

A large, abstract graphic on the right side of the page, consisting of concentric, swirling bands of various shades of blue, creating a sense of motion and depth.

2017



ČSOB Group Report to Society

# Introductory word



Dear Readers,

Corporate responsibility and sustainability have recently undergone rapid development all over the advanced world; within the KBC Group, the ČSOB Group is definitely involved as well. Take a look at the following pages of our regular Annual Report to see for yourselves; I hope you will be pleasantly surprised by the information about our activities over the past year.

Since the early 1990s ČSOB has been very actively involved in the rejuvenation and advancement of philanthropy in our country. At the moment, we are concentrating our support on activities that are also linked to our chosen sustainability areas: For education – For business – For nature – For longevity.

However, we have gradually focused more and more on a responsible approach within our business undertakings, to encourage environmental protection and improve our planet's living conditions. We are far from starting from zero. As far back as 2005, we abandoned financing weapon manufacturing. This was a conscious decision that negatively affected our profits. Nevertheless, the step has become even more meaningful now.

In accordance with the KBC policy, we have recently undertaken to dramatically reduce the financing of coal burning in our power plants. It should finally be terminated in 2025 from when we are solely going to support investments in heating plants that will facilitate a reduction in the environmental impact in compliance with the applicable laws.

Moreover, we aim to expand our offer of socially responsible investments, offer Green Grants for small and big enterprises alike, create start-up conditions for novice entrepreneurs and come up with a number of other motivational initiatives designed not only to maintain the pace of the economy but also to cultivate an enterprising environment.

In this Report, we would also like to introduce the mutually beneficial cooperation with our long-term partners in the NGO sector, as well as individual initiatives in strategic areas that allow us to respond to the urgent needs of society, for example, improving financial and cyber literacy and population ageing.

I believe that you will find this insight into our activities useful and that it will convince you that whatever we do, we do responsibly.

I hope you enjoy reading this Report.

**Petr Hutla**

Member of the ČSOB Board of Directors and Internal CSR Committee of the KBC Group

# About us

## Key figures of the ČSOB Group in 2017

### NET PROFIT

CZK 17.5 billion



### LOAN PORTFOLIO

CZK 657 billion



### DEPOSITS

CZK 821 billion



### BRANCHES AND TRADING VENUES

bank branches **217**Poštovní spořitelna branches /  
Era financial centres **31**ČSOB Private Banking branches **11**corporate branches **11**leasing branches **7****302** ČMSS advisory centres**30** Hypoteční banka centres**97** ČSOB Pojišťovna branches**2,800** trading venues of Česká pošta**1,001** ATMs

### ČSOB CLIENTS

3 686 mil.



### INTERNETBANKING

1.626 million users,

54.712 million  
transactions

### EMPLOYEES

All of ČSOB Group

**8,299**

Bank employees

**7,150**

# About us

## Innovation in 2017

### **SIGN-IN FINGERPRINT**

Clients can sign in to all ČSOB mobile applications with their fingerprint.



### **INTERNET BANKING**

for retail offers new features such as personal finance management or a one-stop summary of all of the client's products including insurance, including the Bonus World Loyalty Program.



### **DOCUMENTS WITH ELECTRONIC SIGNATURE**

accounted for 40 % of all documents signed at our branches.



### **CLIENTS APPRECIATE NEW FUNCTIONS**

ČSOB NaNákupy mobile application, such as the transaction history, MasterPass internet payments or loyalty card management.



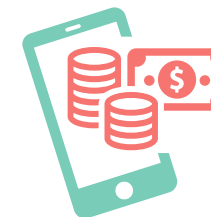
### **OUR CLIENTS MAY USE OUR FULL ONLINE OVERVIEW**

of their mortgages, including all related documents.



### **THE NEW „PATRIA MOBILE TRADER“ MOBILE APPLICATION**

offers clients the opportunity to trade with investment products anytime, anywhere.



# About us

## Innovation in 2017

### CLIENTS HAVE THE POSSIBILITY OF REPORTING INSURANCE CLAIMS ONLINE

Our simple and intuitive process  
allows them to watch their  
settlement as well.



### ČSOB INVESTMENTS

Investment portal where our  
clients can manage their  
investments, now including  
Patria products as well.

### MORE THAN 300 NFC ATMs

allows clients to make cash  
withdrawals in comfort  
with no risk of skimming.



# About us

## Selected Accolades

### ČSOB: BEST BANK OF THE YEAR 2017 IN THE CZECH REPUBLIC

as awarded by **The Banker**



### ČSOB: BEST PRIVATE BANK IN THE CZECH REPUBLIC

as assessed by **International  
Banker** and **Euromoney**



### SECOND PLACE FOR THE ANNUAL SOCIAL RESPONSIBILITY REPORT - CORPORATE

awarded to ČSOB by  
the **Donors Forum**



### VOTED BY THE CZECH FINANCIAL CONSULTANCY COMPANY, FINCENTRUM



### The Winner



for **Bank without Barriers**

fincentrum



**Banka  
bez bariér**

### ČSOB NANÁKUPY

The **mobile application**  
won ČSOB an award from  
**Hospodářské noviny**



### Best Bank and Banking Innovator



# About us

## Selected Accolades

IN THE **TOP RESPONSIBLE COMPANY 2017** COMPETITION, ČSOB WON



ZLATÁ

**TOP  
ODPOVĚDNÁ  
FIRMA 2017**

TOP ODPOVĚDNÁ  
VELKÁ FIRMA

**GOLD CERTIFICATE**

in the **RESPONSIBLE BIG  
CORPORATION** category



ZLATÁ

**TOP  
ODPOVĚDNÁ  
FIRMA 2017**

ODPOVĚDNÝ  
REPORTING

**GOLD CERTIFICATE**

in the **RESPONSIBLE  
REPORTING** category



ZLATÁ

**TOP  
ODPOVĚDNÁ  
FIRMA 2017**

STRATEGIE  
DIVERZITY

**GOLD CERTIFICATE**

in the **DIVERSITY** category



STŘÍBRNÁ

**TOP  
ODPOVĚDNÁ  
FIRMA 2017**

SPOLEČENSKÝ  
PROSPĚŠNÝ PROJEKT

**SILVER CERTIFICATE**

in the **PROJECT WITH SOCIAL  
BENEFITS**



# About us

## Selected Accolades

● ● ●  
**NADACE VIA**  
VIA BONA

**ČSOB WON THE GOOD  
COMPANY AWARD IN THE VIA  
BONA COMPETITION**

for its many years of exemplary  
work in the field of social  
responsibility

ČSOB



FOR ITS MANY YEARS OF EXEMPLARY  
WORK IN THE FIELD OF SOCIAL  
RESPONSIBILITY



FROM PROFESSIONALIZATION OF  
NGOS...



...FOR INSTANCE TO PROMOTING  
COMMUNITY LIFE AND  
NEIGHBOURHOOD RELATIONS.



THE COMPANY WAS BEHIND THE  
IDEA OF THE COMMITTEE OF GOOD  
WILL - OLGA HAVEL FOUNDATION  
EDUCATION FUND.



BECAUSE CORPORATE SOCIAL  
RESPONSIBILITY HAS BEEN ONE  
OF THE FOUNDATIONS OF ČSOB  
CORPORATE PHILOSOPHY RIGHT  
FROM THE START.



THE VDV EDUCATION FUND HAS  
GRANTED SCHOLARSHIPS TO  
HUNDREDS OF STUDENTS OVER  
TIME.



ČSOB CONTINUES ITS  
PHILANTHROPIC ACTIVITIES NOT  
ONLY THROUGH CASH DONATIONS.



THE COMPANY ENCOURAGES ITS  
PEOPLE TO VOLUNTEER AS BOTH  
EXPERTS AND MANUAL LABOURERS.



THE GOOD WILL CARD - A DEBIT  
CARD THAT ALLOWS CLIENTS  
TO DONATE TO CHARITABLE  
PROJECTS ANY TIME THEY MAKE A  
TRANSACTION - IS ANOTHER UNIQUE  
PROJECT.



# About us

## Strategic goals and Fundamental Corporate Values

### SOCIAL

We stimulate the Czech economy, preparing solutions for potential future problems and developing innovative tools to address current social challenges. We wish to be beneficial to the entire Czech society; we are interested in sensitive social topics. Our goal is being the first company to spring to mind when people think financial products and services, or when they look for an interesting job. We want to be the first choice of investors considering the purchase of investment instruments.



### ECONOMY

We strive for sustainable profit growth and we want to defend and ensure our company's future existence in the long run. We respect the limits for risk, capital and liquidity limits in our business. We develop a unique collaboration between the banking and insurance businesses to acquire a better understanding of our clients and come up with fitting, comprehensive solutions. We wish to be a „quality reference” in the field of bankinsurance in the Czech market.



### ENVIRONMENT

ČSOB has its own [environmental](#) and [energy policies](#), which list the company's obligations of environmental protection, pollution prevention, to continuous improvement of the environmental management and other specific commitments that are in full compliance with the requirements of the ČSN EN ISO standard 14001: 2016 (EMS) and ISO 50001 (EnMS).



### HOW WE ENVISAGE ACHIEVING THIS

Through strict adherence to legal standards and regulations, on the one hand, and though polite behaviour and respect expressing our equal partnership, on the other hand. We engage with our partners, listen to them and identify their needs to enable ourselves to meet them. We place the client's interest in the first place; we are honest in business and correct in our relationships, we are discreet and responsive during the negotiations. We believe that behaviour consistent with these values will not only help us to promote trust in our society but will also serve as a reference for our existing and new partners.



