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At a glance

Employee diversit

At a glance

About the HR Factbook 2023



Dear Readers,

Society today continues to face many global challenges, including technological change, political unrest, and an increasingly complex working environment. True to our motto "Connecting Your World," as a company we are committed to connecting people and enabling them to seize the opportunities afforded by digital progress. Our commitment to this cause continued throughout 2023. First and foremost, we owe our success to our dedicated employees.

With a workforce of just under 200,000 in 34 countries, we are perfectly placed to become the Leading Digital Telco. We are the world's most valuable telecommunications brand and have retained our status as the most valuable brand in Europe. Across virtually all of our markets, our networks are the best and we offer the best service.

Technological change, particularly in the area of artificial intelligence, opens up new opportunities and challenges, especially for our workforce. We now have a

responsibility to pave the way and equip our employees with the skill set they need to ensure our company's future success in this highly dynamic environment.

As always, attracting and retaining digital talents is pivotal to our goal of becoming the Leading Digital Telco. This is particularly crucial in today's intensely competitive environment, in which the employer's market has long turned into an employee's market. We are firm believers in diversity and inclusion and will continue to campaign tirelessly for a working environment where everyone is free to be themselves, regardless of their background, sexual orientation, or other dimensions. This is crucial to allow everyone to give their best, both for Deutsche Telekom and for themselves.

We welcome you to explore the numbers, developments, and challenges of the past year in our HR Factbook. This publication is more than just a collection of data; it is a reflection of our shared journey of transformation at Deutsche Telekom.

I hope you will enjoy reading it.

Best regards, Birgit Bohle

Board of Management member for Human Resources and Legal Affairs, Labor Director

Deutsche Telekom at a glance: The Group

Employees (FTE)

Total workforce quota





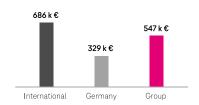
Group revenue

Personnel costs, adjusted

Revenue per employee







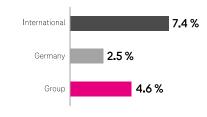
Average number of training days per employee

Women in middle and senior management

Unforced attrition

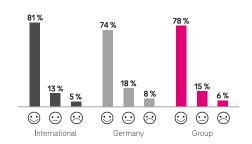


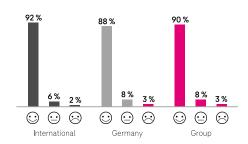




Overall employee mood

Overall manager mood





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Deutsche Telekom at a glance: Germany

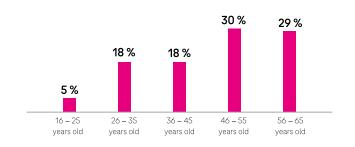
Employees (FTE)

11111111 78,600

Apprentices and students



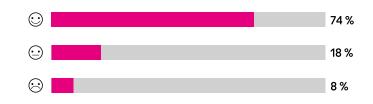
Age structure



Recruitments



Employee mood



Proportion of civil servants



Savings through employee ideas

Employees with severe disabilities

Health rate



7.6%



Employee availability and diversity

Employees by country

Deutsche Telekom - Represented around the globe



Employees by country (in FTE)

| | 2023 | |
|-----------------------------------|--------|--|
| Germany | 78,600 | |
| United States (incl. T-Mobile US) | 62,902 | |
| Hungary | 11,229 | |
| Greece | 10,267 | |
| Slovakia | 7,492 | |
| India | 4,813 | |
| Croatia | 4,290 | |
| Spain | 3,584 | |
| Poland | 3,540 | |
| Czech Republic | 3,283 | |
| Austria | 2,718 | |
| Brazil | 1,416 | |
| Romania | 1,342 | |
| Mexico | 1,040 | |
| North Macedonia | 969 | |
| Switzerland | 478 | |
| Montenegro | 446 | |

| | 2023 |] |
|----------------------|------|---|
| Netherlands | 281 | |
| China | 235 | |
| Great Britain | 213 | |
| Singapore | 100 | |
| Belgium | 92 | |
| France | 68 | |
| Turkey | 67 | |
| Portugal | 53 | |
| Denmark | 34 | |
| United Arab Emirates | 27 | |
| Thailand | 23 | |
| Italy | 21 | |
| Russia ¹ | 12 | |
| Sweden | 9 | |
| South Africa | 6 | |
| Finland | 3 | |
| Ukraine | 1 | |

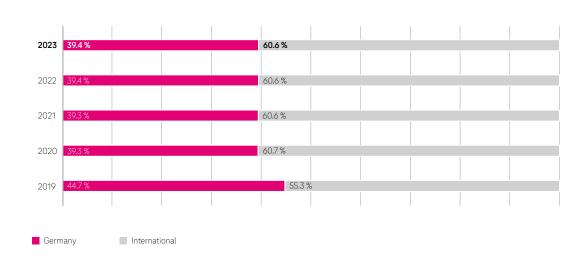
 $^{^{\}rm 1}$ FTEs temporarily contracted to manage the final ramp-down in Russia by the end of Q1 2024 at the latest.

Deutsche Telekom is represented in 34 countries worldwide, with more than 80 percent of our employees working in Germany, the United States, Hungary, and Greece (unchanged against the previous year).

Our largest headcount increases were recorded in Spain with 655 FTEs (22 percent) and India with 556 FTEs (13 percent), prompted by the nearshoring/offshoring strategy adopted by our Systems Solutions operating segment and the Group Headquarters & Group Services segment. The key focus here was to increase staff numbers for the job profiles of software engineers, application and systems managers, and technical consultants in these countries.

Employees in Germany and worldwide

National headcount proportionately unchanged



Employees in Germany and worldwide (in FTE)

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------|---------|---------|---------|---------|---------|
| Group | 210,533 | 226,291 | 216,528 | 206,759 | 199,652 |
| Germany | 94,111 | 89,032 | 85,200 | 81,469 | 78,600 |
| International | 116,422 | 137,258 | 131,368 | 125,290 | 121,052 |

The Group headcount is decreasing, at both a national and international level, but the ratios remain the same. 39.4 percent of our total workforce are employed in Germany, unchanged against the previous year.

In absolute terms, the United States saw the largest headcount decrease with -4,411 FTEs (6.6 percent), followed by Germany with -2,869 FTEs (3.5 percent).

Employees by operating segment

Group headcount down 3.4 percent

Employees by operating segment (in FTE)

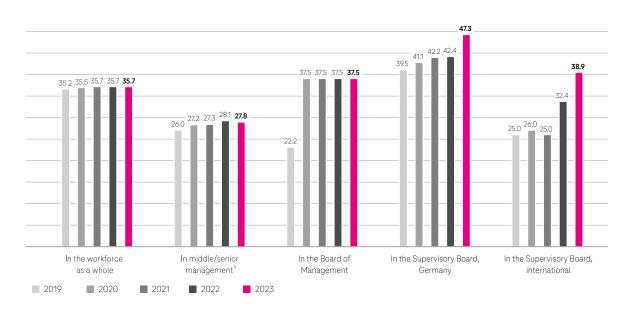
| | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Germany | 69,117 | 67,956 | 61,768 | 59,014 | 59,709 |
| U.S. | 47,312 | 71,304 | 71,094 | 67,088 | 62,677 |
| Europe | 44,410 | 41,272 | 35,319 | 34,083 | 32,932 |
| Systems Solutions | 29,800 | 26,490 | 26,175 | 27,392 | 26,036 |
| Group Headquarters & Group Services | 17,292 | 16,585 | 19,498 | 18,353 | 18,190 |
| Group Development | 2,603 | 2,684 | 2,674 | 828 | 108 |
| Group | 210,533 | 226,291 | 216,528 | 206,759 | 199,652 |

As per year-end, the Group's headcount had decreased by 3.4 percent year-on-year. In our Germany operating segment, the number of employees increased by 1.2 percent against year-end 2022, mainly due to the transfer of employees of Multimedia Solutions (MMS) from the Systems Solutions operating segment. The total number of full-time equivalent employees in the United States operating segment decreased by 6.6 percent compared to the end of 2022, primarily due to the workforce reduction program implemented in the third quarter of 2023. In the Europe operating segment, the headcount was down by 3.4 percent compared to the end of the prior year, in particular in Slovakia, Poland, and Greece. The headcount at our Systems Solutions operating segment was down 5.0 percent against year-end 2022, mainly due to the transfer of MMS to the Germany operating segment. In the Group Development operating segment, the headcount decreased sharply by 87.0 percent year-on-year, mainly due to the sale of GD Towers as of February 1, 2023. The headcount in the Group Headquarters & Group Services segment was down 0.9 percent compared to the end of 2022, mainly due to the ongoing staff restructuring measures at Vivento. This decrease was offset by the increase in the number of employees in the Technology and Innovation department.

Proportion of women in the Group

Focus on gender equality: Women's quota stable

in %



¹ Calculation of the female quota in middle and senior management: Number of female managers (heads) of levels MG1–4 plus middle management per sum of managers at levels MG1–4 plus middle management times 100.

