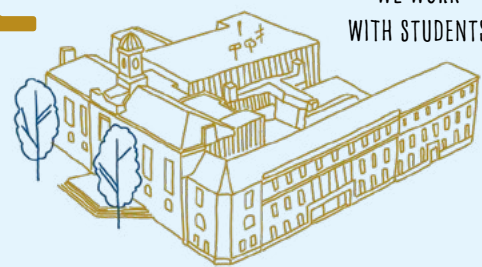


# WE BELIEVE IN GOOD CAUSES

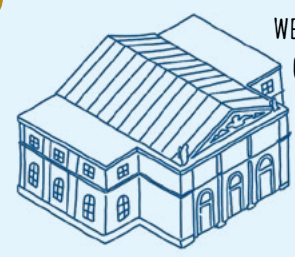
WE WORK  
WITH STUDENTS



MONEY  
ALPHABET



WE PROMOTE  
CULTURE

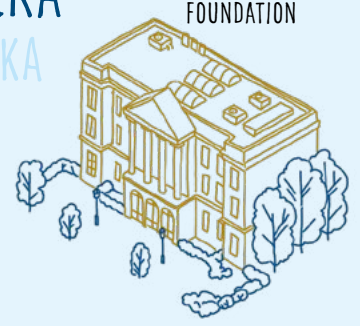


WE CAN DO MORE



#JSMESPORKA  
#WEARESPORKA

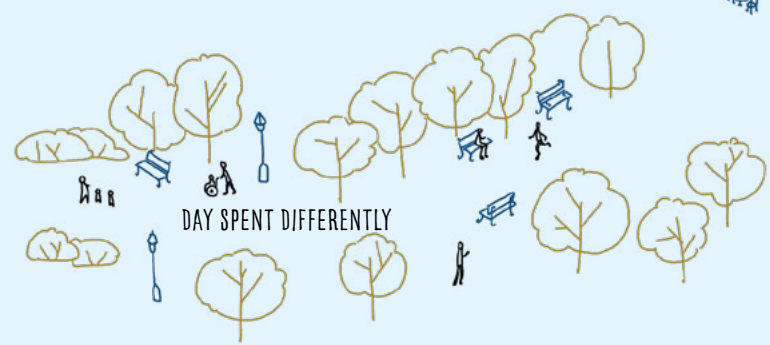
ČESKÁ SPOŘITELNA  
FOUNDATION



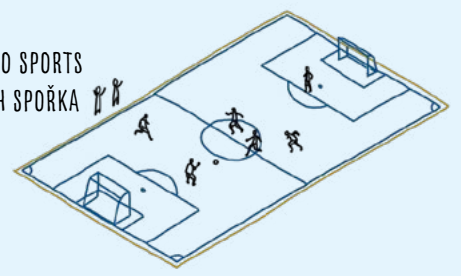
GOOD  
IDEAS



DAY SPENT DIFFERENTLY



WE DO SPORTS  
WITH SPOŘKA



# CONTENT

<b>WHY WE EXIST (PURPOSE AND PRIORITIES)</b>	<b>4</b>		
How We See the World	5		
SDGs – UN Sustainable Development Goals	6		
GRI Methodology – International Standards for Measuring and Rating Social Responsibility	7		
<b>HOW WELL ARE WE DOING?</b>	<b>8</b>		
Awards	12		
What Are We Planning?	13		
<b>MATERIALITY ANALYSIS AND MEASUREMENT OF SATISFACTION</b>	<b>14</b>		
How to Measure NPS	14		
Česká Spořitelna NPS in 2019	15		
Complaints	17		
Materiality Analysis	18		
<b>WE SUPPORT (NOT JUST) FINANCIAL EDUCATION</b>	<b>20</b>		
Money Alphabet	20		
We Support Good Ideas	23		
Debt Advisory Centre	24		
Bank without Barriers	25		
<b>WE ARE A GOOD NEIGHBOUR</b>	<b>26</b>		
We Can Do More	27		
Festival of Freedom	29		
Journalism Award	30		
Days Spent Differently	30		
Fundraising Appeals, Grants and Charity Collections	31		
We Support Socially Responsible Business	33		
		<b>PROMOTION OF CULTURE AND SPORTS</b>	<b>36</b>
		Sports	36
		Culture	38
		<b>WE SIMPLY HELP</b>	<b>44</b>
		<b>ČESKÁ SPOŘITELNA FOUNDATION</b>	<b>44</b>
		Foundation in a Nutshell	44
		<b>SUBSIDIARIES – MAIN ACTIVITIES</b>	<b>46</b>
		Stavební spořitelna ČS (ČS building society) – our biggest subsidiary	46
		Penzijní společnost ČS (ČS Pensions Company)	47
		sAutoleasing and Erste leasing	48
		Factoring ČS	49
		<b>ETIKA A COMPLIANCE</b>	<b>50</b>
		Ethics	50
		Compliance	51
		<b>DIVERSITY</b>	<b>52</b>
		Education and Talent Development	53
		And other	53
		Collegial Cohesion	53
		<b>GREEN BANK</b>	<b>54</b>
		<b>SUPPLY CHAINS</b>	<b>56</b>
		<b>CONTACTS</b>	<b>57</b>
		Information about the Company	57
		Contact for any Questions about the Report	57
		<b>GRI METHODOLOGY INDEX</b>	<b>58</b>



**Tomáš Salomon**  
Chairman  
of the Board of Directors

Welcome to the pages of the Česká spořitelna Sustainability Report. Although it should map out our work in 2019, at the outset I would like to mention the first months of 2020. I have a good reason for this. In the first half of the year our country, just as the entire world, waged a fight with an invisible enemy. The Coronavirus pandemic surprised everyone – individuals, institutions and governments. And I am all the more proud of how our bank coped with the situation

At a time of uncertainty and constantly changing information, we quickly determined our orientation and offered to our clients and other citizens all the help possible. It showed that we are strong and employ people of exceptional quality. And the road we took several years ago has now proved to be the right one. As a bank of the 21st century we made the most of technology in a crisis that enabled us to provide a full range of services even during the quarantine. People could use them in contactless form. If they did not know how, we had ways of how to give them advice.

It appears that we have overcome the pandemic. But not by far the economic crisis it has caused. Now more than ever we want in all our activities to support the prosperity of individuals as well as of the entire country. We need to get the Czech economy going again as quickly as possible so we all do well. I promise that Česká spořitelna will do its utmost to make this happen.



**Wolfgang Schopf**  
Vice-Chairman  
of the Board of Directors

We believe in good causes – it is the philosophy of Česká spořitelna. And we not only believe in good causes, but also help bring them to life. This has been the case since our bank came into existence. We did likewise in 2019. This was a successful year and there was nothing to indicate what we would have to experience in the first months of 2020.

The pandemic had an impact on the global economy. Many formerly prosperous businesses are worried about their future and others are attempting a restart. So there are all the more problems in the non-profit sector and various useful projects aimed at socially responsible activities. As a strong financial institution, we have been supporting them for a long time and will continue to do so with even greater intensity. The world cannot afford to give up in its efforts of achieving sustainability. Not even in an economic crisis.

I am very happy to see that Česká spořitelna continues to help people who in their free time do many useful things for their community. It pleases me that as part of the Money Alphabet “...we teach children to understand money in an enjoyable way”. That we have included sustainability and ecology among our most important values and consider them to be the basis for the future prosperity of us all. The carbon footprint of our bank is still increasingly less noticeable, and the more it decreases the more pronounced will our trace be on the road to general prosperity. In this way we increase the chance that the world which we jointly create will be a good one.

# 4 WHY WE EXIST

## 8 (PURPOSE AND PRIORITIES)

12

**MOTTO** Our mission is to lead people and society to prosperity. We believe that if individuals, businesses and communities thrive, the whole of society will flourish. Therefore we rely on such programmes that are sustainable and have great potential for creating a strong social impact. We make every effort to be a good neighbour wherever we operate.

IN 2019, WE SPENT ALMOST CZK 60 MILLION TO SUPPORT GOOD CAUSES, AND SINCE 2002 WE HAVE PROVIDED A TOTAL OF MORE THAN CZK 240 MILLION TO THE NEEDY.

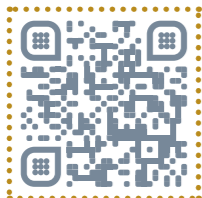
We back a number of projects that help good management and financial literacy. We support smart environmental solutions.

We are a long-term active partner of the Association of Social Responsibility.

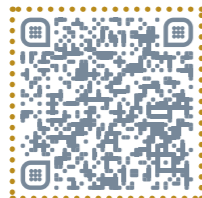
We contribute to the National Action Strategy for Social Responsibility as a member of the Platform of CSR Stakeholders at the Ministry Industry and Trade.

As a member of the Czech Banking Association we are also involved in the socially beneficial activities, inter alia, in the project "Bankéři do škol" ("Bankers to Schools").

MORE AT



→ [www.csas.cz](http://www.csas.cz)



→ 2019 Annual Report

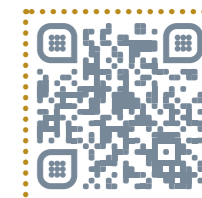
## HOW WE SEE THE WORLD

THE FIRST SAVINGS BANKS THAT BEGAN OFFERING THEIR SERVICES FROM 1825 WERE AMONG THE MOST IMPORTANT PLACES IN A VILLAGE, APART FROM THE CHURCH, SCHOOL AND PUB, BECAUSE THEY HELPED PEOPLE, PARTICULARLY THE POORER, TO GAIN GREATER ECONOMIC INDEPENDENCE.

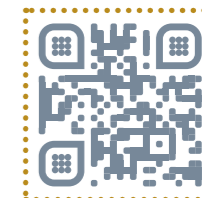
Prosperity cannot exist without freedom as they are interlinked, so the support of both comes naturally to us. Therefore we obviously and proudly signed up to the 30th anniversary of freedom.

We supported the nationwide platform "Festival of Freedom" and announced our own community grant programme "Dokážeme víc" ("We Can Do More").

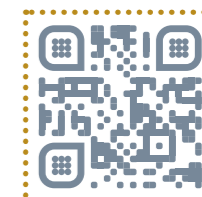
In this programme we support citizens to become involved in a public area and change their behaviour and actions for the better. Their projects develop neighbourly cooperation and bring activities and facilities of constant potential to local communities. We bring together locally active citizens and non-profit organisations with our employees and clients. We collaborate in the programme with the VIA Foundation and our ČS Foundation.



→ We Can Do More



→ VIA Foundation



→ ČS Foundation

## IN THE PILOT YEAR OF "WE CAN DO MORE" WE SUPPORTED

18 projects across all regions



grants worth a total of CZK 1.4 million

ALL PROJECTS WILL BE COMPLETED IN 2020.

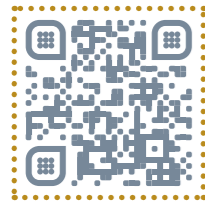
WE WILL ALWAYS LAUNCH FURTHER PROJECT YEARS AS OF 17 NOVEMBER – TO MARK THE ANNIVERSARY OF THE RESTORATION OF FREEDOM. HOWEVER THOSE INTERESTED CAN SEND IN APPLICATIONS THROUGHOUT THE YEAR.



WE MEASURE SOCIAL RESPONSIBILITY  
USING TWO GLOBALLY RECOGNISED METHODOLOGIES.

**SDGS – UN SUSTAINABLE DEVELOPMENT GOALS**

\* SDGs  
Sustainable  
Development Goals



→ SDGs

All UN member countries have agreed on a total of 17 sustainable development goals to ensure decent living conditions for all citizens of the planet, to maintain its viability for future generations and continue to develop it.

Česká spořitelna has been looking after its clients for 194 years now. Our highest priority was and always will be their trust, prosperity and growth. Therefore, within the entire Erste Financial Group, of which we have been a part since 2000, we applied to adhere to the sustainable development goals which, among other things, strive to ensure global prosperity.

In our business we consider the following goals to be meaningful and feasible:

**SUSTAINABLE DEVELOPMENT GOALS**



→ In individual chapters, we always present a maximum of three fulfilled goals which are described as follows:



**GRI METHODOLOGY – INTERNATIONAL STANDARDS FOR MEASURING AND RATING SOCIAL RESPONSIBILITY**

We selected GRI methodology for the entire Erste Financial Group, because it is comprehensible, comparable and the most appropriate for recognition of long-term sustainability using various measurements and assessments. The methodology assesses organisations in terms of three basic pillars – economic, environmental and social.

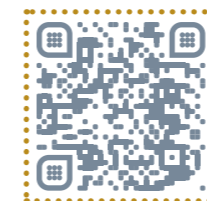
Thanks to GRI methodology we gained a comprehensive overview of all the things we do in individual areas of social responsibility and how we contribute to the common social good.

Our parent group, Erste Group Bank AG issues a consolidated non-financial report as part of its Annual Report for 2019. Therefore, we have no regulatory obligation to issue an independent report, but we do it gladly and hope that our report will interest you.

\* GRI  
Global Reporting  
Initiative



→ GRI Standards



→ Erste Group Bank AG  
2019 Annual Report



→ Erste Group Bank AG  
2019 Consolidated Report



→ GRI Index  
Erste Group Bank AG  
2019

→ You will find our index at the end of this report.

## 8 HOW WELL ARE WE DOING?

9

WE CAN RATE 2019 AS A TRULY HIGHLY SUCCESSFUL YEAR. WE MANAGED TO CREATE A NET PROFIT OF CZK 17.7 BILLION AND REACHED AN OPERATING RESULT OF CZK 22.5 BILLION.

- The excellent condition of the Czech economy was reflected in our results for 2019 as well as the strengthening of the individual approach to clients through advisors in branches and in the digital world.
- We were among the first institutions that enabled clients to use Apple Pay, Google Pay, Garmin Pay and Fitbit Pay for making payments.
- We carried out the biggest migration of digital banking clients in the Czech market, thanks to which more than 1.6 million of our clients use George internet banking now, 800,000 of them from a mobile phone.
- We granted over CZK 740 billion through loans, which is CZK 34.4 billion more than in 2018.
- During 2019 we increased the total volume of funds which we granted to households for purchasing a home. The mortgage portfolio rose by 8%, resp. by CZK 20.8 billion, to CZK 280 billion.
- We continue to hold our position of the biggest corporate loan provider in the market. A strong demand from the corporate and public sector is behind this outcome.
- The share of risk loans is at a very low level (1.8%), which also had a positive impact on our financial results.

