughout the Group and are supplemented by local guidelines on a country-specific basis. At Group level, implementation and application of the Group guidelines are regularly examined and monitored by the specialist unit Information Security & Emergency. All operating subsidiaries of the Telekom Austria Group have appointed information security managers. At A1, Martin Walter, Group Compliance Officer, took on the additional responsibility of heading the newly established Data Privacy unit on 1 July 2013, and was appointed A1's data protection officer. Maintaining the highest possible data protection and security standards in all countries and publishing an annual data protection report of A1 starting in 2014 have been formulated as binding targets of the corporate sustainability strategy.

To ensure effective information security, the Telekom Austria Group has set up numerous measures. A1 and Vipnet subject their hosting service to an annual data protection audit in line with ISO 27001, and Mobiltel in Bulgaria also successfully completed certification in line with ISO 27001 in 2012. In addition to external and internal audits, simulated hacker attacks are also carried out Group-wide to identify any weak spots, and employees are continuously trained on data security issues.



Data Protection

Data protection is a basic right. All people have a right that their personal data remains confidential if there is a protectable interest. This particularly applies in terms of respect for private and family life. Processing of personal data is subject to clear rules. For example, the data must be protected against inadvertent or unlawful destruction and against loss, and access must not be possible for unauthorised persons. The different categories of data are as follows in the table below.

Information on storage duration and the type of stored data is available in the Telekom Austria Group's customer contracts and on its customer portals and websites. In addition, the Telekom Austria Group promotes the personal skills needed to use modern information and communication solutions properly and safely ("media literacy skills") through numerous initiatives and events. See page 58 of this report for details.

● GRI 1.2, PR8, 9, TA5, PA7

Data categories

Personal data	Details of individuals or legal entities whose identity is or can be determined
Sensitive data	Data of individuals concerning their race and ethnic origin, political opinion, trade union affiliation, religious or philosophical beliefs, health or sex life
Master data	First name, surname, degree, address, subscriber number and other contact information for messages, contract type, credit rating
Traffic data	Data that are processed for the purpose of forwarding a message to a communication network or for invoicing this action, e.g. active/passive subscriber number, type of terminal, time and duration of connection, data volume
Location data	Data that are processed in a communication network or by a communication service and indicate the geographical location of the telecommunication terminal equipment. Location data are also traffic data.
Content data	Content of transmitted messages and phone calls
Retained data	Traffic data, location data including master data and public Internet addresses used for Internet access, as well as e-mail protocols of public e-mail services. Retained data do not include the addresses of websites or consumed web content.

ELECTROMAGNETIC FIELDS (EMF) AND MOBILE COMMUNICATION

As a leading telecommunication company in its markets, the Telekom Austria Group is constantly expanding its transmission networks. Involving and educating the population with regard to mobile communication issues and health are top priorities. Information on threshold values, emissions of mobile communication systems and secure data transmission is communicated transparently in the context of one-to-one discussions as well as in the form of information brochures, simulations and via the Internet.

A Group-wide EMF policy also ensures that all subsidiaries adhere to the guidelines on health and safety with regard to electromagnetic fields. The Group EMF Board is responsible for strategic orientation and cross-border information exchange, while strategy is implemented in the individual countries by local teams. In addition, future aspects of network expansion are handled and effective strategies for ensuring the safety of tomorrow's infrastructures are developed on a transnational basis.

ELECTROMAGNETIC COMPATIBILITY

More and more electronic devices are making everyday life easier. As a technology company, the Telekom Austria Group also assumes responsibility for devices offered to customers – from mobile phones, smartphones and data sticks to bedside terminals for hospital beds. Where these devices are used, there may be no interference with other electronic equipment.

To ensure that this is the case, the Telekom Austria Group rigidly adheres to the European Union's directives on electromagnetic compatibility and the corresponding national standards. Only devices that comply with these directives and standards can successfully pass internal quality assurance and the continuous reviews of the Telekom Austria Group's product portfolio.

● GRI 1.2, EN11–12, SO1, 9, 10, PR1, 3, IO4–7, PA8, 9

PRODUCTS AND SOLUTIONS WITH ADDED VALUE

In its corporate sustainability strategy, the Telekom Austria Group pursues the aim of offering innovative solutions that generate added value for society. Convergent products in Austria, Bulgaria and Croatia provide customers with extensive, communication solutions for everyday use. One sector that particularly benefits from ICT solutions is the healthcare industry. Numerous services of the subsidiaries in Austria and Slovenia help to provide greater convenience and safety in healthcare. These include the connection of medical equipment to the E-Card network, an information and communication system for secure and fast data exchange between doctors (medical data network), doctors' and vaccination appointments by SMS as well as the E-Care terminal for IT-based bedside care in hospitals.

ICT products also increase efficiency in administration. Solutions such as electronic archives, contracts and signature systems from Si.mobil substantially reduce the bureaucratic workload. As well as innovative products for forward-looking industries, the Telekom Austria Group is also a driver of positive social development through special solutions for people with special needs. More details can be found in the "Creating Equal Opportunities" section on page 49.

● GRI TA1, 2

PRODUCTS FOR ENVIRONMENTAL AND CLIMATE PROTECTION

The increased use of modern information and communication technologies also presents new opportunities for climate and environmental protection. As the "SMARTer 2020" study by the Global e-Sustainability Initiative (Gesi) from December 2012 shows, intelligent use of ICT solutions in the mobility, energy, agriculture and building management sectors could cut greenhouse gas emissions by 16.5% to 9.1 billion tonnes of CO₂ by 2020.³ This savings potential is equivalent to the emissions of approximately 3 billion cars. The Telekom Austria Group intends to make an active contribution to realising this potential with its extensive portfolio of products and services. For instance, software-based conference and collaboration solutions enable virtual meetings, for example, thus preventing travel-related CO₂ emissions.

³ Source: <http://gesi.org/SMARTer2020>

The Telekom Austria Group's cloud services with their wide range of potential uses also allow a decrease in energy consumption and therefore CO₂ emissions. By relocating programmes and files to central, external servers with a design that offers higher performance and greater energy savings, customers eliminate the need for their own IT infrastructure. In addition, the data are retrievable anytime, anywhere.

Machine-to-Machine (M2M)

As well as connecting people all over the world, communication solutions also enable communication between machines. Potential applications range from drink vending machines that trigger automatic ordering processes via a SIM card module to smart meters, use of fleet management by forwarding agents and usage-based billing of services.

The foundation of Telekom Austria Group M2M GmbH in 2011 was geared towards intensive cultivation of this forward-looking market for machine communication. According to a projection by Forrester⁴, approximately 50 billion devices will be connected by 2020. M2M will play a particular role in the energy industry in future, for example. In Austria, energy network operators are legally obliged to fit smart meters in at least 70% of households by 2017 and at least 95% of households by 2019⁵. This will allow the increasingly decentralised generation of energy to be better aligned with consumption. Recording of actual consumption and costs also leads to greater awareness of how to use energy responsibly and sparingly.

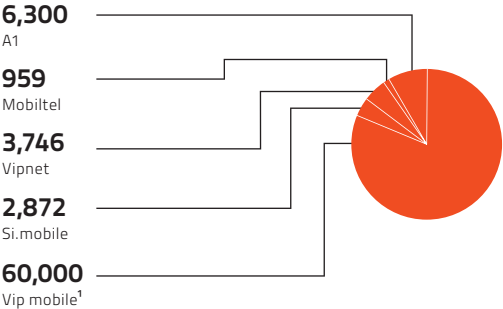
● GRI TA1, 2, EN6, 26, PA11

USING FEWER RESOURCES TOGETHER

In addition to the aforementioned measures for sustainable network and product design, raising environmental awareness among customers and employees is another key pillar of the Telekom Austria Group's corporate sustainability strategy. For example, paper consumption is to be reduced further by increasing the proportion of electronic customer invoices (e-bills) from 29% in 2012 to 50% by 2015. To achieve this target, for example, A1 launched a special measure for customers of its bob brand in spring 2013: for every switch from paper to online invoices, a Swiss pine was donated as part of a reforestation campaign for endangered coniferous species in the Austrian national forests – 1,000 of these rare trees were planted in the Krimmler Ache valley in the Salzburg national park region of Hohe Tauern. The international subsidiaries of the Telekom Austria Group also run similar campaigns. Internal information campaigns also make employees aware of the importance of using paper sparingly.

● GRI EN1-2, 26, 27, TA1, 2, PA11

Recycling of Mobile Phones 2012



¹ High share is due to a special incentive system.

RECYCLING OF MOBILE PHONES

One increasingly discussed aspect is the limited service life of ICT products. Telekom Austria is dealing with this issue, and aims to make a positive contribution to preserving resources and reducing waste. Recycling of mobile phones is a key factor. Mobile phones contain valuable raw materials such as gold, silver, palladium, copper, aluminium, tin and coltan, but also hazardous substances. Although 40% of the materials used could be fed back into the raw material circuit, only 15% of old mobile phones are returned in Austria. With financial donations to not-for-profit institutions and voucher systems, the Telekom Austria Group runs several initiatives to increase the return

⁴ Source: <http://www.forrester.com/M2M+Connectivity+Help+s+Telcos+Offset+Declining+Traditional+Services/fulltext/-/E-RES56893?docid=56893>

⁵ Source: <http://www.iktstrategie.at/en/chapter-list/19333>



rate. For example, for every mobile phone handed in, A1 donates EUR 4 to the Austrian “Kinderhände” association, which teaches sign language to deaf children and their parents. Si.mobil in Slovenia donates EUR 1 per mobile phone to the environmental fund “Sklad Si.voda”, which is dedicated to water protection (For further initiatives please see p.54).

● GRI EN26, 27, PA11

FOCUS ON CUSTOMER SATISFACTION

Customer satisfaction with products and services is the top priority for all Telekom Austria Group companies. Throughout the Group, 3,650 employees in Customer Service provide information on tariffs and products and answer their customers’ concerns via hotlines and online portals. In Austria, A1 launched the customer service initiative “A1 Support Community” at the end of 2011. Via the specially created platform A1community.net, with the help of A1 moderators, customers can exchange information and help each other with problems. In 2012, this A1 platform won the Digital Communication Award, the German Prize for Online Communication and the Best of Social Media Award 2012. In Slovenia, Si.mobil’s portal Moj Simobil was named Best Self-care Portal in 2012 and the product “The Perfect Office”, which includes cloud services, won the Eurocloud Award for Best Case Study Commercial Sector.

At regular intervals, all Telekom Austria Group subsidiaries conduct detailed customer surveys, thus ensuring continuous, demand-driven enhancement of their products and services. A Group-wide customer satisfaction survey harmonisation programme was

initiated in 2012 in order to improve future sharing of experience and enable greater use of synergies across national borders. Regular training sessions, e-learning courses, feedback discussions and coaching sessions ensure that employees can address customer concerns in the best possible way.

● GRI PR5, PA10

TRANSPARENT CUSTOMER CONTRACTS & EXPENSE CONTROL

In the interest of fairness and transparency, the Telekom Austria Group provides suitable applications for expense control. To this end, in recent years instruments such as apps, warning texts and service blocks or restrictions to warn of insufficient funds have been implemented and constantly enhanced at all Telekom Austria Group subsidiaries.

For instance, A1 in Austria and si.mobil in Slovenia provides smartphone users with the free “Mein A1” and “Si.info” app, with which current costs, minutes and data volumes used and service support can be called up at all times.

Vodafone Consumer Services, which was launched in spring/summer 2013 by A1, Vipnet and Mobiltel in cooperation with the British telecommunication company Vodafone, represents a new milestone in innovative customer services. This add-on package offers customers a wide range of user-friendly and flexible services that deliver increased privacy protection and better interlinking between different end-user devices. In addition to special anti-virus programmes, this package also includes tracking

Key Data Customer Service Telekom Austria Group

2012	Employees (in FTE)	Customer Contacts (in '000)
Austria	2,390	26,545
Bulgaria	427	5,656
Croatia	223	3,147
Belarus	373	5,382
Slovenia	68	999
Serbia	144	1,817
Macedonia	22	2,023

and blocking services for mobile phones. By contrast, “Vodafone Guardian” is a free app that makes smart-phones child-safe – parents can specify contacts with whom their children can communicate by phone or SMS. Functions such as camera, Internet and Blue-tooth can be approved depending on the child’s age.

In addition, time windows for use can be defined, and installation of new apps can be suppressed. (For further media literacy initiatives for children and young people please see page 54)

● GRI PA10, PR3

Said in 2011	Done in 2012/2013	Planned for 2013/2014
<ul style="list-style-type: none"> – Intelligent, needs-oriented expansion of network infrastructure – Improve the quality of services in all markets – Expand portfolio of innovative and convergent products – Maintain the highest standards of information security and data protection in all markets – Continue information campaigns on “Mobile Communication - Health and Safety” 	<ul style="list-style-type: none"> – Capitel expenditures of EUR 728.2 mn in 2012 – Initiated a Group-wide customer satisfaction survey harmonisation programme – Expanded online advice and troubleshooting – Implemented expense control instruments for customers in all markets – Appointed managers for data protection and data security at all subsidiaries – Appointed crisis management teams in Austria and Bulgaria – ISO 27001 certification in Bulgaria for the first time 	<ul style="list-style-type: none"> – Demand oriented infrastructure roll-out in the Telekom Austria Group – Publication of a Data Protection Report in 2014 (A1) – Awareness raising initiatives for employees with focus on data protection – Continuation of the ISO 20071 certification – Development of tools for cost control and child protection – Push Green ICT products and KPI development for reporting – Further roll-ou of recycling programmes for mobile phones

For further initiatives please see measures programme on page 54.

SUSTAINABILITY IN THE SUPPLY CHAIN

IN FOCUS

Much of the social and environmental impact of business activity originates from the supply chain. It is not only important where materials for products and services come from and under what conditions they are mined or manufactured; how they are packaged and transported is another significant factor. According to a study by GreenBiz.com that was conducted in cooperation with Trucost, these upstream processes account for a hefty 85% of all effects on the environment and society.

CLEAR GUIDELINES FOR SUPPLIERS

For this reason, with regard to its suppliers, the Telekom Austria Group pays increasingly attention to compliance with environmental and social principles. For instance, a long-term project to promote sustainability in purchasing was launched in the 2012 financial year. This project included the formulation of codes of conduct that summarise requirements for responsible action by suppliers of Telekom Austria Group. Many of these aspects are already contained in the general purchasing conditions of the operating companies and in the Group framework agreements of the Telekom Austria Group.

