

# **ANNUAL REPORT 2015**

## T-SYSTEMS SLOVAKIA S.R.O.

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# FOREWORD BY THE VICE PRESIDENT FINANCE

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Year 2015 was somewhat special in the life of our company. For T-Systems Slovakia it marked the 10th anniversary of establishing a home in Slovakia. This "jubilee year" was a very successful one indeed. We achieved historically best figures – whether it comes to revenue, employee numbers, volume of IT systems and solutions managed for our global clients, and even the number of clients relying on us. During the past 10 years we succeeded in revitalizing and restructuring the regional labour market so that the Kosice region is now a stronghold of IT with more than 8.000 specialists working in this industry. We helped to bring the concept of dual vocational education back to life further developing the potential for the ICT industry. Through these and many more initiatives I am happy to say we entered a very special group of not only biggest but also very influential employers in Slovakia. Recently, digitization became the dominant force driving the ICT industry towards new solutions. It determines the trends and thus influences not only ICT companies, but was great impact on other industrial segments gradually. The ever more pervasive nature of digitals requires adopting new thinking from the providers of ICT solutions, new approach to their clients. With ICT entering other business segments, in the new world of digital business models and business processes, the most important guarantees an ICT provider can offer to its customers are an uncompromised quality and security of provided ICT services. T-Systems Slovakia was no exception and I am proud to declare that we kept our track record and achieved several important milestones in 2015.

Without any objections, we passed the important ISO re-certification for quality management, security management and ICT service management. We put to use the certification for industrial security and became the most trusted partner for pan-European organizations. We are also stepping up our ambitions in innovation area – last year we successfully concluded our

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first R&D project with the Technical University of Kosice, we rolled out a series of automation tools to pave the digital pathway for our clients to our global ICT landscape, and we very successfully piloted new cloud solutions based on the open-source technologies for both telecommunication and IT markets. Not only ICT can be considered to be a preminent – also our business services division has confirmed its strategic positioning within T-Systems International family. We acquired new responsibilities not only within the ICT but also in the area of business process administration – finance and controlling, and trust to manage sensitive and business-critical data for our mother company.

However, together with other directors we are acutely aware of the increasing pressure on the ICT providers. Customers are faster in adopting new trends – their expectations from companies like T-Systems Slovakia grow from month to month. We need ever more knowledgeable and experienced ICT specialists, our delivery processes need to improve their efficiency and we have to continue pushing on with our productivity. New aspect we discuss with our customers is to take over end-to-end responsibility for our customers' service chains – on top of partial ICT systems or networks. You may have noticed I have not talked much about low-cost advantage in my address. Deliberately. During those 10 years of our presence in Slovakia, the country has slowly been leaving the position of a low-cost European backyard and is positioning through expertise and productivity. As well, nowadays there is a growing demand in the markets for stronger presence of ICT services "made in Slovakia". However, it is up to us – leaders, experts and employees of T-Systems Slovakia and many other ICT companies to make out the most of this opportunity.

Past 10 years were successful for T-Systems Slovakia. Thanks to our reliability and focus on quality we became the pillars for several divisions of the Deutsche Telekom group. We are a valid link in a strong chain of T-Systems International subsidiaries covering 26 countries worldwide, and a visible and large one indeed. By focusing on quality, on our overall reliability and efficiency we are continuously working on making sure our link is getting stronger and tougher to provide stability and sustainability to the group globally.

Marek Resovsky

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## **T-Systems Slovakia**

Part of a global group Deutsche Telekom AG | Legal Form: Limited Liability Company

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# COMPANY PROFILE

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T-Systems Slovakia is a dynamically developing company providing its services in the information-communication technologies (ICT) sector. The company was established in January 2006 as a subsidiary of T-Systems International, GmbH, a company with its headquarter office in Germany and itself a member of the global group Deutsche Telekom AG. Within the Deutsche Telekom group, the Slovak company offers services as an outsourcer, specializing itself in corporate clientele within Germany, the European Union and further across the globe. Thanks to its size, scope of operation and service quality, T-Systems Slovakia makes a sound contribution to the T-Systems brand being number one in the German market and is ranked amongst the top four ICT service providers in Europe.