## YEAR 2019 IN ČESKÁ SPOŘITELNA

### FINANCIAL RESULTS

net profit  
**CZK 17.7 billion**

operating result  
**CZK 22.5 billion**

cost/income ratio  
**46.2 %**

we granted over  
**CZK 740 billion**  
through loans

loan portfolio  
**CZK 280 billion**

share of risk loans  
**1.8 %**

### DIGITAL BANKING

GEORGE  
**1.6 million**  
clients

BUSINESS 24  
**13,806**  
clients  
**26,679**  
users



### HOW PEOPLE SEE US

**12**  
awards  
received

client  
NPS\*  
**+21**

number of fans  
**1,773,067**

\* Measuring client satisfaction for more go to page 14

### WE ARE A GOOD NEIGHBOUR

**18**  
“We Can Do More”  
grant projects

**1,766**  
utilised  
“Days Spent Differently”

### WE SUPPORT AND PROMOTE

**2**  
sport  
projects

**5**  
art and design  
institutions

**7**  
music  
festivals

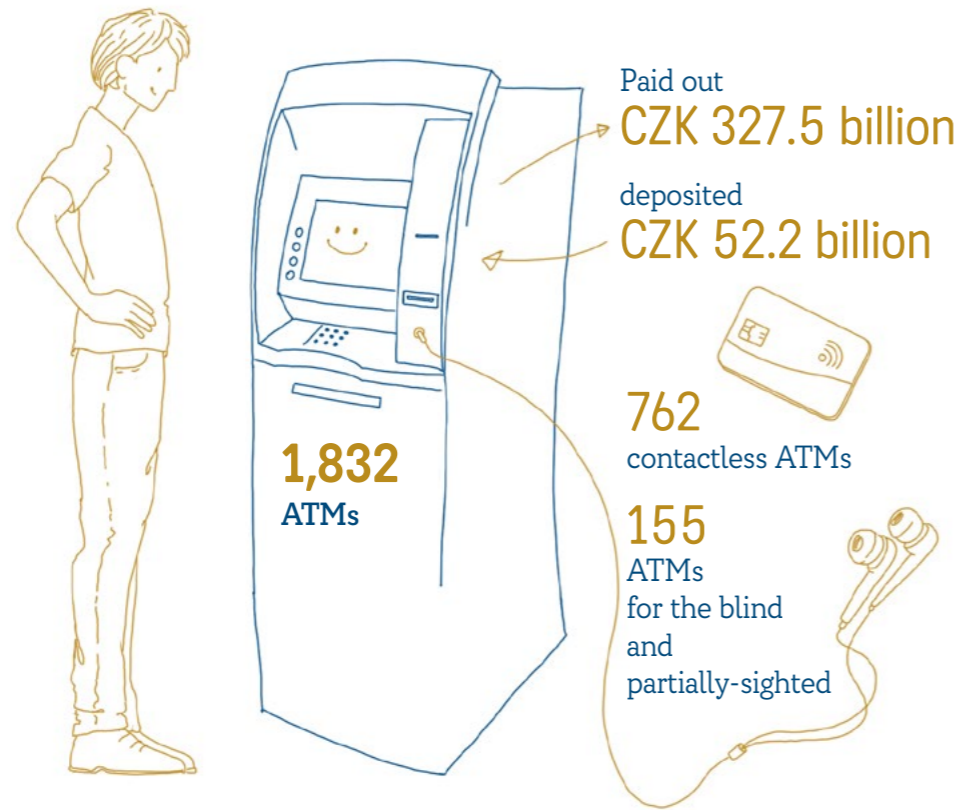
## NETWORK OF OUR ATMs

1,248  
withdrawal  
ATMs

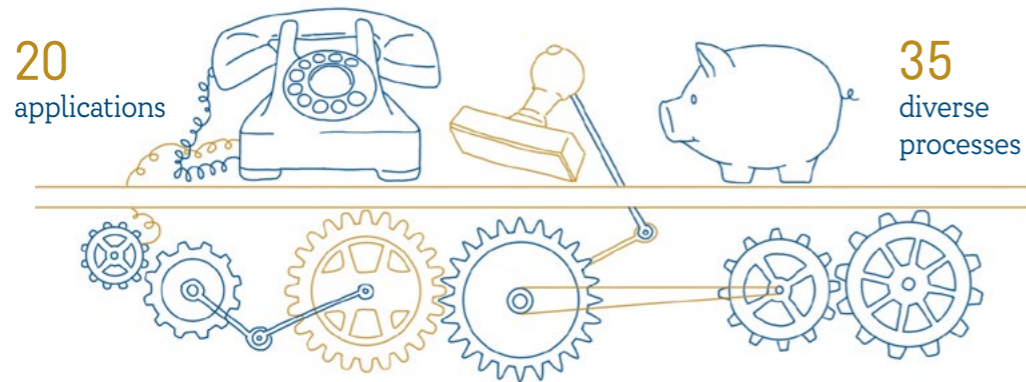
107  
deposit  
ATMs

155  
dual  
ATMs

322  
payment  
machines



## AUTOMATION OF PROCESSES



## WHAT'S NEW WITH GEORGE

BIOMETRIC  
PAYMENT  
AUTHENTICATION



QR CODE  
PAYMENTS



DISPLAYING  
CARD PIN



PURCHASE  
OF INVESTMENT FUNDS



RESPONDING  
USING  
CHATBOT



IMMEDIATE  
PAYMENTS



more than  
**1.6 million**  
of our clients  
use George  
**800,000**  
from a mobile  
phone



## BUSINESS 24

13,806  
clients  
(businesses)



26,679  
users  
(persons)



17.3 million  
transactions

volume of transactions  
**CZK 1,487.7 billion**



1,295  
mobile bank  
users





## AWARDS

### ZLATÁ KORUNA (GOLDEN CROWN)



#### 2<sup>nd</sup> place

Social Responsibility  
Money Alphabet project

Stavební spořitelna ČS  
Online building savings from  
Buřinka (Bowler Hat)

#### 1<sup>st</sup> place

Mortgages

Visa Infinite Credit card  
issued with Spořitelna's  
Premier account

ČS Nová krev (New Blood)  
business loan for start-ups

#### 3<sup>rd</sup> place

ČS Penzijní společnost  
Pension savings



### BANK OF THE YEAR

#### 1<sup>st</sup> place

Bank without Barriers

#### 2<sup>nd</sup> place

Bank of the Year

#### 2<sup>nd</sup> place

Mortgage of the Year



### WORLD FINANCE Best private banking in the Czech Republic

Erste Private Banking



### FINPARÁDA.CZ – FINANCIAL PRODUCT OF YEAR 2019

#### 1<sup>st</sup> place

ČS penzijní společnost  
Supplementary pension savings

#### 3<sup>rd</sup> place

Stavební spořitelna ČS  
Building savings

## WHAT ARE WE PLANNING?

### Further professionalisation of advisory

We would like to include tablets in branches in the Moje zdravé finance (My Healthy Finances) service which can ensure its high and stable level regardless of external effects. Hence the comprehensive Moje zdravé finance service that helps clients manage their family budget in the most convenient way, to use financial products or to optimise payments for energy will acquire another dimension.

### Development of digitalisation

We also want to keep focusing on the development of our own digital banking platform George, among others, through Dobré rady (Handy Tips). These recommendations help the clients to improve the “wellbeing” of their finances. George is now available to clients on mobile phones and all other devices (tablets, laptops, PCs).

### Personalised advisory

We work constantly on ensuring that every client gets a personalised offer. Only this way will our tips be useful and lead to the growth of their wealth and prosperity.





# 8 MATERIALITY ANALYSIS AND MEASUREMENT OF SATISFACTION

## WHO WANTS TO KNOW, MUST ASK

Our vision is to have five million fans for our two hundredth anniversary in 2025. This means five million people that are satisfied with us and recommend our products and services to their friends.

Compared to the last year, we did better in the NPS by ten points with a score of +21 and we have 1,773,067 fans. But we need to do more to meet our vision therefore we are working to improve and constantly monitor the attitude of all groups of our stakeholders towards us.

## HOW TO MEASURE NPS

\* NPS  
Net Promoter  
Score

Measuring the client satisfaction or the NPS is one of the key growth and prosperity indicators. We have been measuring it regularly twice a year since 2012, when we ask clients the same question

“Would you recommend Česká spořitelna?”

The NPS is measured on a scale of 0–10 with 10 being the best score.

Depending on the answer clients are placed in the following categories:

- **Detractor**  
(score of 0–6)
- **Passive**  
(score of 7–8)
- **Promoter**  
(score of 9–10)

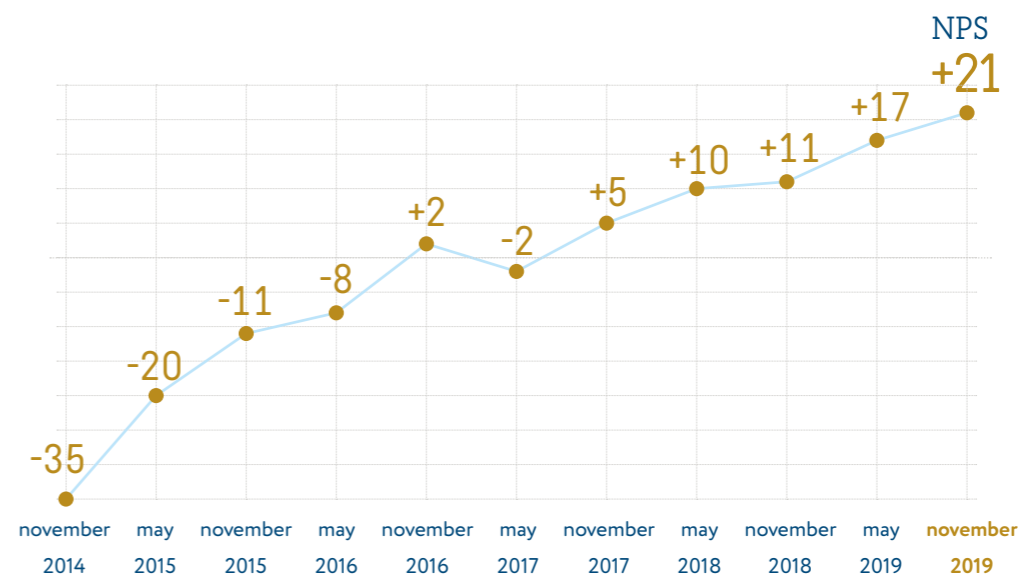
we have  
**1,773,067**  
fans

The resulting NPS score (range of -100 to +100) is obtained by deducting the percentage of detractors from the total percentage of promoters. Promoters are the ones who then become the bank's fans, who are loyal to its brand and actively promote it in their community.

## ČESKÁ SPOŘITELNA NPS IN 2019

Although this score surpassed all expectations, we still have great room for improvement, above all in comparison with our competitors. Client rated the image and individual products of the comprehensive Moje zdravé finance service which helps them to fine-tune the household budget. All distribution channels through which the bank provides services its customers were measured.

IN 2019 WE ACHIEVED THE VALUE OF +21.



We now measure immediate feedback which we internally call ECHO, after the client's visit to the branch, after the telephone contact with the client centre, logging into IB/MB, visiting the ČS website, the use of chatbot or after settling a complaint. We are gradually extending ECHO measurement to other channels such as ATMs, e-mail communication or social media for other segments, such as for Erste Premier and Erste Private Banking service clients.

THE RESULTS OF CLIENT SATISFACTION ARE AT A VERY GOOD LEVEL. IN 2019, 91 % OF CLIENTS WERE SATISFIED AFTER VISITING A BRANCH. THIS WAS EVEN BETTER FOR AN ADVISORY VISIT (MOJE ZDRAVÉ FINANCE).

## CLIENT CENTRE



## EXTERNAL CALL CENTRES



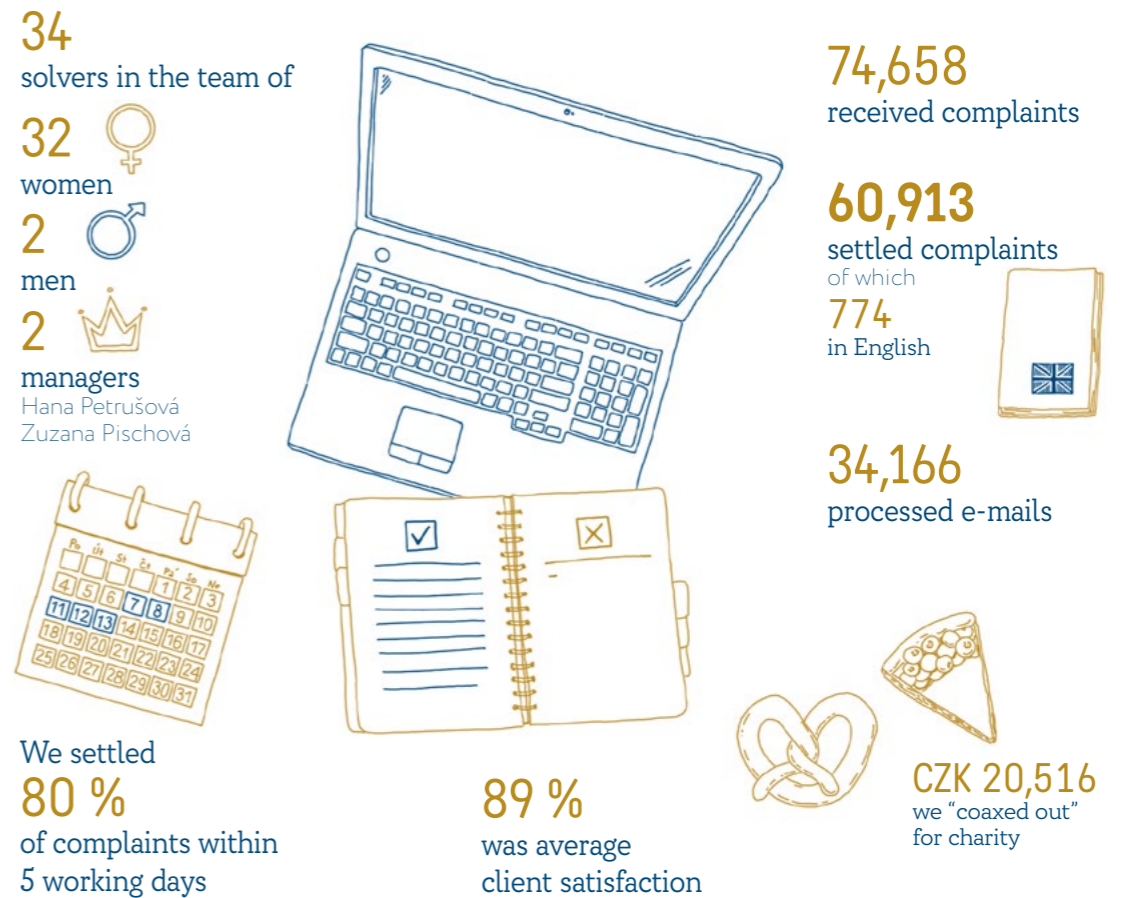
"I have been loyal to Česká spořitelna for many years and so far I have not regretted it. Thank you for your help in handling my affairs and I wish you as many satisfied customers as myself."

