

Technology meets talent.

The 2009/2010 Human Resources Report.

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Life is for sharing.



Team.

Talent.

Technology.

Tolerance.

Technology. Tolerance.

Content.



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Cover picture front: At T-Mobile headquarters, Bonn – the Telekom employees Franziska Beckmann and Roman Neumann (cover) as well as Katja Petzsche and Haritharan Gunapalasingam (cover picture back)

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“Receiving, returning
and redeeming trust.”

TEAM.

Integrity, trust, top performance and customer orientation are four of the vital characteristics that Deutsche Telekom employees should embrace – and that they themselves may expect of others. This is the only way to ensure that we will be successful, efficient and content as a team in the long term. Deutsche Telekom has teams of all sizes featuring diversity at all levels, in its projects and departments, business areas, national companies and in the Group as a whole. Every team and every team member plays an entrepreneurial role to ensure that we delight both our internal and our external customers. As a Group team in our One Company, we drive Deutsche Telekom’s transformation and restructuring on its way to becoming the most highly regarded service company in our industry. The transformation to the new Deutsche Telekom is supported by our new Guiding Principles, which constitute the global value framework on which our actions are based.

“Respect and integrity guide our behavior – that’s an element of our Guiding Principles that I experience myself every day.” Haritharan Gunapalasingam works as assistant to the head of Marketing and Sales Management for Mobile Communications at Telekom Shop Vertriebsgesellschaft mbH. “For me specifically, respect and integrity guide our behavior means that both my former boss as well as my current boss have always supported me in my plan to take up a part-time degree course.” If everything goes according to plan, Haritharan Gunapalasingam, who came to Germany from Sri Lanka at the age of five, will have completed his Bachelor of Business Administration course by early 2011.

This will mark the end of this formal education for the time being: “After this I want to concentrate first and foremost on my work.” Not as a model, however, even though he is one of the faces used in the Guiding Principles poster campaign: “No, I simply want to get on and advance my career.” And Haritharan Gunapalasingam reckons that this is something he can do really well at Deutsche Telekom: “Here I have all the aspects and fields that interest me under one roof.” He will, at any rate, be able to put the know-how he acquires during his degree course to good use – in his own interest as well as in the interest of his colleagues and the Group as a whole.

- In 2010: 3,500 new hires in Germany alone.
- More than 150 million mobile telephony customers and 38 million landline connections worldwide.

“It’s good to help –
and good to know how.”



“In an emergency I would don my pandemic mask right away and proceed to the entrance, where I would hand colleagues their face masks as they enter the building.” Sonja Stockfisch, an expert in Human Resources, Legal Affairs and Skills Development for Deutsche Telekom Direct Sales and Consulting (Telekom Direkt), is one of 4,000 voluntary first aiders in Germany who are also active as pandemic helpers. “Deutsche Telekom does a vast amount to protect its employees,” she adds. In the case of the “new” H1N1 influenza virus, for example, it installed an emergency program that cost in the region of double-digit million euros, established a special Group crisis team and launched a comprehensive information and prevention campaign to provide employees with all-in protection.

With success: Since the new virus surfaced, the Group Situation Center has registered 495 cases of suspected flu and 349 confirmed cases, a figure that represents only 0.3 percent of the total workforce. Deutsche Telekom’s Occupational Safety and Health team sets a good example in many other areas, too. It provides personal and hotline advice for executive staff and employees, and offers preventive medical treatment throughout the company, ranging from basic check-ups and colon cancer screening through to influenza vaccinations. As health ambassadors like Sonja Stockfisch comment: “If something happens, I would like to help and to know how to do it best – whether it involves an accident at work or the new flu virus.”

- Strong health management and preventive medicine – without compromise.
- 4,000 pandemic assistants in Germany alone.

- On the way to Enterprise 2.0: Blogs with up to 170,000 hits each month; 7,000 users in the „Telekom Xing“; 120 collaborative projects in the Telekom wiki.

“Getting things moving together.”