Deutsche Telekom is a powerful advocate for an inclusive working environment with equal opportunities for all, enabling everyone to enjoy the benefits of seamless connectivity. To this end, the company acknowledges that the diversity of backgrounds, experiences, perspectives, and skills in the workforce is pivotal to its success. Deutsche Telekom strives to develop a safe, open working community for all, regardless of age, gender identity and expression, physical or mental ability, nationality, social and ethnic background, religion/faith, or sexual orientation. An in-house pulse survey of Group employees (excluding T-Mobile US) in November 2023 found that 1.2 percent of respondents identify as non-binary.

Deutsche Telekom has long championed diversity, equity, and inclusion (DE&I) at the workplace. The adoption of our updated DE&I Policy in late 2021/early 2022 further strengthened our efforts in this regard. Implementation of this policy across the seven dimensions of diversity is a key strategic focus. Structural and cultural change is driven by a series of targeted implementation plans.

One key aspect of this is our determination to foster an environment of continuous professional development for employees and managers. The learning landscape includes training courses on the various dimensions of diversity, unconscious bias, and inclusive language. Deutsche Telekom also makes every effort to ensure that the DE&I employee networks are involved when carrying out its mission of creating a more inclusive, open workplace for all. Our commitment to increasing the proportion of women in management positions deserves a particular mention. Our goal is that women should account for at least 30 percent of senior management across all segments by the end of 2025. Based on a renewed commitment by the Board of Management, this underscores our determination to drive gender diversity throughout all areas of the company.

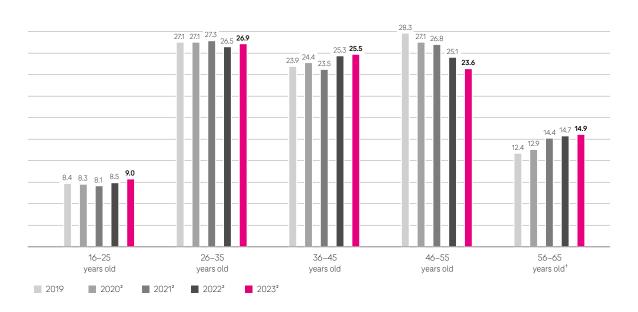
Deutsche Telekom has a clear vision and comprehensive measures in place to create a corporate culture that celebrates equity, inclusion, and diversity, where every employee can develop their full potential.

Age structure in the Group

Average age within the Group still falling

Skills & potential

in %



| <u>. </u> | 2019 | 2020 ² | 2021 ² | 2022 ² | 2023 ² |
|--|------|-------------------|-------------------|-------------------|-------------------|
| ø Age (in years) | 41.4 | 41.5 | 41.8 | 41.7 | 41.4 |

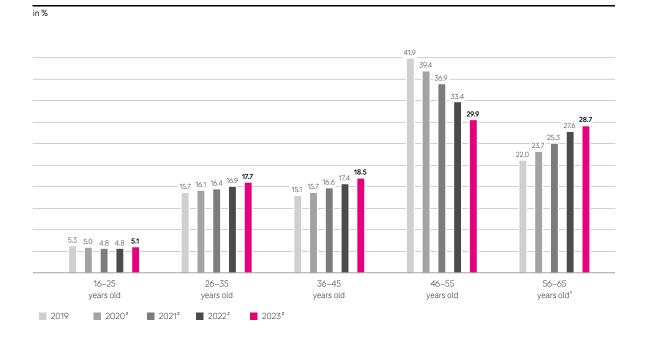
¹ Incl. > 65 years.

For the second year in succession, the average age within the Group has fallen slightly by 0.3 years, to 41.4 years. Additionally, the 46-55 age group decreased steadily from 25.1 percent to 23.6 percent of the workforce, while the 36-45 age group rose to 25.5 percent. The 56-65 age group increased slightly by 0.2 percentage points, while the 16-25 age group increased by 0.5 percentage points, up to 9 percent for the first time. Deutsche Telekom is working to counteract demographic overaging through the continuous rejuvenation of its workforce.

² Excluding Deutsche Telekom Capital Partners Management GmbH, Deutsche Telekom Clinical Solutions GmbH, operational services GmbH & Co. KG, Toll4Europe, goingsoft Deutschland GmbH, Geomobile GmbH, DT International Finance B.V., GTS Ukraine.

Age structure in Germany

Rejuvenation trend now also at national level



| | 2019 | 2020 ² | 2021 ² | 2022 ² | 2023 ² |
|------------------|------|-------------------|-------------------|-------------------|-------------------|
| ø Age (in years) | 46.5 | 46.6 | 46.8 | 46.8 | 46.5 |

¹ Incl. > 65 years.

For the first time, the national average age is also falling. At year-end 2023, the average age in Germany was 46.5, which equates to a rejuvenation of the workforce by 0.3 years. Once again, the biggest decrease of 3.5 percentage points was recorded in the 46–55 age group, while the proportion of employees aged 56+ was up 1.2 percentage points, to 28.7 percent. The proportion of those aged 45+ declined from 61.0 percent to 58.6 percent.

Deutsche Telekom in Germany is therefore moving ever closer to a balanced age structure that will allow the Group to harness a broad range of skills, experience, and perspectives to help strengthen its own innovativeness, performance, and resilience. It will also help strike a good balance between continuity and renewal, and successfully counteract demographic change.

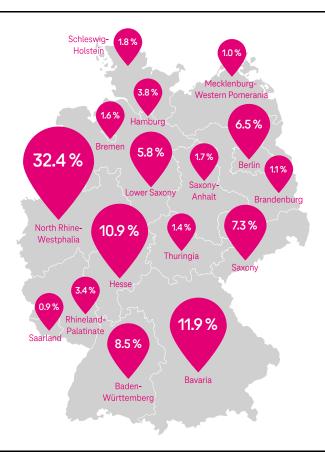
Over the next few years, Deutsche Telekom in Germany will face a major challenge as the baby boomer generation retires from the employment market (and the company). This will create various challenges that need to be tackled in the years to come. The transfer of knowledge to the younger generation will be pivotal in this regard. The challenge is to successfully structure the transition to an era without baby boomers while safeguarding the continuity of our business activities. This calls for a strategic, proactive approach to HR management and the creation of an environment that maximizes the potential of all generations.

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² Excluding Detecon International GmbH, ORBIT Gesellschaft für Applikations- und Infosysteme mbH, GeoMobile GmbH, Deutsche Telekom Clinical Solutions GmbH, Comfortcharge GmbH, Deutsche Telekom Capital Partners Management GmbH, Toll4Europe GmbH, operational services GmbH & Co. KG, goingsoft Deutschland GmbH.

Costs & productivity

Deutsche Telekom employees present in all German federal states



Employees in Germany by federal state (in FTE)

| | 2023 ¹ |
|-------------------------------|-------------------|
| North Rhine-Westphalia | 24,711 |
| Bavaria | 9,062 |
| Hesse | 8,348 |
| Baden-Württemberg | 6,476 |
| Saxony | 5,586 |
| Berlin | 4,956 |
| Lower Saxony | 4,434 |
| Hamburg | 2,872 |
| Rhineland Palatinate | 2,557 |
| Schleswig-Holstein | 1,374 |
| Saxony-Anhalt | 1,336 |
| Bremen | 1,204 |
| Thuringia | 1,059 |
| Brandenburg | 861 |
| Mecklenburg-Western Pomerania | 789 |
| Saarland | 699 |

¹ Excluding Deutsche Telekom Capital Partners Management GmbH, Deutsche Telekom Clinical Solutions GmbH, operational services GmbH & Co. KG, goingsoft Deutschland GmbH, Detecon International GmbH, ORBIT Gesellschaft für Applikations- und Infosysteme mbH, GeoMobile GmbH, Comfortcharge GmbH.

Deutsche Telekom takes its service promise very seriously and maintains a continuous presence in every German federal state to ensure that our customers' needs and requests are prioritized locally, in keeping with our brand promise, "Connecting Your World."

The most populous German federal state of North Rhine-Westphalia has the largest number of employees with more than 24,000 FTEs, equating to 32.4 percent of the active workforce in Germany.