In addition, the Telekom Austria Group's code of conduct provides guidance for suppliers in terms of conducting themselves fairly and with integrity in their dealings. Sustainability aspects are also a factor in many calls for tender. In addition to the energy efficiency of products, criteria such as ingredients, recyclability and environment-related certificates or labels are taken into consideration.

In the Austrian subsidiary A1, a regular vendor rating in the context of supplier assessment forms the basis for collaboration and development. As well as commercial and technical aspects, various environmental and social criteria are also assessed in the case of suppliers that have a significant volume. With a view to optimising the assessment of the corporate risk, the Telekom Austria Group also reserves the right to audit potential and existing suppliers and their products.

To embed social and environmental requirements even more firmly in the purchasing process and raise awareness, a training programme for the employees of the relevant departments and the Purchasing department will be developed in 2013.

● GRI 4.11-4.13, EN29, HR 1-2, 6-7, PR1, 3, PA11

CONFLICT MINERALS

One of the key issues in the supply chain of technology companies relates to the use of "conflict minerals". Mining and trading of minerals such as tin, tantalum, tungsten and gold in Central Africa are the focus of international attention, as there is often a link with armed conflicts in the Democratic Republic of Congo here. Under the US "Dodd-Frank Act, Section 1502", companies have been required since 2010 to retrace and disclose the use of these materials across the entire supply chain.



ENVIRONMAN

IN HIS HANDS HE CARRIES ORBIS, A COPY OF THE EARTH. IT ALLOWS HIM TO SEE WHAT OUR WORLD WILL LOOK LIKE IN 100 YEARS TIME AND TO RECOGNISE WHAT IS GOOD AND BAD FOR THE ENVIRONMENT. THIS MAKES HIM THE IDEAL PARTNER FOR THIS AREA.



ENVIRONMENT **LIVING GREEN**

One of the biggest challenges of climate and environmental protection is global warming. The Telekom Austria Group's network infrastructure is one reason why more and more traffic is moving from the roads to the data highway. And its infrastructure is a key factor in the establishment of intelligent power supply networks. The energy-efficient design of these transmission networks, increased use of renewable energy, climate-friendly mobility and the preservation of raw materials through optimised recycling and disposal processes are central components of our ecological responsibility.

To reduce the environmental impact of its business operations continuously, the Telekom Austria Group sets itself clear and measurable targets in this area.

TARGETS FOR 2015:

- 20% increase in energy efficiency
- 10% increase in the recycling rate
- 10% reduction in paper consumption
- Roll-out of renewable energy projects

STRATEGIC ENVIRONMENTAL MANAGEMENT AS A FRAMEWORK

For the Telekom Austria Group and its stakeholders¹, energy-efficient operation of transmission networks, use of renewable energies, optimisation of recycling and disposal processes and climate-friendly mobility are the key environmental points for the Telekom Austria Group. To enable efficient measurement and control of environmental impacts at Group level as well, an agreed environmental policy was developed and the collection of key environmental indicators was harmonised in 2012 as part of the TAGreen project (see page 18). This means environmental key ratios for 2012 are available for the first time not only for Austria, but also for the operating companies in Bulgaria, Croatia, Belarus, Slovenia, the Republic of Serbia and the Republic of Macedonia. The indicators listed in the table on this side have been set for performance measurement, and are used as initial values for the targets for 2015.

CERTIFIED MANAGEMENT SYSTEMS

The general principles and environmental aspects on which the Telekom Austria Group's environmental activities are based are governed by a uniform environmental policy (see telekomaustria.com). It forms the basis of the environmental programme, which sets the specific targets, measures and responsibilities in the individual business units (extract: see the measures programme on page 54). Effective environmental management systems ensure that all environmental aspects are monitored, the planned measures are systematically implemented and potential for improvements is highlighted. In Austria, A1's environmental management system has already been certified since 2004 in line with the international environmental management standard ISO 14001. A1 also became one of the first companies in Austria to have its energy management system certified in line with ISO 50001 in 2009. In addition, the requirements of the EMAS regulation were audited and compliance with the regulation was confirmed in 2013. This EU eco audit is a EU environmental management and audit scheme aimed at measuring and improving environmental performance. Si.mobil in Slovenia is also certified in accordance with ISO 14001 since 2009. In addition the requirements of the EMAS regulation

¹ Comparable results from the materiality matrix in the Strategy chapter.

were audited and compliance with the regulation was confirmed in 2013. Measured in terms of headcount, 57% of all business units of the Telekom Austria Group were certified according to ISO 14001 as of 31 December 2012. The environmental management system of the Republic of Serbia is awarded by Ökoprofit.

Environmental KPIs Telekom Austria Group 2012

Energy	
Total energy consumption	693,284 MWh
Renewable energies as a proportion of power consumption	56%
Energy efficiency index measured in MWh per terabyte	2.1
Climate-relevant emissions	
CO ₂ emissions ¹	218,296 t
Direct CO ₂ emissions (Scope 1)	28,649 t
Indirect CO ₂ emissions (Scope 2)	189,647 t
CO ₂ per FTE	13 t
Waste volume	
Absolute waste volume	7,140 t
Recycling rate	55%
Collection and recycling of old mobile phones	73,877 units
Consumption of resources	
Total consumption of paper	1,890 t
Proportion of electronic customer invoices	29%
Water consumption	292,154 m ³

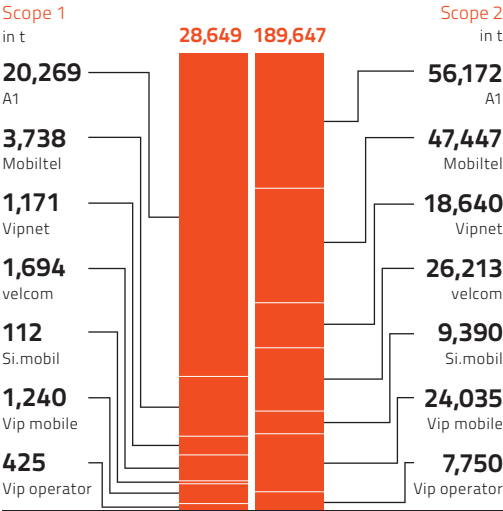
¹ Includes Scope 1 and Scope 2 emissions
Comment: Detailed information on the definition and delimitation of the respective key figures can be found in the data section starting on p.67

ACTIVE CLIMATE PROTECTION THROUGH CO₂ REDUCTION

One of the biggest global challenges of the next few decades is undoubtedly reducing the greenhouse effect and the associated global warming. The Telekom Austria Group is aware that operating growth must not involve a further increase in CO₂ emissions. The use of innovative measures is intended to reduce the Group's own environmental footprint. The measures programme is particularly geared towards curbing the energy requirement for operation of the communication networks.

The tables and charts on this side show the Group-wide emissions of Telekom Austria Group in 2012. The figures make clear that the greenhouse gas CO₂ accounts for most emissions, and the Scope 2 emissions mostly relate to purchased energy and energy used in-house.

CO₂ Emissions of the Telekom Austria Group 2012



Scope 1 contains direct emissions from the burning of fossil fuels for heating, electricity production and mobility, excluding cooling agents. Scope 2 measures indirect emissions from power consumption and district heating.

● GRI EN16-17, 19-20, EC2

ENVIRONMENTAL RISKS

Climate change may present risks to the Telekom Austria Group's network infrastructure (e.g. rising average temperatures or high volumes of precipitation up to and including floods, mudslides, etc.). The Telekom Austria Group is actively committed to climate protection and constantly monitors related developments so that it can initiate measures to protect its infrastructure equipment if needed. For further details, see the Risk Report on p.60ff of the Annual Report 2012.

● GRI EC2

Air pollutants Vehicle Fleet Telekom Austria Group

in g/km	2012
Nitrogen oxide (NO _x)	0.690
Sulphur dioxide (SO ₂)	0.195
Particulate matter (PM10)	0.069

● GRI EN 16-17, 19-20

ENERGY-EFFICIENT INFRASTRUCTURES

The information and communication sector is one of Europe's major markets of the future. The increase in digitisation is a factor in replacing CO₂-intensive products and services, and thus plays a key role in the development of a low-carbon economy. However, the huge rise in data volumes transported via the network infrastructure and the expansion of new technologies also lead to an increase in network energy consumption. To offset this trend, the Telekom Austria Group relies on a large number of measures ranging from new cooling concepts, the use of innovative, energy-efficient technologies and demand-oriented activation and deactivation to the use of GSM resources at mobile base stations. These initiatives and projects enabled the Telekom Austria Group to counter the trend and achieve a slight reduction in power consumption of 1% in Austria in 2012. As part of the new key figures system, the Telekom Austria Group reports its power consumption in relation to the transported data volume for the Group (except Liechtenstein) for 2012 for the first time; it stands at 2.1 MWh pro terabyte. This energy efficiency index is to be improved by 20% by 2015.

● GRI EN5-7, 18, 26, TA1, 2

Managing Energy Requirements in the Telekom Austria Group

As well as having to be constantly available, computer and data centres also need a great amount of cooling, which makes them extremely energy-intensive. Structural measures at A1 such as cold aisle containment systems not only enhance operational safety, but also reduce energy consumption for cooling. Hot-spot suction extraction is another innovative cooling system. Here, the waste heat directly above the device is sucked away while outside air is fed in for cooling purposes. A1 has significantly reduced the energy consumption of mobile base stations by using hybrid ventilation, which won an award in 2012 in the context of the Austrian "klima:aktiv" programme. A wind-

powered ventilator system is used to ventilate and air the radio room. An electric motor is activated only when necessary. This method of hybrid ventilation reduces energy consumption by approximately 75% in comparison to other conventional cooling systems.

In Croatia, Vipnet uses cooling systems with special power-saving mechanisms and transformer stations with energy-efficient transformers in its data centres. In 2012, Vipnet equipped ten data centres in office buildings with these energy-optimised cooling systems. In Belarus, velcom has focused on heat recovery from its data centre. When building its data centre, velcom opted for maximum energy efficiency, and can cover a third of its heating requirements through heat extraction.

Sustainable lifecycle management is another method of countering the rise in energy consumption due to increasing data volumes. Use of the latest available technology means that more data can be transported using less energy. The subsidiaries of the Telekom Austria Group are constantly converting their transmission networks to new technologies and continuously modernising all relevant infrastructure equipment. In addition, the GSM resources at mobile base stations are used efficiently across all TAG countries, for instance through gradual adaptation in periods with less traffic. This enables an energy saving of around 10% per activated location.

The table on this side shows the energy consumption of the Telekom Austria Group in 2012. Power consumption from self-generated and purchased energy accounts for the bulk of this.

● GRI EN5, 6, 7, 26

POWER FROM WATER, SUN AND WIND

In addition to energy efficiency, increased use of renewable energies also provides effective starting points in the fight against climate change. The Telekom Austria Group has set the target to push the roll-out of renewable energy projects. Besides the growing shift from electricity to renewable energies, with which A1 covered just under 81% of its total power consumption in 2012, in-house green power projects will be pushed in the future. For instance, a photovoltaic plant operated by A1 at the Arsenal technology centre in Vienna has been generating around 30 MWh

Key Figures on Power Consumption by the Telekom Austria Group in 2012

Total energy consumption in MWh	693,284
Of which power consumption ¹ in MWh	564,839
Of which heating energy ² in MWh	18,793
Of which district heating in MWh	35,247
Of which fuel ³ in MWh	74,405
Energy efficiency index in MWh/terabyte	2.1
Renewable energies as a proportion of power consumption in %	56

¹ Purchase and in-house production

² Oil and gas

³ Diesel, petrol, natural gas

● GRI EN3- 4,

of electricity per year since 2010. Photovoltaics are also being tested as an alternative energy source in mobile communication and in telephone booths. In addition, a new photovoltaic farm was built in summer 2013 right next to the Aflenz earth station, enabling an annual CO₂ reduction of up to 50 tonnes with a total output of 113 kilowatt-peak. For 2014 a second stage of extension to 195 KWp is planned, which will reach a CO₂ reduction of approximately 90 tonnes.

The Croatian subsidiary Vipnet has won several awards – including the “Global Telecom Business Innovation Award 2012” and the “World Communication Award” – for a hybrid energy supply system for mobile base stations. The company uses almost completely self-sufficient energy provision at three remote mobile base stations that are hard to supply. For the first time, hydrogen fuel cells are being used there alongside solar and wind energy. Altogether more than 50 mobile stations at least partially use wind and solar power at Vipnet. Vipnet’s headquarters has been equipped with a photovoltaic plant that generated more than 37,300 KWh of renewable energy in 2012. Si.mobil in Slovenia is also operating its first test stations with solar energy. In the Republic of Macedonia, Vip operator has installed solar-powered mobile phone charging stations in public a place in cooperation with the national energy agency to sensitise the public regarding the economical use of energy.

● GRI EN18

CLIMATE-FRIENDLY MOBILITY

Mobility means change as well as movement. We are increasingly using digital methods: official business, teleworking and numerous daily activities can now be conducted easily and conveniently online with modern ICT solutions. In keeping with the motto “data traffic instead of road traffic”, the services of the Telekom Austria Group are helping to reduce traffic volumes. In its own fleet, the Telekom Austria Group is stepping up its use of alternative drive systems, providing its employees with climate-friendly transport alternatives for journeys around town and promoting the enhancement of electric mobility, especially in Austria.

Ecology in the Fleet and Logistics

Ongoing maintenance of network infrastructures and on-site support of customers requires a high degree of mobility. A pool of just under 5,000 vehicles is available to enable Telekom Austria Group employees to carry out the work involved. Increased use of hybrid and electric cars and natural gas-powered vehicles enabled a reduction in fossil fuel consumption in 2012 despite a rise in mileage. In Austria, A1 has also developed an innovative logistics concept that reduces the journeys of the approximately 1,400 service technicians to the nearest equipment warehouse to no more than 10 km. This enables savings of around 1 million kilometres or 200 tonnes of CO₂ emissions per year.

● GRI EN18, 29

Electric Mobility

Since 2010, A1 has been supporting the spread of e-mobility in Austria by converting telephone booths into electric charging stations. Electric vehicles can be recharged easily at the 30 charging stations throughout Austria. They are currently free to use and are operated via SMS or an RFID-based, contactless charging

card. The new electric charging stations, to be built from summer 2013, are equipped with a photovoltaic panel and also generate renewable energy. In addition, A1 supports several initiatives to increase the spread of electric mobility: as part of the Empora2 project, A1 is involved in research on data roaming between different electric charging station operators. A1 has been a member of Austrian Mobile Power, Austria’s biggest platform for electric mobility, since 2010 and aids in the development of the communication infrastructure. As a partner of the Electric Mobility Model Region Vienna, A1 supports the construction of charging points and the conversion of company vehicle fleets to electric vehicles.