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Since its foundation, T-Systems Slovakia has had its seat in Kosice and is very closely linked with this region. Companies' most important asset and competitive advantage is its people, who are highly educated, reliable, ambitious and dynamic. During the almost 10 years of its existence, the company has exceeded the threshold of 3700 people employed with average age of 31.2 years. In 2014 T-Systems Slovakia got the prize for Inspiring approach within the nomination for the award Via Bona Slovakia from Pontis Foundation. This and much more is T-Systems Slovakia, your trustworthy partner for ICT service outsourcing.

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## What are ICT services and outsourcing about?

T-Systems Slovakia remotely manages almost all components related to ICT landscape, starting from local or long-distance computer or communication networks, through a multitude of servers with different operating systems, SAP systems for enterprise resource management, and ending with customized and customer-specific solutions for such diverse domains as toll collection or education and research.

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## Where can one see the services provided by T-Systems Slovakia?

Production hailing from T-Systems Slovakia cannot be found in a shop or warehouse. One can come in contact with its services only indirectly, however, on a daily basis – be it while shopping for major brands, buying petrol or cars. Taking it literally, if the provided ICT services are reliable, an ordinary consumer will not realize that a part of the ICT they utilise is delivered remotely from T-Systems Slovakia. In its portfolio T-Systems Slovakia has leading brands from the automotive, telecommunication and petroleum industries, and also financial or consultancy services.



## MANAGEMENT OF T-SYSTEMS SLOVAKIA 2015



**Thomas Bogdain**

Managing Director



**Marek Resovsky**

Vice President Finance



**Pavel Jirecek**

Vice President HR



**Thomas Bogdain**

Vice President Production,  
Vice President Service



**Juraj Girman**

Head of Telekom IT





## OUR VISION, MISSION AND VALUES

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T-Systems Slovakia is an integral part of the global group of Deutsche Telekom AG and an important member of its corporate services arm, T-Systems International, GmbH. Its vision and mission reflect the contribution our local company strives to deliver to successfully fulfill the global group's ambitions. Our vision is: "To be the most trusted outsourcing partner for ICT Services".

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We consider our reputation as a trustworthy and reliable partner in delivering high-quality ICT services to our European and worldwide customers as the main factor and building a sustainable trademark of our company in Slovakia and Europe. We have an ambition to contribute to the sustainable growth of the competitiveness of T-Systems International in its entirety, as well as that of our mother group, Deutsche Telekom.

We connect our trustworthiness tightly with the quality and professional attitude of our specialists and leaders. Thus, as a part of fulfilling our vision, we have an ambition to become the preferred employer not only on the regional level but also within Slovakia. Through continuous professional and personal development of our employees we want to keep increasing the flexibility and quality of the provided services, and thus actively contribute to the development of the entire Kosice region.

Our mission is: "We deliver high quality, cost efficient and innovative ICT services to customers worldwide." Put it simply, we want to continue in delivering highly - added value from ICT services to our customers' core business. And indeed we are able not only to deliver high value but increase it annually. According to the economic weekly Trend, T-Systems Slovakia is a company with the fastest growing value-added in the whole IT

sector nationally and one of the most influential ICT players countrywide. The mission of T-Systems Slovakia rests on four primary pillars, in which we see a guarantee of our sustainable development:

- **High quality** – we are continuously evolving into a global competence center which is focusing on the development and operation of virtual ICT and business solutions center.
- **Cost efficiency** – we are focusing on provision of the highest possible quality of ICT and business services whilst keeping our cost base competitive and sustainable in the long term.
- **Innovative attitude** – we are proactively supporting the formulation and development of new ideas, solutions and delivery processes to achieve excellence in increasing the efficiency, effectiveness and quality of our ICT and business services.
- **Customer satisfaction** – we are leading our business through an international and global collaboration, react quickly and respond to the evolving needs of our customers.



