HR FACTBOOK 2022 People. Facts. Developments.



LIFE IS FOR SHARING.

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ABOUT THE HR FACTBOOK 2022

Dear Readers,

especially in times of war in Europe, inflation, climate change, and a heated and not always fact-based debate culture, it is important that we connect people. Getting them to communicate with each other, giving them access to information and involving them in the opportunities of the digital tomorrow: that is the goal of our company. We won't stop until everyone is #connected. Deutsche Telekom employees make the difference here and are the foundation for our company's success. We proved this again in 2022 and continued to offer our customers the best service despite the challenging times described above.

With over 206,000 employees in 34 countries, we are one of the world's leading telecommunications companies. We have the best network in almost all our markets. We have the best service. We are the most valuable brand in Europe. The credit for this goes to the commitment of every single colleague at Telekom.

The HR Factbook for the 2022 financial year provides you with all the key figures relating to Deutsche Telekom's employees. It bundles information about our corporate culture as well as the diversity, skills and performance potential of our employees. You can also find out how we are shaping leadership in the digital tomorrow and what we are doing for the occupational health and safety of our colleagues. It gives you an overview of personnel costs while data on recruitment and fluctuation complete the comprehensive picture of our human resources work.

On the first pages, we have summarized the most important HR key figures from 2022 in three infographics. More in-depth insights can be found in the following chapters.

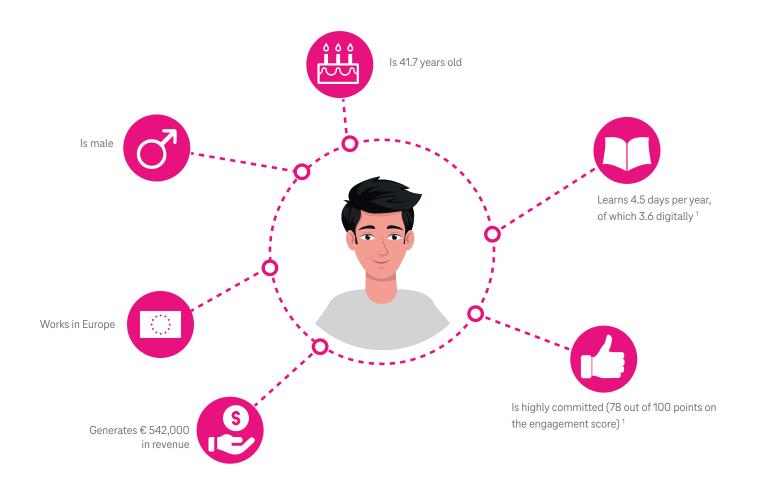
Enjoy reading!

Best regards Birgit Bohle Board member for Human Resources and Legal Affairs, Labor Director

The figures in the report generally refer to the calendar year 2022 with a reporting date of December 31, 2022. 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 (since January 01, 2017) and the Systems Business. Group Headquarters & Group Services (GHS) includes all Group units that are not directly allocated to one of the operating segments.

For better readability, we use the generic masculine in all headlines, graphics and footnotes. Female and diverse gender identities are explicitly included. For all accompanying text, we use the neutral inclusive address. 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.

INTRODUCING: THE TYPICAL DEUTSCHE TELEKOM EMPLOYEE

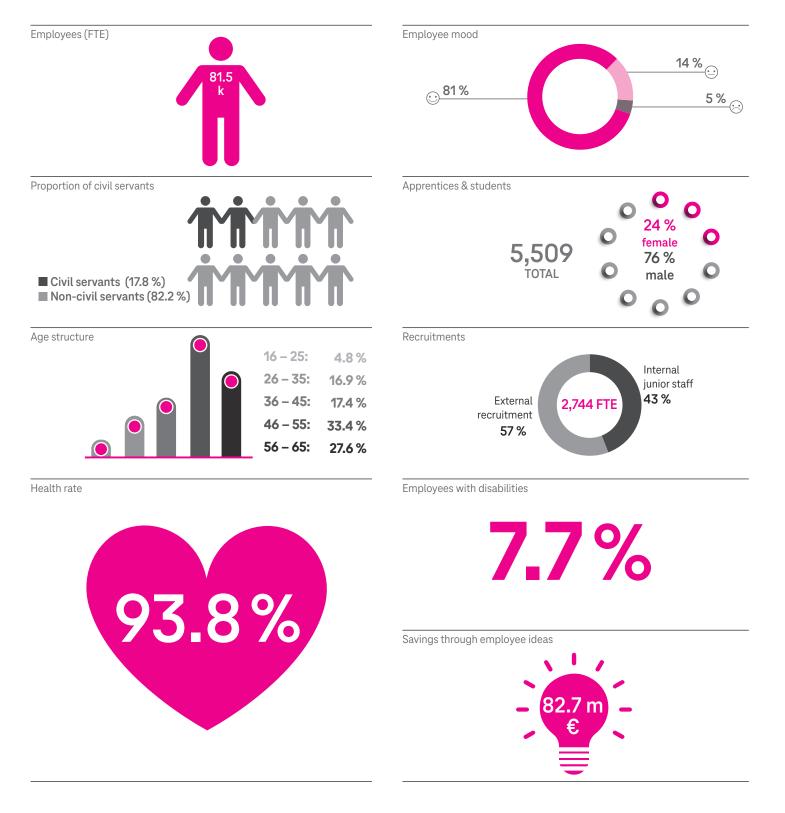


¹ Excluding T-Mobile US.

DEUTSCHE TELEKOM AT A GLANCE: THE GROUP



DEUTSCHE TELEKOM AT A GLANCE: GERMANY



Employees by country (in FTE)

TELEKOM -REPRESENTED INTERNATIONALLY

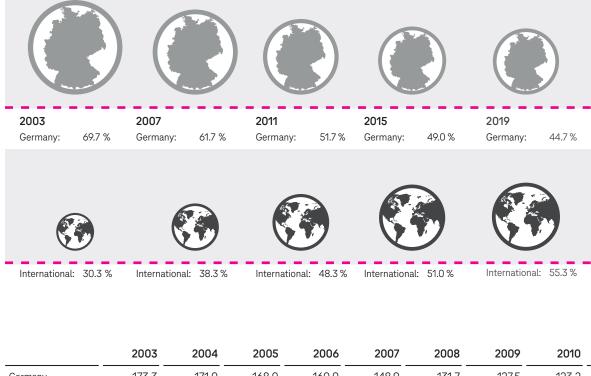
	2022		2022		2022
Germany	81,469	Romania	1,353	Turkey	65
United States	67,312	Mexico	995	Portugal	52
Hungary	11,235	North Macedonia	863	Denmark	38
Greece	10,338	Switzerland	473	United Arab Emirates	32
Slovakia	7,815	Montenegro	458	Thailand	23
Croatia	4,362	Transition ¹	425	Italy	21
India	4,257	Netherlands	308	Russia	13
Poland	3,701	China	240	South Africa	13
Czech Republic	3,318	Great Britain	227	Sweden	10
Spain	2,930	Singapore	101	Finland	2
Austria	2,698	Belgium	94	Ukraine	1
Brazil	1,434	France	86		

¹ Transition: headcount formerly in Russia, located outside Russia but not included in final location yet.

