

# 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.

CSR projects supported by Česká spořitelna and the activities of its two foundations, Nadace České spořitelny and Nadace Depositum Bonum, are based on the three pillars of the Bank’s CSR strategy “Investing for the Future”:

- I. **We stand with those whom society ignores**
- II. **We educate for competitiveness**
- III. **We are barrier free**

In 2014, we created an interactive map of key CSR projects available online at [www.mapa-csr.cz](http://www.mapa-csr.cz).

## Česká spořitelna for Society

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

We take an open approach to our clients and honour the rules of fairness. In addition to the standard use of feedback tools, clients enjoy the services of an independent **Česká spořitelna Ombudsman**.

Clients can acquire valuable information about debt 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 located in Česká Lípa, Hradec Králové, Litvínov-Janov, Plzeň, Šumperk and Prostějov. The Centre has helped more than 70 thousand people.

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.** For a list of advisors, go to [www.poradci-pro-neziskovky.cz](http://www.poradci-pro-neziskovky.cz).

Česká spořitelna and Nadace ČS contributed **CZK 76 million** to charities and charitable projects in 2014.

## I. We stand with those whom society ignores

in 2002, we launched the foundation **Nadace České spořitelny**, a key tool in our corporate philanthropy efforts. Nadace ČS works in social development, an area often overlooked by other donors. Indeed, our motto is “We stand with those whom society ignores”. **Nadace ČS has long offered effective help in addressing certain important social issues**, such as the problems faced by seniors, preventing and fighting drug addiction and helping persons with mental disabilities (Nadace ČS has also been a long-time supporter of community and environmental development). In its efforts to better help those on society’s margins, Nadace ČS announced the first annual **Cena Floccus [Floccus Prize]** in autumn 2014, an award to recognise courage shown by organisations and individuals. The public was invited to participate in the autumn nominations, then the professional jury met, the public voted and the winners were announced and notified in January 2015.

Nadace ČS works together with non-profit sector partners to execute its long-term projects in support of active seniors, persons with mental disabilities and the prevention and treatment of addiction. These partners include: Palata – domov pro zrakově postižené [Home for the Blind], Charita ČR, Život 90, the Livia and Václav Klaus Endowment Fund, SANANIM, Drop In, Podané ruce [Helping Hands] and Diakonie ČCE [Diaconia of the Evangelical Church of Czech Brethren].

Nadace České spořitelny also directs support toward regions in which getting financing to where it is needed can be especially difficult. Smaller organisations are helped through projects carried out by Česká spořitelna regional branches and thanks, too, to the Bank’s Grant Programme and the volunteerism of ČS employees.

In 2014, Nadace ČS donated more than CZK 17 million to its partners in support of a total of 57 projects. Under the Grant Programme, a total of CZK 2 million was distributed among 35 projects.

## II. We educate for competitiveness

education is the way to a better life. Our mission has always been – and will always be – to help young people who have set out on the path of higher education. We execute most activities in this area through our Nadace Depositum Bonum, cooperation with universities and the financial education programme Today's Financial World.

### Nadace Depositum Bonum

In 2012, we established the foundation **Nadace Depositum Bonum** (Latin: good deposit) to support Czech society in the areas of science, research and education. Nadace DB supports Czech international competitiveness by investing in education. The Foundation's assets consist of funds in dormant anonymous pass-book 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 endeavour that yield long-term practical benefits for 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 to deepen and expand their abilities, knowledge and experience in this field. In 2014, another 6 regional centres were established throughout the Czech Republic. In all, Nadace DB has 21 centres fostering the sharing of good practices and the professional development of physics teachers. In May 2014, Nadace DB organised the first Elixir Conference for schools, in which 160 teachers took part; Nadace DB issued the annual report for this project in autumn 2014.

In the course of 2014, Nadace DB began to lend support to the H-mat society, which promotes the instruction of **mathematics based on the approach of Professor Milan Hejny**, who was awarded the prestigious Eduína prize in 2014.

As of the 2014/2015 school year, Nadace Depositum Bonum replaced Česká spořitelna as the general partner of the **Eurorebus** knowledge competition.

October 2014 saw the second annual conference **The Czech School of the 21st Century** organised by Nadace Depositum Bonum and Erste Corporate Banking in collaboration with the Czech Union of Industry and Transport. Specific steps and forms of cooperation were discussed by 120 representatives of educational institutions and companies.