● GRI EN6, 18, 26

Climate-Friendly Meetings

At the Telekom Austria Group, business trips are replaced by virtual meetings whenever this is possible and worthwhile. From Zagreb to Belgrade and Sofia to Minsk, employees have a total of 38 videoconferencing rooms with state-of-the-art technical equipment available to them for virtual communication. With more than 19,000 video conferences, the success of virtual business trips at the Telekom Austria Group is undisputed. Bearing in mind that for each of the 7,700 virtual meetings planned in advance, at least one business trip was saved, the number of journeys saved has more than doubled year-on-year. This not only has a positive effect on the environment, but also on the life balance of TAG employees.

Electric bikes and Segways are also available to employees in Austria for journeys around town. In Bulgaria, Croatia, Belarus, Slovenia and the Republic of Macedonia, employees can use bicycles free of charge. To promote personal bicycle use, Velcom in Belarus is also planning to build bike storage areas at all company

Key Figures on the Telekom Austria Group Vehicle Fleet

	2012	Change in %	2011
Number of vehicles	4,994	-0	5,017
Petrol consumption in litres	366,821	-18	445,455
Diesel consumption in litres	7,040,635	-1	7,126,588
Consumption of alternative fuels (liquid gas, compressed natural gas) in litres	114,347	6	104,310
Mileage in '000 km	102,293	2	100,380

locations over the next few years. By contrast, the formation of car pools is supported in Austria and Croatia. In Slovenia, Si.mobil also promotes the use of public transport in Slovenia by providing employees with the City Card and encourages employees to use alternative means of mobility during the mobility week.

● GRI TA1, 2, EN18

SPARING USE OF RESOURCES

Using the finite resources of nature sparingly is a central component of effective environmental protection. Here, the Telekom Austria Group also sets clear targets: paper consumption is to be reduced by 10% by 2015, and the recycling rate for all company waste is to be increased by 10% (currently 55%). The measures range from targeted waste prevention and separation and information campaigns to raising awareness among employees and customers to increased consideration in purchasing policy.

● GRI EN1-2

Making Good Use of Waste Materials

The Telekom Austria Group constantly upgrades its telecommunication technologies to increase efficiency and performance. At the end of their lifecycle, devices are removed, systematically separated into elements such as printed circuit boards, copper or iron/sheet metal and recycled appropriately in order to close the raw material circuit. Individual Telekom Austria Group subsidiaries also offer customers free take-back and specialist disposal of old personal mobile phones as well as batteries and chargers. See page 23 ff for further details.

● GRI EN26, 27

Avoiding Unnecessary Use

To the Telekom Austria Group, besides appropriate disposal and recycling, preserving resources particularly means preventing waste wherever possible. For example, in Austria, A1 has reduced its product packaging for mobile phones by means of a modular packaging system that saves 64 tonnes of cardboard packaging per year. This equates to a loading capacity of approximately ten lorries and has a positive impact on the transportation volume, which has been reduced by 40%. Vipnet in Croatia uses follow-me printers, which print only if employees register on the printer by means of a code. In addition, as is also the case at Vip mobile in the Republic of Serbia, printing systems

are preset for double-sided printing in black and white. Internal campaigns to raise employee awareness of sparing use of resources were organised in Bulgaria, Slovenia and the Republic of Macedonia in 2012. For further details on environmental aspects such as water consumption please see page 67.

● GRI EN26, 27

RAISING AWARENESS

Employee motivation is not only crucial to commercial success, but also crucial to corporate environmental protection. In the context of internal campaigns, Telekom Austria Group employees are informed on, inspired about and involved in selected key issues. For instance, all Telekom Austria Group companies took part in the Earth Hour: at the Arsenal Tower in Vienna and in the windows of the A1 shops throughout Austria, the lights went out for an hour in the evening of 23 March. Vipnet appealed to its employees' environmental conscience and Si.mobil and Mobiltel reminded all employees to take part in Earth Hour, in which 135 countries participated. Mobiltel distributed over 10.000 eco-packages of flower seeds to its customers and employees to raise awareness. As part of the local "RE.misli" programme, Si.mobil called on its employees to manage without their cars during national "Mobility Week". In the Republic of Serbia, a long-term programme called "Ecomotivation" is being run to raise employee as well as customer awareness of CO₂ reduction, waste disposal and recycling. In 2012, the programme focused on recycling of used mobile phones and supported green projects, such as the "Green fest", a festival for environmental topics.

COOPERATIONS

- ETNO (Telekom Austria Group)
- klima:aktiv (A1)
- Austrian Mobile Power (A1)
- Code of Conduct on Data Centers Energy Efficiency (A1)
- National Ecological Forum 2012 (velcom)

AWARDS

- Carbon Disclosure Project Award for Outstanding Achievement in Climate Protection (Telekom Austria Group)
- Klima:aktiv award from the Austrian Life Ministry's climate protection initiative for the use of wind energy in hybrid ventilation systems (2012, A1, Austria)
- Named the "greenest company" in the Bulgarian telecommunication industry in 2013 by B2B Magazine (Mobitel, Bulgaria)
- Presented with the Green Business Award 2013 for the Mtel eco grant project by the Bulgarian Environment Ministry (Mobitel, Bulgaria)

Said in 2011	Done in 2012/2013	Planned for 2013/2014
<ul style="list-style-type: none"> - Standardise and extend the coverage of key figures to measure the Group's environmental performance - Improve energy efficiency - Expand the recycling programmes in the Additional Markets segment - Improve and expand the environmental management systems - Pilot projects to increase the use of alternative energy sources 	<ul style="list-style-type: none"> - Successful implementation of uniform reporting of environmental key figures (TAGreen) - Implementation of numerous measures to increase energy efficiency, particularly in terms of network operation, server rooms and mobile base stations - EMAS certification in Austria and Slovenia for the first time, 57% of all business units of TAG certified in line with ISO 14001 - Solar and hybrid operation of mobile base stations as well as wind and photovoltaic farms in some countries - Numerous campaigns and initiatives to raise awareness such as the annual Earth Hour 	<ul style="list-style-type: none"> - Continuously improve environmental data collection and performance - Stronger integration environmental criteria such as energy efficiency of devices in the supply chain - Build up a new waste system in Austria, Belarus, Bulgaria and the Republic of Macedonia - Promote photovoltaic projects - Internal campaign on consumption of resources

Further initiatives can be found in the measures programm on page 54.



DIVERSITAS

SHE COMES FROM THE LAND OF HARMONY, MYSTERIOUS TO HUMANS. UNDER THE PROTECTION OF HER LARGE WINGS, DIVERSITY CAN DEVELOP ITS POTENTIAL WITHOUT RESTRICTION. AND THANKS TO THESE WINGS, SHE TRAVELS AROUND THE WORLD WITHIN SECONDS, ALWAYS SEARCHING FOR WHAT IS NEW AND INNOVATIVE. THIS MAKES HER THE IDEAL PARTNER FOR THIS AREA.



EMPLOYEES EMPOWERING PEOPLE

Skilled, committed employees who think and act with business savvy are a key success factor for the company. For this reason, the Telekom Austria Group's personnel strategy is based on identifying and fostering talent at an early stage, continuous further education and professional training and a balanced management, performance and feedback culture. Equal treatment of all employees and in particular equal treatment of men and women are at the heart of all the company's activities, as is a healthy life balance.

The objectives of this area promote fair and attractive hiring conditions as well as active diversity within the Group.

TARGETS FOR 2015:

- Maintenance of the high engagement index level
- Promotion of internal career opportunities
- 35% women in the Telekom Austria Group and in management positions
- Increase in international dialogue

A STRONG, PERFORMANCE-FOCUSED TEAM

16,446 employees in eight countries, employee costs of EUR 833.6 million, EUR 604 per employee for further education and professional training – these are just a few of the Telekom Austria Group's personnel figures for 2012. Behind these figures is a wide range of cultural diversities and traditions, which need to be fostered equally as the focus on performance and commitment.

PERSONNEL STRUCTURE

At the end of 2012, the Telekom Austria Group had 16,446 employees, 4.5% less than one year previously. In 2012 666 vacant posts were filled by internal appointments. The average age stands at approximately 39 years. Here it must be kept in mind that the Telekom Austria Group subsidiaries in the Republic of Serbia and the Republic of Macedonia did not commence operations until 2007. In Austria, just under 53% of all employees have civil servant status.

● GRI EC7, LA2, 4

HUMAN RESOURCES STRATEGY

The dynamic market environment, in which Telekom Austria Group sustains its position, is characterised by fast technological change and intense competitive pressure. Safeguarding competitiveness and earning power requires an increase in efficiency and restructuring measures that must be reconciled with continuous employee development. The Telekom Austria Group meets these challenges with a clear, forward-looking human resources strategy derived from the corporate strategy.

In this context, Group Human Resources acts as a strategic player within the company and as a partner for the subsidiaries and specialist units. With state-of-the-art processes and a network of human resources experts, the company is fit for current and future challenges.

The Telekom Austria Group's human resources strategy contains the following strategic targets, to be met by 2015:

- Support the business plan through Group-wide and local human resources measures
- Promote talent and performance management to create a high-performance culture
- Establish a leadership framework for implementing Group values and fostering employee commitment
- Ensure an efficient organisation taking local factors into account

The human resources strategy is being implemented at the individual subsidiaries, whereby their key focal points are maintained. It is approved by the Group Chief Human Resources Officer, whose responsibilities include implementation of Group-wide processes and instruments as well as organisation of talent management, orientation of performance management, the employee surveys and the Telekom Austria Group Business School, an in-house training and educational institution. The officers in the respective business units and countries are responsible for implementing the measures as well as carrying out their own projects in line with local requirements.

● GRI LA1

Personnel Structure

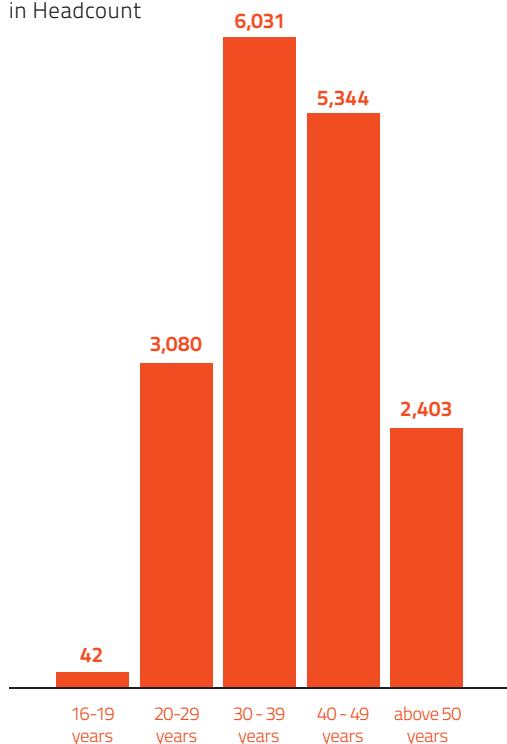
2012	FTE (PE)	Average Age of Employees	Part-Time Employees (HC)	Percentage of Female Employees (HC in %)	Percentage of Female Executives	Percentage of Local Management (in %)
A1 (Austria)	9,077	43	618	25	17	98
Mobilitel (Bulgaria)	2,937	33	36	50	48	99
Vipnet (Croatia)	1,104	37	8	39	39	98
velcom (Belarus)	1,680	36	30	67	42	99
Si.mobil (Slovenia)	366	36	13	48	38	98
Vip mobile (Serbia)	898	32	0	54	38	94
Vip operator (Macedonia)	205	33	0	55	38	94
Telekom Austria Group¹	16,446	39	705	38	32	98

¹ Total Telekom Austria Group includes mobilkom liechtenstein.

● GRI EC7, LA13



Age Structure Employees 2012
in Headcount



● GRI EC7, LA13

IN-DEPTH FURTHER EDUCATION AND PROFESSIONAL TRAINING

The Telekom Austria Group actively encourages its employees' career development, investing EUR 9.9 million (EUR 604 per employee) in this area in the 2012 financial year.

Opened in autumn 2010, the Telekom Austria Group Business School is the central in-house training and educational institution. By the end of 2012, it had developed and organised more than 110 training programmes for approximately 1,850 employees. These range from the "Group Young Potential Programme", focusing on topics such as ICT innovations, company values, corporate sustainability and diversity management, to "functional academies" (marketing, technology, finance) for top experts, and "Group Talent Management".

In addition to this central development facility, the Telekom Austria Group subsidiaries also prepare their own professional training programmes for their employees. These are focused on fostering talent, special-

ist skills and management skills as well as establishing leadership standards in all countries. Leadership standards result in a joint understanding of leadership quality and ensure professional leadership within the company. In addition, managers in Austria can sign up to the "New Manager" programme, which gives them the necessary expertise for their management tasks and responsibilities in less than a year. At Vip operator in the Republic of Macedonia, the Leadership Academy was continued and a manager development programme was prepared in 2012. The "Talent Management" programme launched in Croatia in 2012 is also aimed at fostering new managers and expert careers. In Bulgaria a second leadership programme was introduced in cooperation with Blanchard International Bulgaria and eCornell, USA. Si.mobil in Slovenia develops its employees via the si.academy.

University and technical college graduates in Austria can enrol on a 12-month graduates' programme, while the in-house A1 trainee programme is available to high school graduates.

To ensure an adequate supply of specialists and managers in future, the Telekom Austria Group is particularly committed to training apprentices. The programme starts with six months of basic training at the A1 apprentice centre in Vienna. This is followed by practical modules in the respective corporate units and attendance at vocational school. In the year under review, a total of 227 apprentices (16% women) received training: 176 (7% women) in technical courses and 51 (49% women) in commercial courses. 62 apprentices completed their training at A1 in 2012. 70 apprentices (47 women) were employed at Mobiltel in Bulgaria in 2012.

● GRI EC7, LA10, 11

FOSTERING DIVERSITY

The corporate culture of the Telekom Austria Group regards the diversity of its employees and the cultural differences of its markets as great assets that provide valuable opportunities for successful corporate development. This is reflected by the corporate values and code of conduct, which are geared towards equality of all employees regardless of age, gender, religion or sexual orientation.