More than 80 percent of the workforce is still located in Germany, the USA, Hungary and Greece. The largest decrease was recorded in the Netherlands. With the sale of T-Mobile Nether-

lands, 1,846 FTE were deconsolidated. With Turkey (65 FTE) one new country has been added.

GLOBAL WORKFORCE CONTINUES TO DECLINE



Germany	173.3	171.0	168.0	160.0	148.9	131.7	127.5	123.2	121.6	118.8
Group (total)	248.5	244.6	243.7	248.8	241.4	227.7	259.9	246.8	235.1	229.7
International	75.2	73.7	75.7	88.8	92.5	96.0	132.4	123.6	113.6	110.8
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Germany	116.6	114.7	110.4	104.7	101.9	98.1	94.1	89.0	85.2	81.5
Group (total)	228.6	227.8	225.2	218.3	217.3	215.7	210.5	226.3	216.5	206.8
International	112.0	113.1	114.9	113.7	115.4	117.6	116.4	137.3	131.3	125.3

The domestic workforce has been steadily declining since 2003, and, measured in terms of the total number of employees, amounted to around 39.4 percent at the end of 2022. There is hardly any change compared with the previous year, as the international workforce also continues to decrease. The sale of T-Mobile Netherlands, as well as a 5.6 percent reduction in the workforce in the United States, can be mentioned here.

2022

Germany:

International: 60.6 %

2011

39.4 %

2012

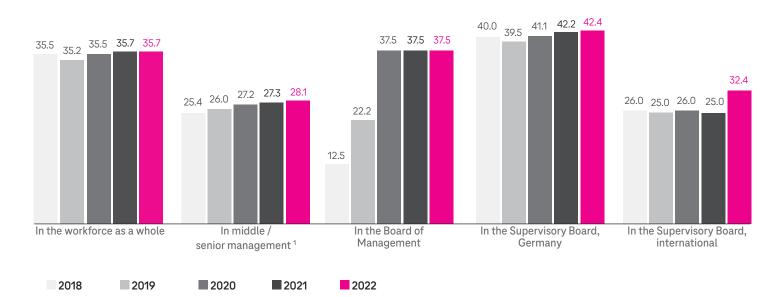
DECREASE IN GROUP HEADCOUNT

2018	2019	2020	2021	2022
71,549	69,117	67,956 ¹	61,768 ¹	59,014
46,871	47,312	71,304	71,094	67,088
47,964	44,410	41,272	35,319	34,083
28,945	29,800	26,490 ¹	26,175 ¹	27,392
18,370	17,292	16,585	19,498	18,353
1,976	2,603	2,684	2,674	828
215,675	210,533	226,291	216,528	206,759
	71,549 46,871 47,964 28,945 18,370 1,976	71,549 69,117 46,871 47,312 47,964 44,410 28,945 29,800 18,370 17,292 1,976 2,603	71,549 69,117 67,956 ¹ 46,871 47,312 71,304 47,964 44,410 41,272 28,945 29,800 26,490 ¹ 18,370 17,292 16,585 1,976 2,603 2,684	71,549 69,117 67,956 ¹ 61,768 ¹ 46,871 47,312 71,304 71,094 47,964 44,410 41,272 35,319 28,945 29,800 26,490 ¹ 26,175 ¹ 18,370 17,292 16,585 19,498 1,976 2,603 2,684 2,674

¹ Values retroactively adjusted.

The Group's headcount fell by 4.5 percent compared with the end of the prior year. In our Germany operating segment, the number of employees declined by 4.5 percent against year-end 2021, largely due to the take-up of socially responsible instruments as part of staff restructuring activities, such as dedicated retirement and partial retirement. The total number of employees in the United States operating segment decreased by 5.6 percent. The decline against year-end 2021 is primarily due to intentional headcount rationalization to manage costs. In our Europe operating segment, the headcount was down by 3.5 percent compared with the end of the prior year, in particular in Greece, Slovakia, Poland and Croatia. The headcount in our Systems Solutions operating segment was up 4.6 percent against the end of 2021. The effect of our efficiency enhancement measures on headcount was more than offset by increased staff requirements in our growth areas. In the Group Development operating segment, the sharp year-on-year decrease in headcount of 69 percent was mainly due to the sale of T-Mobile Netherlands as of March 31, 2022. The headcount in the Group Headquarters & Group Services segment was down 5.9 percent compared with the end of 2021, mainly due to the ongoing staff restructuring in the Technology and Innovation unit, primarily in connection with a transformation program at Deutsche Telekom IT and continued staff restructuring at Vivento.

PROPORTION OF WOMEN IN MANAGEMENT RISES SLIGHTLY



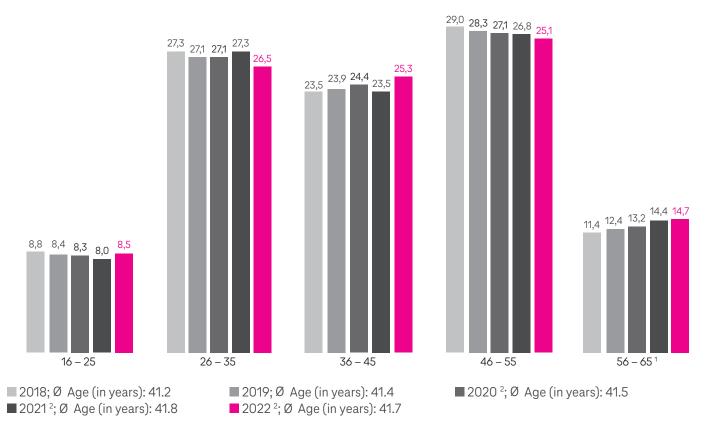
¹ Calculation of the female quota in middle and upper management: number of female managers (heads) of levels MG1-4 plus middle management per sum of managers at levels MG1-4 plus middle management by 100.

We maintain a working environment that considers the diversity of our backgrounds, experiences, perspectives and abilities to be key to our business success. We are invested in building a safe and open working community for all, regardless of age, gender, cultural, ethnical or social background, sexual identity and orientation, belief or ability.

At Telekom, we have a long history of driving Diversity, Equity & Inclusion (DE&I) and by rolling out our renewed DE&I Policy in late 2021 and early 2022, we gave a strategic focus on delivering on it in seven diversity dimensions. We foster an environ-

ment for inclusive management development, offering a learning landscape including training against unconscious bias. And we make sure that Telekom Diversity Communities are being involved in our mission to become a more inclusive and open place to work. We are invested in furthering female leadership representation in all segments and management levels. The plans are based on a renewed commitment of the Board to increase gender diversity in all segments at senior management levels to at least 30 percent by the end of 2025. Age structure in the Group (in %)

AVERAGE AGE IN THE GROUP SLIGHTLY DECREASING



¹ Incl. > 65 years.

