

Costs and productivity

Personnel costs and personnel cost ratio

Declining personnel cost ratio confirms the positive trend of previous years

billions of €	2020	2021	2022	2023	2024
Personnel costs in the Group, non-adjusted	18.9	18.5	19.4	19.1	19.0
of which Germany	8.8	8.5	8.4	8.2	8.4
Special factors	1.8	0.9	1.4	1.6	1.1
Personnel costs in the Group, adjusted for special factors	17.0	17.6	18.1	17.5	17.9
Net revenue	101.0	107.8	114.4	112.0	115.8
of which Germany ¹	25.2	25.4	26.0	26.4	27.0
Adjusted personnel cost ratio, Group	16.8 %	16.3 %	15.8 %	15.6 %	15.5 %

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

In the 2024 reporting year, the Group successfully reduced its personnel cost ratio by 0.1 percentage points to 15.5 percent. The ratio relates personnel costs (adjusted for special factors) to revenue, and is used as steering KPI within the Group.

Adjusted personnel costs totaled EUR 17.9 billion. Despite the lower headcount, the adjusted personnel costs in 2024 rose by EUR 0.4 billion. This was primarily due to higher pay and salaries. Revenue also rose slightly to EUR 115.8 billion, continuing the positive trend from previous years. Unadjusted personnel costs fell by EUR 0.1 billion to EUR 19.0 billion and, in Germany, increased by EUR 0.2 billion. Group revenue rose by EUR 3.8 billion and revenue in Germany increased by EUR 0.6 billion.

Personnel costs are defined as basic personnel costs (wages, salaries) plus ancillary personnel costs (social costs). This figure is adjusted for special factors in conjunction with staff restructuring measures.

Total workforce costs

Stable total workforce costs in Germany

billions of €

	2020	2021	2022	2023	2024
TWC ¹	19.1	19.6	20.3	19.5	20.0
of which Germany	8.3	8.3	8.3	8.2	8.2
IWC ² (adjusted PC ³)	7.7	7.7	7.6	7.4	7.5
EWC ⁴ leased and temporary staff	0.03	0.02	0.03	0.02	0.02
EWC ⁴ freelancers and consultants	0.5	0.6	0.7	0.7	0.7
of which internationally	10.7	11.3	12.1	11.3	11.8
IWC ² (adjusted PC ³)	9.3	9.9	10.5	10.1	10.4
EWC ⁴ leased and temporary staff	0.2	0.2	0.2	0.1	0.1
EWC ⁴ freelancers and consultants	1.2	1.3	1.4	1.1	1.2

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

² Internal workforce costs.

³ Personnel costs.

⁴ External workforce costs.

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

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

Total workforce costs for the Group rose by EUR 0.5 billion to EUR 20 billion year-on-year. In Germany, the IWC rose by EUR 0.1 billion and, internationally, these costs increased by EUR 0.3 billion. The costs of consultants and freelancers increased internationally by EUR 0.1 billion.

Personnel costs and total operating costs

Personnel costs as a share of total operating costs remain stable

millions of €						
Breakdown of personnel costs		2020	2021	2022	2023	2024
Payroll ¹	Group	14,092	14,350	14,808	14,309	14,670
	Germany	6,344	6,209	6,106	6,039	6,050
	Internationally	7,748	8,141	8,702	8,269	8,620
Social security contributions and company pension scheme	Group	2,926	3,206	3,271	3,218	3,234
	Germany	1,391	1,483	1,501	1,407	1,419
	Internationally	1,535	1,723	1,771	1,811	1,816
Adjusted personnel costs	Group	17,017	17,556	18,080	17,526	17,905
	Germany	7,735	7,692	7,607	7,446	7,468
	Internationally	9,282	9,865	10,473	10,080	10,436
Personnel costs as a share of total operating expenses		2020	2021	2022	2023	2024
Adjusted operating costs	Group	61,543	66,645	69,867	66,037	67,359
	Germany	14,486	15,763	16,316	15,902	16,367
	Internationally	47,058	50,882	53,550	50,135	50,992
Adjusted personnel costs as a share of total costs	Group	27.7 %	26.3 %	25.9 %	26.5 %	26.6 %
	Germany	53.4 %	48.8 %	46.6 %	46.8 %	45.6 %
	Internationally	19.7 %	19.4 %	19.6 %	20.1 %	20.5 %

¹ Values for 2020–2022 adjusted retroactively due to IFRS15 correction.