### Financial Education

Since 2011, we have been developing the comprehensive instructional programme in financial literacy, Today's Financial World (TFW) **for elementary and high school students** in cooperation with the firms Terra-Klub and KFP. We expanded the programme for high schools in 2014, among other ways by completing and

publishing learning materials. The TFW programme FS includes the School Atlas – Today's Financial World textbook and CD, a methodology guide for instructors, accredited workshops for teachers and extensive online support for pupils, parents and teachers at [www.dnesni-financni-svet.cz](http://www.dnesni-financni-svet.cz).

Since 2012, another component of this comprehensive instructional programme has been the **fun interactive board game Financial Freedom**, which elementary school kids can play with our trained staff. Some 157 schools have introduced Financial Freedom into their lesson plans. In 2014, we were also a partner of the first annual Czech Financial Freedom Championship for elementary and high schools and we organised a championship for our partner universities (see below).

More than 300 schools have made use of tools offered by the Today's Financial World programme (seminars, workshops, the School Atlas, the Financial Freedom game). We held 23 teacher workshops in 2014 to introduce ways in which financial topics could be incorporated into lessons and the Today's Financial World programme could be applied.

### Partnering with Universities

We are a general partner of the **University of Economics and Hradec Králové University**; we also work with Prague's Charles University, Mendel University in Brno, Palacký University in Olomouc, Pardubice University, the Mining University – Technical University of Ostrava and others. We provide these institutions not only with financial support, but also professional cooperation in the form of traineeship, 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.

In 2014, we offered students at our partner schools stipends for a study programme on doing business online. The top experts working at **iCollege** are also leading innovators in the fields of business, technology, enterprise management and creative thinking. They pass their know-how on to the students and help them apply it to their business plans.

We are also partners in quite a few competitions supporting worthy student business plans. Since its inception, we have been a supporter of the **Social Impact Award** competition in which students and young people can implement their ideas regarding how to do business while also doing good. Students also have a chance to succeed in other competitions – in the **Podnikavá hlava [Head for Business]** competition organised by Palacký University Olomouc or Pardubice University's **Byznys trefy [Business Clubs]**. Entrepreneurs just starting out can also submit their projects for the **Start-ups of the Year** contest.

In late 2014, we entered into a collaboration with the Prague University of Economics' emerging **xPORT Business Accelerator**. As its first corporate partner, we brought two projects to the

Accelerator: groups of selected students will work on them throughout 2015 under the professional guidance of one expert from ČS and another from the academic sphere.

A further component of our university partnerships in 2014 was the organisation of the school round of the Championship in Financial Freedom for university students. Students learned in an amusing way how to look after their finances; in May 2015, contest participants will enter the final round for a valuable prize.

In 2014, we also implemented a cycle of interactive social media internships called **Future Minds**.

### Other Projects

We are also continuing the **DreamCatcher** project ([www.dreamcatcher.cz](http://www.dreamcatcher.cz)) designed for youths aged 13 to 26. It offers them a unique opportunity to fulfil their dreams by showing them that the way to do so is through effort and endeavour, while teaching them how to present themselves and their projects and underlining the importance of teamwork, accountability and, no less importantly, public service. In the five years of the DreamCatcher project, some 160 dreams have been fulfilled at a total of more than eight million Czech crowns.

The **Bezpečný internet [Secure Internet]** project ([www.bezpecnyinternet.cz](http://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](http://www.csas.cz/bezpecnost)).

We help foster culture through a host of sponsorships and organiser roles. In 2014, for example, we continued to **display works of art from the Česká spořitelna fund**, not only in the Česká spořitelna Gallery, but also in a free exhibition held at Prague's Rytířská Palace. This exhibition cycle carries on the longstanding tradition of art patronage begun by our legal predecessors in the 19th century.

## III. We are barrier free

We're a bank for everyone! We break down barriers in our services and in our approach to nonstandard requirements and situations.

### Bank Without Barriers

Our objective is to be a bank for everyone, and that's why we do our best to accommodate persons with disabilities by working with professionals and experts in this area. We are mapping the wheelchair accessibility of branches and ATMs in collaboration with the Prague Wheelchair Association (POV) and are also working to eliminate any barriers that remain. The maps are available to the public online at [www.presbariery.cz](http://www.presbariery.cz).