## COMPLAINTS

Engaged in settling client complaints is the Complaint Settlement Centre in Prostějov, which works closely with the Back Office colleagues right across the entire bank. The team of client ombudsmen then deals with complicated, unusual cases or claims.

"I would like to thank you for settling my claim. It was dealt with professionally and with a human approach. If it hadn't been for your employee, I would most likely have lost my money."

## COMPLAINT SETTLEMENT CENTRE



## MATERIALITY ANALYSIS

This analysis shows us which untraditional banking activities are considered by individual groups of our stakeholders as particularly important for the long-term economic success of our financial group and all of society. In 2019 we carried out a “sustainability survey” in the financial group between two of the strongest interest groups, i.e. clients and employees. The aim of the survey was to determine which untraditional banking activities and topics (total of 12) are of special importance for the long-term success of the Erste Group and the society in which we operate.

**1,173 EMPLOYEES AND 1,676 CUSTOMERS FROM SEVEN COUNTRIES PARTICIPATED IN THE SURVEY.**

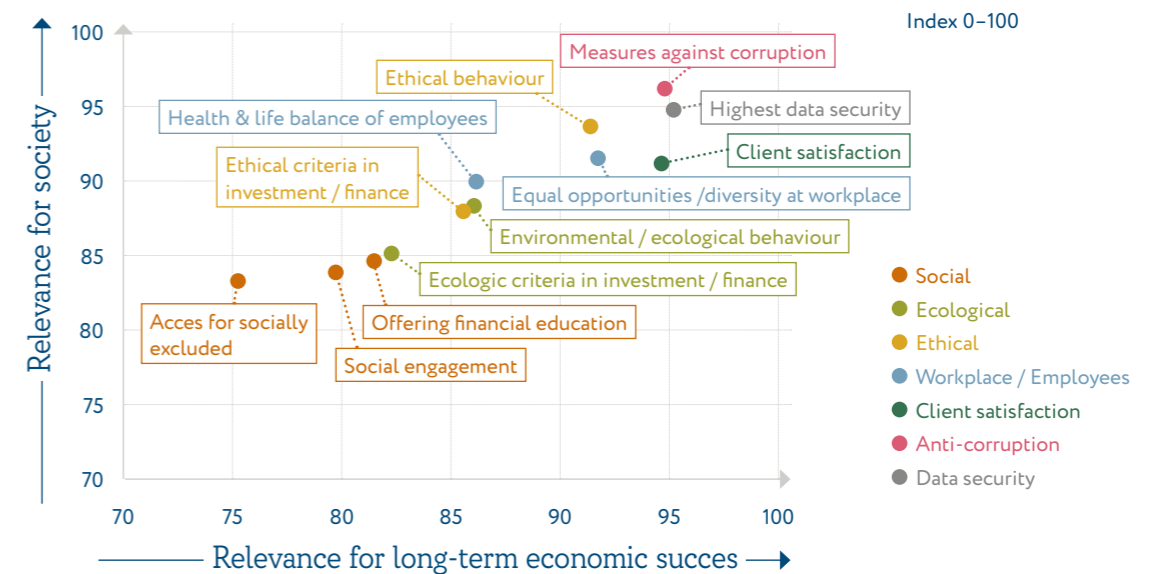
The results show that employees and customers consider all topics very important given that none scored less than 75 points out of a possible of 100.

Both groups considered the following topics as the most important (with small differences in the score):

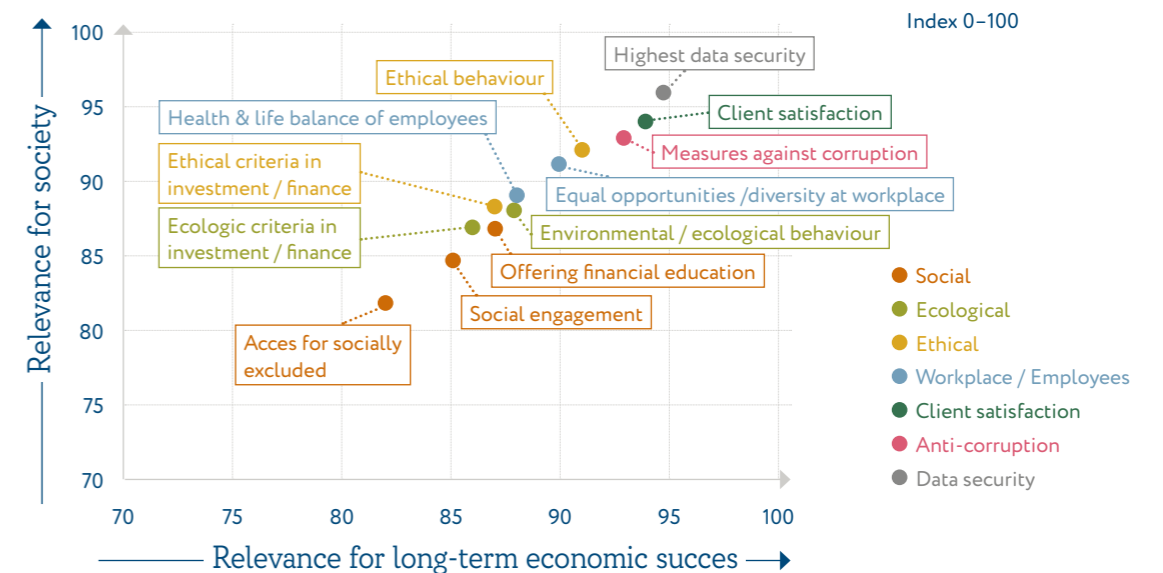
- strong measures preventing corruption and bribery
- highest possible standards of data security
- high ethical standards of employees in fulfilling their daily duties
- great client satisfaction
- striving for the health and life balance of employees

The survey to rate CSR activities of Česká spořitelna as such is not planned until autumn 2020. But so far the last survey carried out in 2018 clearly showed that the increase in financial literacy is the key topic which we should be devoted to given the nature of our business.

## RESULTS OF THE SURVEY AMONG EMPLOYEES OF THE ERSTE GROUP



## RESULTS OF SURVEY AMONG CLIENTS OF THE ERSTE GROUP

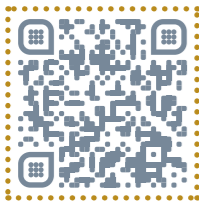




# 1 WE SUPPORT (NOT JUST) 4 FINANCIAL EDUCATION 8

## MONEY ALPHABET

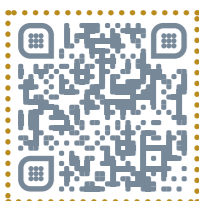
4<sup>th</sup> grade  
primary school



The Money Alphabet, our most successful financial education programme for fourth grade pupils, is already known in all regions of the Czech Republic. But in some municipalities our branches are too small for organising excursions. In such cases we use virtual reality instead of personal visit to branches. Thanks to this, everyone can get a look inside the operations and as well as offices of the bank.

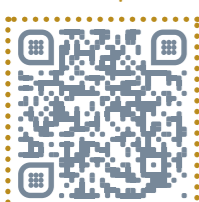
**In 2019, other age categories in the field of financial literacy were taken under the wings of the Money Alphabet.**

2<sup>nd</sup> grade  
primary school



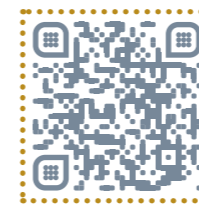
We play the role of parents of second grade primary school pupils by teaching them about the world of family finance in a playful and interactive form. At the age of eight we all had somewhat distorted ideas about money and today's second grade pupils are no different. They don't know exactly where money in their parents' purses comes from and why it isn't good to end up spending the family savings in a toy shop. So for a short while they find out what it's like to be in the shoes of their parents. They learn to understand what a family budget is and how adults think about money.

8<sup>th</sup> and 9<sup>th</sup> grade  
primary school  
1<sup>st</sup> and 2<sup>nd</sup> year  
secondary school



We got teenagers involved in fulfilling practical financial tasks in an interactive detective game called Mysterious Journey. This was included in the project in the second half of the year when we announced a competition for 8th to 9th grade primary school children and 1st to 2nd year students of secondary schools. More than 5,000 players and 50 teams from all over the Czech Republic entered the competition. The children could compete as individuals and in groups with a teacher. This way they could go through all the topics concerning financial literacy that they should know at the second primary school and at the secondary school level.

## Seniors



Under the heading of Alphabet of education for seniors, we teach older citizens how to use smartphones, practical applications and internet banking. So the alphabet is targeted at technology literacy. It takes place in a close circle of 5–8 participants in which secondary school students in the role of teachers teach them how to work with smartphones and tablets, and how to download and use applications. Some seniors only need to learn the basics such as understanding WhatsApp or learning to work with maps and a camera, and we help others with practical things, for example uninstalling paid applications they are not interested in. Seniors are also often interested in mobile banking and learn to use George.

### Seniors most often want to learn in courses about:

- WhatsApp – sharing videos and photos of grandchildren with friends
- Můj vlak (My Train) – trips with grandchildren and friends
- Záchranka (Ambulance) – caring for a partner
- Online shopping
- Card payments online
- QR Code scanner – scanning recipes on food packaging and scanning information on gravestones in cemeteries

## REACTIONS OF SENIOR CLIENTS TO THE ALPHABET

“I like to learn and be educated, otherwise things would go downhill quickly with me.”

Jiří (82)

“Immediately after the first class I sent a photo to my granddaughter in Norway, she was overjoyed.”

Marta (80)

“The course is amazing. Even if I were to pay for it, I would attend as my grandchildren don't have such patience with me.”

Jana (77)

## MONEY ALPHABET IN 2019

3

new education modules:



**1,600**  
second graders



played at being parents and managed the family budget

**16,650**  
fourth graders



tried their hand at managing with a starting capital and increasing it in their own "business"

**5,122**  
teenagers



played the educational detective online game "Mysterious Journey"

**70**  
seniors



during autumn 2019 learned to understand modern technologies

**400** schools we work with



**540** fairs



**CZK 63,000** was the highest amount of proceeds from the fair

*the children donated money to a disabled girl*

**230** volunteers from Spořka



## WE SUPPORT GOOD IDEAS

IN 2019 WE ALSO ACTIVELY TAUGHT UNIVERSITY STUDENTS.

They learned from our experiences and listened to us at lectures and various events, in turn we were inspired by them during days of innovation or presentations of semester projects. In an online university student questionnaire as part of the Top Employers poll students voted us as the second most interesting employer in the banking and finance sector.

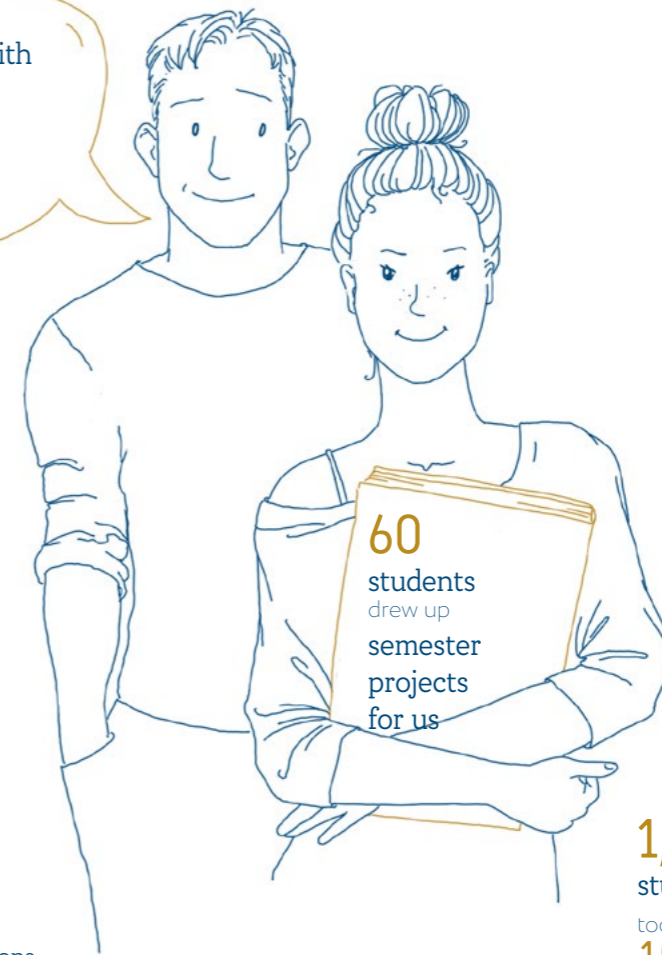
## HOW WE SUPPORTED GOOD IDEAS IN 2019



**800** students attended **30** lectures or workshops held by our experts

**500** students participated in familiarisation courses

**200** students are active in **25** student associations



**22** students innovated the customer route

**30** students were used by Spořitelna to gain experience

**60** students drew up semester projects for us

**1,000** students took part in our activities at **10** various youth events

## DEBT ADVISORY CENTRE

We are one of the founders of this worthy organisation which was established in 2007.

IT GIVES FREE, IMPARTIAL AND DISCREET ADVICE TO INDEBTED AND INSOLVENT CLIENTS IN THEIR DIFFICULT SITUATION AND HELPS THEM TO FILE AN APPLICATION FOR DEBT RELIEF.