² Without Deutsche Telekom Capital Partners Management GmbH, Deutsche Telekom Clinical Solutions GmbH, operational services GmbH & Co. KG, Toll4Europe, goingsoft Deutschland GmbH, DT International Finance B.V., TGC WS Netherlands.

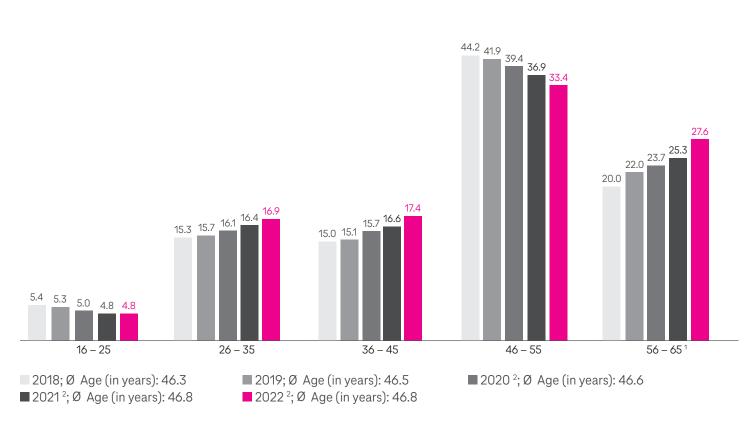
For the first time in the reporting period, the average age in the Group did not increase this year, but fell by 0.1 to 41.7 years. The reported figures support this trend and there is a slight shift in the proportions in the age groups.

About half of the workforce is in the 36-45 and 46-55 age groups. Here, since 2018, we have seen the trend of the share of 46-55 year olds steadily decreasing, from 29.0 percent to 25.1 percent. Conversely, the share of 36-45 year olds has been

steadily increasing, with one exception in 2021, from 23.5 percent to 25.3 percent. Although the 56–65 age group increases by 0.3 percentage points, we can report an overall decline in the 46–65 age group. The two oldest groups have a share of 39.8 percent in 2022. In 2021, this was still 41.2 percent.

We are well on the way to rejuvenating the workforce and thus counteracting demographic change.

AVERAGE REMAINS CONSTANT NATIONALLY



¹ Incl. > 65 years.

² Excluding Deutsche Telekom Capital Partners Management GmbH, Deutsche Telekom Clinical Solutions GmbH, operational services GmbH & Co. KG, Toll4Europe, goingsoft Deutschland GmbH.

The national average age remains constant at 46.8 years. The proportion of employees aged 56–65 rose again this year by 2.3 percentage points to 27.6 percent. Despite this, the national average age continued to be stable. The increase in the 16–45 age group contributed to this balance. At the same time, the 46–55 age group saw the only decrease (-3.5 percentage points). Even though almost one in three employees is 46 or older, the proportion of those over 45 decreased by 1.2 percentage points and reached 61 percent in 2022. The measures to retain our young talents are taking effect and we are on the right track. Nevertheless,

we do not lose sight of our experienced employees and continue to benefit from their great know-how.

We always try to meet the challenges of our workforce with the appropriate support. We are constantly expanding our offer of qualifications and know-how in order to promote lifelong learning. We offer various health programs. As the working environment is in constant change, we offer flexible solutions that are designed to meet the needs of the employees. Employees in Germany by federal state (in FTE)

North Rhine-Westphalia

Baden-Württemberg

Rhineland Palatinate

Schleswig-Holstein

Saxony-Anhalt

Bavaria

Hesse

Saxony Berlin

Lower Saxony

Hamburg

Bremen

Thuringia

Brandenburg

Pomerania

Saarland

Mecklenburg Western

CUSTOMER FOCUS IN EVERY FEDERAL STATE

	A second s
	SCHLESWIG-HOLSTEIN
	1.7%
	MECKLENBURG WESTERN POMERANIA 1.0 %
	HAMBURG 3.8 %
	THAT BORD 3.0 %
	BREMEN 1.6 % BRANDENBURG 1.1 %
	E O V
	
2022 ¹	SAXONY-ANHALT
25,791	1.7%
9,377	NORTH RHINE-WESTPHALIA
8,743	
6,758	32.6%
5,756	
5,030	TESSE 5 14%
4,595	م مسمور الم المسمور الم الم
3,029	
2,654	RHINELAND-PALATINATE
1,381	3.4 %
1,326	SAARLAND Mark My
1,244	0.9 % BAVARIA
1,094	11.8 %
883	
794	BADEN-
736	WÜRTTEMBERG
	8.5 %
	7

¹ Excluding Deutsche Telekom Ca	pital Partners Management GmbH, Detecon International GmbH,

Deutsche Telekom Clinical Solutions GmbH, Orbit GmbH, operational services GmbH & Co. KG, goingsoft Germany.

Deutsche Telekom remains true to its service promise and continues to be present for its customers. In every federal state of the republic, customers will find the Magenta T. North Rhine-Westphalia (NRW), Germany's most populous state, gained 1.2 percentage points compared to the previous year, despite staff reductions of 367 FTE. More than 25,000 people are employed in NRW. This corresponds to 32.6 percent of the total workforce in Germany.

CONTINUOUS DECLINE OF EMPLOYEES WITH CIVIL SERVANT STATUS

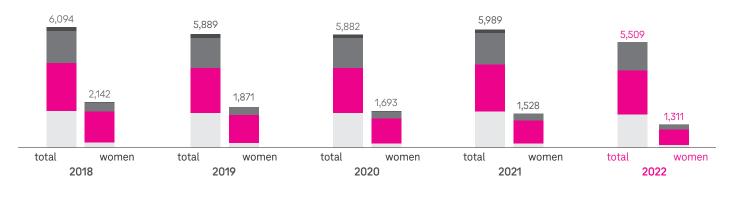
	2018	2019	2020	2021	2022
Active civil servants	13,507	12,153	10,583	9,653	8,381
Civil servants on temporary leave from civil servant status ¹	657	553	405	311	256
Civil servants at affiliated companies ¹	9,785	8,720	7,423	6,773	5,836
Civil servants (total)	23,950	21,426	18,412	16,736	14,474
Non-civil servants in Germany	74,143	72,685	70,620	68,424	66,995
Total employees in Germany	98,092	94,111	89,032	85,160	81,469
Proportion of non-civil servants in Germany (%)	75.6	77.2	79.3	80.3	82.2
Proportion of civil servants in Germany (%)	24.4	22.8	20.7	19.7	17.8

¹ Civil servants whose civil servant status is suspended. They have temporarily changed to an employment contract.

The number of civil servants decreased continuously in fiscal year 2022. The employee share increased by 1.9 percentage points to 82.2 percent this year. The proportion of civil servants in the workforce is now 17.8 percent. Deutsche Telekom

has not recruited any civil servants since privatization in 1995. In addition, natural attrition and transfers to government agencies, as well as the instrument of dedicated retirement, ensure a continuous reduction in the workforce. Apprentices and students in Germany, total and share of women (in heads)

FOCUS ON DIGITAL COMPETENCE



IT Commercial Students on coop On-campus students at HfTL University of Applied Sciences in Leipzig

Examples of IT professions: IT systems electronics technician, IT systems business administrator, IT technician specializing in application development/systems integration. Examples of commercial professions: office management administrator, dialog marketing administrator, retail sales assistant. Examples of cooperative study programs: BA in Business Management, BEng in Communications and Media Technology, BSc in Business Information Systems.