Through its “x.change” programme, which offers working abroad for several weeks, the Telekom Austria Group fosters international sharing of experience and mutual understanding. 115 employees took part in 2012. In addition, employees of Telekom Austria Group have the opportunity to apply for a job abroad via the internal job market. To encourage top management to share their experience, the annual “Telekom Austria Group Summit” was created. At this event, around 200 managers from all the subsidiaries discuss trends and developments.

However, at the Telekom Austria Group, diversity also means integrating people with special needs into the working environment. As of 31 December 2012, there were 352 employees in the Telekom Austria Group with special needs. 24 disability liaison officers deal with their special requirements and ensure that they have appropriate workplaces.

● GRI EC7

EQUAL OPPORTUNITIES FOR WOMEN

At the Telekom Austria Group, female employees are treated equally to their male colleagues in every respect. The proportion of women at the Telekom Austria Group was 38% as of 31 December 2012. In managerial posts, the equivalent figure is 32%, with significant differences at regional level. This is why we have committed ourselves to raising the proportion of women as a whole and the proportion of women in management posts in all our companies to 35%. Development and expansion of women's networks as part of the New Manager programme at A1, mentoring programmes and flexible working schemes are measures to achieve this target.

In addition, the Telekom Austria Group supports the career development of women and encourages interest in technical careers among girls. By participating once again in “Daughter's Day”, attended by approximately 90 girls between the ages of 11 and 16 in 2012, A1 highlights career opportunities for girls in technical professions. With the “Girls4Business” programme, A1 supports the career development of female apprentices. In the Republic of Serbia, the annual “Girls in the ICT Day” is particularly aimed at raising girls' enthusiasm for careers in the ICT industry.

The Telekom Austria Group runs various childcare initiatives to help its employees. In Austria, A1 and trained educators from the Vienna University Children's Office provide free childcare on school-free days and in the holidays in the form of the “Flying Nannies”.

In Slovenia, Si.mobil organises free childcare in all school holidays which is one of the measures of the Family-Friendly Enterprise certification. Mobiltel in Bulgaria has set up its own on-site childcare and the “Club Mama”.

Vip mobile in the Republic of Serbia and Vipnet in Croatia offer full-time on-site childcare for their employees.

● GRI LA13

HEALTH AND MODERN WORKING CONDITIONS

As a responsible employer, the Telekom Austria Group promotes the health of its employees through medical check-ups, health seminars and ongoing measures to improve health and safety and workplace ergonomics. For example, a “health day” with health checks, sports activities and an online course in occupational health and safety was organised at Mobiltel in Bulgaria in order to motivate employees to lead a healthier lifestyle.

The A1 health initiative “Fit on the Job” also focuses on preventive healthcare. As well as health days and working groups, it also focuses on free medical check-ups, various fitness activities and sports groups, seminars for non-smokers and a range of vaccinations. A works doctor and health practitioner are available to employees in an advisory capacity at A1.

At Vip mobile in the Republic of Serbia, employees and relatives use free healthcare at a health centre on the premises of Vip mobile as part of the “Dr. Vip” health programme. Si.mobil in Slovenia provides all of its employees with health checks and a range of sports activities. Vip operator in the Republic of Macedonia allows its employees to participate in team sports once a week, and Vipnet has its own on-site fitness centre.

Coaching, burnout prevention and anti-stress programmes are also available to employees at A1, Vipnet, Velcom, Vip operator and Si.mobil.



Flexible working schemes and the opportunity for teleworking are intended to help employees to work from everywhere and to find the right balance between work and their private life. All the companies in the Telekom Austria Group offer flexible working schemes for their employees. Here are some examples: Mobiltel in Bulgaria has initiated a life-balance programme comprising various types of support for women and families, such as an in-house nursery school and joint family activities. Vipnet in Croatia offers teleworking for women during pregnancy and after maternity leave.

● GRI LA7, 8, IO3

Occupational Health and Safety

2012	Accidents	Fatal Accidents	Days Lost to Accidents
A1 (Austria)	116	0	641
Mobiltel (Bulgaria)	5	0	107
Vipnet (Croatia)	10	0	0
velcom (Belarus)	0	0	0
Si.mobil (Slovenia)	2	0	83
Vip mobile (Serbia)	5	0	258
Vip operator (Macedonia)	0	0	0
Telekom Austria Group	138	0	1,089
2011			
A1 (Austria)	113	0	1,099
Mobiltel (Bulgaria)	3	0	475
Vipnet (Croatia)	9	0	371
velcom (Belarus)	0	0	0
Si.mobil (Slovenia)	3	0	24
Vip mobile (Serbia)	4	0	94
Vip operator (Macedonia)	0	0	0
Telekom Austria Group	132	0	2,063

ACTIVE DIALOGUE WITH EMPLOYEES

Various communication channels such as Intranet, newsletters, staff magazines and social media keep all Telekom Austria Group employees informed of the latest company developments and industry trends, and help to maintain identification with the company. Once a year, all companies in the Telekom Austria Group hold an internal roadshow of the Telekom Austria Group Management Board in order to present corporate strategy and current plans and promote exchange within the Group.

In the 2012 financial year, the Telekom Austria Group conducted the first company-wide employee survey, entitled "TAGisfaction". In the context of an online survey in all national languages, employees rated and commented on their satisfaction with their job, their identification with the company, the strategy and career development on the basis of a 5-point scale.

The survey was open to all Telekom Austria Group staff as well as to leasing personnel actively and properly employed and with a Telekom Austria Group e-mail account as of the end of April 2012. Evaluation was carried out in collaboration with the market research institute CEB Valtera, thus ensuring independence and neutrality.

In 2012, a total of 19,156 employees were invited to take part. A response rate of approximately 57% enabled valuable findings, which have been incorporated in future leadership requirements, HR work and employee communication. The engagement index of 79% – much higher than the sector trend – showed that employees have an extremely close affinity to the company.

It was apparent that there are two areas for improvement at the Telekom Austria Group: strategy communication and leadership. Measures for improvement have been implemented, starting in the 2nd half of 2012. They include optimisation of strategy communication and a company-wide rollout of leadership standards. A new survey for the 2013 financial year was launched in the summer 2013.

● GRI LA5

PERFORMANCE MANAGEMENT AND COMMITMENT

The Telekom Austria Group actively promotes the performance orientation and commitment of its employees. Annual target agreements, regular feedback and professional assessment of target attainment are the focal points here, as well as establishment of a culture of trust and integrity and fostering of individual responsibility.

Performance management models have been established in all Group companies. These promote a results-focused approach by setting clear targets and also take into account individual conduct, which

should be geared towards corporate values. Regular feedback discussions support target attainment and are focused on enhancing the individual development of employees.

The commitment of Telekom Austria Group employees is also illustrated by the following examples: projects such as "Vip role model" initiated by Vip mobile in the Republic of Serbia in 2012, which invites employees to nominate colleagues for an award, who show outstanding performance and special commitment. Another special mention goes to the "Be a partner" project, launched in 2010 by Mobilitel in Bulgaria to promote commitment in customer support. The project received an award in 2012 from the Bulgarian Association for People Management. For further initiatives please see measures programme on page 54.

In addition, in November 2012, employees in Bulgaria received special praise from the Bulgarian Forum of Donors for their voluntary social commitment in the context of a teambuilding initiative. Vip mobile in the Republic of Serbia set up a project to strengthen its corporate culture in 2012. Some of the measures included the establishment of efficient collaboration structures and a joint understanding in terms of corporate values. In the Telekom Austria Group, employees also have the opportunity to get involved in the community through corporate volunteering. Further information can be found in the Living Green and Creating Equal Opportunities chapter on page 32 and on page 48 respectively.

● GRI LA5, 11, 12

AWARD-WINNING EMPLOYER

The Telekom Austria Group companies also won several awards for their committed human resources management in 2012. Vip operator was named best employer in the Republic of Macedonia by employees for the third successive year in 2012 (category: 100 to 500 employees). Si.mobil in Slovenia received an award for the best human resources management project of the year in 2012. Its "Innovativeness" project successfully implemented creative thinking and innovative ideas in the corporate culture. In 2012, Vipnet came in third in the best employer competition and a joint first with Microsoft in the Croatian Employer Certificate for high standards in human resources processes and strategies.



Vip mobile was awarded as one of the best employers in the Republic of Serbia in 2012. Mobiltel's achievements in 2012 included first place for its work-life balance programme in the Bulgarian Business Leaders Forum's annual "Responsible Business Awards" and the prize for the best internal event (presentation of the Mtel brand to employees) and the best internal campaign for changing the corporate culture at the 2013 Grapevine Awards.

Said in 2011	Done in 2012/2013	Planned for 2013/2014
<ul style="list-style-type: none">– Increase the proportion of female executives in all Telekom Austria Group companies to 35% by 2015– Increase the percentage of female employees at A1 to 35% by 2016– Conduct an annual group-wide employee satisfaction survey starting in 2012– Promote career opportunities within the Telekom Austria Group– Targeted measures to support young managers throughout the Telekom Austria Group	<ul style="list-style-type: none">– Childcare facilities, participation in Daughters' Day– Continued to expand training options– Conducted the first-ever Group-wide employee survey– Promoted voluntary social engagement– Continued and stepped up health promotion programmes	<ul style="list-style-type: none">– Establishment of a Leadership Framework to support the leadership culture in the Group– Drive talent management and internal career paths– Continue groupwide employee survey "TAGisfaction"– Promote new ways of working in the Group

Further initiatives can be found in the measures programme on page 54ff.



SAPIENTIA

WHERE SHE COMES FROM, WISDOM IS AN INEXHAUSTIBLE RESOURCE THAT IS AVAILABLE TO EVERYONE. HER MISSION IS TO MAKE KNOWLEDGE EQUALLY AVAILABLE TO EVERYONE, INCLUDING IN OTHER UNIVERSES. THIS MAKES HER THE IDEAL PARTNER FOR THIS AREA.



SOCIETY **CREATING EQUAL OPPORTUNITIES**

In our knowledge society, the exchange of information and opportunities for education and democratic participation are increasingly linked to the use of new media. However, opportunities to access the Internet and other digital information and communication channels are not spread equally and are heavily dependent on social and financial factors. The Telekom Austria Group firmly believes that the digital world should be open to everyone and is therefore committed to reducing the "digital gap". Even so, the use of new media also involves risks and dangers in terms of protection of privacy, credibility of content and the intentions of some users.

This area includes targeted initiatives to promote access to digital media as well as the media literacy skills of people of all ages and at different stages of their lives.

TARGETS FOR 2015:

- 100,000 people participating in training to promote media literacy skills (by 2016)*
- Promotion of cooperations with focus on media literacy in the Telekom Austria Group*
- Implementation of social cooperations according to local needs*

DIGITAL INFORMATION AND KNOWLEDGE SOCIETY

The fast and almost boundless possibilities of distributing and sharing content on the Internet presents huge opportunities, but also poses risks. Those who benefit most from the potential of new media are those who are skilled in using the wealth of information and possibilities. The essential conditions for this are access to and skilled use of the Internet. In 2006, just half the population of the EU member states had Internet access. By 2012, the figure had reached three quarters.¹ Conversely, this means that one in four people is still unable to participate in the digital world due to various socioeconomic, demographic or regional factors. Worldwide, there are more than 5 billion people.²

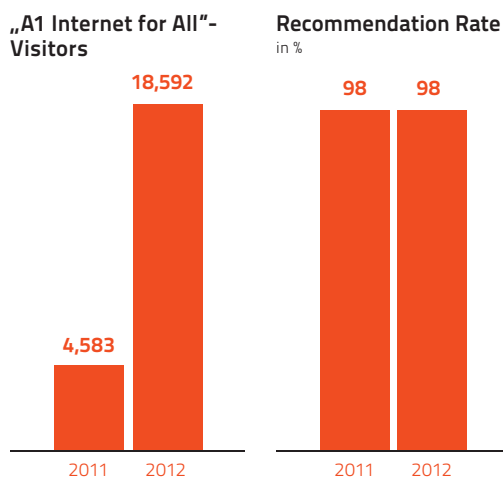
There is a wide range of associated consequences, from the missing access to digital information to reduced opportunities in the labour market. According to recent estimates by the European Commission, at least basic IT and Internet skills will be required for approximately 90% of all jobs in Europe from 2015. Despite this development, current research results suggest that European children show serious deficiencies in their digital skills. For example, 38% of 9 to 12-year-old Internet users in Europe say that they have a personal profile on an Internet portal. However, only 56% of those in this age group know how to change their own data protection settings.³

By setting up and expanding communication infrastructure, the Telekom Austria Group is creating the necessary technical access capabilities for extensive knowledge and education in Austria and seven other countries in Central and Eastern Europe. But its commitment and sense of responsibility go beyond this: wide-ranging initiatives are helping people to enter the digital world and improve their ability to use new technologies.

A1 INTERNET FOR ALL

In autumn 2011, in conjunction with numerous partners, the Telekom Austria Group launched "A1 Internet for All" in Austria to help those who were previously excluded to enter the digital world. Since then, interested parties in all age groups, from children to senior citizens, can take part in free workshops on how to use the Internet properly and safely at the "A1 Internet for All" campus in Vienna, Klagenfurt or Salzburg and at partner institutions – for example Caritas, the Austrian Federation of the Blind and Partially Sighted or the Ute Bock refugee accommodation centres. In addition, the training team travels all over Austria to reach people from Lake Constance to Lake Neusiedl. More than 1,300 Internet training sessions were held and attended by approximately 19,000 people in 2012. The feedback is positive: 98% of all participants would recommend the training sessions. Since 2012, more than 200 A1 employees – from apprentices to members of the Management Board – have been for the first time personally committed to the initiative by contributing ideas and applying their professional experience to the training sessions. This commitment is paying off: the Competence Centre for Nonprofit Organisations (NPOs) at the Vienna University of Economics and Business, which performs ongoing evaluation of the initiative, confirms that "A1 Internet for All" is making a key contribution to closing the "digital gap" in Austria.

● GRI PA5



¹ Source: http://europa.eu/rapid/press-release_STAT-12-185_de.htm

² Source: internet.org

³ Source: <http://eskills-week.ec.europa.eu>

GROUPWIDE PROMOTION OF MEDIA LITERACY

The international subsidiaries of the Telekom Austria Group are also playing a key role in overcoming this gap in their markets. For example, Si.mobil in Slovenia supports the “Simbioz@” project, in which volunteers taught more than 5,700 participants throughout Slovenia about safe Internet use in 2012. In a dedicated Si.mobil class, a number of employees shared their knowledge with the participants. At the initiative of Vip mobile, free workshops on Internet security have been held for schoolchildren and their parents at the Children’s Cultural Centre in the Serbian capital Belgrade since September 2011. In 2012, velcom focused on providing training sessions to improve media literacy skills among the older generation in Belarus. In addition to these training and information events, A1 uses the “A1 Internet Guide” to promote safe use of the Internet and mobile phones, thus improving the media literacy skills of children and young people. Both A1 and the Bulgarian company Mobiltel cooperate with the local non-governmental organisations of saferinternet, an EU-wide initiative to promote safe media use among children and young people. (more information on security can be found on page 25ff and 29ff).