# Social responsibility and sustainability

## Social Responsibility Strategy



### **SOCIAL RESPONSIBILITY**

We approach social responsibility and sustainability (CSR) as a natural part of the everyday life of the company and its people. Not only in relation to CSR principles, we build on diversity, variety, free decision-making and responsibility, but also on volunteering and the development of the environment in which the bank is undertaking its complex business. The social responsibility priorities are based on these principles.

### **CSR STRATEGY OF ČSOB GROUP**

The social responsibility strategy of ČSOB Group is based on CSR strategy of the parent KBC Group, which concentrates on to the key element of CSR, which is a structured approach shared across the Group in relation to responsibility and sustainability of business.

### **CLIENTS,**

who are the centrepiece of our attention, whatever we do



### **THE UNIQUE EXPERIENCE OF BANKINSURANCE,**

provided to our clients



### **CONCENTRATION ON LONG-TERM DEVELOPMENT**

within ČSOB Group in order to achieve sustainable and successful growth



### **RESPONSIBLE APPROACH**

to society and the local economy



# Social responsibility and sustainability

## Responsible Business

### SOCIAL RESPONSIBILITY

The basic philosophy of ČSOB's responsible approach to society is based a business method sustainable in the long term business and is essentially simple - we strive to limit the adverse impacts of our own business wherever we operate, to continually strengthen positive social effects and to motivate all our partners, i.e. clients, employees, suppliers, state institutions and non-profit organizations, towards responsible behavior in our everyday business operations. The individual ČSOB CSR activities are implemented in four strategic pillars and, together, they form a compact unit interlinked with the group sustainability strategy of the parent KBC financial group.

THE PILLARS OF ČSOB GROUP'S **RESPONSIBLE BUSINESS** FOCUS ON THE FOLLOWING AREAS:

#### FOR EDUCATION



#### FOR LONGEVITY



#### FOR BUSINESS



#### FOR NATURE



Besides responsible business, an essential component of ČSOB's responsible and sustainable behaviour principles is **philanthropy** - through strategic long-term partnerships with non-profit organizations and clearly defined grant programs - and **employee engagement**.

### CSR COSTS FOR 2017

In 2017, the bank donated over CZK 43 million to promote philanthropy and support socially responsible activities which respond to the needs of the Czech Republic's society.

Pillars of responsible business	CZK 9,731,135
Philanthropy	CZK 33,636,768
<b>A TOTAL OF</b>	<b>CZK 43,367,903</b>

# Pillars of responsible business

## For education

We perceive education as one of the best investments. That is why we focus on this area even within social responsibility and philanthropy, and our support for education is one of the pillars of our responsible business.

For us, the natural and key issue is financial literacy. Surveys show that the Czech society is not doing very well in financial education, people are unable to manage their money and plan their spendings on a long-term basis. Debt, insolvency and enforcement are often personal tragedies. Financial education must start with children. Therefore, we strive to promote financial education in schools, we also support organizations that provide free debt counselling, we issue grants to improve financial literacy and also focus on cyber security. Of course, the basis for our business is prudent and responsible lending.

**72 %**

**CHILD FROM AGE  
6 UP TO 18 YEARS  
KNOW ONLY "A  
LITTLE" ABOUT  
FINANCE**

**11 %**

**CHILDREN DO  
NOT KNOW  
ABOUT THE  
RIGHT FINANCE  
MANAGEMENT  
NOTHING AT ALL**

**66 %**

**PARENTS ADMIT  
THEY WOULD  
NEED FURTHER  
EDUCATION IN THE  
FIELD OF FINANCE**

**33 %**

**PARENTS HAVE  
EXPERIENCED IN  
2017 A SITUATION  
WHEN THEY  
HAD A NEGATIVE  
BALANCE**

### ČSOB FINANCIAL EDUCATION FOR SCHOOLS



Since 2016, our employees have attended primary and secondary schools with the ČSOB Financial Education for Schools project. The project offers supplementary classes of financial literacy and aims to diversify the standard ways of financial literacy education through an interactive and entertaining lecture. We adapt our lessons to the pre-agreed scope and individual needs of the particular schools. Usually, the lecturers are the bank's representatives from the relevant region and branches. Together with Filip, the project's mascot, they introduce real-life situations associated with finance, and present the solutions to the pupils.

# Pillars of responsible business

## For education

### PROJECT IN 2017

**220**

**EMPLOYEES  
INVOLVED  
(AMBASSADORS)**



**75**

**SCHOOLS  
PARTICIPATING**



**365**

**CLASSES TAUGHT**



**ALMOST  
10 000**

**PUPILS INVOLVED**



We want to extend the project to other target groups in the society where we undertake banking business. In 2017, we organized 3 lectures for senior citizens in Brno, Mikulov and Teplice.

**TEREZA MARTÍNKOVÁ**

HEAD TEACHER OF NÁM. CURIEOVÝCH ELEMENTARY  
SCHOOL IN PRAGUE

„The children's response was very positive. Because it is not the teacher talking, it's someone from the real world, the children take the subject in much better.“

„Let me thank you very much once again for the financial literacy seminars that have been very popular with our 9th graders, and we have had a positive response from supervising teachers as well. Once again, thanks and see you again in the next school year at the latest. :-),“

**OLGA VOLFOVÁ NAXEROVÁ**

TEACHER OF THE JOSEF HLÁVKA  
ELEMENTARY SCHOOL IN PŘEŠTICE

# Pillars of responsible business

## For education

### CYBER SECURITY

We also emphasize training in the field of Internet security and protection against hacking. We collect all the information and advice on our Security Guide page.

In April 2017, we launched a guerrilla campaign, where we released fake banking sites to the virtual environment and watched how many people will respond to them - the result convinced us that the on-line security program makes sense for the future as well. In 2017, we teamed up with three youtubers.

In order to reach out to the younger generation, we joined forces with the famous Stejk and Bender. We shot 3 cyber security videos together during the summer of 2017, and on August 15, they organized an event for children where they could shoot their own videos, try different games and contests and listen to information and advice from our experts Petr Vosál from ČSOB and Zdeněk Jiříček from Microsoft. The event was attended by 70 children.



### CZECH ASSOCIATION OF SCIENCE CENTRES

In 2016, we started cooperation with two science centres in Pilsen and Liberec. We believe that an entertaining and interactive way of learning is the most effective. At the end of 2017, we established a partnership with the Czech Association of Science Centres and began to prepare an interactive ČSOB exhibition coupled with financial literacy classes. In 2018, 50 training programs concerning personal finance and currency will be created in five science centres.

**Techmania Science Center**  
Pilsen (2016)

**Technology World**  
Ostrava (2016)

**iQLANDIA**  
Liberec (2017)

**VIDA! science centrum**  
Brno (2018)

**Fort Knowledge**  
Olomouc (2018)

# Pillars of responsible business

## For longevity

We are a partner in the world of finance for our clients. We are aware of the fact they use our services and products throughout their lives. We very well know their problems and the challenges they address both in their productive age and in their old age. We assist in dealing with them through our contacts in the NGO sector and knowledge of the financial pitfalls of various life stages.

### WHO DO WE HELP?



We focus on senior citizens and those who are heading for this milestone in life.



We do not forget the sandwich generation, whose members take care of their children as well as take time to look after to their parents.



We also pay attention to people with physical, sight or hearing impairment..

### HOW WE HELP

We work to make all branches and consultancy points completely barrier-free.

We run the eScribe transcription service for the deaf, navigation beacons and ATMs adapted to the blind and when creating new products, we consult the needs of the people with disabilities with renowned NGOs with expertise in the area.

Mothers during maternity and parents on parental leave may apply for free account maintenance for up to 3 years with no income threshold conditions.

We offer personal accounts for senior citizens and the disabled.

For our private banking clients, we offer a unique Good Will Card the specificity of which is its direct support of philanthropy. Each transaction by this card credits an amount determined by the client to a particular charity project.

In addition, we contribute towards improving the living conditions of people in a difficult situation by a contribution CZK 2 million within the ČSOB Good Will Card Grant Program.

ČSOB Leasing offers disabled clients who need to bridge a lack of funds for a specially adjusted car, an advantageous loan, the „Custodian“. At the same time, clients can use other services associated with car operation, which are difficult to procure with respect to their health condition (servicing, operation...).



# Pillars of responsible business

## For longevity

### THE SANDWICH GENERATION



Senior care is one of the tasks and often the worries handled on an everyday basis by a large group of our clients aged 35 to 55. Spreading oneself amongst children, parents, jobs, and having at least some time for oneself takes a lot of strength. Every little helps then. We realise this, and so we have included the so-called sandwich generation among the priorities we want to focus on. In 2017, we organized a round table for this topic with a positive response. With the help of experts, we presented a series of advice and opened a debate which, we believe, is going to continue.

### AVOID GETTING LOST IN OLD AGE

In cooperation with the Sue Ryder Home, we launched a long-term project [„Avoid getting lost in old age“](#). It is a unique platform including a web portal and personal consultancy. The project aims to help senior citizens and their relatives find solutions for age-related issues. Whether it concerns health and care services or legal issues, finances etc., The Sue Ryder Home which has been looking after the elderly for almost twenty years, is the guarantee of expertise in the area of nursing services. ČSOB brings its experience in the field of finance as well as the incentives received from our clients to the project. The project has the ambition to become the top reference across the country.