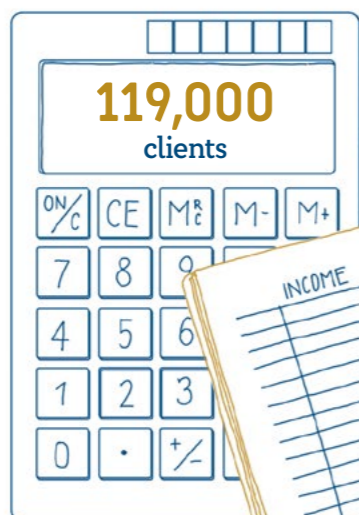
Most common reasons for insolvency according to clients:

- naivety
- maternity leave
- no communication with the creditor
- illness
- business liabilities
- job loss

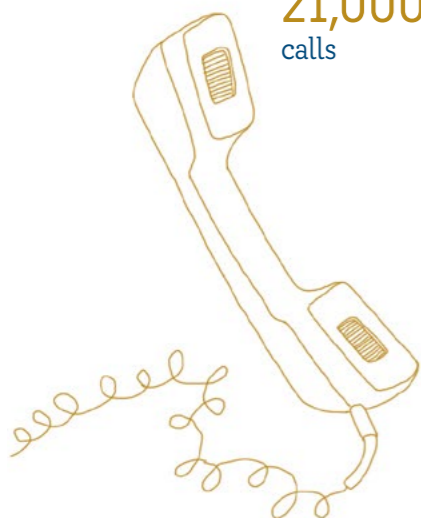
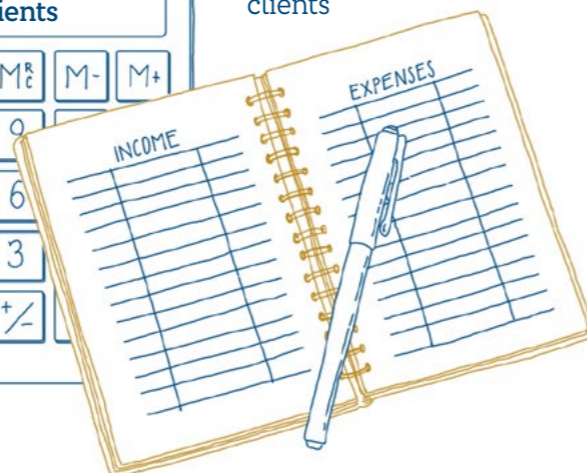
## DEBT ADVISORY CENTRE IN 2019

During its activities the advisory has provided advice to a total of

we processed more than  
**21,000**  
calls



we personally dealt with the problems of  
**1,300**  
clients



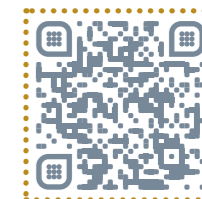
## BANK WITHOUT BARRIERS

We are the first bank in the Czech Republic that knows how to offer a service to deaf clients in all its branches. We also have the biggest network of barrier-free branches and ATMs and the complexity and availability of the services we offer to people with different types of disabilities is one of the best in the market.

In 2019 we have been awarded the supposed gold medal in the Bank of the Year for being the Bank without Barriers.

## WHY WE DESERVED A GOLD MEDAL?

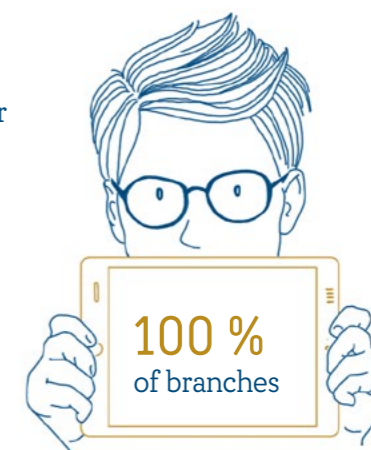
COMPLETE OVERVIEW OF BARRIER-FREE BRANCHES



→ Bank without barriers

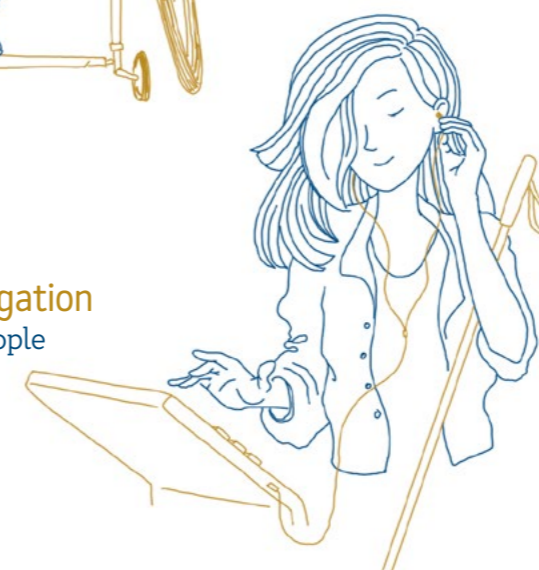


out of a total number of 473 branches,  
**358**  
were barrier-free at the end of 2019 and we plan to continue to expand their network



is equipped with a tablet that has the **DEAFCOM** application for characters interpreting or online transcription of spoken language

**73** branches offer **voice navigation** for blind people



**1,320** ATMs out of a total of 1,832 have connections for headphones and voice audio for blind clients

The service is also available for contact via the client centre.



8

## WE ARE A GOOD NEIGHBOUR

10

11

As regards the social area we have several places in our country which are our "sore points". Some are highly sensitive and the imaginary sores are so extensive that no healing patch is big enough.

But we do the best we can. The Good Neighbour initiative is our contribution of how to address the sad state of the social capital of the Czech Republic.

The freedom and prosperity of an individual and society are interlinked as one cannot exist without the other.

For Spořitelna, promoting freedom and prosperity is the most natural thing. So it was obvious for our bank to sign up to the 30th anniversary of freedom by announcing two rounds of its community grant programme "Dokážeme víc" ("We Can Do More"), and supporting the nationwide platform "Festival svobody" ("Festival of Freedom").

### HOW AND TO WHOM WE HAVE HELPED



XYZ "Days Spent Differently" used up by NUTS II regions

● projects that received the "We Can Do More" grant

## WE CAN DO MORE

### IT IS IN THE GENES OF ČESKÁ SPOŘITELNA TO PROVIDE HELP IN PLACES WHERE IT OPERATES.

Since time immemorial, ČS has supported local businesses, associations and generally all that was needed, built hospitals, water systems and facilities that bring various forms of art closer to people. The philanthropic line and neighbourly ties of the bank to its community were severed by socialism.

And it was on the 30th anniversary of the Velvet Revolution that ČS decided to launch the Dokážeme víc (We Can Do More) grant programme which challenges citizens, including its own employees, to be active. To take an interest in the place where they live and through their actions transform it to the benefit of all.

# #WECANDOMORE

"We support the projects of active people who come up with ideas of how to improve their community. They establish associations, landscape village greens, restore benches, wells or disappearing trails, plant trees, build arbours for neighbourly events and organise such events themselves," is how Andrea Studihradová, who is in charge of social responsibility in Česká spořitelna, describes grant programme Dokážeme víc (We Can Do More).

"People can receive up to one hundred thousand Czech crowns from us to implement their ideas. We have been offering the grant since 2019 and work on it with the VIA Foundation."

Projects that have the chance to succeed must always benefit a wider group of people, not just one sports club and the like. "We appreciate those ideas that can bring neighbours together, improve their relationships and actively engage them in implementing these ideas, whether these are individuals, non-profit organisations, companies or public administration," continues Andrea. "In each team of implementers there must always be at least one of our employees. The application must have a purpose, must make clear what, why and how a place needs to be improved. It is also important to provide a good budget estimate."



**Andrea Studihradová**  
Programme Coordinator



60 registered projects

35 applicants submitted a full application

18 ideas obtained a grant

### We would like to become an integral part of projects

In the first round over sixty projects applications for the programme were registered, forty-five applicants submitted a full application and eighteen ideas received the grant. The winning projects are quite diverse, from arbours for neighbouring events to the planting of trees for the Freedom Trail which brings together citizens from at least three municipalities.

“Applicants can receive up to CZK 100,000 in the programme,” specifies Andrea Studihradová. “If they are smart, they will receive more money from donations. If they are successful in their personal fundraising, our foundation will double their proceeds, by up to CZK 20,000.”

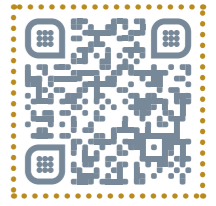
Česká spořitelna and the VIA Foundation will continue to monitor supported projects. They do not just want to be the donor, but also a direct part of the activities and life of the local community. “Our employees contribute to each project and we hope that in future more of them will become involved. In order to inspire people we are preparing reportages about how these original good ideas continue to develop and live their own life. We stay in contact with all grant beneficiaries. Together with the VIA Foundation we can bring them news from the world of communities and offer further education as well as grant opportunities,” adds Andrea Studihradová.

#### Some of the projects that received our grants

- Chateau in Rožmitál pod Třemšínem
- Arbour in Rychvald
- Restoration of the natural monument V olších (In Alders) in Trboušany
- Babiččina zahrádka (Granny’s Garden) in Klecany
- Jiráskova stezka (Jirásek’s Trail) in Městec Králové
- Stezka Svobody (Freedom Trail) in Lučany nad Nisou

## FESTIVAL OF FREEDOM

The bank is also the main partner of the Festival of Freedom which brings together independent civic initiatives and organisations holding events to mark the 17th November anniversary.



→ Festival of Freedom

EVENTS SUPPORTED



52 towns across the country

took part (the biggest number so far)

DURING THE 2019 FESTIVAL OF FREEDOM



Unique exhibition of the photographs **Objektiv revoluce** (Revolution through a Lens) of Krzysztof Miller at Prague’s Leica Gallery



series of educational videos on current topics that were made as part of the platform



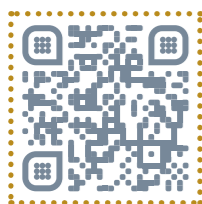
special event on Prague’s Letná plain to mark the fall of censorship **Komunikace89** or a state coup without the internet organised by the Památník ticha (Monument of Silence)



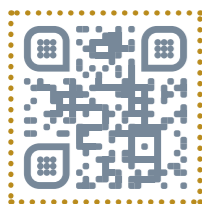
THE ČESKÁ SPOŘITELNA FOUNDATION ENABLED EXPANSION OF THE FESTIVAL OF FREEDOM EDUCATION PROGRAMME TO SCHOOLS IN REGIONS THROUGHOUT THE COUNTRY.

## JOURNALISM AWARD

WE SUPPORT HIGH-QUALITY AND INDEPENDENT JOURNALISM.



→ Journalism Award



→ Nelež

- We are one of the partners of the Journalism Award announced by the Open Society Fund Prague.
- We also focused on promoting the freedom of speech during the celebrations to mark the 30th anniversary of the Velvet Revolution with internal events, including discussions with journalists about fake news.
- In 2020 we also became the partner of the new association called **Nelež** (Don't Lie), which draws the attention of advertisers to the harm caused by their adverts on disinformation websites.

## DAYS SPENT DIFFERENTLY

EVERY EMPLOYEE OF THE ČESKÁ SPOŘITELNA FINANCIAL GROUP CAN USE UP TO TWO DAYS SPENT DIFFERENTLY FOR VOLUNTEER WORK, WHILE STILL ON A FULL WAGE.

in 2019 this opportunity was taken up by

**1,370**  
employees

in total of the bank devoted

**1,766**  
days  
to good causes

Volunteers offer to the non-profit organisations their know-how, such as teaching them fundraising, programming their client database, etc., but are also willing to lend a helping hand and work manually. Both the individuals and entire teams provide their help selflessly and without pay. Other volunteers get involved in the financial literacy programme Money Alphabet; in 2019 more than 230 employees contributed actively to the programme.

### WHERE WE HELPED

#### Pasíčka Rescue Centre

The centre rescues animals, particularly those living in the wild in the Pardubice Region. Volunteers from Operations lent their helping hand. They helped making improvements to the outside spaces and enjoyed being close to the animals.

## FUNDRAISING APPEALS, GRANTS AND CHARITY COLLECTIONS

ČESKÁ SPOŘITELNA AND ITS FOUNDATION RANK AMONG THE MOST IMPORTANT CZECH DONORS, AND ČS ALSO SUPPORT LONG-TERM PHILANTHROPY AMONG ITS EMPLOYEES.

### Employee collections

- Employees can donate their points in the employee benefit system in the Cafeteria for a good cause, providing help to the needy.
- They can also donate discarded items of clothing from the wardrobe for a good cause. We donated clothing from a collection made at head office and several branches in the Moravian-Silesian Region to the organisation Moment, which in several places in the Czech Republic operates charity shops and supports six non-profit organisations from the sales.

our employees  
donated  
**CZK 40,941**  
to charity  
and more than  
**a ton**  
of clothing

### Supported projects

- Erste Private Banking is the partner and organiser of the RunAut run, where the entire proceeds from the entry fee are donated to the AutTalk Endowment Fund. It helps children with autistic spectrum disorders and not only improves their lives but also those of their entire families.
- Erste Premier provides long-term support to the Debra Foundation which helps people with epidermolysis bullosa. In autumn 2019, the brand was the partner of exhibition of Lukáš Musil, who works under the pseudonym MUSA. Visitors to the exhibition at Prague's Villa Pellé Gallery could support Debra by purchasing clothes from the NADOTEK collection created by MUSA together with designer Liběna Rochová.

### Supported charity collections

- From the very beginning, i.e. since 2000, our bank together with the Česká spořitelna Foundation has been the proud partner of the **Three Kings' Collection** organised by Charita Česká republika.
- We have provided long-term support to Srdíčkové dny (Days of Hearts) of the non-profit organisation Život dětem (Life for Children Foundation) and the nationwide collection Bílá pastelka (White Crayon) organised by the United Organization of the Blind and Visually Impaired in the Czech Republic. Our employees also get involved in these events and we process the collections free of charge.
- In 2019 our head office and several branches joined venues where people could contribute to the further filming of war veterans and heroes for the **Paměť národa (Memory of Nation)** collection.

proceeds of the  
2019 Three Kings'  
Collection  
exceeded  
**CZK 122**  
million

about  
**CZK 13,000**  
was collected for  
Memory of  
the Nation



## CAMPAIGNS WE HAVE PARTICIPATED IN

2,801 employees wore slippers we contributed a total of **CZK 114,540** quarter of a million people viewed ČS posts on social media

### Slippers Day

Česká spořitelna once again joined the "HOME. A Week for Mobile Hospices" campaign.

Contributions from Česká spořitelna, from our employees and the ČS Foundation went to the Ondrášek Hospice, which provides specialised care for terminally ill children and adults.

