

# MATERIAL FOR ASSESSMENT EXERCISE II

## UNIT 4.2: STAKEHOLDER

1. Open the Excel file “CENOFIA Analysis Tool” and go to working sheet “Stakeholder”
2. Read though the following material and try to answer the questions in the CENOFIA Analysis Tool.

You have 15 minutes to complete this exercise.

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# STAKEHOLDER MANAGEMENT

As a company, we are constantly balancing the expectations of a variety of stakeholders when managing our business. That is why our success depends on recognizing the interests and demands of our internal and external stakeholders and meeting and addressing these whenever possible and reasonable. Stakeholders also expect to be kept informed of how companies are responding to their requirements. We go even further by actively surveying our stakeholders and involving them in our corporate activities.

Engaging in dialog with our stakeholders helps us identify trends early on, which fosters our innovation processes. At the same time, this strengthens existing alliances and creates new opportunities for partnerships. This is particularly important in terms of our sustainability targets, which we can only achieve in collaboration with partners from the worlds of politics (political advocacy), society, science and research, and industry.



## Analysts, investors and their representatives

- Private investors
- Funds, asset managers and analyst
- (SRI) rating agencies
- Analyst organizations and associations
- Institutional investors

## Customers, potential customers and their representative

- Youngsters and young adults
- Families
- Middle-aged people
- Senior citizens
- Small and medium-sized enterprises
- Large corporations

- Public authorities
- Consumer organizations and segment-specific interest groups
- Telekom Supervisory Board members

## Business sector and its representatives

- DAX-listed companies
- Other large corporations
- Small and medium-sized enterprises
- Trade and industry associations
- Cooperation partners
- Competitors

## Science, research and education

- CR and sustainability research institutions
- Political and business research institutions
- Universities
- Schools
- Day care centers
- Student organizations and university associations
- ICT, sociology and design research institutions

## NGOs and special interest groups

- Humanitarian organizations and charities
- Business ethics groups
- Multi-thematic organizations
- Churches and their relief organizations as well as other religious and social groups
- Foundations
- Environmental protection organizations

## Media

- CR and sustainability
- Players from politics and business
- Education
- Radio broadcasters, daily press, press agencies
- Online media and social networks
- Publishers
- Journalist associations/media groups
- ICT and communications

## Politics

- Players at national level
- Embassies and consulates
- Supervisory and regulatory authorities
- Communities and their representatives
- International organizations
- Players at EU level

**Employees, potential employees and their representative**

- Employees
- Managers
- Board of Management
- Applicants and prospective employees
- Trade unions and works council
- Employees and students
- Endowed chairs
- Apprentices/trainees

**Suppliers**

- Auditors and certification bodies
- Sub-suppliers
- Consultants
- First-tier suppliers

Stakeholder-Groups	Top 5 Subjects:
Analysts, investors and their representatives	<ul style="list-style-type: none"> <li>▪ Cyber safety</li> <li>▪ Privacy</li> <li>▪ ICT Solutions for a Low-Carbon Economy</li> <li>▪ Employee involvement</li> <li>▪ Mitigating climate change</li> </ul>
Customers, potential customers and their representatives	<ul style="list-style-type: none"> <li>▪ Data security</li> <li>▪ Employee involvement</li> <li>▪ Privacy</li> <li>▪ Cyber safety</li> <li>▪ ICT Solutions for a Low-Carbon Economy</li> </ul>
Science, research and education	<ul style="list-style-type: none"> <li>▪ Employee involvement</li> <li>▪ Socially relevant application of ICT products and services</li> <li>▪ Cyber safety</li> <li>▪ ICT Solutions for a Low-Carbon Economy</li> <li>▪ Privacy</li> </ul>
NGOs and special interest groups	<ul style="list-style-type: none"> <li>▪ Privacy</li> <li>▪ Cyber safety</li> <li>▪ Socially relevant application of ICT products and services</li> <li>▪ Transparency and reporting</li> <li>▪ ICT and child safety</li> </ul>
Politics	<ul style="list-style-type: none"> <li>▪ Privacy</li> <li>▪ Cyber safety</li> <li>▪ Socially relevant application of ICT products and services</li> <li>▪ Transparency and reporting</li> <li>▪ ICT and child safety</li> </ul>

Employees, potential employees and their representatives	<ul style="list-style-type: none"> <li>▪ Data Security</li> <li>▪ Privacy</li> <li>▪ Cyber safety</li> <li>▪ ICT Solutions for a Low-Carbon Economy</li> <li>▪ Employee involvement</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>▪ Privacy</li> <li>▪ Cyber safety</li> <li>▪ Mitigating climate change</li> <li>▪ Talent acquisition, retention, development and staff reduction</li> <li>▪ Data Security</li> </ul>
Analysts, investors and their representatives	<ul style="list-style-type: none"> <li>▪ All top-subjects of the materiality analysis 2017</li> </ul>
Media	<ul style="list-style-type: none"> <li>▪ All top-subjects of the materiality analysis 2017</li> </ul>

**FOSTERING STAKEHOLDER ENGAGEMENT**

We systematically encourage stakeholder engagement in our corporate activities. In 2011 we developed a strategy for stakeholder engagement in order to manage our various activities throughout the Group. The strategy is based on the three AA1000 principles developed by the NGO AccountAbility: materiality, inclusivity, and responsiveness. We reviewed compliance with these principles in 2013.

