

Česká spořitelna – Corporate Social Responsibility

Corporate Social Responsibility (“CSR”), an integral part of our business, is reflected in everything we do. As a company whose origins date back to 1825, we acknowledge and proudly proclaim our corporate social responsibility.

Projects supported in 2013 by Česká spořitelna and its foundations Nadace ČS and Nadace Depositum Bonum are based on the Bank’s CSR strategy “**Investing for the Future**”, which comprises three pillars:

1. **Education for competitiveness...**
2. **Social entrepreneurship...**
3. **Volunteerism...**

Our corporate and CSR strategies enable us to meet our social obligations in a systematic manner while being mindful of the interests of all key groups: clients, employees, shareholders and society.

In 2013, Česká spořitelna and its foundation Nadace ČS donated **CZK 45 million** to charities and community projects.

Nadace České spořitelny (Česká spořitelna Foundation)

The Bank’s philanthropy mirrors its general approach to CSR. In 2002, we launched the foundation **Nadace České spořitelny**, a primary tool in our corporate philanthropy efforts. The Foundation works in social development, an area often overlooked by other donors, **and offers effective long-term help to address important social issues**, such as the problems faced by seniors and the fight against drug addiction. From the start, it has also been committed to community and environmental development. Together with non-profit sector partners, we implement long-term projects in all the foregoing areas. These partners include Charita ČR, Život 90, the Livia and Václav Klaus Endowment Fund, SANANIM, Palata – Home for the Visually Impaired, Drop In, Podané ruce [Helping Hands] and Dialog Jessenius. Nadace České spořitelny support is also directed toward regions where the path to financing is particularly difficult. Nadace České spořitelny also supports financially hard hit regions, helping smaller organisations via projects run by regional Česká spořitelna branches. **In 2013, Nadace České spořitelny donated record amount exceeding CZK 16 million to its partners in support of 27 projects.**

Nadace Depositum Bonum (Depositum Bonum Foundation)

In 2012, we established the new **Nadace Depositum Bonum** (Latin: good deposit) **to support Czech society in the areas of science, research and education**. Nadace Depositum Bonum supports the international competitiveness of the Czech Republic through investment in education. Nadace Depositum Bonum assets consist of funds in dormant anonymous passbook accounts that have been barred by statute and whose further existence has been prohibited by the EU and Czech Parliament. Česká spořitelna has decided to use unclaimed funds totalling **CZK 1.45 billion to give back to Czech society** by establishing this foundation. Nadace Depositum Bonum supports scientific and technical fields of endeavor that yield long-term practical benefits for all of society and bolster global competitiveness. As its first programme, the foundation launched the **Elixir for Schools** project focused on interactive physics instruction, allowing gifted and motivated teachers and students in this field to deepen and expand their abilities, knowledge and experience. In 2013, 15 regional centers were established throughout the Czech Republic. These centers foster the sharing of good practices and the professional development of physics teachers. In September 2013, the Foundation joined forces with Lidové noviny newspaper to organise the **Czech School of the 21st Century conference** for the general public on the topic of current trends in international and Czech education.

Česká spořitelna for Society

We are open with our clients and honour the rules of fairness. In addition to standard feedback tools, clients can use the services of an independent **Česká spořitelna ombudsman**. Clients can acquire valuable information about credit obligations through the **Debt Advisory Centre**, which we were instrumental in establishing. The Ostrava and Ústí nad Labem branches of this bureau exist as a complement to the headquarters in Prague, and there are another 7 travelling mobile branches in Česká Lípa, Hradec Králové, Litvínov-Janov, Plzeň, Šumperk and, since 2013, in Prostějov and Příbram.

Bank without barriers

Our objective is to be a bank for everyone, which is why we do our best to accommodate people with disabilities by working with professionals and experts in this area. We are mapping the

wheelchair accessibility of our branches and ATMs in collaboration with the Prague Wheelchair Association (POV) and are also working to eliminate barriers that remain. The resulting maps are available to the public online at www.presbariery.cz. Together with the Czech Red Cross, we have launched the Friendly Places project (www.pratelskamista.cz) to educate our employees in how best to serve customers who have various disabilities. Together with the organisation Barrier Account, we organise banking courses for the handicapped and with the Union of Organisations for the Visually Impaired and the Blind (SONS), we offer courses for the visually impaired in the use of ATMs with audio output as well as offering ČS apprenticeships for the visually impaired.

We also take a socially responsible approach to business solutions – a special team of staff is dedicated to serving investor clients, helping them prepare and implement their business plans. Moreover, we offer support to start-up entrepreneurs through advisory and tailored products. **We offer a special advisory and financial service to non-profit organisations and social enterprises through specialised advisors.**

Education

For elementary and high school students, we are continuing to develop the comprehensive instructional programme in financial literacy, Today's Financial World. This includes the workbook School Atlas – Today's Financial World, a methodology guide for instructors, accredited workshops for teachers and extensive online support for pupils, parents and teachers at www.dnesnifinancnisvet.cz. We organised 89 teacher workshops on specific ways to introduce financial themes into lessons and utilise the Today's Financial World programme. At the 2013 year end, the print and digital versions of the School Atlas – Today's Financial World were in use in 159 schools.