## PORTFOLIO OF DELIVERED ICT SERVICES

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T-Systems Slovakia serves two main markets - information and communication technology outsourcing solutions (ITO) and solutions for business process outsourcing (BPO). For our global corporate customers ICT Outsourcing is one of the main tools for improving their own economic performance and flexibility. It is also a mean that provides faster and cheaper access for customers to innovations or technological advantage, and last but not least, it is a way of cutting operational costs for our customers. In practice, it is about a partial or full takeover of activities carried out by a customer's ICT departments, or by other providers of ICT services.

*Within the ICT services portfolio, T-Systems Slovakia delivers the following services, which can be structured in several levels:*

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### Delivery and operation of ICT solutions and services

#### **ICT SERVICES FOR TELECOMMUNICATION SYSTEMS**

- Voice and video services, including VoIP and telepresence
- Network and security related ICT services for local and wide-area networks
- Optimization of network capacity and performance
- Operation of Intercloud global platform

**ICT SERVICES FOR COMPUTING (SERVER) SYSTEMS**

- Delivery and active administration of network and security solutions of global Data Centers
- Management of global virtual platforms for Cloud Computing and virtualized ICT solutions (Infrastructure as a Service, IaaS)
- Administration and operation of market-leading "SAP as a Service" global platform (Platform as a Service, PaaS)
- Storage, back-up and solutions for data management and recovery

**ICT SERVICES FOR CUSTOMER-SPECIFIC SOLUTIONS AND APPLICATIONS**

- Administration of customer-specific systems (Cloud, MS Windows, Linux and Unix systems and their variations)
- Administration and maintenance of customer application and database solutions (Software as a Service, SaaS)
- Administrations and maintenance of customer business portals and web applications

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## ICT services support

**MANAGEMENT OF TRANSFORMATION AND DESIGN OF ICT SERVICES**

- Design of customer solutions
- Development of ICT architectures and blueprints for new platforms and customer solutions
- Transformation of customer ICT systems to cloud and virtual solutions
- Project management and management of transformation projects for customers
- Management of customer accounts, services and ICT processes

**APPLICATION DEVELOPMENT AND MAINTENANCE**

- Software development, testing and consulting for SAP solutions
- Software development, testing and consulting for non-SAP solutions

**RESEARCH, DEVELOPMENT AND SUPPORT FOR STRATEGIC DEVELOPMENT OF A GLOBAL COMPANY**

- Cloud solutions engineering and development
  - Automation engineering and development
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*Since 2013 T-Systems Slovakia has diversified its primary ICT focus and now is an established player in business process outsourcing and delivery. Main portfolio elements of our Business Services Centre for Finance and Controlling currently include the following services:*

## **Business process support for T-Systems International, GmbH**

### **OPERATIONAL PROCESSES FOR FC**

- Global financial consolidation and reporting
- Global financial controlling
- Global consolidation of financial performance and periodic closing

### **SALES, PRE-SALES AND OTHER PROCESSES**

- New deal costing
- Account receivables and order management

## **2016+: PREVIEW OF OUR FUTURE**

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Year 2016 will bring a new milestone to our life in Slovakia. It will be our 10-year anniversary since establishing the base for T-Systems Slovakia in Kosice. It will also be a year in which we exceed 3.5 thousand highly qualified employees. With such a number of ICT specialists it is not surprising that after several years of quantitative growth it is now time for balancing quantity and focus. On one hands side we expect our growth will be fueled by our modernized telecommunication and application management portfolio sections, both aiming at directly supporting the strategy of Deutsche Telekom AG. On the other hand we expect quality of our know-how, especially in ICT infrastructure services.

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As we have shown earlier, during 2015 our portfolio was enriched by developing Intercloud solution together with Cisco as our strategic global partner. The Intercloud has been successfully offered to market and in 2016 we expect it takes off as a part of our cloud portfolio. We also expect our other similarly focused investments started in 2015 will reach maturity in 2016, and we will be able to add to our portfolio OpenStack- and Docker-based platform solutions with even deeper contribution to relevant global projects from our Kosice base.