“One of the most fascinating moments at the Barcamp was seeing how people who didn't know each other at all were able to settle on a joint course of action and get things moving - all without words.” Martina Schildknecht, Junior Business Consultant at T-Systems, is a member of the “Enterprise 2.0” team and, in this capacity, visited the Barcamps. She was not the only one seen to enjoy the phenomenon of what is known as “crowd intelligence” as she joined the other participants at the lively interactive event in 2009. “For me the Barcamps are the best indication that we can accept changes very quickly and that, by taking the initiative, we can ourselves help to make them successful.” For this reason, the events are vital elements of change communication, which Deutsche Telekom is using to support the merger of its Germany business in one company. “This simply means collaborating more closely as a matter of course, with more networks in our day-to-day work.” With this in mind, a growing number of employees now use the company's social networking applications such as the Telekom wiki. A blog platform has been set up and “People Network,” the company's internal “Xing” platform, already has over 7,000 registered users. “Without these platforms I would never be able to network so quickly and enjoy exchanges with so many new colleagues.”

One company, one team, a common service culture.

International subsidiaries of our Group such as Magyar Telekom in Hungary are leading the way. They have long been successful as integrated providers, delighting their customers as a one-stop shop for best-in-class service and innovative broadband, fixed network and mobile communications solutions. We are now applying the One Company, one Service principle to our home market in the new Telekom Deutschland GmbH. Clear structures and a customer-oriented organization indicate the direction that our Group is taking to achieve its global orientation. Our object is to delight and convince our customers all over the globe - with One Company on four continents.

- Service leadership.** A key leadership quality for our management staff is practiced service orientation for customers and employees. The Service Academy, which was founded at the end of 2007 for our executive staff in Germany, and many comparable schemes in our national companies play a major role in reaching this goal.

Future-proof jobs thanks to anticipatory planning.

We are one of the few global players that deploy modern total workforce management in our end-to-end human resources planning. We use it to anticipate mid-term changes in product portfolios and markets, and translate them into strategic human resources programs.

- Holistic approach and anticipatory planning.** We keep our eye not only on the internal workforce and skills structures but also on those of our freelancers, external consultants and employees of important service providers. In doing so, we ensure that our Group team benefits from needs-based skills development and wins the skills it needs for the future on the talent market.
- Upsizing, restructuring, downsizing.** We continue to balance our company's age structure and bring new know-how into the company. We ensure that the necessary workforce restructuring measures are implemented in a way that is as socially considerate and as fair as possible, both for our civil servant and our non-civil servant employees.

“Team spirit, service mentality and vitality in our staff teams – this is the way to our One Company.”

Thomas Sattelberger, Member of the Board of Management, Human Resources

- Team stands for reciprocity: As employers, we give our employees all the support they need and, in return, expect them to dedicate themselves fully and as a team to our common corporate goals.
- We do everything in our power to anchor One Company and our vision of becoming the most highly regarded service company in employees' hearts and minds as well as in the organization as a whole, for the benefit of our customers as well as of the Deutsche Telekom 'family.'
- New skills, human resources development and a healthy corporate culture are at least as important as cost efficiency. We are therefore forging an even closer link between workforce development and our corporate goals.
- We continue to make the necessary personnel adjustments in a way that is as socially responsible as possible, and maintain a balance between our downsizing, restructuring and upsizing activities.



Global One Company.

Respecting the difference.

Our team is as global as our strategic orientation. With five binding Guiding Principles and the Code of Conduct in place for the entire Group, we have established a basis for a shared, dynamic service culture. As we shape our relationships, we take regional, national and cultural aspects into account and respect the legal and cultural characteristics of each individual country. This applies to our dealings with employee representatives and national labor unions as well as to employee relations in national companies without union representation.

- National autonomy, global framework.** In our Guideline for Cooperation with Employee Representatives, we have made it clear that national management bodies bear individual responsibility for building employee relations. Our Guideline is based on our own Guiding Principles as well as on pioneering documents such as the United Nations Global Compact, the OECD guidelines and the core labor standards issued by the International Labor Organization (ILO).
- Cross-EU participation.** Through our European Works Council (EWC), we maintain an active exchange with the employee representatives of a growing number of subsidiaries and affiliated companies in the Member States of the European Union. Here again, we promote mutual understanding and International collaboration in the Group.