SELECTED COOPERATION ON SAFE INTERNET USE

- Saferinternet (A1, Mobiltel)
- Vienna University Children’s Office (A1)
- Seniorkom.at (A1)
- Safe.si (Si.mobil)
- Zavod Y initiator of the project Simbioza (Si.mobil)
- Faculty of Criminal Justice and Security (Si.mobil)
- Children’s Cultural Centre Belgrade (Vip mobile)

● GRI PA2, 5, 7

DISCUSSION FORUMS FOR TOPICS OF THE FUTURE

Social aspects of the dynamic development of modern information and communication technologies are explained by the Telekom Austria Group in high-calibre event series. In “future.talk”, prominent figures from business and science engage in dialogue with an

international audience and develop ideas and visions together. Under the title “Me, Myself and I – How does the Internet shape our thinking?”, the influence of the Internet on the thinking and actions of society was discussed in 2012. The 2012 “future.talk” was certified as a “green event” in accordance with the guidelines of the Austrian eco-label for the first time.

The discussion series “twenty.ten – exploring the future”, which the Austrian Telekom Austria Group subsidiary A1 organises in conjunction with “The Gap” magazine, deals with key future issues. Various scenarios for living and working with new technologies have been the subject of discussion by experts, technology-loving users and interested parties at several events since autumn 2010. Knowledge-based cooperation in the working world, interaction between man and machine and the principle of sharing in the network society were just a few of the topics discussed in 2012.

COLLABORATION WITH SOCIAL AND EDUCATIONAL INSTITUTIONS

To promote media literacy skills, the Telekom Austria Group also supports numerous social and educational institutions, mostly in the context of multiyear partnerships in order to ensure a lasting effect. Various topics relating to local requirements are addressed here.

For 11 years, A1 in Austria has been a partner of the Vienna Children’s University, which opens its doors every summer. The aim of this partnership is to get children aged 7 to 12 interested in knowledge and education through play, awakening and encouraging their curiosity about science. In addition, in the context of “A1 Internet for All”, A1 offers educational events at the “Psychosozialen Tagungszentrum Regenbogenhaus” day-care centre in Vienna as well as at the Austrian Federation of the Blind and Partially Sighted (BSVÖ), the Piramidops association, a point of contact specifically for migrants, and the Workers’ Samaritan Federation (Arbeiter-Samariter-Bund) in Vienna. In total “A1 Internet for all” cooperates with 30 partner institutions.

In Bulgaria, Mobiltel has been working with several universities for many years now. For example, the initiatives “It’s your exercise” and “Master Classes”

with workshops for technical students were launched in 2012. In trainee programmes and “career forums”, Mobitel helped students with their career development at 13 events. Vip mobile has been running the project “Be a Vip student”, which supports future experts and managers in the telecommunication industry in the Republic of Serbia, since 2007. More than 800 students from 20 faculties all over the Republic of Serbia have applied for grants in the past five years. Vip mobile has already given awards to 96 students, 14 of whom have received a job at Vip mobile.

velcom in Belarus has introduced the ideas competition “Got an idea? Go ahead!”. This competition rewards innovative, creative and unusual educational, arts and sports projects set up by young people. Vip operator in the Republic of Macedonia cooperates with several schools and universities, and organised the school competition “What is Internet for me?” in 2012. The competition was geared towards pupils up to the age of 18, who had to describe Internet use in a creative way. Non-cash prizes were awarded for the best entries.

● GRI PA2

SPECIAL PRODUCTS FOR SPECIAL NEEDS

The subsidiaries of the Telekom Austria Group also take special needs into account when aligning their product portfolios. For instance, A1 offers deaf people the special tariff “Read Me Unlimited”, which provides a special concession for text messages one of the most important mobile communication methods for deaf people. As part of an extensive cooperation, the Austrian Blind Union (ÖBSV) and A1 provide a directory enquiry hotline service at local call rates for blind and severely visually impaired people. Socially disadvantaged people can make calls to all networks at reduced rates with the “A1 B.FREE Social” prepaid tariff. In addition, the Austrian Ministry of Transport, Innovation and Technology gives this group of people an allowance of EUR 10 net per month, which has also been applicable to the “bob” discount brand as well as the regular tariffs since the end of 2011. With selected hardware, mobile phones with user-friendly menus, larger displays and keys, improved legibility and more powerful speakers, A1 makes it easier for people with minor visual and hearing impairments to make phone calls, use e-mail and surf on the Internet. In December 2012, A1 reprised its “Seniors

Advise Seniors” campaign, in which specially trained senior citizens advise older people on buying a mobile phone or choosing a suitable tariff in A1 shops. This campaign was run throughout Austria in 14 A1 shops for the first time in 2012.

In Slovenia, Si.mobil also offers a reduced-rate “SENIOR tariff” and a special package for kids called SIMPL KIDZ that includes a brochure as well as tools for the safe use and cost control. Approximately 1,300 hearing-impaired people use a special tariff offered by Vipnet in Croatia. In Bulgaria, Mobitel offers people with special needs 100 free SMS and 20 minutes of free mobile calls throughout Bulgaria as well as a special tariff for fixed line telephony, unlimited calls to one number of their choice and 100 free minutes of calls to the Bulgarian fixed line network. Mobitel offers deaf customers a choice of 2,000 free minutes for domestic video calls or free SMS as well as low-priced 3G devices.

● GRI PA2, 5

LOCAL SOCIAL COMMITMENT

In addition to Group-wide promotion of media literacy skills and educational projects, all operating subsidiaries of the Telekom Austria Group carry out social projects and programmes. These meet the local needs and involve the local communities.

For instance, in Austria, A1 supports the non-profit organisations “Licht ins Dunkel” and “Kinderhände”, which support children and their families with special needs or children in learning the sign language. In Bulgaria, Mobitel responded to the high proportion of socially deprived children by launching the initiative “Foster a child. Create a future!”, providing financial support for around 100 families in cooperation with social institutions. Mobitel also supports socially disadvantaged people in the context of another five projects with the donations hotline “1788”. These include support for a children’s village family, the “You are not alone” project, activities for disabled children, donations for guide dogs and the “Let Us Believe” fund for children with cerebral palsy.

Vipnet also continued its support for mine-clearing in Croatia in 2012. In 2012, around 500,000 Kuna (approximately 66,000 Euro) was provided for mine clearance of 80,000 m² in the tourist area of Velebit and Paklenica. In total, an area of around 1.5 million m²



has been cleared of mines thanks to Vipnet's support over the past twelve years.

In Belarus, the subsidiary velcom provides support for hearing-impaired people in the form of hearing aids, special smart phones and tablets.

In Slovenia, youth unemployment, which stood at 20.7% as of 31 December 2012, is a real social challenge. The "Party with a Cause" event held by Si.mobil was attended by more than 20,000 young partygoers, who were given the opportunity to decide who received the donations raised. They chose the "Sluzba me-ne isce" project (in English: "Jobs don't grow on trees"), a club to help young people who are looking for a job. Si.mobil also supports various projects and events for young people with its "ORTO" sponsorships, and forms partnerships with social institutions.

With its long-term "New Year Donation"-programme Vip mobile collected with its customers 2 million Serbian Dinar for the humanitarian organisation ASTRA, which fights against human trafficking. In March 2013, Vip operator set up the first specially equipped room for autistic children at a school in the Republic of Macedonia.

● GRI SO1

AWARDS

- TRIGOS 2013 (nomination) and eAward Vienna 2012 for "A1 Internet for All" (A1)
- PR State Prize 2012 (nomination in the "PR Special Discipline" category) for "A1 Internet for All" (A1)
- Winner of the award for best practices in CSR ("Social Contribution" category) for the "Sensor Room" project (Vip operator)
- Winner at the annual awards of the Bulgarian Business Leaders' Forum (BBLF) ("Investor in Community" category) for the "Foster a Child. Create a Future" project (Mobiltel)

Said in 2011	Done in 2012/2013	Planned for 2013/2014
<ul style="list-style-type: none">– Continue initiatives to promote equality of opportunity to participate in the modern information and knowledge -based society– Expand media literacy projects in additional Telekom Austria Group markets– Promote international exchange regarding media literacy skills and educational projects within the Group– Continued training programmes to promote the safe use of the internet	<ul style="list-style-type: none">– Extend "A1 Internet for All" in Austria, launch similar initiatives in Belarus, Slovenia and the Republic of Serbia– Implement social projects taking local needs into account– Continue discussion forums on dealing with future issues (twenty.ten, future.talk)	<ul style="list-style-type: none">– Expand the training programme on competent media literacy skills use in all markets– Develop school materials on safe Internet use– Continuation of local initiatives in all countries

Further initiatives can be found in the measures programm on page 54.

MEASURES PROGRAMME

The following measures programme shows the current status of the targets and selected projects that have been established in order to meet the targets in the respective areas of action. The basis of measurement for target achievement is always 2012, meaning that no status can be determined for 2012 for some of the targets.

● GRI EC7, EN1-2, 6, 7, 18, 26-27, LA8, PR5, TA1, PA5, 7, 11



PRODUCTS

PROVIDING RESPONSIBLE PRODUCTS

Target	Status	Excerpt of Measures
Ensuring Group-wide coverage of at least 99% with 2G¹ and at least 90% with 3G²	Being maintained; 2012: coverage achieved	<ul style="list-style-type: none"> - Telekom Austria Group: Total capital expenditure of EUR 728.2 million in 2012 with a focus on expanding the fixed and mobile network infrastructure - A1: First company in the world to successfully use vectoring technology in a pilot area in the town of Korneuburg, expansion of LTE with coverage of 27.5% as of year-end 2012 - Mobilitel: Further expansion of HSPA+ - Vipnet: Purchase of frequencies in the 800 MHz band for upgrading the mobile communication network to LTE technology - velcom: Further expansion of HSPA+ - Si.mobil: Introduction of LTE in major urban areas ensures largest and most powerful mobile communication network in the country - Vip mobile: Further expansion of HSPA+ - Vip operator: Introduction of HSPA+ in 2012
Maintaining the highest possible data protection and data security standards in all countries	Being maintained; 2012: standards upheld	<ul style="list-style-type: none"> - Telekom Austria Group: Revision of the "Information Security Policy" and "Information Security Standards" for the Group, establishment and expansion of crisis teams, initiatives for ensuring network availability even in a crisis - A1: External and internal audits (2012) and establishment of an e-learning tool on data protection for employees (2013), establishment of Computer Emergency Response Teams - Mobilitel: Integration of the high security standards in fixed line products such as telephony, Internet, TV services and cloud services - Vipnet: Mandatory online security training for all employees (completion at end of 2013)
Publication of an annual data protection report for A1 (as of 2014)	In planning stage	<ul style="list-style-type: none"> - A1: Preparation of the data protection report for planned publication in 2014
Continuation of ISO 27001 certification	Being maintained; 2012: existing certification continued, one new certification obtained	<ul style="list-style-type: none"> - A1: ISO 27001 certification (in place since 2005) - Mobilitel: First-time ISO 27001 certification in 2012

Development of innovative solutions in the healthcare, education and administration sectors	Being maintained	<ul style="list-style-type: none"> - A1, Mobitel: Solutions for modern healthcare systems expanded: medical data network (DaMe), e-care terminal for IT-based bedside care in hospitals (A1), doctors' and vaccination appointments by text message (Mobitel) - Si.mobil: Solutions for more efficient administration developed: electronic archiving, contract and signature systems
Promotion of climate-friendly products and solutions	Being maintained	<ul style="list-style-type: none"> - Telekom Austria Group: Provision of Green ICT solutions and information campaigns promoting the use of climate-friendly products; implementation of "Unlock M2M" for tailored customer solutions, focus on smart metering solutions - A1, Mobitel: Expansion of cloud services in order to reduce the required server capacities and energy consumption among customers - A1: Further conversion of telephone booths to electric charging stations, including photovoltaics - Vipnet, Vip operator: Solar-powered charging stations for mobile phones - Vip operator: Tips and tricks for customer energy consumption, stickers on electronic devices
Increase in the Group-wide e-billing rate to 50% by 2015	Currently being implemented; 2012: e-billing rate of 29%	<ul style="list-style-type: none"> - Telekom Austria Group: Incentives for customers to switch to e-billing, e.g. bob goes green reforestation campaign for each electronic bill (A1), free text message with billing information (Mobitel, Vipnet, Vip mobil)
Increase in number of old mobile phones collected	Currently being implemented; 2012: 73,877 units	<ul style="list-style-type: none"> - Telekom Austria Group: Various measures for promoting mobile phone recycling, e.g. communication campaign and donation to kinderhände charity (A1), in-store collection points (Vipnet, Si.mobil), "Sklad Si.voda" environmental fund (Si.mobil) and voucher system (Vip mobile)
Increase in customer satisfaction	Being maintained; 2012: harmonisation project initiated	<ul style="list-style-type: none"> - Telekom Austria Group: Group-wide programme for harmonising customer satisfaction surveys initiated - A1: Launch of "A1 Support Community" platform for peer-to-peer support between customers in 2012, "Meet the Customer" project for increased customer focus currently being implemented
Implementation and enhancement of cost-control tools	Being maintained; 2012: tools enhanced in every country	<ul style="list-style-type: none"> - A1, Mobitel, Vipnet: Implementation of Vodafone Consumer Services for cost control and increased security for children and young people (spring/summer 2013) - Cost-control tools implemented in all countries (e.g. A1 Go! (A1), SIMPL_KIDZ (Si.mobil), High Usage Service (Vip mobile), SMS Info (Vip operator))