Costs & productivity

Employees by status group in Germany

Proportion of civil servants continues to fall

Skills & potential

Employees by status group in Germany (in FTE)

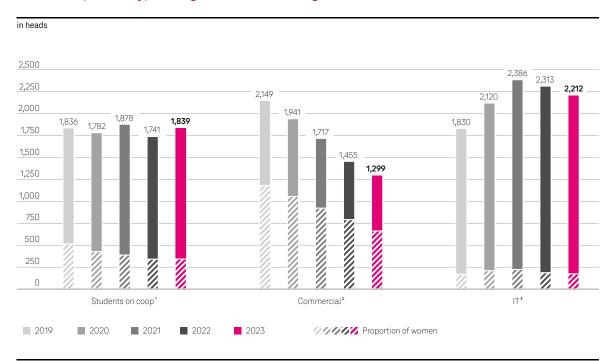
| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|--------|--------|--------|--------|--------|
| Active civil servants | 12,153 | 10,583 | 9,653 | 8,381 | 6,891 |
| Civil servants on temporary leave from civil servant status ¹ | 553 | 405 | 311 | 256 | 212 |
| Civil servants at affiliated companies ¹ | 8,720 | 7,423 | 6,773 | 5,836 | 4,942 |
| Total civil servants | 21,426 | 18,412 | 16,736 | 14,474 | 12,045 |
| Non-civil servants in Germany | 72,685 | 70,620 | 68,424 | 66,995 | 66,555 |
| Total employees in Germany | 94,111 | 89,032 | 85,160 | 81,469 | 78,600 |
| Proportion of non-civil servants in Germany | 77.2 % | 79.3 % | 80.3 % | 82.2 % | 84.7 % |
| Proportion of civil servants in Germany | 22.8 % | 20.7 % | 19.7 % | 17.8 % | 15.3 % |

 $^{^{1}\,\,\}text{Civil}\,\,\text{servants whose civil servant status is suspended.}\,\,\text{They have temporarily changed to an employment contract.}$

In the financial year 2023, the proportion of employees with civil servant status declined to 15.3 percent, while the proportion of non-civil servants rose 2.5 to 84.7 percent. This development was in line with expectations because Deutsche Telekom had stopped recruiting new employees with civil servant status following its privatization in 1995. The number of remaining civil servants is continuously shrinking due to old age retirement, transfers to government authorities, and the dedicated retirement scheme.

Apprentices and students in Germany

Innovation, diversity, and digital skills in training



Apprentices and students in Germany, total and share of women (in heads)

| | | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------------|-------|-------|-------|-------|-------|-------|
| Dual students ¹ | total | 1,836 | 1,782 | 1,878 | 1,741 | 1,839 |
| - Duai students | women | 513 | 424 | 385 | 338 | 340 |
| 2 | total | 2,149 | 1,941 | 1,717 | 1,455 | 1,299 |
| Commercial ² | women | 1,178 | 1,054 | 920 | 790 | 660 |
| IT ³ | total | 1,830 | 2,120 | 2,386 | 2,313 | 2,212 |
| - | women | 165 | 206 | 221 | 183 | 170 |
| Total | total | 5,815 | 5,843 | 5,981 | 5,509 | 5,350 |
| | women | 1,856 | 1,684 | 1,526 | 1,311 | 1,170 |

¹ Examples of dual study programs: BA in Business Management, BEng in Communications and Media Technology, BSc in Business Information Systems.

Last year, Deutsche Telekom's promotion of young talents and focus on vocational training schemes blazed an impressive trail. We made up to 2,000 places on dual apprenticeship and study programs available to help many young people to get a foot on the employment ladder.

One of last year's particular highlights was our twelve-month orientation program DiscoverMINT, a unique opportunity for up to 25 selected talents to explore the facets of the digital employment world. As well as offering guidance, the program provided a targeted focus on the respective personal career paths.

Deutsche Telekom also ramped up its commitment to diversity among junior staff. By specifically analyzing and fostering the diverse potential of young people, we can help create an inclusive working environment. Apprentices who met certain requirements were able to train part-time. The same applied to selected dual students such as single parents, who were able to study part-time.

Digitalization is a key aspect of vocational training at Deutsche Telekom. We provide consistent access to a range of innovative digital media, from recruitment through to Group onboarding. The company's educational approach includes the consistent use of digital media in all our vocational training and dual study programs. Digital media are integral to our training process, particularly as an aid to planning, documenting, and reflecting on the personal learning journey.

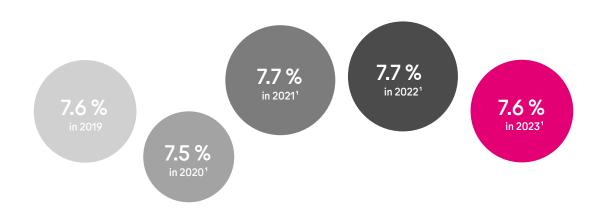
² Examples of commercial professions: office management administrator, dialog marketing administrator, retail sales assistant.

³ Examples of IT professions: IT systems electronics technician, IT systems business administrator, IT technician specializing in application development/ systems integration.

We have long prioritized the use of digital media as a forum for discussion and knowledge sharing in our corporate culture. Various Group-wide tools are in place to actively promote knowledge sharing and personal development. Our apprentices and students use a dedicated tool to plan, document, and reflect on their learning progress, engage in dialog with their tutors/mentors, and independently control their next learning steps. This is how they learn to assume responsibility for themselves and to develop personally.

Skills & potential

Inclusion in practice: A vital element of diversity in our company



In 2023, employees with disabilities accounted for 7.6 percent of the Deutsche Telekom workforce, significantly above the prescribed minimum of 5 percent. We support the inclusion of persons with disabilities in the workforce with a comprehensive portfolio of measures. Our aim is not just to provide them with a secure livelihood but also to continuously promote their career

Deutsche Telekom has various initiatives in place to ensure an inclusive working environment. Disability-friendly workplaces, including adapted workstations and the provision of technical aids, are one aspect. Also worth mentioning is our HR hotline for deaf and hearing-impaired employees, underscoring Deutsche Telekom's unwavering commitment to equal opportunities and accessibility. The hotline gives all employees, regardless of hearing ability, equal access to support services.

At Deutsche Telekom, all employees with disabilities are full members of the workforce and an important and integral part of our corporate diversity. We recognize that diversity is not just a valuable commodity - it's also a source of learning and shared success. The Group Inclusion Agreement and the related Action Plan 2.0 are unequivocal expressions of Deutsche Telekom's commitment to upholding the UN Convention on the Rights of Persons with Disabilities. The Convention is already successfully anchored in our corporate culture and provides the basis from which to promote accessibility, equal opportunities, and the inclusion of those with disabilities.

Deutsche Telekom's commitment to inclusion also extends beyond our own workforce. For example, in 2023 we were a Premium Partner to the Special Olympics World Games in Berlin. Alongside our initiatives in the area of disability sports, some of our shops offer dedicated services for deaf and hearing-impaired customers. Overall, Deutsche Telekom's comprehensive commitment to inclusion, backed by a range of measures, underscores our firm belief that inclusion is more than just an obligation; it is an opportunity for a powerful and diverse working world.

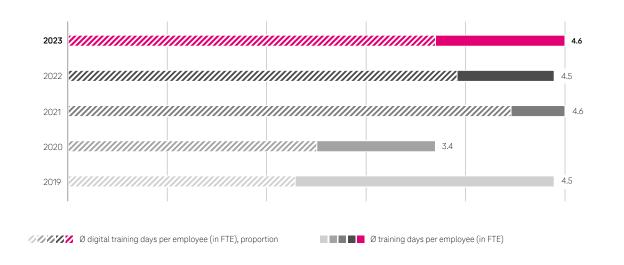
16

¹ Excluding Deutsche Telekom Capital Partners Management GmbH, Detecon International GmbH, Deutsche Telekom Clinical Solutions GmbH, Orbit GmbH, operational services GmbH & Co. KG, goingsoft Deutschland, Toll4Europe GmbH, GeoMobile GmbH, Comfortcharge GmbH.

Skills and potential

Training in the Group

Continuing focus on digital skills



| Training ¹ through global Learning Management System (LMS) | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------|---------|---------|---------|---------|
| No. of courses | 20,895 | 22,470 | 43,772 | 43,060 | 47,005 |
| No. of digital courses | 12,444 | 15,200 | 36,251 | 36,605 | 41,268 |
| No. of attendance courses ² | 8,451 | 7,270 | 7,521 | 6,455 | 5,737 |
| No. of training days | 659,615 | 486,598 | 663,085 | 631,308 | 635,932 |
| ø training days per employee (in FTE) | 4.5 | 3.4 | 4.6 | 4.5 | 4.6 |
| No. of digital training days | 303,924 | 329,291 | 592,221 | 501,580 | 462,538 |
| ø digital training days per employee (in FTE) | 2.1 | 2.3 | 4.1 | 3.6 | 3.4 |
| Digital learning quota ³ | 46 % | 69 % | 89 % | 79 % | 73 % |

¹ Excluding T-Mobile US.

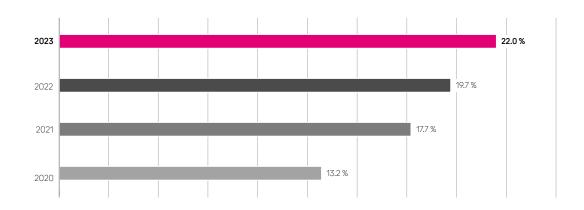
In 2023, Deutsche Telekom updated its learning culture initiative "welearn" (formerly "youlearn") launched in 2019, dovetailing it more effectively with the Group's strategic goals. Under the motto "Time to focus on tech and digital skills," the "welearn" initiative successfully promoted the acquisition of technical and digital skills: 52 percent of the 3.8 million learning hours invested by employees in Germany and the European NatCos were spent on developing technical and digital skills. Deutsche Telekom has consolidated its digital learning concept and achieved an impressive 73 percent take-up of its digital learning offerings. Through our smart learning platform Percipio, also known as the "Netflix of learning," and the integration of providers like Coursera delivering content from highly respected universities, more than 164,000 employees enjoy access to an extensive range of contemporary, digital learning resources. In addition, the employee initiative "Learning from Experts" (LEX), launched in 2018, has since become the largest peer-to-peer learning community at Deutsche Telekom with an emphasis on informal learning. Experts shared their knowledge with other colleagues in over 5,650 online sessions in 2023.

