

# Corporate Responsibility Report 2008

Slovak  
Telekom 

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## Address of the Chairman of the Board of Directors and CEO of Slovak Telekom

Dear Ladies and Gentlemen,  
Distinguished Partners,

It has been four years since we first presented you our corporate social responsibility report of Slovak Telekom, giving details on the opportunities and specific forms of responsible conduct on the market. I am happy that these innovative efforts have won supporters and ultimately even followers from among other Slovak businesses. The acknowledgement of our efforts we most appreciate is that notions such as “corporate responsibility” and “responsible business” are no longer alien to Slovakia and have established themselves in a majority of companies and firms.

John Donne, the English Jacobean poet is the author of the beautiful statement that “...no man is an island”, a short sentence that comprehensively expresses the nature of responsibility. No man is an island, entire of itself. Together we make a whole, influencing one another and interdependent one on another. Our mutual relationship is that of partners, and so it is perceived in our Company. For this reason I addressed you above as Distinguished Partners. You, our fellow citizens, you are our customers, our partners. And we feel responsible to you.



**Miroslav Majoroš**  
**Chairman of the Board of Directors**  
**and President/CEO**

Slovak Telekom’s vision for responsible business is to be among the leading Slovak firms striving to combine ethical business intentions with efficient and transparent assistance. Our helping hand stretches out to everyone, and we endeavour to produce specific tangible results. Throughout 2008, we managed to achieve the above objective by means of the Nadačný fond Slovak Telekom (Endowment Fund Slovak Telekom). We supported 63 individuals and 54 projects in three grant cycles.

We were proud to accept the offer to become the general partner of Slovak Olympic Team and Slovak Olympic Committee. The T-Com brand thus played an active part in our national team’s preparations for the 29th Summer Olympic Games in Beijing. We were with you to enjoy intensely every new medal won and the great achievements of the Olympic team.

Thanks to our partnership with the Divadlo Aréna Theatre, Slovak spectators enjoyed unconventional theatre performances adapting the works of current playwrights, performances full of political reflections, and contemporary art by youth – street art. As a company operating especially in the field of information and communication technologies, we pay special attention to the education and modernisation of Slovakia. Our projects such as Cena Slovak Telekom (Slovak Telekom Award) and Telekom Day make us active advocates of building a knowledge economy and developing digital literacy.

I esteem highly the invaluable value of work of our employees executed in the form of volunteer projects for charity purposes. Last year we undertook twelve volunteer activities, primarily for the assistance of people in need. It reflects the personal sensibility of our employees, who identify with the ideas and principles of corporate philanthropy.

Slovak Telekom has engaged in environmental protection for several years now. I am glad to see our efforts recognized by experts, and that environmental management system achieved certification last year.

Nevertheless, the responsibility we feel most intensively is towards our customers. As their partner, we approach our customers to offer maximum reliability and high quality, available services. We successfully and smoothly transitioned to the new currency without unreasonable price increases, as we undertook when we signed the Code of Ethics for the Euro Changeover. We delivered on our promise.

Dear Partners, I believe the presented Corporate Responsibility Report will provide each of you with more interesting details. We will be even more pleased if our work and efforts become an inspiration. The more companies strive to do business responsibly, the higher quality of life there will be for us and our children.



**Miroslav Majoroš**  
**Chairman of the Board of Directors**  
**and President/CEO**

# Introducing Slovak Telekom

## Slovak Telekom

Slovak Telekom is a multimedia operator with many years' experience and international expertise, bringing innovative technology trends to Slovak telecommunications market. The Company owns and operates a telecommunications network which covers the entire territory of the Slovak Republic, providing national and international voice services and a wide portfolio of modern data services under T-Com brand. It is also the largest provider of 4G broadband internet in Slovakia. It was the first operator in Slovakia to offer the triple play Magio service, combining digital television, internet and telephony, and it is the largest triple play service provider. The Company operates one of the largest next generation networks (NGN) enabling the use of voice and data services on one common IP platform. In order to be able to provide Slovakia's citizens with new and more convenient services, the Company has made huge investments in extension of its optical infrastructure. TRI\*M index score at the end of the year 2008 of Slovak Telekom reached 74 points within residential segment and 70 points within business segment, confirming the Company's position among the best of European fixed telecommunications service operators. Slovak Telekom is certified for quality management in line with EN ISO 9001:2000, and the environmental management certificate according to the EN ISO 142001:2004 standard. The Company is part of the multinational Deutsche Telekom Group (Frankfurt, Amtlicher Handel: DTE/NYSE: DT). Deutsche Telekom AG is the majority shareholder of Slovak Telekom, with a 51 % stake. The Slovak Republic, represented by the Ministry of Economy, is the owner of 34 % of shares and the National Property Fund of the Slovak Republic holds 15 % of shares. Slovak Telekom owns 100 % of the shares of T-Mobile Slovensko, which provides a wide portfolio of mobile communication services. Other Slovak Telekom

subsidiaries are Zoznam, Zoznam Mobile, Telekom Sec and Tower Slovakia (till 24 September 2008).

**Registered Offices:**

Karadžičova 10, 825 13 Bratislava

**Legal form:**

Joint-stock company

**Date of Incorporation:**

1 April 1999

**Principal Business Activities of the Company:**

- provision of telecommunications services against payment (transmission, processing, creation and mediation of information) for individuals and legal entities, namely voice, graphical, picture, data, information and multimedia telecommunications services and all combinations thereof
- setting up, operation, construction, maintenance, and servicing of the telecommunications equipment, networks and information technologies owned by other entities, under concluded contracts,
- preparation and updating of information databases for information systems in the telecommunications sector,
- publishing, distribution and sale of directories of subscribers of individual telecommunications services (on various media),
- connection of a specific part of the public telecommunications network to the international telecommunications network, concluding of international agreements in telecommunications related to the business activities of Slovak Telekom, and proposing prices and tariffs for domestic and international services, including billing and clearing thereof.

## Executive Management Board of the Slovak Telekom



### From left to right:

- Miroslav Majoroš, Chairman of the Board of Directors and President/CEO
- Pavol Kukura, Executive Vice-President for Strategy and Regulatory Affairs – CSRO
- Anna Hudáková, Executive Vice-President of Human Resources – CHRO
- Szabolcs Gáborjáni-Szabó, Member of the Board of Directors, Senior Executive Vice-President for Finance – CFO
- Rüdiger J. Schulz, Senior Executive Vice-President for Sales and Operating Activities – COO

### ■ Introducing Slovak Telekom

## Code of Conduct

In their work, employees of the Slovak Telekom follow the Code of Conduct, which is based on defined corporate values and determines the rules of conduct, both internally toward other employees and toward external partners. The Code of Conduct is common to all Deutsche Telekom Group companies, representing their common bond of vision, values and strategy with the parent company.

Companies of the Slovak Telekom Group, together with the parent company Deutsche Telekom AG, have created a corporate culture and a system of corporate values T-Spirit. The Code of Conduct is thus considered a key document laying down the rules of behavior. Observing the Code of Conduct is obligatory for all employees of Slovak Telekom Group companies, ensuring that the companies become trustworthy partners for suppliers and customers.

The companies get feedback on compliance with ethical business and employee behavior by means of the Ethics Line mechanism. The line is available to all employees and external partners, to present their comments via telephone, mail or e-mail. The underlying principles for decision-making for both managers and employees are morals, ethics, legal standards and corporate values. Increasing company value and a correct approach to customer needs and wishes is the priority for employees. Accepting the Code of Conduct is how employees express their loyalty towards the firm, and through behavior in line with corporate values they strengthen the social responsibility on the part of themselves and their Company.

# Social Responsibility Strategy of our Company

The strategy of responsible business at Slovak Telekom is based on the globally applicable principles of corporate responsibility of the parent company Deutsche Telekom AG. It recognises the principles of the Sarbanes-Oxley Act concentrated on a transparent model of company management, and at the same time it reflects the Group's Code of Conduct for all employees. In creating this strategy customer contact standards as well as EN ISO 9001:2000 and EN ISO 14 001:2004 standards defining management systems implemented by the Company, were taken into consideration.

The vision of our Company regarding responsible business practices is to become a leader among Slovak companies striving to combine their ethical business intentions with efficient and transparent assistance. We promote forms of assistance that are transparently accessible for all potential receivers. In selecting them, we assess potential recipients' ability to use the provided assistance effectively from the perspective of long-term positive effects.

We focus our strategy of responsible business on five areas of the Company's responsibility: community; employees; environment; customers; and suppliers and partners.

Our community assistance is mainly through the Endowment Fund Slovak Telekom, established in 2007. We allocated nearly EUR 200 thousand. (SKK 6 million) for support of 91 individuals and 74 projects. Our assistance was aimed at integrating physically and socially disadvantaged people into the society. In 2009, the Fund will extend its activity to include support for contemporary art and education. Often, such assistance to organisations or individuals does not end with financial support, as we often also cooperate with them through corporate volunteering.

Our strategy of responsible business is also implemented in everything we do to create working conditions that offer employees self-fulfilment at work while keeping the balance between their working and private lives.

Our Company has taken an active approach to environmental protection issues for several years. The Company's intensive training campaign motivates employees to get involved in activities eliminating environment pollution. By obtaining an environmental management system certificate according to the EN ISO 14001:2004 standard, Slovak Telekom joined in the intention of Europe's most progressive companies to consider economic, social, and ecological aspects of business in a unified manner.

We strive to be aware of customer needs, as a reliable and innovative partner that is also affordable for them. Constant innovations allow us to promptly react to customer needs, and cut the time necessary for service installation or for resolving technical problems and complaints. Customer needs are paramount in all corporate processes.

As one of the biggest customers and purchasers in the country, we stress transparency in selecting suppliers.

By implementing this strategy, Slovak Telekom intends to disseminate the very ideas of responsible business that we follow in managing the Company in all areas of its activity.

## Our Responsibility towards Community

At Slovak Telekom we have been developing corporate social responsibility for several years now, and it has become a component of our corporate values. Long-term membership in the associations Business Leaders Forum and Klub firemných darcov (Slovak Donors Forum), whose goal is developing corporate social responsibility and creation of higher ethical standards in doing business, gives us the chance to share experience and receive regular expert assessment of philanthropic activity.

