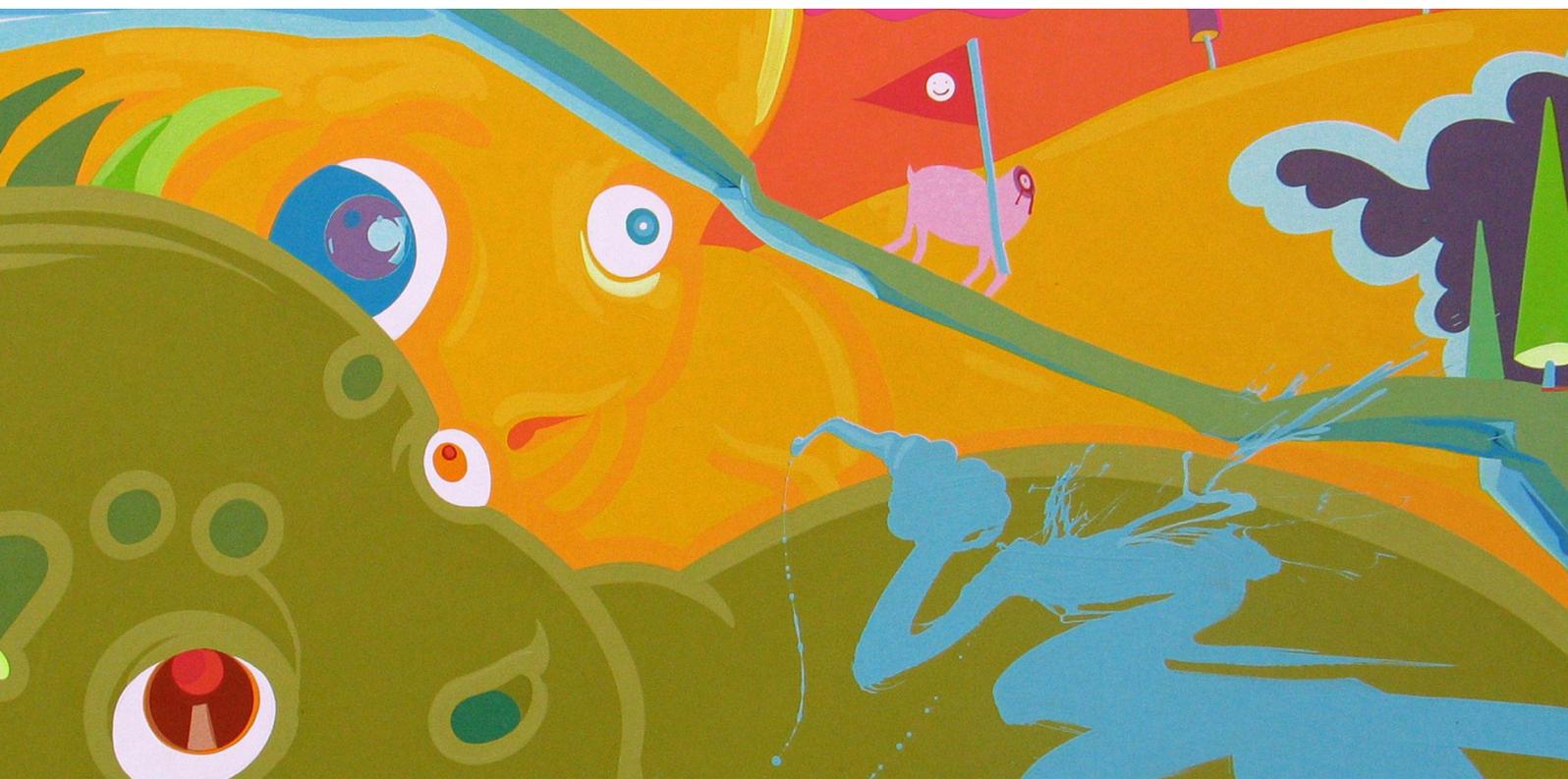


# Corporate Responsibility Report 2014



VUB Bank has been a long-standing supporter of Slovak contemporary art. In cooperation with the VÚB Foundation, it organises the art competition for *young painters* to support talents called *Malba - VÚB Foundation Prize for Artwork*. The works submitted to the competition are evaluated by an international jury and the winners receive a financial prize. The competition is traditionally accompanied by a re-presentation exhibition, which presents a collection of works by the finalists of the competition and thus helps to promote young visual arts.