² Including mixed, telephone and unassigned learning opportunities.

 $^{^{\}rm 3}$ Proportion of digital learning in 2023.

Digital experts in the Group

Deutsche Telekom prioritizes expert growth



| | 2020 | 2021 | 2022 | 2023 | |
|---------------------------------------|--------|--------|--------|--------|--|
| Share of digital experts ¹ | 13.2 % | 17.7 % | 19.7 % | 22.0 % | |

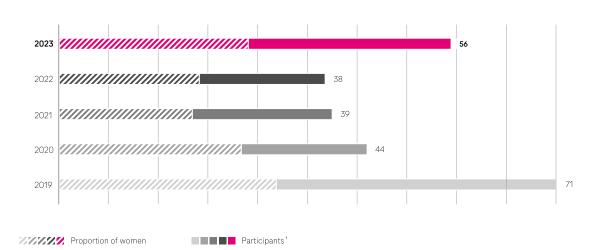
¹ Excluding T-Mobile US.

Our workforce's in-depth expertise and future-centric skills are a vital company resource and pivotal to our business success. Deutsche Telekom prioritizes the promotion of future-proof digital skills. In 2023, we reiterated our commitment to improving employability by offering our Explorer Journeys – intensive programs focusing on up-and-coming innovation areas. More than 8,200 employees attended these digital training events lasting several weeks, covering topics such as generative AI, data analytics and data visualization, machine learning, and software development. Alongside the established Explorer Journeys aimed at comprehensively improving our organization's skills in the field of generative AI and promoting understanding of the associated opportunities, tools, and applications, Deutsche Telekom has also launched a series of learning initiatives and campaigns. These include a self-enabling channel and digital promptathon workshops aimed at more than 60,000 users across the entire organization. The Group has also established academies for the continuous development of digital experts focusing on areas such as software engineering, DevOps, artificial intelligence, and data analytics. In 2023, 1,961 employees completed a specialist training course in our Technology and Innovation department alone. At T-Systems, we established 4,597 future skills, further underscoring our commitment to strengthening the workforce. Deutsche Telekom is aware of its responsibility to foster a supportive environment for the transformation of skills, particularly given the anticipated escalating demand for digital expertise over the next few years.

Start up! trainee program

Promoting our own top talents

in heads



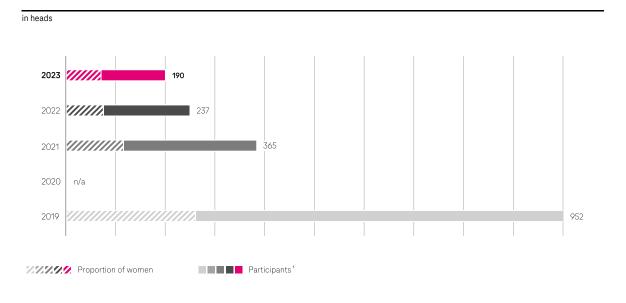
| | | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------------|------|------|------|------|------|
| Start upl trained program participants ¹ | Total | 71 | 44 | 39 | 38 | 56 |
| Start up! trainee program participants (in heads) | Proportion of women | 44 % | 59 % | 49 % | 53 % | 48 % |

¹ The program duration is 15 to 18 months. Listed are the new hires per year. The program is only offered in Germany.

The Start up! trainee program runs four times a year, offering ambitious and outstanding graduates from various disciplines a chance to become the pioneering experts and leaders of the digital future. Trainees who are driven by an entrepreneurial spirit, a game-changer mentality, and a digital mindset can tailor their 18-month learning journey to their specific needs and interests. By immersing them in a fascinating exploration of the different business areas in Germany and abroad, the program offers an opportunity to gain practical experience from a series of challenging projects and customer-centric tasks supported by experienced leaders. What's more, it is designed to foster autonomy, initiative, and curiosity as the driving forces of continuous personal and career growth through innovative, complementary learning and development formats, supplemented by events like Magenta Friday. These dynamic one-day project events are inspirational community platforms where trainees can pursue their own initiatives. These may be business-oriented, social or sustainability-related projects that evolve into catalysts of culture and innovation at Deutsche Telekom.

Global Talent Hub

Successful placement of talents in leadership roles



| | | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------------|------|------|------|------|------|
| Clabal Talant Hub nastiaisastal | Total | 952 | n/a | 365 | 237 | 190 |
| Global Talent Hub participants ¹ (in heads) | Proportion of women | 26 % | n/a | 30 % | 30 % | 35 % |

 $^{^{1}}$ Group-wide program for top talents. Has replaced the predecessor program "Global Talent Pool" since 2021.

The Global Talent Hub serves as a pipeline for high potentials at Deutsche Telekom, which helps them develop into a leadership role or toward the next level – directly or with a step in between. It is an incubator and launchpad that gives talents visibility on a Group level, connects them with relevant business leaders across segments, and helps accelerate their careers to become key players in the future. For joining the Global Talent Hub the high potentials have to meet key criteria along the four As (achievements, ability, attitude, and ambition); readiness to immediately make the next career move beyond the current horizon – to another segment, country, or business area; ability to express themselves fluently in English on business topics.

In 2023, the Global Talent Hub placed more than 100 talents into new positions, 35 of which were leadership positions. This covers 22 percent of all leadership placements. 30 percent of our placements were cross-segment, which contributes to our main USP of acting globally and independently from segment locations. To establish new contacts and create visibility among the talents and vis-à-vis the business, the first Global Talent Hub conference took place in June 2023.

Development program levelUP!NextGeneration

Career development with levelUP!NextGeneration remains popular

in heads



| levelUP!NextGeneration | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------------------------|------|------|------|------|------|
| Participants ¹ (in heads) | 600 | 500 | 500 | 748 | 900 |
| Germany | 58 % | 60 % | 63 % | 64 % | 70 % |
| International ¹ | 42 % | 40 % | 37 % | 36 % | 30 % |

¹ Excluding T-Mobile US.

The four-month development program levelUP!NextGeneration proved very successful in 2023 with around 900 participants, an increase of 150 over the previous year. The program is still aimed at (future) leaders on the one hand, and tech and digital experts without current leadership ambitions on the other. (Future) leaders account for two-thirds of the target groups, while the remaining one-third are tech and digital experts. The program supports and develops various career paths within the Deutsche Telekom Group and encourages exchange between all participants.

The 899 participants began their (predominantly virtual) learning journey in early September 2023, and covered a host of innovative, inspiring, and tangible leadership and collaboration topics and skills relating to all aspects of digitalization and technology (including ambidexterity, complexity management, and leadership in an agile environment). The participants themselves select optional modules to meet their personal development needs. Group-wide collaboration between segments is strengthened and encouraged with a range of networking opportunities between participants from all segments, 18 different countries, and 86 entities.

Leadership development levelUP!

Ever-expanding levelUP! portfolio for leaders

in heads



| levelUP! | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------------------------|------|------|------|-------|-------|
| Participants ¹ (in heads) | 700 | 500 | 500 | 5,396 | 8,622 |
| Germany | 72 % | 88 % | 57 % | 30 % | 66 % |
| International ¹ | 28 % | 12 % | 43 % | 70 % | 34 % |

¹ Excluding T-Mobile US.

The levelUP! environment offers a host of leadership development options. Centralized, segment-specific, and country-specific content is combined into a harmonized learning experience for all leaders. After the program was opened up to non-executives leaders in 2022, it was also offered to agile leaders and talents in 2023, resulting in an increase in participants from Germany. 2023 was an extremely successful year for levelUP! The reach of our leadership anchor messages increased by around 80 percent, and we were proud to offer a comprehensive portfolio of leadership development options.

The numbers speak for themselves. In 2023, levelUP! successfully:

- acquired 4,000 new users from all segments and is now providing information to more than 8,500 leaders in total
- delivered 425 live sessions with over 9,000 booked spots, an average CSI of 8.58, and an NPS of 51 percent
- shared content for the first three leadership anchors #CaringPerformer, #TalentMagnet, and #DigitalExplorer with more than 5,800 participants and reached more than 5,500 leaders via a LinkedIn campaign
- offered more than 1,900 coaching hours
- brought 100 Al experts together for SpeedUP! A(I)THENS
- recorded more than 110,000 visits to the levelUP! platform and over 386,000 page views
- spread the topic of AI through the AI Summit with 510 participants and through more than 3,400 participants at the AI-HUB
- provided over 500 appointments for our executives at XDays

In 2023, the following successful products continued to run in parallel: LeadFirst, LeadForward, Coaching, XDays, and Roadshows. The upgraded version of levelUP! (levelUP! Powerhouse) is currently in the pipeline.

Organizational culture

Results from pulse survey 2023

Agreement rates down, especially at national level

Once again, more than 100,000 employees responded to our recent pulse survey in November 2023, a response rate of 77 percent.