The Endowment Fund Slovak Telekom has been the groundwork for our philanthropic activity since 2007, when we founded it. Through the Fund, we primarily assist physically, socially, or otherwise disadvantaged people, by helping them to gain better access to information and increase their quality of life.

Last year, Slovak Telekom further concentrated on developing corporate volunteering, supporting specific cultural and sporting events, and widening the informatisation of Slovak society.

### Endowment Fund Slovak Telekom

The Endowment Fund Slovak Telekom was established in association with the Intenda Foundation in September 2007. Its mission is to contribute to positive development of Slovakia's society by supporting activities that moderate the consequences of socially, physically or otherwise disadvantaged people; bring innovations in education through modern information and communication technology; and reflect the dynamics of contemporary society through unique art forms. The Endowment Fund is managed by the Intenda Foundation, which is responsible for the administration of the grant programmes, including the monitoring of the projects supported. The funds are distributed

based on an assessment by independent professional commissions, in two ways: a grant system for organisations, and support given to individual applicants. Each single grant cycle has a specific theme. After a successful first grant cycle evaluated back in 2007, and which saw EUR 31,240.54 (SKK 941,152.50) allocated, the Endowment Fund announced three grant cycles in 2008.

The next grant cycle, titled IN-FORMÁCIE (IN-FORMATION), focused on supporting the socially integrating physically impaired young people into society. 13 organisations received individual grants in a maximum amount of EUR 3,319.39 (SKK 100,000). The projects brought together the physically impaired and their unimpaired age peers in addressing such issues as education, free time activities, life at work, lifestyle and family relationships. For example, the grant received enabled the Zaostri Civil Association to realise a Photo-Marathon event, with pictures taken on a given theme, for children with visual impairments. The organisers expressed their appreciation for the support: "The project was of great benefit to the vision-impaired children of the residential primary school at na Svrcěj in Bratislava, because it gave them the chance to experience such a new and seemingly







demanding activity as photograph. At the same time they got to know some unimpaired sighted children, and discovered that with a little help they can do the same thing as them. The event was also worthwhile for the unimpaired children, because it gave them the chance to befriend vision-impaired children, and learn to help and assist them so that all participants experience the joy of various sporting and artistic activities”.

In the third grant cycle, titled “Víťazstvá, kde niet porazených” (Victories with no Losers), 22 organisations each received grants, in the maximum amount of EUR 3,319.39 (SKK 100,000). The goals of the projects supported included fostering mutual understanding, developing friendship, solidarity and establishment of fair play, putting them into the everyday life of our society.

One example of a grant awarded in this cycle was the Pre Pindre Civil Association, which organised an amateur football tournament of ethnically mixed teams. “The children from the Roma settlements were guided in a spirit of unity, and strict respect for fair play. Another benefit of the project was the strengthening of informal relations between Roma and non-Roma in the participating towns,” stated the event’s organisers.

The fourth grant cycle, titled “Informácie, ktoré otvárajú príležitosti” (Information Which Opens Up Opportunities), had the goal of supporting proactive creation of conditions that contribute to improving access to information for children living in socially disadvantaged environments. 19 organisations won individual grants in maximum amounts of EUR 2,655.51 (SKK 80,000).

As part of the individual scheme, the Endowment Fund mainly assisted children and youth who refuse to let their physical condition separate them from the world around, but instead strive to stay in contact with friends and colleagues, to learn and to work. A significant number of those awarded were students of secondary schools and universities – by facilitating purchase of notebooks or internet access, the program helped young people such as cancer patients overcome their separation and isolation during lengthy hospitalisation, helping to give them a chance more like that of their unafflicted classmates. In 2008, the Fund supported 63 individuals with the amount of EUR 32,524.52 (SKK 979,833.70).

Since it was founded, the Endowment Fund Slovak Telekom has supported 74 projects and 91 individuals, in the total amount of nearly EUR 200,000 (SKK 6 million). Slovak Telekom will be continuing its assistance through the Endowment Fund in 2009.

Both professionals and the general public were also impressed with the Endowment Fund’s idea and philosophy in the second year of Trhovisko firemných riešení (Market-place on Corporate Solutions), organised by the Pontis Foundation and Business Leaders Forum association within the scope of the International Conference on Corporate Social Responsibility. There, Slovak Telekom was one of twenty companies enjoying the opportunity to present their successful and innovative corporate social responsibility activities.

A list of all organisations supported is given in Annex.

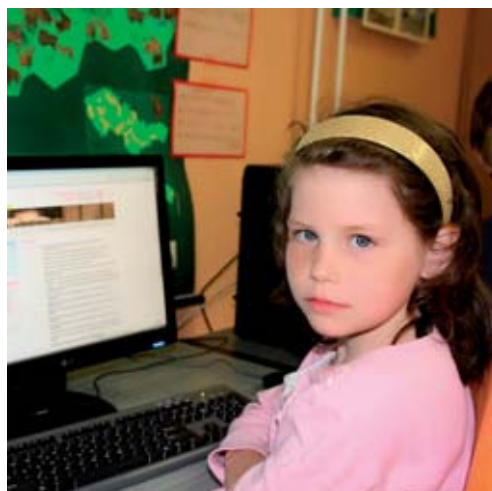


**Endowment Fund Slovak Telekom**

## Cooperation with Charity Organisations

Slovak Telekom has been supporting the project of the Nadácia pre deti Slovenska – Hodina deťom (Foundation for the Children of Slovakia – Hour for Children) for several years through its telephone donation line 18 222. The telephone line is operated throughout the year free of charge. The event's manager, Alžbeta Padyšáková, had the following to say about the cooperation: "For the Hodina deťom collection, the long-term partnership with Slovak Telekom is a most significant and irreplaceable aspect in terms of the technology provided. Thanks to this partnership, in 2008 the public was able to contribute to the Hodina deťom Fund all year long, which appreciably increased the number of calls each bringing in SKK 55. The now traditional December TV show Hodina deťom was something we cannot imagine doing without, and the biggest draw for contributors. As in previous years, a Slovak Telekom team of experts arranged a 50-telephone network just for this purpose, which played its part in our achieving an unexpectedly good result."

The Company in 2008 again provided the toll-free line Euroinfolinka 0800 103 104 for the European Information Centre, primarily intended to give information on the conversion to the euro. Slovak Telekom supports the initiative of the Spoločnosť



priateľov detských domovov: Úsmev ako dar (the Association of Friends of Children from Children's Homes: The Smile as a Gift) by financially supporting an annual benefit concert. The Company also covers the costs of operating the non-stop telephone line: Linka pomoci pre obeť domáceho a sociálneho násillia (Help Line for Victims of Domestic and Social Violence), managed by the Slovenská Nadácia Silvie Gašparovičovej (Slovak Foundation of Silvia Gašparovičová).

## Support for the Informatisation of Slovakia

Slovak Telekom has long invested in developing Slovakia's informatisation, digital literacy and educational support. The Cena Slovak Telekom (Slovak Telekom Award) took place for the third time in 2008. Its goal is to inspire elementary, secondary and special school educators to make use of modern information and communication technologies in teaching subjects other than information science. Over three months, 187 written projects describing internet use at schools were registered for the competition. The proposals submitted indicated that teachers are using these modern methods not only in the classic subjects such as mathematics, physics, geography, foreign languages and philosophy, but also such areas as physical education and psychology. Thanks to the involvement of specialised schools, catering, machining and health care were also represented. Of the regions, by far the largest number of competing proposals came from Trenčín Region, whose teachers had also shown the most active creativity in the first year of the competition. This year, the most successful teachers were Ľubica Gabajová from the ul. Mieru Elementary School in Bytča, Štefan Bojnák of Anton Bernolák Gymnázium in Námestovo, and Zuzana Vaňová from the Malinovského ul. Elementary School in Partizánske. The most successful schools were Rudolf Dilong Elementary School in Trstená, P. O. Hviezdoslav Gymnázium in Kežmarok, and the Elementary School with Kindergarten in Drietoma. The authors of the winning projects, chosen by a professional commission, received financial awards, and the winning schools in the single categories received notebooks. The schools were evaluated based on their teachers' activities throughout the three



years of the competition. All projects entered in the competition enriched the virtual library at the web competition site [www.cenast.sk](http://www.cenast.sk), used by educators as a modern and creative teaching source. The library now contains 539 challenging topics to make the teaching process more diverse..



**Cena Slovak Telekom 2008 Discloses its Winners**

## Support of Cultural and Sports Projects

The name of Slovak Telekom has for several years been linked to the Divadlo Aréna (the Arena Theatre) as its main sponsor. The Company was a general partner of two productions in 2008: *Traja kamaráti* (Three Friends) and *Komunizmus* (Communism). The first of these titles brought into focus a classic bestseller of the same name, which has over the years lost none of its fresh humour, sentimental sadness or tragedy. With the second title, the playwright Viktor Klimáček returns once more to the past, to years which fundamentally influenced our history, following up on his previous play titled *Dr. Gustáv Husák* presented in 2006. Slovak Telekom also promoted a unique project: the exhibition of artistic photos of renowned Slovak actors and actresses called *Emócie* (Emotions), open to public in the theatre. In addition to Divadlo Aréna, Slovak Telekom supported smaller local and regional cultural projects, such as *Dni Milana Hodžu* (Milan Hodža Days) in Sučany, *Hudobné leto* (Musical Summer) in Trenčianske Teplice,

the Blast:beat musical and educational project, and the *Vianočný bazár* (Christmas Bazaar) organised by the International Women's Club. Slovak Telekom was a general partner of the Slovak Olympic Team and Slovak Olympics Committee last year. By means of the general partnership, the Company expressed its support for our sports representatives at the 29th Olympic Games in Beijing, where the six medals won made for our most successful Olympics in modern history.

## Corporate Volunteering

The corporate volunteering tradition started in Slovak Telekom in 2004, when dozens of devoted individuals helped in the High Tatras areas afflicted by the natural disaster. These activities gradually increased, and now volunteer weekends are organised along with the subsidiaries T-Mobile Slovensko and Zoznam. In 2008 we organised 12 volunteer activities, with 241 employees participating.

Last year, during the 30th annual *Čisté hory* (Clean Mountains) event organised by Štátne lesy TANAP (State Forests of TANAP), our employees cleaned the Hincové pleso and Žabie pleso mountain lakes, and the surroundings of Hrebienok mountain above Starý Smokovec last year. In cooperation with the *Voda a ľudia* (Water and People) Civil Association, they helped to create a wetlands forest. In the village of Zaježová near Zvolen, employees together with the *Živica CEEV* (Centre of Environmental and Ethical Education) Civil Association, worked on building a future ecological centre, for public education on a natural and alternative way of life.