Another component of this comprehensive instructional programme is the **fun interactive board game Financial World**, which elementary school kids can play with our trained staff.

In 2013, some 375 schools took part in the Today's Financial World programme through seminars, workshops, the School Atlas and the Financial Freedom game.

We also launched the interactive exhibition **Money or Live** for kids from 8 to 12, which shows them what is involved with having and managing money. The exhibition runs from June 2013 to March 2014 in the City of Prague Museum. By the end of 2013, the exhibition saw almost 25 thousand visitors.

In education, **we continue to work with universities** (the Economics University, Hradec Králové University and Charles University) by providing not only financial support, but also professional cooperation in the form of apprenticeships, manager shadowing and overseeing student thesis work. We also support professional conferences and activities of many new and established

student associations, helping to foster and maintain a vibrant student life at these universities.

We now offer students at partner schools a study stipend for a programme on doing business on the internet. The top specialists at **iCollege** are also leading innovators in the areas of business, technology, enterprise management and creative thinking. They pass their know-how on to students and help them apply it to their business plans.

Supporting Social Entrepreneurship

We actively support social entrepreneurship through our Česká spořitelna business and corporate responsibility strategies. We conduct a series of educational activities and implement the programme **Financing Social Enterprises** and we place great value on inspirational and innovative initiatives.

From October to the end of 2013, we organised a series of educational seminars for social enterprises and non-profits called the **Česká spořitelna Academy** designed to offer advice on conducting business in an efficient and socially responsible manner. Our own experts help prepare the seminar content. In all, representatives of nearly 50 organisations from all over the Czech Republic attended nine seminars. Following up on this pilot academy project, we are introducing the **Česká spořitelna Social Enterprise Academy** in 2014.

- **Social Impact Award** – we are the general partner of a competition to support young people with innovative ideas, giving university students an opportunity to turn their ideas into reality and start their own socially responsible business.

Other ongoing projects:

- **DreamCatcher** – (www.dreamcatcher.cz) is designed for youths aged 11 to 21. It offers them a unique opportunity to fulfill some of their dreams by showing them that the way to do so is through effort and action, while teaching them how to present themselves and their projects and underlining the importance of teamwork, accountability and, no less importantly, public service.
- **Bezpečný internet [Secure Internet]** (www.bezpecnyinternet.cz) – is a joint undertaking of Česká spořitelna, Microsoft and Seznam.cz with the support of the Czech Police. This web portal provides useful information about safe internet practices, e.g. risks associated with internet use and ways to avoid and effectively protect against internet scams, viruses and phishing.
- Česká spořitelna also offers **e-learning** in the form of comics that teach safe internet use published on the company website www.csas.cz/bezpecnost.
- **Spořínkov** (www.sporinkov.cz) – is an online game we launched in June 2012 for the youngest school kids, offering them a virtual fantasy world of finance.

We help foster culture through a host of sponsorships and organiser roles. In 2013, for example, we continued to **display works of art from the Česká spořitelna fund**. This exhibition cycle carries on the longstanding tradition of art patronage begun by our legal predecessors **in the 19th century**. For a nominal entrance fee, visitors had an opportunity to see artworks primarily by painters working in their given town or region, e.g. in Prague, Znojmo or Železný Brod. The exhibition cycle ended with a display of hundreds of the highest quality paintings from the Česká spořitelna collection, which was made accessible to the public free of charge for three months. Works from 42 branches throughout the country were on display at this exhibition entitled **Master Works from the Česká spořitelna Collections**, which was accompanied by an exhibition catalogue.

Česká spořitelna for Employees

We offer our employees a wide range of social benefits including **lifelong learning** and **support for parental leave** and a child-care contribution for kids up to 5. Every new father receives five days off when his newborn comes home from the hospital. In 2013, we introduced the optional employee benefit programme **Cafeteria**, which is based on the principle of freedom to choose from the widest possible range of benefits taking into account the individual needs of every employee.

Our comprehensive **Diversitas** programme addresses issues such as the under-representation of women in management, compensation gaps, personal development and career growth, conditions for returning from maternity or parental leave, achieving an effective work/life balance, intergenerational dialogue, age management and the fight against discrimination.

Bearing in mind the importance of employee feedback, we introduced the **open communication** system to ensure employees are in touch with senior management and kept well informed.

As business ethics play a fundamental role at Česká spořitelna, the Bank created the position of **Ethics Manager** to oversee this area throughout the ČS Financial Group. The ethics manager assumes an advisory role in matters pertaining to the employee Code of Ethics and oversees adherence to the Code. It deals with the ways in which we set and apply our work procedures and methods and how we interact with our customers, shareholders, colleagues and vendors.