"My thesis addressed the legal foundations of company training at a theoretical level. Today, I am involved in mentoring trainees in a very practical way as part of my day-to-day work." Katja Petzsche (left) is a senior expert in the Deutsche Telekom HR unit. Ruby-Marie Quijano, currently in her first year of training as an office communications administrator, is one of her mentees. "I believe this is one of the greatest benefits Deutsche Telekom offers its

employees: the hugely diverse range of opportunities to learn and train at work," says Katja Petzsche. She herself is a perfect example of this philosophy: Having trained initially as an office communications administrator at Deutsche Telekom, she later went on to get her university entrance certificate at evening school, followed by a degree in economics, and finally trained and graduated as a certified manager from the Sankt Gallen Manage-

ment Center in Switzerland. "The company and my superiors supported and encouraged me every step of the way." In April 2009 Katja Petzsche began working on her dissertation, again on a part-time basis alongside work. Now, though, her attention is dedicated to a rather different "project" – in May 2010, after statutory maternity leave, she will be returning to work part-time as a brand-new Mum.

- Four continents – one talent company.
- Some 11,000 trainees and students on cooperative degree courses in Germany alone.

"So many opportunities
to learn."

TALENT.

To ensure lasting inventiveness and energy, a company must be capable of attracting the best talent and offering interesting development prospects to its employees in a dynamic corporate culture. Deutsche Telekom is setting clear signals for its evolution into a global talent company: Having enjoyed a reputation as an excellent employer in Europe, and particularly the USA, for many years, we are now increasingly being recognized in Germany for who we really are – one of the best training providers, an outstanding employer, and a top talent company. We give young new talents the opportunity to grow, by giving them the most challenging tasks. We also train our own junior staff, as well as recruiting graduates from both Master's and Bachelor's degree courses, along with developing and enhancing our portfolio of part-time degree programs. We ensure that our innovative strength is continuously reinforced, by providing our teams with access to the very latest knowledge throughout the course of their working lives. With one eye on the future, we systematically promote the recruitment of talent as well as succession planning and skills development for our expert and management teams in dedicated career paths, and are increasingly extending this practice to international level.

“It took concentration and ability!”



First skepticism, then concentration, surprise, and enthusiasm, describes the range of emotions experienced by participants before, during and after the planning game at the Service Academy. “Suddenly the team just got it,” says Claudia Förster (front left). “We realized that if we wanted to reach our goal, we’d have to think outside the box,” says the Diversity Manager at Deutsche Telekom, Germany segment.

“The team also had to come up with some creative new approaches.” Her colleague Manfred Ripper (front right), sales manager for around 6,000 small and medium-sized enterprises (SME), adds “We were all really up for it; we discussed everything and worked together to achieve joint success.” No-one stood back and refused to join in, he adds. Both executives are enthusiastic about the Service Academy and would like to implement similar

staff training events in the future. Claudia Förster: “These events let us demonstrate how important the individual employees are to the Group. We all benefit from it.” The first step has already been taken: Special workshops are available to the teams of Service Academy participants under the motto “Tailor-made Service Academy.”

- Over 740,000 person-days of training in Germany in 2009.
- Some 1,400 management staff attended the Service Academy in 2009.

"Someone asked me really politely to take my place in the queue like everyone else. I had simply walked past without noticing it." It was not just everyday things like this that were new experiences for Stefan Rohfuss during his six-month stay in England under the international human resources "Telekom X-change" development initiative. "The really respectful and friendly way colleagues dealt with each other also impressed itself on my mind." Now back in Germany, the head of "Team Platforms and Testing" at T-Systems continues to support the head of the project team that he joined to look after Deutsche Telekom corporate customers in London and Milton Keynes. Gema Garcia confirms Stefan Rohfuss' experiences – but the other way round. The HR expert normally works for T-Systems

ITC Services España in Barcelona. However, she is currently working at the headquarters of T-Systems in Frankfurt/Main at HR International in Germany under the Telekom X-change initiative: "I found that German and Spanish people are both very direct in their dealings with other people. However, there are differences in the way they work. In Spain, a lot of things simply get done – in Germany they are often discussed first. Of course, each approach has its advantages and disadvantages." Gema Garcia and Stefan Rohfuss both draw the same conclusion. They would not want to be without their Telekom X-change experience, and found the encounter with new cultures and colleagues an enrichment of their personal and professional lives.



"You see things with different eyes."

- Development programs for young talents and executives: More than 1,500 talents participated once again in 2009

First-class employers for talent, training and career entry opportunities.

We want to become one of the top ten talent companies - country for country. We are already a leading enterprise in many of the job markets where we operate. In Germany, too, we are well on the way to regaining our reputation as a recognized talent company and attractive employer.