### **We Helped Create an Alternative Way of Life**

Support for volunteers also gradually expanded. Slovak Telekom has been collaborating with the Krízové centrum Slniečko (Sun Crisis Centre) for three years. In 2008, it provided aid to the Centre by collecting clothes. A collection was also organised for the homeless from the Mea Culpa and Depaul homeless shelters. The Company has also maintained a long-term cooperation with the Nadačný fond Dr. Klaun (Dr. Clown Foundation), sponsoring theatre performances by clowns at institutes of social services for children, hospitals, and other specialised facilities. In 2008, the volunteers participated in the third annual benefit event Deň klaunov (Day of Clowns) in Trenčín, where collected toys were sold and the proceeds donated to Nadačný fond Dr. Klaun.



Several volunteer events were organised in cooperation with organisations which won grants from the Endowment Fund Slovak

Telekom. One example is the Special Elementary Boarding School for visually impaired children in Bratislava, where employees helped install an exhibition of children's artworks. They also baked cakes for a Christmas party.

Slovak Telekom has established long-term cooperation with the Hrabiny Institute of Social Services in Nová Baňa. The Priatel'ia deťom (Friends to Children) Civil Association associated with the Hrabiny Institute implemented projects supported by grants from the Endowment Fund Slovak Telekom. A summer camp for children both of Slovak Telekom employees and from the Hrabiny Institute was subsequently organised. All year, the Hrabiny Institute tried to obtain finances to purchase a car needed there to transport physically impaired children living in the Institute. The Company's employees announced a collection at the Christmas party to contribute to buying the car. Slovak Telekom was also a general partner of the beneficial concert, the proceeds of which were also dedicated to the purchase of the car. The director of the facility, Andrea Jančeková, summed up the cooperation as follows: "2008 brought us at the Hrabiny Institute of Social Services in Nová Baňa exceptional new learning: to have a goal, to be creative and persuasive are necessary qualities in writing successful proposals. Reliability, trustworthiness and willingness to learn are the foundation for building partnerships that provide mutual



### **Clowns' Day – Volunteers Didn't Disappoint**



development and enrichment. Slovak Telekom has become synonymous for winning small victories that bring satisfaction to our children and staff. By this I mean not just the projects supported, but the personal involvement of Slovak Telekom employees, leading to preparing the day spent together between the children of ST employees and Hrabiny. Moreover, it is not every day that facilities like ours receive help in such diverse areas as: creating our own web page to raise funds

to buy a specially-equipped car, design and printing of publicity materials, collecting finances during the ST Christmas Party, and the unforgettable support for and presentation of our work in the media. A strong partner like Slovak Telekom was for us in 2008, and its socially responsible business conduct, drives us not to remain where we are but rather pushes us to work better. It also serves as an example of good practice in care for our physically impaired clients and our staff, and in creating stable partnerships. We experienced very powerful situations, which we believe have and will continue to generate more forms of mutually beneficial cooperation.”

Employees also got the opportunity to execute their own volunteer project, for which they got financial support. In 2008, some employees' volunteer project for the Krízové centrum pre matky s deťmi (Crisis Centre for Mothers and their Children) in Košice was supported, with employee-led creative workshops. “Cooperation with Slovak Telekom on the Kukaj čo zname so Slovak Telekomom project meant that our facility received resources that enabled us to create conditions to provide our clients occupational therapy. The project brought new experience, friendships and work opportunities. I trust that we will continue cooperation with Slovak Telekom employees, with the intention of helping women

and children in crisis situations. The project is over, but the friendships that developed are not subject to any calendar, and I trust they will continue.” Such was the assessment of our cooperation by Miroslav Firda, head of the Košice Crisis Centre.

Through its volunteer projects, Slovak Telekom fosters the community aspect of the company's functioning. Our employees get started in long-term relationships with non-profit organisations, and then continue to help them even after a project finishes.



**We Helped Impaired Children in Hrabiny**

## Our Responsibility towards Employees

Slovak Telekom uses a whole array of mechanisms, both to create attractive working conditions for its employees and to support a work-life balance that includes leisure time activities.

The Company has consistently pursued for several years now the strategic goal of employing high quality and efficient people, who therefore are well paid. In 2008, there were a total of 3,628 employees, consisting of 61.56 % men and 38.44 % women. The average age of an employee of Slovak Telekom was 39.52 years. More than 44 % of employees are university graduates; 49 % of them completed secondary school with school leaving exam; and over 6 % of personnel lacks a school leaving exam. 22.2 % of Slovak Telekom employees have worked in the Company for less than 5 years, 17.24 % from 5 to 10 years, and 60.56 % for more than 10 years. During 2008, the Company hired 335 new people from outside, with 98 employees transferred within the Company. In the new "Employee tip" programme, employees of the Company get a financial reward for recommending candidates for vacancies, if the candidate they recommended proves to be the right person and stays with the Company.

Slovak Telekom has been announced as 4th Best Employer by Hewitt Associates study recently evaluated in Slovakia. The positioning of Slovak Telekom among the best employers is an evaluation of our long-term attempt to create motivating working surround.

### Feedback Provision

A new communication service for the employees – the common address 24@st.sk – was launched in the first months of last year. This provides a unified channel for all

questions related to the Human Resources Unit, and thus serving as an employee advisory service in a simple and effective form.

An extensive Employee Survey takes place biennially. Last year, 69 % of employees took part. The results of the survey showed that Slovak Telekom employees were loyal to the Company, that they were customer-oriented, solved their tasks with initiative, and highly appreciated the management style of their direct superiors. Through the HR STEP survey, the Human Resources Unit identifies managers' perceptions concerning the unit's products and services, and the extent to which they consider the Unit their business partner. As part of the Deutsche Telekom Group, the Company took part in the spirit@telekom survey. The goal of the survey was to regularly monitor development in key areas, focusing on corporate culture, employee satisfaction, and loyalty to the Company. Of the participating countries, we achieved the highest results on most questions. The outcome most appreciated was an extremely good score on the question of how employees feel in the Company, where Slovak Telekom achieved an average score of over 75 % of employees feeling either good or very good in the Company.

### Employee Development and Compensation

Last year we opted to implement a new compensation policy. The new, more effective compensation system is founded on groupings of individual job positions. The salary variable was also based on these new groupings.

As for employee development in 2008, the Company paid particular attention to business-oriented training activities, as well as developing managerial skills training and developing key employees.



In business-oriented training, employee development focused on 3 strategic areas:

- Optical networks and technical infrastructure
- IT solutions
- Sales channel management system

With the establishment of a common sales network with T-Mobile Slovensko, salespersons of both companies were trained in product portfolio and system support.

A new concept of a comprehensive manager development introduced in the second half of 2008 focused on four key areas (people – finances – customer – processes and projects). In this new concept, heads of departments underwent a development programme aimed at leading employees through change processes. A two-year retention programme for key players, focused on stabilising and developing a select group of employees, successfully continued through 2008. Activities implemented within the programme contributed to strengthening internal know-how in strategic areas, to enhancing intensity of networking among key players, and to individual development. At the end of 2008, the success rate of stabilising and retaining key players was 94.7 %

A new tool, Telekom Storybox, was presented to the management. Its purpose is to motivate active discussion on four important topics: Company strategy, brand name, service culture, and Company values.

With the aim of increasing knowledge about the customer, the Front Line Training programme was introduced in September. The programme became a part of Slovak Telekom's new employee orientation process.

Another activity aimed at improving customer-oriented corporate culture was the implementation of a Seven Habits of Highly Effective People development programme, in which 23 directors from all Company units took part.

Ten new courses were added to the 55 existing and constantly-used e-learning courses on the EDUCA portal. Since beginning e-learning training, there have been 40,935 cases of Slovak Telekom employees using this form of education. There were 19,504 cases of e-learning courses in 2008, and 7,905 participants of other development activities. The average number of development days per employee was 3.5, and average development costs per employee were EUR 302.1 (SKK 9,100).

## Employee Benefits

The employees of Slovak Telekom have the opportunity to draw on a full array of employee benefits each year. On average, Slovak Telekom provides its employees with benefits in the amount of EUR 1,327.76 (SKK 40,000) per year, which sum includes contribution for meal vouchers, contribution for supplementary pension savings and optional benefits provided in the form of cafeteria system. Last year, the sum of EUR 199.16 (SKK 6,000) per employee was allocated to the cafeteria.

The employees could use the amount in their own discretion for: health care, regeneration, recreation, extraordinary contributions to Supplementary Pension Insurance Companies, transport and education, and for SodexoPass benefit vouchers. Since we lay stress on the health of employees, 50 % of the earmarked amount is intended for health care, regeneration and recreation. Along with the mentioned benefits, the employ-





ees can use the following advantages: contributions to Supplementary Pension Insurance Companies, flexible working hours, salary compensation in case of sick leave, financial social aid in case unfavourable life events occur in the families of the employees, and discounts which can be applied on the products and services of some selected partners. As one of their benefits last year, employees were given a discount card for purchasing goods and services in retail networks. Employees also make use of discounts on T-Com products, ranging from 80 to 99 %; and this option is also available to women on maternity leave.

Various events, in which employees voluntarily participate in their free time, are also perceived as benefits. These include an annual Christmas party, and a new tradition of the T-Com Beach grand opening, during which the beach is reserved for Company sports and games.

## Benefits for Our Employees' Families, Too

The company regularly organises competitions and quizzes in which our employees' family members can also participate. Since they cannot register for official

(public) competitions, they have an opportunity to win lucrative and worthwhile prizes just in such types of competitions.

Employee benefits are structured so as to make them available for employees' family members. We have organised summer holiday camps for the employees' children for several years now. The leaders of the camps, who are supervising children aged 7 till 15 years, have huge pedagogic experiences. Children, as well as their parents, appreciate cultural and sports program, pleasant nature surrounding of the Central Slovakia and acceptable prices.