#### MATĚJ LEJSAL

MANAGER OF THE SUE  
RYDER HOME



*„Avoid Getting Lost in Old Age is a guide through the theme of aging, which was created by Sue Ryder charity for the elderly and their families. Old age of one's parents is associated with fear, helplessness and stress. The platform aims to provide comprehensive information about the aging process, both one's own and one's family members'. The unique character of the „Avoid Getting Lost in Old Age“ platform builds on the integrity of information, the personalization of the solution and the wide variety of channels the subject matter is distributed (websites, virtual and face-to-face interactions, multimedia content, bringing the topic to the normal environment of the target group - cafes, clubs, workplaces, etc.). The partnership with ČSOB thus created a space to communicate such an important topic and to pass information to those in need. „*

# Pillars of responsible business

## For longevity

### ČSOB NA ZDRAVÍ



As part of the project, we encourage active exercise for fun, for a good feeling and for health in particular. We have chosen outdoor sports projects which can be enjoyed by individuals, teams and families with children alike. We have prepared a ČSOB zone for the race participants, where they can do something for charity as well - turn exercise into fundraising. For every one of their sit-ups, press-ups and squats within a 2 minute time limit, we donate CZK 1 to help people with disabilities.



# Pillars of responsible business

## For longevity

### 2017 IN FIGURES:

NUMBER OF  
RUNNERS AND  
VISITORS

**37,589**



QUANTITY OF  
RUNNERS

**12,150**



QUANTITY OF  
FOLLOWERS OF  
THE PARTNERS  
ON SOCIAL  
NETWORKS

**108,532**



THE AMOUNT  
RAISED

**CZK  
76,790**

FOR SVĚTLUŠKA  
(FIREFLY)



### IN 2017, WE WERE PARTNERS OF THESE PROJECTS:

**Safariběh ČSOB 2017**  
(Dvůr Králové nad Labem)

**Spartan Race Super a Sprint**  
(Kouty nad Desnou)

**Run for Světluška 2017**  
(Jihlava)

**ČSOB Hostivař run**  
(Prague)

**Skodafit Half Marathon  
Pilsen**

**Vokolo Příglu**  
(Brno)

**ČSOB Marathon  
Hradec Králové**

**ČSOB Janovských 11 and 19 km ELEVEN**  
(Janov nad Nisou)

**Spartan workout tour 2017**

(Brno, České Budějovice, Havířov, Liberec, Pilsen and Prague)

# Pillars of responsible business

## For business

For us, the backbone of the economy is the small and medium enterprises. We let their very important voice be heard and we help them solve their everyday problems. We also support the efforts of new entrepreneurs because we believe that the future of our economy springs from the success of innovative start-ups.

We are also targeting female entrepreneurs whose partner we want to be in incorporation of their businesses and overcoming potential social prejudices. We also offer a helping hand to NGOs and social enterprises on their way to professionalization.

### EXAMPLES OF PARTNERSHIPS AND COLLABORATIONS IN 2017:

**GENERAL  
PARTNERSHIP  
IN THE PROJECT  
AWARDS OF CZECH  
BUSINESSWOMEN  
(OČP)**

Competition  
category ČSOB  
**Exceptional  
Business-  
woman**

seminars, club  
regional  
meetings

**10th year of  
OČP** focused,  
as to the  
theme, on  
advisory  
ČSOB **Family  
businesses**

**COLLABORATION  
WITH REGIONAL AND  
INTERNATIONAL  
COWORKING CENTRES,  
HUBS AND OTHERS  
STRATEGIC PARTNERS**

**Seedstars  
Summit  
2017**

**Elai**  
Enterprising  
Week 2017

**Regional  
events with**  
with interesting  
persons in the  
business circles  
(talkshows, seminars,  
workshops, business  
crowd)

# Pillars of responsible business

## For business

### COWO CB COWORKING CENTRE

The first in South Bohemia, and the one and only in České Budějovice. It offers a shared office and organizes various events for the public. Admissions from such events are used to fund their operations and donate to charities.

FIGURES FOR 2017:

Members



45

Events

25

Participants

500

MAJOR SPEAKERS IN 2017:



**PETRA PLEMLOVÁ**, FOUNDER OF UNUO

**DITA PŘIKRYLOVÁ**, FOUNDER OF CZECHITAS

**OLIVER DLOUHÝ**, FOUNDER OF KIWI.COM

**VÁCLAV GRÁF**, CHIEF OF AIRBNB FOR CENTRAL EUROPE  
AND ISRAEL



# Pillars of responsible business

## For business

### COWO CB COWORKING CENTRE

#### IN THE FOUNDERS'S

„Collaboration with ČSOB is essential for Cowo CB. The income from our members often does not cover even the basic operating costs, and financing by ČSOB allows us to bridge these periods. At the same time, it gives us the opportunity to organise various kinds of events that would generate a loss without ČSOB and that would be impossible to organise for the general public. Even if we succeed in securing a top speaker, we often talk about the absence of a fee in relation to donating the admissions to a charity,

so the costs associated with the event are paid from ČSOB financing. Thanks to the bank's support, we are also able to continuously invest in and improve the premises - new tables, chairs, wall decorating, meeting room, etc. That is why we dare say that our collaboration with ČSOB is crucial to coworking, allowing it to be more than just a shabby office space, a project that affects other areas, and that has gained a distinguished position in the five years at least in České Budějovice. The collaboration is also very much appreciated by Cowo CB members and visitors to our events where everyone is aware that without such support or the auspices of an investor such projects would be difficult to implement, and thanks to long-term cooperation, we often see that Cowo CB is perceived as a ČSOB project rather than ČSOB being the general partner of Cowo CB.“



# Pillars of responsible business

## For nature

The environment and environmentally friendly approach are priorities for ČSOB and the entire KBC Group. Not just in words, but in actions as well. Our buildings, such as Prague or Hradec Kralove, can serve as examples of sustainable development. We conserve natural resources and we encourage our people to do the same. Even our clients increasingly turn their financial agenda electronic.

The established system naturally includes recycling, purchase of electricity from renewable sources, reduction of energy intensity of our buildings and branches through modern geothermal heating and cooling, gradual replacement of lighting fixtures by LEDs and conversion to autonomous control, reduced use of paper, biometric signatures for client documents and electronic records of client documentation.

In 2017, we focused primarily on reducing the carbon footprint generated by our activities, and we continued to increase the proportion of energy from renewable sources in the energy we use.

We adopted  
**Environmental  
policy**

In the ČSOB NHQ building in Radlice we have implemented and certified ISO 14001 - **Environmental management** (system of reducing environmental impact of the organization's activities)

We successfully completed  
**management audit**  
within ISO 50001  
certification obtained  
in 2017

In line with the overall  
ČSOB Group strategy  
we have further  
reduced credit support  
for the traditional  
coal-burning energy  
production

As ČSOB Group, we have  
decreased the carbon footprint  
by 29.09% relative to 2015, i.e. by  
12,958.56 tonnes

At 24 branches, we  
replaced lighting  
fixtures using modern  
LED technology,  
which we reduced our  
consumption by 108,000  
KWh

We continued our construction of buildings  
in Prague- Radlice and Hradec Králové, which  
will be very ecological and energy-efficient.  
Both aspire to the Platinum LEED certificate  
(Leadership in Energy and Environmental  
Design).



# Pillars of responsible business

## For nature

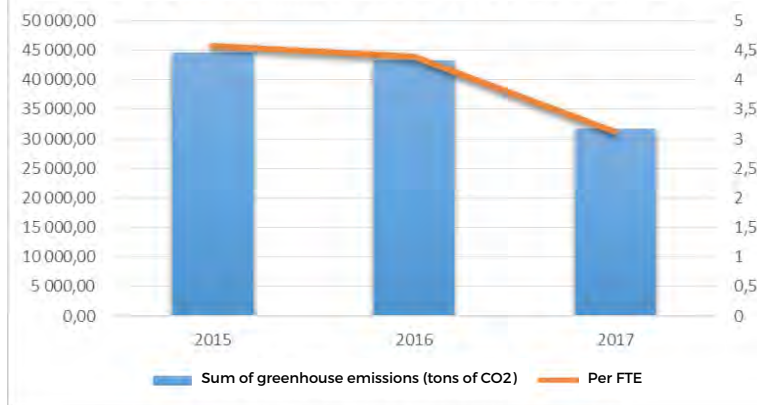
Just like in the preceding years, we trained our employees in a responsible approach to the environment:



With REMA System, we started a campaign for the recycling of small domestic electric waste and highlighted the possibility of putting the machines into special containers in ČSOB buildings

In another campaign, we urged people to use mugs instead of paper or plastic cups. We arranged the option of a discounted coffee in a mug with the coffee machine and café operators in the NHQ building. This allowed us to reduce the consumption of cups by 7,000, which is about 30% of the coffee sold..

### Reducing carbon trace in ČSOB group



Czech Republic								
	2015		2016		2017		2015-2016	2016-2017
	FTE		FTE		FTE			
FTE	9 717,28		9 867,72		10 171,00		1,55%	3,07%
Sum of greenhouse emissions (tons of CO2)	44 543,22	4,58	43 279,18	4,39	31 584,66	3,11	-2,84%	-27,02%
							-29,09%	

# Pillars of responsible business

## For nature

We appreciate our clients' cooperation on reducing CO2 emissions. The services of ČSOB EU Centre helped our corporate and firm clients to obtain European energy saving subsidies worth € 12 million in 2017. At the same time, we have developed a completely new credit product ČSOB EU Smart Energy Credit in cooperation with the European Investment Bank under the Climate Action program; this allows us to provide credit for the financing of energy-saving projects under very encouraging price conditions.