¹ Except Slovenia and Republic of Serbia

² Except Belarus and Republic of Serbia



Target	Status	Excerpt of Measures
20% improvement in energy efficiency (by 2015)	Currently being implemented; 2012: 2.1 MWh/terabyte energy efficiency indicator	<ul style="list-style-type: none"> - Telekom Austria Group: Implementation of energy-efficient cooling systems, e.g. hot spot suction extraction and hybrid ventilation (A1), energy-saving transformer stations and energy-efficient conversion of office buildings (Vipnet), heat recovery systems at data centres (velcom); Lifecycle management for networks and infrastructure equipment and use of state-of-the-art technologies, implementation of intelligent GSM resource management for periods with less traffic
Roll-out of renewable energy projects (by 2015)	Currently being implemented	<ul style="list-style-type: none"> - A1, Vipnet: Construction of a 113 KWh photovoltaic farm in Aflenz in 2013 (A1) and on the roof of the office buildings in Zagreb (37,300 KWh, Vipnet) - Vipnet, Si.mobil: Installation of solar-powered and hybrid mobile base stations - Vip operator: Installation of solar-powered mobile phone charging station in public area in Republic of Macedonia
Further measures for CO₂ reduction	Currently being implemented	<ul style="list-style-type: none"> - Telekom Austria Group: Increased use of hybrid and electric cars and natural gas-powered vehicles at all locations, increased use of the Group-wide telepresence and video-conferencing systems, awareness measures on the topic of energy efficiency such as participation in the WWF Earth Hour, access for all employees to the CO₂ monitor for calculating individual carbon footprints (A1), information campaigns as part of local environmental programmes such as "Re.misli" (Si.mobil) or "Ecomotivation" (Vip mobile) - A1: Development of an innovative logistics concept for reducing the number of kilometres driven, conversion of telephone booths to electric charging stations and promotion of electric mobility projects such as Austrian Mobile Power (Empora2) - A1, Vipnet, Si.mobil: Provision of electric bikes, Segways, free bicycles and support for the formation of car pools or free tickets for public transport (Si.mobil)
10% improvement in the recycling rate (by 2015)	Currently being implemented; 2012: 55% recycling rate	<ul style="list-style-type: none"> - Telekom Austria Group: Locally adjusted awareness measures and sensitivity campaigns for employees as part of local environmental programmes such as "Re.misli" (Si.mobil) or "Ecomotivation" (Vip mobile) - Vip mobile: Conversion of end-user device packaging to recycled cardboard
10% reduction in internal paper consumption (by 2015)	Currently being implemented; 2012: 115 kg paper/FTE	<ul style="list-style-type: none"> - Telekom Austria Group: Local awareness campaigns for reducing consumption by employees, customer campaigns to accelerate the changeover to online billing - A1: Modular packaging system to reduce the use of cardboard - A1, Vipnet, Vip mobile: Introduction of systems for minimising printing such as follow-me printers, conversion to double-sided printing in black and white



EMPLOYEES EMPOWERING PEOPLE

Target	Status	Excerpt of Measures
35% women in the Group and in management positions (by 2015)	Currently being implemented; 2012: 32% women in management positions, 38% women in the Group	<ul style="list-style-type: none">- A1, Mobiltel: Various childcare options such as free "flying nannies" (A1), on-site nursery school, "Club Mama" (Mobiltel, Vipnet)- A1, Vip mobile: Enhancement of attractiveness of the ICT industry for women and girls through the development of a plan for the promotion of women in 2013 (A1), organisation of the "Daughter's day" day and "Girls4Business" programme (A1) and organisation of a "Girls in the ICT day" (Vip mobile)
Push internal appointments (by 2015)	Currently being implemented; 2012: 666 internally hired positions	<ul style="list-style-type: none">- Telekom Austria Group: Group-wide business school, intercultural further education programme for top talents and numerous local initiatives: "New Manager" programme (A1), "Talent Management" programme (Vipnet), "Leadership Academy" (Vip operator)- A1: "1A career at A1" talent programme for the best university graduates, trainee programme for school-leavers, apprentice training programme- Mobiltel: "CEO Masterclass" workshops for employees on selected topics with the Management Board, "M-Powered Heroes" vote of employees with a role model function
Maintenance of a high engagement index (by 2015)	Currently being implemented; 2012: 79%	<ul style="list-style-type: none">- Telekom Austria Group: First Group-wide employee survey ("TAGisfaction") in 2012, annual Group-wide roadshow by the Management Board to communicate the corporate strategy- Telekom Austria Group: Flexible working time models and opportunities for teleworking in all countries, work/life balance programmes (A1, Mobiltel)- A1: Corporate volunteering programme to include employees in initiatives such as "A1 Internet for All"- A1, Mobiltel: Implementation of various healthcare programmes such as "Fit on the job" with fitness activities, seminars for non-smokers and vaccinations (A1), Dr. Vip for employees and their dependants (Mobiltel)- Si.mobil, Vip mobile: Promotion of employee creativity and innovation through the "Innovativeness" project for generating innovative ideas (Si.mobil) or various games forming part of the "innovation games boards" (Vip mobile)- Vip mobile: "Integrity Roadmap" 3D animation on the Code of Conduct and "Vip role model" for recognising outstanding commitment by colleagues
Increase in international exchange (by 2015)	Currently being implemented; 2012: 115 participants „x.change“	<ul style="list-style-type: none">- Telekom Austria Group: "X.change" programme to promote international exchange



Target	Status	Excerpt of Measures
100,000 people participating in trainings to promote media literacy skills (by 2016)	Currently being implemented; 2012: 24,292 participants	<ul style="list-style-type: none"> - A1: Continuation of the "A1 Internet for All" initiative – new permanent location in Klagenfurt (2012) and in Salzburg (2013), expansion of cooperation and range of training, initiatives for safe Internet usage, cooperation with Saferinternet - velcom: Special training for senior citizens - Si.mobil: Simbioza initiative with Internet training for senior citizens - Vip mobile: Free access to the internet and internet courses for children and their parents at the youth centre in Belgrade
Promotion of cooperations with focus on media literacy in the Telekom Austria Group (by 2015)	Currently being implemented; 2012: 5 of 8 countries	<ul style="list-style-type: none"> - Telekom Austria Group: Initiatives and cooperation with various educational institutions: A1 Internet for All (A1), Vienna University Children's Office (A1), "It's your exercise" workshops for technical students at the University of Sofia (Mobiltel), cooperation with Višnjan Education Centres (Vipnet) and the Children's Cultural Centre Belgrade (Vip mobile), "What is Internet for me?" student competition (Vip operator)
Implementation of social cooperations in line with local needs (by 2015)	Achieved; 2012: Over 30 projects	<ul style="list-style-type: none"> - Telekom Austria Group: Tariffs and offers for senior citizens (A1, si.mobil) and people with special needs, e.g. tariffs for the hearing-impaired (A1, Vipnet, velcom), "B.FREE Social" prepaid tariff with social subsidy (A1) - A1: Special mobile phones for senior citizens and "Seniors Advise Seniors" campaign in stores, support of "Licht ins Dunkle", kinderhände - Mobiltel, velcom, Vip operator: Support for people with special needs: "Foster a Child. Create a Future" for children from disadvantaged families and support of the initiative "Eyes on four paws" for the education of seeing-eye dogs (Mobiltel), donation of hearing aids (velcom), fitting out of a special room for autistic children at a school (Vip operator) - Mobiltel, Si.mobil, Vip mobile: Support for humanitarian organisations: Dedicated short number for customers to make donations by text message (Mobiltel), donations of furniture as part of renovation and support for the Si.voda fund for drinking water wells and waste water treatment plants (Si.mobil), donation of income from text messages sent at New Year (Vip mobile) - Vipnet: Continuation of mine clearance programme in 2012 - velcom: Idea competition for young people "Got an idea? Go ahead!", competition for development of mobile apps which was won by an ecological app "Green map of Belarus" - Si.mobil: "Party with a cause" event to support projects combating youth unemployment (2012) - Si.mobil, Vip operator: Initiatives to promote environmental awareness among children and young people: Environmental courses for schoolchildren at SOS Children's Village (Si.mobil), Trash Fashion catwalk show with clothing for young people made of recycled materials (Vip operator)

GRI CONTENT TABLE

ACCORDING TO GRI G3.1 AND TELECOMMUNICATIONS
SECTOR SUPPLEMENT PILOTVERSION 1.0

AR = Annual Report 2012
Fully reported ●
Partially reported ○
Not reported ○
n.r. = Not relevant

Strategy and Analysis

1.1	Statement from the most senior decision maker	10f, AR 22ff	●
1.2	Key risks and opportunities	14f, 16, 18, 24f, 26f, AR 20ff, 68ff	●

Organisation Profile

2.1–2.10	Comprehensive description of the organisation: Name, products, markets, headquarters, shareholder structure, key figures about the company, main changes during the reporting period, awards, etc.	14f, 18f, AR 14ff, 80ff, 96, 138ff	● The entry of América Móvil as a shareholder of Telekom Austria AG in early 2012 led to a significant change in the shareholder structure. On 3 January 2013, Telekom Austria AG completed the acquisition of 100% of "YESSS!" and the intellectual property rights of Orange Austria (see AR p.137)
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Reporting Parameters

3.1–3.11	Reporting period, reporting cycle, contact details, scope of report and boundaries, data measurement techniques, bases of calculations, significant changes	Cover, 76f	● Data comparisons with the previous year are not possible due to the extended reporting limits and new methods of calculation. 2012 serves as the base year for the calculation of the targets.
3.12–3.13	GRI content table, external assurance of report by third party	59f, 74f	● The Telekom Austria Group respect the precautionary principle in its actions.

Governance, Commitments and Engagement

4.1–4.10	Governance Structures, Committees, Supervisory Board, Works Council and related guidelines	18, 20f, AR 26, 40ff, 45	● In addition to the basic salary, the board members receive a variable, performance-based component that depends on the achievement of pre-defined objectives and is limited to a maximum of 150% of base compensation (see AR p.45f.) In addition, all legal requirements are fulfilled.
4.11–4.13	Commitments to external initiatives	11f, 18, 20, 31	●
4.14–4.17	List of stakeholder groups, basis for identification and selection of stakeholders, approaches for the involvement of stakeholders, key topics and concerns that have been raised through stakeholder engagement	16	● Key stakeholders have been identified on the basis of an analysis as well as through discussions with interest groups. The stakeholder feedback was incorporated into the prioritisation of strategic focus areas and builds the basis for the development of further sustainability measures. Additional platforms for stakeholder communication: A1 "future.talk" and "twenty. twenty - exploring the future" event series, employee magazine.

ECONOMIC PERFORMANCE INDICATORS

EC1	Direct economic value generated and distributed	14, 24	●	
EC2	Financial implications due to climate change	35	○	A monetary depiction of the risks identified in the context of climate change is not possible.
EC3	Scope of the defined benefit plan	AR 74, 116	●	Personnel expenses, including social benefits and taxes in 2012: EUR 833.6 million. For long-term employee benefits and information on anniversary payments, severance payments and pensions, see the AR p.116ff.
EC4	Financial assistance received from the government	AR 38, 92, 109	●	In 2012, government grants amounted to EUR 3.8 million. Grants related to income are recognised in the income statement as other operating income.
EC6	Business policy, practices and percentage of locally-based suppliers	20f, 24, 54ff	○	The Code of Conduct of the Telekom Austria Group establishes fair and trustworthy relationships with suppliers. Thanks to transparent allocation and documentation as well as strict approval processes, equal treatment of all suppliers in accordance with the legal requirements is ensured.
EC7	Procedures for local hiring and proportion of senior management hired from the local community	42ff	○	Vacant positions at the Telekom Austria Group are filled with regard to the requirements of the specific job and the qualifications of the applicants.
EC8-9	Development/impact of infrastructure investments and services provided primarily for public interest and description of significant indirect economic impacts	14, 24f, AR 28ff	○	For competition reasons, no details can be published.

ENVIRONMENTAL PERFORMANCE INDICATORS

EN1-2	Materials used by weight or volume, percentage of materials used that are recycled input materials	28, 38, 54ff, 68f	○	
EN3-4	Direct and indirect energy consumption by primary energy source	36, 68f	●	Energy is not being exported. The amount of primary fuels for the production of secondary energy is not published
EN5	Energy saved due to conservation and efficiency improvements	35, 36	●	2012 serves as the base year for calculating. Therefore, savings cannot yet be determined.
EN6	Initiatives to provide energy-efficient products and services	27f, 35f, 37, 54ff	●	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	35f, 54ff	●	See EN5
EN8	Total water consumption	69	○	Water is not considered to be a relevant indicator, therefore a further breakdown is not made.

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 Not reported ○
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EN11-12	Land in or adjacent to protected areas	26f	○	In compliance with the limits, electromagnetic waves have no effect on humans and the environment. Biodiversity is not affected by operating a mobile base station. A list of protected areas is not disclosed in this report.
EN16-17	Total direct/indirect and other greenhouse gas emissions. Emissions of ozone-depleting	34, 70	●	
EN18	Initiatives to reduce greenhouse gas emissions	35ff, 54ff	●	See 3.1-3.11
EN19-20	Emissions of ozone-depleting substances, NO _x , SO _x etc. and air emissions	35, 68f	○	Emissions from Ozone-depleting substances and other substances not related to the vehicle fleet were not collected during the year.
EN21	Total water discharge		n.r.	Not relevant. Any waste water similar to household waste water is discharged into the public sewer system.
EN22	Total waste by type and disposal method	68f	●	
EN23	Total number and volume of significant spills		n.r.	Not relevant since the Telekom Austria Group is not a manufacturing company. During the reporting period, no spills were reported.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	27, 28, 35, 36, 37, 38, 54ff	●	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	28, 38, 54ff	○	All packaging sold on the Austrian market is subject to the ARA license system and can thus be incorporated into the nation-wide collection system. More details are not disclosed in the report.
EN28	Fines or non-monetary sanctions for non-compliance with environmental laws and regulations		○	In the course of ordinary business, several lawsuits and other claims are pending against the Telekom Austria Group. No information can be given on pending procedures. For more information, please refer to the Annual Report.
EN29	Environmental impacts of transporting products, goods and materials	31, 37	○	

SOCIAL INDICATORS

Labour Practices and Decent Work

LA1	Total workforce by employment type, employment contract, region, gender	42, 72f,	○	Further breakdowns are not disclosed in the report
LA2	Number of new hires and employee turnover	42, 72f,	○	Based on the headcount, 1,255 employees were hired in 2012. Including retirements, 773 employees left the company. 666 open positions were subsequently recruited internally. Further breakdowns are not disclosed in the report

LA4	Percentage of employees covered by collective bargaining agreements	42	● In Austria, 100% of all employees are covered by collective bargaining agreements. In the international subsidiaries national requirements are met.
LA5	Minimum notice period regarding operational changes including whether it is specified in collective bargaining agreements	45f, 46	● The statutory deadlines are met.
LA7	Rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities by region and gender	44f, 71	○ Due to data protection further information is not disclosed in this report.
LA8	Education, training, counselling, prevention and risk control programs in place to assist workforce members, their families or community members regarding serious diseases	44f, 54ff	● The regular business activity of the Telekom Austria Group is not related to cause any serious disease.
LA10	Average hours of further education and professional training per year per employee, by gender	43f	○ The duration of trainings was not recorded in the reporting period.
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	43f, 46	○
LA12	Percentage of employees receiving regular performance and career development reviews, by gender	46	● At least once a year, each employee is assessed in terms of his/her performance. As part of these discussions, development opportunities are also evaluated.
LA13	Composition of governance bodies, breakdown of employees per employee category	42f, 44, 72f	● Further breakdowns are not disclosed in the report.
LA14	Rate of basic salary of women to men by employee category, by significant locations of operation		○ The salaries of the Telekom Austria Group are determined by qualifications and requirements of the particular position and do not differ on the basis of gender.
LA15	Return to work and retention rates after parental leave, by gender.		○ In 2012, approximately 220 employees were on parental leave, about 60 employees returned to work from parental leave. A breakdown to gender was not evaluated.
Human Rights			
HR1-2	Percentage of investment agreements that include clauses incorporating human rights concerns as well as suppliers and business partners that have undergone human rights screening	31	○ All suppliers and contractors have to comply with the procurement guidelines which also include human rights aspects.
HR3	Total hours of employee training on aspects of human rights/percentage of employees trained	20	○ In 2012 1,535 employees attended classroom training sessions and some 15,018 employees completed the e-learning programme on compliance issues.
HR4	Incidents of discrimination and corrective actions taken		● During the reporting period no such incidents were reported.