## Cooperation with Secondary Schools and Universities

In 2008, Slovak Telekom continued intensive cooperation with students and teachers at different levels. Among the greatest successes was the Company's traditional presence in the student event National Career Days 2008, with Slovak Telekom continuing as one of best-valued companies among students, as supported by the following awards: first place in the category Best Job Offer, second place in the category Best Company, and third place in the category Best Communication. Besides participation in National Career Days, Slovak Telekom took part in other job fairs, for example in Pro Educo in Košice. Programmes that the Company has consistently prepared for students include:

- Diplomovka at ST (University Thesis at ST)
- Global Internship program







- Events, lectures, and onsite visits
- Job opportunities for students and graduates
- Virtual student club

Human Resources employees together with experts organised several onsite visits for students of several secondary schools and universities (e.g., the Slovak University of Technology, Karol Adler Secondary Vocational Electrotechnical School, and Secondary Technical School of

Transport and Telecommunications in Trnava) in specialised ST classrooms and workplaces. Students thus could take part in demonstration of state-of-the-art technologies as well as see them in practice. In cooperation with teachers, Slovak Telekom in 2008 organised the first NTiT (New Trends In Telecommunications) conference for secondary school educators. Teachers evaluated the conference positively.

In November 2008, in co-operation with T-Mobile Slovensko, we prepared the fourth annual Telekom Day conference for technical university students. The event welcomed over 100 students and teachers from telecommunications- and IT-oriented universities all over the country. An innovation in the organisation of this event was the participation of students and pedagogues from a partner technical university from Leipzig (Germany). Participants of this interactive conference not only had the chance to learn about the latest technological trends, but to collaborate with experts from both companies in real life case studies. The main topics of the event were new trends in fixed and mobile technologies, a survey of NGN technological architectures, and options of access and transport networks for 3PP services. Students could also participate in lectures focused on management technologies for modern services and mobile applications on portals of operators in the future

■ **Our Responsibility towards Employees**

(LTE, multiband modem for FLASH-OFDM and HSDPA technologies). Participants in the conference were most interested in new technologies in computer networks, the future of the telecommunications market, the security of the public telecommunications network (encryption, resistance of systems against potential attacks, etc.), installation and new trends of optic networks in Slovakia and abroad, and the future direction of mobile communication. In parallel agenda to the students' conference, there was a programme for educators invited from universities, a main topic of which was assessment of cooperation with Slovak Telekom, and T-Mobile Slovensko.



**Telekom Day More Successful Every Year**

## Our Responsibility towards the Environment

2008 was a milestone for our Company environmental protection, as we fulfilled the requirements of the EN ISO 14001:2004 standard, and introduced and launched our environmental management system. The short period needed to implement the system demonstrates the high level of the Company's environmental protection.

In accordance with the environmental goals of Deutsche Telekom Group, Slovak Telekom takes a proactive approach to environmental protection. Beyond the obligations arising from Slovak legislation, Slovak Telekom adopted the Sustainability Charter in 2004 along with European Telecommunications Network Operators' Association ETNO. Subsequently in 2005 the Sustainable Development Strategy as well as the Roadmap and Sustainable Development Strategy for 2006-2008 were adopted. Thus Slovak Telekom joined in the intention of Europe's most progressive companies to reflect economic, social, and ecological aspects of business in a unified manner, and enforce utilisation of modern telecommunications services as an alternative to activities with negative environmental impact.

Again last year, Slovak Telekom continued in specific activities aimed at eliminating environmental pollution. We have achieved high waste recovery; limits for recycling of electrical devices and packaging were also fulfilled. Recycling of common waste was extended, and recovery of approximately 10 % of waste was achieved. The Company continued decreasing production of pollutants from its own sources by increased efficiency in energy consumption, optimising use of work sites, reducing fuel consumption, and testing alternative transportation fuels in operations. Investments in the amount of EUR 630,684.46 (SKK 19 million) contributed to the prevention of environmental accidents.

Environmental protection was also supported through environmentally oriented marketing, increasing environmental awareness, and engaging our employees in

activities such as recycling waste, two-sided printing, collecting small batteries from employees' households, and the like.

Products and services of our T-Com brand actively contribute to reducing negative environmental impacts, as the volume and need for transport of persons and goods, and thus also the consumption of natural resources, is decreasing thanks to use of communication and information services.

Slovak Telekom is also developing activities to motivate customers to act ecologically. The Company actively offers electronic invoice delivery, digitally signed and meeting all the prerequisites of a tax document. By the end of 2008 customers had received 17,646 electronic invoices, which represented 1.6 % of all invoices distributed. In this way, the Company saved some 125 trees.

In creating conditions to improve environmental protection, we cooperate with all the companies of the Deutsche Telekom AG Group, as well as with the European telecom and electronic communications operators' association ETNO. Adherence to regulations related to the environmental protection was controlled both internally and externally, with external controlling bodies finding no questionable practices.



## Protection of Atmosphere, Earth's Ozone Layer and Against Climate Change

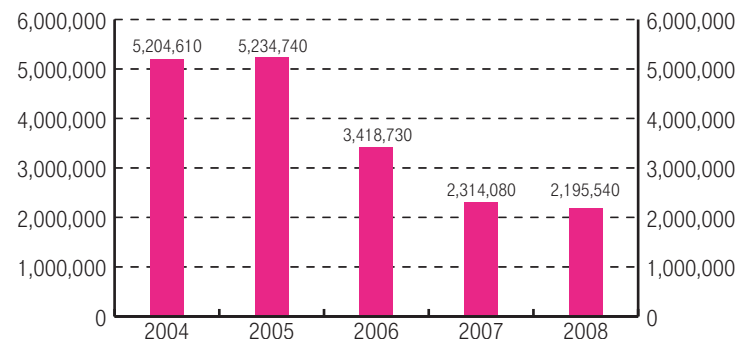
Slovak Telekom respects all legal limits for air pollution, and has long contributed to its decrease. Over the last three years, we have decreased the production of pollutants from our own sources, by increased efficiency in energy consumption, optimising use of work sites, reducing fuel consumption, and testing alternative transportation fuels.

To ensure smooth operation of telecommunications equipment the Company utilises a cooling system using compounds that, if leaked, could damage the Earth's ozone layer. Last year, we did not encounter any leak of toxic substances into the air; additionally, the equipment containing these compounds will continue to be phased out in 2009.

In air protection, Slovak Telekom systematically decreases its emissions production. In 2008, for example, natural gas consumption was decreased by 5.12 %.

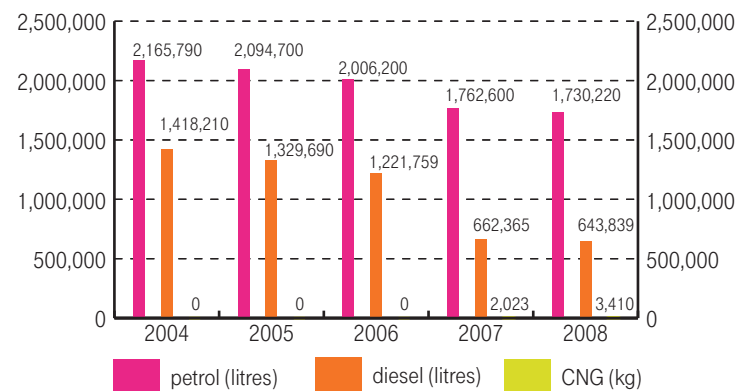
We also helped decrease emissions by reducing the number of our vehicles. In 2008 Slovak Telekom used 1,430 motor vehicles, representing a decrease of 170 compared to 2007 (1,600 vehicles), and of 478 compared to year 2006 (1,908 vehicles). In 2008 the Company purchased 142 new low-emission motor vehicles and 11 freight vehicles. Consumption of diesel decreased year on year by 2.80 %, and of petrol by 1.84 %. Efficient consumption of energy and use of work sites also brought a decrease in heating consumption last year. Consumption of electricity decreased by nearly 24 %. Detailed information is presented in the following graphs.

**Natural Gas Consumption by Slovak Telekom, 2004 – 2008 (in m<sup>3</sup>)**



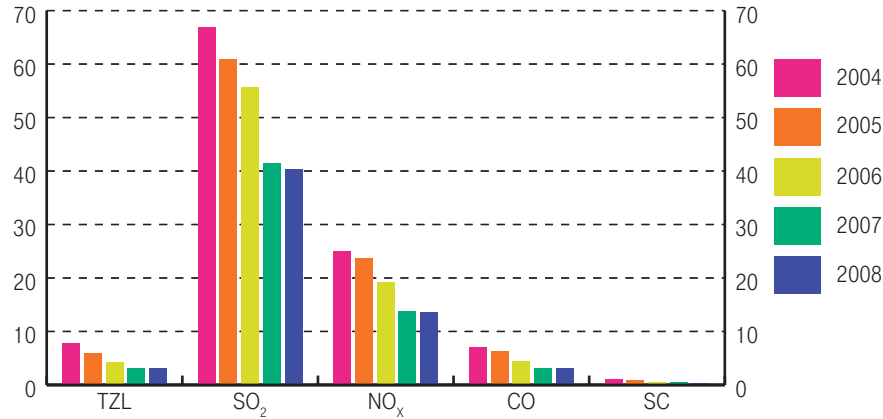
Source: Slovak Telekom

**Fuel Consumption by Slovak Telekom in 2004 – 2008**



Source: Slovak Telekom

### Air pollution by emissions from heating plants, motor generators and transport at Slovak Telekom in 2004 – 2008 (in tonnes)



Source: Slovak Telekom

Legend: ■ TZL – Solid pollutants ■ SO<sub>2</sub> – Sulphuroxides ■ NO<sub>x</sub> – Nitrogen oxides  
 ■ CO – Carbon monoxide ■ SC – Organic substances – total organic carbon

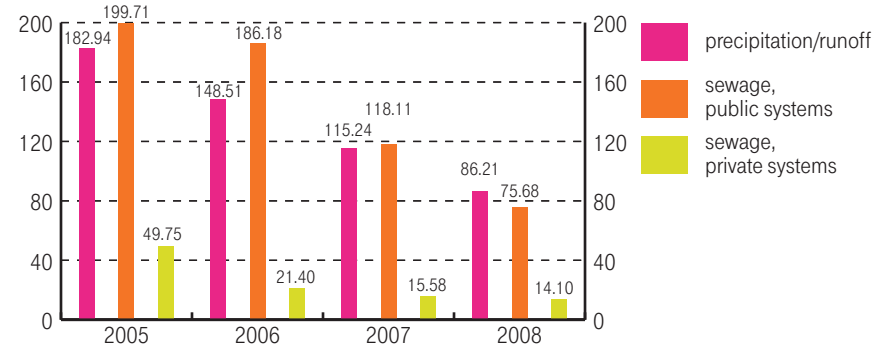
## Water Management and Water Protection

Regarding water management, Slovak Telekom gave increased attention to sewage treatment in its own facilities (sewage treatment plants; grease and oil traps). Over the last years we have decreased the production of waste water from our own facilities, mainly by decreasing the consumption of drinking-quality water and by increasing use of industrial (non-potable) water for other purposes.