- **Growing international success.** In the United States, T-Mobile USA ranked among the Top 100 companies for the first time in 2009. Other award-winning companies included T-Mobile Croatia and T-Mobile Slovensko, as well as T-Systems Italy.
- **In Germany** we have been winning awards as an outstanding training provider for many years. Almost 11,000 young people are currently in the process of completing their training with us. We now offer ten different training occupations.
- **Bologna@Telekom.** Regardless of whether students opt for a full-time, cooperative or part-time degree course, Deutsche Telekom has championed the Bologna university reform from the outset. For 2010, we are planning to expand the number of degree courses available, as well as the number of places on offer.

A new Group – New trainee and talent management.

As a company with a new focus, we are now developing a new, globally oriented trainee and talent management system. On the one hand, this will attract fresh talent and up-to-date expertise; and on the other, it will also ensure comprehensive skills development and retraining options, together with a host of development prospects, for our employees.

- **Web 2.0, iPhone and events.** We are intensifying contact to tomorrow's top talent. To this end, we successfully make use of contemporary media such as social networks, a job app for the iPhone, and unconventional dialog events such as "Technology meets Talent" and "Talents in Touch".
- **Career page upgrade.** Users visited our outstanding career page more than 600,000 times in 2009. We will continue to expand the online platform in 2010 – to become an international career portal with job postings from around the world.
- **STEP up! and Go Ahead!** are the career paths for executives and experts, with an increasingly global focus. They provide an in-house talent pool from which to fill management and expert vacancies.

"Companies with an aptitude for winning and retaining the best talents have the best chance of success in global competition."

Dr. Peter Körner, Head of Human Resources Development

- **Four continents – One talent company.** We support Deutsche Telekom's transformation into an international service group with a uniform, Group-wide system of talent management that transcends national borders.
- **"Home-grown" talents:** We cultivate and enforce our policy of promoting and advancing employees from within our own ranks. Amongst other things, we are Germany's largest training provider, and the range of courses available is being selectively expanded.
- **Development means employability:** We encourage and expect our talents to seize the international development opportunities available to them. For themselves, for the Group, and for our customers.
- **We believe that development continues** throughout every phase of an employee's working life, and that includes options such as part-time work for executives and experts returning to work after taking time out to raise a family, and intensive networking opportunities.

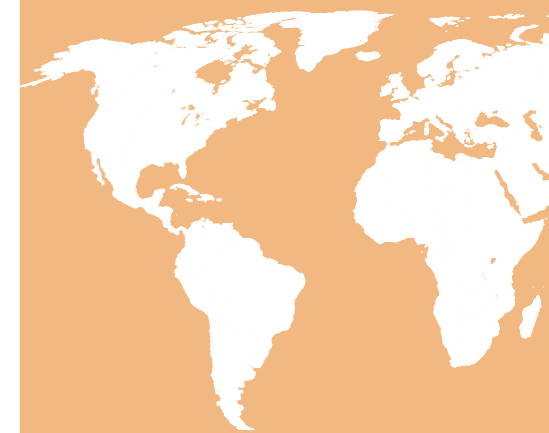


Encouraging mobility.

Global programs for our employees.

We generate almost 57 percent of our revenues outside of Germany, where more than half of our workforce is employed. We need and actively search for talented, high-performing employees around the globe. We use a range of tailor-made programs and initiatives to recruit and promote them, and to ensure their long-term loyalty to Deutsche Telekom. Simultaneously, these programs are crucial for an international exchange among employees and, with it, an exchange of invaluable know-how and experience. In this way, we are also supporting the development of a holistic understanding of Deutsche Telekom's corporate mission statement and transformation.

- **"Jump in!" and "Start up!"** The entry point for university graduates, either directly to the desired position or – on a project basis – in a Board of Management department. Both have potential for assignments in Germany and abroad.
- **Telekom X-change.** This exchange program has become established as a global HR development initiative with specific project tasks.
- **Leadership Excellence Programs.** These uniform Group-wide programs, differentiated according to management level, encourage a uniform understanding of leadership and Group-wide networking between our executives.
- **Professional Programs.** These expert development programs, held entirely in English, are targeted at the Group's global experts. There is also the possibility of studying for a Master's degree.



TECHNOLOGY.