**DOC. DR. ING. TADEÁŠ OCHODEK**

DIRECTOR OF ENERGY RESEARCH  
CENTRE OF VŠB – TECHNICAL  
UNIVERSITY OF OSTRAVA



*„We have been working with ČSOB EU Centre since 2012. For its business sector clients, we identified the energy savings potential and completed energy audits for more than 120 projects. Our cooperation allowed us to implement individual energy saving measures and projects in practice, including the possibility of financing thereof both in the form of bank loans and subsidies from the EU Structural Funds within the advisory services provided by ČSOB EU Centre“*



# Pillars of responsible business

## Responsible Financing

### RENEWABLE ENERGY SOURCES

Since 2005, we have been active in funding renewable energy sources: solar, biomass, biogas and wind power plants. The latest significant transaction in 2017 was the financing of the acquisition and refinancing of the fourth largest solar power plant in the Czech Republic, where the investor is JUFA. The plant, which is located next to the airport runway in Brno, has a total installed capacity of 22 MW and the energy is used by the Brno airport as well.



### ENERGY-EFFICIENT SOLUTIONS

Since 2007, we have been involved in financing energy efficiency management projects (i.e. projects with guaranteed energy savings). In that time, we have funded more than 30 projects totalling EUR 44 million. These were municipal projects (predominantly schools) and public sector projects (health and culture). In 2017, the largest project was a regional hospital in northern Bohemia, which aims to achieve savings in heat, electricity and water consumption through the installation of more efficient, modern and greener technologies. The contractor guarantees savings of € 628,000 per year.

### MUNICIPALITIES

Within the framework of municipality financing we also provide funds for regional projects aiming to improve the quality of life of local communities. For example the town of Písek was granted a loan to build a public swimming pool and the town of Třinec one to build biking routes, bicycle storage, etc.

### EU CENTRE

The Centre advised 12 clients on energy efficiency. Our advisory services aimed at ensuring co-financing from the EU Structural Funds. The projects concerned included the implementation of measures such as thermal insulation of buildings, central heating system upgrades, installation of cogeneration units and heat and power control and management systems.

# Responsible Products and Services

## In figures for 2017

### NON-PROFIT ORGANIZATIONS,

which have one or more  
accounts with us

**27,704**

### SPECIAL ACCOUNTS

accounts for people with disabilities

**22,715**

accounts for senior citizens

**313,431**



### ATMs LOCATED IN SOCIAL MEDICAL AND EDUCATION INSTITUTIONS

**25**



**Boskovice** - Hospital

**Brno** - Technical University (Kolejní 2,  
Údolní 244/53)

**České Budějovice** - Hospital,  
Euroclinicum Clinic, University of  
South Bohemia

**Hradec Králové** - Clinic, Faculty  
hospital - dentistry, Charles University -  
Faculty of Pharmacy

**Jáchymov** - The Luzice Spa House

**Janské Lázně** - Jánský Dvůr

**Karlova Studánka** - Mountain Spa

**Kladno** - Hospital

**Liberec** - Technical University

**Olomouc** - University Hospital

**Ostrava** - Clinic, VŠB - Technical  
University

**Pízeň** - University of West Bohemia

### ATMs FOR THE BLIND

**969**

of the total

**1001**



**Praha** - IKEM, Na Homolce Hospital

**Přerov** - Hospital

**Příbram** - Hospital

**Rakovník** - Hospital

**Sokolov** - Hospital

**Tovačov** - Health Center

# Responsible Products and Services

## In figures for 2017

### BARRIER-FREE BRANCHES

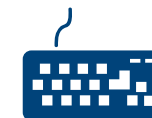


**219**  
of the total  
**272**

### eSCRIBE



**179**



branches and financial centres

have the eScribe service, where the hearing impaired can communicate with the staff easily through on-line transcription

### BEACONS FOR VISUALLY IMPAIRED PEOPLE

business venues furnished  
with acoustic navigation  
beacons for the visually  
impaired

**68**



### SUPPORT OF FREE DEBT COUNSELLING



Citizen Advice Association  
(AOP) since 2007

**of CZK 19.8 mil.**



Advice in Financial Problems  
since 2008 to the amount

**CZK 10.9 mil.**

# Responsible Products and Services

## Good Will Card

It originated in May 2014 as a unique product for private segment clients. The card quickly became popular with our clients because it is probably the only card in the world to offer the opportunity to make easy and secure contributions to a good cause.

ČSOB, in cooperation with the Mastercard® Card Association, currently makes a CZK 1 donation to charity for each CZK thousand paid by the Good Will Card. With this small amount, we are able to collect roughly CZK 2.5 million per year. By December 2017, almost CZK 7 million was raised and transferred to charity projects of 42 Czech NGOs to help improve the lives of 216 specific individuals.

2017 offered a new possibility for a client to specify the preferred donation amount for this card. Upon agreement with his private banker, the client chooses one of the options (0.3 %, 0.5 % or 0.8 % of each transaction amount) and the bank then transfers the total proceeds accumulated to the clients of one of their partner NGOs.



### VIDEO

The Card  
allows Nicole to  
have a guide dog

### One of the stories supported by the Good Will Card in 2017:

Jiřík is facing serious health complications. Unfortunately, his body growths is irregular and only the left part of his body has been growing in the last half year. This caused a visible spinal scoliosis which currently prevents him from sitting upright on his own and causes Jiřík great pain. What fundamentally helped him was intensive professional rehabilitation, which ensured not only a restoration of his original skills, but also an overall improvement of his condition as confirmed by Jiřík's mother:

*„Thanks to the aid by the Good Will Card, Jiřík could have the much needed treatment in the Hájek Rehabilitation Centre, his sitting is more stable, his back straighter again, and he has been relieved of the pain. He is happier and smiles more. Thank you!”*



# Responsible Products and Services

## Ombudsman

IN 2017 THE ČSOB  
OMBUDSMAN HANDLED



**702**

ČSOB client filings

**78**

ČSOB Group client filings in cooperation with  
subsidiaries



### MOST LETTERS CONCERNED



CHARGES



SERVICE



OVERINDEBTEDNESS

A BANK-WIDE COMMISSION, THE CLIENT'S VOICE, PROCESSED **51 CUSTOMER FEEDBACK SUGGESTIONS**, OVER HALF OF WHICH WERE ACCEPTED.



# Responsible Products and Services

## Collaboration with suppliers



### LIST OF SUPPLIERS OF SUBSTITUTE PERFORMANCE

ČSOB values suppliers, from whom we could purchase goods or services and thanks to them, and the fact that they employ people with disabilities, we could obtain substitute performance in 2017.

These are:

**AB Facility**  
Facility Management Services

**AMANO (Martin Centre)**  
coffee supply

**BARELOVÁ VODA s.r.o.**  
supply of water barrels

**Dřevovýroba Otradov**  
marketing services in campaign  
and non-campaign letter  
distribution in cooperation with  
Ergotep

**Ergotep, manufacturing  
cooperative**

document processing, services  
within client projects, marketing  
services for the distribution of  
campaign and non-campaign  
letters

**Good Sailors**  
graphic services

**ISS Správa budov s.r.o.**  
within Facility Management

**Pancéř, s.r.o.**  
building security

**Transkript Online**  
provision of eScribe,  
communication transcription for  
hearing impaired people in our  
branch network

# Responsible Products and Services

## Collaboration with students



### INTERNSHIPS AND WORK PLACEMENTS IN 2017

# 70

secondary and tertiary school  
students

# 45

university students

### MOST STUDENTS FROM THESE SCHOOLS

#### Business Academy

Heroldovy Sady 1, Prague 10

#### Secondary School of Logistics Services

Učňovská 1/100, Prague 9

#### Dr. Edvard Beneš Československá akademie obchodní Edvarda Beneše

secondary vocational school, Resslova 8, Prague 2

#### Final theses

(seminar, bachelor and masters):

# 16

studentů

#### Events throughout the year

# 16

(fairs, lectures, Mock Assessment  
Center etc.)

# Our People

## In figures

### EMPLOYEES

active at December 31, 2017

**7,338 employees**



**2,797**

MEN



**4,541**

WOMAN

### MANAGERS

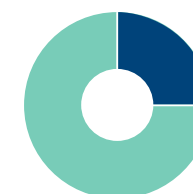
active at December 31, 2017

**544 managers**

MANAGERS  
(FEMALE)



**175**



MANAGERS  
(MALE)



**369**

**Bank headquarters - 57% of employees**

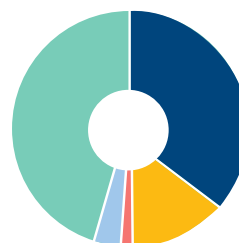
**Branch network - 43% of employees**  
(including corporate, firm and private banking, branch network for private clients)

### EDUCATION

elementary **15**

secondary **3 661**

bachelor level **829**



**2 784** university

**49** postgraduate

### DAYS OF TRAINING in 2017



**29,738 days**

(237,900 hours)

### AVERAGE AGE OF OUR EMPLOYEES

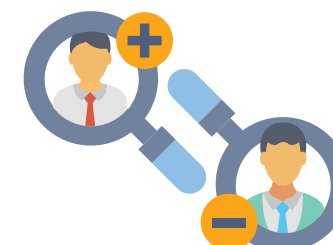


**40 years**

### JOINED / LEFT

**1,168** JOINED IN 2017

**1,108** LEFT IN 2017



# Our People

## In figures

### EMPLOYEE AGE STRUCTURE

Age range

Number of employees  
active at December 31, 2017

<20



**11**

20-29



**1,254**

30-39



**2,200**

40-49



**2,350**

50-59



**1,273**

60-69



**247**

70+



**3**

# Our People

## Equal Opportunities and Diversity

We support equal opportunities, empowerment of women in management positions, employment of people with disabilities retention of employees in the 55+ age group and we allow for a work- life balance. At the same time, we offer young talents from universities a special training program.