We also expect further positive improvement in our software development, testing and consulting stream, both within SAP and non-SAP flavors. Between 2014 and 2015 we introduced first agile teams into software development, and it proved to be a step in the right direction. In 2016 we see space for broader penetration of agility into our software development, but also into operation – in the shape of Scrum or Kanban, and their adaptation to operational conditions.

In the ICT parts of our portfolio we are keen to make our presence more visible not only at the end of value chain in the operation of ICT solutions. Within some areas our Slovak company has developed a position of the unique know-how holder globally. This is a great opportunity to evolve from a “consumer and administrator” of global platforms to “co-designer and co-developer” of new offerings. Technology-wise, our first focus is in the area of contributing to the new cloud and virtualization offerings, including promising OpenStack and Docker frameworks.

In mid-term, the ambitions in the technological area have to be matched with the development of right skills and competences, including capability to lead, design, innovate and take overall responsibility for larger parts of a global value chain. We will face a continued challenge in attracting more than 300 new job entrants, increasingly into more and more complex positions and roles. This challenge is even more visible if we take into account the implication of a strategic market analysis report our company has prepared for Kosice Self-governing Region during 2015. According to our study, local market shows a structural gap between positions of offer and available graduates from schools and universities, that can reach extreme ratio of one candidate for two or three newly created jobs!

In 2016, however, we will see the first graduates of our flagship programme of dual vocational education. It is also good news that every year we are improving the quality of entrants into this programme, and we are on a good path to reach 90 students threshold in all three years in 2016. In mid-term we plan to extend our running pilots with regional universities into a similarly managed dual study programme, whereby we will focus on developing hands-on vocational and soft skills at the university level, both Bachelor's and Master's.

From the risks and threats point of view, a particular risk for T-Systems Slovakia arises from the scarce qualified resources to fuel our ambition of growing added value of ICT services. Due to dynamics of the ICT industry in Europe and worldwide, we are likely to create new jobs in value-added parts of our portfolio faster than the local labour market can fill up. Both lack of qualified resources along with a potential drain of competences to the Western Slovakia and beyond Slovakia receive high attention of company management. We are actively preparing for this scenario and intend to intensify work with talents and potentials among students, and continue working with them systematically to guarantee continuous inflow of fresh talents despite gloomy predictions for the local labour market.

From the strategic point of view, our main mantra for 2016 will remain “Zero Outage”, with the aim to confirm our reputation for reliability and quality. In 2016 we expect to see more standardization and automation implementations in the toolkit of methods support Zero Outage. Our future success in mature portfolio elements (i.e., ICT infrastructure) lies in fulfilling our ambitions in the field of innovation and improvement. We plan to become a location that effectively develops, pilots, and implements automation scenarios into the ICT services world. On one hand, our aim in this is to eradicate human errors in operating large distributed infrastructures, while increasing our efficiency by avoiding bottlenecks in our processes. Here we see further potential in enriching our collaboration with regional universities and following up on our first applied research successes with data analytics.

## QUALITY

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Quality Management System as one of the company's four Pillars demonstrates how important the role of quality in T-Systems Slovakia is, creating culture where delivery of highly reliable services is a part of the mindset of the organization. Employees within T-Systems Slovakia with the support of management assure that the processes required for the delivery of high quality and innovative ICT services are put into practice and maintained properly. Remarkably significant contribution to Quality Pillar was achieved in the area of Document Management and Internal Audit Management.

Document Management Improvement project resulted not only in ensuring the really high quality of internal documents, what was highly recognized during the Central Internal Audit from T-Systems International, but also brought implementation of effective and well-functioning management of documents throughout the whole company fulfilling required standards. Regular execution of internal audits in T-Systems Slovakia ensures compliance with all relevant standards and processes. Moreover it reveals improvement opportunities on each operational level what enables us to continuously work on enhancement of the overall quality of the provided services.