Cover



**Erik Šille**

(\*1978, Rožňava)

*Where are you going Europe?*

(2006) acrylic on canvas, 120 x

205 cm collection of the VUB

Foundation

Šille is a multiple finalist in *the Painting Competition*, organized by the VUB Foundation. In 2006 and 2009, the jury awarded his works with third and first place respectively. The author is one of the unmissable figures of the art. In addition to his unique and sophisticated iconography using the charm and form of the animated world, his strong point is his sense of colour, which is unique in Slovak painting. The author is a graduate of the Academy of Fine Arts, where he studied in the painting studio of Professor Ivan Csudaia.

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# Table of Contents

<b>Our partners</b>	04
<b>About this report</b>	06
Reporting methodology	07
<b>Profile and management</b>	08
Vision, mission, values	09
Company Profile	10
Economic indicators	12
Organisation and management	17
<b>Our responsibility</b>	22
Corporate responsibility milestones	23
Objectives and commitments	24
Management model and strategy	26
Dialogue with partners	27
Business ethics and sensitivity management	28
<b>Our partners</b>	34
Clients	35
Staff	45
Shareholders	58
Suppliers	64
Environment	69
Community	82
<b>Attachments</b>	88
Global Reporting Initiative Indicator Table	89
External verifier's opinion	96

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## Our partners

### Dear Partners,

2014 was a very year for VUB Bank. This is evidenced by a number of prestigious awards, the trust of our clients and the satisfaction of our employees. The economic results for the past twelve months are traditionally summarised in the annual financial report. The Responsibility Report is an integral part of this report, which speaks volumes about our efforts to contribute to sustainable development and to improving the quality of life of our people. For us, success is also synonymous with the responsibility we feel towards Slovakia.

### People are the most important

Behind our success is the trust of our customers and the hard work of our employees. That's why their feedback is invaluable to us. The level of customer satisfaction is regularly measured in the *We Listen to You 100%* survey, in which customers rated us as the bank with whose services and products they are most satisfied in the first half of 2014 among the competition of major banks. The survey, specifically aimed at our female employees, showed that the proportion of women in management positions at VUB Bank is high and has risen to over the last 3 years. We are following the European trend by supporting the creation of a modern workplace that meets the current needs of women and their families. One of our priorities is to involve employees, men as well as women, because they are the key to the development and growth of the company. Only an active employee who feels that he or she is important to the company and has room for self-development and career growth will embrace the values and vision of the company he or she works for.

### Looking for solutions for a simpler and more mobile life

Our aim and interest is to keep up with the ongoing changes related to technological advances that are changing people's daily lives and influencing their behaviour in relation to their surroundings and to service providers. In order to respond properly to all these changes, we have introduced and improved several services and products to best serve people and their daily needs by using different digital channels. Improving internet and mobile banking, making the lending process easier and faster, online access to products and credit cards, ideally without paperwork, and, last but not least, more secure, fast and contactless mobile payments via various electronic devices - these are our main results.

---

### **Victories move us forward**

Defending success is often harder than achieving it. In the fiercely competitive banking sector, every victory, the moment it is achieved, obliges you to push the "bar" even higher. We are proud that VUB Bank has once again been awarded the title of the Best Bank in Slovakia by Global Finance and EMEA Finance magazines, as well as the award for the Bank with the Best Private Banking Services by Euromoney magazine. The title of the Safest Bank in Slovakia, awarded on the basis of rating agencies' assessment, was also added. Once again, we became the most successful bank in the Gold Coin competition and we also appreciate our victory in the HERMES Communicator of the Year competition for the best communication with customers.

### **We share our success**

We want to share our success with those who need help. We focus on the underprivileged, preserving cultural heritage, and supporting young people in the arts and quality education. In 2014, the VUB Foundation distributed more than 540 thousand euros to projects of a national and local nature. Some of them, such as the competition for the promotion of visual arts, will soon celebrate first decade of operation. Investing in young talent, education and charity is part of our strategy to fulfil our social responsibility.

Bratislava, 15 April 2015



### **Alexander Resch**

Chairman of the Board of Directors and Chief Executive  
Officer of Všeobecná úverová banka, a.s.

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## About this report

VUB Bank publishes its eighth annual Corporate Responsibility Report prepared in accordance with the G3 version of the international Global Reporting Initiative (GRI) guidelines. The report reports on VUB Bank's economic, social and environmental performance. The present report contains qualitative data for the calendar year and at the same time

financial year 2014. They are comparable with previous financial periods. As last year, the report is distributed to VUB Bank's partners together with the financial annual report. It is published on [v](#). In the interest of saving natural resources, the report is issued only in an electronic version. Responses and questions can be sent to [v](#).