In 2022, we offered a huge number of young people career opportunities with a total of 1,820 places on cooperative vocational training and study programs. Especially in these uncertain times of the pandemic, it is important to give people a perspective. That's why an additional 100 young people were given the chance to familiarize themselves with the prospects of the digital world of work and find orientation for their career path.

For Deutsche Telekom, the focus is on equal opportunities for young people. The needs and performance levels of school graduates are quite different. This is precisely what Telekom considers with its cooperative vocational training and study programs, thus enabling the integration of young people regardless of their gender, origin or any physical disabilities. For example, we offered the internship for entry-level qualification to disadvantaged young people. In addition, trainees can train at Deutsche Telekom on a part-time basis. Students who are single parents, for example, have the opportunity to complete their dual studies part-time. We have been focusing on the digitization of our processes and digital learning support within training for years. By consistently providing digital, innovative media (from recruitment to the transition to the Group), junior employees benefit from their use and thus also successively acquire -the nowadays indispensable- digital competence.

Confident use of digital media is therefore part of our pedagogical concept and is consistently implemented in training and dual studies. Digital media are an integral part of training when it comes to planning, documenting and reflecting on one's own learning process.

Sharing knowledge and exchanging ideas via digital media has always been a high priority in our Group and is promoted through Group-wide tools. Our learners also plan, document and reflect on their learning progress in their own tool, exchange information with their learning or study companions and independently derive their next learning steps.

INCLUSION - IMPORTANT PART OF DIVERSITY IN THE COMPANY

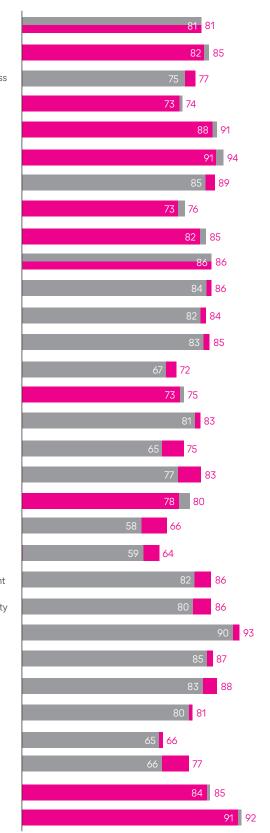
	2018	2019	2020 ¹	2021 ¹	2022 ¹
Germany	7.6	7.6	7.5	7.7	7.7

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

In 2022, the proportion of severely disabled people at Deutsche Telekom remained at a high level. As in previous years, this means that Deutsche Telekom significantly exceeded the prescribed minimum proportion of 5 percent of severely disabled employees. With a broad portfolio of supporting measures, Telekom helps to create and secure a professional livelihood for severely disabled people and to promote their career advancement. These include, for example, measures to ensure that the working environment is suitable for the disabled, special training measures or an HR hotline for deaf and hearing-impaired employees. In this context, all people with disabilities are regarded as fully-fledged employees and are an important part of the diversity in the company, from which Telekom learns and benefits. The implementation of the UN Convention on the Rights of Persons with Disabilities is already successfully anchored at Telekom. This is reflected, among other things, in the Group Inclusion Agreement and the Action Plan 2.0., each of which is being further developed and has been updated in 2022 together with the Group Representative Body for Disabled Employees and the Group Works Council. Telekom is also active outside the company when it comes to inclusion. For example, it offers special service advice for deaf and hearing-impaired customers in some stores and is involved in various partnerships in the field of sports for the disabled. Results from pulse survey in November 2022¹ (agreement rate in %)

GOOD AND STABLE RESULTS WITH SOME POSITIVE DEVELOPMENTS





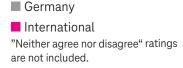
In the Pulse November 2022, more than 100,000 employees expressed their opinion. A participation rate of 76 percent was reached and the Mood increased to 81 percent, both nationally and internationally. The Engagement Score remains at a high level (78/100 points). Analysis shows that Team Attractiveness, Culture of Trust and ES Follow-Up are the 3 top engagement drivers. Both nationally and internationally, historical comparable values increased slightly or remained stable, with the highest results in Goals and Strengths. The lowest results are still recorded in Career Development and Recognition, but with a positive development. The open text field question on Engagement "What would make your engagement at work even stronger?" brought 43,000 comments, most of them related to Recognition.

The displayed values are taken from the last Pulse and Employee surveys. The last Pulse survey was conducted in November 2022, the last Employee survey (ES) in November 2021.

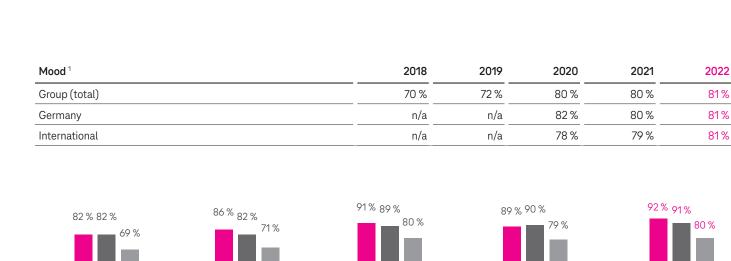
¹ Excluding T-Mobile US.

 $^{\,2}~\,$ ES Follow-up values are taken from Pulse November 2022.

³ Newly added questions.



MOOD STILL GOOD



2020

Employees (excl. Leaders and Executives)

The displayed values are taken from the last Pulse and Employee surveys. The last Pulse survey was conducted in November 2022, the last Employee survey (ES) in November 2021.

¹ Excluding T-Mobile US.

Leaders (excl. Executives)

2019

2018

Mood question: How do you feel at our company?

Executives

The overall mood in our organization plays an incredibly significant role in employee productivity, achievement, performance and retention.

At the group, many overall initiatives have taken place to push mood and the community feeling after coming back to office, e. g. Reconnect Days, Awake-Festival and location events like a summer festival. We enable our leaders to create a purposeful environment where employees live up to their full potential and embrace the opportunities of a digital tomorrow while, at the same time, strong emphasis is put on is put on diversity, equity & inclusion. As a result, the mood at Group level has increased to 81 percent, nationally by +1 percentage points and by +2 percentage points internationally compared to the previous year. The very good results were reached with all employee groups at both national and international levels. A particularly high level of satisfaction is observed among executives and leaders both nationally and internationally.