Of the EUR 17.9 billion in adjusted personnel costs, 82 percent is attributable to pay and salaries (EUR 14.7 billion), which were up 2.5 percent compared to 2023 due to the pay increases under collective agreements and one-off payments.

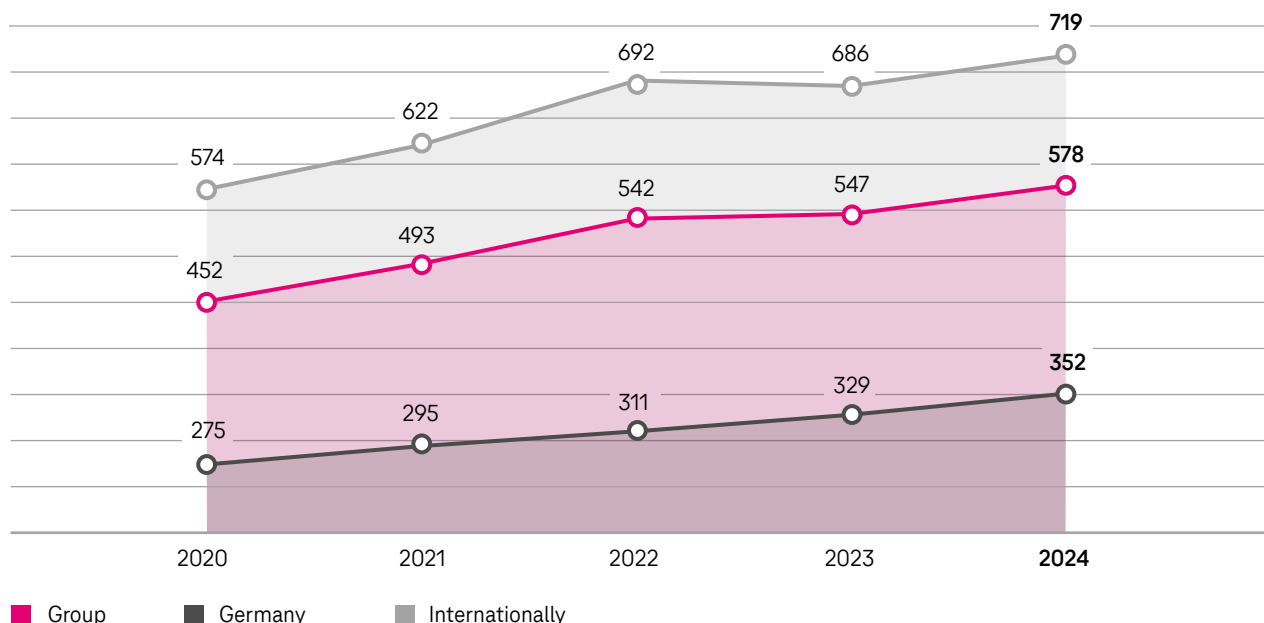
Social security costs and company pension schemes remain stable at EUR 3.2 billion. The schemes allow employees to supplement their statutory pensions.

The increased personnel costs are reflected in the slight rise in adjusted personnel costs as a share of total operating costs (0.1 percentage point).

Revenue and EBITDA AL per employee

Revenue per employee continues to rise

in thousands of €



	2020	2021	2022	2023	2024
Revenue, Group (billions of €)	101.0	108.8	114.4	112.0	115.8
Revenue, Germany (billions of €) ¹	25.2	25.8	26.0	26.4	27.0
Revenue, international (billions of €) ¹	75.8	83.0	88.5	85.6	88.8
International revenue as a percentage of Group revenue	75.0 %	76.3 %	77.3 %	76.4 %	76.7 %
Ø Number of employees, Group	223,539	220,840	211,236	204,856	200,227
Ø Number of employees, Germany	91,512	87,276	83,406	80,112	76,787
Ø Number of employees, international	132,027	133,564	127,830	124,744	123,440
EBITDA AL per FTE (average) (€), adjusted	156,829	166,959	186,803	197,899	214,860

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

2024 was another very successful year for Deutsche Telekom, with net revenue of EUR 115.8 billion. International revenue increased significantly by EUR 3.2 billion. Revenue in Germany also rose again, by EUR 0.6 billion. Domestic revenue per FTE increased to EUR 351,749. A full-time employee at Deutsche Telekom generated an average EBITDA AL of EUR 214,860.