In compliance with the law on prevention and rectification of environmental damage, last year we eliminated three obsolete diesel tanks for storage of standby electric generator fuel since they constituted increased risk of pollution to ground and surface waters. Eight further tanks were protected against leakage of hazardous substances into the environment.

### ■ Our Responsibility towards the Environment

### Quantity of Waste Water Released, 2005 – 2008 (in ths. m<sup>3</sup>)



Source: Slovak Telekom

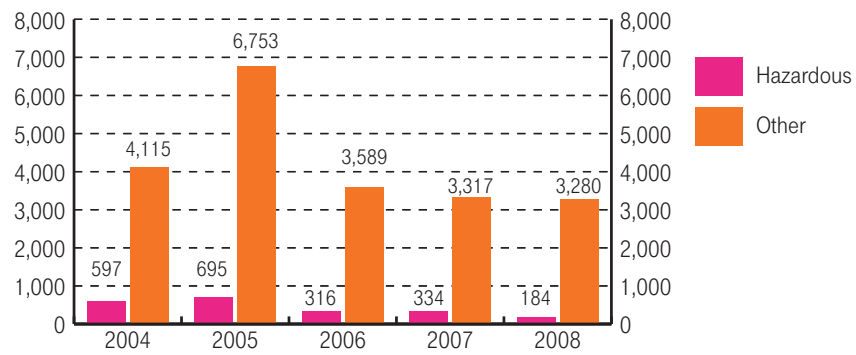
## Waste Management

Slovak Telekom gives attention to effective flow of waste from origin to processing or of final storage, with high emphasis on the available waste recycling possibilities. For example, we managed to achieve 100 % recycling of electronic waste and discarded lead-acid batteries. By the end of 2008, almost 75 % of employees were provided with conditions for recycling. Our proactive approach to the environment protection starts with the procurement process.



The Company gives preference to suppliers of products that place the smallest possible burden on the environment after their service life is finished. We have also joined the collective system of collection, transport, and processing waste from electric and electronic devices (SEWA).

### Waste Production in 2003 – 2008 (in tonnes)



Source: Slovak Telekom

## Our Responsibility towards Customers

Slovak Telekom uses a full array of tools and communications channels to be in touch with its customers. They can order products and services directly at sales points called T-Centres, via telephone through call centres or at the web site [www.t-com.sk](http://www.t-com.sk). Agents at the toll-free Customer Service Centre 0800 123 456 are available to answer customers' questions or give explanations when necessary. When ordering a service, one can specify an exact date for service installation, including the option to have it done outside regular business hours or at weekends, as the customer may prefer. Last year we also introduced the institution of an Ombudsman, who by using a personal approach or by repeatedly checking the situation, helps resolve non-standard or difficult-to-implement customer requirements and complaints.

**T-Centres:** In 2008 we created a retail network of T-branded telecommunications shops jointly with T-Mobile Slovensko. The common T-Centres offer comprehensive portfolio of voice, data and Internet products, services and terminal equipment under one roof. Customers are thus provided comprehensive information on both T-Com and T-Mobile products and services at one place, while communicating with only one multi-function salesperson. Creating this common network means that the coverage of Slovakia by retail shops was increased to include more than 200 shops.

**Call Centres:** The major activity of the Call Centres operated by our Company is customer care support. Call Centres operate several toll-free phone numbers, through which customers obtain all necessary information on our Company's products and services. The 0800 123 456 number of the Customer Service Centre is the most frequently used. Here customers can inquire about services

provided, and order them or ask questions about how to order. Business clients can use the line 0800 123 500; and the Internet Hotline number 0800 123 777 serves for technical support to Magio and internet products, not only on weekdays, but also during weekends and public holidays.

In addition to customer care, Call Centres also focus on the sale of services and products. Its share of overall sales reached 32 % of residential customers for broadband products, 52 % for the Magio service and 52 % of residential calling plans.

The Call Centres' commercial activities are primarily focused on inbound outsourcing services (infolines, helpdesks, order lines and 'green' lines), outbound outsourcing services, and back office services (processing and archiving requests, correspondence and surveys. Last year these services were offered and provided very successfully for both domestic and international customers, in particular from the banking, insurance and telecommunications industries.

In 2008 we introduced the new operator lines of 12 999 and 12 777 for the hearing impaired. The 12 111 service, a third-party information service recognised as the Best European Service of 2007, expanded its portfolio of offerings.

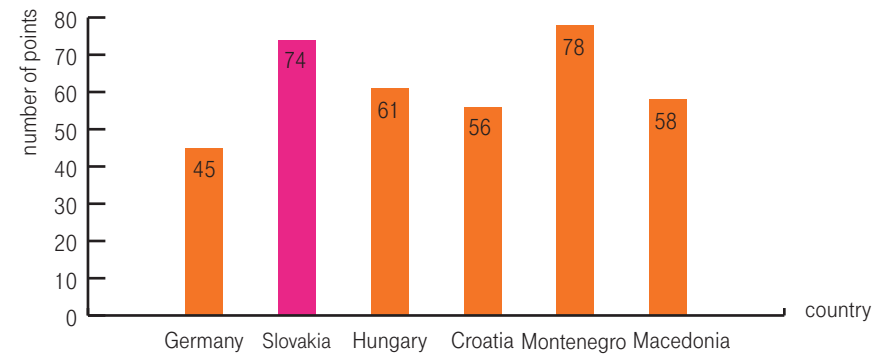
**Web:** Starting last September, customers may order and change products on-line through our web site [www.t-com.sk](http://www.t-com.sk). In addition to easy ordering, customers can obtain products and services with additional discounts. Electronic versions of invoices are also available, offering options such as web-based payment or viewing previous invoices. On-line communication with our Company is popular with the customers, which is also proven by its increasing share of sales.



## Obtaining Feedback

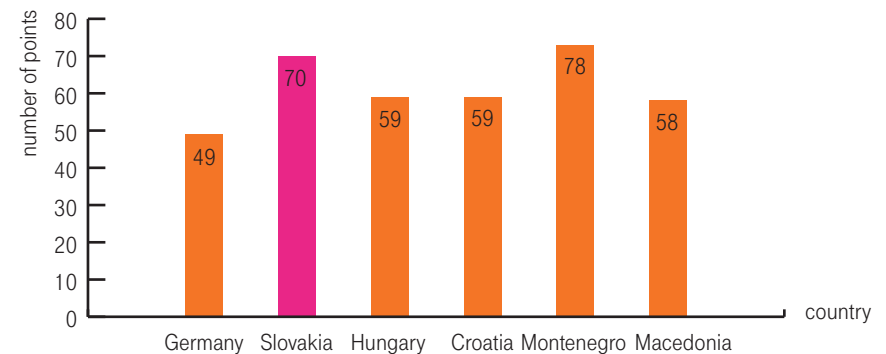
In order to constantly improve the customer care quality, we must know customers' view. Therefore since 1998, Slovak Telekom has regularly obtained customer feedback through a survey conducted by an independent agency. The result of this survey is the TRI\*M index, which is used by companies worldwide in various industries. Slovak Telekom's TRI\*M index score has shown increasing tendency in recent years. With the aim of achieving comparable results, all Deutsche Telekom Group companies harmonised customer satisfaction measures in 2008. For this reason it is not possible to show how the index evolved over previous years. The TRI\*M index is presented in comparison with Deutsche Telekom Group companies providing fixed network services in Germany, Hungary, Croatia, Macedonia and Montenegro. The results gathered confirmed the position and high standard that Slovak Telekom's TRI\*M index has enjoyed over the years.

**Comparison of Slovak Telekom's TRI\*M Index of Residential Customers with Other DT Group Companies Providing Fixed Network Services.**



Source: Slovak Telekom

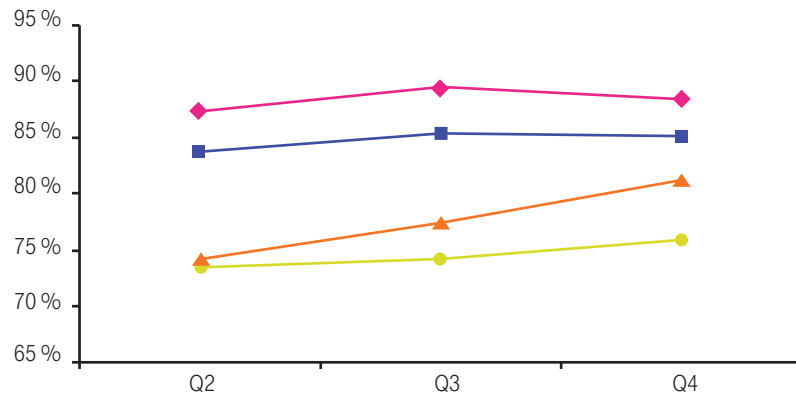
**Comparison of Slovak Telekom's TRI\*M Index of Business Customers with Other DT Group Companies Providing Fixed Network Services.**



Source: Slovak Telekom

Last year we launched our own Welcome Calls and Feedback Calls telephone survey, to obtain more details on customer satisfaction. It helps us measure (on a monthly basis) customer feedback on processes such as ordering and service installation, the entire claims procedure (from receiving to resolving) and fault clearance. Thus we are able to identify causes of customer dissatisfaction on a monthly or quarterly basis, and establish operational remedies. The following graph indicates that customer satisfaction has been on the rise in the majority of areas under review.