We could also make a cash donation to another two enterprises because we spent our money in the fan shop at two big employee events or donated money directly to a good cause.

thanks to which another **CZK 58,400** went to a good cause

6 supported organisations not only employees, but also our clients purchased **hundreds of presents** employees sent more than **CZK 110,00** via the **Darujme.cz** portal

### Christmas Trees

Česká spořitelna joined in this year's Giving Tuesday during which our employees fulfilled the dreams not only of children, but also seniors, clients of hospice care or people with disabilities. It was possible to fulfil wishes in envelopes which were hung on the branches of Christmas trees not just in our head office buildings, but also in dozens of branches throughout the country.

Then thanks to virtual Christmas trees the employees then sent contributions via the **Darujme.cz** portal. Their contributions were doubled by the ČS Foundation.

Numerous employees visited organisations also in person and spent time with children or seniors as part of Day Spent Differently.

As a good neighbour, the team of bankers from the Erste Premier Centre in Olomouc has provided long-term help for the local hospice.

"We are convinced that death should not take place behind some anonymous hospital screen, therefore we support the Svatý Kopeček Hospice near Olomouc, where people can spend their final days of life in a decent environment with their family. A happy smile on the faces of the beneficiaries is highly contagious, so we cannot but repeat the appeal."

Bankers not only help with the sale of punch at Christmas charity fairs, but also announce a fundraising appeal on the Darujme.cz portal.

they raised more than **CZK 111,000** for the hospice

## WE SUPPORT SOCIALLY RESPONSIBLE BUSINESS

### We support start-ups

- For five years, Spořitelna was a partner of the unique concept of bringing together startups, company founders and investors called "Impact Hub MashUp". New entrepreneurs not only receive unique feedback in the projects, but they also get the chance to attract investors or co-workers. This way we have already been able to help 1,000 novel projects in cooperation with Impact Hub.
- The **Impact Hub Planet talkshow series** presented in the role of speakers the people who are not afraid of calling for change and who in their projects transform the view of the way ordinary things should work. Debates in Prague, Brno and Ostrava in 2019 focused on the pressing issues of education and the environmental crisis.
- We launched a **new programme for start-ups called Seed Starter** at the end of the year. The aim of the programme is to find the start-ups that bring new products and services to customers not just in the area of financial services. We intend to support their development through investment, for example, in the form of the purchase of an ownership interest.

Impact Hub MashUp 2019: **17** events at which **174** projects were presented to more than two thousand people

200 YEARS AGO THE FOUNDERS OF THE ERSTE GROUP CAME UP WITH A REVOLUTIONARY IDEA WHICH FORMS THE FOUNDATION OF OUR GROUP TO THIS DAY – TO PROVIDE AN OPPORTUNITY FOR PROSPERITY TO ABSOLUTELY EVERY PERSON REGARDLESS OF THEIR SOCIAL CIRCUMSTANCES, GENDER OR AGE.

AND IT IS THE SOCIAL BANKING THAT BUILDS ON THIS IDEA TODAY, ATTEMPTING TO CHANGE THE LIVES OF OUR CLIENTS FOR THE BETTER AND EVEN BELIEVES IN THOSE FROM WHOM MOST PEOPLE TURN AWAY.

### Social banking

- As part of social banking we finance organisation with a social outreach. Social banking is not charity. **Its aim is to create equal opportunity in society and change it for the better.**
- Social banking has been in existence in the Czech Republic for about three and a half years. During this time it has helped to create or maintain many jobs including job opportunities for people from socially disadvantaged groups.
- Thanks to the support of the European Investment Fund we also offer preferential financing to social enterprises.
- For the second year we have also been helping to educate non-profit organisations through the Social Banking Academy to gain financial and personnel stability, long-term sustainability, to be able to effectively come together with the corporate sector and share good practice.



SOCIAL BANKING ALSO OPERATES IN ALL OTHER COUNTRIES OF THE ERSTE GROUP.

## WE FINANCE ORGANISATIONS WITH A SOCIAL OUTREACH

WE CREATE EQUAL WORK OPPORTUNITIES



### FINANCING

with a European Investment Fund guarantee we granted  
**22** loans  
 totalling  
**CZK 92 million**



### SOCIAL BANKING ACADEMY

**8**  
 day-long workshops

**98**  
 personal consultations

**21**  
 managers completed intensive educational courses

**11**  
 managers used a professional coach



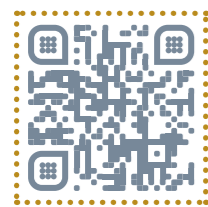
4  
8  
10

# PROMOTION OF CULTURE AND SPORTS

## SPORTS

EVERY SPORTING ACTIVITY DESERVES RECOGNITION REGARDLESS OF THE OUTCOME. THEREFORE WE SUPPORT NOT JUST TOP SPORTING EVENTS AND ORGANISATIONS, BUT ABOVE ALL CHILDREN'S RELATIONSHIP WITH EXERCISE. WE ALSO HAVE SPORTS TEAMS IN OUR OWN RANKS AND OUR EMPLOYEES RARELY COME BACK FROM TOURNAMENTS AND MATCHES WITHOUT A MEDAL.

### Bike for Life



→ Bike for Life

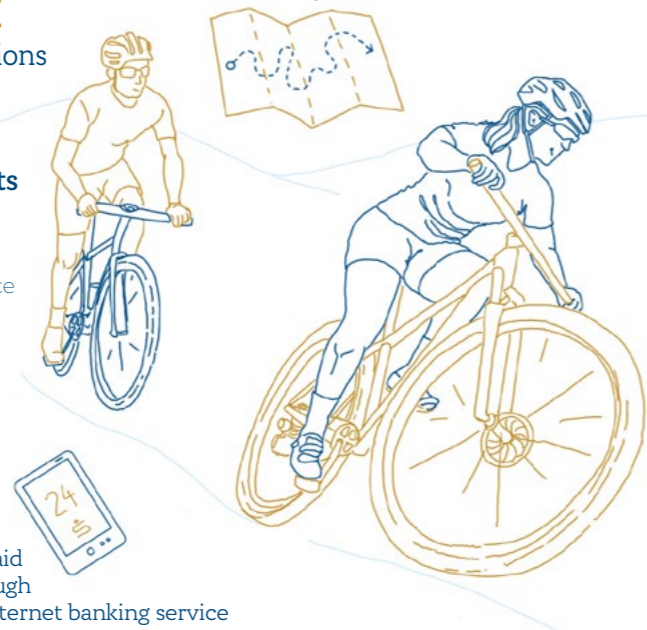
We have been supporting this series of mountain races already for 20 years now and we have remained loyal to the ČS elite team – Accolade cycling team. In the jubilee year we offered to all visitors an improved Blue Zone with an inflated Ninja Factor course for children of all age categories.

15 races  
12 regions

23,834 race participants  
1,573 average number of participants in 1 race

almost 4,000 of our clients participated of 2,067 clients paid the entry fee through the Payment 24 internet banking service

707,848 km in total of the race was covered by the racers



38 non-racing activities were visited by about 130,000 people

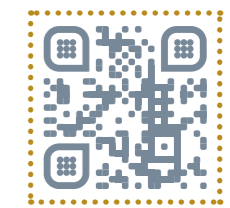
3,800 participants used the new chatbot

530 social media contributions

21,883 fans on Facebook

### Czech Athletic Federation

For many years we have backed the Czech Athletic Federation. We support professional representatives and help to motivate even the smallest children to exercise.



→ Czech Athletics Federation

WE BELIEVE THAT PAVING THE WAY TOWARDS PROSPERITY MEANS LOOKING AFTER NOT JUST FINANCIAL HEALTH, BUT HEALTH AS SUCH.

## DEVELOPMENT OF PHYSICAL FITNESS

### ATHLETICS FOR THE WHOLE FAMILY

8,100 sporting people  
9 public events  
27 groups and clubs  
1,300 families

### ATHLETICS FOR CHILDREN

27,000 children  
274 groups and clubs throughout the Czech Republic

### ATHLETICS FOR SCHOOL CHILDREN

22 000 school children

### CHILDREN'S ATHLETICS COMPETITIONS

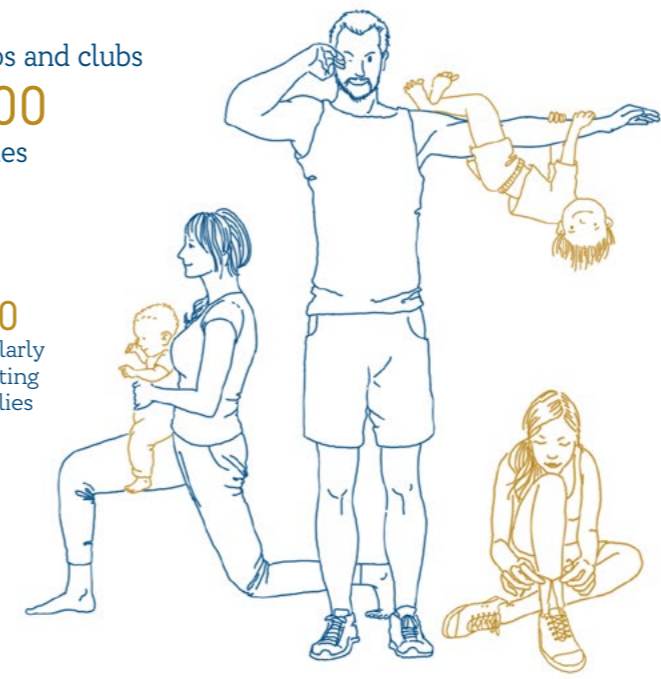
RELAY CUP  
25,000 children aged 6–10 years  
804 schools

RADIO CUP  
35,000 children aged 12–16 years  
3,994 schools

SECONDARY SCHOOL CUP  
15,000 children and adolescents aged 15–19 years  
988 teams

I AM AN ATHLETE  
21,000 children and adolescents aged 12–18 years

300 regularly sporting families



### PHYSICAL FITNESS AT ČESKÁ SPOŘITELNA EVENTS

SPOŘKA FEST  
5,000 employees and their loved ones

KEPHIR  
2,000 people  
575 families



## CULTURE

CULTURE IS PART OF OUR WORLD WHICH ENRICHES OUR LIVES. IT CULTIVATES US AND BRINGS STRONG EMOTIONAL EXPERIENCES TO US. IT IS EQUALLY STRONG AND FRAGILE AT THE SAME TIME. IT NEEDS THE SUPPORT OF STRONG PARTNERS. STAYING TRUE TO THIS TRADITION WE CONTINUED TO SUPPORT CULTURAL INSTITUTIONS AND EVENTS IN 2019.

### Česká spořitelna Gallery

- We are the successor of dozens of small financial institutions, so we own an extensive collection of paintings and artworks collected by bankers since the mid 19th century, particularly for ceremonial rooms. Since 2009 we enable the public to get access to this collection in Rytířská Street in Prague. About 45,000 people visit the exhibitions every year.
- In 2019 the Česká spořitelna Gallery exhibited
  - its own art collection,
  - several historically recognised painters on loan,
  - photographs of contemporary young photographer Kristýna Erbenová,
  - contemporary European jewellery,
  - Japanese Saikei art.
- Not only our Gallery gives the opportunity also to our talented colleagues who as well as their work, are also great at doing other things.

Therefore as part of the "Talents in Česká spořitelna" cycle, in September and October 2019 Mrs **Hana Rejtharová Urbanová** could welcome visitors to her exhibition of paintings called **Svět kolem mě (The World Around Me)**. She has been painting for four years and her sense of detail led her to produce the so-called hyper-realistic paintings of pictures that look like photographs. She paints with acrylics and oils.

"I dreamed about the possibility of organising my own exhibition at the ČS Gallery for about two years. Gallery curator Mrs Duňa Panenková, offered me this opportunity on condition that I would exhibit at least 30 of my paintings so my dream took a while to materialise. I had to borrow some of my earlier paintings from their present owners, however I succeeded and, except for one portrait which is in the United States of America, I finally acquired them all for the exhibition. It was a special feeling to see all my works in one place again and I thank Česká spořitelna and its Gallery for this."

Hana Rejtharová Urbanová

### Promoting design

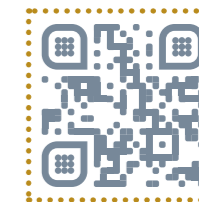
Under the Erste Premier brand our bank

- has supported the international design exhibition **Designblok** since 2003,
- annual awards of the Czech Academy of Design and the **Czech Grand Design Award** since their foundation,
- at the turn of the year supported a unique interactive exhibition called **The Little Prince** by artist **Eliška Podzimková** which it has been working with for years.

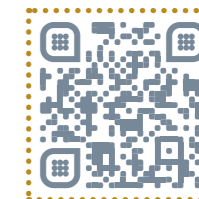


Under the Erste Private Banking brand our bank

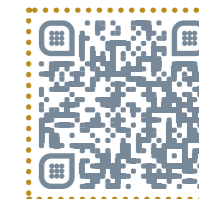
- is the partner of the **Arthotek** non-profit public art lending library of the Moravian Gallery in Brno, which forms a collection of works by contemporary artists that can be borrowed by private individuals and companies.



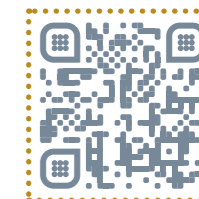
→ Designblok



→ Czech Grand Design

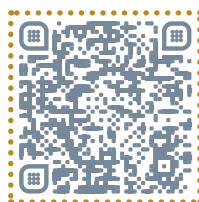


→ The Little Prince

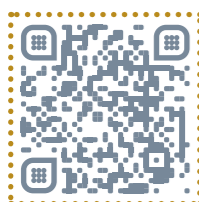


→ Arthotek

## Colours of Ostrava



→ George at Colours



→ MeltingPOTcast

The international music festival Colours of Ostrava is one of the biggest festivals in our country. Music is combined with inspirational ideas through a **discussion forum called Meltingpot** and entertainment in the industrial area of Dolní Vítkovice. Česká spořitelna has been the general partner almost since its inception.

In 2019 our George zone became the official stage of the Meltingpot discussion forum aimed at innovations. Hence the visitors could also learn about many interesting things from 13 inspirational speakers at the festival. The bank made a podcast with them all and these podcasts form the **MeltingPOTcast audi series** on the channel called Pomáháme dobrým myšlenkám (We Support Good Ideas).

we have been the festival's partner for

**17 years**

(since 2003)



**2,500**  
George zone  
visitors daily

### INSPIRATION

**800** people came to the George zone for inspiration

we have been the partner of the Meltingpot discussion forum for **3 years**

**13** speakers were present on our stage as part of the Meltingpot

we made **15** podcasts

we took

**442**  
photos of participants



### ENTERTAINMENT

**1,512**  
visitors tried out the Robot dance on chimneys

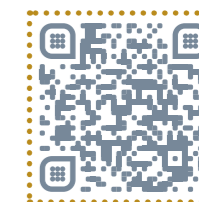
**532**  
visitors tried out their voice to see whose it resembled

**600**  
visitors jumped into our safe as Scrooge McDuck

**5,394**  
unique ATM withdrawals  
**CZK 8.6 million**  
was withdrawn

## Smetana's Litomyšl

Our bank has been supporting the Smetana's Litomyšl Festival already since 1992.