In addition to the annual stakeholder survey, we use various formats such as memberships and events to enter into dialog with our stakeholders. We also use the information of our NGO radar as well as informal exchange to inform our stakeholders about our requirements.

The feedback that we receive from our stakeholders through various channels is incorporated into our CR activities. We regularly ascertain what our stakeholders think of our activities and modify our CR strategy, if needed. To this end, we primarily use our materiality process and CR topic monitoring.

**FEEDBACK FROM THE STAKEHOLDER SURVEY**

Our ongoing stakeholder survey (To the survey) includes not only weighting topics (2017 results) and assessment of our sustainability performance but open-ended questions as well. Below is a summary of the most important feedback results for the 2017 reporting year, which we use to advance our CR activities.

Stakeholder recommendations on how Deutsche Telekom can further improve its corporate responsibility:

- Raising awareness of sustainable consumption among its customers (the "a new cell phone every year" principle goes against the sustainability principle)
- Implementation of a renewable energies strategy
- Active marketing of products with a good carbon footprint

Requirements concerning the sustainability of Deutsche Telekom products:

- Energy efficiency
- Reusability
- Use of recycled materials

Requirements on network expansion:

- Nationwide basic service with fast Internet

Expectations on sustainability rating in the supply chain:

- Stricter analysis of sustainability risks in the supply chain

Suggestions for strengthening commitment to sustainability among employees and in the corporate culture:

- Promotion of employee networks
- Establishment of an open and non-discriminatory corporate culture
- Transparent communication especially with regard to target agreements
- Harsher consequences for misconduct

### FORMATS FOR STAKEHOLDER ENGAGEMENT

The type and extent of our stakeholder engagement is based on the results of a case-related relevance analysis. Stakeholder relevance varies depending on the topic. In the sustainable finance area, for example, our investors are the most important stakeholders, which is why we are in regular communication with them. Of course, our customers play a decisive role in the development of sustainable products. The more relevant a stakeholder group is to the topic or project concerned, the more intensive stakeholder engagement can be. Depending on the intensity, we make a distinction between three types of engagement: information, dialog and participation.

#### Stakeholder involvement formats



#### Partizipation

- Stakeholder survey
- Development programs for suppliers
- YAM: information, discussion and awareness-raising
- Pilot project: making impact measurable
- Strengthening our corporate culture, encouraging a speak-up culture
- Collaboration for the protection of minors
- Cooperating in the name of security
- Co-designing Deutsche Telekom products and services in the think tank

#### Dialog

- 10. Sustainability Day at Magyar Telekom
- 1001 truths
- Expertise in the CR Report: You can ask Deutsche Telekom experts questions on selected topics, such as at sustainable products & services
- Magenta Security Congress
- In-house climate conference within the framework of COP23 at Bonn Headquarters
- Cyber Security Summit
- SRI roadshows
- Evaluating and implementing the EMF Policy
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#### Information

- Teachtoday promotes media literacy
- Good to know: Internal CR newsletter for employees
- Data protection tips with our one-pager
- The We Care website: Publication of a new edition of the magazine

### OVERVIEW OF MEMBERSHIPS AND COLLABORATIONS

#### Business and industry associations

- American Chamber of Commerce in Germany
- Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA, Confederation of German Employers' Associations)
- BITKOM industry association
- European Telecommunications Network Operators' Association (ETNO)
- Forum Nachhaltige Entwicklung der Deutschen Wirtschaft e.V. (econsense, Forum for Sustainable Development of German Business)
- GSM Association (GSMA)
- International Chamber of Commerce (ICC)
- Bundesverband der Deutschen Industrie e. V. (BDI, the Voice of German Industry)

#### Climate protection and environmental organizations

- B.A.U.M. e.V. environmental management organization
- Global e-Sustainability Initiative (GeSI)
- Stiftung 2° – Deutsche Unternehmer für Klimaschutz (2° Foundation – German CEOs for Climate Protection)
- Sustainability Leadership Forum (in collaboration with B.A.U.M.)
- European School of Management and Technology (ESMT) (Sustainable Business Roundtable)
- Global Compact
- Global Compact LEAD
- Caring for Climate
- Joint Audit Cooperation (JAC)
- Deutsches CSR-Forum (German CSR Forum)

#### Civic and aid organizations

- Bündnis für Verbraucherbildung (alliance for consumer education)
- Charter der digitalen Vernetzung (Charter for Digital Networking)
- Deutschland sicher im Netz (Making Germany safe on the Net, DsiN)
- London Benchmark Group
- Bundesnetzwerk Bürgerschaftliches Engagement (National Network for Civil Society)

- CCCD – WIE
- Aktion Deutschland Hilft e.V. (Germany's Relief Coalition)
- Deutsches Rotes Kreuz (German Red Cross)
- DKMS Deutsche Knochenmarkspenderdatei gemeinnützige Gesellschaft mbH (German Bone Marrow Donor Center)
- Lebenshilfe e.V. aid organization
- SOS-Kinderdorf e.V. (SOS Children's Villages)
- Nummer gegen Kummer youth counseling line
- TelefonSeelsorge crisis counseling helpline
- Deutsche Telekom Stiftung (Deutsche Telekom foundation)
- Deutschlandstiftung Integration (German Foundation for Integration)
- Bundesarbeitsgemeinschaft der Senioren-Organisationen (BAGSO – German Association of Senior Citizens' Organizations)

**Friedrich-Ebert-Gymnasium Bonn (a secondary school in Bonn)**

- Code of Responsible Conduct for Business
- GIZ Private Sector Advisory Board