T-Systems Slovakia is not only focused on continuous service improvements to ensure high reliability of services and thus increase customer's satisfaction but also working actively on innovations to be The Partner for other organizational units of T-Systems International as well as for end customers.

## SECURITY

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In 2014 the Security Department of T-Systems Slovakia has successfully started building a local Security Operation Centre (SOC). Sophisticated IT Security tools like SIEM, DLP and NBA started to tremendously improve level of IT security in T-Systems Slovakia. SIEM stands for Security Information and Event Management and could be generally thought as a central log management with huge correlations engine and capabilities for security incidents investigation. DLP is a tool for Data Leakage Prevention, which can prevent unintended data leakage from the company. NBA can monitor network behavior and detect any anomaly, which may be potential misbehavior. We are now able to collect and evaluate logs from local infrastructure more efficiently to lower the rate of security incidents occurrence. Our own SOC is a proof that we care about security of our company and our customers with a state-of-art technology and processes.





## DEMONSTRATING THE POTENTIAL OF DUAL EDUCATION IN T-SYSTEMS SLOVAKIA

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A fast growing business has increased the need to have the right employees with the right set of skills in the company. Within the pilot project, T-Systems Slovakia offers the Dual Education Programme in the field of information and communications technology (ICT) to the graduates of various secondary schools in Slovakia, which are interested in the IT technologies. The above mentioned education programme is designed for the potential employees of TSSK and at the same time it significantly contributes to the regional development. The project is realized in cooperation with the Secondary Electro-technical School in Kosice, with the support of the Kosice Self-governing Region and the German-Slovak Chamber of Industry and Commerce as the authority for certification.

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The Dual Education Programme is a higher vocational three-year-post A-level education in the ICT area that supports a close cooperation between both the educational and business spheres which is mainly vital for the latter. It is characterized by combining apprenticeships in the company and vocational education at a vocational school in one course. Trainees develop their hard and soft skills, the aim of which is to match the employer's requirements with the knowledge and skills secondary school graduates acquire during their education. It offers students what they are missing today – practice. Up to 70% of study is composed of practice in a real working company environment. The programme offers the trainees a unique opportunity to use their potential in the ICT area.

We are proud to announce that, as the first ICT company in Slovakia, we have received a certification authorizing T-Systems Slovakia to provide practical education under the umbrella of the new dual education system legislation starting from September 2015. Since the beginning more than two years have passed and the education project is moving on. Since September 2015 we have beaten the new milestone. Dual vocational education runs under the new law. Since March 2015, the new law in secondary vocational education with elements of the dual system is valid. We are the only IT company in Slovakia, which already applied its wording. T-Systems, as the first and only in the field of information and communication technologies, received a certificate to provide "practical training in the dual system of education."

In order to successfully educate young people, instructors must have solid teaching skills. In April 2015, six employees of T-Systems, participating in dual education, completed a training "Ausbildung der Ausbilder" and gained new knowledge and skills in pedagogy, didactics, preparing lesson plans and students assessment. All 6 of them gained the German certificate which allows them to educate within the German dual model system as well as it means the fulfillment of the requirements to implement the German model in Slovakia.

The first graduates of the third year of the three-year-long daily study program will be ready in June 2016. The fruits are slowly beginning to mature. With 71 trainees on board, six of who are women, the program is running well and it is slowly meeting all the desired company goals. We

were able to maintain and improve some of the implemented processes which have taken the project to a higher level with regards to the curricula, the number of hours needed for the study of theory and practice and other matters.

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## WHAT WILL THIS YEAR BRING?

2016 is a significant milestone for the Dual Education not only for the graduating students. For the students in the 2<sup>nd</sup> year a mid-term exam will take place in April, continuous testing, which will provide them with a feedback in what level their knowledge is and in which areas they still need some improvements.