Only new ideas will spawn innovation and generate new areas of growth, and only sustainable corporate growth will produce respect and a good reputation in society – as well as good long-term employment prospects. Deutsche Telekom is aiming for sustainable growth through new technologies, products and services. This is the reason why innovation is so important for us. Only an open approach to all things new will enable us to attract and keep the best staff – the smart employees who research, develop, commoditize, market and sell products successfully and provide top-quality support. We are also aware that we can only achieve high-tech in our products with “high touch” in our culture, in areas such as sovereignty at work, a low-hierarchy “egalitarian culture” and career paths for high-tech experts. Our vision is to become an international leader for connected life and work. Our object in doing so is to offer our customers the best user experience, wherever they are and whenever they need it. We are treading new paths in order to delight them and mesh the latest scientific research with application-oriented development. With our own cutting-edge research unit at Deutsche Telekom Laboratories and our state-approved university of applied sciences, we are able to draw on a unique reservoir of know-how, smart minds and forward-looking ideas. In addition to this, Deutsche Telekom collaborates closely with university institutions, innovation networks and business enterprises. We combine our staff’s know-how and ideas with open innovation and an entrepreneurial mindset, supplying our customers with technology that is quick, powerful, intuitive and easy to use. High-tech – high touch – it’s all about Enterprise 2.0!

- Deutsche Telekom as co-investor in education.
- Top-level research for the gigabit society.

“Researching the future of telecommunications.”



“Mobile communications in hospitals, WLAN applications, RFID and in-car technology – wherever applications involve high frequencies in excess of 1 gigahertz, our foil acts as the perfect screen or rather, the perfect absorber.” Professor Detlef Schlayer, Vice President of Deutsche Telekom’s University of Applied Sciences in Leipzig (HfTL), gives a vivid description of the possibilities offered by a new synthetic foil that HfTL has developed in conjunction with partners in industry. In the

future, the foil could replace the dark-blue absorber pyramids that line the “EMC test room.” EMC stands for electromagnetic compatibility and is one of the research and development fields in which the university produces top talent. HfTL offers state-of-the-art, practice-oriented technology education in its ICT and business information systems courses. The university also provides an excellent study environment, with one teacher for every ten students and optimal equipment. This is

reflected in the low rate of premature leavers from cooperative degree courses, which currently lies at below five percent. Professor Schlayer comments: “Beside our cooperative courses, students can also opt for full-time or part-time courses to continue their education.” Since the Bologna university reform, HfTL’s Master graduates fulfill the requirements for taking a doctoral degree.

“Designing for tomorrow’s customers today.”

“It all started with a shoe box full of materials,” Barbara Schulz recalls. Today, the qualified designer’s “Colors & Materials” team uses a library containing around 5,000 different materials to design items such as cell phones for the near and more distant future: “We translate the value of a product, so to speak, into hands-on quality.” “And, of course, we have to keep everything as simple as possible,” her colleague, Alexander Schulze, adds. As an interaction designer, his responsibilities include making sure that customers can navigate the user interface on their handset without any difficulty and, at the same time, enjoy the distinctive “Made by Deutsche Telekom” product experience: “This includes functions, operation, and finding familiar elements and icons when they change from one handset to another – or from a cell phone to a

television set with Entertain, our TV service.” To achieve this, numerous creative professions – product managers and designers, technology and marketing experts – work hand in hand at Deutsche Telekom’s Products & Innovation unit, which includes T-Gallery as a “Forum for the Future.” They all have a common objective, namely to surprise customers time and time again with innovative in-house developments. This is a particularly exciting part of both designers’ work: “We work on products and services that customers could well be using every day in one or two years from now.” And we do this in flat-hierarchy working environments that allow room for independent thought and action on an equal footing.

- Some 7,000 patents. A new patent filed every week.
- Think tank: T-Gallery, Deutsche Telekom Laboratories and more.



- Experts for service, hosting, virtualization, mobile data and more – for 400 multinational corporate customers.

“Exceptions are the rule.”