2021

2022

Engagement score in the Group¹

POSITIVE DEVELOPMENT OF ENGAGEMENT

Engagement score, Scale 0–100 ²	2018 ³	2019	2020 ³	2021	2022
Group (total)	78 4	75 ⁴	75 ⁴	77	78
Executives	88	88	88	88	89
Leaders (excl. Executives)	88	85	85	86	88
Employees (excl. Leaders and Executives)	78	75	75	76	77

Gender ⁵	2018 ³	2019	2020 ³	2021	2022
Female	78	78	78	79	80
Male	78	75	75	76	78
Diverse	n/a	65	65	63	63

Age	2018 ³	2019	2020 ³	2021	2022
16-25	78	75	75	79	79
26–35	78	75	75	77	78
36-45	78	75	75	77	78
46–55	78	78	78	77	78
56-65 ⁶	78	78	78	77	78

The displayed values are taken from the last Pulse and Employee surveys. The last Pulse survey was conducted in November 2022, the last Employee survey (ES) in November 2021. The engagement score is the mean value calculated from all answers to the questions of the 4 topics Mood, Employer Attractiveness, Brand Identity and Inspiration. ¹Excluding T-Mobile US.

² Scale changed: until 2020 scale from 1 to 5, from 2021 on scale from 0–100. Values until 2021 were converted.

³ The values of the years 2018 and 2020 are taken from the ES of the previous years.

⁴ Changes compared to HR Factbook 2021 due to a conversion error.

⁵ Self-disclosure in the survey.

⁶ Incl. > 65 years.

The engagement score at Group level increased to 78 points (+1) compared to the previous year. The score remains stable. With 89 points, the group of executives reached the highest engagement level, followed by leaders (88), while employees' engagement (77) was a bit lower, yet showing a positive development. While female and male employees reached good and very simi-

lar engagement scores of 80 and 78 points respectively, the group of diverse employees showed the lowest level of engagement with a score of 63 points. Among the defined age groups, the engagement score is at a similar level compared to previous years.

DIGITAL COLLABORATION PROMOTED BY EXPANSION OF THE TOOL LANDSCAPE

Meeting	2018	2019	2020	2021	2022
Minutes of online conferences (global)	835,095,611	883,877,777	1,787,149,436	2,153,516,820	1,899,136,578
M365					
Groups	6,295	17,474	30,046	45,147	65,320
YAM United					
User profiles	125,670	133,306	130,788	138,071	128,609

People are slowly returning to normality. Social interaction is taking place again and people are meeting more in person. This is reflected in the 11.8 percent decline in conference minutes. While we broke the 2 billion mark last year our employees spent around 1.9 billion minutes in virtual conferences. Still, it is a high figure compared with previous years. Simple, fast and virtual communication remains an important part of our global collaboration. With Microsoft Teams, the tool landscape was expanded.

In particular, the number of M365 groups grew again. An additional 20,000 groups were created compared to the previous year, representing another 5,000 groups more than in 2021, which saw a total growth of 15,000 groups compared to the previous year. Since 2018, this number has now increased more than tenfold. Digital collaboration tools are being used and are simplifying the daily work of our employees. Access to hybrid collaboration across the globe is becoming simpler and more effective.

In YAM United, there was a decrease of about 7 percent in created user profiles to 128,609 profiles. Some service units have moved to other channels, but also as the reduction of the headcount are reasons for this. With an average of 116,471 active users per month, we can report a high level of activity. Around 80 percent of users are from German units and around 20 percent from T-Systems International units.

PERSONNEL COST RATIO CONTINUES TO DECLINE

	2018	2019	2020	2021	2022
Personnel costs in the Group, non-adjusted (total)	16.4	16.7	18.9	18.5	19.4
Of which Germany	9.2	8.7	8.8	8.5	8.4
Special factors	1.2	1.0	1.8	0.9	1.4
Personnel costs in the Group (adjusted for special factors)	15.2	15.7	17.0	17.6	18.1
Group revenue	75.7	80.5	101.0	108.8	114.4
Of which Germany ¹	25.0	25.2	25.2	25.8	26.0
Adjusted personnel cost ratio, Group (total)	20.1	19.5	16.8	16.1	15.8

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 million figures.

The Group's personnel cost ratio fell once again this year. Having already reached a record low last year, the ratio fell another 0.3 percentage points to 15.8 percent this year. The significant increase in Group sales is only one reason for this, besides the relatively lower increase in personnel expenses.

Personnel costs are defined as basic personnel costs (wages,

salaries) and ancillary personnel costs (social costs). This figure is adjusted for special factors in conjunction with staff restructuring measures (individual staff reduction instruments). The personnel cost ratio represents personnel costs in relation to revenue. The trend in this figure serves as a benchmark for the company.

PERSONNEL COSTS DECREASED NATIONALLY

		2018	2019	2020	2021	2022
TWC ¹		17.1	17.5	19.1	19.6	20.3
Of which Germany		9.0	8.7	8.3	8.3	8.3
	IWC ² (adjusted PC ³)	8.1	7.9	7.7	7.7	7.6
	EWC ⁴ leased and temporary staff	0.05	0.04	0.03	0.02	0.03
	EWC ⁴ freelancers and consultants	0.8	0.8	0.5	0.6	0.7
Of which international		8.0	8.8	10.7	11.3	12.1
	IWC ² (adjusted PC ³)	7.1	7.7	9.3	9.9	10.5
	EWC ⁴ leased and temporary staff	0.2	0.2	0.2	0.2	0.2
	EWC ⁴ freelancers and consultants	0.8	0.9	1.2	1.3	1.4

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

² Internal workforce costs.
 ³ Personnel costs.

Personnel costs.

⁴ External workforce costs: e.g. costs of leased and temporary staff + costs of freelancers and consultants.

Our Total Workforce Management (TWM) gives us a holistic view of Deutsche Telekom's workforce management. In addition to our internal workforce and internal workforce costs, TWM also takes into account the external workforce working for Deutsche Telekom. Taking into account the costs of consultants as well as temporary and leased staff is important for long-term qualitative as well as quantitative personnel planning. The key indicators for managing personnel costs in our Group are total workforce costs (TWC) and the total workforce quota (TWQ), as both indicators take into account external personnel costs in addition to internal personnel costs. In the Group, total workforce costs increased by $\in 0.7$ billion to $\in 20.3$ billion. This is an increase of a further $\in 0.1$ billion compared with the previous year, when the rise was $\in 0.6$ billion. In Germany, internal personnel costs were reduced by $\in 0.1$ billion. In Germany, we recorded an increase of $\in 0.6$ billion, as in the previous year. The costs for freelancers, consultants and temporary staff increased by a total of $\in 0.2$ billion.

