



*simply
for people*

ČSOB Group Social Responsibility Report

Foreword

SIMPLY FOR
PEOPLE

FOR BUSINESS

FOR EDUCATION

FOR LONGEVITY

FOR NATURE

HELPING THE
REGIONS

WE HELP
TOGETHER WITH OUR
EMPLOYEES

ABOUT THE
REPORT

The release of this Annual CSR Report comes at a difficult time that affects us all. Our society as a whole is grappling with challenges no-one would have imagined just a few months ago. For us at ČSOB, this difficult situation makes it twice as clear that social responsibility and philanthropy are integral to our everyday lives and that they are in our DNA. Our approach is based on sustainability, environmental friendliness and a deep understanding of the needs of our clients and Czech society at large. Our responsibility comes to the fore even at this difficult time: we have offered repayment deferrals to clients, our call centres are assisting the crisis hotline and we are supporting social enterprises and nonprofit organisations.

In total, we last year donated CZK 49 mio to beneficial causes. However, some things just don't translate into figures. Take, for instance, the information imparted to elementary and secondary school pupils and students under our ČSOB Financial and digital education program for schools. Throughout 2019, our ambassadors visited 297 elementary and secondary schools to deliver a staggering 1,570 lectures. Having slipped into the lecturing shoes myself, I know first-hand how demanding and responsible giving a lecture is. I was delighted when the Ministry of Education, Youth and Sports accredited our financial literacy education for teachers.

The current situation clearly demonstrates the growing importance of the online space. Many services would be rendered unavailable without going digital. However, the internet and social media also have an ugly side to them that with an increasing frequency affects children in particular. That is why I appreciate immensely our cooperation with the Police of the Czech Republic that enabled us to launch our program entitled Tvoje cesta #onlinem [Your journey #online]. The force's prevention officers and the bank's ambassadors visit schools and chat with children about staying safe while online.

Last year
we donated
to beneficial
causes



CZK mio

We are also delighted with the results of our ČSOB Helps Region program. Through the project, we support nonprofit and subsidy-dependent organisations with direct financial donations while also activating individual donors across the country on a twice-yearly basis. It is uplifting to see people caring about the future of children and adults with disabilities, and about the quality of life of senior citizens or the fate of dilapidated buildings in a neighbourhood, and contributing even small amounts.

Acting responsibly is what we do both at our branch offices and headquarters. We have dedicated efforts over the long term to reducing energy consumption in our buildings, we keep reducing the amount of waste we produce, and through the use of biometric signing, we aim to process as much paperwork as possible in digital form only. We also lend a helping hand to like-minded businesses and their innovative ideas, such as through our “Start it @ČSOB” accelerator or “ČSOB Start!t social” grant program.

Launching our appeal “Team Blue Goes Green” last autumn, we joined forces with Sázíme stromy [We plant trees] and embarked on planting 5,300 trees. The appeal continues this year. Of course, we wouldn't be able to achieve much without the initiative of our employees, who have contributed to the environment, for example, by collecting 3,605 kg of litter or recycling 2,037 old appliances. I am looking forward to similar challenges in the coming years. The strength of our Group lies unequivocally in our people who never hesitate to support a beneficial project.

Petr Hutla,
Member of the Board of ČSOB responsible for CSR
and Member of the internal KBC Group CSR Committee



About us

ČSOB Group key facts



Net profit **CZK 19.7 bn**

Loan portfolio **CZK 781 bn**

Deposits **CZK 957 bn**



ČSOB Group clients **4.241 mio**



Internet banking users **1.032 mio**

Mobile banking users **384,000**

Bank employees **6,993**

(Calculated staff numbers as of 31. 12. 2019.)

Branches and merchant outlets

225 ČSOB bank branches

97 ČSOB Pojišťovna branches

29 Hypoteční banka centres

273 ČMSS advice centres

7 leasing branches

2,600 Česká pošta merchant outlets

600 Česká pošta franchise branches

Total of **1,068** cash dispensers

of which **492** are contactless



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Innovation and digitalisation

Smartbanking ČSOB mobile banking is available for both Android and iOS. It implements logging-in and payment verification using a fingerprint or face scan. It also offers verified calls to banking support.

We support **Apple Pay**, **Google Pay** and **Garmin Pay** for Visa and Mastercard card holders.

Money can be transferred between accounts in different banks within seconds using the **Instant payment** service.

Through **ČSOB Živě** [ČSOB Live], clients can access a range of ČSOB Group specialists working at the same branch office.

We offer **MallPay deferred payments** for online purchases thanks to a joint venture with Mall Group.

Indigo provides revolutionary automated investing and investor advice from Patria Finance.

Contactless fare payments are possible on public transport in Prague, Liberec, Ostrava, Karlovy Vary, Pilsen and Mariánské Lázně.



Selected awards



The Banker and Euromoney publications awarded ČSOB the title of **Best Bank in the Czech Republic for 2019**.

Third place in the “**Workforce Experience**” category in the international Customer Insight & Growth Banking Innovation Awards bestowed upon the team behind robot Ró that makes operations processing more efficient and saves time for bank employees and clients alike.

We won the annual award at the **Mastercard Awards 2019** for the very first direct utilisation of the Priceless Cities loyalty program.

Byznys pro společnost [Business for Society] recognised ČSOB:

- with an **award for the highest number of volunteers involved** in helping nonprofit organisations
- with the title of **TOP responsible corporation** (with a rating of 85% for the overall approach to undertaking responsible and sustainable business)

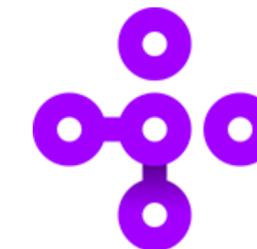
Fórum dárců [Donors Forum] recognised ČSOB:

- with first place for its **employee-driven money collection** for Česká asociace paraplegiků [Czech Paraplegic Association]
- with third place for its **corporate social responsibility report**

Fincentrum, a Czech financial and advisory company, awarded ČSOB second place in its **Barrier-Free Banks** assessment.

In the Zlatá koruna [Golden Crown] competition:

- Hypoteční banka won the **Silver Crown** in the Mortgage category for its Green Mortgage product
- ČSOB won the **Bronze Crown** in the Golden Crown Prize CSR category for its ČSOB Financial education for schools project



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Our core values and strategies



Core values

We put the clients' interests first. In dealing with our partners, we proceed with openness, courtesy and respect. In doing business, we are fair, discreet and responsible. Our behaviour is based on strictly enforced **internal policies**.



Czech society

We support the Czech economy, seek solutions to future issues and develop innovative tools to manage contemporary social challenges. We face up to sensitive topics and support established nonprofit organisations.



Economic sphere

We strive for sustainable growth in profitability in order to ensure the long-term stability of our company. In our business activities, we respect the set boundaries of risk, capital and liquidity. We build on our unique model combining a bank with an insurer while forming alliances with renowned partners.



Environmental responsibility

We have put in place strict environmental obligations. Our environmental and energy-efficiency policy ensures the continued improvement of our environmental management system, often above and beyond applicable legal requirements.

Ombudsman



In 2019, the corporate ombudsman processed:

565 motions
from clients

40 suggestions for service
improvements

The average time needed to resolve
a motion was **6** days

Our clients and the bank are mostly on the same page. When that changes, we come in.



Martin Kovář, ČSOB Group Ombudsman

ČSOB Group Ombudsman

Logos included: Hypoteční banka, PATRIA, ČMSS, Poštovní spořitelna, ČSOB Factoring, ČSOB Asset Management, ČSOB Leasing, ČSOB Pojišťovna, ČSOB Penzijní společnost, KBC.

We respect our clients

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Employees

No. of employees as of 31 December 2019

Total **7,188**

Women **4,332**

Men **2,856**

Attained education

Elementary **12**

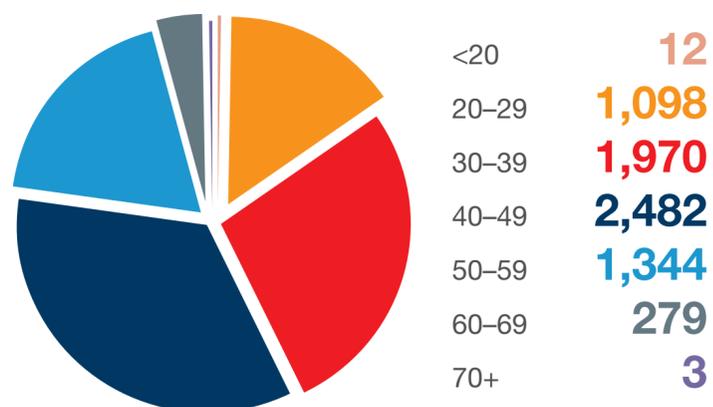
Secondary **3,522**

Undergraduate **824**

Graduate **2,767**

Post-graduate **63**

Age structure



Average age: **41 years**
(40 for men, 42 for women)

The figures provide an idea of a typical representative of our bank: a 42-year old female working in client services. In terms of women in management, they occupy more than a third (38%) of management positions.