Demanding third year ends with a graduation examination and is divided into two parts. There will be final oral and written exams in June 2016 in Slovak and English. At the end of this program, the graduates will have the opportunity to enter the company pre-qualified with a complete portfolio of the desired skills. All successful trainees will be awarded with the title of "certified specialist" (DIS) and AHK certificate to the practical skills and theoretical knowledge appropriate educational plan for the German occupation Fachinformatiker IHK (Systemintegration).

Perhaps the most vital and the most important fact is that the first graduates of Dual Education study will enter T-Systems Slovakia already as real employees. After graduation, the graduates are prepared to work in the dedicated management servers, networks, storage arrays, databases and other information and communication technologies. They have sufficient technical and communication skills and skills for an independent work, and direct customer contact. The first phase of the training ends, further continuing education is waiting on students in the work environment directly, and this is already familiar. Dual degree examination training does not stop, there is still room for improvement. T-Systems plans to continue improving the quality of teaching and curricula as well as continuously improving the qualification level of teachers, lecturers and students

# FINANCIAL REPORT

## *Economic Information of the Company* *Revenues*

	2014	2015
Operation and remote administration of operating systems and virtual ICT infrastructures	43 625 518	52 344 617
Operation and remote administration of SAP platform	19 279 168	20 071 804
Operations and remote administration of customer applications	15 778 545	19 152 249
Operation, administration and monitoring of remote	11 607 762	11 982 760
Sale of goods to the end customer		
ICT Service Management and support	7 180 558	7 114 999
Project Management	5 531 850	8 182 269
Others	2 866 550	4 240 978
<b>TOTAL</b>	<b>105 869 952</b>	<b>123 089 676</b>

Current liquidity of 4,90% means that the company is able to pay its liabilities. Return on sales of 7,39% means that there is 7,39 cents of profit per each Euro earned. Total debt of 41,12% represents a share of foreign capital, i.e. the company covers 58,88% of its assets by its own resources.

The increase in revenues for services compared to 2014 is valued at 17 219 724 EUR.

After 31<sup>st</sup> December 2015 there have not occurred any events requiring publishing or disclosure in the financial statements and annual report for 2015. T-Systems Slovakia does not have any organizational unit abroad.



# HUMAN RESOURCES

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Women and men in T-Systems Slovakia are the most valuable asset of the company. Only through the motivated and satisfied employees the company can successfully meet its goals.

On 31.12.2015 T-Systems Slovakia employed 3702 employees which is 423 employees more than previous year. In terms of education level, more than 60% of employees have a second university degree. Average age of employees is 31.2 years.



## EMPLOYEE DEVELOPMENT

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Employees of T-Systems Slovakia are the most precious assets of the company. T-Systems Slovakia aims to become a mature and ever-learning organization by means of the continuous development of its employees, which is perceived as the core strength of the organization. The company supports the development of employees' skills and leads them to increase their maturity through a range of programs, training sessions and courses, which can be categorized into the following groups: hard skills (ICT) training, soft skills training, methodology training, and language training. Development trainings, courses and special programs of T-Systems Slovakia help employees to keep the pace with the trend. As many as 3,235 employees took part in at least one training last year. The development of employees has been an inevitable part of the success of T-Systems Slovakia during the past years. The company belongs amongst the top investors into educational and development programs in the entire Slovak Republic.

**EACH EMPLOYEE ATTENDED 6,5 TRAINING DAYS IN 2015 ON AVERAGE.**

## CREATING A BETTER BALANCE OF LIFE AND WORK

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T-Systems Slovakia mission to mobilize personal, social, and business networking demands increased flexibility from employees. The company balances this challenge by granting its workforce greater freedom to harmonize work, individual life styles and private life.

T-Systems Slovakia employees are its key to organizational health, economic growth, and financial success. An attractive and wide-ranging work-life portfolio guarantees ongoing motivation with a better life quality, encourages physical and mental well-being, and contributes to a positive working environment.



## HEALTHCARE

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The physical and mental well-being of the workforce is an issue particularly close to our hearts. Throughout the year, several specialists are available to all employees such as general practitioners, dermatologists, orthopedic surgeons and psychologists.