### Overview of corporate responsibility reports issued

	Date of issue	GRI reporting level
Report for 2014	20. 4. 2015	<b>B+, audited</b>
Report for 2013	2. 4. 2014	<b>B+, audited</b>
Report 2012	2. 4. 2013	<b>B+, audited</b>
Report 2011	2. 4. 2012	<b>B+, audited</b>
Report for 2010	31. 3. 2011	<b>B+, audited</b>
Report for 2009	31. 3. 2010	<b>B+, audited</b>
Report for 2008	31. 3. 2009	<b>B+, audited</b>
Report for 2007	20. 8. 2008	<b>B+, audited</b>

# Reporting methodology

## Structure and content

The report is divided into a number of chapters that map our areas of influence on each category of partner. The entire content is divided into two main parts. The first part contains the Profile and Governance chapter, which describes the VUB Group's profile, identity, governance system, mission, values, and the Our Responsibility chapter, which focuses on corporate responsibility management and the implementation of its principles.

The second part of the report consists of chapters devoted to individual categories of partners, i.e. those entities that are significantly influenced by VUB Bank's activities and to whom we feel the greatest responsibility. These are clients, employees, shareholders, suppliers and the community. In a separate chapter, we also address our impact on the environment. In identifying these categories, we have drawn on the corporate responsibility strategy of our parent bank, Intesa Sanpaolo, which has used a methodology based on the AA1000 principles (in particular the AA1000 SES Standard) of the London-based Accountability Institute. The report documents the results achieved by the bank with respect to the objectives set in its business. The data was collected and compiled by members of VUB's Corporate Responsibility Task Force and the Corporate Responsibility staff. The report documents exclusively VUB Bank's activities; the activities of subsidiaries are not included in the report. The only partial exception is in the area of Community Responsibility, where there is a blending of information and data relating to the activities of the VUB Foundation. This has been chosen for activities that VUB Bank and its Foundation have jointly implemented and financed. The report is accompanied by an overview prepared according to GRI guidelines, which includes the disclosure, the management approach for all indicator categories and a list of performance indicators.

## Compliance with Global Reporting Initiative guidelines

The content has been compiled according to the Sustainability Reporting Guidelines from the third edition of the Global Reporting Initiative Edition. A profile, management approach and 38 indicators are reported. A list of the indicators reported and the management approach for each category is attached in the form of an overview table. Compliance with the GRI guidelines has been verified by an external verifier, the Pontis Foundation, which is a GRI partner organisation in the Slovak Republic. The verifier's opinion is presented in the Annex to this report. The verifier was not involved in the verification of the quantitative and qualitative data presented in the report.

		In accordance with GRI guidelines	C	C+	B	B+	A	A+
Main	Separate declaration							
	Third party verified							
Optional	GRI checked							
				Report externally verified				Report externally verified

# **Profile and management**

## Vision, mission, values

### VISION

We want to be the best bank in the country in customer satisfaction and continue to excel in profitability and operational efficiency.

### MISSION

Aware of the value our activities and services bring to society based on its needs and on the basis of trust and respect for all clients, employees and shareholders, we create a sense of belonging among our employees and the community, compete in the marketplace with a sense of fair play, and promote sustainable growth and results.

### VALUES

We provide our clients with banking and financial services at a high . At the same time, our services create and activate tools for the development of the economic system of Slovakia. Our goal is to build a relationship between clients and shareholders based on trust and satisfaction, employee belonging and proximity to the real needs of the whole company. Therefore, VUB's corporate culture and code of ethics include values that help us to be successful and achieve the expected results. Values guide our actions in situations where we have to choose between several paths. They are the basis for us to be successful in our work as individuals and as a bank. They are published on page [V](#).