Employees have completed a total of **31,596** training sessions.

Investment in employee remuneration increased by **6,3 %** year on year.

Equal opportunities and diversity

We embrace diversity in our workforce as presenting an opportunity to benefit from varied experiences and skills. Diversity also produces a greater variety of opinions and working and management styles.

We support equal job opportunities, increasing female representation in management positions, employing people with disabilities, dignified continued employment for people of 55+ years of age, and a healthy work-life balance. We also offer a special training program for young talented graduates.



We are a Diversity
Charter signatory

Pride Business Memorandum

We were the first bank on the Czech market to sign the **Pride Business Memorandum** and express, along with 25 other companies, our support for the LGBTI community and the diligent application of equal opportunities in the workplace.



This activity matches and supplements our longstanding efforts to increase diversity and support various groups within society. It also fulfils the Empowerment aspect of the PEARL system of basic values which ČSOB implements in its daily activities.



Hélène Goessaert, Member of the Board at ČSOB

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For life in harmony



For a life in harmony, we offer **reduced working hours**, an option used in 2019 by **7% of our employees**.

A sabbatical – up to four weeks off on a minimum wage – is taken by our employees mainly to care for family members or travel. In 2019, **170 employees** took a sabbatical.

Up to **four days off for single parents** were taken in 2019 by **333 employees**, making up a total of 842 workdays off.

Employing people with disabilities

In 2019, we met our target for employing people with disabilities through a combination of actual employment and purchases of substitute work fulfilments worth **czk 58,000,551**.

Program for parents



967 employees took leave to look after minors in 2019 (maternity and parental leave, caring for children aged four or below), 79 of whom simultaneously worked in the Program for parents.

So that they may maintain contact with the bank, we offer parents the opportunity to switch to part-time employment with the same or different department, membership in Facebook group **Rodiče ČSOB** [ČSOB Parents] and support via dedicated website www.csob.cz/rodice.

Parents also have access to:

- ✓ **Applicable employee benefits**
- ✓ **Individual legal and career advice**
- ✓ **Free professional and personal coaching during parental leave**
- ✓ **Interactive workshops for returning and leaving parents available four times a year**
- ✓ **Online education (e-books, microlearning videos)**

In 2019, we introduced a **childcare subsidy** for parents who are full-/part-time employees or contract employees, have one or more children aged four or younger and are on maternity/parental unpaid leave to care for their offspring. The subsidy was provided to **39 parents** and the total amount reached **czk 500,360**.

We organise workshops for employees leaving on parental leave. In 2019, there were **4 meetings** for **70 soon-to-be parents**.

We operate in-house children's centre **ČSOB Sluníčka** at the Prague HQ, with a high-quality educational and entertaining program for children aged 2–3. It helps parents of young children in returning to work after maternity/parental leave. The Sluníčka centre is also available to parents of older children during various holidays. In its three years of existence, more than **200 parents** have relied on the centre.



Program 55plus



The program helps employees aged 55+ to attain a better work-life balance. It offers flexible working hours and taps into older employees' potential by enabling the sharing of experience, knowledge and skills between generations through mentoring.

The program offers older employees **2 days off for wellness**. We also organise **dedicated meetings**. Two were held in 2019:

- In June, there was an educational meeting titled “People on the internet or surviving in the digital world”. Renowned communication and emotional intelligence lecturer Cristina Muntean guided the 55+ group through the digital world and communication tools suitable for the age group. The lecture was followed in the afternoon by workshops on a range of topics including digital safety.
- In November, we organised a meeting in the U Hasičů Theatre with guests Vladimír Michálek, a screenwriter, film director and gestalt psychotherapist, and actor Naďa Konvalinková.

Number of 55+ employees:

Total 843

Men 247

Women 596

12% of all bank employees



Simply for people



Corporate social responsibility

Our clients' behaviour is undergoing dynamic development. Clients are paying increasing attention to the added value products and services bring not only to themselves, but to society. Their trust depends on our competence, open communication and ability to assess market risks accurately. It is therefore the customer experience that guides ČSOB in its regular reassessments of its business approach. ČSOB ensures that achieving the targeted profit generates mutual benefit and does not harm the interests of its partners and, by extension, of society as a whole. We thus go far beyond our statutory obligations. We perceive business opportunities in acting responsibly. What future generations will think of our conduct today matters to us.

CSR strategy of ČSOB Group

The ČSOB Group's corporate social responsibility and sustainability strategy stems from parent KBC Group's CSR strategy. It focuses on a structured approach to responsibility and the sustainability of our business shared across the Group. Its values are described by the PEARL acronym:

Performance

we strive for the best possible results and fulfil our promises

Empowerment

we value talented people and encourage creative thinking

Accountability

we embrace personal responsibility for our behaviour

Responsiveness

we foresee consequences and are prepared to respond promptly

Local Embeddedness

we embrace the diversity of markets in which we operate and derive our strength from it



Responsible business

The fundamental philosophy that makes ČSOB a responsible member of society is to pursue a sustainable business undertaking. We drive socially positive impacts and, in our everyday business operations, we motivate all our partners, clients, employees, suppliers, government institutions and nonprofit organisations to act responsibly. ČSOB's corporate social responsibility activities are conducted along four strategic pillars that combine to form an integrated whole.

Pillars of ČSOB Group's responsible business



for education



for nature



for living together



for business

In addition to responsible business and philanthropy, effected by means of strategic long-term partnerships with nonprofit organisations and clearly defined grant programs, the engagement of the Group's employees forms another key component of the principles of responsible and sustainable behaviour for the ČSOB Group.

CSR expenditures in 2019

In 2019, the bank donated nearly CZK 50 mio to develop its philanthropy and socially responsible activities responding to needs of Czech society.

Pillars of responsible business	CZK 13.6 mio
Philanthropy	CZK 35.6 mio
Total	CZK 49.2 mio



For business

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We rank among the most prominent partners of Czech corporations, SMEs and sole traders. We make sure they have access to financial services nationwide. Through the EU Centre, we help them access European funds, while our Trade Club helps exporters expand connections and enter new markets. We support start-ups and social enterprises in their growth.

We are a leading bank for businesses and entrepreneurs. Our services are used by more than 100,000 business and corporate clients. As we build long-term relationships between the client and their banker, we aim to be an adviser, a guide and a true partner. Although we value personal contact, we are a modern and open bank with many services available in digital form.



Michaela Lhotková, Executive Director for payment solutions, consumer finance, open bank-insurance and innovations

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We support the Czech economy

Entrepreneurship Guide

Our portal www.pruvodcepodnikanim.cz provides help to entrepreneurs starting out and established businesses alike in finding their way through the tangled rules that must be followed in business. We believe that only well-informed entrepreneurs can achieve sustained success. We provide facts in an easy-to-understand manner, ready to be applied in practice.

- Articles sorted by topic spanning finance, legislation, trade, marketing and administration
- Interviews with leading experts and successful businesspeople
- Useful tools: tax calendar, guidance for starting a trade, templates for an analysis of competition or a ready cash-flow plan spreadsheet
- Practical guides: entrepreneur's obligations towards authorities, tax obligations, steps to take when recruiting employees, etc.
- Relevant documents and forms in one place

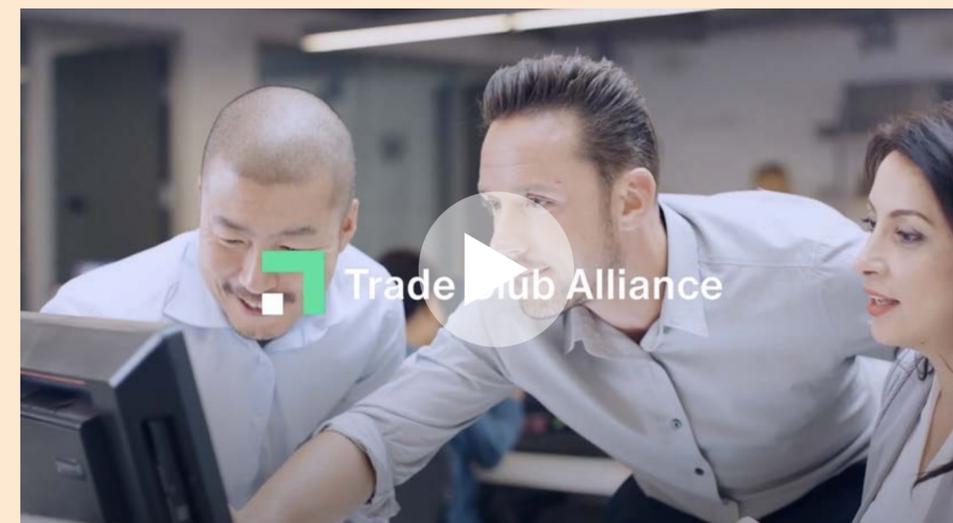
 **PRŮVODCE**
PODNIKÁNÍM

Employment and social innovations program

In cooperation with the European Investment Fund, we help entrepreneurs starting out to obtain funding for starting and growing their business. The funding comes from the EU Programme for Employment and Social Innovation (EaSI).