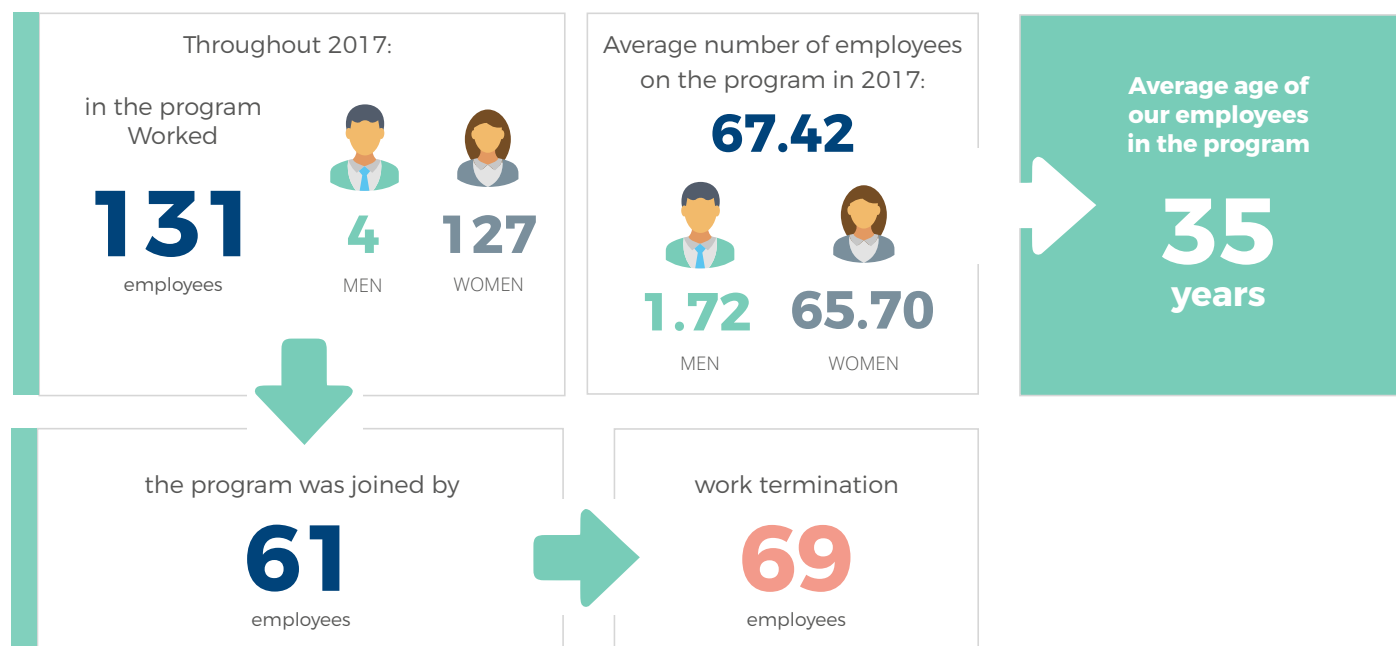
We strive to achieve the most diversity in our staff composition. Diversity in any company means more variety in opinions, different work and management styles.

### WOMEN ON THE BOARD OF DIRECTORS

In 2017, the Board welcomed the first woman - **Marcela Suchánková**, in charge of People and Communication. In 2018 she was joined by **Hélène Goessaert**, who is in charge of the Group's Risk Management.

The Board of Directors of ČSOB  
(as of June 1, 2018): **6 men, 2 women**

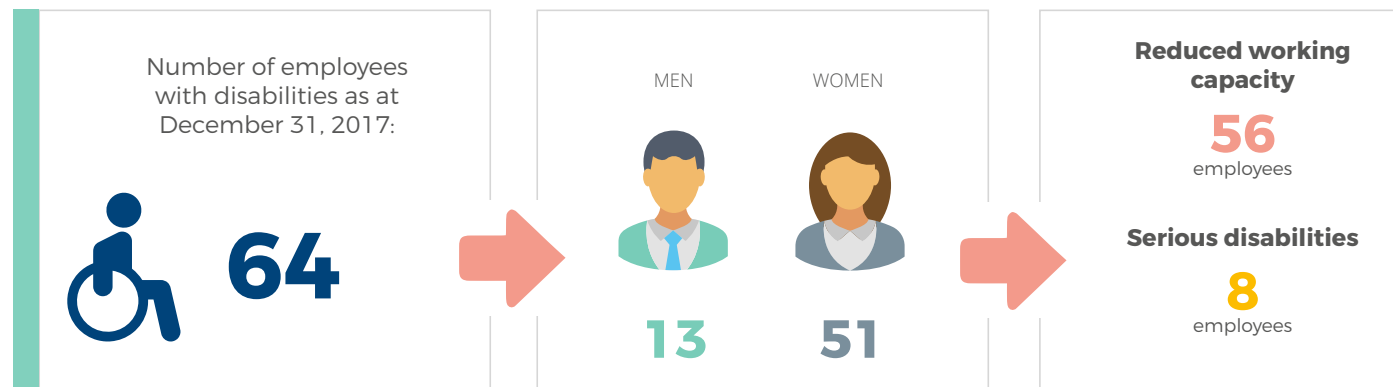
## PROGRAM FOR MUMS AND DADS



# Our People

## Equal Opportunities and Diversity

### OZP PROJECT - INCENTIVES TO EMPLOY PEOPLE WITH DISABILITIES



**AMOUNT LEVIED TO THE STATE BUDGET WITH  
SUBSTITUTE PERFORMANCE**  
for 2017:

**CZK 43,142**

**AMOUNT REALISED  
OF SUBSTITUTE PERFORMANCE**  
for 2017:

**CZK 42,866,135**

On November 7, 2017, a workshop for the blind was held within the OZP project. The meeting was attended by bank representatives and visually impaired workers from the Firefly organisation, a Czech Radio Foundation project, and aimed to introduce the bank as a barrier-free institution and to discuss the possibilities of hiring visually impaired people. The participants received information about the recruitment process and had the opportunity to speak to a visually impaired bank employee. The blind participants gave the Bank's representatives feedback and suggestions for improvement on their part.



# Our People

## Equal Opportunities and Diversity

### PROGRAM 55+

Number of employees 55+ as at  
December 31, 2017

**768**



MEN



**206**

**311** in the branch network  
**457** at the headquarters

WOMEN



**562**



**MANAGERS**

**50**

(21 men, 29 women)

#### 55+ ALLOWS YOU TO BALANCE OUT WORK AND LIFE

The program allows employees in the 55+ age category an improved way of combining work and personal life while facilitating intergenerational dialogue to enable the young and the mature to share their experience, knowledge and skills and to make the most of their potential.

#### IN 2017, WE LAUNCHED THE PILOT PROGRAM

for employees of Client Services in Retail. As of 11 June 2018, the 55+ program is gradually expanding to other departments in the bank.

#### WHAT DOES THE PROGRAM OFFER?

- Interactive workshops on work and lifestyle themes
- Informal internal meetings of the program participants



#### WHAT DO WE WANT TO ACHIEVE WITH THE PROGRAM?

- Reduce the rate of early retirement of senior employees for example because of excess workloads.
- Reduce pressure and stress, promote better regeneration and free time utilisation.
- Reduce the rate of early retirement of senior employees for example because of excess workloads.
- Reduce pressure and stress, promote better regeneration and utilisation of leisure time.
- To support the possibility of taking advantage of the seniority of such employees to mentor junior colleagues.
- Help employees aged 55+ find new enthusiasm for work, thus preventing the burnout syndrome.
- Improve team stability and motivate team building with various age groups.
- Be a more attractive and flexible employer.



# Our People

## Equal Opportunities and Diversity

### PROGRAM FOXES

Number of participants in 2017

# 12



6

graduates  
(male)



6

graduates  
(female)

Training program for  
young talents who  
have graduated from  
university

Focusing on Firm  
and Corporate  
banking

The participants are  
selected for specific  
positions and a  
specific branch/  
department

A combination of  
professional training  
hands-on training  
and project

Right from the start, each program participant  
has his/her own mentor, an experienced senior  
specialist in the relevant team work

Šimon Chovítek is one of the  
graduates of the program.  
He studied at the University  
of Economics in Prague and  
now works at ČSOB as a  
Corporate Banker



# FOXES



„The program is designed for 6 months and divided into two parts. In the first three months, we were all placed at the headquarters where training sessions took place. It was a kind of extended university - a bunch of young people was meeting in Prague, and searched for fun in the evenings. We keep it up to this day. We gradually started joining selected departments and working with senior staff members who chose us. We spent more and more time at the branches. What is so great is the fact you join the bank and start in a group of people where everyone starts from the same place. So there is always someone to turn to. They allow you to immerse in business in a non-violent and natural way. „

# Our People

## Engaged Employees

We support individual involvement of our employees in socially useful activities and volunteering.

44 employees used the **ČSOB Help Fund** and received a contribution **for a child or a disabled adult** in their family or around them. The bank helped them with a total of CZK 1,256,956 towards the purchase of compensation aids, neurorehabilitation treatments, personal assistance and children's education.