INCREASING TOTAL EXPENSES WITH GROWING PERSONNEL EXPENSES

Breakdown of personnel costs		2019	2020	2021	2022
Payroll	DT Group	12,668	14,077	14,402	14,778
	National	6,317	6,346	6,211	6,052
	International	6,350	7,731	8,191	8,726
Social security contributions and company pension scheme	DT Group	3,053	2,926	3,206	3,260
	National	1,635	1,391	1,483	1,490
	International	1,418	1,535	1,723	1,770
Adjusted personnel costs, accumulated	DT Group	15,686	17,017	17,556	18,080
	National	7,950	7,735	7,692	7,607
	International	7,736	9,282	9,865	10,473

Personnel costs as proportion of total operating costs

Adjusted operating costs	DT Group	52,694	61,543	66,645	69,867
	National	15,929	14,486	15,763	16,316
	International	36,765	47,058	50,882	53,550
Personnel costs as proportion of total costs	DT Group	29.8%	27.7 %	26.3 %	25.9 %
	National	49.9 %	53.4 %	48.8 %	46.6 %
	International	21.0%	19.7 %	19.4 %	19.6 %

In 2022, adjusted personnel costs of € 18.1 billion were calculated for the Group. Thereof, € 14.8 billion were spent on wages and salaries. In addition, we contributed € 3.3 billion to social security contributions and company pension schemes. The company pension scheme enables our employees to supplement their

statutory pensions. Personnel costs accounted for 25.9 percent of Deutsche Telekom's adjusted operating costs of € 69.9 billion. The share of personnel costs as proportion of total costs decreased by a further 0.4 percentage points this year.

Revenue and EBITDA AL per employee (in FTE, yearly average)

OVER HALF A MILLION EUROS REVENUE PER FTE

		447	474	574	622 493	542
 International Group Germany 	Revenue per FTE in k €	350 249	378 262	275	295	311
5		2018	2019	2020	2021	2022
		2018	2019	2020	2021	2022
Revenue, Germany (bill	ions of €) ¹	25.0	25.2	25.2	25.8	26.0
Revenue, international (billions of €) ¹		50.7	55.4	75.8	83.0	88.5
Revenue, Group (billions of €)		75.7	80.5	101.0	108.8	114.4
International revenue as a percentage of Group revenue ²		67.0 %	69.0 %	75.0 %	76.3 %	77.3 %
Ø Average number of employees, Germany		100,227	96,018	91,512	87,276	83,406

Ø Average number of employees, Germany 96,018 87,276 100,227 91,512 83,406 Ø Average number of employees, international 116,142 132,027 127,830 116,827 133,564 Ø Average number of employees, Group (total) 216,369 212.846 223,539 220,840 211,236 EBITDA AL² per FTE (average) in €, adjusted DT Group 106,762 116,192 156,829 166,959³ 186,803

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 million values.

² The new accounting standard IFRS 16 "Leases" has been applied since January 1, 2019. As a result, the definition of some of our financial performance indicators

has changed. For the newly defined performance indicators, the comparative values for 2018 were determined on a pro forma basis. The EBITDA per FTE figure

from 2021 has been adjusted compared to the last Factbook.

³ Value for 2021 retroactively adjusted.

Deutsche Telekom remains on a successful course and increased its revenue even further to € 114.4 billion. This represents a revenue increase of 5.2 percent.

Revenue increased again both in Germany and internationally. Revenue per employee in Germany exceeded € 300,000 for the first time, an increase of 5.5 percent.

The average full-time employee at Deutsche Telekom generated EBITDA AL² (after leases) of € 186,803 in 2022.

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

EMPLOYEE PRODUCTIVITY IMPROVES FURTHER

		2018	2019	2020	2021	2022
Germany	PC ¹ , adjusted	8.1	7.9	7.7	7.7	7.6
	EWC ²	0.9	0.8	0.6	0.7	0.7
	TWC ³	9.0	8.7	8.3	8.3	8.3
	Revenue ⁴	25.0	25.2	25.2	25.8	26.0
International	PC ¹ , adjusted	7.1	7.7	9.3	9.9	10.5
	EWC ²	1.0	1.0	1.5	1.5	1.6
	TWC ³	8.0	8.8	10.7	11.3	12.1
	Revenue ⁴	50.7	55.4	75.8	83.0	88.5
Group (total)	PC ¹ , adjusted	15.2	15.7	17.0	17.6	18.1
	EWC ²	1.8	1.8	2.1	2.1	2.3
	TWC ³	17.1	17.5	19.1	19.6	20.3
	Revenue ⁴	75.7	80.5	101.0	108.8	114.4
	TWQ ⁵, adjusted	22.6 %	21.7 %	18.9 %	18.1 %	17.8 %

¹ Personnel costs.

 $^{\rm 2}~$ 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.

The total workforce quota is the ratio of total personnel costs (internal and external) to revenue.

Deutsche Telekom's total workforce ratio decreased by 0.3 percentage points. The trend of previous years was therefore continued this year. Slightly higher personnel costs were bal-

anced out once again by a high increase in revenue. Over the past five years, the total workforce ratio has therefore been reduced by 21 percent, from 22.6 percent to 17.8 percent. The total workforce quota is very important to us as it expresses the productivity of our employees.

BIG SAVINGS THROUGH OUR EMPLOYEES' IDEAS

	2018	2019	2020	2021	2022
Ideas submitted	5,123	6,007	4,574	4,420	4,016
Savings (in millions of €)	78.0	81.0	69.2	169.3	82.7

Idea Management (IDM) develops concepts and measures to harness the innovative potential of employees for the Group. IDM is a key component when it comes to making Deutsche Telekom more competitive by continuously improving processes, products and services. It helps encourage a climate of innovation, has a positive influence on the corporate culture, and plays a role in protecting jobs and the share price.

In 2022, we received 4,016 submissions from our employees in Germany. These ideas led to savings and new business potential worth about \in 82.7 million. This success demonstrates that Deutsche Telekom trusts its employees, and that it values and implements their ideas.

Deutsche Telekom has won 1st place for the best idea in "Administration and Service" of the German Institute for Idea and Innovation Management (Deutsches Institut für Ideen- und Innovationsmanagement) in 2022. The idea of two employees led to the development and introduction of a tool for surveys that can be used throughout the Group.

ATTRITION STILL WELL BELOW INDUSTRY LEVEL

	2018	2019	2020	2021	2022
Germany	1.9 %	2.3 %	2.0 %	2.1 %	2.5 %
International ¹	9.8 %	9.5 %	6.6 %	9.3 %	10.7 %
Group (total) 1	5.1 %	5.3 %	3.9 %	5.2 %	5.9 %

¹ Excluding T-Mobile US.

The Group's natural attrition increased by 0.7 percentage points to 5.9 percent. Internationally in particular, fluctuation was rising significantly and was above 10 percent in 2022. In the international environment, we see a tight labor market where high demand for qualified employees, particularly in the job profiles that are critical for us, meets a lower supply. The significantly younger employees compared to Germany are taking advantage of the opportunities this offers, which is leading to an increase in natural fluctuation.

We are also seeing an increase in natural attrition in Germany. One of the drivers of this development is the increasing attainment of retirement age by the baby boomers. Around 909 employees in the Group retired or became incapacitated for work or service via age-related fluctuation.