ČSOB Trade Club

We are the only bank in the Czech Republic offering a unique application, **ČSOB Trade Club**, for supporting international trade. It is administered by an alliance of **15 banks**, including our parent KBC. The application includes an updated information database on more than **190 countries**.



 **Trade Club Alliance**

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We support innovations

Start it @ČSOB

Our start-up project operates as an accelerator for businesses already on the market or aiming to enter it. We offer mentoring, expert advice and workshops. The five-month program is free.



Zuzana Paulovics, Start it @ČSOB Leader



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We launched our acceleration program Start it @ČSOB in November 2018. New participants can join every six months. Of the **58 applicants** in 2019, we supported **13 innovative start-ups**:

Pingl	Mobile app that lets people order in restaurants without waiting.	poznej.pingl.app
AutoOffice.cz	System for management and administration of orders for small businesses.	autooffice.cz
Envirostyl	Environmental responsibility for businesses and individuals matching 21st century needs.	envirostyl.cz greenoffice21.cz
Memdu	Education and training program helping traders overcome anxieties and obstacles.	
Boxtrap Security	Automatic mapping of business services and applications and relationships between them to protect businesses from IT failures caused by operating or security issues.	boxtrap.com
Zaparkuju.cz	App designed to easily locate, book and pay online for parking spaces.	zaparkuju.cz
Resistant.AI	Identification of spurious PDFs and fraudulent transactions in e-commerce, fintech and financial services.	resistant.ai
Commis	Simple yet comprehensive solution for internal communication for hotels and other businesses.	commis.cz
DaySwaps	Intelligent app for shift planning that automatically ensures Labour Code compliance.	Dayswaps.com
Boom'n'rank	Simple, efficient tools designed to raise website visibility and visit rates.	boomnrank.com
KváseCzech	Sourdough package containing resting sourdough readied for customers to make traditional bread and pastries. Multifunctional locker systems for office buildings.	kvaseczech.cz
Property Blocks	A trusted platform for crowd-testing. It offers people flexible work in testing software.	blockslockers.com
TestCREW	A trusted platform for crowd-testing. It offers people flexible work in testing software.	

Our app utilises a principle similar to that used in accommodation booking. Only instead of a room, people book parking spaces and thus avoid wasting time looking for a vacant spot and paying the fee in cash. The Start it @ČSOB accelerator helped us clarify our strategy and find strong business partners.



Jana Hodbořová, Sales Manager Zaparkuju.cz



Zaparkuju.cz above all provides a clear and simple overview of available parking and simplifies online parking fee payment. Operating only in Prague for the time being, it enables the booking of spaces at private car parks via a smartphone. It also displays 5,000 P+R parking spaces and more than 120,000 spaces in the city's parking zones. It also shows more than 2,000 spaces reserved for disabled parking or EV recharging points nationwide.

InnovFin

We help innovative projects finance their activities via the InnovFin program operated by the European Investment Fund.

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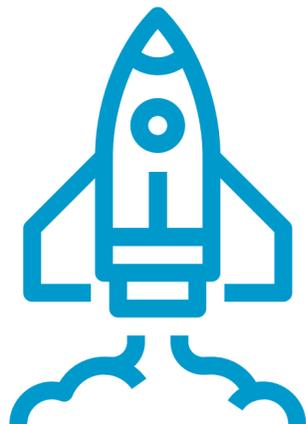
Social Enterprises

We provide grants and consulting to social enterprises

Our grant program ČSOB Start!t social helps develop social enterprises by providing financial and consultancy support. Since its inception in 2013, public beneficial body **P3 – People, Planet, Profit, o. p. s.**, has been the program's partner and expert guarantor.

38

supported social enterprises



ČSOB
start!t social

CZK **6.8** mio
distributed

The program entered its seventh year in 2019. Each of the four successful applicants received **CZK 200,000** in direct funding and **CZK 50,000** worth of expert advice.

Futurum F, s. r. o.

The grant from ČSOB is a considerable boost for the company. It will be used to furnish its cafeteria in Tábor and so create two new jobs for people with disabilities.

Ekovysočina, s. r. o.

The ČSOB funding will enable the company to continue its development. That would otherwise be beyond its financial possibilities. The company will completely refurbish its carpentry workshop in Žďár nad Sázavou and create two new jobs.

Přirozenou cestou, s. r. o.

The ČSOB grant will be used to purchase a van for ferrying wheelchair-bound employees and to carry out a minor reconstruction of the company's shop. It will also help streamline the operations in Olomouc.

PTL, s. r. o.

The financial support from ČSOB will allow the company to replace its outdated equipment and acquire hardware and software necessary to enable its employee to control her PC by voice as she is unable to sit at a desk due to a spinal injury.

Purchases from social enterprises

When purchasing substitute employee performances, we buy from social enterprises and sheltered workshops employing people with disabilities. In 2019, we cooperated with the following organisations:

A MANO, s. r. o.	Supplies of coffee, teas, coffee makers and accessories
Agentura PANCĚŘ, s. r. o.	Guarding of HQ buildings
ATALIAN Servis CZ, s. r. o.	Cleaning and small repairs
BARELOVÁ VODA, s. r. o.	Supplies of bottled water and water dispensers
ENVIRA, o. p. s.	Promotional items
ERGOTEP, družstvo invalidů	Processing of documents, marketing services and package distribution
Good Sailors, s. r. o.	Graphic design services
ISS Správa budov, s. r. o.	Facility management services
Náruč, z.s.	Refreshments at events, gift packages for clients and Christmas cookies
Revenium, z. s.	Promotional items
sales24, s. r. o.	Backoffice services
Sdružení Neratov, z.s.	Refreshments at events
TeamPrevent-Network, s. r. o.	Healthcare services
Transkript online, s. r. o.	eScribe services, transcription of voice communication for people with hearing impairments throughout the branch office network



For education

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For education

We follow the principle that investment in education yields by far the highest returns in the long run. That is why we have long supported financial literacy education for children and adults alike as well as free advice for people in financial difficulties. We also sponsor science centres and help disadvantaged students complete their studies.

Financial literacy is both a natural and key topic for us. Czech society has lacked financial education for quite some time, people often run into trouble managing and planning their finances. It is very important for us to ensure that our clients can find their way in the world of finance. We wish to share our knowledge. We believe that financial education should start at an early age. We also provide assistance to adults in financial difficulties with free debt advice and lectures. In 2020, we are expanding our cooperation with the Police of the Czech Republic in educating children on digital safety, a pressing topic.



Jan Sadil, Senior Executive Officer
and Member of the Board at ČSOB

31819

pupils
lectured



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ČSOB financial and digital education for schools

Since 2016, we have visited schools all over the country delivering our financial literacy support program. Our employees – financial literacy ambassadors – strive to teach how to manage finance to pupils and students in an entertaining and interactive way. Using practical, everyday examples, they demonstrate solutions to common financial issues. The lectures and seminars are regularly updated and supplemented to match individual schools' needs. In 2019, we acquired **Ministry of Education, Youth**

and Sports accreditation for our program that educates teachers through financial literacy courses. We also supplemented our lectures for pupils and students with information on staying safe online.

We are also involved in the **Bankers to schools** project operating under the auspices of the Czech Banking Association. It facilitates meetings between students and the country's leading experts in banking and finance.

I am fond of things that create more than one benefit. Financial literacy education fits the bill perfectly. It lets you drop your daily routine for a while, enjoy an active and lively audience and try your hand at presenting different topics to those you are usually engaged in. And best of all: I enjoy helping children and making sure they don't get lost in the world of finance.



Stanislav Hötzl, Core Team Leader

In my professional life I meet adults almost exclusively. It is quite refreshing to leave the adult world for a while, go back to school and share my knowledge with children. It adds a new dimension to my usual work, supplementing it perfectly.