Together with the Czech Red Cross, we have launched the Friendly Places project ([www.pratelskamista.cz](http://www.pratelskamista.cz)) to educate our employees in how best to serve customers with various disabilities. We increased the number of our certified locations to 42 in 2014.

Together with the organisation Barrier Account, we organise banking courses for the handicapped. We offer courses for the visually impaired in the use of ATMs with audio output as well as ČS traineeship in collaboration with the Union of Organisations for the Visually Impaired and Blind (SONS).

In 2014, we more than doubled the number of ATMs adapted for the visually impaired to 610.

For our hearing impaired customers, we have introduced induction loops into 26 of our branches and the simultaneous transcription service eScribe at another 26.

In 2014, we were named **Bank Without Barriers 2014** in the Fincentrum Bank of the Year competition. The organisation Barrier Account, in collaboration with people with disabilities, named us the friendliest bank for clients with disabilities.

### Supporting Social Enterprise

We actively support social enterprise, an undertaking that links our business strategy and our strategy for corporate social responsibility. We do so through a series of educational activities in the **Financing Social Enterprise** programme and by placing great value on inspirational and innovative ideas.

In 2014, we worked with the VIA Foundation to put on a series of educational seminars for social enterprises and non-profit organisations called the **Česká spořitelna Social Enterprise Academy** (the last seminar was held in January 2015). The aim of these seminars was to advise social enterprises and organisations how effectively to do business in a socially responsible way. Seminar content was offered by our own ČS experts. Another part of the Academy is the Accelerator assistance programme offering selected non-profits a year of help to evaluate their business activities and to think about and plan for the future to ensure their social enterprise operates as efficiently as possible. The Accelerator will run until May 2015.

We are also general partner of a competition to support young people with innovative ideas – the **Social Impact Award** – in which university students are given an opportunity to turn their ideas into reality and start their own socially responsible business.

## Česká spořitelna for Employees

We appreciate the loyalty of our employees and look forward to long working relationships with them; on average, employees stay with us for 10.6. We offer our employees a wide range of social benefits including **lifelong learning, support for parental leave** and a childcare contribution for kids up to 5. Every new father receives five days off when his newborn comes home from the hospital.

More than 77% of parents return to work with us after maternity or parental leave. In 2014, we also prepared and implemented a **flex-time methodology**.

In 2013, we launched the optional employee benefit programme **Cafeteria**, taking into account the individual needs of every employee and based on the principle of freedom to choose from the widest possible range of benefits.

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 combating discrimination. In the area of gender equality, we partner with the British Chamber of Commerce on the **Equilibrium** mentoring programme for women in management and business.

We also support employment of persons with disabilities. Members of this population comprised 1% of our staff in 2014.

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 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. The position 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 review 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 that directly engage 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 2014, 1,250 employees took advantage of this opportunity and volunteered a total of 2,099 days with 144 non-profit organisations throughout the Czech Republic.

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

The **Grant Programme**, another project of Nadace Česká spořitelna, offers ČS employees the opportunity to secure financial

assistance for non-profit organisations they work with in their free time. Last year, we donated a total of CZK 1 million to 22 projects all across the country – 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 13 projects.

In addition to charitable activities, our employees are also given opportunities to help reduce the Bank's environmental footprint.

## Česká spořitelna Cares about the Environment

Česká spořitelna endeavours in a variety of ways to reduce its energy consumption (electricity, heat, natural gas and water) and reduce its environmental footprint. For example, under the Energy Consumption Reduction Programme branches are regularly informed of their energy consumption (water, heat, natural gas and electricity) (in 2015, the programme is being expanded to include the ČS headquarters). ČS also measures, monitors and reports its carbon footprint on a year-to-year basis in the areas of mobility, paper consumption and energy use. ČS supports an initiative for employees to come to work by bike. To this end, we have created several specially designated parking areas for bicycles. We advocate waste separation at all headquarters buildings and at most branch offices (where this is technically possible, i.e. sorted waste removal can be arranged). Additionally, we have placed collection boxes in the headquarters buildings and some 25-30 branches to facilitate the sorting of small electronics. ČS then ensures the removal and environmentally-friendly processing of electrical waste. Since 2013, the Bank has been using recycled paper exclusively. In November 2014, we launched the pilot project Paperless Bank designed to shift client documentation and the associated administrative work from branches to a newly built central registry in Hradec Králové. New processes will be supported by the eSpis [eFile] application, which will help us track the flow of documents from inception through shredding and allow access to documentation from anywhere within the ČS workplace.