“An airport involves permanently coping with exceptional circumstances. Everything is on the move and highly dynamic.” Jens-Dietrich Behne supports T-Systems customer Fraport AG in his capacity as Principal Consultant. T-Systems provides Frankfurt Airport with all the applications it needs to handle flight operations. In addition, T-Systems teams up with Fraport in a joint venture to run the airport’s data center. “We control and update around 1,500 data records per flight.” With over 1,400 take-offs and landings each

day, this means? “A vast amount,” Jens-Dietrich Behne laughs, “and we succeed if passengers notice nothing at all, because this means everything has gone off without a hitch.” Then, for example, the latest take-offs and landings are displayed to passengers, ground staff depart for the scheduled parking position once a plane that is about to land sends the 10 miles out (TMO) signal – and suitcases board the same aircraft as their owners. Frankfurt Airport is a perfect example of the crucial role that products and services from Deutsche Telekom often play in day-to-day opera-

tions, without users being aware of it. “We also operate Lufthansa’s 400 self-service machines, for example,” explains Danijela Pavlovic, who supports the Lufthansa team’s Key Account Management. Together with T-Mobile, T-Systems is also responsible for mobile voice and data communications at Lufthansa. “We link up more than 500 locations in over 100 countries via a global network.” This is how reservations, ticketing and boarding function at all airports served by Lufthansa.

Linking research, development and application.

We combine the latest scientific research with application-oriented development to ensure that our products and services delight our customers. To achieve this, we collaborate in a close network of university and scientific institutions and innovative business enterprises.

- **Leipzig University of Applied Sciences (HTL):** We seek and secure more than just the young talent from our in-company university. Its outstanding research work also creates the basis for future developments and technologies. Students can apply their knowledge to their own projects as well as in day-to-day work in the company – and our company profits from the fund of new ideas, concepts and experience.
- **Deutsche Telekom Laboratories:** Over 300 scientists and experts from all over the globe work at Deutsche Telekom Laboratories. A patent for a new idea is applied for every week. Deutsche Telekom Laboratories offer a new quality of cooperation between university institutions, innovation networks and business enterprises.

Service professionals bring innovative technology to the customer.

We want to supply customers with high tech that is tailored to their wishes and needs – and to do so at a constantly high level of quality. We therefore require our employees to embrace a distinct service mentality and technology skills.

- **Broad basis for top customer service:** Our service careers offer our high flyers attractive development opportunities. These include an additional role as product ambassador. In this capacity, for example, they convey know-how and benefits arguments for key products to their colleagues.
- **Deutsche Telekom on tour:** We will be using the Telekom Shop Truck at big events and in sparsely populated areas to bring our products even closer to our customers in 2010.
- **Excellent service bases:** With our new contact centers, we are installing competitive cost structures, even better customer service and secure and sustainable jobs in the
- Deutsche Telekom Group with workstations that are perfectly tailored to the needs of our employees.

“We delight our customers with innovative top technologies and top service. Experts and visionaries find the best prospects for professional development here. In our company, ideas make careers.”

Andreas Moelich, Head of HR International

- A new way of thinking for new ideas. We are open to impetus from customers and employees, developers and innovators. Deutsche Telekom strategically combines open innovation with their expertise and entrepreneurial thought and action.
- Creating the future through innovation. We are involved in state-of-the-art research and application-based development, and we hold future workshops. In this way, Deutsche Telekom is positioning itself at the forefront of the knowledge economy of the 21st century.
- Improvement through integration. Experts draw other experts – by throwing our doors open to specialists and experts and firmly binding them to us, we systematically foster talent magnetism in all fields of technology and development. And secure for the company expertise for the connected life and work of tomorrow.

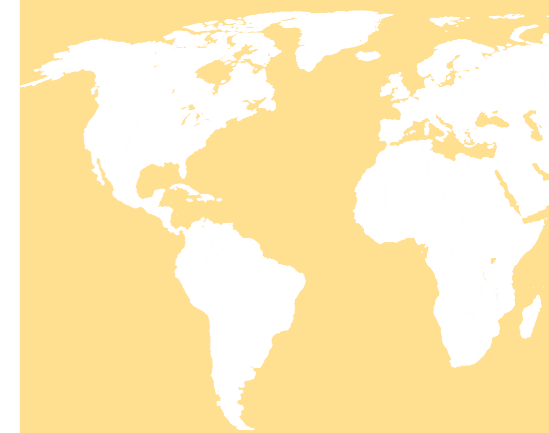


Global & interactive.

New room for independent thoughts and actions.

Open innovation is taking us to Enterprise 2.0: The future belongs to companies that interact openly with their environment – with customers, with inventors and developers, consultants and inventive minds, tech freaks and out-of-the-box thinkers – and who, last but not least, benefit from the wealth of ideas and genius of their employees. We promote networking among our employees all over the globe with social media, and activate knowledge exchange across units and across corporate boundaries. Through the ongoing process in which we are streamlining our hierarchies, we create new room for independent thoughts and actions. We are on the way to Enterprise 2.0.