Total workforce quota

Employee productivity improves further

billions of €

		2020	2021	2022	2023	2024
Group	PC ¹ adjusted	17.0	17.6	18.1	17.5	17.9
	EWC ²	2.1	2.1	2.3	1.9	2.1
	TWC ³	19.1	19.6	20.3	19.5	20.0
	Revenue ⁴	101.0	108.8	114.4	112.0	115.8
	TWQ ⁵ adjusted	18.9 %	18.1 %	17.8 %	17.4 %	17.3 %
Germany	PC ¹ adjusted	7.7	7.7	7.6	7.4	7.5
	EWC ²	0.6	0.7	0.7	0.7	0.8
	TWC ³	8.3	8.3	8.3	8.2	8.2
	Revenue ⁴	25.2	25.8	26.0	26.4	27.0
Internationally	PC ¹ adjusted	9.3	9.9	10.5	10.1	10.4
	EWC ²	1.5	1.5	1.6	1.2	1.4
	TWC ³	10.7	11.3	12.1	11.3	11.8
	Revenue ⁴	75.8	83.0	88.5	85.6	88.8

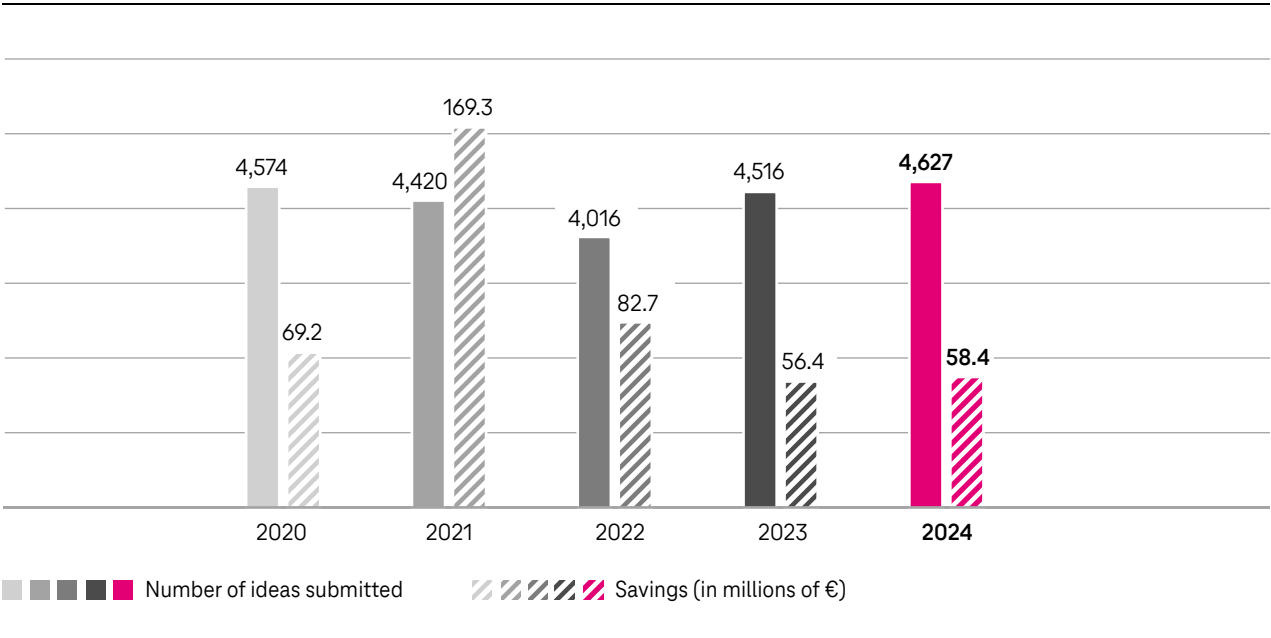
¹ Personnel costs.² External workforce costs: costs of temporary staffing + costs of freelancers and consultants.³ Total workforce costs: external workforce costs + personnel costs adjusted for special factors.⁴ The allocation of revenue to form the ratios is based on the HR perspective and thus on the location of the employees (FTEs). In the annual report, revenue is allocated according to the country in which the revenue was generated. The calculation is based on rounded figures in millions.⁵ Total workforce quota = TWC/revenue.