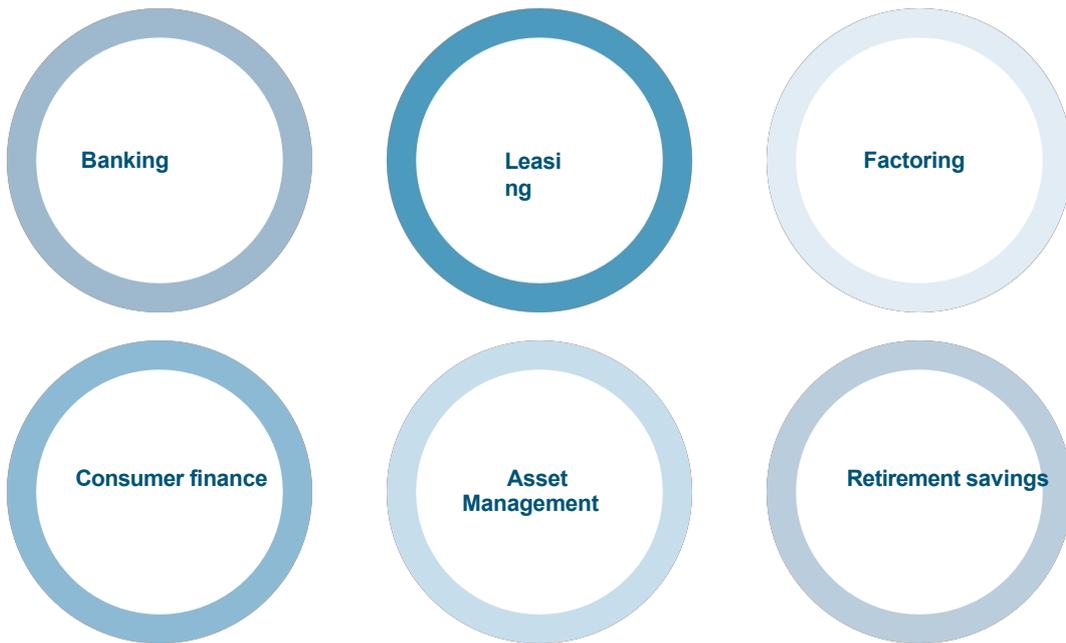
# Company Profile

## KEY INDICATORS

Economic	2014	2013	2012	2011
Loans to clients in euros	7.8 billion	7.2 billion	7.1 billion	6.9 billion
Customer deposits in euros	7.7 billion	7.8 billion	7.8 billion	7.5 billion
Share capital in EUR million	430,82	430,82	430,82	430,82
Number of clients	1 227 856	1 245 229	1 252 874	1 255 997
Number of trading places	239	243	246	249
Percentage of local suppliers	90	90	90	90
Social				
Number of employees	3 493	3 485	3 497	3 520
- of which women	2 568	2 576	2 565	2 606
- of which with disabilities	37	35	36	26
Percentage of turnover	13,4	13,7	13,7	12,2
Number of injuries	3	2	7	6
Support to non-profit organisations (in thousands of euros)	238	234	295	274
Environmental				
Energy consumption per employee (kWh)	8 031	9 126	9 440	9 767
Paper consumption per employee (kg per year)	140	136	129	148
Water consumption per employee (litres per )	14	37	37	65