- **Innovation Day:** We invited our “innovation community” to the Innovation Day at Deutsche Telekom’s Berlin Representative Office for the third time in 2009. Here we discussed trends and projects with representatives from the ICT industry, science and research.
- **developergarden.com** is our community for developers and software architects. Here they can give full rein to their creativity and exchange views in detailed discussions with the Group’s experts.
- **Ideas management:** Through our portal “genial@telekom” we offer our employees optimal, state-of-the-art opportunities to integrate their ideas and know-how in our company and thus make a joint effort to initiate improvements.



“A truly unique achievement.”

- 260,000 employees, revenues of 65 billion euros.
- 33 countries, cultural diversity, one corporate culture.



TOLERANCE.

For Deutsche Telekom, tolerance is synonymous with productive diversity. More than ever before, the Group's global success is driven by the diversity of our company, the uniqueness of our employees, and the variations in their individual styles. Women and men, able-bodied and disabled, different cultures and religions, homosexuals and heterosexuals, young and old: Deutsche Telekom embraces this rich tapestry of personalities and experiences, skills, ideas and behavior. This is part of our transformation from an introverted, technically oriented and centrally controlled corporation into an international, customer-focused network of equal partners who rely on one another. This is true throughout every level of the company, both internally and externally. Everyone linked to Deutsche Telekom benefits from our policy of “Adding value by valuing others”: our employees just as much as our customers and shareholders, suppliers and service-providers, society and the environment.

One Telekom Shop, three training vocations, five nationalities, 23 trainees: put them all together in Ludwigshafen-Oggersheim, and you get a very special mixture of people, and a very special project – the “Telekom Trainee Shop.” “What the trainees did and achieved here was unique,” says Peter Dörrzapf enthusiastically. He is a trainer at Deutsche Telekom Vocational Training (TA) and was on hand to support the trainees during their Shop Project 2009. “We split up into different teams to solve the various tasks as effectively as possible,” explains Jacqueline Kost, then head of the Trainee Shop. As well as mar-

keting, PR and technology teams, they also had an Entertain roadshow truck team and a training team. While the truck team was out and about presenting Entertain at a number of locations in the Ludwigshafen region, the training team was busy offering a range of services, including Entertain training courses in Turkish. As the project included German, Polish, Russian, Turkish and Tunisian trainees, “ethno-marketing” was the natural outcome! “As well as organizing everything ourselves, we also set our own sales targets,” continues Jacqueline Kost. They significantly over-achieved some of these targets, as well

as outstripping regular sales figures in some cases, such as a six-fold increase in sales of a particular mobile phone plan. Peter Dörrzapf adds: “What the young people learn here in 14 days is more than they would otherwise learn in six months!” Since its launch in 2004, the Shop project is now firmly established on the training calendar, and plans for the “Trainee Shop 2010” are already underway. Next year's Shop will focus on marketing of the iPhone. We would like to take this opportunity to wish the participants every success!



“I can actively experience my daughter growing up.”

“I am very fortunate that Deutsche Telekom provides a framework for combining work and family life.” That isn’t the only thing Axel Lampe (left) appreciates as an executive at Deutsche Telekom Technical Service: “My boss supported my decision from the outset – and my colleagues say, “Hats off to you.” It’s just one of those things you have to do.” To begin with, Axel Lampe took two months’ parental leave. Now that his daughter is attending the Deutsche Telekom day-care facility “Kita Wirbelwind,” he is considering ways of tipping his own personal work-life balance slightly more in favor of his family. Martin Röber, IT service technician at T-Systems, like-

wise decided to take parental leave, in his case for a full year. His twins now have places at the “Telekom Kita” day-care facility in Bonn, and Martin Röber is back in his old position working part-time: “I was delighted with the level of support and understanding I received, both when I left and when I returned to work.” Axel Lampe appeals to fathers everywhere: “I can only advise every father to take parental leave. To experience my own daughter growing up has created a strong bond between us. At the same time, it is also hugely motivating, both personally and professionally.”

- work-life@telekom. Combining work and private life.
- Over 15,000 part-time positions in the German Group alone.

“We need role models – and we are role models ourselves.”

- 30 percent female executives in Germany by 2015.
- Worldwide, the figure is already up to 46 percent in some locations.