144 employees joined the **ČSOB Run for a Good Cause**: Together, they did **1,895 km** and raised CZK 189,500 for **Committee of Good Will - Olga Havel Foundation (VDV)** to help children and adults with disabilities.



Through their purchases of mulled wine or non-alcoholic punch, our **employees supported four NGOs** with a total amount of **CZK 62,435 CZK in the pre-Christmas time**.



The 8th year of the **Give Blood, Donate Health!** attracted 296 employees, of which 95 were first-time donors.



Our employees fulfilled the **Christmas wishes of 262 children** of 8 children's homes.



In May, 273 employees joined the **Bike to Work campaign** and rode a total of **50,685 km together**, raising **CZK 101,370** donated by the bank to VDV.



We organized **Baking for a Good Cause**. Dozens of employees prepared sweet and savoury goodies for sale to their colleagues, raising a **total of CZK 44,072 for the Club of Patients with Cystic Fibrosis and for the Rozum a Cit Foundation**.

# Our People

## Engaged Employees

Two **collections of things for Sue Ryder Home charity shops raised CZK 35,130. The funds** raised by sale thereof **helped the Home** get for example **150 hours of a physiotherapist's work** for their clients and **42 hours of social counselling**.

### Mrs. Monika

CLIENT OF SUE RYDER  
COUNSELLING

„When my father called me to say he had an accident, he managed to take his car to a workshop, but now he's sitting at home and cannot remember how a knife is used, I knew there was something wrong. Emergency, hospital, diagnosis - brain haemorrhage. He was 84 years old. All of a sudden, needed constant supervision. A difficult situation, we did not know who to talk to. We were lucky with the social workers at Sue Ryder, who have become such a light house for us. They gave us contact details of social and rehabilitation facilities, info about handling the care allowance, consultations with a gerontopsychiatrist, and so on. We would not have managed without them.”

## ČSOB TOGETHER WE HELP VOLUNTEERING PROGRAM

In the 10th year of the ČSOB Together We Help volunteering program, 1,111 employees helped more than 70 charitable organisations throughout the Czech Republic. They used an extra day off and offered their professional advice or helping hand





# Our People

## Engaged Employees



**MARTIN P.**  
VOLUNTEER

*„I highly appreciate the event itself - a prestigious perception of the participants and their accompaniment and their involvement in the process during the whole event. I very much appreciate the possibility of proposing a volunteer event.“*

**HANKA Š.**  
VOLUNTEER

*„I appreciate everyone's enthusiasm for work, absolute cooperation and workflow continuity. And the technical equipment of the event, too. Everything was great, only time was the biggest enemy, the day flew by and it was evening. I will be happy to help again next year with this crowd.“*



# Our People

## Engaged Employees

### TOGETHER WITH ČSOB MATCHING FUND

The **Together with ČSOB** Matching Fund encourages and develops individual donations by our employees. Anyone can get a one-time cash donation for any NGO. All that is necessary is to arrange a fundraiser or collection. The bank doubles the yield up to CZK 30,000. In 2017, together with our employees, we supported **33 projects** with a total amount of **CZK 1,446,709** (employees contributed CZK 770,150; ČSOB donated CZK 676,559 from the Fund).

#### To give just one example:

*Our colleague Andrea J. has long supported the Regional Charity in Třebíč: „From my friend who works in the organization as a social worker, I learned that they needed to buy a new car for the Smile Daycentre to transport clients with mental and combined disabilities. So I made a cash collection amongst colleagues on June 15 to 25, 2017, which was joined by 22 ČSOB employees and 8 people from Třebíč and its surroundings, particularly family and close friends. We raised CZK 80,000 and the Matching Fund donated CZK 30,000. The Daycentre raised more funds from other sources and bought a Ford Transit Custom Kombi worth almost CZK 750,000.“*

The use of  
the vehicle is  
described in more  
detail

by **TOMÁŠ  
BARÁK** HEAD  
OF ST. BENEDICT  
CENTRE,

which is part of  
Regional charity in  
Třebíč.

*„The vehicle makes the services of the day centre available especially to those who are unable to travel by public transport due to their poor social situation or health condition. We drive an average of almost 60,000 km per year. Due to capacity and financial reasons, we plan client transportation so that each user can use the services of the daycentre at least twice a week. The vehicles drop in to Okříšek, Jaroměřice n. R., to Náměšt n. O., Jemnice and, of course, we drive around Třebíč.“*



# Philanthropy

## Philanthropic Projects and Partnerships

In 2017, ČSOB supported direct investments in society and various philanthropic projects with the amount

**of CZK 33.6  
million**



### **PARTNER NGOS**

[Citizens Advisory Centers](#)

[Business for Society](#)

[Czech Paraplegic Association](#)

[Sue Ryder Home](#)

[Donors Forum](#)

[Charta 77 Foundation - Barriers Account](#)

[Czech Radio Endowment Fund – Světluška Project](#)

[Mathilda Endowment Fund](#)

[Rozum a Cit Endowment Fund](#)

[Orbi Pontes](#)

[Debt Advisory Center](#)

[Linka bezpečí](#)

[Wheelchair Sport Club Prague](#)

[Committee of Good Will - Olga Havel Foundation](#)

# Philanthropy

## Supporting Regions

### ČSOB HELPS REGIONS



The program intends to provide financial support for public benefit projects throughout the Czech Republic. They are projects which contribute, in different ways to improving the quality of life in the individual regions.

**In total, we distributed  
CZK 7,697,765 in 2017.**

**CZK 4,2 mil.**  
donated by the bank

**CZK 3,497,765**  
donations from the public

**CZK 3,522,049**  
Spring part

**CZK 4,175,716**  
Autumn part

The most successful project of the autumn part was the training of guide dogs „**Happy Guide Dog**“, organised by the Mathilda Foundation. It received almost **CZK 130,000** from individual donors which meant another CZK 50,000 on top of that, donated by ČSOB

#### MATHILDA NOSTITZ

PATRON OF THE MATHILDA ENDOWMENT FUND



*„**ČSOB Helps Regions** program gave us the chance to get the funds for the Happy Guide Dog project. We can ensure quality dog breeding and the subsequent training of guide dogs for the blind.“*



# Philanthropy

## Supporting Education

### EDUCATION FUND

This is our longest-running program, which we founded together with the Committee of Good Will - Olga Havel Foundation in 1995. [The Education Fund](#) provides scholarships to talented children with disabilities, children from socially disadvantaged families and from children's homes, for studies at secondary schools, colleges and universities in the Czech Republic.



#### CONDITIONS FOR SCHOLARSHIPS:

**age under 26**

(up to 30 in justified cases - e.g. for applicants in post-graduate programs)

**studying at secondary school, college or university  
in the Czech republic**

**grade average 2.0 max.**

**social and/or physical handicap**

**successful completion of  
admission interview**

# Philanthropy

## Supporting Education



In 2017:

23

new scholarship recipients

88

students receiving regular scholarships

Since 1995:

540

students received scholarships

542

students received a one-time contribution to tuition fee or to study materials

In total, the funds supporting the studies of children and young people with health or social disabilities amount to over

**CZK 30.9 mil.**

# Philanthropy

## Supporting Education

### THE STORY OF A ČSOB SCHOLAR

#### VERONIKA KOSSKOVÁ

Veronica was 14 when she arrived at the children's home. „**My mom started abusing drugs and did not look after me or my siblings,**“ says Veronica very openly. „**I have no problem talking about my story. Yes, it's sad but it's motivating, too.**“

She claims herself to have always been an independent unit. „**For instance, I was the only one in the home who cared about school, about the future. That's why I was admitted to a hotel school which I completed with O levels.**“

Her goals gradually became higher and higher. In the end, she decided to plunge into university studies, too. She was interested in sports and healthy nutrition. She found a program that would combine her two passions at Palestra in Prague.

„I found the nutrition counselling and sports diagnostics program attractive particularly because of my past health problems, since a changed diet and exercise were of greatly benefit to me. So I decided

*to pursue coaching. My professional dream is clear: Returning a healthy body and spirit to people.“*



### ČSOB EDUCATION PROGRAM

The 8th annual program to support projects on financial literacy and online security was held in 2017. We supported **15 projects**, which received grants to a total amount of **CZK 2,024,000** in two grant calls.

# Philanthropy

## Supporting Social Enterprises

### ČSOB STABILISATION OF SOCIAL ENTERPRISES GRANT PROGRAM

In the 5th year of the grant procedure, performed in cooperation with P3 - People, Planet, Profit, o.p.s, we **distributed a total of CZK 1,320,000 amongst the 6 winning social enterprises**. Besides the direct financial support of CZK 180,000, each of the companies received expert advice tailored to their needs, worth CZK 40,000.

One of the winners is the **Bakery On The Sheet**. It has been operating since 2014 as the seventh centre of PFERDA z.ú. The bakery is located in Kvasiny, near Rychnov nad Kněžnou, and employs people with mental handicaps and mental illnesses. Mgr. Iva Laštovicová, fundraiser and social enterprise co-ordinator, says:

*„The Bakery On the Sheet is limited by space which does not allow us to fully utilise the potential of our employees and satisfy the growing demand for our products. Recently, we had a chance to expand the existing building and add rooms. However, we did not have the funds for the necessary construction work. Thanks to the ČSOB grant program, we could expand our packaging and storage space and, moreover, we have gained valuable know-how in the area of business development and marketing, important for stabilising our operations and long-term job sustainability. The income from bakery jobs helps our mentally handicapped employees integrate into society and in some cases even live an independent life. „*



Since its inception in 2013, ČSOB has donated to **31** social enterprises almost **CZK 3,5 mil.**

# Information and points of interest about the Group

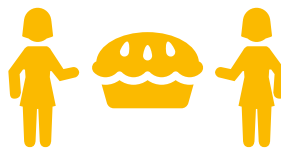
## ČSOB Asset Management

### HOW WE HELP

We regularly donate to foundations and other charitable companies, many of which are our clients, whose money we manage within the framework of portfolio management.