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

The TWQ at Deutsche Telekom was slightly down again last year, this time by 0.1 percentage points, which is reflected in particular by the increased revenue. Revenue rose by 3.4 percent while TWC rose by 2.9 percent. This resulted in a continuation of the slightly positive trend in TWQ.

genial@telekom in Germany

Ideas as a success factor: How creative ideas are increasing the company’s success



Idea Management is constantly developing new concepts and measures to promote the innovation potential of Deutsche Telekom's employees. Deutsche Telekom consistently succeeds in fostering a climate of innovation by improving its processes, products and services. Not only that, international campaigns have been in place since 2023 with the objective to collect, further develop, and ultimately implement valuable and beneficial suggestions. This has a positive influence on corporate culture and also contributes to securing jobs and the share price.

In 2024, the number of ideas submitted in Germany rose to 4,627. These ideas submitted by the employees resulted in savings and new business potential totaling approximately EUR 58.4 million, putting Deutsche Telekom among the highest-ranking companies in a cross-sector comparison. This success illustrates that Deutsche Telekom has confidence in its employees and both values and actively implements their ideas.

For several years in succession, Deutsche Telekom has won the German Ideas Management Award – most recently in 2024. It also received third prize in the “Production and Technology 2024” category. In this context, the extraordinary economic benefit of the implemented measure as well as its future viability in light of the upcoming mobile communications projects in Germany were given particular praise.

Unforced attrition

Declining unforced attrition within the Group

Unforced attrition rate					
	2020	2021	2022	2023	2024
Group ¹	3.9 %	5.2 %	5.9 %	4.6 %	4.4 %
Germany	2.0 %	2.1 %	2.5 %	2.5 %	2.3 %
Internationally ¹	6.6 %	9.3 %	10.7 %	7.4 %	7.1 %

¹ Excluding T-Mobile US.

Unforced attrition within the Group decreased for the second year in succession and was 4.4 percent in 2024 (down 0.2 percentage points), a trend which can be seen in Germany and internationally. In Germany, unforced attrition decreased by 0.2 percentage points and declined by 0.3 percentage points internationally.

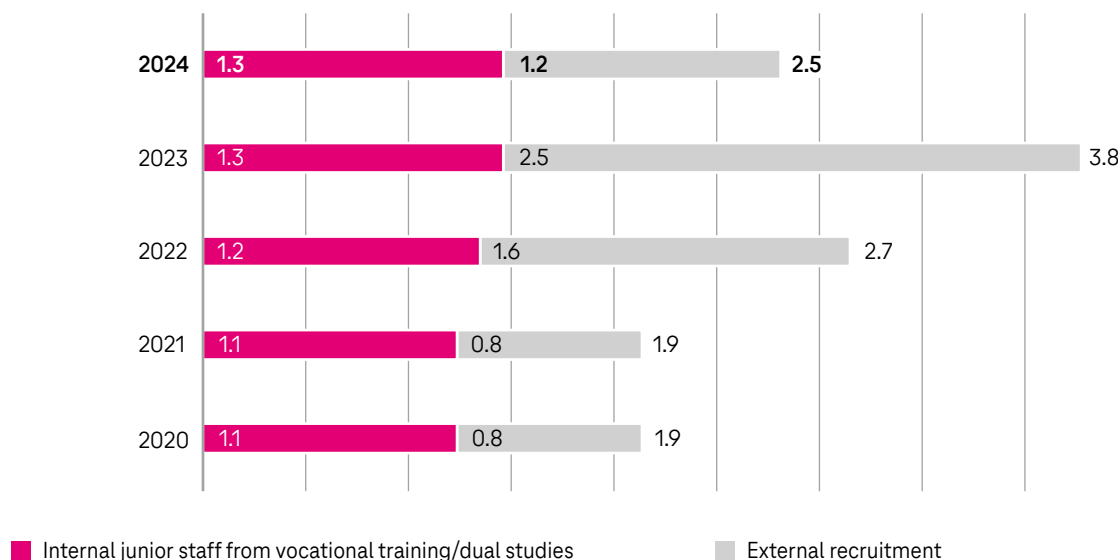
Unforced attrition is expected to rise in Germany in the future as more and more of the populous baby boomer generation reach retirement age. Approximately 700 employees retired in 2024.