Jiří Kožíšek, Project Ambassador

ČSOB financial and digital education for schools has been around for four years now and schools take an ever-growing interest in the program. It is great that we are able to deliver our lectures not just in the bigger cities but truly right across the country. What's more, we have expanded the lectures to include the very pressing topic of digital safety. To that end we have established a unique cooperation with prevention officers of the Police. The project's ambassadors can look forward to new challenges and new topics. We can't wait!



Jitka Hajičová, Project Leader

As children we all role-played. Girls often like to play teachers. So when the opportunity arose to try it for real, I jumped at it. Now I know that attracting and keeping children's attention is no easy task. You must entertain them to maintain their attention. I am glad to say we succeed.



Jaroslava Peterová, Project Ambassador

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REPORT**At the end of 2019****528** ambassadors**393** schools visitedMore than **31,000** pupils and students lectured**1,950** lessons delivered

72%
of children aged six
to 18 know “a little”
about finance



70%
of children wish to
know more about
money and financial
management

Results of an exclusive
survey conducted for
ČSOB (2017)



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Digital safety

Our everyday activities increasingly move into the digital space and banking services are no exception. That is why we teach children how to stay safe not only in the world of finance but also online, including on social media. We teach them to recognise and avoid the risks and protect themselves, much like they would do in the real world.



Children are first entering the online space at ever lower ages and are visiting it more often. They possess the skills that let them move around the internet with ease, yet they lack broader awareness and experience.

However, the digital space is fraught with a variety of threats and children are most at risk. That is why we have established a unique partnership with the **Police of the Czech Republic** and have launched **Tvoje cesta #onlinem** [Your journey #online], a project for the 2019/2020 school year of lectures delivered jointly by ČSOB ambassadors and the police force's prevention officers. The project aims to warn children of risks inherent online, including on social media.

In 2019, the lectures targeted older pupils. However, digital technologies are becoming available to children at ever lower ages and they will become the project's focus in the coming year. With older audiences, we discuss the facts about the online space which we demonstrate with real-life stories. Lectures for the younger

ones will be more playful, while engaging them with the topic in a sensitive way.

On 18 September 2019, science centre Pevnost poznání [Fortress of Knowledge] in Olomouc filled with children, teachers, ČSOB ambassadors and digital safety experts. In partnership with **Palacký University in Olomouc and the Police**, we used the centre as the venue for a conference titled **Bezpečně online: gramotnost v digitálním věku** [Safe online: digital age literacy]. The event, under the auspices of the Ministry of Education, Youth and Sports, featured presentations of current data and figures related to children's safety online and a panel discussion among experts from ČSOB, the Police, the National Institute for Education, project E-Bezpečí [E-Safety] and Linka bezpečí [Safety Helpline].



To provide a suitable umbrella for the project, our bank joined forces with a number of true experts from institutions such as the Police, Linka bezpečí and the E-Bezpečí project. I was again reminded of how active young people are online, much more indeed than the average adult. Yet an engaged dialogue with the pupils allowed us to discuss a range of topics, including cyber-bullying, sexting and copyright violations. There is quite some room for improving awareness not just among pupils, but also among teachers and parents. In our ČSOB education for schools project, we will strive to ensure this sort of dialogue takes place more often. That will be our contribution to improving children's awareness in today's digital space.



Josef Šedivý, Executive Director, Digital Channels

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Cybersecurity Week

In the Cybersecurity Awareness Month of October, we organised a Cybersecurity Week and held several lectures for our employees. Participants learned how to protect their privacy online and became acquainted with banking system and client app security basics. An invitation was accepted by the Police. They presented an interesting view of online safety from the perspective of parents.

digiGrant @ ČSOB

Given the cybersecurity topic's breadth, the collaboration of multiple specialists and organisations is required. That is why we have distributed grants for the fifth time running of up to **czk 200,000** in support of cybersecurity projects capable of addressing children and young people aged six to 25 in an interactive form. For the second time, we also supported projects designed to acquaint senior citizens with threats from the online space and teach them how to stay safe online. In total, the **digiGrant @ ČSOB** program distributed **czk 1 mio** among **7 projects** in 2019.

We also cooperate with **Linka bezpečí** in digital safety in general and in resolving specific issues.

Our employees' awareness of cybersecurity and possible threats is of key importance in risk management. Although we have implemented a host of safety mechanisms, it is still essential that employees behave responsibly online. The sheer interest in Cybersecurity Week clearly demonstrated that these issues can be presented in an appealing form that, unlike the usual mandatory training, stimulates an active interest in the subject. We will follow up the event's success in the autumn and organise a cybersecurity-themed Inspiration Day in cooperation with Surf Studio. It will provide fans of cybersecurity with deeper insight through presentations by our own experts and other companies' specialists.



Jana Opršalová, Director, Non-financial Risks Management



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Surf Studio

Surf Studio began operating at our HQ in November 2018. It serves as a focal point for modern technologies and innovation support. Our goals are to inspire, share, discover new ways of looking at issues, try new approaches, connect people and support innovative thinking. Employees can come and share their ideas or learn new things. Presentations of new ideas applicable both at home and work (including use of a 3D printer, a smart home, or voice-controlling a coffee maker) are supplemented every month with several lectures. Last year, we recorded the greatest interest in **Inspiration Days** dedicated to agility and changing client behaviour.

We organised more than

40 lectures in 2019



lecture
participants

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We support Czech science centres

We have been an active member of the **Czech Association of Science Centres** since 2017. As part of their cooperation, selected science centres offer **financial literacy** workshops.

In 2019, **2,827** people took part in more than **250** financial literacy programs:

iQLANDIA, Liberec	998
Svět techniky, Ostrava	772
Vida! science centrum, Brno	432
Techmania Science Center, Plzeň	625



We help disadvantaged young people with their path to education

We support talented secondary, vocational school and university students who would otherwise struggle to afford their studies due to their health or a social disadvantage. We have done so since 1995 through the **Fond vzdělání** [Education Fund] and in cooperation with **Výbor dobré vůle – Nadace Olgy Havlové** [Committee of Good Will – Olga Havel Foundation].

From the program's initiation until the end of 2019:

We supported **604** scholarship recipients

593 students received a one-off subsidy for tuition or study materials

In total, we supported education with an amount exceeding **CZK 35.5** mio

In 2019, regular scholarship subsidies were paid to **90** students

We help people avoid the debt trap

In addition to delivering lectures in schools, we also work with senior citizens in their associations. We support prevention work aimed at avoiding the debt trap in cooperation with **Člověk v tísni** [People in Need], and we co-finance free debt advice and responsible debt resolution through **Poradna při finanční tísni** [Financial distress advisory centre].

From our scholarship recipients — “

Richard



Lenka
and Tereza



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Cooperation with students and schools

We regularly rank among the most desirable banking and investment industry employers in the country as viewed by students.

2019 in numbers:

12 students of secondary and vocational schools or universities worked as interns with us

5 students wrote their graduation papers, dissertations or theses with us

5 events for students organised by us

25 events for students attended by us



Visit the Facebook page dedicated to students at [#proSTORYproSTUDENTY](#) (953 members)

We cherish cooperation with universities and secondary-level schools. We cooperate with:

University of Economics (VŠE, Prague) – we are the university's main partner

University of Economics and Management (VŠEM, Prague)

Technical University of Liberec (TUL, Liberec)

University of South Bohemia (JČU, České Budějovice)

Czech University of Life Sciences (ČZU, Prague)

Business Academy, Secondary Vocational School and Language School
(OA/SOŠ/JŠ, Hradec Králové)

Gymnasium Děčín

Business Academy and Higher Vocational School of Economy (OA a VOŠE, Tábor)

Secondary School of Applied Science of Prosek (SPŠ, Prague)

Business Academy Heroldovy sady (Prague)



Study and work

In 2019, **86 students** were preparing to assume sales positions throughout our branch office network. Our programme guarantees them a job upon meeting certain conditions.

What's happening within the Group

ČSOB Asset Management

- Due to persistent insufficiencies in investment literacy, we involve our investment specialists in the ČSOB financial and digital education for schools project.
- We contribute towards the costs of the **Summer School of English Language** in the UK organised by Výbor dobré vůle – Nadace Olgy Havlové for young people from children's homes.

ČSOB Pojišťovna

- Improving financial literacy at elementary schools – **55 employee-ambassadors** and more than **20 school classes** lectured
- Providing assistance with semester papers and theses

Patria Finance

- Holding of seminars and webinars on investment literacy for the public and university students (e.g. VŠE)



For longevity

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We help seniors, the sandwich generation and people with disabilities

To our clients, we are a partner in the world of finance. We are equally ready to lend a helping hand in many everyday situations. We offer specialised products and services, support nonprofit projects and participate actively in the public discourse.