Our employees regularly join the Sport for Charity project and, together with „**Good Will Runners**” raise money for the disabled.

Predominantly the female part of our corporate staff gets actively involved in **Baking for Charity** in the ČSOB NHQ building.



For us, the most important is our long-term cooperation with **Committee of Good Will - Olga Havel Foundation**, which has lasted for over 20 years. Our financial support goes to the Summer Language School, which is holiday stays with English language courses in the UK for children from children's homes and foster families.



**IN 2017 WE  
DONATED  
CZK 500,000**

We also cooperate with the **Jedlička Institute Foundation** or the **Holocaust Victims Endowment Fund**.



We also help NGOs within **volunteer days**, mainly with manual work.

We regularly organize volunteering collections of clothes, toys and other baby supplies for children from the Infant Home. On top of that, we have also organized a collection of material aid for the Bouchalka dog shelter.

# Information and points of interest about the Group

## ČSOB Asset Management

### EDUCATING THE PUBLIC AND SOCIALLY RESPONSIBLE INVESTMENTS

**NICOLE KRAJČOVIČOVÁ**

MEMBER OF THE BOARD  
OF DIRECTORS



*„With respect to the persisting very low level of investment literacy, we plan to involve our investment experts in the ČSOB Financial Education for Schools project in 2018. Special emphasis on Social Responsibility in investing is applied to the selection of investments for the Sustainability Fund of the Catholic Church.“*

### SOCIALLY RESPONSIBLE INVESTING

An important component of ČSOB's Corporate Social Responsibility Program is the offer of open-ended investment funds, whose investment strategy is in line with the principles of socially responsible investment (SRI) and governed by the European SRI Transparency Guidelines. KBC AM is one of the important managers of socially responsible funds and has been following this strategy since 1992.

The preferred themes in socially responsible investing are ecology, sustainability, respectful labour relations, respect for general human rights and the prohibition of child labour.

ČSOB offers its Czech clients several KBC retail funds for socially responsible investment and one Czech clone, „ČSOB Akciový vodního bohatství“. However, it must be emphasised that ČSOB Asset Management applies the basic criteria for socially responsible investing in the portfolios of all funds and excludes any companies with corrupt practices and child labour, as well as companies manufacturing weapons prohibited by international agreements.



# Information and points of interest about the Group

## ČSOB Leasing

We support NGOs individually by car purchases. In 2017, we helped **Domáci hospic Jordán** by purchasing a Škoda Octavia III Kombi worth **CZK 311,500**. We also provided **The Czech Radio Endowment Fund - Světluška Project** a long-term car rental worth approx. **CZK 120,000**, the vehicle is used as support car for **Kavárna POTMĚ**.



We support such non-profit entities, where we believe our help is meaningful and useful. We try to support the specific needs of the organizations in the form of both financial and material donations (money and material collections, donations of used IT and office furniture, etc.).

In 2017, we organized two collections for **Czech Paraplegic Association** and their charity shop, „**The Star Bazaar**“. We donated **19 laptops to Mamma Help** (8 pcs), **Association of Integrated Sports** (5 pcs), **Parish Charity Starý Knín - Rukama nohama workshop** (4 pcs) a **Centre for Democratic Learning** (2 pcs).



# Information and points of interest about the Group

## ČSOB Leasing

Since 2013, we have been partners of the **Association of integrated sports**, and in 2017 we contributed to the organisation of Kuželník with **CZK 100,000**.



In addition, we supported the organisations employing disabled persons through our purchase of their goods and services to the total value of **CZK 2,283,618.5** in 2017. We also keep in mind our disabled colleagues (e.g. the hearing impaired, people with asthma, epilepsy, wheelchair users) who are doing a great job despite their condition. We have prepared the **Vital benefit program** for them, which offers more comfortable working conditions.

Since 2013, our employees have had the option of spending one day in a year by voluntary activities for the benefit of a select NGO. A huge proportion of our employees get involved in the **Together We Help** volunteering program every year. There were **164** in 2017, helping **17 NGOs**,

including:



### Dílňy tvořivosti, o.p.s.

Infant Home - Children's Centre  
with FTN

### Maternity, family and community centre Balónek, z.s.

Hospital of the Sisters of Mercy of  
St. Borromeo in Prague

### Regional Charity Břeclav

PALATA - Home for the visually  
impaired

### Mental hospital Bohnice

Association to Help Children with  
disabilities - KC Motýlek

### Tachov Ornithology Club - Rescue Station

Toulcův dvůr - Botič o.p.s.

### Toulcův dvůr - Sdružení SRAZ

ZOO Dvůr Králové, a.s.

**ZOO Prague**

# Information and points of interest about the Group

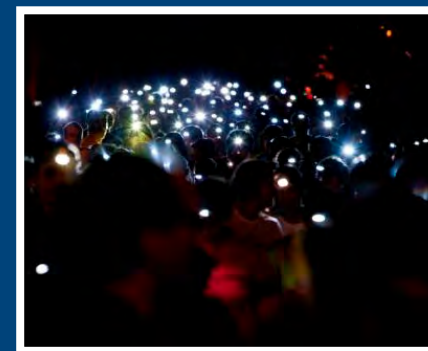
## ČSOB Leasing

Twice in the year, we organised baking for charity „**Who does not bake with us, bakes against us**“. The total yield amounted to **CZK 21,333** and was donated to **Parish charity Starý Knín - Rukama Nohama workshop** and **Helping Paws**.

Along with the charity baking, charity sales went on, which raised **CZK 14,380** for the **Parish charity Starý Knín - Rukama Nohama workshop**, and **CZK 4,080** for **Srdcerváči** and **Star Bazaar** of the Czech Paraplegic Association.

Since 2015 we have been promoting regular donations of blood, blood components and bone marrow by our employees with our campaign „**Give blood, donate health!**“. **28 employees** donated blood and blood derivatives in 2017.

Even in 2017, we supported several NGOs during sports events. **48 employees** participated in the **Night Run for Světluška**, where they ran a total of 120 km. The **Teribear hýbe Prahou** race attracted **22 employees**, who managed 1,010 km together, raising **CZK 50,520** for disadvantaged children.




# Information and points of interest about the Group


## ČSOB Pojišťovna


  
ČSOB Pojišťovna branches

# 98

ČSOB  
Pojišťovna  
in  
2017

served  
  
**1,183,666**  
clients

handled  
  
**215,341**  
insurance claims

paid  
  
**CZK 6,923,940,003**  
insurance benefits

### CORPORATE SOCIAL RESPONSIBILITY - BEEN HELPING FOR 7 YEARS ALREADY



We wish to look after our clients and offer them the best services and products. At the same time, we are aware of our social responsibility. Social Responsibility of ČSOB Pojišťovna, just like all other members of ČSOB Group, forms one of the basic pillars of corporate philosophy and an integral part of the company's business.

We approach social responsibility as a natural part of the everyday life of the company and its people.

The nature of our business converges towards the basic human principle which is helping. Every day, we encounter lesser or greater degrees of adversity, the impact of which our clients confidently call upon us to help with. This is an essential principle we apply not only in our business but also in all key areas of social responsibility.

### Volunteering

We know how to help exactly where our help is needed. The help consists of physical work, professional assistance or financial support for the implementation of specific projects we cooperate with NGOs to complete all over the Czech Republic.



Since 2011, dozens of our employees have been engaged in at least two days of volunteering per year. The operation method and the level of our people's engagement are unique. They put their hands and hearts where they are most needed. Each employee can choose his/her preferred volunteering project to join.

# Information and points of interest about the Group

## ČSOB Pojišťovna

### Areas of volunteering in which we are actively involved:



Children and  
families



Helping the  
disadvantaged



Seniors,  
hospice care



Environment



Wide range  
of assistance  
services 24/7

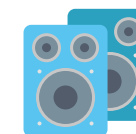
### SPONSORING



sports clubs and  
organisations,  
handicapped athletes,  
sports events etc.



educational  
institutions  
(schools, music  
and art schools,  
conservatories etc.)



cultural institutions  
and events (family  
festivals, concerts,  
exhibitions, etc.)



### CASH DONATIONS

Cash collections of employees as well as ČSOB Pojišťovna are intended for one-time activities and long-term projects alike.

# Information and points of interest about the Group

## ČSOB Pojišťovna

### ČSOB POJIŠŤOVNA HELP FUND

Even a tiny amount can be great help. This idea inspired the establishment of a new charity fund where the only nominees are suggested by our employees and traders. Many of us know people around us who have not been too lucky. The fund allows us to help them, for example by contributing to the purchase of compensatory aids..



#### Supported



**18 associations and  
individuals**

#### Distributed



**CZK 300,000**

### BLUE DAY

For the third time we organised the **Blue Parade** held in support of people with autism spectrum disorders (ASD). The parade took place on Friday 4th and was attended by hundreds of children and adults. It started at Pernštýn Square and proceeded through třída Míru to the ČSOB Pojišťovna building, where blue balloons were released. Blue is the colour of communication which is the biggest hurdle for people with ASD. The Blue Parade is part of the Autism Day event in the Czech Republic, under the title: „I have my own world, but I love you“, which took place in 2017 for the fifth time. A new event, **Blue Zumba**, which took place on 28 April and which we also co-organised, joined the Autism Day program as well.