Year-on-year, the agreement rate regarding the mood in Germany declined by 5 percentage points, to 76 percent, while the global figure was up 1 percent, to 82 percent. On the national level, most of the rates indicated a decrease, whereas internationally they remained largely stable or increased slightly.

Analyses found that Culture of Trust, Career Development, Recognition, and Team Attractiveness are the top drivers of engagement. Meanwhile, the highest scores were recorded for Goals, Code of Conduct, and No Discrimination & Safe Space. Career Development, Recognition, and Collaboration continue to trail behind, with only Recognition showing a slight year-onyear increase.

This year, we asked four open questions. The question on Engagement³ elicited 39,000 comments, most of which related to matters of recognition and leadership. The question on Career Development⁴ elicited 15,000 comments, primarily relating to performance and development. The question on the Culture of Trust⁵ received 11,000 comments, in particular about management or the management level. Finally, the question on Team Attractiveness⁶ received a total of 10,950 comments, most of which concerned coworkers and collaboration.

 $^{^{\}rm 3}$ What would make your engagement at work even stronger?

⁴ Is there anything else you would like to share on the topic of career development?

⁵ Is there anything else you would like to share on the topic of culture of trust?

⁶ Is there anything else you would like to share on the topic of team attractiveness?

Results from pulse survey 2023: Group¹

| < | 6% | Mood | 78 % | |
|----------|------|--------------------------------|------|---|
| | 5% | Brand Identity | 82 % | |
| (| 10 % | Employer Attractiveness | 73 % | |
| | 9 % | Inspiration | 72 % | |
| _ | 3 % | Strengths | 90 % | - |
| _ | 2% | Goals | 92% | |
| _ | 4% | Purpose | 86 % | - |
| | 8 % | Involvement | 74 % | |
| _ | 4 % | Autonomy ² | 83 % | |
| | 3% | Information | 84 % | |
| < | 5% | Team Feedback | 85 % | - |
| | 6% | Manager Feedback | 84 % | |
| <u> </u> | 4 % | Failure Culture | 86 % | |
| | 10 % | Workload/Quality | 73 % | |
| | 10 % | Work-Life Balance | 74 % | |
| | 5% | Team Attractiveness | 83 % | |
| | 9% | Collaboration | 69 % | _ |
| - | 5% | Guiding Principles | 80 % | - |
| | 6% | Learning | 79 % | _ |
| | 18 % | Career Development | 60 % | 9 |
| | 17 % | Recognition | 64 % | |
| | 5% | Eco-Social Engagement | 81% | |
| | 5% | Corporate Responsibility | 80 % | 9 |
| | 2 % | Code of Conduct | 92 % | |
| | 3% | Digital Collaboration | 86 % | - |
| <u> </u> | 4% | Risk Management | 85 % | - |
| <u></u> | 7 % | Strategy | 79 % | |
| <u></u> | 11 % | Culture of Trust | 70 % | |
| | 5% | Equal Opportunities | 86 % | |
| _ | 2% | No Discrimination & Safe Space | 91 % | |

¹ Excluding T-Mobile US.

 $^{^2\,\}mathrm{The}$ item "I have freedom to act in order to get my job done" was renamed from "Trust" to "Autonomy."

Costs & productivity

Results from pulse survey 2023: Germany¹

| <u>K</u> | 8 % | Mood | 76 % | > |
|----------|------|--------------------------------|------|---|
| <u> </u> | 5% | Brand Identity | 82 % | > |
| <u> </u> | 13 % | Employer Attractiveness | 69 % | > |
| L | 10 % | Inspiration | 70 % | |
| — | 2% | Strengths | 91% | |
| - | 2% | Goals | 93 % | > |
| — | 4% | Purpose | 84 % | > |
| — | 7% | Involvement | 74 % | > |
| - | 4% | Autonomy ² | 83% | > |
| < | 3% | Information | 84 % | > |
| | 5% | Team Feedback | 85 % | 7 |
| | 7 % | Manager Feedback | 84 % | 7 |
| Χ | 4% | Failure Culture | 86 % | 7 |
| X | 10 % | Workload/Quality | 71% | 7 |
| | 10 % | Work-Life Balance | 73 % | > |
| | 6% | Team Attractiveness | 82 % | 7 |
| < | 10 % | Collaboration | 63 % | > |
| < | 6% | Guiding Principles | 77 % | - |
| | 6% | Learning | 80 % | - |
| < | 22 % | Career Development | 55 % | > |
| | 20 % | Recognition | 61% | 7 |
| < | 7 % | Eco-Social Engagement | 78 % | > |
| (| 7 % | Corporate Responsibility | 76 % | > |
| | 2% | Code of Conduct | 91% | 7 |
| | 3% | Digital Collaboration | 84% | > |
| < | 5% | Risk Management | 83 % | - |
| < | 8% | Strategy | 78 % | > |
| < | 14 % | Culture of Trust | 64 % | > |
| < | 5% | Equal Opportunities | 85 % | - |
| < | 3% | No Discrimination & Safe Space | 91 % | > |

¹ Excluding T-Mobile US.

 $^{^2\,\}mathrm{The}$ item "I have freedom to act in order to get my job done" was renamed from "Trust" to "Autonomy."

Results from pulse survey 2023: International¹

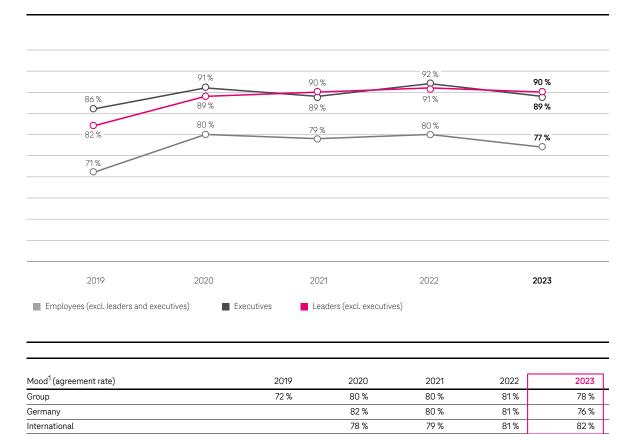
| | 5% | Mood | 82 % | |
|----------|------|--------------------------------|------|---------------|
| - | 4% | Brand Identity | 83 % | 7 |
| — | 7% | Employer Attractiveness | 77 % | - |
| <u> </u> | 7% | Inspiration | 74 % | 7 |
| < | 4 % | Strengths | 88 % | - |
| < | 3% | Goals | 91% | - |
| | 3% | Purpose | 88 % | > |
| - | 9% | Involvement | 74 % | 7 |
| _ | 5% | Autonomy ² | 82 % | - |
| _ | 3% | Information | 85 % | 7 |
| _ | 4% | Team Feedback | 85 % | > |
| | 6% | Manager Feedback | 84 % | - |
| _ | 4% | Failure Culture | 87 % | 7 |
| <u> </u> | 9% | Workload/Quality | 76 % | 7 |
| <u> </u> | 10 % | Work-Life Balance | 75 % | 7 |
| < | 4 % | Team Attractiveness | 86 % | _ |
| _ | 7% | Collaboration | 77 % | 7 |
| | 4 % | Guiding Principles | 84 % | 7 |
| _ | 7% | Learning | 78 % | - |
| ζ | 13 % | Career Development | 66 % | - |
| < | 14 % | Recognition | 67 % | 7 |
| | 3% | Eco-Social Engagement | 85 % | > |
| _ | 2 % | Corporate Responsibility | 86 % | - |
| _ | 1% | Code of Conduct | 92 % | > |
| _ | 3% | Digital Collaboration | 87 % | - |
| < | 3% | Risk Management | 88 % | \rightarrow |
| | 5% | Strategy | 81 % | - |
| | 7 % | Culture of Trust | 78 % | 7 |
| <u> </u> | 4% | Equal Opportunities | 87 % | |
| _ | 2% | No Discrimination & Safe Space | 91% | - |

¹ Excluding T-Mobile US.

 $^{^2\,\}mathrm{The}$ item "I have freedom to act in order to get my job done" was renamed from "Trust" to "Autonomy."

Mood in the Group

Declining mood among employees, managers, and executives



¹ Excluding T-Mobile US.

The displayed values are taken from the last pulse and employee surveys. The last pulse survey was conducted in November 2023, the last employee survey (ES) in November 2021.

The pulse survey in November 2023 revealed an across-the-board decrease in agreement rates regarding the mood at all levels of the Group.

At Group level, the mood rate decreased 3 percentage points, to 78 percent, reflecting the national decline of 5 percentage points. By contrast, the international rate was up 1 percentage point year-on-year, to 82 percent. This downward trend was apparent across all staff groups. Executives (-3 pp), managers (-1 pp), and employees (-3 pp) were consistent with the Group trend, without exceptions.

Despite efforts to create a positive working environment, it is evident that the agreement rate regarding the general mood across the Group has declined. This should serve as an incentive for us to redouble our efforts and improve the working atmosphere, as we consider the mood in the workforce to be an important factor.