More than **1 mio** ČSOB clients are aged 58+.

Benefits associated with a bank account for clients aged 58+ include **free cash withdrawals at trade points and cash**

delivery to a specified address.

At every post office, we can arrange **forwarding of pension payments to a client's bank account.**

Poštovní spořitelna clients can access the free **Seniors Helpline at 800 210 210.** The system is capable of recognising the caller's number and automatically forwards the call to a specially trained call centre operator when a client aged 70+ contacts the helpline. On average, we receive around **1,100 calls a week.**

I experienced withdrawing money from an ATM using the voice guide and I would like to thank you for the excellent service. We usually associate the use of the voice guide with visually impaired people but we can all find ourselves in the same boat actually. Some 15 years ago, I had surgery on both my eyes. For two years afterwards I had stitches in them and observed the world around me through tears and a layer of ointment.

During that time, I reassessed many issues and activities that may seem a matter of course, unless you suffer an impairment, albeit temporary.

That is one reason I cheer on your efforts.



Stanislav Kohoušek



of ATMs
feature
a voice guide

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In 2019, we joined forces with the Czech Paraplegia Association to begin **certifying our branch offices as barrierless**. Of our **225** branch offices, **191 are barrierless**.



The **eScribe** service, i.e. online transcription of the spoken word for people with a hearing impairment, is available at all our branch offices. It facilitates **easier communication** between the banker and clients with a hearing impairment or speaking a foreign language. The service is also available on the customer support line.

All our ATMs are equipped with **voice guidance for people with visual impairments**. In 2019, we rolled out a new version of the software, unique in the Czech Republic, incorporating feedback from our visually impaired clients. Mothers on maternity leave and parents on parental leave can take advantage of **waived account fees** for up to three years.

The advantageous **“Opatrovník”** [Guardian] ČSOB Leasing loan is designed for people with disabilities to help them fund the purchase of a specially adapted motor vehicle. In the event of an illness or injury, **assistance services** attached to ČSOB Pojišťovna life insurance secure the following for clients:

- house cleaning, including clothes washing, ironing, as well as, for instance, watering of flowers
- feeding and exercising a pet
- transport from the hospital and to medical checks
- help with childcare

- financial help with veterinary fees in case of an injury to a dog

The **RENTO** insurance policy from ČSOB Pojišťovna offers security for life in the event of a serious injury in a traffic accident when driving one's own, a borrowed or a company vehicle:

- a pre-agreed perpetual monthly pension payment
- a one-off compensation for permanent injuries of a less serious extent
- a one-off compensation for survivors in case of a fatal injury



Senior days at post offices

The very first senior days were organised by ČSOB in cooperation with **Česká pošta** [Czech Post] and **Sue Ryder** at post offices in Prague, Brno and Pardubice. For the duration of the event, senior citizens had access to advice from experts in law, psychology, social services and finance. The participation of scores of eager senior citizens confirmed that the age group is among the most at risk on the one hand, and always happy to receive help and advice on the other.

Do not get lost in old age

The web portal **Neztratitsevestari.cz** [Do not get lost in old age] was created jointly by ČSOB and **Sue Ryder**. Its purpose is to provide support to senior citizens and their

close ones. It offers guidance for a range of life situations and helps in finding specific help. The project also includes advice from psychology, healthcare and finance experts. Enquiries can be made on the website, by phone on 777 718 465 or by e-mail at poradenstvi@sue-ryder.cz.

Goodwill card

The unique payment card Karta dobré vůle ČSOB has been available since 2014. Since then, it has secured more than **CZK 13 mio** for beneficial purposes. The card is available exclusively to ČSOB Private Banking clients. Each payment with the use of the card includes a small charge for charity. The contribution is made up of a voluntary cardholder's donation and donations from ČSOB and Mastercard.

In 2019, the card secured funding for the **Czech Paraplegic Association** to train peer mentors for wheelchair users. Another donation went to **Lukáš**, who was born with cerebral palsy and requires a complicated rehabilitation not covered by health insurance. Financial assistance secured through the card was also provided to the **mother of Markéta**. She has suffered a serious combined disability since birth. The donation enabled the purchase of a car necessary for visits to a remote medical specialist.



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ČSOB Na zdraví

The ČSOB Na zdraví [For health] project spread joy and happiness among sporting people for the fourth time last year.

We sponsored the **Díky, trenére** [Thanks, coach] initiative and found excellent professionals who, with enthusiasm and self-sacrifice, guided children and young people towards sport and a healthy lifestyle. The title of Coach of the Year 2019 was eventually awarded to ice hockey coach David Vinš from Vimperk after the initiative's final round in Prague.

We acted as partners to a number of events for runners: **Night runs for the Světluška** [Firefly] project in Brno, Jihlava, Olomouc, Pilsen and Prague, **ČSOB Safariběh** in Dvůr Králové and **ČSOB Hostivařský běh**. At each event, participants had an opportunity to exercise in our ČSOB Na zdraví zone while we rewarded each squat, sit-up and push-up completed within two minutes with a one-crown donation. The raised funds went towards swimming practice for blind swimmer Nikol. We also supported other running events, such as **ČSOB Vokolo priglu**, **Škoda Fit half-marathon**, **ČSOB Hradecký half-/full marathon**, **ČSOB Janovský běh**, **Spartan Race Lipno** and the **Spartan Workout Tour** series of obstacle races. These events also produced a splendid raised sum, this time for handbiker Oldřich.

 **Díky, trenére CZK 500,000**
Nikol CZK 67,498
Oldřich CZK 113,509

Svět odměň

Svět odměň [World of rewards] is a loyalty program for ČSOB clients. They are awarded points, for example, for using a payment card to pay for purchases or using other financial products and services of the bank. Each point is worth one crown and can be exchanged for a range of benefits from the World of rewards or donated to charitable projects of **Charta 77 Foundation – Barriers Account**, **Linka bezpečí**, **Mathilda Endowment Fund**, and **Výbor dobré vůle – Nadace Olgy Havlové**. In 2019, World of rewards donated **CZK 856 400** to charity.

Nadační fond Mathilda

ČSOB is the general partner of Nadační fond Mathilda [Mathilda Endowment Fund] that provides assistance to people with severe visual impairments. In addition to continuous support, we also organised a beneficial theatre performance by Dejvické Theatre held in Forest Theatre Řevnice. Following the performance, ČSOB Board Member Jan Sadil handed over a cheque for CZK 166,000 to the endowment fund's patron Mathilda Nostitzová.

CZK 806,000 

Czech Paraplegic Association

By cooperating with Czech Paraplegic Association, we support wheelchair-bound people and help with their return to everyday life and employment prospects following the loss of use of their limbs. We help them and they in turn help us: last year they once again helped us to check that our branch offices are as free of barriers as possible.

Linka bezpečí

For 11 years now, ČSOB has been a partner to Linka bezpečí [Safety Helpline], the biggest nationwide free helpline for children and young people up to 26 years of age who find themselves in difficult life situations. The helpline is contacted by up to 500 children and young people a day.

In a joint campaign unveiled on Prague trams last autumn, ČSOB pledged to donate 25 hellers to Linka bezpečí for each ticket purchased using a contactless payment card. Tram passengers bought more than a million tickets using contactless terminals, meaning Linka bezpečí received CZK 258,000.

CZK 1.75 mio 



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What is happening within the Group

ČSOB Asset Management

Our company regularly supports charitable foundations and other publicly beneficial bodies. Many of those supported are also our clients and we manage their finances and portfolios.

We most cherish our long-term cooperation with **Nadační fond Dětský úsměv** [Endowment fund Children's smile], operating at the infants' centre of Thomayerova Teaching Hospital in Prague-Krč. The partnership, which began with the participation of our employees in volunteer days at the centre, is into the second decade of its existence. Another valued partner is **Výbor dobré vůle – Nadace Olgy Havlové**, with which we have cooperated for even longer – for more than two decades.

We also cooperate with **Dobromysl, o. p. s.**, a provider of social services to children, youth and adults with disabilities, including support for their families and carers.



In 2019, we donated
a total of **CZK 400,000**



ČSOB Leasing

We have been a proud partner to the **Asociace integrovaných sportů** [Association of integrated sports] since 2013. In 2019, we donated to the Association **CZK 50,000** raised by our Christmas raffle.

We have a long tradition of supporting nonprofit organisations by donating decommissioned laptops, for example to the **Czech Paraplegia Association** and a Prague 5 institution that incorporates a **secondary school, elementary school and a preschool for children with hearing impairments**.