### Customer Satisfaction Trend in Service Ordering and Activation, Fault Clearance and Claim Resolution Processes in 2008



Source: Slovak Telekom

Legend:

- ◆ Ordering process
- Activation process
- ▲ Fault clearance
- Claim solving

Successful renewal of EN ISO 9001:2000 quality certificate reaffirms constant efforts to improve customer service. The certificate confirms that Slovak Telekom complies with European standards for service provision and is capable of responding to customer requirements and enhancing its service provision system inclusive of developing new services demanded by clients. The certification is especially focused on customer acqui-

sition and customer care processes and new product development processes based on customer requirements. The quality management system has been in place since 2004.

## Euro Changeover with No Price Effect

Slovak Telekom also applied its customer orientation in transitioning to the new currency. Already in 2007, as the first company in the telecommunications industry, Slovak Telekom signed the Code of Ethics for the Euro Changeover, committing itself to implement the new currency without unreasonable product and service price increases. In addition to managing the technical conversion, we focused on providing our customers with transparent, understandable and timely information. Dual display of prices on all price lists, sales points, promotional material, invoices and advertising started at the proper time as specified by law. Product and service prices were also dually displayed on the corporate web site.

On 1 January 2009, at the moment of conversion to the euro, the order in which prices are indicated on customer web pages was swapped. The euro became the primary currency, with Slovak koruna values given in brackets for informative purposes. All marketing media are using this layout. Call Centre agents, from the first of the year, are communicating all product pricing first in euros, and then explaining the equivalent value in korunas for better orientation.

Each of the changes resulting from the change to the new currency was communicated to customers through a separate press release. The Company also publicised them on the corporate euro portal, and in some cases an informational message was inserted directly into web user interfaces.





## Our Responsibility towards Suppliers and Partners

Slovak Telekom is one of the major customers and purchasers in Slovakia. The Company especially focuses on transparent selection of its suppliers. It pays attention that its business partners and suppliers are certified for their business, maintain rules and norms valid for the European Union and that their business is ethical and in compliance with the applicable laws of the Slovak Republic.

In 2008 Slovak Telekom cooperated with over one thousand suppliers, while preferring a long-term cooperation with reliable partners. Therefore, the level of services and quality of deliveries by suppliers of important commodities are regularly audited.

During public tenders for external procurement of goods and services, as well as in archiving relevant documents, the responsible employees follow internal company guidelines mandatory for all public tenders.

For three years now, we have been inviting potential suppliers to participate in electronic public tenders and auctions, increasing transparency of procurement. The procurement process has been certified according to ISO 9001:2000. Our Company thoroughly applies the Sarbanes-Oxley Act (SOX) standards, obligatory for all companies listed on the New York stock exchange that is also for Deutsche Telekom AG and its subsidiaries. One of the main SOX requirements asks for establishment of transparent control environment that would prevent manipulation with financial data directed to the capital market.

In case the communication during a public tender includes sensitive information, a contract on protection of confidential information and facts as part of business secret is concluded with the bidders, or they sign a non-disclosure agreement. The details of the bids submitted during selection procedures are subject to trade secret.

# Annex



# Excerpt from Annual Report on the Usage of the Means of the Endowment Fund of Slovak Telekom for 2008

In 2007 Slovak Telekom, in cooperation with the Intenda Foundation, established the Endowment Fund Slovak Telekom (hereafter the Endowment Fund), with the aim of **assisting physically, socially or otherwise disadvantaged individuals, and enhancing their access to useful information.**

The Endowment Fund's mission is defined by the motto **“To Open the World of Information to All”**. In 2008, the financial resources of the Endowment Fund again assisted individuals with serious impairments and their loved ones access information that will improve their lives in the Individual Grant Scheme **“Information Access for Those with Impairments”**, and assisted organisations to realise projects to improve information access to disadvantaged groups and bringing people together through information and communication technologies (hereafter ICT) in four grant cycles (**“Information – a Bridge between Generations”** (from 2007), **“IN-FORMATION”**, **“Victories with no Losers”**, and **“Information that Opens up Opportunities ”**).

For Endowment Fund purposes, a special **web page, www.fondst.sk**, functioned all year. The most current information, conditions and rules for support, as well as results of evaluations of individual grant schemes, were publicised there. On a daily basis, the **telephone line 02/57 297 902** is available from 8 a.m. to 4 p.m., as well as the **e-mail address fondst@intenda.sk**.

## Grant Programme For Organisations

**The aim of the grant programme for organisations** as managed by the Endowment Fund is to reach its target group of progressive organisations that help overcome

barriers between people; realise cultural, social and interactive events; contribute to disseminating information through ICT; and generate projects that utilise ICT in such a way as to help it become a standard part of society at the community level.

### Overview of Projects Supported and Realised, by Grant Cycle (GR)

	1GR	2GR	3GR	4GR	TOTAL
<b>Projects supported</b>	21	13	24	19	77
<b>Projects realised</b>	20	13	22	0	55
<b>Projects not realised</b>	1	0	2	0	3
<b>Projects now being realised</b>	0	0	0	19	19

## First Grand Cycle: “Information – a Bridge between Generations”

The aim of the Endowment Fund's initial grant cycle, entitled **“Information – a Bridge between Generations”**, was to support projects that visibly improve the quality of life of people from various generations. Projects were to be designed to facilitate exchange of information among groups that do not usually communicate, with the emphasis on inter-generation dialogue making use of multimedia technologies.

This grant cycle was officially announced on **6 September 2007**. The deadline for proposals was **10 October 2007**. Programme information was circulated through

the Fund's web site [www.fondst.sk](http://www.fondst.sk) and through national and regional media. **EUR 33,193.92** (SKK 1,000,000) was earmarked for project support. The maximum support for each project was **EUR 2,157.60** (SKK 65,000).

By the deadline, 89 project proposals had applied for a total amount of EUR 178,966.27 (SKK 5,391,538). 9 applications were excluded when formal criteria were checked, because of ineligibility for the grant (primarily because one of the grant conditions held that the applicant had to have been legally established for at least one year). This reduced the number of proposals assessed by the Assessment Commission to 80.

Based on the Assessment Commission's recommendations, in November 2007 the Programme Committee approved support for **21 projects in the total amount of EUR 33,193.92** (SKK 1,000,000). Examples of projects supported included those focused on young people educating their elders in working with PCs and the internet; and on activities that facilitate older people's sharing of experience and knowledge with youth, by giving the youth a chance to use ICT to ask questions and get answers about things they have never experienced.

During the first grant cycle, **20 projects** were realised from **1 December 2007 to 30 April 2008**. One organisation did not implement any activities in their approved proposal. In accordance with the payment calendar agreed, this organisation returned the finances it received before 25 January 2009. Most organisations (12) utilised for realisation the entire amount of the financial resources received, while 8 organisations did not require as much financial support as they had planned in their proposals. Therefore **EUR 857.98** (SKK 25,847.50) returned to the Endowment Fund's budget.

Thus **in the first grant cycle** the Endowment Fund Slovak Telekom **distributed a total of EUR 31,240.54** (SKK 941,152.50) **among 20 projects**.

#### Overview of Projects Supported in First Grant Cycle

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
Academia Istropolitana Nova	Žijeme spolu (Living Together)	40,000.00	1,327.76

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
OZ "Odysea mysle"	Digi studio (Digi Study)	36,532.00	1,212.64
Detská organizácia FRIGO	Z rozprávky do rozprávky, alebo 4G(enerácie) pod jednou strechou (Fairly Tales, or 4G(enerations) under a Single Roof)	59,990.00	1,91.30
Prameň, n. o.	Zlepšujeme dialóg medzi generáciami - piesňami, zvykmi a tradíciami. (Improving Dialogue between Generations through Songs, Customs and Traditions)	32,965.50	1,094.25
FILOKALIA občianske združenie	Zachráňme históriu digitalizáciou (Let's Save History via Digitalisation)	33,818.00	1,122.55
Nadácia Budúcnosť 2000	Minulosť a prítomnosť pre budúcnosť (The Past and the Present for the Future)	34,000.00	1,128.59
Centrum komunitného rozvoja Košice	Životný príbeh - most ktorý spája (Life story - An Interlinking Bridge)	46,000.00	1,526.92
OZ "Spoločne pre obec, obec nám", v skratke SPOON	Filmový klub pre každého (Film Club for Everyone)	42,468.00	1,409.68
OZ Nová cesta	Podíďme bližšie! (Let's Come Closer)	62,970.00	2,090.22

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
OZ DELET	Žijú, aby sme nezabudli (They Live So We Don't Forget)	0	0
Združenie Slatinka	Hovory o miestach a časoch (Talks about Times and Places)	45,000.00	1,493.73
Materské centrum Senecké slniečko	Spoznajme sa a stretávajme sa (Let's Get to Know One Another and Meet)	29,952.00	994.22
SK 98 PRUSKÉ	... Nezáleží na veku...alebo RADUS II (Age Doesn't Matter, or RADUS II)	41,994.00	1,393.95
Slovenský zväz telesne postihnutých - základná org. rodičov a priateľov telesne postihnutých detí	Budujme mosty (Let's Build Bridges)	57,000.00	1,892.05
Rodičovské združenie pri Gymnáziu v Žiari nad Hronom	Dialóg generácií na pôde Gymnázia v Žiari nad Hronom (Dialogue of Generations at the Secondary School in Žiar nad Hronom)	54,592.00	1,812.12
Združenie nevidiacej a slabozrakej mládeže	Hľadáme spoločné nehľady (Looking for Common Views)	55,000.00	1,825.67

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
INEX Slovakia	Familius Voluntarius - Rodiny pre dobrovoľníctvo (Families for Volunteering)	36,197.00	1,201.52
OZ Priatelia detom pri Domove sociálnych služieb Hrabiny Nová Baňa	Počítačový klub pre zdravotne postihnutých a ich rodiny (PC Club for the Physically Handicapped and their Families)	65,000.00	2,157.60
Trenčianska nadácia	Miesta, ktoré mám rád (Places I Love)	48,674.00	1,615.68
Klub priateľov školy	Malí učitelia (Little Teachers)	54,000.00	1,792.47
Združenie kresťanských spoločenstiev mládeže, OC Spišská Nová Ves	Vy nás chcete učiť žiť a my Vás s počítačom sa spriatelíť! (You Want to Teach Us to Live and We Want to Teach You to Befriend the PC)	65,000.00	2,157.60
<b>Total: 21 supported/20 realised projects</b>		<b>941,152.50 Sk</b>	<b>31 240,54 €</b>

All the organisations fulfilled the aims planned in their proposals, and submitted detailed accounts.