Engagement score in the Group

Decrease in engagement level

| Engagement score ¹ (Scale 0–100 ²) | 2019 | 2020 ³ | 2021 | 2022 | 2023 |
|---|------|-------------------|------|------|------|
| Employee groups | | | | | |
| Group | 75 | 75 | 77 | 78 | 76 |
| Executives | 88 | 88 | 88 | 89 | 88 |
| Leaders (excl. executives) | 85 | 85 | 86 | 88 | 87 |
| Employees (excl. leaders and executives) | 75 | 75 | 76 | 77 | 75 |
| Gender ⁴ | | | | | |
| Female | 78 | 78 | 79 | 80 | 79 |
| Male | 75 | 75 | 76 | 78 | 76 |
| Diverse | 65 | 65 | 63 | 63 | 59 |
| Age groups | | | | | |
| 16-25 | 75 | 75 | 79 | 79 | 77 |
| 26-35 | 75 | 75 | 77 | 78 | 77 |
| 36-45 | 75 | 75 | 77 | 78 | 77 |
| 46-55 | 78 | 78 | 77 | 78 | 76 |
| 56-65 ⁵ | 78 | 78 | 77 | 78 | 76 |

The displayed values are taken from the last pulse and employee surveys. The last pulse survey was conducted in November 2023, the last employee survey (ES) in November 2021.

The engagement score is the mean value calculated from all answers to the questions of the four topics of Mood, Employer Attractiveness, Brand Identity, and Inspiration.

- 1 Excl. T-Mobile US.
- 2 Scale changed: through 2020 scale from 1 to 5; from 2021 on, scale from 0 to 100. Values through 2020 were converted.
- 3 The values of 2020 are taken from the ES of the previous year.
- 4 Self-disclosure in the survey.
- 5 Incl. > 65 years.

This year, the engagement score at Group level decreased by 2 points, to 76, marking a halt in the upward trend of the preceding two years. This was true at all levels, among all genders, and in every age group. The highest engagement score was recorded for executives, with 88 points, followed by managers, with 87 points; while engagement was lowest among employees, with 75 points. As in previous years, female and male employees had comparable engagement scores, with a slight upward trend (+3) among female employees, at 79 points. The engagement score was conspicuously low among non-binary employees, with 59 points. The picture also remained consistent for the defined age groups.

As a Group, we are determined to continuously improve these results and our employees' working environment. The top drivers behind the engagement score – Culture of Trust, Career Development, Recognition, and Team Attractiveness – offer some useful starting points in this regard.

Costs & productivity

Working in the digital age

Engagement rate up 18.5 percent

Skills & potential

| Meeting | 2019 ² | 2020 ² | 2021 | 2022 | 2023 |
|--|-------------------|-------------------|---------------|---------------|---------------|
| Minutes of online conferences (global) | 883,877,777 | 1,787,149,436 | 2,153,516,820 | 1,899,136,578 | 1,733,605,529 |
| Average per FTE | 4,198 | 7,898 | 9,946 | 9,185 | 8,683 |
| Collaboration | | | | | |
| M365 groups | 17,474 | 30,046 | 45,147 | 65,320 | 73,768 |
| Social network | | | | | |
| YAM UNITED user profiles | 133,306 | 130,788 | 138,071 | 128,609 | 134,396 |
| Engagement rate ¹ | | | | 2.7 % | 3.2 % |

¹ Engagement rate = total interactions (likes + shares + comments)/active users.

The number of conference minutes decreased again in 2023, by a further 8.7 percent. The return to the office after the Covid-19 pandemic is probably one of the main factors behind this trend. As we resume normal interaction without social distancing, many employees can increasingly take the opportunity to attend meetings in person and on-site. This has reduced the demand for virtual meetings. Nevertheless, digital exchange and virtual communication continue to play a pivotal role for Deutsche Telekom and are extensively used by employees, particularly for collaboration between different locations and to support flexible working models.

Since the tool landscape was extended in 2022 with the addition of Microsoft Teams, conference calls via this platform have increased significantly, while the use of Webex has decreased. The number of M365 groups has grown by more than 8,000, continuing the trend of recent years.

In the first quarter of 2023, Magenta Austria became one of the first NatCos to use YAM UNITED. This sparked a gratifying 4.5 percent year-on-year increase in the number of user profiles in YAM UNITED (by 5,787 accounts). In 2022, we measured the engagement rate in relation to YAM UNITED for the first time. This produced some useful insights into how users interact with information by evaluating the number of comments, likes, and shares. The average engagement rate rose from 2.7 percent in 2022 to 3.2 percent in 2023, an increase of 18.5 percent.

 $^{^{2}\,}$ User profiles of the old platform "You and Me."

Costs and productivity

Personnel costs and personnel cost ratio

Personnel cost ratio declined, continuing the positive trend of previous years

| in bn € | | | | | |
|--|--------|--------|--------|--------|--------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| Personnel costs in the Group, non-adjusted | 16.7 | 18.9 | 18.5 | 19.4 | 19.1 |
| of which Germany | 8.7 | 8.8 | 8.5 | 8.4 | 8.2 |
| Special factors | 1.0 | 1.8 | 0.9 | 1.4 | 1.6 |
| Personnel costs in the Group, adjusted for special factors | 15.7 | 17.0 | 17.6 | 18.1 | 17.5 |
| Group revenue | 80.5 | 101.0 | 107.8 | 114.4 | 112.0 |
| of which Germany ¹ | 25.2 | 25.2 | 25.4 | 26.0 | 26.4 |
| Adjusted personnel cost ratio, Group | 19.5 % | 16.8 % | 16.3 % | 15.8 % | 15.6 % |

¹ Sales are allocated to the Germany/international breakdown from an HR perspective and thus according to the location of the employees (FTE). In the annual report, sales are allocated to the country in which they were generated. The calculation is based on rounded figures in millions.

In the 2023 reporting year, the Group successfully reduced the personnel cost ratio by 0.2 percentage points, to 15.6 percent. The personnel cost ratio relates personnel costs (adjusted for special factors) to revenue. The development of this ratio is an important benchmark for the company.

In 2023, adjusted personnel costs were down EUR 0.6 billion, primarily as a result of the reduced headcount. At the same time, revenue remained at a high level of EUR 112 billion, continuing the positive trend of previous years. Unadjusted personnel costs likewise fell by EUR 0.3 billion, with Germany alone accounting for a decline of EUR 0.2 billion, to EUR 19.1 billion. At the same time, revenue in Germany increased by EUR 0.4 billion.

Personnel costs are defined as basic personnel costs (wages, salaries) plus ancillary personnel costs (social costs). This figure is adjusted for special factors in conjunction with staff restructuring measures (specific staff reduction instruments). Adjusted personnel costs totaled EUR 17.5 billion.

Total workforce costs

Significant reduction in total workforce costs

| | | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|--|------|------|------|------|------|
| TWC ¹ (in billions of €) | | 17.5 | 19.1 | 19.6 | 20.3 | 19.5 |
| of which Germany | | 8.7 | 8.3 | 8.3 | 8.3 | 8.2 |
| | IWC ² (adjusted PC ³) | 7.9 | 7.7 | 7.7 | 7.6 | 7.4 |
| | EWC ⁴ leased and temporary staff | 0.04 | 0.03 | 0.02 | 0.03 | 0.02 |
| | EWC ⁴ freelancers and consultants | 0.8 | 0.5 | 0.6 | 0.7 | 0.7 |
| of which international | | 8.8 | 10.7 | 11.3 | 12.1 | 11.3 |
| | IWC ² (adjusted PC ³) | 7.7 | 9.3 | 9.9 | 10.5 | 10.1 |
| | EWC ⁴ leased and temporary staff | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 |
| | EWC ⁴ freelancers and consultants | 0.9 | 1.2 | 1.3 | 1.4 | 1.1 |
| | | | | | | |

¹ Total workforce costs: external workforce costs + personnel costs adjusted for special factors.

Total Workforce Management (TWM) offers a comprehensive view of Deutsche Telekom's HR management. Alongside our internal workforce and associated costs (internal workforce costs, IWC), TWM also takes into account the external workforce, e.g., consultants working as freelancers as well as temporary and leased staff. This holistic approach is crucial for long-term personnel planning, both in qualitative and quantitative terms.

Total Workforce Costs (TWC) and the Total Workforce Quota (TWQ) play a key role in managing our personnel costs. TWC includes the costs associated with employing internal and external staff, to give a comprehensive view of our total personnel costs.

TWC in the Group was down EUR 0.9 billion year-on-year, to EUR 19.5 billion, even lower than in 2021. National IWC decreased by EUR 0.2 billion, while the international figure declined by EUR 0.4 billion. The costs of freelancers and consultants were reduced in particular on an international level (down EUR 0.3 billion).

² Internal workforce costs.

³ Personnel costs.

⁴ External workforce costs.