Natural attrition refers to normal staff departures without specific downsizing measures, e.g. due to retirement, disability or incapacity to work, termination by the employee, or termination by the employer for behavioural or personal reasons. These are set in relation to the total number of employees (final figure of the previous year). Recruitment in Germany (in thousands of FTE)

ATTRACTING TALENT ON A PERSONAL LEVEL



Internal junior staff from vocational training/cooperative study programs External recruitment

In 2022, despite the tight labour market, we were able to recruit almost 11,000 new employees outside the USA. The largest number of new hires was in Germany with around 2,700, followed by India with around 2,000 new hires. Despite the tense labour market situation, we succeeded in recruiting over 190 new mounters for the fibre optic expansion in Germany in the fourth quarter alone, in addition to other profiles such as planners and technicians. In Germany, we also welcomed 1,671 new trainees and dual students with a high proportion of technical, digital and IT profiles. In addition, 53 young professionals took the opportunity to participate in one of our one-year orientation programs. In 2022, we received the HR Excellence Award for the "Discover MINT" program, which gives young people the opportunity to find out if a dual study program in the STEM field suits them. The fact that we support our junior staff and offer them opportunities for success was also confirmed by Capital magazine, which named us "Germany's best trainer" in 2022 in the categories "vocational training" and "dual studies". Our digital and at the same time personal approach shapes our entire recruiting strategy. We emphasise direct and personal contact by being present at trade fairs, events and networking events. Our employees are a key factor in attracting talent on a personal level, which is why we have been rewarding successful employee referrals with a $\leq 2,500$ bonus since 2022 with our #ExpertsHireExperts program. We have already been able to recruit over 290 new employees in this way.

Tools for socially responsible staff reduction in Germany, personnel cuts (in FTE)

DEDICATED RETIREMENT AND PARTIAL RETIREMENT STILL USED

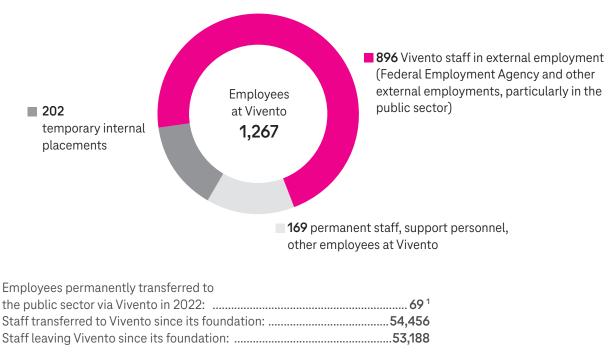
	2018	2019	2020	2021	2022
Early retirement, civil servants	1,711	1,242	1,917	630	1,183
Early retirement, non-civil servants	63	71	77	66	79
Severance payments	972	763	745	526	619
Partial retirement (start of passive phase)	1,890	1,692	1,899	2,444	2,086
Transfers to goverment authorities civil servants (final) ¹	326	321	146	70	49

¹ Permanent transfers; civil servants have no right to return to the Telekom Group - established as a cluster in 2015.

Deutsche Telekom continues to attach great importance to making staff reductions socially acceptable. In 2022, the proven models of dedicated retirement, partial retirement and severance payments were again used for this purpose. With the dedicated retirement, the legislator has provided an early retirement scheme for civil servants for a limited period until the end of 2024. This was used by 1,183 civil servants in 2022. Partial retirement is primarily implemented in the block model. Here, employees ini-

tially work full-time in the active phase. This is followed by a passive phase of the same length, which leads seamlessly into retirement or pension. In 2022, 2,086 employees in Germany moved from the active phase to the passive phase of partial retirement. Severance payments were used by 619 employees in Germany. 49 civil servants and 20 employees were permanently transferred to public authorities.

PLACEMENT IN THE PUBLIC SECTOR BY VIVENTO STILL SUCCESSFUL



¹ incl. non civil servants from 2022.

In 2022, 69 employees (civil servants and employees) opted for a permanent transfer to the public sector at federal, state and local level. The majority of them went to the German Armed Forces, the Federal Employment Agency, the Federal Office for Migration and Refugees, the German Federal Pension Insurance and other federal authorities. In addition, employees were placed in individual positions in the rest of the public administration. As in previous years, this was fueled by the authorities' continuing need for personnel and supported by the personnel service provider Vivento in close cooperation with next.JOB, which was newly created at the beginning of 2022. next.JOB offers employees from across the Group prospects in the public sector. The number of employees supported by Vivento was further reduced in 2022 as planned. Training in the Group ¹

FOCUS ON TOP TECH AND DIGITAL SKILLS

Training through global Learning Management System (LMS)	2020	2021	2022	
No. of courses (via LMS)	22,470	43,772	43,060	
No. of digital courses (via LMS)	15,200	36,251	36,605	
No. of attendance courses (via LMS) ²	7,270	7,521	6,455	
No. of training days	486,598	663,085	631,308	
Ø Ave. training days per employee (in FTE)	3.4	4.6	4.5	
No. of digital training days	329,291	592,221	501,580	
Ø Ave. digital training days per employee (in FTE)	2.3	4.1	3.6	
Digital learning quota (proportion of digital learning in 2022)	69 %	89 %	79 %	

¹ Excluding T-Mobile US.

² Including mixed, telephone and unassigned learning opportunities.

In 2022, we further developed our learning culture initiative "youlearn", which has been in place since 2019, and linked it more closely to the Group strategy. Under the motto "Time to Focus on Tech & Digital Skills", youlearn was specifically geared towards the acquisition of technical and digital skills, and successfully so: in the reporting year, 46.6 percent of the 3.8 million learning hours invested by employees in Germany and the European national companies were spent on technical and digital skills.

Digital learning in particular is very well established at Deutsche Telekom, with a digital learning quota of around 79 percent. With the intelligent learning platform "Percipio", the so called "Netflix of learning" and the integration of "Coursera", among others, as a provider of digital educational offers from renowned universities, more than 179,000 employees benefit from a variety of digital and modern learning offers. As an important contribution of informal learning, the employee initiative "Learning from Experts" (LEX), launched in 2018, has established itself as the largest peer-to-peer learning community in the company. In 2022, more than 5,400 online sessions were offered, in which experts could share their knowledge with other colleagues. The "youlearn days", a global and digital learning event of Deutsche Telekom, also focused entirely on technical and digital skills in 2022. With more than 5,400 registered participants from 29 countries, another record was set - participation was 10 percent higher than the previous year.

PROMOTION OF TOP TALENT

		2018	2019	2020	2021	2022
Start up! trainee program participants ¹	Total	44	71	44	39	38
Start up! trainee program participants ¹	Of whom women	59 %	44 %	59 %	49 %	53 %
Global Talent Pool participants ²	Total	976	952	n/a	365	237
Global Talent Pool participants ²	Of whom women	26 %	26 %	n/a	30 %	30 %

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

² Group-wide program for top talents. Replaces the predecessor program "Global Talent Pool" since 2021.