We also support nonprofit organisations on an individual basis with advantageous leases or sales of cars. In 2019, we once again **joined the “Kavárna potmě”** [Café in dark] event and loaned a van to the **Nadační fond Českého rozhlasu Světluška** [Czech Radio's Endowment fund Světluška] to shuttle baristas around.



We **loaned an electric vehicle** to the Dům seniorů Elišky Purkyňové retirement home to support environmentally friendly mobility and client care in general. The vehicle is used for transport between the two buildings used by the retirement home in caring for clients with varying needs, to drive clients to hospital when required and transport meals.

ČSOB Pojišťovna

Through the **Dobročinný fond ČSOB Pojišťovny** [Beneficial fund of ČSOB Pojišťovna], our employees nominated 40 individuals, unions and associations in need of assistance. The nominations yielded a list of **23 recipients** who shared a total of **CZK 410,000**.

We gifted a car to **Oblastní charita** [Regional charity] **Pardubice**.

As part of the **Burza filantropie** [Philanthropy Exchange], we supported five projects with a total of **CZK 50,000**.

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ČMSS

Our cooperation with **Revenium**, an association that supports the employment of people with disabilities, began in 2018. And since our philosophies match, we support Revenium financially through purchases of products and engagement in various projects. In 2019, **Šlápněte s Chvojkovými do pedálů** [Push the pedals with the Chvojka family] was the main joint project. Throughout the year, we followed the story of an ordinary family in extraordinary circumstances. We supported not only the family, but also the creation of a manual that helps other families and individuals in need find their way through the Czech system of state social support.



The year's end is traditionally dedicated to polling employees on the question of who should we support? In 2019, the decision was for the **Cesty domů** [Roads home] organisation and the **Pomáháme Terezce** [Helping Terezka] project. Each received CZK 25,000.

 **CZK 50,000**
for good causes

Hypoteční banka



We have supported **SOS dětské vesničky** [SOS Children's Villages] financially for 18 years. The organisation will always hold a special place in our hearts for its generous help given to children devoid of parental care, whom it provides with a new home. Under our partnership, we donate CZK 20 for each contract we conclude. There are currently around 120 children in the organisation's care and our assistance has amounted to more than CZK 4,500 for each of them. In 2019, we also provided financial support for a campaign promoting 50 years of SOS Children's Villages in the country.



Patria Finance

Nadační fond [Endowment fund] Patria provides both financial and moral support to the **Paměť národa**, [Nation's Memory] project managed by publicly beneficial company **Post Bellum**. We do it because we care about one of the biggest collections of historical testimonies in Europe as well as about the preservation and nurturing of democracy in the Czech Republic.





For nature

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For nature

Although the natural environment in the Czech Republic remains very much alive and full of beauty, it is no longer capable of coping with the impacts of industrial production and other results of human activity. We start our protection of it and the promotion of sustainable development at our own door. We support businesses and individuals who uphold the same values.



reduction
in CO₂
production
compared
to 2018



Our drive towards sustainability shows through not only in our environmentally friendly buildings but also in our banking and insurance products that motivate clients to opt for green alternatives.



Marek Loula, Senior Executive Officer, Corporate and Institutional Banking

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We start at our own door

- We **decrease our consumption** of water and electricity and cut CO₂ and waste production every year.
- We furnish our branch offices with **LED lights**; year on year we reduced our electricity consumption by more than 5,000 GJ.
- Our branch office in Zlín now has a **solar power array** and we plan further installations.
- We **reduce car trips** and replace meetings in person with video and Skype conferences.
- We make use of **biometric signatures** and digital documentation; we cut our paper consumption by 132 tonnes.
- We reduced our waste production from 901 tonnes in 2018 to 769 tonnes last year.
- We **no longer use** single-use cups and PET bottles at HQ and we've removed waste bins from offices – employees now sort their waste into separate bins in kitchenettes.

Green products motivate clients to think about the environment

- Our **Green mortgage** lets clients save money via the building of energy-efficient homes and save again through low operating costs.
- **Green grants**, available to business and corporate clients, help fund initial energy audits when environmentally friendly investments are considered.

- When it is time to consider an alternative-fuel vehicle, the decision may be swung by discounts available with the **Green car loan**.
- Environmentally friendly home improvements can be funded with an advantageous **Green housing loan**.
- We also factor in the environmental view in long-term saving and investment products. Clients can opt for funds investing in renewable sources of power or water.
- We reduce our paper consumption and use of plastic. Our clients can arrange a loan or insurance without using a single sheet of paper. We have extended the renewal cycle for plastic payment cards from three to five years.



GJ
saved
electricity

We prefer modern energy

Supporting renewables and energy-efficient projects is nothing new for ČSOB. The bank has over the long-term backed the construction and operation of solar power plants and EPC projects aimed at raising energy efficiency.

At the other end of the spectrum, we ceased funding for coal projects; the only exception is our support until 2035 for improving environmental parameters of existing coal-fired power plants to meet tightened environmental limits.

We are the main banking partner of **Svaz moderní energetiky** [Modern energy association].

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The most environmentally friendly building in Europe

The completion of our headquarters' southern section created a complex known as ČSOB Campus, one of the most sophisticated and environmentally friendly building complexes in Europe:

- The original building (NHQ) obtained the **LEED Gold** certification. The southern building (SHQ) earned the highest possible level of LEED certification, **LEED Platinum**. Within the EU, SHQ ranks in the top 10 of around a hundred platinum-certified environmentally friendly and sustainable buildings.
- SHQ uses the most extensive array of geothermal drillings in the country, relying on **177 geothermal**

drillings reaching a depth of 150 metres to provide the building with both heating and air-conditioning.

- Garages in the complex offer charging points for electric vehicles and bikes, including two fast chargers.
- The roofs are home to more than 300 trees, 3,000 shrubs and 100 climbing plants. All are watered by an **automatic system utilising rainwater**.
- Thanks to its Campus, ČSOB became the first bank to be accepted as a member of the **Czech Green Building Council**.



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ČSOB Asset Management

In terms of doing business, ČSOB's corporate social responsibility has traditionally found its expression in the availability of open mutual funds whose investment strategy conforms to socially responsible investing (SRI) principles and complies with the European SRI Transparency Guidelines.

An excellent example is ČSOB **Akciový fond vodního bohatství** [Share fund of water riches], highly popular among our clients. However the asset management departments of both ČSOB and KBC apply the basic SRI principles to all funds focused on environmental aspects, sustainable development, respect for human rights, banning child labour, etc., and exclude investing in any business that would apply corrupt practices, use child labour or manufacture weapons banned by international treaties. Special attention to SRI principles is also applied to any shares acquired for a fund managed for the Catholic Church.

Hypoteční banka

Green mortgage

A survey has shown that Czech people are demonstrating an increasing interest in environmentally friendly living. Four in 10 young Czechs consider the environmental credentials of a new home to be a decisive factor. Striving to accommodate these clients, we introduced our special Green mortgage two years ago as a mortgage product for clients wishing to build and invest in energy-efficient homes.



First self-sufficient home under construction

The Český soběstačný dům [Czech self-sufficient home] project was conceived as early as February 2016 with the aim of accelerating the development and proliferation of efficient technologies in general house construction nationwide. The project's main activities include the annual architectural competition for students. It recognises the best self-sufficient building solutions. Both the project and the competition promote buildings that no longer rely on fossil fuels and manage energies in a more rational and efficient manner. Almost since the project's inception, Hypoteční banka has been its main partner.

While 2018 was dedicated to a successful Hypoteční banka and Český soběstačný dům roadshow around the country, 2019 saw the construction of the first self-sufficient home commenced near Vyšší Brod. The design, entered in the competition, was created by young architect Vojtěch Lichý from the MLAA studio. Following the completion of the home, the plans for it will be placed in the public domain as a free manual for others. The home should open in 2020 and serve as a lab for testing new technologies. It will also be available for a short-term rent to anyone interested in testing its comfort first-hand.



We think green

Last year, we created the **Myslímezeleně.cz** [We think green] microsite. It offers useful tips for modern, energy-efficient living, friendly to both the environment and one's pocket.

Centrum pasivního domu



In 2019, we initiated a partnership with nonprofit organisation Centrum pasivního domu [Passive home centre] and became

the general partner of the organisation's competition titled **Úsporný dům** [Energy-efficient home], formerly known as "Passive home". The project's main objective is to promote awareness of possibilities for environmentally friendly living and benefits of energy-efficient and passive homes, which can be created even from older houses through reconstruction. What we value most about the competition is its support for building projects that already exist. Another major advantage of the contest is how it encompasses a wide variety of buildings: from family homes and multi-unit houses to office and school buildings. We believe supporting these types of buildings can spark interest in energy-efficient buildings and motivate others to follow the same path.