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

Recruitment in Germany

Deutsche Telekom setting new standards as a top employer

k FTEs



Recruiting (FTEs)	2020	2021	2022	2023	2024
Total	1,900	1,917	2,744	3,783	2,459
Internal junior staff from vocational training/dual studies	1,100	1,080	1,179	1,310	1,252
External recruitment	800	837	1,566	2,473	1,206

In 2024, Germany once again recorded the largest share of new hires with over 2,400 new employees, 50.9 percent of whom were junior staff trained in-house. Worldwide, Deutsche Telekom hired more than 8,200 new employees, excluding the United States.

The focus of Deutsche Telekom's 2024 employer campaign was on IT jobs and their social impact as well as key topics such as work-life balance, appreciative cooperation among colleagues, inclusion, and recognition. The aim was to communicate the employer promise in a brave, humorous and appealing manner, and to position Deutsche Telekom as an attractive employer. Artificial intelligence was also creatively used in the content. In addition to campaigns and additional measures in the field of employer marketing, Deutsche Telekom also believes personal interaction is important in order to present a clear and transparent picture of the company. By attending trade fairs, events, including networking events, the company provides insight into its working world and career prospects.

In 2024, Deutsche Telekom was acknowledged as a Global Leading Employer and is therefore among the top 1 percent of the best employers in the world. It also ranks as one of the most attractive companies among students and is one of the largest training providers in Germany. The award for "Germany's best training organization" from Capital magazine proves that the quality is right here too – both in terms of vocational training and dual study programs.

Socially responsible staff reduction in Germany

Dedicated retirement and partial retirement remain popular

FTEs	2020	2021	2022	2023	2024
Dedicated retirement, civil servants	1,917	630	1,183	995	1,213
Early retirement, non-civil servants	77	66	79	54	39
Severance payments	745	526	619	551	760
Partial retirement (start of passive phase)	1,899	2,444	2,086	2,201	2,399
Transfers to public authorities, civil servants (final) ¹	146	70	49	259	37

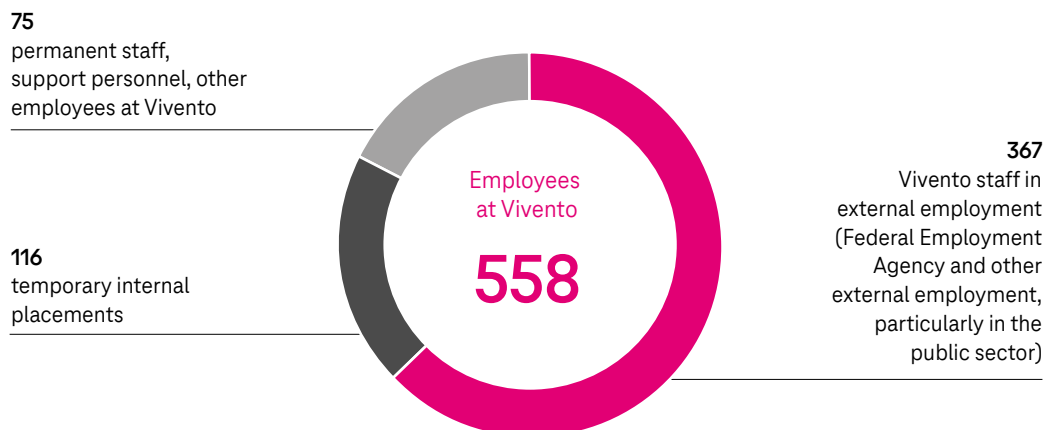
¹ Permanent transfers; civil servants are not entitled to return to the Group.