Mixed-gender teams are more successful than all-women or all-men teams. What is more, companies with a high proportion of women are more successful than those with only a few female employees. Deutsche Telekom plans to use this particular strength to the benefit of its continuing global development. To this end, it needs female executives – such as the 200 or so international guests who attended the management event “Female Future Leadership.” The event provided an opportunity for them to network and debate with top management, the majority of whom are still men. The invited guests included Jeannine Pilloud, Senior Vice President at T-Systems International. She vocalizes what many of those present want: “We

need role models. When we see other women being successful as managers, we believe that we too can be successful.” Female Future Leadership is indicative of the Group’s plans to promote women with leadership potential in the future: Through targeted measures to get more women into established management and HR development programs, and as the first DAX 30-listed company with a quota for women in management positions. Jeannine Pilloud, who manages corporate customers throughout western Europe together with her team, feels that women themselves also have an obligation: “We need to be our own role models, to set a good example, and to recruit other qualified women.”

Social commitment as the basis for lasting success.

For Deutsche Telekom, “diversity” is not just something we pay lip-service to, but a crucial aspect of business. There are plenty of good reasons for our company to get socially involved:

- **Women in management.** Women are our customers, more and more of them are now responsible for purchasing decisions, and over one-third of our workforce is female. We want this to be reflected among our management: by the end of 2015, our goal is that 30 percent of middle and senior management positions worldwide should be held by women.
- **Generation@Telekom.** Our mission is to establish a balanced age structure that will enable us to utilize the recently acquired know-how and fresh perspectives of young talents, alongside the long-standing experience and expertise of our experts and executives.
- **“My chance to get going!”** In collaboration with the Federal Employment Agency (BA), we became the first DAX 30-listed company to offer young people from disadvantaged backgrounds a chance to get a foot on the employment ladder.

work-life@telekom. Combining work and private life.

Growing mobility, coupled with greater flexibility and the blurring of the lines between work and private life, have created new freedoms, but can also lead to tension and pressure. In 2009 Deutsche Telekom launched the work-life@telekom program, designed to encourage a good work-life balance. We will increase the number of company daycare places to at least 370 in Germany alone in 2010; another 200 places are planned. We also provide the following services:

- **Free-of-charge advice and placement of childcare close to home**
- **Free emergency childcare** (total volume utilized in 2009: 145 days)
- **An advisory and placement service** for employees with elderly family members in need of care (49 placements)
- **Family leisure offers** (some 44,200 persons and their family members took advantage of Deutsche Telekom’s recreation scheme)
- **Flexible work schedules** (15,661 employees in Germany work part-time)
- **Part-time vocational training** (9 participants in Germany), etc.

“Tolerance is a success-critical competitive factor. It facilitates the creativity and diversity we need to survive on the market.”

Mechthilde Maier, Head of Group Diversity Management.

- We need the diversity of our employees if we want to accommodate the diversity of the employment market, our customers and society.
- In a tolerant corporate culture, every individual is able to contribute their own individuality in a productive way – into products and processes, into the team, into their relationship with their superiors, into the working climate, and into learning processes.
- Our Group’s internationalism is an asset – both at an inter-personal level, and in a business sense. We are all willing and able to learn from one another. Our multinational clientele also needs to see that we address their specific requirements.
- René Obermann: “Taking on more women in management positions is not about the enforcement of misconstrued egalitarianism. It is a matter of social fairness and a categorical necessity for our success. Having a greater number of women at the top will simply improve us as a company.”



Successfully different.

Growing internationally – Bringing cultures together.

For Deutsche Telekom, tolerance is synonymous with productive diversity. More than ever before, the Group’s global success is driven by the diversity of our company, our tolerance of variety, the uniqueness of our employees, and the variations in their individual styles.

- **From Canada to Japan:** Deutsche Telekom is present in more than 30 countries. When we acquired a stake in the Greek telecoms company OTE, we gained more than 33,000 new employees in Southeastern European countries, and a further 3,400 from other major international deals. Our global acquisitions and deals are accompanied by expert, sensitive change management. Our success is due to a number of factors, including tolerance toward established cultures and backgrounds, openness to differences, and sensitive integration into the Deutsche Telekom network.
- **International networking, transfer of expertise, and relationship management.** We carried out a wide range of international initiatives during the reporting period. For example, our exchange program Telekom X-change encourages international HR development and the honing of intercultural skills. The “Africa is coming!” initiative promotes managerial top talents in Africa with a customized advancement program.