Helping the regions

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Helping the regions

The **ČSOB pomáhá regionům** [ČSOB helps regions] program supports projects that benefit local communities by helping the needy, promoting local social life and supporting beneficial activities nationwide. Our support includes financial donations by ČSOB and contributions by the public, communication support and media space.

The program has spring and autumn rounds, with four pre-selected projects from each of the country's 15 administrative regions competing for public financial support in each round. The winning project in each region receives CZK 50,000 from ČSOB, the runner-up gets CZK 40,000, and CZK 35,000 and CZK 25,000 sums go to the third and fourth-placed projects, respectively. In total, nonprofit and subsidised organisations and schools compete in each round for a share of CZK 2,250,000. The amount is not final as it is increased by the public donations, the amount of which decides what sum goes to which project from ČSOB.

In 2019, the total funding distributed among **113 nonprofit organisations** exceeded **CZK 8.1 mio**:

Public donations **CZK 3,925,243**

Gift from the bank **CZK 4,235,111**

Since its inception, the ČSOB pomáhá regionům program has supported **820 projects**, with a total amount of more than **CZK 42 mio**:

Public donations **CZK 19 mio**

Gift from the bank **CZK 23 mio**



M
Mathilda

The most successful project of 2019 was Šťastný vodící pes [Happy guide dog] of the Mathilda Endowment Fund, with **CZK 163,579** from the public and **CZK 50,000** from ČSOB.



The ČSOB pomáhá regionům program's purpose is to motivate the public as much as possible to become active in supporting and participating in improving the quality of social life in local communities.



Jitka Švejcarová, Team Leader, CSR department

We are grateful for any contribution, no matter how small. The amount received literally took our breath away. We wish to thank everyone who has helped us and contributed towards considerate training for our canine helpers for people with visual impairments. A special thank you goes to ČSOB for the program and the support.



Luboš Krapka, Director, Nadační fond Mathilda



We help together
with our employees

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Volunteering by our employees

Employees throughout our Group are eager to engage regularly in activities that benefit society. We work hard to create suitable conditions for volunteering.



Helping others is firmly ingrained in the DNA throughout ČSOB Group. The degree to which our employees involve themselves is unique and something to be held in high regard. Both our helping hands and hearts go where they're needed most.



Jitka Švejcárová, Team Leader, CSR department

volunteers

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ČSOB Together We Help volunteering program

Volunteers make use of their one extra day off to offer expertise and a helping hand to nonprofit organisations around the Czech Republic. Our volunteers register for individual events via web

portal www.zapojimse.cz run by nonprofit organisation Byznys pro společnost [Business for society]. We were the company that supplied the highest number of volunteers last year.

I would like to thank you once more for organising the tree-planting occasion. It all went well and we all really enjoyed it. :-)
What we experienced was a truly beneficial and well-organised event!



Pavel Sniegon, lawyer

On behalf of our whole organisation, I would like to thank you and especially the volunteers who tirelessly and with smiles on their faces tidied up our park. They were put off neither by the persistent rain nor by the option to do alternative work indoors. As a result, the container provided was packed full of dead leaves and the lawn around our wide-crowned walnut and horse-chestnut trees was immaculate. Mark our words, any day our employees, including the medical staff, get help with jobs they can't manage themselves, is an immense boon. Smiles, praise and gratitude made our mood yesterday.



Dagmar Fialová, Medical and rehabilitation facility Chvaly



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Together with ČSOB Matching Fund

At ČSOB, we support and develop individual donorships among our employees and the general public. From 2015, we have supported philanthropy with a matching fund. Since then, our colleagues have supported no less than **106 projects**, with an amount of more than **czk 2.6 mio** donated by our employees and the public. ČSOB donated another **czk 2.1 mio**.

Two of our money collections even won recognition from the Fórum dárců [Donors Forum]:



1st place in the category **“Money collection allies”** for support given to the **Čmelák** [Bumblebee] organisation, initiated by Radek Hájek, Executive Director, ČSOB Retail Distribution. The collection yielded

czk 176,455

1st place in the category **“Employee money collection”** for the initiative of ČSOB Private Bank colleagues in support of the **Czech Paraplegic Association**. It yielded

czk 76,666



It was the fifth time we biked up to the top of Ještěd and once again we combined the trip with lending a helping hand. This time we actually helped twice: firstly, we included the ride in the environmental appeal ČSOB Team Blue Goes Green, and secondly, we collected money for Čmelák. The money collection supported the organisation's project Nový prales [New forest] near Ještěd.



Radek Hájek, Executive Director, ČSOB Retail Distribution

ČSOB Help Fund

The Help Fund provides subsidies to employees to cover increased costs of caring for a child or an adult with a disability, whether within their family or not, and provides donations for people in difficult life situations. In 2019, the fund was tapped on behalf of **61 employees**. The bank contributed more than **czk 1.87 mio** toward the acquisition of compensatory aids, neuro-rehabilitation stays, personal assistants, children's education and support for families of deceased colleagues. Since the fund's inception, we have helped **484 people** with an amount of more than **czk 8.5 mio**.

When one's strength wanes with age and illness and one becomes reliant on others, every bit of help is so welcome. I appreciate this even more given that the financial help for my mum, who suffers from advanced MS and can no longer walk, came from our employees' program. It enabled us to purchase an electric wheelchair and more importantly contribute towards a lifting platform that takes her upstairs to her bedroom. I am incredibly grateful and greatly appreciate how the bank enables its employees to support their close ones. My team also turned to the assistance fund when we applied for subsidies for two colleagues in difficult life situations.



Michal Hazi, Project Manager, Advertising

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Team Blue Goes Green



The 5th Team Blue appeal, dedicated to the environment, attracted a full half of the ČSOB Group workforce.

Together, we removed **3,605 kg** of litter from the environment and recycled **2,037 disused appliances**. We also made **60 insect hotels** and placed them in parks and gardens. Other activities included clearing dead branches from forests, clearing colonising tree species, scything of meadows, raking and harvesting hay, removing invasive plant species from natural reserves, removing dead horse-chestnut leaves to prevent the spread of a pest, the horse-chestnut leaf miner, autumn cleaning of birdhouses, helping in zoological gardens, and more. Our teambuilding events also upheld the spirit of sustainability. Thus, when canoeing down the Otava, we also cleared the banks of litter.



For each participant, our parent group KBC pledged to plant a tree. In the Czech Republic, the pledge translates into **5,336 trees**. The planting of the trees commenced in autumn 2019 with the help of our employees. In some locations, they were assisted by children from children's homes and schools, such as in **Brno**, **Všeno** and **Karlovy Vary**.

The tree planting continues in 2020.



Donorship via Cafeteria Benefit Plus

As many as 44 employees took the opportunity in 2019 to support volunteering projects of partner nonprofit organisations. Through the Cafeteria, they transferred their Benefit Plus points worth **czk 60,642** to **Linka bezpečí**, **Nadace Charty 77 – Konto Bariéry**, **Nadační fond Mathilda** and **Výbor dobré vůle – Nadace Olgy Havlové**.

Walking or biking to work

The campaign Do práce na kole [Bike to Work] attracted no less than **365 ČSOB employees**. They formed 93 teams and rode, ran or walked **62,935 km**, or 1.5 times the length of the Earth's equator. ČSOB rewarded each kilometre with two crowns donated to **Nadační fond Rozum a Cit** [The Reason and Emotion Endowment Fund] to buy bikes for children of foster families. The total donated was thus **czk 125,870**.

Donating blood is donating health

For already the 10th time we rewarded regular donors of blood and blood constituents. The initiative Daruj krev, daruješ zdraví [Donating blood is donating health] motivated **252 employees** to participate. Cooperating with **Transfusion laboratory Zbraslav**, we organised the traditional blood donation and registration with the bone marrow donors' register in our premises in Prague-Radlice.

Christmas presents for the needy

We fulfilled the wishes of **253 children of children's homes** in Dlačkovice, Korkyně, Mašov, Planá u Mariánských Lázní, Potštejn, Senožaty, Unhošť and Vrbno pod Pradědem. We also purchased **42 presents** for senior residents of Domov Sue Ryder [Sue Ryder Home] and participated in the **Skutečný dárek** [True gift] campaign organised by Člověk v tísni [People in Need].