Deutsche Telekom maintains an unwavering commitment to socially responsible staff reductions. We again utilized the proven models of dedicated retirement, partial retirement and severance payments in 2024. Dedicated retirement is an early retirement scheme provided by the legislator for civil servants, capped until the end of 2024. In 2024, 1,213 civil servants took advantage of this scheme. Partial retirement generally follows a block model, with employees continuing to work full-time during the active phase, followed by a passive phase of the same length. This phase then transitions seamlessly into regular retirement or an old-age pension. 2,399 employees (1,727 employees and 672 civil servants) in Germany transitioned from the active phase into the passive phase of partial retirement in 2024. 760 employees in Germany took a severance payment. 37 civil servants were permanently transferred to public authorities.

Vivento employee figures

Reduction in Vivento employees and public sector placements

FTEs

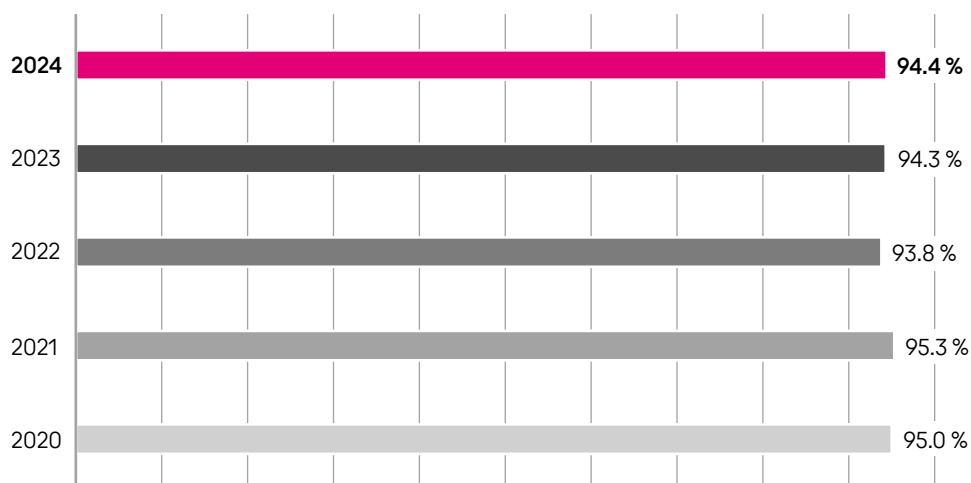


Employees (FTEs)	2020	2021	2022	2023	2024
Employees at Vivento	1,712	1,466	1,267	813	558
Vivento staff in external employment (Federal Employment Agency and other external employment, particularly in the public sector)	1,182	1,049	896	439	367
Temporary internal placements	233	208	202	217	116
Permanent staff, support personnel, other employees at Vivento	297	209	169	157	75
Employees permanently transferred to the public sector via Vivento	146	70	69 ¹	276 ¹	96 ¹
Staff transferred to Vivento since its foundation	54,370	54,405	54,456	54,485	54,509
Staff leaving Vivento since its foundation	52,658	52,939 ²	53,188	53,672	53,950

¹ Incl. non-civil servants from 2022.² Anzahl der Abgänge wurde um 6 FTE korrigiert

In 2024, 96 employees (civil servants and non-civil servants) transferred permanently to the public sector with Vivento's/next.JOB's support. Since the start of 2022, Vivento's next.JOB unit has assisted employees from the various segments of the Group who are seeking a new professional challenge outside of the Group in finding a role in the public sector. Vivento's placement service is aimed at both civil servants and non-civil servants. The bulk of employees who transferred to public authorities in 2024 moved to the Bundeswehr (German Federal Armed Forces), the German Federal Employment Agency, and other federal authorities and institutions in Germany. Employees were also transferred to positions at other public administration bodies. Ongoing demand for personnel in the public sector supported this development. As in previous years, the number of employees supported by Vivento was again scaled back in 2024, as planned.