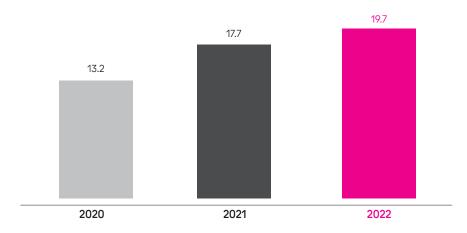
Our Start up! trainee program mainly targets graduates from different fields of expertise with a strong interest in Technology and IT, an entrepreneurial spirit and a game changer mindset who are motivated to shape the digital world of tomorrow. Over a period of approximately 18 months, trainees can tailor their own program exploring various areas of the company in Germany and abroad and taking on a series of challenging project tasks supported by experienced managers. The program is complemented by innovative learning and development formats and events such as "Magenta Friday" (project day), which provides a forum where trainees can pursue their own initiatives including business, social & sustainability projects while becoming drivers of culture and innovation within Deutsche Telekom.

The 2030 strategy of becoming the Leading Digital Telco shows: We need to get ready for the future and manage tomorrow today. One essential driver of success is the courageous staffing of our key positions, based on the talents' potential and not only on their experience. That's what Global Talent Hub is for.

Global Talent Hub serves as a pipeline for High Potentials at DT to develop into an executive role or develop towards 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.

Key criteria to joining Global Talent Hub are: high potential along the 4 As: Achievements, Ability, Attitude & Ambition; willingness to take the next career step immediately; readiness to make the career move outside the current horizon another segment, country or business area; English level business fluent.

INCREASING NUMBER OF DIGITAL EXPERTS AT DEUTSCHE TELEKOM

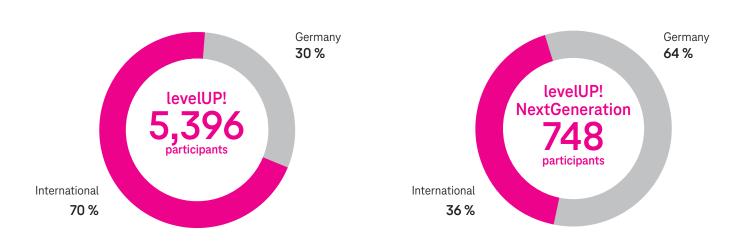


SKILLS AND PERFORMANCE POTENTIAL

Our employees' in-depth expertise and future-oriented skills are among our company's most important resources and are thus crucial to our business success.

Deutsche Telekom values future-proof digital skills particularly high: with the goal of equipping as many employees as possible with the skills that will be needed in the future and guaranteeing their employability in the best way possible, we continued to offer further so-called "Explorer journeys" in 2022 – programs which address specific innovation topics. Around 5,200 employees signed up in 2022 – for multiple-week digital training programs on topics such as big data, digital marketing, artificial intelligence and software development. We also developed academies with the aim of offering both reskilling and large-scale upskilling for digital experts, e.g. in the fields of software engineering, DevOps, artificial intelligence and data analytics. In our Technology and Innovation unit alone, 5,150 employees completed specialized training until now. At TSI, 3,986 future skills were established and 91 colleagues have been reskilled in 2022. It is therefore our responsibility to provide an environment in which skills can be transformed. The Group's need for digital experts will increase significantly in the next years. Participants in international leadership programs '(in heads)

PROGRAMS SUPPORTING DIFFERENT CAREER PATHS



LevelUP! hub is the no. 1 development platform for all leaders across DT's footprint. In 2022, we successfully enhanced our hub approach and extended our offer even more. We managed to onboard approximately 4,000 new users within one year and and we now have all segments fully onboarded with exclusive access and curated segment content. Content-wise the focus was around Leading Digital Telco strategy, and our flagship program "Leading Digital" achieved high satisfaction with the following average live sessions indexes: CSI at 8.4 and NPS at 34 percent.

We continued offering our own very successful products like LeadFirst in a redesigned formula, LeadForward for newly appointed executives and Coaching while at the same time hosting more than 300 self-learning nuggets.

Many more initiatives were realized during the year like the Roadshow, bringing levelUP! closer to leaders in EU NatCos, "getAbstract" (exclusive digital library of business book summaries) for all registered leaders, and the Digital Readiness self-assessment feature, aiming to help leaders check their digital competences and work on their personal development with more than 600 leaders participating. Numbers speak louder than words so here are some of our highlights: we had more than 85,000 visits and half a million pageviews on the platform overall from users coming from 49 countries. Within one year we offered more than 450 live sessions and we had more than 8,700 bookings, while the overall live sessions' CSI was at 8.6 and NPS at 37 percent.

After the successful program run of levelUP!NextGeneration in the previous year, we have again offered the program digitally in 2022 and even expanded it. Our program now continues to be aimed at (future) managers as well as tech & digital experts who do not have any management aspirations. Thus, the management development program has become a program that supports different career paths within the Group. A total of 748 employees worldwide, including 405 (future) managers and 343 Tech & Digital experts from 45 companies and 17 countries, completed this four-month development program, which is characterized by digital learning and the teaching of innovative, inspiring and tangible leadership topics and skills related to digitization and technology (e.g. ambidextry, managing complexity, leading in an agile environment). The addition of optional elective modules helps meeting individual development needs. Furthermore, with levelUP!NextGeneration we strengthen and promote Group-wide and cross-segment collaboration.

¹ Excluding T-Mobile US.

Health rate in Germany (in %)

HEALTH RATE BACK TO PRE-CORONA LEVEL

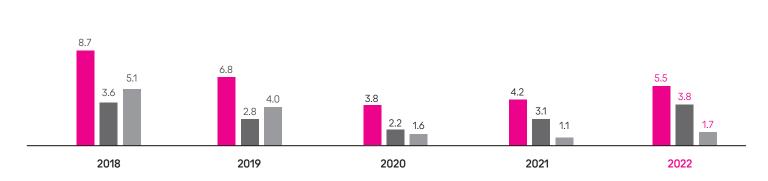
	2018	2019	2020	2021	2022
Germany	93.6	94.0	95.0	95.3	93.8

The health rate has fallen by 1.5 percentage points compared to the previous year and is at the level of the years before Corona. The development thus corresponds to the overall development of the statutory health insurance in Germany (minus 1.36 percentage points). The reasons for this could be that

the return to normality has led to more social contacts and thus the risk of infection has increased significantly. In many cases, the viruses have encountered an untrained immune system and therefore probably had an easier time.



ACCIDENT RATE BELOW PRE-PANDEMIC LEVEL



Total number of work-related and commuting accidents Work-related accidents Commuting accidents

In 2022, the total number of occupational and commuting accidents increased slightly compared with 2020/21. As early as 2021, an increase in occupational accidents compared with 2020 was recorded in connection with initial relaxations of the Corona protective measures. In 2022, the rate of occupational accidents, excluding COVID-19 illnesses reported as occupational accidents, was then back at the level prior to Corona in 2019.

Compared to 2018/19, there continued to be significantly fewer commuting accidents. This may be due to the fact that even at the beginning of 2022, based on the Corona Occupational Health and Safety Ordinance, there was still the possibility of mobile working at home as the main focus.

However, as a trend reversal in commuting accidents was already evident prior to Corona, this development can also be proportionately attributed to the comprehensive commitment to the prevention of traffic accidents. In 2022, employees continued to be offered driver safety training courses that could be attended by company, business and private vehicle users.

RESPONSIBLE

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