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Mulled wine for charity

Employees and passersby who during Advent stopped for a cup of mulled wine or alcohol-free punch in front of ČSOB Kampus contributed to a donation of **CZK 79,597** to our partner nonprofit organisations. **Sportovní klub vozíčkářů** [Wheelchair Sports Club], which enables people with disabilities to engage in sports, received **CZK 12,495**, **Nadační fond Rozum a cit**, which supports children of foster families obtained **CZK 19,746**, the **Czech Paraplegic Association**, which fights for the interests and needs of wheelchair-bound people, received **CZK 22,646**, and **Nadační fond Mathilda**, which helps people with visual impairments, collected **CZK 24,710**.

Beneficial money collections

Two money collections benefiting charity shops of **Domov Sue Ryder** yielded **CZK 65,000**. The money was used to fund specialist services and leisure-time activities for the homes' clients – senior citizens requiring round-the-clock care due to illness or old age.



Company teams at beneficial sporting events

For some years now, our employees have taken part in a five-a-side football tournament in support of **Sue Ryder** and a floorball tournament organised by **Prague Wheelchair Sports Club**. The ČSOB team even managed to win the latest edition of the Sue Ryder Charity Cup.

What is happening within the Group

ČSOB Asset Management

Our employees regularly participate in volunteering days. For more than a decade, they have regularly helped out at the **Kojenecký ústav** [Infants' centre] of Thomayerova Teaching Hospital in Prague.

We also cooperate with **Dobromysl, o. p. s.**, an organisation that renders social services to children, youths and adults with disabilities and their families and carers.

In 2019, we took up an initiative by one of our colleagues and organised a money collection among our employees as part of the **Ježíškova vnoučata** [Santa's grandchildren] project.

We collected more than **CZK 10,000**. It enabled us to fulfil the wishes of scores of clients of retirement and care homes.

Colleagues also regularly join the **Běžci dobré vůle** [Goodwill runners] event as part of the Sport for charity project, supporting people with disabilities.



ČMSS

We organise a range of volunteering events every year. In 2019, we went to the **Sedloňov v Orlických horách children's home**. We brought along a multitude of gifts for the children, mostly much-needed sports equipment. An unconventional gift was a fence for the home's garden, into which we also put some work. We planted 150 young trees, felled three old and diseased ones, sawed and chopped firewood and painted both the new fence and the home's veranda. We also cleared felled trees and dead branches around the nearby pond where the children go fishing. We also helped indoors, clearing rubble from two large bathrooms undergoing reconstruction. And to leave something behind for the winter, we left some Christmas presents at the home.

In another volunteering event, we organised a **meeting between senior citizens and children** from our PampeLiška preschool. We all went to Prague Zoo and enjoyed a day in the sun, regardless of age.

Fulfilling the wishes of children in temporary substitute housing has become a very popular Christmastime tradition. The 2019 Christmas tree carried no less than 68 children's wishes and we fulfilled them all, as we do every year. We invited the children to our St Nicholas evening, traditionally organised for our employees' children.

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ČSOB Pojišťovna

We cooperate with **Rodinné Integroční Centrum** [Family integration centre]. It helps people with autism spectrum disorder. For the seventh year we were the main partner of **Modrý průvod** [Blue march]. In 2019, we donned special t-shirts inscribed with “dycky BLUE!” [always BLUE!]. By purchasing the t-shirts, our employees contributed **CZK 20,990** to the centre. In August, we organised the fifth **Víkend s autisty** [Weekend with autistic people]. It aims to assist parents and healthy siblings with daily-to-day care while offering an entertaining weekend program. The event was attended by **132 people**.

As part of the longlasting cooperation between ČSOB Pojišťovna and Pardubice-based **Tyflocentrum**, a provider of social services to people with visual impairments in the Pardubice Region, we organised spring and autumn trips for the visually impaired.

We also help **Denní stacionář Slunečnice** [Day-care centre Sunflower]. It provides services to people with mental disabilities and senior citizens. In the spring, we organised



Organising a pre-Christmas money collection for a colleague in a difficult life situation, we collected

CZK 45,258

among us.



Since 2017, we've cooperated with **Oblastní charita Pardubice** [Regional charity Pardubice]. In 2019, we organised two events to benefit the organisation, making and selling birdhouses in one and Advent garlands in the other. The sale of 38 birdhouses and 100 garlands generated

CZK 59,000

to support hospice care.

a trip to the Museum of Crafts. Eight volunteers and 30 clients of the centre took part.

Two other volunteering events were traditionally dedicated to the environment and took place in cooperation with **Sdružení Krajina** [Association Landscape]. Together, we contributed to the natural environment and landscapes around the country.

ČSOB Leasing

Most ČSOB Leasing and ČSOB Pojišťovací makléř employees regularly participate in volunteering program **Pomáháme společně** [Helping together]. No less than **185 employees** took part last year to benefit **18 nonprofit organisations**.

In 2019, we organised **two charity banking events**. Total proceeds of **CZK 30,715** went to **Dejme dětem šanci** [Let's give children a chance] and **Dětský domov Nechanice** [Children's home Nechanice]. The event included the sale of promotional items made by the **Czech Paraplegia Association and Revenium**.



To a **temporary housing facility for single mothers** in Pardubice we donated **5 big bags of gifts**.



We supported **Namasté Nepál** with the sale of calendars, selling 47 and earning **CZK 11,750**

We also organised two traditional **clothes collections for the Czech Paraplegia Association** and its project Hvězdný bazar [Star bazaar]. We took part in the **Noční běh pro Světlušku** [Night run for the Firefly] and the **Teribear hýbe Prahou** [Teribear moves Prague] run organised by **Nadace Terezy Maxové** [Tereza Maxová Foundation].

We have been involved in the “**Daruj krev, daruješ zdraví**” project aimed at promoting regular blood, blood constituent and bone marrow donations from our employees. In 2019, **23 employees** donated blood and blood constituents.

Hypoteční banka

We organised a money collection ahead of Christmas and both our employees and ČSOB as an enterprise contributed financially to the family of a seriously ill colleague and to a seriously ill client.



Our employees also helped by planting trees and doing garden work for the **Domov Pod Skalami** care facility in Kurovodicce.

In 2019, we organised two **beneficial baking events** that yielded no less than **CZK 116,277**. The eighth beneficial bakery helped our colleague Jitka, who sadly lost her partner but gave birth to their daughter Julie in April. The ninth bakery was called “Pacholkova” (www.pacholek.com). We baked to benefit our colleague Kačka and her husband Jiří.





About the report

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ČSOB presents in this report a number of beneficial activities that respond to the needs and interests of society in the Czech Republic, where ČSOB Group operates. As a responsible, considerate and mindful bank, we ought to be able to identify the needs correctly and respond to them appropriately. That is why we regularly engage in a dialogue with our key stakeholders using polls, public surveys and specific events targeting particular respondents. These include clients, employees, investors, suppliers, public

figures and representatives of nonprofit organisations as well as our competitors, the regulator and government institutions.

This report describes the period from 1 January to 31 December 2019 and as such follows up on the ČSOB Group CSR report for 2018. In terms of its contents, it is closely linked to the ČSOB Annual Report for 2019, for which it supplements selected non-financial information.

Contact information:

Should you have any questions or comments regarding this report's contents, please forward them to the following e-mail address: csr@csob.cz.

Jitka Švejcarová
Team Leader, Corporate Sustainability
and Responsibility Department

FOR EDUCATION

Key subjects from the stakeholders' perspective (material aspects)

Aspect	Reasoning	Solution
Integrity	Ethical conduct, honesty, transparency and integrity are the core principles of healthy business practice and as such they are embedded in the ethical standards to which we subscribe.	Integrity policy, Code of Conduct
Compliance	Compliance is an integral part of the corporate culture throughout ČSOB Group. It demands in particular the upholding of ethical standards and legal regulations in the conduct of our business activities.	ČSOB compliance status, Code of Conduct, antitrust law, prevention of money laundering, prevention of tax evasion, anti-corruption program, gifts policy, whistleblowing policy.
Data privacy and protection	Trustworthiness is the basic prerequisite of a long-term relationship with the client and of banking activity in the financial sector in general.	MiFID rules of investor protection, protection of consumers' rights in of consumer loans and mortgages, measures preventing unfair business practices, processing of clients' complaints.
Financial performance	As a stable and financially strong company, we continuously reassess the profit-cost balance striving for sustainable profitability.	We develop a unique partnership between the banking and insurance businesses to gain a better insight into our clients' needs and provide suitable, comprehensive solutions.
Risk management	In pursuing our business, we adhere strictly to specified boundaries of reasonable business risk and rules for managing capital and liquidity.	Risk management rules, principles and measures, activities of the risk management committee and compliance department.
Quality of products and services	Our aim is to be the first company to come to people's minds in consideration of financial products and services or the purchase of investment instruments.	We put the client's interest first, while in business we act with honesty, maintain propriety in relationships, and negotiate with discretion and responsibility.

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