Health rate in Germany

Health rate up slightly again year-on-year

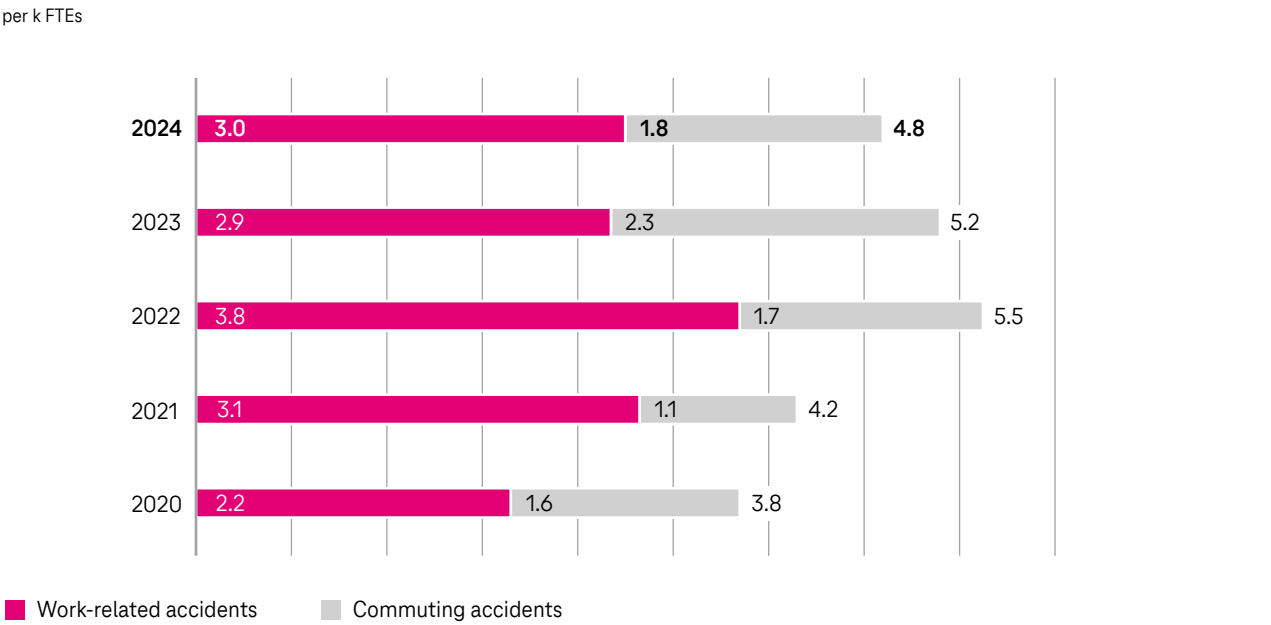
The health rate slightly increased by 0.1 percentage points and the annual average for 2024 was 94.4 percent. In 2024, musculoskeletal disorders, respiratory diseases, and mental health problems again accounted for the bulk of illness-related absenteeism.

Deutsche Telekom's health portfolio offers a wealth of resources and support measures dedicated to the health and well-being of the workforce. This includes the opportunity to take part in offerings to increase physical and mental well-being.

The company continues to work towards ensuring our employees receive the best possible support to keep them healthy, motivated and productive. In this context, Deutsche Telekom believes that feeling happy in the workplace is of key importance.

Work-related accidents in Germany

Fewer accidents on the way to work compared to the previous year



per thousand FTEs					
	2020	2021	2022	2023	2024
Total number of work-related and commuting accidents	3.8	4.2	5.5	5.2	4.8
Work-related accidents	2.2	3.1	3.8	2.9	3.0
Commuting accidents	1.6	1.1	1.7	2.3	1.8

In 2024, the number of accidents on the way to work per 1,000 employees fell to 1.8 – a significant improvement compared to the previous year. This positive development could be due to a sharper focus on digital briefings. The briefing on traffic routes potentially increased employee awareness with respect to safety on the way to work and contributed to significantly reducing such accidents.

The digital briefings are advantageous in several ways: As they are easily accessible, employees can view the content at any time and from anywhere. This means employees can flexibly integrate such briefings into their daily working routine and ensures that all employees can be briefed regularly and within a short space of time.

These digital briefings also present the topics in an appealing and interactive manner. This improves interest and attention among the participants, meaning that the safety information provided is better remembered and internalized.

At 3.0, the number of work-related accidents per 1,000 employees remained at a low level.