Personnel costs and total operating costs

Employee diversity

Decreasing personnel costs and total expenses

| Breakdown of personnel costs (in millions of €) | | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|---------------|--------|--------|--------|--------|--------|
| (in millions of E) | | | | | | |
| | Group | 12,633 | 14,092 | 14,350 | 14,808 | 14,309 |
| Payroll ¹ | Germany | 6,315 | 6,344 | 6,209 | 6,106 | 6,039 |
| | International | 6,318 | 7,748 | 8,141 | 8,702 | 8,269 |
| | Group | 3,053 | 2,926 | 3,206 | 3,271 | 3,218 |
| Social security contributions and company pension scheme | Germany | 1,635 | 1,391 | 1,483 | 1,501 | 1,407 |
| company pendion concine | International | 1,418 | 1,535 | 1,723 | 1,771 | 1,811 |
| | Group | 15,686 | 17,017 | 17,556 | 18,080 | 17,526 |
| Adjusted personnel costs | Germany | 7,950 | 7,735 | 7,692 | 7,607 | 7,446 |
| | International | 7,736 | 9,282 | 9,865 | 10,473 | 10,080 |
| Personnel costs as a share of total | | | | | | |
| operating expenses | | 2019 | 2020 | 2021 | 2022 | 2023 |
| | Group | 52,694 | 61,543 | 66,645 | 69,867 | 66,037 |
| Adjusted operating costs | Germany | 15,929 | 14,486 | 15,763 | 16,316 | 15,902 |
| | International | 36,765 | 47,058 | 50,882 | 53,550 | 50,135 |
| | Group | 29.8 % | 27.7 % | 26.3 % | 25.9 % | 26.5 % |
| Personnel costs as a share of total costs | Germany | 49.9 % | 53.4 % | 48.8 % | 46.6 % | 46.8 % |
| | International | 21.0 % | 19.7 % | 19.4 % | 19.6 % | 20.1% |

 $^{^{\}rm 1}$ Values for 2019–2022 adjusted retroactively due to IFRS15 correction.

Of the EUR 17.5 billion in adjusted personnel costs, 82 percent is attributable to wages and salaries (EUR 14.3 billion), which were down 3.4 percent compared to 2022 due to the reduced headcount.

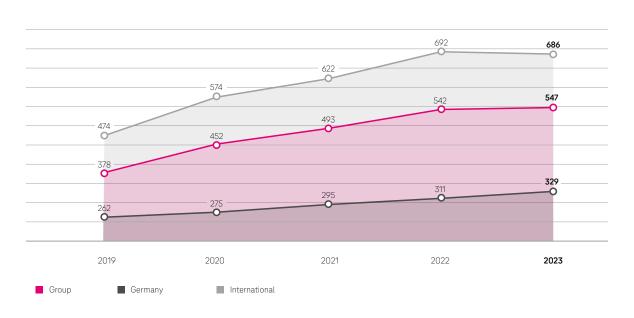
EUR 3.2 billion is attributable to social security contributions and company pension schemes, which allow our employees to supplement their statutory pensions.

Despite an overall decrease in personnel costs (EUR 554 million), personnel costs as a share of total operating expenses increased again for the first time in the reporting period (0.6 percentage points). This increase must be viewed against the background of a disproportionate decrease in the cost of goods and services.

Revenue and EBITDA AL per employee

Revenue per employee still rising

in thousands of €



| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|---------|---------|---------|---------|---------|
| Revenue, Group (in billions of €) | 80.5 | 101.0 | 108.8 | 114.4 | 112.0 |
| Revenue, Germany (in billions of €) ¹ | 25.2 | 25.2 | 25.8 | 26.0 | 26.4 |
| Revenue, international (in billions of €) ¹ | 55.4 | 75.8 | 83.0 | 88.5 | 85.6 |
| International revenue as a percentage of Group revenue | 69.0 % | 75.0 % | 76.3 % | 77.3 % | 76.4 % |
| ø number of employees, Group | 212,846 | 223,539 | 220,840 | 211,236 | 204,856 |
| ø number of employees, Germany | 96,018 | 91,512 | 87,276 | 83,406 | 80,112 |
| ø number of employees, international | 116,827 | 132,027 | 133,564 | 127,830 | 124,744 |
| EBITDA AL per FTE (average) in €, adjusted | 116,192 | 156,829 | 166,959 | 186,803 | 197,899 |

¹ The allocation of sales to form the quotas is based on the HR perspective and thus on the location of the employees (FTE). In the annual report, sales are allocated to the country in which they were generated. The calculation is based on rounded figures in millions.

2023 was another very successful year for Deutsche Telekom, with net revenue of EUR 112 billion. Revenue in Germany increased again (EUR 0.4 billion). This contrasted with a slight decrease of EUR 2.8 billion internationally. Revenue per FTE in Germany rose to more than EUR 329,000 in 2023. The average full-time employee at Deutsche Telekom generated EBITDA AL of EUR 197,899 in 2023.

Total workforce quota

Profitability of personnel-related costs increased

Total workforce quota, adjusted (costs and revenue in billions of €)

| | | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------|-----------------------------|--------|--------|--------|--------|--------|
| Group | PC ¹ , adjusted | 15.7 | 17.0 | 17.6 | 18.1 | 17.5 |
| | EWC ² | 1.8 | 2.1 | 2.1 | 2.3 | 1.9 |
| | TWC ³ | 17.5 | 19.1 | 19.6 | 20.3 | 19.5 |
| | Revenue ⁴ | 80.5 | 101.0 | 108.8 | 114.4 | 112.0 |
| | TWQ ⁵ , adjusted | 21.7 % | 18.9 % | 18.1 % | 17.8 % | 17.4 % |
| Germany | PC ¹ , adjusted | 7.9 | 7.7 | 7.7 | 7.6 | 7.4 |
| | EWC ² | 0.8 | 0.6 | 0.7 | 0.7 | 0.7 |
| | TWC ³ | 8.7 | 8.3 | 8.3 | 8.3 | 8.2 |
| | Revenue ⁴ | 25.2 | 25.2 | 25.8 | 26.0 | 26.4 |
| International | PC ¹ , adjusted | 7.7 | 9.3 | 9.9 | 10.5 | 10.1 |
| | EWC ² | 1.0 | 1.5 | 1.5 | 1.6 | 1.2 |
| | TWC ³ | 8.8 | 10.7 | 11.3 | 12.1 | 11.3 |
| | Revenue ⁴ | 55.4 | 75.8 | 83.0 | 88.5 | 85.6 |

¹ Personnel costs.

The Total Workforce Quota is the ratio of the company's total personnel-related costs to revenue. It helps us understand and manage the proportion of internal and external personnel costs while also managing the profitability of personnel-related costs overall.

The TWO at Deutsche Telekom was down again last year, this time by 0.4 percentage points, reflecting the increased profitability of the personnel-related costs employed. While the latter decreased by 0.6 percent in 2023, net revenue remained at a high level of EUR 112 billion, continuing the positive trend seen in prior years.

 $^{^2\,}$ External workforce costs: costs of temporary staffing + costs of freelancers and consultants.

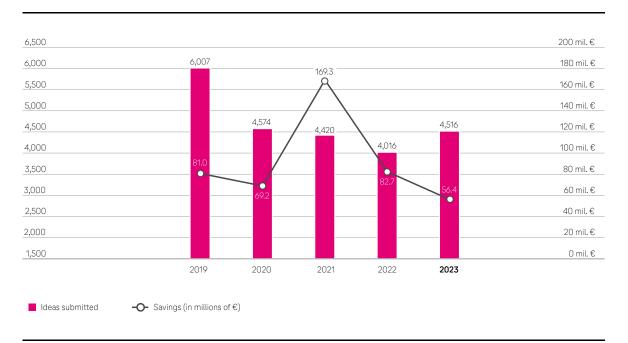
³ Total workforce costs: external workforce costs + personnel costs adjusted for special factors.

⁴ The allocation of revenue to form the ratios is based on the HR perspective and thus on the location of the employees (FTE). In the annual report, revenue is allocated according to the country in which the revenue was generated.

 $^{^{5}\,}$ Total workforce quota = TWC/revenue.

genial@telekom in Germany

Our employees' ideas contribute to the company's success



Idea Management (IDM) is constantly developing new concepts and measures to increase the innovation potential of Deutsche Telekom employees. Deutsche Telekom consistently fosters a climate of innovation, creates a positive influence on the corporate culture, and also contributes to securing jobs and the share price by improving its processes, products, and services. Additionally, in 2023, international campaigns were launched to collect, further develop, and ultimately implement beneficial suggestions.

In 2023, our employees in Germany submitted a total of 4,516 ideas, 500 more than in the previous year. These ideas resulted in savings and new business potential totaling around EUR 56.4 million, putting Deutsche Telekom among the highest-ranking companies in a cross-sector comparison. This success bears testimony to the fact that Deutsche Telekom trusts its employees and both values and implements their ideas.

In 2023, Deutsche Telekom reasserted its top ranking in the German Ideas Management Award in the "Best Solution for 150 Years of Ideas Management 2023" category. We scored very high ratings in the "Effectiveness," "Impact on the organization," and "Commitment" categories for our activities to celebrate "150 Years of Ideas Management in Germany."