Two times per year the company organizes the so called Health Weeks, where employees can test their health condition and take part in various exercises. At the same time, they have an opportunity to donate blood right in the premises of T-Systems Slovakia. After a busy day at work, employees can also enjoy body massages and a range of sport exercises.

## FLEXIBLE WORK-TIME MODELS

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Individual life planning depends on more than just a job. T-Systems Slovakia accommodates employees with different options such as flexi-time and part-time work models, for example home office, educational leave, or sabbaticals.

In 2012 the company launched the Work Life Coaching Program, which offers all employees the opportunity to have their own personal consultant. With the help of consultants, our employees can easily overcome personal problems accompanying their lives.

## BENEFITS

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In addition to the basic principles of rewarding employees stipulated by the Labor Code, the company motivates its employees using a dedicated, the so called Benefit Cafeteria Program. The company is offering individual as well as generally-shared benefits. Generally-shared benefits are offered to all employees in the shape of discounts, benefits, weekend events, offers, awards and special reward programs such as Best Employee. Individual benefits are oriented towards four basic categories: Health, Leisure, Education, and Travel and commuting to work, which are offered in the shape of an annual financial allowance.

In addition T-Systems Slovakia regularly organizes weekend events, sport competition in futsal, competitions for concert tickets, as well as large company-wide events including the participation of family members. Those events are highly popular among employees.

## EMPLOYEE SATISFACTION

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T-Systems Slovakia is a part of Deutsche Telekom Group, which organizes an employee satisfaction survey every two years, in which our company also takes part. The company is also measuring employee satisfaction using other tools, such as attrition ratio, and the new employee recommendation program (which is also a financial benefit for the recommender).





# RESPONSIBILITY TOWARDS THE COMMUNITY

## T-SYSTEMS SLOVAKIA DONATION FUND

*In 2013 T-Systems Slovakia Fund was created. The Fund is divided into three pillars:*

**First pillar** is used in case of any natural disasters – to support individuals or organizations in time of crises or in time of emergency in Kosice and Presov region.

**Second pillar** supports small-scale self-help projects of NGOs that were initiated by T-Systems employees. The aim is to create opportunities for employees to implement their creative and innovative ideas while contributing to the development of communities in Eastern Slovakia through educational activities, environmental protection and the development of leisure activities. The company will support eight projects by the financial support of 12,000 EUR during 2015/16.

**Third pillar** is the so called T-Systems Slovakia Scholarship Programme. The scholarship programme is offered to the full-time university students who come from East Slovakia region and belong to a disadvantaged category (e.g. socially weak). In 2015/2016 an additional eight candidates were supported by total amount of 11,200 EUR.

*Main objectives of the programme include:*

- establishing opportunities for educating young talented people from the East Slovakia region,
- preparing and educate young qualified professionals with an inherent interest in the development of East Slovakia region,
- increasing the awareness and patriotism to the region, especially among young people,
- increasing the awareness of volunteering amongst young people in the Eastern Slovakia.

## SUPPORTING THE EDUCATION

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Since 2006, T-Systems implemented several educational activities to raise the awareness of ICT, particularly in the Eastern region. Cooperation of T-Systems with educational institutions is covered by the training program "IT Academy". The program supports working with universities, secondary and primary schools. Last year, T-Systems Slovakia organized various Summer & Evening IT courses in basics of ABAP programming language, basic knowledge of networking (CCNA 1-4), basics in processes and project management.

IT Academy is targeted at students and the general public willing to learn ICT. This activity was founded in 2006 and is regularly repeated and fully covered by T-Systems. The company also offers the possibility to perform bachelor and master theses for students.

T-Systems Slovakia is also involved in the national project "Universities as Engines of a knowledge society" which is co-financed by the EU funds. The project is designed for all types of university education - Bachelor, Master and PhD students. In the project there were involved students in short excursions in the company and their practice in real working conditions. During this period the students processed specific technical topics within IT. In 2015 T-Systems also collaborated with the secondary vocational schools in the region in order to increase the attractiveness of IT education and trainings. There were organized open door days to provide work experience for students and summer IT camps for pupils of elementary schools.

