



DIE ERSTE österreichische Spar-Casse Privatstiftung begins distributing donations

The private foundation DIE ERSTE österreichische Spar-Casse Privatstiftung - Erste Bank's largest shareholder with a 32.5% stake - is to begin distributing its income to charitable organisations following the completion of its start-up phase. The aim of this foundation – which, holding around EUR 3 billion is one of the wealthiest in Europe – is to ensure that the ethos of Erste Bank's predecessor, Erste österreichische Spar-Casse lives on.

DIE ERSTE österreichische Spar-Casse Privatstiftung is the legacy of Erste österreichische Spar-Casse, formed by pastor Johann Baptist Weber in Vienna's Leopoldstadt district over 185 years ago. Established in 1819, the foundation dedicated its activities to serving local charities. The new remit for the foundation's future activities will be based on this tradition.

Die Erste österreichische Spar-Casse Anteilsverwaltungssparkasse was legally converted into a private foundation on 19 December 2003, and has spent the last year in preparation for its role. During this time, the foundation's guiding principles, working methods and areas of focus were defined, and it is now ready to begin tackling projects.

"This foundation is wholly in keeping with our philosophy of developing the savings bank ethos in line with the challenges faced as a result of today's economy," says Andreas Treichl, Chairman to the foundation's Managing Board. "As a listed company, Erste Bank concentrates on delivering commercial success. Its owner – the foundation – can use the income from its holding to make a significant contribution to the public good."

The foundation will operate an active donation policy, focusing on three core areas. It will allocate EUR 2.5 million in 2005. This amount will rise substantially in years to come, although it should be noted, until 2009, a large portion of the dividends from Erste Bank will go towards completely eradicating the debts incurred following the GiroCredit takeover in 1997.

DIE ERSTE österreichische Spar-Casse Privatstiftung derives its mandate from the tradition of the savings banks, which were set up as charitable institutions 185 years ago. The foundation seeks to offer answers to some of the challenges of the modern world through a sustainable, inter-disciplinary, cross-border approach. It will also invest in central, eastern and southeastern Europe, making a tangible contribution to improving the quality of life of those in need. Treichl believes that is precisely what the savings bank ethos means in the 21st century.

Three core areas of support and a common platform

"The work of DIE ERSTE österreichische Spar-Casse Privatstiftung will address issues of cultural the challenges arising a result of the EU enlargement process," explains Franz Ceska, a Director of the private foundation's Managing Board.

"The foundation represents a shared platform designed to foster dialogue and knowledge transfer to central, eastern and south-eastern Europe," adds Dietrich Karner, a Director of the private foundation's Managing Board. It will focus on three areas: social responsibility, culture and Europe.

Organisation

The foundation's structure was modernised in 2004. A dedicated team designs, develops and implements activities in these three core areas under the leadership of the private foundation's Managing Board (Andreas Treichl, Dietrich Karner and Franz Ceska) and the Board of Trustees[1]. An Advisory Board made up of experts in science, art and social affairs[2] oversees the independence and quality of the foundation's work.

[1]Herbert Schimetschek, Karl Korinek, Dietrich Blahut; Maximilian Hardegg, Heinz Kessler, Peter Mitterbauer, Johanna Rachinger, Günter Benischek

[2]Chairman:

Erhard Busek, Special Coordinator of the Stability Pact for South Eastern Europe

Members:

Christoph Badelt, Rector, Vienna University of Economics and Business Administration

Franz Fischler, former EU Commissioner

Roman Herzig, art dealer, Galerie Sanct Lucas

Caroline Hornstein-Tomic, Head of the Konrad Adenauer Foundation, Sarajevo

Michael Linhart, Managing Director of the Austrian Development Agency

Dana Nemcova, former MP, Goodwill Committee, Prague

Andrei Gabriel Plesu, former Minister for Foreign Affairs, New Europe College, Institute for Advanced Studies, Bucharest

Franz Salm, Managing Director of Hipp GmbH & Co. Export KG

Ivan Vejvoda, Director of the Balkan Trust Fund, Serbia and Montenegro

Hortensia Völckers, Artistic Director of the German Federal Cultural Foundation, Berlin