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HR5	Incidents in which the right to exercise freedom of association and collective bargaining may be violated and actions taken to support these rights		●	During the reporting period no such incidents were reported.
HR6-7	Operations and significant suppliers identified as having significant risks for incidents of child labour, forced or compulsory labour/ counter measures that have been taken	31	○	As part of its supplier assessment, the Telekom Austria Group has identified selected groups of suppliers that show particular environmental or social risk potential. The Telekom Austria Group also reserves the right to audit potential and existing suppliers, including their products.
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	20	○	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	20	○	During the reporting period no such incidents were reported.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	20	○	The Code of Conduct of the Telekom Austria Group is valid group-wide. Compliance is monitored regularly within the whole Telekom Austria Group.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanism	21	○	During the reporting period no such grievances were reported
Society				
S01	Percentage of operations with implemented local community engagement, impact assessments and development programmes	27f, 52f	○	
S02-4	Percentage of business units analysed for risks related to corruption and employees trained in the organisation's anti-corruption policies/actions taken in response to incidents of corruption	20f, AR 26ff	○	Total top management took part in trainings on compliance. The Telekom Austria Group punishes unlawful misconduct and violations of internal guidelines consistently and without regard to rank and position of the persons involved.
S05	Public policy positions and participation in public policy development and lobbying activities	20f, AR 26ff	○	The Telekom Austria Group supports the development of the communication infrastructure in its markets as well as the digital gap.
S07	Number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices including sanctions imposed by public authorities	20f	○	In the course of ordinary business, several lawsuits and other claims are pending against the Telekom Austria Group. No information can be given on pending procedures. For more information, please refer to the Annual Report.
S08	Fines/non-monetary sanctions for noncompliance with laws and regulations	20f, AR 68ff, 110	●	For further Information on provisions, please refer to AR Note 22 (p.110)

S09	Operations with significant potential or actual negative impacts on local communities	27f	n.r.	Not relevant because Telekom Austria Group is not a manufacturing company. The Telekom Austria Group performs regular measurements to comply with the limits for electromagnetic fields of the European Union and with national standards.
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	27f	n.r.	See S09

Product Responsibility

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvements/percentage of products and services subject to such procedures	27f, 31	○	A corresponding and complete illustration will be developed in the foreseeable future
PR3	Type of legally required product/service information and percentage of products/services subject to such requirements	27f, 29f, 31	●	The Telekom Austria Group is not subject to such legal requirements.
PR5	Practices related to customer satisfaction/survey results	29, 54ff	○	
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	20f	●	The companies of the Telekom Austria Group are committed to fair competition and follow the competition provisions of the states in which they operate.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and loss of customer data	26f	○	Complaints regarding breaches of customer privacy and loss of customer data are handled and resolved in a defined process.
PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	27, AR 110, 136	○	In the course of ordinary business, several lawsuits and other claims are pending against the Telekom Austria Group. No information can be given on pending procedures. For more information, please refer to the Annual Report.

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SECTOR SUPPLEMENT

Internal Operations

IO1	Capital investment in telecommunication network infrastructure broken down by country/region	24f, AR 58ff	●	
IO2	Net costs for service providers under the Universal Service Obligation when extending service to geographic locations and low-income groups which are not profitable	24f, AR 28ff, 50ff	○	The Austrian government as well as the respective national authorities regulate and oversee specific activities of the Telekom Austria Group.
IO3	Practices to ensure health and safety of field personnel	44f	○	
IO4-5	Compliance with ICNIRP standards on exposure to radio frequency emissions from mobile phones, wireless devices and base stations	27f	●	All companies of the Telekom Austria Group comply with the ICNIRP standard. If exceeded, measures are taken immediately.
IO6	Policies/practices on compliance with the Specific Absorption Rate (SAR) of mobile phones and wireless devices	27f	●	
IO7	Policies/practices on locations of masts and transmission sites including stakeholder consultation, site sharing and initiatives to reduce visual impacts	27f	●	All devices sold by the Telekom Austria Group comply with SAR standards.
IO8	Number and percentage of stand-alone sites, shared sites, and sites on existing structures.		●	Stand-alone sites: 70%, shared sites: 30%

Technology Applications

TA1	Provide examples of the resource efficiency of telecommunications products and services	27f, 28, 35, 37f, 54ff	●	
TA2	Provide examples of telecommunication products, services and applications that have the potential to replace physical objects and disclose any estimates of the rebound effect (indirect consequences) of customer	27f, 28, 35, 37f	●	
TA5	Description of practices relating to intellectual property rights and open source technologies	25f	○	

Providing Access

PA1	Policies/practices to enable the development of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas	24f, AR 28ff	●
PA2	Policies/practices to overcome barriers to access and use of telecommunications products/services including language, culture, illiteracy, lack of education, income, disabilities and age	51, 52	●
PA3	Policies/practices to ensure availability and reliability of telecommunications products/services (downtimes)	25	● Figures on downtimes are not published for reasons of competition.
PA4	Quantify the level of availability of telecommunications products/services in the area where the organisation operates	24f	●
PA5	Number and types of telecommunication products and services provided to and used by low and no income sectors of the population	50f, 52, 54ff	● The Telekom Austria Group is obliged to provide voice telephone services with reduced tariffs for low-income households and other authorised customers for which it receives compensation from the Republic of Austria on a contractual basis.
PA6	Programmes to provide and maintain telecommunications products and services in emergency situations and for disaster relief	25	●
PA7	Policies/practices to manage human rights issues relating to access and use of telecommunications products and services	25f, 51, 54ff	●
PA8	Policies/practices for the external communication of EMF-related issues	27f	●
PA9	Total amount invested in research programmes and activities concerning electromagnetic fields	27f	○ The Telekom Austria Group works together with local industry associations and interest groups in order to advance research in the field of EMF.
PA10	Initiatives to ensure clarity of contract terms and conditions, charges and tariff models	29	●
PA11	Initiatives to inform customers about product features that promote responsible, efficient and environmentally-friendly use	27ff, 31, 54ff	●

PROVIDING SUSTAINABLE PRODUCTS

CUSTOMER SERVICE

2012	Customer Contacts (in '000)	Employees (in FTE)
A1	26,545	2,390
Mobiltel	5,656	427
Vipnet	3,147	223
velcom	5,382	373
Si.mobil	999	68
Vip mobile	1,817	144
Vip operator	2,023	22
Telekom Austria Group ¹	45,569	3,650

2011		
A1	29,703	2,528
Mobiltel	6,394	467
Vipnet	3,368	243
velcom	6,496	382
Si.mobil	1,274	62
Vip mobile	1,893	145
Vip operator	2,425	17
Telekom Austria Group ¹	51,553	3,846

¹ Total Telekom Austria Group includes mobilkom liechtenstein.

COLLECTION AND RECYCLING OF OLD MOBILE PHONES

2012 (in pc.)	Collected old mobile phones
A1	6,300
Mobiltel	959
Vipnet	3,746
velcom	n.a.
Si.mobil	2,872
Vip mobile	60,000
Vip operator	n.a.
Telekom Austria Group	73,877

LIVING GREEN

AIR POLLUTANTS OF THE VEHICLE FLEET¹

2012 (in g/km)	NO _x	SO ₂	PM ₁₀
Telekom Austria Group	0.690	0.195	0.069

¹ The air pollutants were aligned to the published data of ecoinvent for the first time in 2012. They include the emissions of the vehicle fleet.

● GRI EN19-20

DIRECT AND INDIRECT ENERGY CONSUMPTION

2012 (in MWh)	Electricity consumption ¹	Heating energy consumption ²
A1	308,549	17,597
Mobiltel	84,938	95
Vipnet	42,279	69
velcom	70,118	977
Si.mobil	22,370	0
Vip mobile	28,013	22
Vip operator	8,572	34
Telekom Austria Group	564,839	18,793

¹ Purchased and in-house production

² Includes oil and gas

³ Includes diesel, petrol and natural gas

● GRI EN3-4

PAPER CONSUMPTION

2012 (in kg)	Printing & copy paper	Other ¹	Total
A1	145,780	809,034	954,814
Mobiltel	69,525	324,238	393,763
Vipnet	16,318	147,700	164,018
velcom	31,220	23,500	54,720
Si.mobil	3,625	103,472	107,097
Vip mobile	30,437	120,302	150,739
Vip operator	20,000	45,047	65,047
Telekom Austria Group	316,905	1,573,293	1,890,198

¹ Other includes mainly paper for customer invoices and paper for packaging.

● GRI EN1-2

WASTE

2012 (in kg)	Non-hazardous waste		
	Paper	Metal	Other recyclable waste
Telekom Austria Group	1,501,594	1,379,145	352,214

Quantities were defined according to invoices of waste management companies or if this was not possible according to volumina of waste containers as well as intervals of waste disposal.

● GRI EN22

WATER CONSUMPTION

2012 (in m³)	Total
Telekom Austria Group	292,154

● GRI EN8

District heating energy consumption	Fuel consumption ³	Total energy consumption
32,097	56,032	414,276
228	5,640	90,901
4	3,962	46,313
1,965	4,992	78,052
220	390	22,978
733	2,886	31,654
0	504	9,110
35,247	74,405	693,284

Table may include rounding differences. 1 joule = $2.77777778 \times 10^{-18}$ MWh

RELATIVE INDICATORS

	Share of renewable energy ¹ (in %)	Recycling quota ³ (in %)	CO ₂ intensity (per FTE)	Paper consumption (in kg/FTE)
A1	81	60	8	105
Mobiltel	15	9	19	145
Vipnet	45	61	17	145
velcom	20	23	16	32
Si.mobil	33	90	24	275
Vip mobile	29	21	29	170
Vip operator	27	72	26	208
Telekom Austria Group	56	55	13	115

	Energy Efficiency Index ² (in MWh per terabyte)	Share of e-billing (in %)	Water consumption (per FTE, in m³)
Telekom Austria Group	2.1	29	18

¹ Derived from electricity consumption, values of A1 were calculated, remaining as measured by the standard national grid factor.

² Energy Efficiency Index is defined as total electrical energy consumption, divided by total transported data volume of fixed and mobile telecommunication networks.

³ For recycling provided fractions (non-hazardous waste, Electronic waste and batteries) in relation to total waste.

● GRI EN1-2

Hazardous waste			Residual waste	Total
Elektronic waste	Batteries	Other hazardous waste		
645,973	26,129	430,861	2,804,463	7,140,379

DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

2012 (in t)	Direct (Scope 1)	Indirect (Scope 2)	Total (Scope 1+2)
A1	20,269	56,172	76,441
Mobiltel	3,738	47,447	51,186
Vipnet	1,171	18,640	19,812
velcom	1,694	26,213	27,906
Si.mobil	112	9,390	9,501
Vip mobile	1,240	24,035	25,274
Vip operator	425	7,750	8,175
Telekom Austria Group	28,649	189,647	218,296

2011¹

A1	18,500	66,100	84,600
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Scope 1 includes direct emissions from combustion of fossil fuels for heating, electricity production and mobility without consideration of cooling agents.

Scope 2 measures indirect emissions from electric energy and district heating.

¹ Figures for 2011 cannot be compared due to a different calculation method, Figures verified by TÜV Süd.

● GRI EN16-17

OTHER INDIRECT GREENHOUSE GAS EMISSIONS

2012 (in t)	Upstream (Scope 3)
A1	25,063
Mobiltel	18,223
Vipnet	6,772
velcom	9,229
Si.mobil	1,601
Vip mobile	8,033
Vip operator	2,915
Telekom Austria Group	71,836

Scope 3 takes into account the costs associated with the upstream emissions from heating energy, electricity and fuels (fleet) and business travel (taxi, plane, train).

● GRI EN16-17

METHODOLOGY

In its calculation method for direct, indirect and other indirect emissions, the Telekom Austria Group follows the internationally recognised definition of the Greenhouse Gas Protocol of the WRI/WBCSD (World Resources Institute and World Business Council for Sustainable Development), in which all greenhouse gases are included in the calculation, i.e. not just those covered by the Kyoto Protocol. The calculation method is based on the published data by ecoinvent (AR4 100-year (IPCC 2007 – 4th Assessment Report)). Figures given as CO₂ equivalents.