## VOLUNTEERING

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Painting a school fence, organizing Kids Day at Alejova Street in Kosice, helping in a dog shelter or continuation in teaching basic computer skills for seniors. These were just a few activities in 2015 by which T-Systems Slovakia employees supported the community in the Eastern Slovakia as volunteers. The special project called AjTy Senior was launched in 2013 and its still more and more successful series are the evidence of the fact that there is no age limit in IT education. This project is aimed at the needs of seniors by for example calling their grandchildren or reading newspapers on the internet. 20 volunteers from T-Systems Slovakia were actively engaged in the project and led this course during the two terms with 40 students - seniors.

Besides that the company traditionally participated at the all-state event Our City where more than 70 employees took part. The aim was to physically support several activities, for example repair of old castles or reconstruction of a fence.

## KOSICE IT VALLEY

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T-Systems Slovakia is an active member - and not to mention one of the founding members - of the association of legal entities operating under the title Kosice IT Valley. The aim of the association is to establish a center of excellence in information and communication technologies in the East Slovakia region with the purpose of making the regional socio-economic environment more attractive, especially for young people. The association aims to contribute to building an information and knowledge-focused society in the east of the country, building a communication platform between public authorities, local businesses and local educational institutions, which shall thus lead to an accelerated development of the ICT industry in the region. The association welcomes anyone who is willing to contribute to achieve these goals.

## LIFE & CULTURE IN THE KOSICE REGION

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During the year the company supported several cultural activities. Since 2009 T-Systems Slovakia has been supporting the International Peace Marathon in Kosice, the second oldest marathon worldwide. Hundreds of employees participated in different categories in 2015. T-Systems Slovakia supported other sport events as well, for example the accompanying activity by the International Peace Marathon called Water Marathon 2015, taking place during the same marathon weekend. In April TSSK supported Halfmarathon in Budimir, where the company had its own category – T-Systems Company Run of 7km long. Altogether, 39 employees joined the company run. A new sport project for T-Systems Slovakia employees was launched in cooperation with the center REstart. There was prepared a training program for all employees to get ready for the International Peace Marathon 2015. Approximately 160 employees joined the trainings that lasted from June till the beginning of October.

## RESPONSIBILITY TOWARDS THE ENVIRONMENT

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T-Systems Slovakia has continued with its implementation of an active environmental policy based on its corporate values. By regular checking of energy consumption and increase of fossil fuel and energy consumption efficiency, T-Systems Slovakia was able to mitigate its negative impact on the environment.

In 2013, T-Systems Slovakia identified a disproportional increase of energy consumption to an increase of a number of employees. For that reason, during the year 2013 and 2015 the company installed reactive power compensators to use electricity more efficiently and to diminish the negative trend in energy consumption. Thanks to these provisions the energy consumption is on the same level since 2013 despite the increasing number of employees. During the year, T-Systems Slovakia organized internal communication campaigns for its employees to educate them how to use electricity more efficiently and to enhance their environmental concerns.

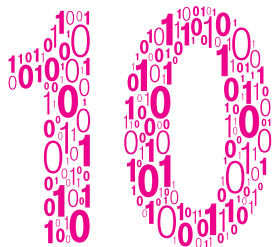
The company continuously achieved to keep its CO2 emissions in accordance to the regulations and within the range set by Deutsche Telekom. Thanks to these efficiency improvements, T-Systems Slovakia was able to lower its increase of energy consumption per head.

	2014	2015
#FTE	3227	3658
Electricity consumption/FTE [kWh]	1 080	1 027
	2014/2013	2015/2014
Yearly decrease [%]	4%	5%









**YEARS OF QUALITY FROM KOSICE**  
SUCCESS IS CREATED BY OUR PEOPLE  
T-SYSTEMS SLOVAKIA

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