## Second Grant Cycle: “IN-FORMATION”

The aim of the second grant cycle, “IN-FORMATION”, was **to integrate physically impaired children and youth** by making information and its sources more accessible, and **to support the active use of information** in solving problems. The projects realised were also to foster communication as a means to **heighten sensitivity** of children and youth to the needs of their disadvantaged peers. The programme’s goal was to support projects designed around interactive activities between children and youth with and without physical impairments. ICT was meant to be used in the projects for: **identifying and elaborating a problem** (together seeking and then creatively working with information, to find a common perception of the problem and its possible solutions); **preparing and publishing an output** that would highlight the problem and its possible solutions; and **realising activities** that would solve or contribute to solving the problem (e.g. removing physical barriers preventing children/youth with impairments from accessing information, technology, activities or places where their unimpaired peers spend free time and can access important information).

**EUR 49,790.88** (SKK 1,500,000) was earmarked for the second grant cycle, with maximum support per project set at **EUR 3,319.39** (SKK 100,000). **The total amount** for projects approved in the second grant cycle was **EUR 31,556.79** (SKK 950,680).

**Financial resources from this programme were specifically** for expenses associated with realising concrete activities. These could include **purchase of equipment** (modern technology); and **providing for project operations**. In addition to providing for operations, organisational costs (e.g. for travel and publicity materials) were acceptable. It was not acceptable to finance salary and wages from these project budgets.

This second grant cycle was announced on **27 December 2007**. Programme information was circulated through the Fund’s web site [www.fondst.sk](http://www.fondst.sk), the Intenda Foundation’s web site, and national and regional media. In the second grant cycle,

non-governmental organisations, non-profit organisations, community foundations and non-investment funds were eligible to request assistance, provided the given organisation had been registered as a legal entity for at least 1 year. The Intenda Foundation received **61 proposals** from all over Slovakia before the deadline, which was **4 February 2008**. 4 applications were excluded because of formal criteria, and 1 was excluded because of conflict of interest on the part of an Assessment Commission member. 56 projects were thus assessed. Applicant organisations were requesting a total of EUR 165,305.68 (SKK 4,979,999).

The results of the evaluation of the Assessment Commission were approved by the Endowment Fund’s Programme Committee on **17 March 2007**, at its sixth session.

**13 projects were supported, and realised from 1 April to 30 September 2008.**

### Overview of Projects Supported in Second Grant Cycle

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Klub priateľov školy	Čarovná komnata (The Magic Chamber)	32,278.00	1,071.43
Spoločenstvo evanjelickej mládeže	Sme tu aj my (We're Here Too)	85,000.00	2,821.48
Spoločnosť na pomoc osobám s autizmom v Dunajskej Strede	Otvorme autistom nový svet (Let's Open a New World for People with Autism)	100,000.00	3,319.39
Dom detí Božieho milosrdenstva	Kde bolo, tam bolo... (Once Upon A Time...)	31,200.00	1,035.65
Občianske združenie "Priatelia sluchovo postihnutých detí"	Komunikácia bez bariér (Communication Without Barriers)	94,990.00	3,153.09

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Dom Svítania, n. o.	Využívanie moderných informačných zdrojov a technológií pri práci s ľuďmi s mentálnym postihnutím (Using Modern Information Sources in Working with the Mentally Impaired), Dome Svítania, n. o. in Jakubovo	73,680.00	2,445.73
Nitrianska komunitná nadácia	Spolu prekonávame bariéry (We're Totally Overcoming Barriers)	60,900.00	2,021.51
eRko - Hnutie kresťanských spoločenstiev detí, redakcia časopisu Rebrík	Som tu – tešte sa tomu! (Here I Am – Be Happy!)	75,500.00	2,506.14
AMAVET - Asociácia pre mládež, vedu a techniku	Takto si tu žijeme (This is How We Live Here)	65,000.00	2,157.60
PRO REGION n. o.	Spoznajme sa navzájom (Let's Get to Know Each Other)	73,000.00	2,423.16
Občianske združenie - Slniečko pre pomoc ľuďom s viacnásobným postihnutím	“Odkryjem ti môj svet” (“I’ll Show You My World”)	90,500.00	3,004.05

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
INEX Slovakia - občianske združenie	INtegra INformuje s INexom (INtegra INforms with INex)	79,460.50	2,637.61
Zaostri	Fotomaratón pre zrakovo hendikepované deti (Photo-Marathon for Children with Vision Impairment)	84,040.00	2789.62
<b>Total: 13 projects supported</b>		<b>945,548.50 Sk</b>	<b>31,386.46 €</b>

## Third Grant Cycle: “Victories with no Losers”

The “**Victories with no Losers**” grant cycle's purpose was to support **active dissemination of information** relating to international Olympic ideals – as a contribution to building a peaceful and just world free of discrimination, supporting **mutual understanding**, developing **friendship, solidarity** and establishing **fair play** principles, and putting these things into practice every day locally. **Its aim** was: to foster communication and interaction between various groups (generations, varying social and ethnic groups) that live in the same area by presenting community events (sporting and/or others) dedicated to principles of developing **mutual understanding, friendship, and solidarity**; and to eliminate barriers obstructing disadvantaged groups from self-actualisation (in sports or other active living), either separately or together with others, but always with the **same starting line** and characterised by **principles of fair play**.

**Activities were to:** facilitate getting to know one another, and eliminate prejudice and increase sensitivity and respect for those in differing physical, ethnic, social or cultural conditions; create new active life opportunities for those with physical and other disadvantages; initiate a new tradition of events that will regularly welcome participation by groups from various socio-cultural backgrounds; and teach new life skills.

**EUR 49,790.88** (SKK 1,500,000) was earmarked for the third grant cycle, with maximum support per project set at **EUR 3,319.39** (SKK 100,000).

**Financial resources from this programme were specifically** for expenses associated with realising concrete activities. These could include **purchase of equipment** (modern technology) and providing for **project operations**. In addition to providing for operations, **organisational costs** (e.g. for travel and publicity materials) were acceptable. Salary and wages were covered only for direct project realisation, and were limited to no more than 20 % of the total budget.

Information on the third grant cycle, which was announced on **28 April 2008**, was circulated through the Fund's web site [www.fondst.sk](http://www.fondst.sk), the Intenda Foundation's web site, and national and regional media. In the third grant cycle, non-governmental or-

ganisations, non-profit organisations, community foundations, and municipality and local governments were all eligible to request assistance, provided the given organisation had been registered as a legal entity for at least 1 year. The Intenda Foundation received **67 proposals** from all over Slovakia before the deadline, which was **28 May 2008**. 1 project came in after the deadline, and 2 applications were excluded from the evaluation process because they were not eligible to request the grant. A total of **3 applications were rejected. 65 applications proceeded** to the evaluation process. During the Assessment Commission's evaluation process, the Slovak Union of Physically Disabled People (Slovenský zväz telesne postihnutých) asked to withdraw from evaluation their proposal “Sports for an Independent Life”. Based on this, at its second session the Assessment Commission evaluated only **64** projects. In total, applicant organisations requested EUR 115,741.74 (SKK 3,486,835.65).

The results of the evaluation of the Assessment Commission were approved by the Endowment Fund's Programme Committee on **1 July 2008**.

The Programme Committee approved support for **24 projects in the total amount of EUR 49,790.87** (SKK 1,500,000).

In the Third Grant Cycle, **22 projects** were realised **from 1 July to 30 November 2008**. None of the organisations requested project extensions.

### Overview of Projects Supported in Third Grant Cycle

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Asociácia Divadelná Nitra	Darujem ti tulipán (I'll Give You A Tulip)	100,000.00	3,319.39
Lepší svet n. o.	Olympiáda a abylympiáda Lepší svet (Olympics and Abilympics – Better World)	100,000.00	3,319.39



Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Centrum vzdelávania a neštátnych služieb zamestnanosti	Šancu majú všetci – víťazstvom je účasť (Everyone Has a Chance – Participation is Victory)	55,848.00	1,853.81
Matúšovo kráľovstvo	Feudálna olympiáda (Feudal Olympics)	61,000.00	2,024.83
Depaul Slovensko, n. o.	Nízkoprahový útulok Depaul pre ľudí bez domova v Bratislave (Low-Threshold Shelter for Homeless in Bratislava)	80,507.40	2,672.36
Bohatská šanca – Občianske združenie	1.ročník športovej olympiády chránených dielní Nitrianskeho samosprávneho kraja (1st Annual Sports Olympics of Nitra Region's Protected Workshop)	55,146.00	1,830.51
Mesto Svätý Jur	Budme spolu 2 (Let's Be Together 2)	47,500.00	1,576.71
Združenie rodičov a priateľov Školy u Filipa, o. z.	Iné dni - iní ľudia - iní my (Other Days - Other People - Other Us)	79,042.00	2,623.71
Občianske združenie Poza školu	Šport – tu – je vždy! (Sport – Here – Is Forever!)	38,000.00	1,261.37
Občianske združenie Pre Pindre - Na nohy	Šampionát víťazov (Victors' Championship)	60,000.00	1,991.64
Nadácia Providencia	Slniečko (Sunshine)	52,700.00	1,749.32

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Kvitnúca nádej	Pohyb pre všetkých (Everyone Moving)	40,000.00	1,327.76
Mesto Sečovce	Športom k vzájomnému porozumeniu a solidarite (Sports for Understanding and Solidarity)	0	0
Občianske združenie Lackovci	Všetci sme víťazi (We're All Winners)	68,900.00	2,287.06
Občianske združenie ZLOM Zacharovce	Aby ľudia spolu hovorili - pridaj svoju fotografiu (To Get People Talking - Add Your Photograph)	0	0
Občianske združenie Spoločnosť Slovensko-indického priateľstva	Najväčším darom je priateľstvo (Friendship is the Greatest Gift)	60,555.00	2,010.06
Vidiecka asociácia mládeže v Starej Ľubovni	Nájdime radosť (Let's Find Joy)	62,000.00	2,058.02
Občianske združenie Barlička	S radosťou k víťazstvám, kde niet porazených! (Joyfully to Victories with No Losers!)	43,000.00	1,427.34
Občianske združenie Domov v rodine	Moja rodina na tričku (My Family T-Shirt)	47,000.00	1,560.11
Občianske združenie Srdce zvona	Bezbariérový šport (Barrier-Free Sport)	72,000.00	2,389.96

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant /EUR
Občianske združenie Priatelia deťom pri Domove sociálnych služieb Hrabiny Nová Baňa	Víťazíme spoločne (Let's Win Together)	42,250.00	1,402.44
Spoločenstvo evanjelickej mládeže	Vzťahy liečia - spojenie rovesníkov z dvoch svetov (Relationships Heal - Peers from Two Different Worlds)	78,800.00	2,615.68
Občianske združenie Athéna	Podme spolu lietať (Let's Fly Together)	54,307.00	1,802.66
<b>Total: 24 supported / 22 realised projects</b>		<b>1,376,570</b>	<b>45,693.75</b>

Most organisations (21) that realised projects utilised the entire amount of the financial resources received. One organisation did not realise its project in any way, and never signed the Grant Contract. One organisation did not realise its project, and at present the Intenda Foundation is processing a claim for the return of the grant received. One organisation required less financing to realise the project than was originally planned, and so a sum of **EUR 182.32** (SKK 5,492.60) remained in the Endowment Fund's budget.