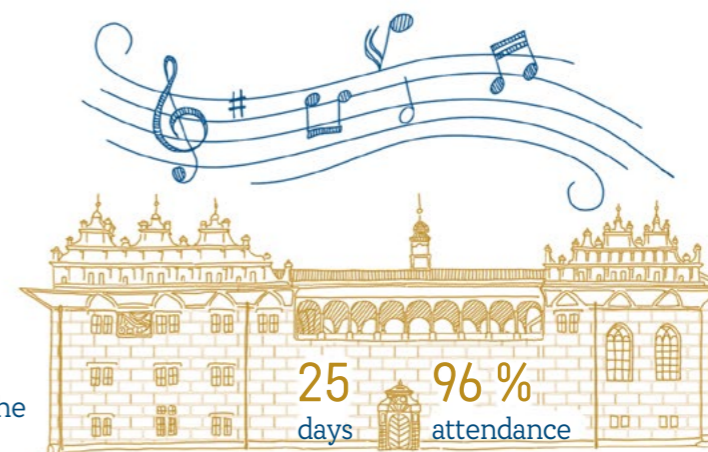


→ Smetana's Litomyšl

**3,213**  
performers

**28,942**  
visitors

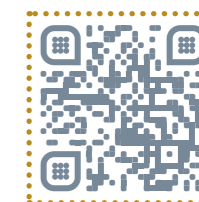
**13,000**  
visitors in the Festival's gardens



**43**  
performances of the main programme  
**125**  
accompanying events

## Czech Philharmonic

We have provided long-term support to the Czech Philharmonic, a leading musical orchestra. In 1875 on the occasion of our 50th anniversary we financed the construction of the Rudolfinum and dedicated it to the nation through the Czech Philharmonic. We want to bring musical experiences to as broad a section of the general public as possible and also introduce music to children.



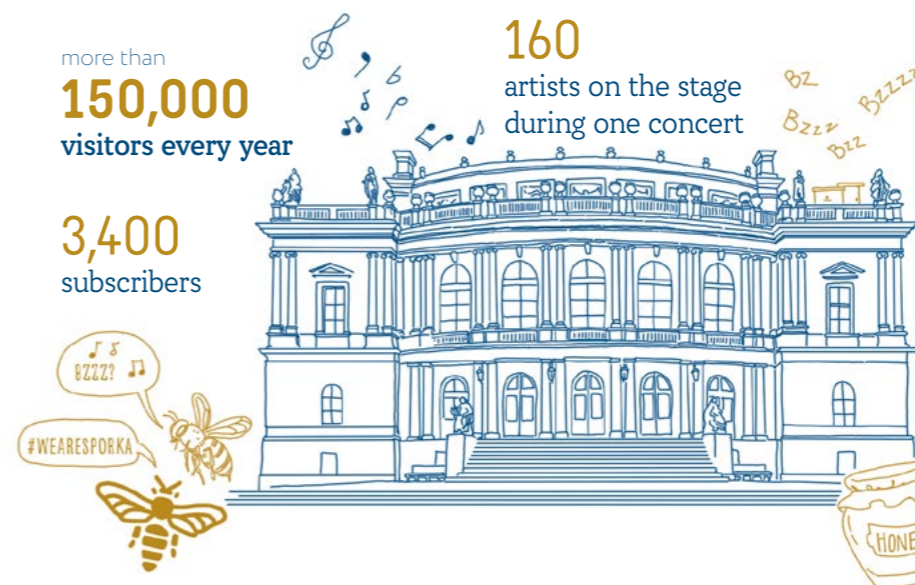
→ Czech Philharmonic

more than **150,000**  
visitors every year

**3,400**  
subscribers

**160**  
artists on the stage during one concert

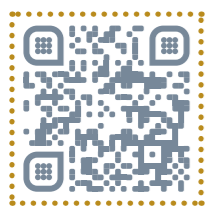
**59**  
subscription and special concerts  
**6**  
Advent and Christmas concerts



**100 litres**  
of honey from the "Rudolfinum" bees

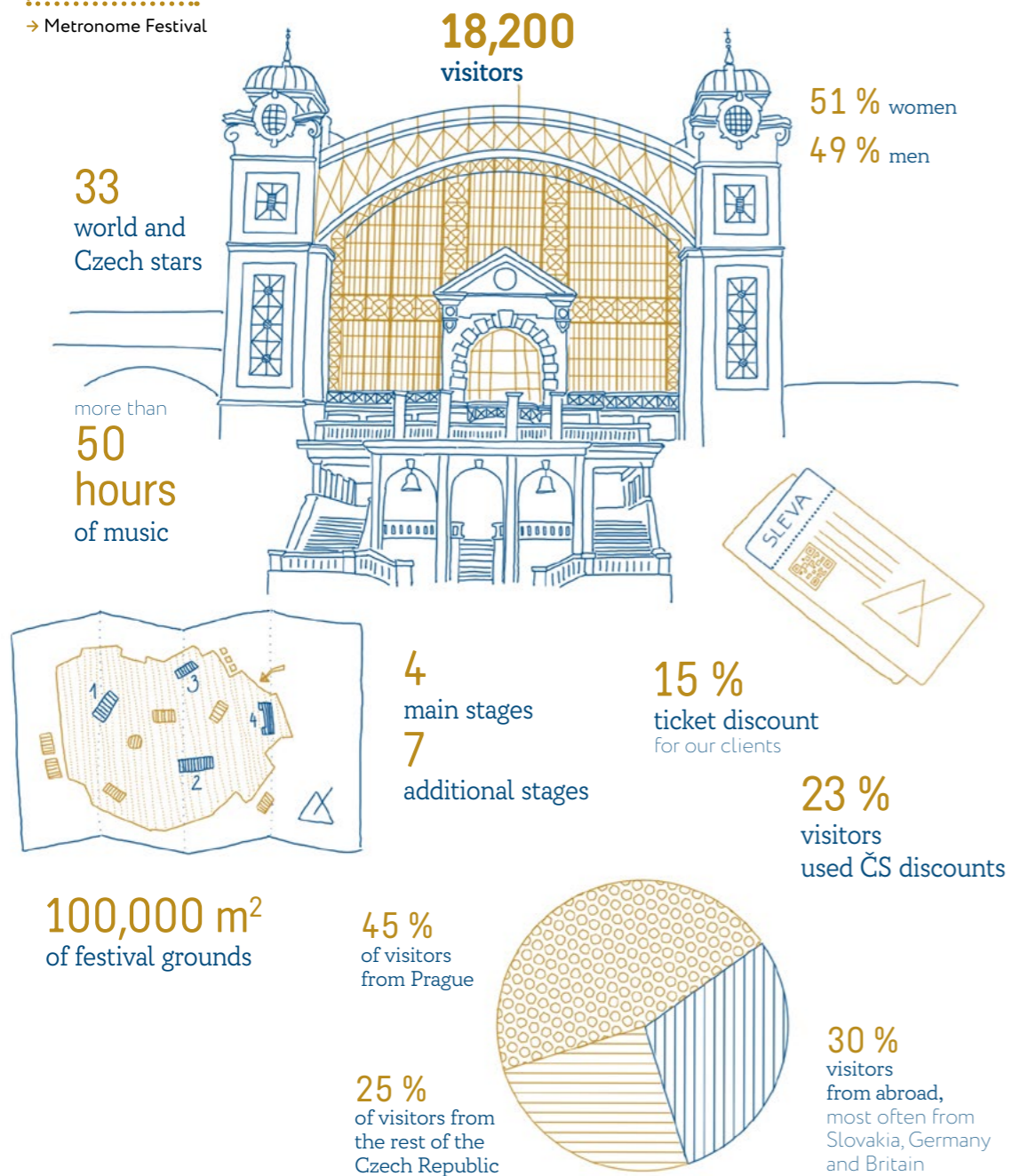


## Metronome Prague Festival



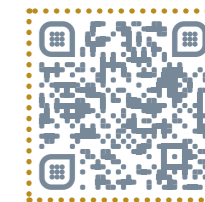
→ Metronome Festival

Prague also has its own big summer festival, which the bank sponsors. Therefore our clients can obtain cheaper tickets.



## Spořka Fest

In 2019 we also organised the big music Spořka Fest for our employees and their loved ones. The festival offered many cultural, sport and educational activities. The Bank's regions as well as all good cause projects were also given room for an entertaining performance. Moreover, the entire festival was totally cashless.



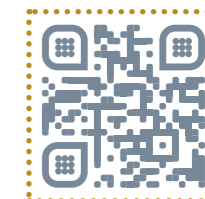
→ Spořka fest

An expert jury of the Czech Event Association's Annual Awards awarded Spořka Fest the 2<sup>nd</sup> place in the employee events category for 2019.



## ZUŠ Open

Under the Erste Private Banking brand the bank supports the Magdalena Kožená Endowment Fund and her ZUŠ Open Project. This aims to raise awareness of the work and success of Czech primary arts schools.



→ ZUŠ Open

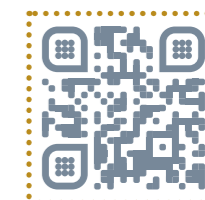
The project presents them as an environment where children's talents emerge and develop as part of the MenART stipend programme for talented pupils and their teachers.

492 primary arts schools are registered in the Czech Republic

85 % of them are involved in the project

## Jarmila Novotná Festival

Erste Private Banking has also been the partner of the Jarmila Novotná festival, celebrating one of our most prominent opera singers of the history.



→ Jarmila Novotná Festival



4

## WE SIMPLY HELP

8

10

## ČESKÁ SPOŘITELNA FOUNDATION

IN 2019 TWO OF OUR FOUNDATIONS, THE ČESKÁ SPOŘITELNA FOUNDATION (FORMERLY THE HEART FOUNDATION) AND THE DEPOSITUM BONUM FOUNDATION WERE MERGED.

THIS MEANT THAT THE ČESKÁ SPOŘITELNA FOUNDATION, WHICH INVESTS ABOUT CZK 60 MILLION ANNUALLY IN THE DEVELOPMENT OF CIVIL SOCIETY, BECAME THE BIGGEST BANK FOUNDATION IN OUR COUNTRY. ITS TOTAL SUPPORT FROM 2002 TO 2019 EXCEEDED CZK 339 MILLION.

### FOUNDATION IN A NUTSHELL

..... CZK 2 billion in the foundation assets and capita

..... CZK 50+ million of grant support

..... CZK 120 million for impact investments

..... The foundation creates room for the expansion of system innovations in education and social enterprise resulting in a healthy and prosperous society. In such a society where everyone can develop their potential, find their place and lead a happy life.

..... In cooperation with the bank's social banking unit the foundation issues grants for non-profit organisations and social enterprises as part of the "Enterprise Support" programme or offers them acceleration programmes Impact First, Social Impact Awards and the FRIN Fundraising Academy. In these programmes it verifies the business plan of non-profit organisations and teaches them how to gain money for their activity.

IN 2019 THE FOUNDATION SUPPORTED ITS PARTNERSHIP ORGANISATIONS WITH THE AMOUNT OF CZK 59 MILLION, OF WHICH MOST (CZK 43 MILLION) WAS INTENDED FOR THE SUPPORT AND DEVELOPMENT OF INNOVATIONS AND SYSTEM CHANGES IN THE AREA OF EDUCATION.

In the area of education the foundation:

- strives to ensure that all children have a full, enjoyable and equal education, and leave school prepared for the challenges and opportunities of the 21st century world;
- helps improve children's learning through the professional development of teachers and headmasters, encourage professional sharing of good practice between teachers, piloting innovative approaches in education, popularisation of educational topics;
- contributes to public debate about the necessity of positive changes in the Czech education system.

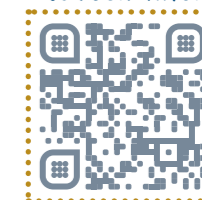
Among the key programmes are:

- **Učitel naživo** (Teach Live) → [ucitelnazivo.cz](http://ucitelnazivo.cz)
- **Elixír do škol** (Elixir for Schools) → [elixirdoskol.cz](http://elixirdoskol.cz)
- **H-mat** (Hejny Method", An approach to mathematics teaching and child development) → [h-mat.cz](http://h-mat.cz)
- **Eduzměna** (Educhange Foundation) → [eduzmena.cz](http://eduzmena.cz)
- media project **Chytré Česko** (Smart Czechia) → [chytrecesko.org](http://chytrecesko.org)

Laureates of the 5th year of the Česká spořitelna Foundation 2019 Awards

- Academic Jana Straková
- Milan Hejný, co-author of Hejny method of teaching mathematics
- MUDr. Zdeněk Kalvach, pioneer of modern geriatrics

MORE ABOUT THE  
ACTIVITIES OF THE  
ČS FOUNDATION



→ ČS Foundation  
2019 Annual Report

## 8 SUBSIDIARIES – MAIN ACTIVITIES

10

### 12 STAVEBNÍ SPOŘITELNA ČS (ČS BUILDING SOCIETY) – OUR BIGGEST SUBSIDIARY

Buřinka (Bowler Hat) has a clearly defined strategy in the CSR area – it provides support primarily for the housing of disadvantaged citizens.

#### Support of the Portus Praha association

- Therefore it has been the main strategic partner for 20 years now of the association Portus Praha which operates sheltered accommodation for the disabled and is known for organising the nationwide collection AKCE CIHLA (BENEFICIAL BRICK). In 2019 Buřinka donated CZK 900,000 to this collection in the form of computer equipment. It also made it possible for the association to sell products made in sheltered workshops at all the Buřinka events. As part of Days Spent Differently employees can take an active part in the sale of the products, help directly in the sheltered workshops or promote awareness of the association's activities and mission.

#### We help good causes

- Many employees also regularly donate blood and become involved in other educational and charity projects such as Money Alphabet, Teribear Charity Run, Slippers Day, collection for the Sue Ryder Home or in Mental Enrichment which is also initiated by Portus Praha. The project supports small non-profit organisations attempting to improve the quality of the life of disadvantaged people. In 2019 Buřinka donated CZK 1.6 million to this project and prepared a collection website and viral spot shared by 14,000 people on Facebook and viewed by 575,000.