# Information and points of interest about the Group

## ČSOB Pojišťovna

### TRIP WITH TYFLOCENTRUM

Together with the **Tyflocentrum Pardubice** we made a spring and an autumn trip to the sights of our republic for visually impaired people from the Pardubice Region



### SPORTING AFTERNOON WITH KULIHRÁŠEK FC

We have worked with the Kulihrášek Family Centre within volunteer activities for three years; in 2017 we helped organise and run children's competitions.

### ECOLOGY

Within our cooperation with **Sdružení Krajina**, spanning several years, 14 volunteers from amongst our employees excavated irrigation ditches and helped drain meadows.



### MILLION TOURNAMENT FOR ADÉLKA

We contributed to the collection organised during the Million Tournament for Adélka. The proceeds of the third year of the charity event amounted to CZK 450,000 and will help Adélka Petříková from Kvasice, who was born with the rare Phelan Mc Dermid syndrome. This is a rare congenital malformation, when a part of the chromosome is missing in the child's body and, in this case, causes hypotonia. Therefore, aids for the sitting upright to strengthen her back muscles are an absolute necessity for Adélka. In addition, she must regularly have spa treatments. The **Srdce na pravém místě** Association that supports her family, would like to raise a million CZK towards wheelchair-accessible housing.

# Information and points of interest about the Group

## ČSOB Pojišťovna

### WEEKEND WITH AUTISTS

The third **Weekend with Autists** was held in August. This time, we went to Milovy where we prepared a separate weekend program for parents and a separate one for their autistic children and their healthy siblings. The point is letting the parents leave the everyday worries behind for a moment and being able to relax for a while at least. We were recognised as a **socially responsible company** for this activity.



### ADVENT WITH REGIONAL CHARITY IN PARDUBICE

On 29 November, on the premises of ČSOB Pojišťovna, we listened to Christmas carols and made **81 advent wreaths**, of which 70 were sold to employees. The proceeds were donated to the Regional Charity Pardubice.

### CHARITY BAKERY

The imaginary door of the ČSOB Pojišťovna's Charity Bakery opened for the fifth time in the autumn. Our female employees turned into bakers and prepared a variety of delicacies for the day, which smelled delicious all through the building from the ground up to the tenth floor and attracted crowds of customers - colleagues. The proceeds from the sale were donated to the family of young Zdeněk who suffers from a rare incurable disease, Spinal Muscular Atrophy 2nd type.





# Information and points of interest about the Group

## ČMSS

### SRDCERVÁČI

Our cooperation with the fundraising and education project Heartbreakers, which helps disabled people to find a good job or be successful in business, continued in 2017 as well.

Two joint workshops were held in ČMSS. The first one, named **“Fight sickness, not finances”**, was designed for NGOs, social enterprises and private individuals alike. The second workshop **„Srdcerváči osobně“** gave CMSS employees an opportunity to meet the faces of the campaign, listen to their stories and discuss more than just life with disabilities.

In January 2018, Srdcerváči distributed a record amount of **CZK 628,000** amongst ten organizations that employ disabled people. All funds were used to create and modify jobs or to purchase technical equipment. In 2017, ČMSS supported Srdcerváči with the amount

**of CZK 700,000**



### 50,000 FOR A GOOD CAUSE

Even in 2017, we continued our tradition which allows one NGO to get CZK 50,000. The decision on the recipient is made by our employees, who first nominate charitable projects and then vote. This year we have contributed to the operation of domestic hospices, care for the long-term ill and their loved ones, by donating to the **Cesta domů NGO.**

# Information and points of interest about the Group

## ČMSS

### VOLUNTEERING

ČMSS employees donated **328 hours volunteer work to NGOs** during a volunteer/ touristic event and a trip with seniors.



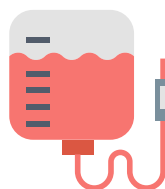
### BIKE TO WORK

Every year, ČMSS participates the Bike to Work Campaign; **35 employees** got involved in 2017.



### BLOOD DONORSHIP

We support our employees in blood donorship. There were **45 donors** in 2017.



### CHRISTMAS TREE OF FULFILLED WISHES

Another of the traditional events held by ČMSS, which brings joy to children in particular, took place in 2017 as well. The children's wishes were distributed among our employees in a few days and almost **1,000 gifts** were sent to three shelter homes.



# Information and points of interest about the Group

## Hypoteční banka



SOS DĚTSKÉ  
VESNIČKY

### SOS CHILDREN'S VILLAGES

We have been helping children at risk grow up in a loving environment for 16 years. 2017 was no exception - we contributed to the SOS children's village account with the amount of over

**CZK 580,000.**

We have been sending a CZK 20 contribution for each mortgage loan contract to SOS Children's Villages since 2001.

This brings the total amount donated by Hypoteční banka over the time to more than six million CZK.

The money is intended to help not only maintain and operate the villages, but also, for example, to furnish family houses for new foster parents.

### RUN TO THE CASTLE

This is the second time we have been a partner of the summer sporting event, Run to the Castle. This is a relaxing, informative and family run series consisting of five parts, namely at the Točník, Bouzov, Veverí, Kunětická Hora and Loket castles. The series aims to interlink running, the nature, history, culture, tourism and active program for children and whole families, while appealing to both active athletes and recreational runners. In 2017, we joined forces with the organisers and prepared a special category for families with children – The **Hypotéční banka Family Run**. There was a mortgage stall at each event, where we welcomed children as well as adult visitors, and prepared an entertaining program for all of them.



# Information and points of interest about the Group

## Hypoteční banka



### ČESKÝ OSTROVNÍ DŮM

The mission of Český ostrovní dům involves a really broad spectrum of activities from searching for modern methods of waste handling, energy conservation, water for use within beautiful yet fully functional buildings. The main pillar supporting the project is the competition for architecture and construction students under the same name, aiming to create novel project studies of environmentally friendly buildings. The joint efforts of the current leaders in energy conservation and the young talents from the architecture ranks result in an actual prototype of an island house accessible to the public in the foot of the Šumava mountains. The completion itself and the subsequent operation will constitute a great educational opportunity not only for the public but for students and experts as well.

The high financial demands of the Czech Island House project could not be met without the support of partners. However, not only funding but also being tuned to the same wavelength is important for everyone involved. As we live in a time when the fundamental aspects of our society are influenced by many big companies, any effort to improve anything must lead through evolution of such big players. The real possibility of improving things on a large scale is in their hands. We are aware of this fact and, therefore, we linked our name with the Czech Island House project in 2017 as well, and we even develop our products towards environmentally friendly housing, too. The ČOD project was awarded a **SDG award for social responsibility** by the Czech Republic Government Office and A-CSR of the UN Centre, as well as the main prize, **Environmental Oscar in the E.ON Energy Globe Awards**.





# About the Report

This Report describes the approach of ČSOB to socially responsible and sustainable business not only through economically focused activities, but also many other related non-business activities, which take into consideration the social needs and interests in the Czech Republic where ČSOB is operating. In order for us to be able to identify and respond to them appropriately, we regularly initiate dialogue with our key partners through questionnaire surveys, public opinion polls and specific events targeting particular addressees - clients, employees, investors, suppliers, representatives of public administration,

representatives of non-profit organizations and, last but not least, also competitors, the regulator and government institutions. The Report covers all the organizations within the ČSOB Group (more details in the Annual Report for 2017) and applies to the 1 January – 31 December 2017 period. It thus builds on the preceding ČSOB Report to Society from 2016.

In terms of content, this Report is in many aspects linked to the ČSOB Annual Report for 2017, to which it adds selected data of non-financial nature.



## CONTACTS

Should you have any questions or suggestions concerning the content of the Report, please send them to [csr@csob.cz](mailto:csr@csob.cz).

**Jitka Švejcarová**

Team Leader of Social Responsibility Department

# About the Report

Aspect	Reasons	Solution
<b>INTEGRITY</b>	Ethical conduct and integrity are fundamental principles of healthy business practice. Honesty and integrity are part of the ethical standards to which we subscribe.	Integrity policy, Code of Conduct.
<b>COMPLIANCE</b>	Compliance is an integral part of the ČSOB Group corporate culture and focuses primarily on upholding the ethical standards and compliance with legal regulations in all business activities	ČSOB Status of Compliance, Code of Conduct, Anti-monopoly Act, prevention of money laundering, prevention of tax fraud, anti-corruption program, gift policy, whistle blowing policy
<b>PRIVACY AND PROTECTION OF DATA</b>	Credibility is a prerequisite for the functioning of the bank in the financial sector.	MiFID rules for protection of investors, protection of consumer rights in the area of consumer loans and mortgages, measures to combat unfair business practices, handling of client complaints.
<b>ECONOMIC PERFORMANCE</b>	We endeavor to achieve a permanently sustainable profit growth.	We are developing unique cooperation between banking and insurance business in order to better understand our clients and come up with suitable comprehensive solutions.
<b>RISK MANAGEMENT</b>	We respect the limits for determination of risks, capital and liquidity in our business.	The rules, principles and measures for risk management, activities of the Risk and Compliance Committee.
<b>QUALITY OF PRODUCTS AND SERVICE</b>	Our goal is to be the first company to spring to mind when people consider financial products and services or the purchase of investment instruments.	We put the client's interest first, we do honest business, maintain proper relations, and are discrete and responsible in our conduct.