Thus the Endowment Fund Slovak Telekom, in its **third grant cycle, distributed a total of EUR 45,693.75** (SKK 1,376,570) to **22 realised projects**.

## Fourth Grant Cycle: “Information that Opens up Opportunities”

The fourth grant cycle's **main aim** was to foster proactive creation of conditions that will improve access to important **information for young people living in environments characterised by social disadvantages**. The request for proposals was carried out along two interrelated lines:

- **enhancing access** to modern ICT and sources of information, and developing children's and young people's digital literacy and skills for meaningfully working with information
- **supporting access to important information and developing skills for working with it**, such that the labour market becomes more within reach to young people with disadvantages – first-time job-seekers

Activities realised by organisations (for the objectives of both A and B) are oriented on: improving ICT work skills of those working with children and youth, such that they could be effectively provided to the grant cycle's target groups; directly developing target group skills in working with information and communication technologies and with information; enabling the provision of life and professional skills in working with information; supporting the sharing of skills in active work with information; creating conditions for sustainable accessibility of information on work, educational, cultural and social opportunities for the target group, and development and strengthening of network support processes among the disadvantaged environment and mainstream society.

**EUR 39,832.70** (SKK 1,200,000) was earmarked for the fourth grant cycle, with maximum support per project set at **EUR 2,655.51** (SKK 80,000).

**Financial resources from this cycle are specifically** for expenses associated with realising concrete activities. These could include **purchase of equipment** (modern technology) and providing for **project operations**. In addition to providing

for operations, **organisational costs** (e.g. for travel and publicity materials) were acceptable. Salary and wages were covered only for direct project realisation, and were limited to no more than 20 % of the total budget.

Information on the fourth grant cycle, announced **6 October 2008**, was publicised on the Fund's web site [www.fondst.sk](http://www.fondst.sk), the web site of the Intenda Foundation, and through national and regional media. In the fourth grant cycle, non-governmental organisations and non-profit organisations, as well as children's homes, residential schools, special education schools, social services homes and day centres, were all eligible to request assistance, provided the given organisation had been registered as a legal entity for at least 1 year. The Intenda Foundation received **54 proposals** from all over Slovakia before the deadline, which was **6 November 2008**. 1 project was submitted after the deadline. 4 applications were excluded from the evaluation process because they were not eligible to request the grant. A total of **5 applications were rejected. 49 applications were evaluated.**

All applications were registered in a specially-created internal database, in accordance with the law on protection of personal information. After the program coordinator checked formal criteria, **49 project proposals** were evaluated by the expert Assessment Commission.

**19 projects were supported**, and **realised** from 1 January to 30 June 2009.

#### Overview of Projects Supported in Fourth Grant Cycle

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
Občianske združenie KYNECKÉ ŠIDIELKA	Pomôžem Ti, aby si vedel viac (I'll Help You Know More)	22,500.00	746.86
Občianske združenie PERSPEKTÍVA 3000	Aby si našli priateľov (So They Find Friends)	79,200.00	2,628.96

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
Laura – združenie mladých	Nové horizonty (New Horizons)	80,000.00	2,655.51
Spojená škola, Z. Nejedlého	Učíme sa s výpočtovou technikou (Learning to Work with Computers)	64,000.00	2,124.41
Občianske združenie DILMA	Mobilný vzdelávací tím (Mobile Training Team)	60,000.00	1,991.64
Občianske združenie Nezábudka	Kurz práce s PC pre deti (Working with PC for Children Course)	74,985.00	2,489.05
Občianske združenie DeDo	Šanca pre každého (A Chance for Everyong)	64,000.00	2,124.41
Spolok nepočujúcich učiteľov (SNEPEDA)	Zvyš. uvedomenia si metafor (Improving Understanding of Metaphor)	58,596.00	1,945.03
Občianske združenie Tobiaš	Okienko do sveta (Window on the World)	61,500.00	2,041.43
Človek v tísni o.p.s. – pobočka Slovensko	IN FORMA! Informácie vo forme (Information in Form)	60,300.00	2,001.59
Slovenské misijné hnutie, o. z.	Zlepšenie práce s počítačom... Improving Work with Computers...)	69,000.00	2,290.38
Spojené zariadenie sociálnych služieb "Nádej"	Aj my chceme byť súčasťou... (We Want to Be Part Too)	41,568.00	1,379.80

Organisation	Project Name	Amount of Grant/SKK	Amount of Grant/EUR
Združenie na pomoc ľuďom s mentálnym postihnutím vo Vranove nad Topľou	Aj my sme tu (We're Here, Too)	64,008.00	2,124.68
Špeciálna základná škola Chminianske Jakubovany	S T-Comom do sveta informácií (With T-Com into the World of Information)	60,600.00	2,011.55
LÚČ – Domov sociálnych služieb pre deti a dospelých a zariadenie chráneného bývania	Počítačová šanca (A Chance at Computers)	79,873.00	2,651.30
MARTINO - Inštitút rozvoja spoločnosti	Krokodílie počítače (Crocodile Computers)	80,000.00	2,655.51
Pospolitosť pre harmonický život	Od jaskynných malieb po internet (From Cave Drawings to Internet)	58,680.00	1,947.82
Spoločenstvo evanjelickej mládeže	Plnohodnotný život im pristane (A Full Life Becomes Them)	60,800.00	2,018.19
Občianske združenie Bol raz jeden človek	Pohľad do duše (A Look at the Soul)	60,390.00	2,004.58
<b>Total: 19 projects supported</b>		<b>1,200 000.00 Sk</b>	<b>39,832.70 €</b>

## Individual Scheme For Those With Impairments

The aim of the individual request scheme “**Information Access for Those with Impairments**” of the Endowment Fund Slovak Telekom was to cover the needs of target group applicants who were ineligible to receive grant programme assistance.

**Individual support for those with impairments did not replace state support** (applicants able to receive an identical device through compensations schemes under existing laws on social assistance and social services were disqualified). **The goal of this support** was to improve access to information **on the part of physically impaired individuals directly engaged in caring for children and youth; of individuals directly engaged in caring for physically impaired children and youth and physically impaired children and youth aged under 30.**

As in 2007, in 2008 this scheme featured support for **purchase of assistive devices** associated with information and communication technology (equipment, technology or services). The condition for allocating assistance was that use of these devices is directly **associated with obtaining information for education, training and employment** and could potentially be used in the long-term.

Despite the fact that the individual request scheme was originally conceived as a supplement to the grant programme, it has always attracted great interest on the part of physically impaired individuals. Clearly, its structure effectively covers a gap, and has the potential to generate attention among this target group. The programme “**Information Access for Those with Impairments**” has also proven unique within Slovakia (**during this programme’s realisation, Slovakia’s entire foundation segment offered no comparable scheme** for the support of individuals with impairments in this scope and quality).

Information on the “**Information Access for Those with Impairments**” programme was published via the Fund’s web site [www.fondst.sk](http://www.fondst.sk) and the Intenda Foundation web site. The **deadline** for receipt of applications **was the last day**

of each two-month cycle, i.e. 29 February, 30 April, 30 June, 31 August, 31 October and 31 December 2008.

#### Overview of Individual Requests Supported in 2008

Deadlines	Supported	Total Amount of Support within Period	Average Amount of Support Requested
01 – 02/2008	12	6,107.68 € 184,000 Sk	508.96 € 15,333 Sk
03 – 04/2008	8	4,540.93 € 136,800Sk	567.62 € 17,100 Sk
05 – 06/2008	10	5,145.06 € 155,000 Sk	514.51 € 15,500 Sk
07 – 08/2008	9	5,078.67 € 153,000 Sk	564.30 € 17,000 Sk
09 – 10/2008	10	5,151.70 € 155 200 Sk	515.17 € 15,520 Sk
11 – 12/2008	14	6,500.49 € 195,833.90 Sk	464.32 € 13,988.13 Sk
<b>Total</b>	<b>63</b>	<b>32,524.52 €</b> 979,833.70 Sk	<b>516.26 €</b> 15,552.92 Sk

#### Overview of Support Purposes within the Individual Request Scheme 2008

Support Purpose	Number of those Supported	%
computer	5	8 %
notebook	42	67 %
computer/notebook with internet access	3	5 %
internet access	7	11 %
multi-functional device and internet access	1	1.5 %

Support Purpose	Number of those Supported	%
mobile telephone	1	1.5 %
hearing aid	1	1.5 %
prescription- and sun-glasses	1	1.5 %
computer with specialised software	1	1.5 %
notebook and scanner	1	1.5 %
<b>Total</b>	<b>63</b>	<b>100 %</b>

Applications were accepted up to a **maximum amount** of **EUR 663.88** (SKK 20,000). **The average amount granted was EUR 516.26** (SKK 15,552.92). The amount granted depended upon the market price of the information and communication technology or assistive devices, taking into account the social situation of the applicants. In the process of evaluating the applications, emphasis was given to **regional balance in showing preference for individuals in socially deprived regions and regions with high unemployment rates.**

#### Overview of Assistance within the Individual Request Scheme in 2008 – by Region

Region	%
Bratislava	11 %
Trnava	8 %
Nitra	11 %
Trenčín	11 %
Žilina	11 %
Banská Bystrica	13 %
Prešov	19 %
Košice	16 %
<b>Total</b>	<b>100 %</b>