#### Ecology

- Buřinka has long been striving to meet ecological trends and standards. Among other things, it supports the healthy lifestyle of its employees – like cycling to work. **It reduces energy consumption every year by 7%, paper consumption by 9%** and ensures consistent sorting of waste. However, there is an increase of diesel consumption, because the number of business trips is rising.

#### Diversity

BOARD OF DIRECTORS

1 woman  
2 men

MANAGEMENT TEAM

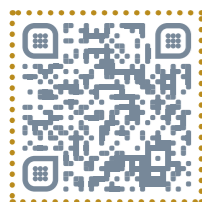
5 women  
9 men

EMPLOYEES

63 % women  
37 % men

41 years as employee average age

1,4 % employees with a disability



→ CSR at Buřinka

## PENZIJNÍ SPOLEČNOST ČS (ČS PENSIONS COMPANY)

Penzijní společnost ČS (ČS Pensions Company) obtains a return on its clients' savings with emphasis on ethical principles.

#### We help good causes

- It encourages its employees to focus as part of their volunteer Days Spent Differently – in accordance with the strategies of Česká spořitelna and ČS Foundation – on an overlooked target groups of citizens, i.e. seniors and young people. It supports the organisation Život 90 (Life 90) or the Nursery and Primary School at Thomayer Hospital.

- It motivates its employees to join the Money Alphabet project.

- In 2019 the financial portal Finparáda.cz awarded ČS PS the first place in the category of Supplementary Pension Savings. The company is leader both as regards the number of participants (352,000) and also the market share (more than 31%). The volume of funds available for these savings is CZK 19.5 billion.

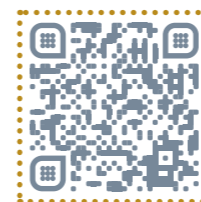
#### Products and services

- PS ČS also offers the unique Garance (Guarantee) service guaranteeing a full return on deposited funds. The return in 2019 ranged from 2.6% to 18.8% depending on the selected option of savings.

#### Ecology

- For two years the company has been successfully managing also the Etický účastnický fond penzijního spoření (Ethical Participation Pensions Savings Fund) which focuses on the socially responsible investments. **The fund makes returns on savings exclusively by investing in companies with a socially responsible approach to the environment.**

- At the Erste Group level the funds of responsible investments are managed by Erste Asset Management in accordance with the Group's policies.



→ ČS Pensions Company

## SAUTOLEASING AND ERSTE LEASING

In the long run, both companies have been providing for its clients' mobility needs which include the financing. In 2019 they focused on innovations and on a new financial product – residual value loan.

### Client satisfaction

- Client satisfaction is measured constantly when drawing up contracts, and their incentives are addressed through the call centre. The number of complaints made by clients has remained at a constant level for several years now and in 33 complaints occurred in 2019.

### Ethics and compliance

- In the area of ethics and compliance the companies use all available sources of information to ensure compliance of the issued legal standards of ČS and Group policies with their internal regulations. Above all, they use the AMOS application of the Česká spořitelna education portal for the regular training of employees. They devote great attention to the issue of personal data protection and adherence to set rules, and this approach also applies to their business partners.

### We help good causes

- For more than 15 years now Erste Leasing has been the partner of the Znojmo Music Festival; in the area of sport it has provided long-term sponsorship to the Znojmo Eagles hockey club playing in the EBEL international competition. Support also goes to a number of other projects such as for disabled children in schools, purchase of assistive technology or to preventive events for children in cooperation with the Red Cross and Police of the Czech Republic. Altogether in 2019 the company invested more than CZK 800,000 in the projects.

### Ecology

- sAutoleasing has built a basis for more systematic way of dealing with "green requirements" and conditions for financing electric cars. For 2020 it has prepared a new financial product in response to clients' interest in grants for purchasing electric cars.

### Diversity

#### EMPLOYEES

66 % women  
34 % men

#### MANAGEMENT POSITIONS

33 % women  
67 % men

2 %  
employees  
with a disability

## FACTORING ČS

In 2019 the company continued implementation of its midterm strategy aimed at comprehensive solutions for the Supply Chain Financing.

### Client satisfaction

- It focused on automation of internal processes which improves the customer experience.

### Ethics and compliance

- There is ethics and compliance training carried out just as in other companies via the education portal ČS AMOS.

### We help good causes

- Factoring ČS traditionally sponsors a selected horse race at Velká Chuchle racecourse, with the annual amount of CZK 150,000.

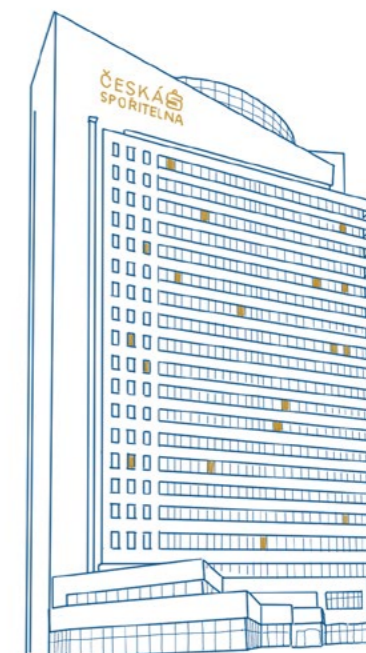
### Diversity

#### EMPLOYEES

60 % women  
40 % men

### OTHER SUBSIDIARIES ARE TOO SMALL, THEREFORE WE ONLY PROVIDE A LIST OF THEM BELOW:

- Brokerjet České spořitelny, a. s. (in liquidation)
- CPDP 2, a. s.
- Erste Corporate Finance, a. s.
- Energie ČS, a. s.
- Erste Grantika Advisory, a. s.
- ČS do domu, a. s. (in liquidation)
- MOPET CZ, a. s.
- Realitní společnost České spořitelny, a. s.
- REICO investiční společnost České spořitelny, a. s.
- Věrnostní program iBOD, a. s.
- Investičníweb, s. r. o.
- Holding Card Service, s. r. o.
- sIT Solutions CZ, s. r. o. (in liquidation)





# ETIKA A COMPLIANCE

## ETHICS

ETHICAL CONDUCT, HONESTY AND TRANSPARENCY ARE INTERTWINED IN EVERYTHING WE DO.

Since 2019 not only our employees follow our Code of Ethics, but potential job applicants also become acquainted with it in order to adopt its principles even before they start working for us.

We regularly check that the code is observed and employees are obliged to complete its e-learning course at least once a year.

If employees need advice about any ethical dilemma, they can contact the Ethics Manager or Internal Ombudsman, whereas other selected units of the bank such as compliance, HR through the business partners or trade union representatives are ready to deal with their instigations.

### Internal Ombudsman

We have had a discreet and impartial Internal Ombudsman available for employees since 2004 and an Ethics Manager since 2009.

Both are bearers of the corporate culture carriers and treat the information obtained as highly sensitive and strictly confidential. If employees contact the ethics helpline with any ethical or other problem, they are guaranteed total anonymity. They are not at risk of being penalised. Employees most often contact the Internal Ombudsman because of a situation in the workplace and labour issues.

## AREAS THAT REPORTS APPLY TO:

**56 %** the workplace

behaviour of employees, atmosphere in the workplace, conflicts between employees, corporate culture

**26 %** labour issues

**1 %** product issues

**8 %** financial distress

**1 %** internal rules, guidelines and regulations

**8 %** external financial partners

## COMPLIANCE

THE POLICY OF COMPLIANCE, LIKE THE CONFLICT OF INTEREST POLICY AND OTHER CROSS-CUTTING POLICIES OF THE BANK ARE INTERTWINED THROUGHOUT THE ORGANISATION AND ARE PART OF OUR CORPORATE CULTURE.

For three years now we have had a separate regulation for whistleblowing and for two years the General Data Protection Regulation, i.e. the GDPR in place. We also carefully monitor and regularly assess their observance.

Implementation of the highest ethical and moral standards for the behaviour of employees towards clients, business partners and other third parties is one of the main principles of conduct which ČS has pledged to uphold following the example of the Erste Group.

We place emphasis, above all, on the consistent prevention of the conflict of interests, transparency and professionalism when providing services and products to our clients. The aim is to fulfil all aspects of socially responsible business. Throughout the ČS Group we enforce the principle of zero tolerance of any forms of corruption and bribery.

In practice, we enforce this approach by introducing detailed rules for employee conduct in internal regulations, education materials and training compulsory not only for all Bank employees, but also for employees of subsidiaries and other externally cooperating entities. We are aware of the increased risk in relation to officials and therefore we devote increased attention to this area. The rules are continuously reviewed and we regularly monitor their observance with the intention to keep pace with the constantly changing trends in the society and the environment in which our bank operates.

## WHISTLEBLOWING

In 2019 we received three anonymous reports through the independent channel for whistleblowing reporting. We carefully examined the internal work procedures which were to cause the damage to the interests of ČS as a bank and an employer. During the investigation we did not find any serious errors in the verification processes, however the anonymous report contributed to their partial change.

In 2019 thanks to their care our employees prevented attempts of fraud by clients amounting to **CZK 0.9 million**

# 5 DIVERSITY

8

10

## SPOŘKA IS WHAT WE MAKE IT

There are over ten thousand of us and we work at more than 500 different places throughout the Czech Republic. We are all different, have different interests and wishes.

In the area of diversity we follow the group guideline applicable to the entire Erste Group which defines the basic principles and direction for enforcement of the diversity and inclusion policy.

In the guideline ČS pledged to fill 35% of positions on the Supervisory Board and in top management (Board of Directors and B1 management) with women by 2019.

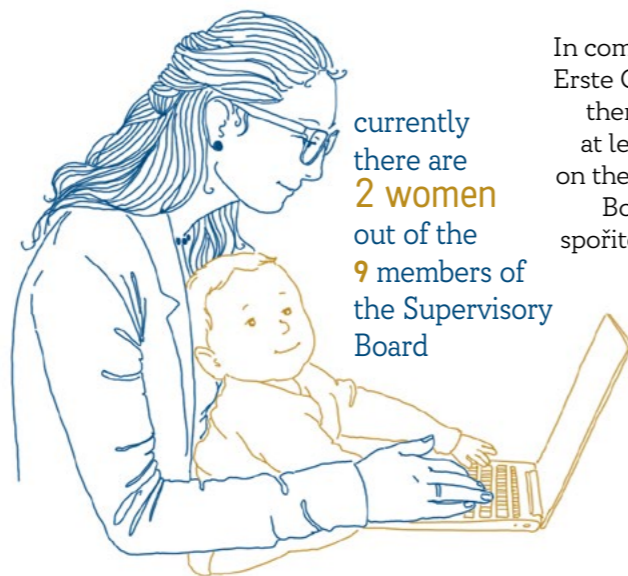
Unfortunately we have not been able to meet this goal so far.

**1 woman**  
out of the **6** members  
of the Board of Directors

**10 women**  
out of the **57** positions  
in top management

**2 women** on the  
Boards of Directors  
of the subsidiaries

**19%**  
of women  
in management positions



currently  
there are  
**2 women**  
out of the  
**9** members of  
the Supervisory  
Board

In compliance with Erste Group policy, there were to be at least 3 women on the Supervisory Board of Česká spořitelna by 2019.

AS PART OF THE TRANSFORMATION OF THE BANK, WE CREATED A NEW AGILE POSITION AT B-2 AND B-3 LEVELS, INCLUDING MANAGEMENT POSITIONS FOR WHICH MANY WOMEN WERE RECRUITED.

In order to come closer to meeting the pledge, we introduced action steps in the main areas of work with employees. We will continue with them in 2020.

## EDUCATION AND TALENT DEVELOPMENT

- We are continuing with **the mentoring programmes and conferences for women** such as Equilibrium, Satori or To All Women.
- As part of the adaptation of new managers we have introduced a **new module dedicated to diversity and inclusion**.
- We reviewed **the Čáp (Stork) programme designed for employees on maternity/parental leave**.
- As of 2020 we plan to introduce the compulsory **principle of two successors to a position** always at a ratio of one women and one man.
- **Talent and development programmes** are open to all employees regardless of their age and gender.

About **80 women** participate in the mentoring programmes and attend conferences for women

## AND OTHER

- As regards remuneration we continue with the trend of **reducing the "pay gap"**\* between men and women. For a long time our pay gap has been at a lower level than the one usual in the market, however we keep striving to eliminate it.
- **Employee benefits** are also a reflection of the diversity, work-life balance\* and well-being\* of all employees.
- Suspicion of any discrimination is addressed by the Internal Ombudsman.

\* gender pay gap between men and women

\* work-life balance

\* personal well-being

## COLLEGIAL COHESION

IN 2019 THE BANK DISTRIBUTED NON-REFUNDABLE SOCIAL ASSISTANCE TO EMPLOYEES IN AN AMOUNT EXCEEDING CZK 600,000 AND THE ČESKÁ SPOŘITELNA FOUNDATION ADDED FURTHER CIRCA CZK 500,000.

But it is not just the bank in the role of the employer, trade union or Foundation that provide help. Our employees also help a good cause and contribute to the needy. **They open transparent accounts, organise charity events or organise collections not just for their colleagues and friends, but for all those who found themselves in material or financial distress.**

WE HELPED SEVERAL COLLEAGUES TO COME TO TERMS WITH SUDDEN LOSS.

We have made contributions to more than **100 people** in difficult situations.