The Bank also offers its clients specialised products designed to reduce energy demands.

### What's in Store

In 2015, we will continue with existing projects while launching new initiatives. We will devote considerable energy to developing projects in regions and to achieving greater employee engagement in socially responsible activities. We will vigorously develop the voluntary program **Managers for a Good Cause**, which enables the Bank's managers to devote one work week to a non-profit organisation.

In 2015, **Nadace České spořitelny** will continue to support those on whom society turns its back. In January 2015, the winners of the **Floccus Prize** were announced and we will see the second annual round of nominations in autumn. Our employees and clients will once again have the opportunity not only to nominate organisations

for the second annual Floccus Prize, but also for this year's round of the Nadace ČS **Grant Programme**. Employees may also voluntarily help out with the foundation's projects, e.g. as instructors in the **Seniors Communicate** project.

**Nadace Depositum Bonum** has set as one of its tasks in the coming years to connect business and schools. The Czech School of the 21st Century conference, which was held in autumn 2014, showed that both groups highly appreciate such mutual cooperation and that platforms for these gatherings have been missing. Nadace DB therefore enlisted not only Česká spořitelna in its work, but also the Union of Transport and Industry, which announced that 2015 will be the **Year of Industry**. Nadace DB also intends to develop existing projects, for instance by working to get them accredited.

In our work to support social enterprise, we will collaborate on the 4th annual **Social Impact Award**. We will offer organisations special financial services within the Česká spořitelna portfolio of products as well as the opportunity to participate in the Bank's educational programmes.

Several changes are in store for **Today's Financial World** in 2015. Financial Freedom will gradually be expanded to all regions thanks, in particular, to greater staff involvement and cooperation with students. We will also complete a new amusing and educational online game (application) that can be played by students of all ages, their parents and the general public.

In our **Bank without Barriers** initiative, we will continue to enhance our approach to persons with disabilities and focus on supporting their employment; we would like to increase their staff presence to more than the current 1%. In the first half of the year, we will finish mapping barrier-free branches and ATMs throughout the Czech Republic in cooperation with the Prague Wheelchair Association. We will continue, among other endeavours, to carry out the Friendly Cities project together with the Czech Red Cross through which we educate branch employees on how to communicate with and treat persons with all manner of disabilities. We

will also complete a **web portal** for Bank services for these same clients.

In our efforts to support education of the young, we will continue not only to develop our existing cooperation with universities in 2015, but will also be a permanent partner of the **TEDxPrague** initiative and the **xPort VŠE** business accelerator at the Prague University of Economics. We will also broaden the portfolio of partner schools to include Palacký University Olomouc, and we are planning a host of activities at universities across the country, including lectures, workshops, competitions and special **Days with Česká spořitelna** where students not only get the latest information from the field, but can also develop their project management capabilities or soft skills. We will also continue to partner up with competitions such as **Head for Business** at Palacký University Olomouc, **Business Clubs** at Pardubice University and more.

In the area of support for equal opportunities, we will continue to develop current projects under the **Diversitas** programme while focussing on support for parents on maternity and parental leave and for women, e.g. in the form of mentoring programmes.

Efforts to mitigate the Bank's environmental footprint in 2015 will include a programme to monitor energy consumption at branch offices and headquarters buildings. Through the Energy League, we provide employees with information about energy consumption in all ČS buildings; we classify buildings in the Bank's portfolio by square metres or building type (e.g. branches in shopping centres) and we update the energy consumption rankings monthly. We are also at work on **environmental e-learning** for ČS employees and are implementing a **virtualisation** project that should lead to lower electricity consumption by replacing computer terminals. Key activities will include the further development of a **paperless bank**.

To learn all about our CSR activities, go to [www.csas.cz/onas](http://www.csas.cz/onas) and for a summary of our projects go to [www.mapa-csr.cz](http://www.mapa-csr.cz).