VEHICLE FLEET OF THE TELEKOM AUSTRIA GROUP

2012	Number of vehicles	Consumption of petrol (in l)	Consumption of diesel (in l)	Consumption of alternative fuels (in l)	Mileage (in '000 km)
Telekom Austria Group	4,994	366,821	7,040,635	114,347	102,293
2011					
Telekom Austria Group	5,017	445,455	7,126,588	104,310	100,380

CREATING EQUAL OPPORTUNITIES

TRAININGS

2012	Media literacy
A1	18,592
Mobiltel	n.a.
Vipnet	n.a.
velcom	n.a.
Si.mobil	5,700
Vip mobile	n.a.
Vip operator	n.a.
Telekom Austria Group	24,292

A1 INTERNET FOR ALL

2012	Number of courses	Participants	Recommendation rate (in %)	Supporting employees in reporting period ¹	Supporting employees since beginning
A1	1,395	18,592	98	207	403

¹ Employees supporting for the first time

EMPOWERING PEOPLE

OCCUPATIONAL HEALTH AND SAFETY

2012 (in workdays)	Accidents	Fatal accidents	Days lost to accidents
A1	116	0	641
Mobiltel	5	0	107
Vipnet	10	0	0
velcom	0	0	0
Si.mobil	2	0	83
Vip mobile	5	0	258
Vip operator	0	0	0
Telekom Austria Group	138	0	1,089

2011	Accidents	Fatal accidents	Days lost to accidents
A1	113	0	1,099
Mobiltel	3	0	475
Vipnet	9	0	371
velcom	0	0	0
Si.mobil	3	0	24
Vip mobile	4	0	94
Vip operator	0	0	0
Telekom Austria Group	132	0	2,063

● GRI LA7

PERSONNEL STRUCTURE

2012	FTE (PE)	Average age of employees	Part-time employees (HC)
A1 (Austria)	9,077	43	618
Mobiltel (Bulgaria)	2,937	33	36
Vipnet (Croatia)	1,104	37	8
velcom (Belarus)	1,680	36	30
Si.mobil (Slovenia)	366	36	13
Vip mobile (Serbia)	898	32	0
Vip operator (Macedonia)	205	33	0
Telekom Austria Group	16,446	39	705
2011			
A1 (Austria)	9,292	42	593
Mobiltel (Bulgaria)	3,380	33	44
Vipnet (Croatia)	1,144	36	12
velcom (Belarus)	1,784	36	27
Si.mobil (Slovenia)	348	35	16
Vip mobile (Serbia)	889	31	0
Vip operator (Macedonia)	203	30	1
Telekom Austria Group	17,217	39	693

Total Telekom Austria Group includes mobilkom liechtenstein.

AGE STRUCTURE¹

2012 (in HC)	16–19	20–29
A1 (Austria)	33	646
Mobiltel (Bulgaria)	1	1,104
Vipnet (Croatia)	0	94
velcom (Belarus)	8	773
Si.mobil (Slovenia)	0	69
Vip mobile (Serbia)	0	346
Vip operator (Macedonia)	0	48
Telekom Austria Group	42	3,080
2011		
A1 (Austria)	34	626
Mobiltel (Bulgaria)	5	857
Vipnet (Croatia)	0	120
velcom (Belarus)	0	788
Si.mobil (Slovenia)	0	68
Vip mobile (Serbia)	0	421
Vip operator (Macedonia)	0	43
Telekom Austria Group	39	2,923

¹ Apprentices not included.

Total Telekom Austria Group includes mobilkom liechtenstein.

Share of female employees (in %)	Share of female executives (in %)	Share of local management (in %)
25	17	98
50	48	99
39	39	98
67	42	99
48	38	98
54	38	94
55	38	94
38	32	98
25	17	98
57	56	99
40	40	98
68	39	99
46	35	98
54	44	94
50	43	94
38	32	98

● GRI LA1-2, 13

30–39	40–49	above 50
2,192	4,301	2,145
1,388	369	95
603	348	59
941	169	76
219	84	17
546	58	11
142	15	0
6,031	5,344	2,403
2,482	4,507	1,888
1,230	293	104
674	348	59
971	168	116
214	72	15
469	51	8
145	14	0
6,185	5,453	2,190

● GRI LA1-2

ASSURANCE STATEMENT¹

We were requested to perform a limited assurance engagement on Specific Topics of the Sustainability Report 2012/2013 (hereafter “the Report”) of Telekom Austria Group (hereafter “TAG”).

The Report and the underlying procedures, systems and structures including subject matters and criteria are the responsibility of the Management of Telekom Austria AG. Our responsibility is to make an assessment based on our review.

We conducted our review in accordance with the International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and the “Fachgutachten des Fachsenats für Unternehmensrecht und Revision über die Durchführung von sonstigen Prüfungen (KFS/PG 13)” in order to obtain limited assurance on the subject matters. In a limited assurance engagement the evidence-gathering procedures are more limited than in a reasonable assurance engagement, and therefore less assurance can be obtained.

For this engagement the “Allgemeinen Einkaufsbedingungen für Beratungsleistungen und Services der Telekom Austria Group – Stand 2/2012” were agreed. Subsidiary the “General Conditions of Contract for the Public Accounting Professions”, as issued by the Chamber of Public Accountants and Tax Advisors in Austria on March 8, 2000, revised on February 21, 2011 (“AAB 2011”), are binding. In cases of gross negligence the maximum liability is limited to EUR 2,000,000 and in cases of ordinary negligence the maximum liability is limited to EUR 5,000. This amount constitutes a total maximum liability cap which may only be utilized up to this maximum amount even if there is more than one claimant or more than one claim has been asserted.

SUBJECT MATTERS

- Review of the procedures, systems and structures for complying with the GRI principles for Defining the Report Content.
- Review of the procedures, systems and structures for collecting, gathering, aggregating and validating of the following in the Report disclosed topics:
 - Environmental Performance Indicators (only the contribution of A1, the operative subsidiary of TAG in Austria): Direct energy consumption by primary energy source (EN3), Indirect energy consumption by primary source (EN4), Total direct and indirect greenhouse gas emissions by weight (EN16), Other relevant indirect greenhouse gas emissions by weight (EN17) and Total weight of waste by type and disposal method (EN22)
 - Disclosed indicators regarding the social initiative “A1 Internet für Alle”
 - Disclosed indicators regarding the employee attitude survey “TAGisfaction”
- Review, whether the Report is in accordance with the application level self-declared by TAG.

CRITERIA

Based on an assessment of materiality and risk we have evaluated the obtained information and supporting documents with respect to the conformity of the subject matters with the Sustainability Reporting Guidelines (Version 3.1) issued by the Global Reporting Initiative’s (GRI).

PROCEEDINGS

Our work included analytical procedures as well as interviews with employees from the headquarters in Vienna notified by the board of directors of Telekom Austria AG.

LIMITATION OF RELIABILITY OF THE REVIEW

Our engagement is limited to the above mentioned Subject Matters. We did not review any other content in the Report. We have not tested comparative data from previous years. The scope of our review was limited to samples. Our work was performed on a sample basis as deemed necessary in the particular case, but did not include any substantial testing. Therefore, the assurance that we obtained is limited.

CONCLUSION

Based on our work described above nothing has come to our attention that causes us to believe that the

- procedures, systems and structures for complying with the GRI principles for Defining the Report Content
 - procedures, systems and structures for collecting, gathering, aggregating and validating of the:
 - contribution of A1 (the operative subsidiary of TAG in Austria) to the Environmental Performance Indicators: Direct energy consumption by primary energy source (EN3), Indirect energy consumption by primary source (EN4), Total direct and indirect greenhouse gas emissions by weight (EN16), Other relevant indirect greenhouse gas emissions by weight (EN17) and Total weight of waste by type and disposal method (EN22)
 - disclosed indicators regarding the social initiative “A1 Internet für Alle”
 - disclosed indicators regarding the employee survey “TAGisfaction”
- were not appropriate.

Nothing has come to our attention that causes us to believe that the Report of TAG does not meet the GRI A+ application level.

Vienna, September 24, 2013

Deloitte Audit, Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer

Engagement Partner

p.p.a. Dipl.-Ing. Hannes Senft

Engagement Partner

¹ The German text of the signed Statement, which refers to the German Version of the Report, is the only binding one. The English translation is not binding and shall not be used for the interpretation of the English Version of the Report.

REPORT DETAILS

This sustainability report covers the Group-wide activities and key figures of the Telekom Austria Group according to the boundaries of the Annual Report 2012 (page 138). Financial key figures as well as figures related to number of employees relate to the Group segment reporting segments defined in line with IAS 8, while environmental as well as social key figures were collected for the operating companies of the respective countries. The Telekom Austria Group assumes that non-operating companies, where no data have been collected, are not significant in their contribution to the environmental data due to their function (f.e.g. holding function). In case that due to organisational reasons data have been collected for the non-operating companies together with those for operating companies, these data have not been excluded.

The reporting period for the quantitative key figures is the 2012 calendar year. For selected projects, qualitative information on the individual topics was included beyond 2012 up to the second quarter of 2013 and noted separately in the report.

There are major changes compared with last year's report, particularly with regard to environmental key figures. In the context of the TAGreen project, environmental key indicators were harmonised for the first time in 2012 and collected on a Group-wide basis for seven of the eight operating companies (mobikom liechtenstein was not included due to the small impact compared with the other operating companies). Consequently, as a result of modified and improved calculation methods, there are no comparisons with the previous year.

The content of the report is geared towards the core elements of the sustainability strategy and was determined on the basis of a stakeholder survey (for further details, please refer to page 14). The report meets the requirements of the Global Reporting Initiative - GRI Guideline G3.1 (application level A+) for sustainability reports including the Telecommunications Sector Supplement Pilot Version 1.0 of July 2003, and complies with the annual United Nations Global Compact Progress Report. It is published once a year.

The report consists of three large sections. An introductory chapter explains the newly devised sustainability strategy in connection with the Telekom Austria Group's core business and the key social and environmental trends. The main section of the report is dedicated to the four major areas of activity and deals with the strategic targets, implemented measures and current challenges. In the third part of the report, the quantitative data and key figures are recapped in the form of a data section. The GRI content table provides information on the individual indicators and the related degree of compliance.

The sustainability report chiefly focuses on environmental and social aspects of the Telekom Austria Group's activities. For further information on economic governance, the organisation profile and corporate governance please refer to the Telekom Austria Group's 2012 annual report (telekomaustria.com). Data collection for the sustainability report are based on the use of internal reporting processes as well as standardised questionnaires in the individual Telekom Austria Group operating companies. This data is assessed centrally and subjected to plausibility checks. The Telekom Austria Group's Corporate Sustainability department evaluates the questionnaires annually with regard to current developments, requirements and objectives.

For 2012, selected topics in this sustainability report were externally validated by an independent auditor for the first time. The precise scope and the results of the independent audit can be found in the certificate shown on page 74.

Definitions and calculation methods on individual indicators and key figures set out in the report are explained in detail by means of footnotes either in the respective chapter itself or in the data section starting on page 67.

● GRI 3.1-3.11

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GLOSSARY

Enclosed you can find further information and explanations on terms used in this report, which could not be explained exactly in the text fields.

3G network

Third generation of mobile telecommunications technology network, for example UMTS and EDGE.

Compliance management

Area of responsibility dealing with a company's compliance with statutory provisions and directives as well as voluntary codes.

Corporate governance

The Austrian Corporate Governance Code sets out guidelines for responsible company management and controlling.

Digital divide

Digital divide is economic and social inequality between groups, broadly construed, in terms of access to, use of, or knowledge of information and communication technologies. This difference in opportunities has an impact on access to education, knowledge and work.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)

EBITDA is defined as net profit excluding financial results, income taxes and depreciation and amortisation charges.

EDGE (Enhanced Data Rates for GSM Evolution)

Technology that delivers higher data transmission rates in GSM mobile communication networks by introducing an additional modulation.

Electromagnetic Fields (EMF)

Electromagnetic fields (EMF) are a combination of invisible electric and magnetic fields of force. They occur both naturally and due to human activity, including in mobile communications.

EMAS (Eco Management and Audit Scheme)

European environmental management system for organisations who want to improve their environmental performance.

Energy Efficiency Index

Indicator for measuring a specific energy consumption, measured by the Telekom Austria Group in megawatt hour per terabyte (1 terabyte = 1 trillion bytes).

Full Time Equivalent (FTE)

Full-time equivalent

GRI (Global Reporting Initiative)

Guidelines that were drawn up in a participatory process and which are used for the preparation and evaluation of sustainability reports.

HSPA+ (High Speed Packet Access Plus)

A further evolution of UMTS to achieve even higher data rates than those achieved hitherto with HSDPA and HSUPA upgrades.

ICT

Information and communications technology

International Labour Organisation (ILO)

The International Labour Organisation is the only tripartite United Nations (UN) agency that brings governments, employers and workers of its member states together to promote humane working conditions worldwide.

International Organization for Standardization (ISO)

The International Organization for Standardization is an international standard-setting body composed of representatives from various national standards organizations.

ITU (International Telecommunication Unit)

A specialized agency of the United Nations, which deals with the technical aspects of telecommunications at the international level.

Carbon dioxide (CO₂)

Carbon dioxide is a naturally occurring chemical compound composed of two oxygen atoms and one carbon atom. It is one of the major causes of climate change.

Convergence

The merging of various services and content from fixed net and mobile communication.

Long Term Evolution (LTE)

LTE represents the further advancement of existing mobile networks towards even faster data transfer and larger transmission capacities. LTE enables transfer rates of up to 150 Mbit/s.

M2M (Machine-to-Machine)

Connection services for automated data transfer between machines, devices, sensors or servers for remote controlling and monitoring with or without human interaction.

Mobile penetration

Measures customers of a mobile communication provider as a proportion of total population.

Radio frequency identification (RFID)

Radio frequency identification is the wireless non-contact use of radio-frequency electromagnetic fields to transfer data, for the purposes of automatically identifying and tracking tags attached to objects.

Smartphone

Mobile telephone with expanded functionality. In addition to calls and text messaging services, this usually includes additional services such as e-mail, Internet access, calendar, navigation, and the recording and playback of audiovisual content.

Social Media

Describes digital media and technologies which allow users to interact and create media content individually or as part of a community.

UMTS (Universal Mobile Telecommunications System)

Mobile communications standard that enables high-performance services on the basis of high data transmission rates, approximately 40 times faster than with a GSM handset.

UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

VDSL (Very High Speed Digital Subscriber Line)

Technology that permits significantly higher data transmission rates over conventional telephone lines than, for example, ADSL.

Code of Conduct

The Code of Conduct of the Telekom Austria Group is a Group-wide internal directive which prescribes how to deal fairly with customers, suppliers and employees, protect confidential company and business information, protect assets and deal with conflicts of interest. It also sets out rules for accepting gifts and provisions on capital market compliance.

Whistleblowing

Individual who brings to light abuses such as illegal activities (e.g. corruption, insider trading and human rights violations) or general risks that he/she discovers at his/her workplace or elsewhere.

Life Balance

Life balance is a concept including proper prioritising between work and private life.

AND IF YOU HAVE ANY QUESTIONS ...

DON'T HESITATE ...



JUST E-MAIL US.

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