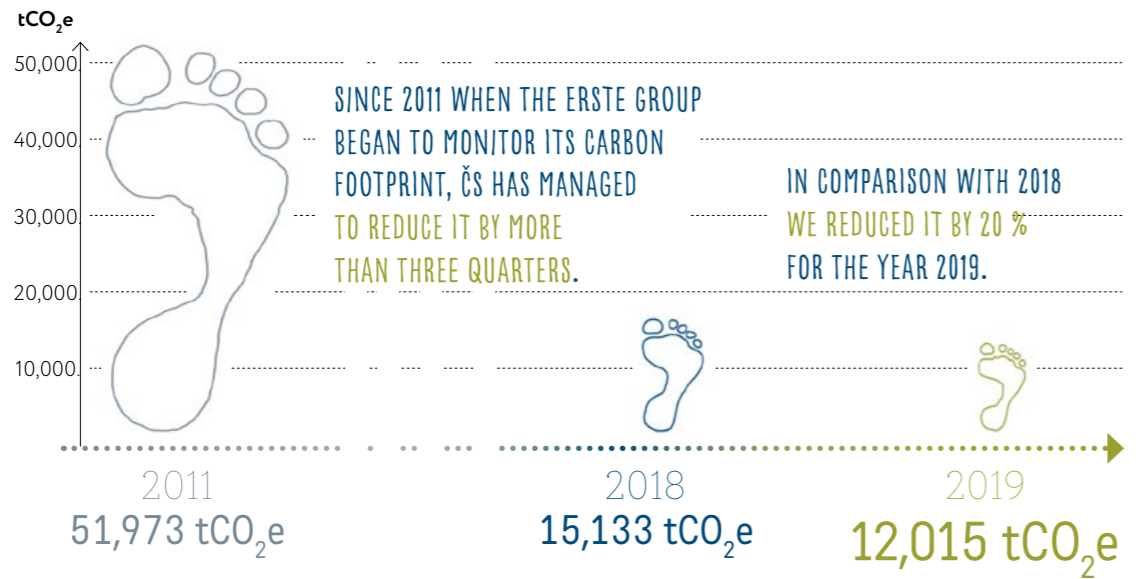
# 11 GREEN BANK

12

13

Česká spořitelna promotes smart environmental solutions.  
THE BANK FOCUSES ON ENERGY SAVING, THE INTERNET OF THINGS AND RECYCLING.

## CARBON FOOTPRINT



BY 2021 WE WANT TO REDUCE THE CARBON FOOTPRINT BY ANOTHER 5 %.

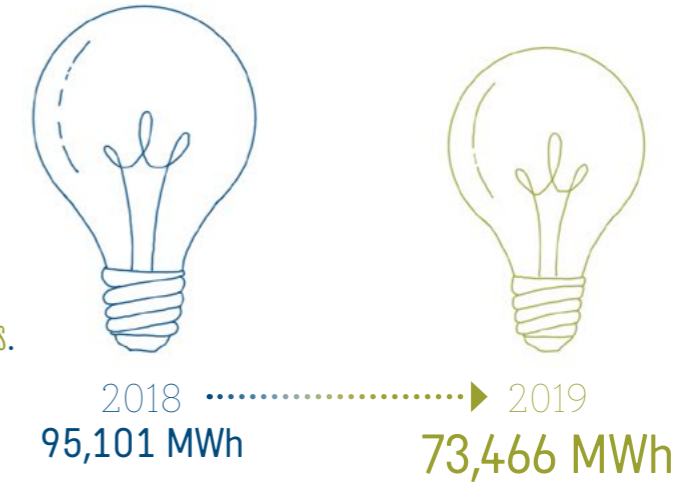
## EMISSIONS (scope 1 a 2 tCO<sub>2</sub>e)



SINCE 2015 THE BANK HAS BEEN USING ELECTRIC CARS AND ITS FLEET IS MADE UP EXCLUSIVELY OF LOW-EMISSION VEHICLES.

## ENERGY CONSUMPTION

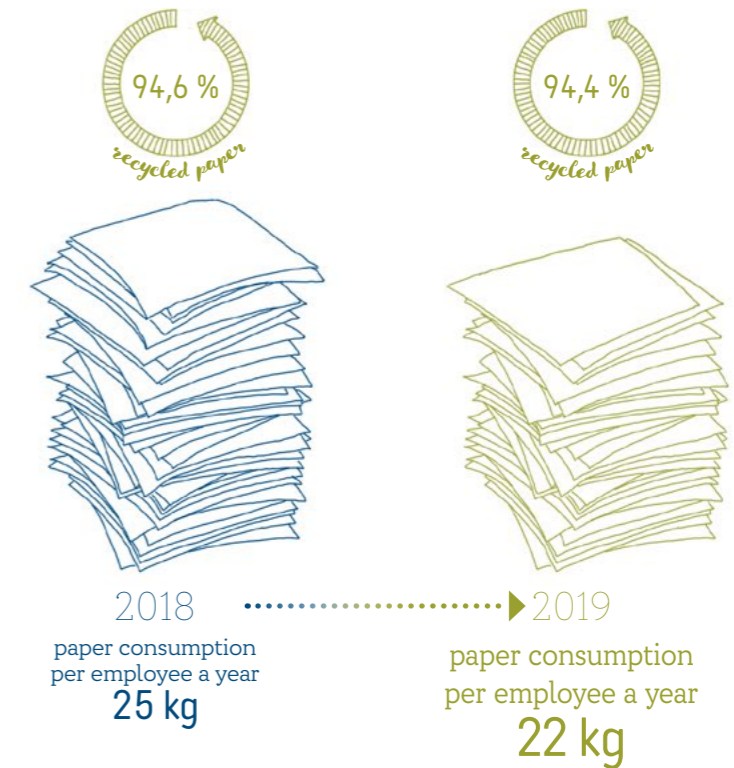
MORE THAN THREE QUARTERS OF ELECTRICITY CONSUMED IN ČESKÁ SPOŘITELNA COMES FROM RENEWABLE SOURCES.



## PAPER CONSUMPTION

SINCE 2013 WE HAVE BEEN USING CERTIFIED RECYCLED PAPER.

SINCE 2016 WE HAVE BEEN DEVELOPING A CASHLESS BANK, BIOMETRY, AUTOMATION, DIGITALISATION AND ROBOTISATION. THESE ACTIVITIES, TOGETHER WITH THE MODERN FILE REGISTRY IN DOBŘENICE, HELP THE BANK TO SIGNIFICANTLY REDUCE CONSUMPTION OF PAPER.



## WASTE SORTING

HAS BEEN THE STANDARD FOR ČESKÁ SPOŘITELNA SINCE 2000.



## 12 SUPPLY CHAINS

13

16

ALL THESE SUPPLY CHAINS ARE GOVERNED BY THE ERSTE GROUP PROCUREMENT SUBSIDIARY, THROUGH RULES AND POLICIES VALID FOR THE ENTIRE ERSTE GROUP.

The Česká spořitelna Financial Group is governed by the general terms and conditions of cooperation in the area of procurement in accordance with the provision of Section 1751 of the Civil Code.

The terms and conditions define the basic supply chains between members of the Česká spořitelna Financial Group and suppliers. An integral part of the terms and conditions is also the Bank Outsourcing annex pursuant to Decree No. 163/2014 Coll., on the performance of the activity of banks, credit unions and investment firms.

We regularly check and continuously assess observance of all provisions.

Our suppliers must also consistently comply with all standards and principles of operation described in the Code of Ethics.

MORE AT



→ [www.erstegroup.com](http://www.erstegroup.com)

## CONTACTS

### INFORMATION ABOUT THE COMPANY

Česká spořitelna, a. s.

a member of the Erste Group and controlling entity of the Česká spořitelna Financial Group

- Olbrachtova 1929/62, 140 00 Praha 4
- IČ: 45244782

Parent company and controlling entity:

Erste Group Bank AG with registered office in Am Belveder 1, 1100 Vienna, registration number FN 33209 m

We are governed by Act No. 90/2012 Coll., on Commercial Companies and Cooperatives (Business Corporations Act), as a whole and embedded in our regulations requirements are other internal policies, regulations, guidelines, procedures and processes which define how we perform our work (ČS Articles of Association, general guidelines of activities, management and control system and so on).

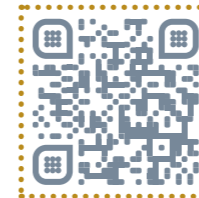
### CONTACT FOR ANY QUESTIONS ABOUT THE REPORT

Michaela Nováčková

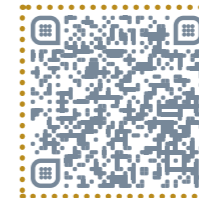
Česká spořitelna, a. s., Company Office

- telephone: 956 711 000
- e-mail: → [michnovackova@csas.cz](mailto:michnovackova@csas.cz)

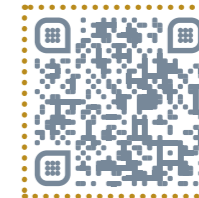
MORE AT



→ [www.csas.cz](http://www.csas.cz)



→ 2019 Annual Report

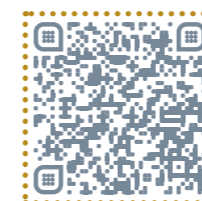


→ We Believe in Good Causes

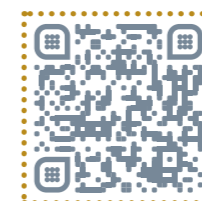
# GRI METHODOLOGY INDEX

GRI standard	INDICATOR NAME	LINKS AND LOCATION
<b>GENERAL DISCLOSURES (GRI 102)</b>		
<b>ORGANISATION PROFILE</b>		
102-1	Name of the organization	→ 2019 Non-financial Report, page 57
102-2	Activities, brands, products and services	www.csas.cz/en/personal-finance/my-healthy-finances
102-3	Location of headquarters	→ 2019 Non-financial Report, page 57
102-4	Location of operations	www.csas.cz/pobocky-a-bankomaty
102-5	Ownership and legal form	2019 Annual Report, page 55
102-6	Markets served	2019 Annual Report, page 31
102-7	Scale of the organization	2019 Annual Report, page 3
102-8	Information on employees and other workers	2019 Annual Report, page 41
102-9	Supply chain	outsourcing - facilitated by Procurement Services CZ, s. r. o., Erste subsidiary
102-10	Significant changes to the organization and its supply chain	no
102-11	Precautionary Principle or approach	2019 Annual Report, page 68
102-12	External initiatives	-
102-13	Membership of associations	not published
<b>STRATEGY</b>		
102-14	Statement from senior decision-maker	2019 Annual Report, page 61
<b>ETHICS AND INTEGRITY</b>		
102-16	Values, principles, standards, and norms of behavior	→ 2019 Non-financial Report, page 50
<b>GOVERNANCE</b>		
102-18	Governance structure	2019 Annual Report, page 74
<b>STAKEHOLDER INVOLVEMENT</b>		
102-40	List of stakeholder groups	→ 2019 Non-financial Report, page 4
102-41	Collective bargaining agreements	not published
102-42	Identifying and selecting stakeholders	→ 2019 Non-financial Report, page 18
102-43	Approach to stakeholder engagement	→ 2019 Non-financial Report, page 5
102-44	Key topics and concerns raised	→ 2019 Non-financial Report, page 5
<b>REPORTING PROCEDURES</b>		
102-45	Entities included in the consolidated financial statements	2019 Annual Report, page 304
102-46	Defining report content and topic Boundaries	2019 Annual Report, page 94
102-47	List of material topics	2019 Annual Report, page 94
102-48	Restatements of information	-
102-49	Changes in reporting	-
102-50	Reporting period	1 January 2019 - 31 December 2019
102-51	Date of most recent report	30. 6. 2019
102-52	Reporting cycle	annual
102-53	Contact point for questions regarding the report	→ 2019 Non-financial Report, page 57
102-54	Claims of reporting in accordance with the GRI Standards	→ 2019 Non-financial Report, cover
102-55	GRI content index	→ 2019 Non-financial Report, page 58
102-56	External verification	only 2019 Annual Report, page 79

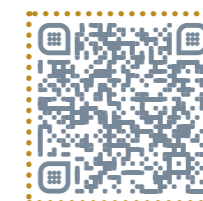
GRI standard	INDICATOR NAME	LINKS AND LOCATION
<b>MANAGEMENT APPROACH (GRI 103)</b>		
<b>ECONOMIC STANDARDS (GRI 200)</b>		
<b>ECONOMIC PERFORMANCE (GRI 201)</b>		
201-1	Direct economic value generated and distributed	2019 Annual Report, page 2
<b>ANTI-CORRUPTION MEASURES (GRI 205)</b>		
205-2	Communication and training about anti-corruption policies and procedures	→ 2019 Non-financial Report, page 51
205-3	Confirmed incidents of corruption and actions taken	→ 2019 Non-financial Report, page 51
<b>NON-COMPETITIVE BEHAVIOUR (GRI 206)</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practises	no case reported
<b>ENVIRONMENTAL STANDARDS (GRI 300)</b>		
<b>ENERGY (GRI 302)</b>		
302-1	Energy consumption within the organisation	→ 2019 Non-financial Report, page 55
302-4	Reduction of energy consumption	→ 2019 Non-financial Report, page 55
<b>EMISSIONS (GRI 305)</b>		
305-1	Direct (Scope 1) GHG emissions	→ 2019 Non-financial Report, page 54
305-2	Energy indirect (Scope 2) GHG emissions	→ 2019 Non-financial Report, page 54
<b>SOCIAL STANDARDS (GRI 400)</b>		
<b>EMPLOYMENT (GRI 401)</b>		
401-1	New employee hires and employee turnover	2019 Annual Report, page 68
<b>TRAINING AND EDUCATION (GRI 404)</b>		
2019 Annual Report, page 41		
<b>DIVERSITY AND EQUAL OPPORTUNITY (GRI 405)</b>		
2019 Annual Report, page 65		
405-1	Diversity of governance bodies and employees	→ 2019 Non-financial Report, page 52
<b>NONDISCRIMINATION (GRI 406)</b>		
406-1	Incidents of discrimination and corrective actions taken	no case reported
<b>SUPPLIER SOCIAL ASSESSMENT (GRI 414)</b>		
414-1	New suppliers that were screened using social criteria	→ 2019 Non-financial Report, page 56
<b>CUSTOMER PRIVACY (GRI 418)</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	not published



→ 2019 Annual Report



→ Moje zdravé finance  
My Healthy Finances



→ Pobočky a bankomaty  
Branches and ATMs

## GRAPHIC DESIGN: MATURUS, o. p. s.

### WHAT WE BELIEVE

We do believe that our actions inspire the society to get the idea, that to work with joy makes changes inside people's mind as well as changes the society itself.



### WHO WE ARE

- graphic desing studio
- graphic design training centre

### WHAT WE DO

- We give jobs to handicapped graphic designers.
- We provide 8 months long job to creative people with handicap.

### WHY WE DO IT

- We promote work done by people with handicap, and the principles of social business.
- We help people with handicap to extend their scale of work opportunities.



#POMAHAMEDOBRYMMYSLENKAM

#NADACECS

#DOKAZEMEVIC

#VZDELAVANI

#VERIMEDOBRYMVECEM

#BANKABEZBARIER

#ZELENABANKA

#DOBRYSOUSED

#KULTURA

#SPORTUJEMESESPORKOU

#ABECEDAPENEZ

#DENJINAK



**#JSME SPORKA**

©

Česká spořitelna, a. s.

2020