We endeavour to assist ČS Financial Group employees address all manner of professional and personal issues in the workplace. To this end, they can turn to an **Internal Ombudsman** who strives to remain unbiased and carefully reviews the facts behind complaints. All information in a complaint is treated as sensitive and strictly confidential. The employee who has made the complaint will choose whether to agree to the disclosure of personal information from the complaint or to maintain anonymity.

Projects Directly Involving Employees in Implementing the CSR Strategy are of Key Importance.

Through the **Charity Day** project, our employees can take two working days to volunteer. In 2013, 1,887 employees took advantage of this opportunity and volunteered with **135** non-profit organisations throughout the Czech Republic.

For employees in management positions, we have the **Managers for a Good Cause** programme enabling them to share their professional knowledge with a non-profit organisation for a 1-week period.

Another project, the Česká spořitelna **Grant Programme**, offers ČS employees the opportunity to secure financial assistance for non-profit organisations they work with in their spare time. Last year, we donated a total of CZK 1 million to 22 projects located in 12 regions through the **ČS Grant Programme for Clients** – winning projects were chosen by the public in an online vote. Under the **ČS Grant Programme for Employees**, we donated a total of CZK 1 million to 12 projects. In addition to engaging in charitable activities, employees may also become involved by sorting waste and by placing small disused electronics in special collection boxes located at various Bank locations for environmentally-friendly processing.

What's in Store at Česká spořitelna

Throughout 2014, we will carry on with current projects while at the same time introducing new initiatives. Our plan is to exert a greater focus on developing region-based projects.

In 2014, **Nadace České spořitelny** will continue to support those whom society has rejected. Now, in addition to helping seniors and people suffering with drug addiction, we will also turn our attention to persons with mental and combined disabilities. The aim of Nadace České spořitelny is to support projects that foster self-sufficiency and independence in adults with mental and combined disabilities as well as autism and their inclusion or continued incorporation in a natural environment.

Our employees will also serve as instructors for the **Seniors Communicate** programme to teach computer skills and the use of new communications technology to seniors in order to help them obtain information more easily and be in better touch with their loved ones.

In 2014, **Nadace Depositum Bonum** will broaden its field of activity to include mathematics. Cooperation with a team led by Professor Hejtný is planned. Physics teachers can look forward to the establishment of more regional centers for the promotion of good practices and professional development. Finally, another conference for the general public on the state of education in the Czech Republic is being planned to be held in the Autumn.

As part of our support for social entrepreneurship, we are participating in the 3rd annual **Social Impact Award**. Furthermore, we intend to offer a prize for those individuals and organisations contributing to social entrepreneurship in an inspirational and significant way. We offer special financial services to organisations in our ČS product portfolio, while also offering opportunities for growth through our **ČS Social Entrepreneurship Academy**.

In 2014, changes are also in store for **Today's Financial World**. The first of these is the publication of a new edition of the workbook School Atlas – Today's Financial World, this time for secondary schools. Financial Freedom will be gradually expanded to cover all of the regions in the country, and this will be due in large part to the involvement of our employees. We will also develop a new fun and educational internet game (application) that can be played by school kids of all ages, their parents and the general public.

Česká spořitelna realised interactive exhibition **Money or Life**, which was designed for kids aged 8 to 12 and showed them everything to do with money and how to manage it. The exhibition was held in the City of Prague Museum during June 2013 till March 2014 and almost 25 thousand people visited it till the end of 2013.

In our **Bank without barriers** initiative, we will continue to improve our approach to people with disabilities. We will offer the new service Transkript – an application with which the deaf will be able to transcribe a conversation with an advisor onto tablet screens. We will launch this service in March 2014 at 26 selected

branches. In 2014, we will continue to work with the Prague Wheelchair Association to map the wheelchair accessibility of our branches and ATMs throughout the Czech Republic. Based on the resulting mapping, we will endeavor to make problem locations accessible. We will also continue with our joint Friendly Places project with the Czech Red Cross through which we educate branch employees on how to communicate with and approach people with various disabilities. Our aim is to certify more than 40 branches throughout the country in 2014. We will organise two more banking courses for the handicapped together with the organisation Barrier Account and will invite more blind individuals to apprentice with us through the Union of Organisations for the Visually Impaired and the Blind.

The best **students** at our partner schools will have a chance to win a **business plan development scholarship** as well as our support for business plan implementation. We are also organising a special **Day with Česká spořitelna** at these schools where students will not only get the latest practical information, but will also be able to develop their project management abilities and soft skills.

Our clients who volunteer at non-profit organisations will be able to obtain funds for these organisations under the **Grant Programme for Clients**, while our employees can support organisations under the **Grant Programme for Employees**.

To learn all about our CSR activities, go online to <http://www.csas.cz/banka/nav/o-nas/spolecenska-odpovednost-d00014340>.