Unforced attrition

Declining unforced attrition at international level

Natural attrition

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------------|-------|-------|-------|--------|-------|
| Group ¹ | 5.3 % | 3.9 % | 5.2 % | 5.9 % | 4.6 % |
| Germany | 2.3 % | 2.0 % | 2.1 % | 2.5 % | 2.5 % |
| International ¹ | 9.5 % | 6.6 % | 9.3 % | 10.7 % | 7.4 % |

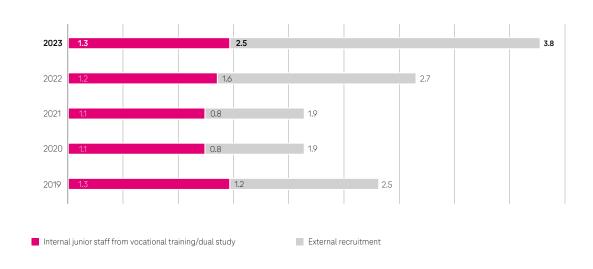
¹ Excluding T-Mobile US.

In 2023, unforced attrition within the Group decreased for the first time since 2020, to 4.6 percent (down 1.3 percentage points). This was due to a significant decrease in voluntary terminations internationally, as a result of which unforced attrition decreased by 3.3 percentage points, to 7.4 percent. In Germany, meanwhile, unforced attrition remained stable at 2.5 percent. We expect this to change over the next few years, as more and more of the populous baby boomer generation reach retirement age. More than 700 employees retired in 2023.

Unforced attrition refers to normal employee departures that occur without specific staff reduction measures, for example due to retirement, disability or incapacity for work, termination by the employee, or termination by the employer on grounds of conduct. It is reported as a percentage of the total workforce (as per the end of the previous year).

Recruitment in Germany

Deutsche Telekom again Germany's top employer



| Recruiting (in FTE) | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------|-------|-------|-------|-------|
| Total | 2,547 | 1,900 | 1,917 | 2,744 | 3,783 |
| Internal junior staff from vocational training/dual study | 1,305 | 1,100 | 1,080 | 1,179 | 1,310 |
| External recruitment | 1,242 | 800 | 837 | 1,566 | 2,473 |

In 2023, Deutsche Telekom hired more than 10,700 new employees worldwide, excluding the United States. The largest share of these were in Germany, with around 3,800 new hires, 34.6 percent of whom were junior staff trained in-house. India also remains an important labor market with over 1,000 new hires, primarily for the job profiles of software developers, testers, technical product managers, and project managers. In Germany, recruitment focused on the fiber-optic build-out, where we hired 1,971 technicians and experts.

Deutsche Telekom's latest campaign and employer promise, #QuestionTodayCreateTomorrow, targets individuals who are willing to help forge our digital future, question the status quo, and push for progress. This campaign is part of a much wider recruitment strategy uniting digitalization with personal commitment. Deutsche Telekom highly values direct exchange and therefore maintains a presence at careers fairs, networking sessions, and other events. Personal contact plays a key role, and Deutsche Telekom rewards the successful recommendation by employees through the ExpertsHireExperts program with a bonus of EUR 2,500. This approach resulted in 788 successful new hires in 2023, a 172 percent increase compared to 290 new hires in 2022.

As well as being a telecommunications market leader, Deutsche Telekom continues to head the league of Germany's top employers in the Leading Employer study. It also ranks as one of the most attractive companies among students and was awarded the title of "Germany's best training provider" in 2023.

Ongoing commitment to socially responsible staff restructuring

Personnel reduction (in FTE)

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------|-------|-------|-------|-------|
| Dedicated retirement, civil servants | 1,242 | 1,917 | 630 | 1,183 | 995 |
| Early retirement, non-civil servants | 71 | 77 | 66 | 79 | 54 |
| Severance payments | 763 | 745 | 526 | 619 | 551 |
| Partial retirement (start of passive phase) | 1,692 | 1,899 | 2,444 | 2,086 | 2,201 |
| Transfers to public authorities, civil servants (final) ¹ | 321 | 146 | 70 | 49 | 259 |

¹ Permanent transfers; civil servants are not entitled to return to the Group.

Deutsche Telekom maintains an unwavering commitment to socially responsible staff restructuring. We again offered the proven models of dedicated retirement, partial retirement, and severance payments in 2023. Dedicated retirement is an early retirement scheme provided by the legislator for employees with civil servant status, limited until the end of 2024. In 2023, 995 civil servants took advantage of this scheme. Partial retirement generally follows a block model, with employees continuing to work full-time during the active phase, followed by a passive phase of the same length. This phase then transitions seamlessly into regular retirement or an old-age pension. 2,201 employees (non-civil servants and civil servants) in Germany transitioned from the active phase into the passive phase of partial retirement in 2023. 551 non-civil servants and 259 civil servants in Germany opted for severance payments, while 17 employees were permanently transferred to public authorities.

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Vivento employee figures

Vivento continues public sector placements and scales back support

in FTE



| Employees (in FTE) | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|--------|--------|--------|-----------------|------------------|
| Employees at Vivento | 2,002 | 1,712 | 1,466 | 1,267 | 813 |
| Vivento staff in external employment (Federal Employment Agency and other external employment, particularly in the public sector) | 1,342 | 1,182 | 1,049 | 896 | 439 |
| Temporary internal placements | 323 | 233 | 208 | 202 | 217 |
| Permanent staff, support personnel, other employees at Vivento | 337 | 297 | 209 | 169 | 157 |
| Employees permanently transferred to the public sector via Vivento in 2023 | 321 | 146 | 70 | 69 ¹ | 276 ¹ |
| Staff transferred to Vivento since its foundation | 54,296 | 54,370 | 54,405 | 54,456 | 54,485 |
| Staff leaving Vivento since its foundation | 52,294 | 52,658 | 52,933 | 53,188 | 53,672 |

¹ Incl. non-civil servants from 2022.

In 2023, 276 employees (civil servants and non-civil servants) transferred permanently to the public sector with Vivento's support. The bulk of placements were at the Federal Employment Agency, as well as transfers to the Bundeswehr (the German Armed Forces) and other federal authorities. Several employees were transferred to individual positions at other public administration bodies. Growing demand for personnel in the public sector supported this development. Since the start of 2022, Vivento's next.JOB unit has assisted employees from the various segments of the Group who are seeking a new professional challenge outside of the Group, helping them to enter the public sector. Its placement service is aimed at both civil servants and non-civil servants. As in previous years, the number of employees supported by Vivento was again scaled back in 2023, as planned.

Health rate in Germany

Health rate up slightly year-on-year



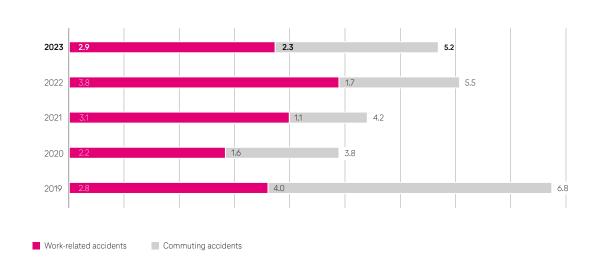
The health rate showed an increase again of 0.5 percentage points. Musculoskeletal disorders, respiratory diseases, and mental health problems account for the bulk of illness-related absenteeism within the Group.

Our health portfolio contains a wealth of resources and support measures dedicated to the well-being of our workforce. This includes the opportunity to book an annual flu shot, which is one important measure for preventing the spread of diseases and protecting health.

We will continue to ensure that our employees receive the best possible support to keep them healthy, motivated, and productive.

Work-related accidents in Germany

Slight dip in the total number of accidents at work or on the way to work



Work-related accidents (per thousand FTE)

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------|------|------|------|------|
| Total number of work-related and commuting accidents | 6.8 | 3.8 | 4.2 | 5.5 | 5.2 |
| Work-related accidents | 2.8 | 2.2 | 3.1 | 3.8 | 2.9 |
| Commuting accidents | 4.0 | 1.6 | 1.1 | 1.7 | 2.3 |

In 2023, the total number of accidents at work or on the way to work decreased slightly against 2022, from 5.5 to 5.2 per 1,000 employees.

The number of accidents at work, at 2.9, is significantly lower and roughly on a par with pre-pandemic levels. This may be due to a sharper focus on occupational safety and health protection in 2023, which helped raise awareness of this topic among employees. Measures included the introduction of a mandatory web-based training course for managers regarding their responsibilities and scope for action relating to the health and safety of employees.

The 0.6 year-on-year increase in the number of accidents on the way to work may be due to the fact that most employees are back working mainly in the office rather than from home.

Employee diversity

Annotation

The figures in the report generally refer to the calendar year 2023, with a reporting date of December 31, 2023. Exceptions are marked accordingly. All figures are based on more detailed data. As some values are rounded, totals may differ slightly. Annual averages are used to form some ratios. The figures are often divided into the categories "Germany," "International," and "Group." "Germany" refers to the location of employees in Germany (irrespective of the segment). "International" refers to all employees at locations outside Germany, and "Group" refers to all employees. Some data is broken down according to our operating segments - i.e., Germany, USA, Europe, Group Development and the Systems Business. Group Headquarters & Group Services (GHS) includes all Group units that are not directly allocated to one of the operating segments.

FTE stands for full time equivalents and is used in the Factbook as the unit of measurement for the size of the workforce. FTE therefore reflects the calculated number of full-time equivalents based on all full- and part-time staff.

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