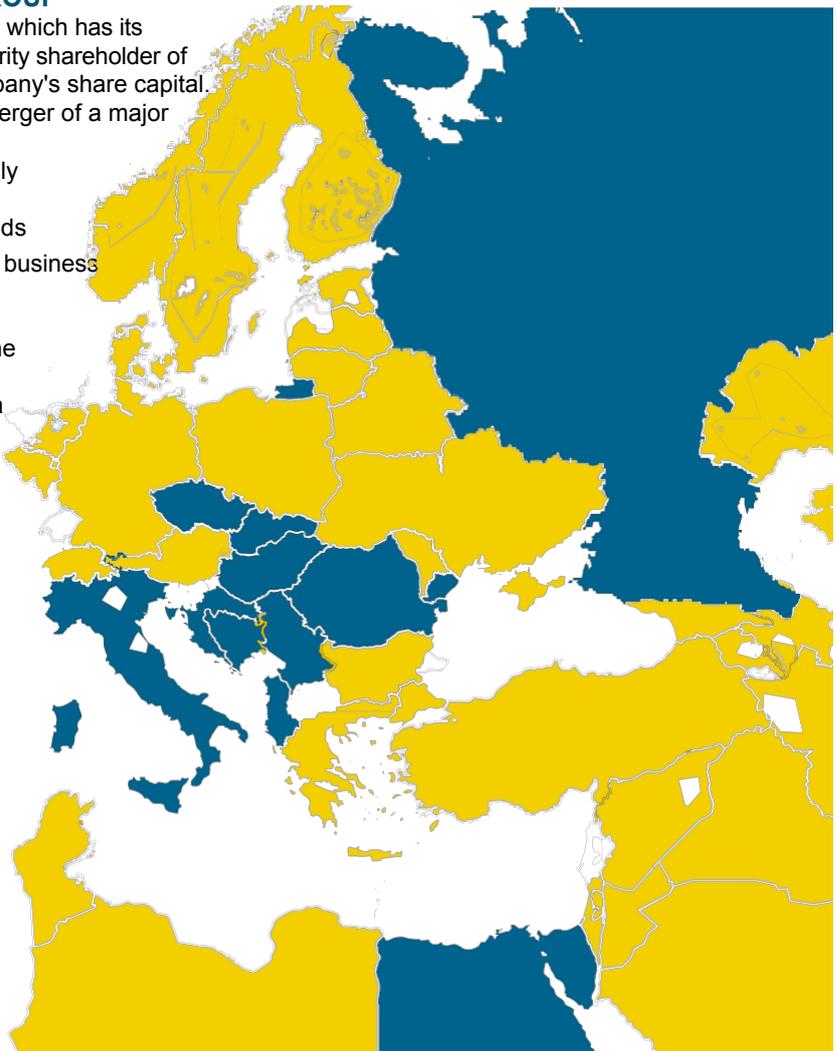
VUB Bank was established on 1 1990 by spinning off its commercial activities for corporate clients in the Slovak Republic from the State of Czechoslovakia. It is a public joint-stock company and operates in Slovakia and the Czech Republic. A turning point for our business was in 2001, when the majority stake in VÚB banka was acquired by the major Italian banking group IntesaBci (now Intesa Sanpaolo). VUB Bank is currently the second largest bank in Slovakia. It manages deposits of EUR 7.7 billion and loans of 7.8 billion. The bank currently has more than 1.2 million clients in its portfolio. In recent years, it has been one of the most profitable banks in Slovakia. The shareholder structure is presented in chapter Shareholders [v](#).

## THE VÚB GROUP PROVIDES A WIDE RANGE OF SERVICES



### ABOUT THE INTESA SANPAOLO GROUP

The Italian banking group Intesa Sanpaolo, which has its headquarters in Turin and Milan, is the majority shareholder of VUB Bank with a 97.02% stake in the company's share capital. It was formed in January 2007 through a merger of a major of Italian banks Banca Intesa and Sanpaolo IMI. The Group has a leading position in Italy and is one of the leading banks providing financial products and services to households and companies in Europe. It has a strategic business presence in the CEE region Europe and the . Through its subsidiary banks, it operates in the following countries: Serbia, Croatia, Slovakia, Egypt, Hungary, Slovenia, Bosnia and Herzegovina, the Russian Federation and Romania ✓.



*Intesa Sanpaolo's presence in the region*

## ECONOMIC INDICATORS

The Slovak economy performed well in 2014. According to many economic indicators, it was even the best in the last five . GDP growth rose to almost two and a half percent from less than one percent the previous year. More importantly, the focus of growth shifted from foreign to domestic demand, reversing the trend in the long-weak labour market. The number of jobs has grown respectably year-on-year and the unemployment rate has fallen below 13% for the first time in four years. Nominal wages in the economy grew by four and a half per cent, which, in the absence of inflation, represented a significant increase in the real purchasing power of the population.

Thanks to the improving labour market, household confidence and demand for consumer goods and housing, as well as demand for credit, grew. Moreover, this was also supported by a significant fall in interest . Overall, household credit growth accelerated from less than 10% in 2013 to 12% in 2014. On the other side of the banking book, the deposit side, the decline in interest rates accelerated the shift of savings from traditional time deposits to alternative savings or investment products, including collective investment products. Thanks to the rising incomes of the population, household deposits in banks also grew by almost in 2014, albeit only thanks to the funds deposited in current , which grew at a double-digit . The volume of time deposits declined.

The recovery of the domestic economy in 2014 also included corporate investment, which led to a stabilisation of the corporate loan portfolio, which had previously been declining. The improvement in the situation was mainly in the large sector, financed its acquisition and restructuring through banks. However, banks were also prepared to finance the investment plans of small and medium-sized enterprises.

Against this macroeconomic backdrop, VUB Bank fared relatively well. We managed to significantly accelerate the growth of household lending volumes - more than doubling compared to the previous year - and thus maintain our overall share of the loan market. In the deposit market, we focused primarily on adding value to the client, supporting the growth in volumes in the funds managed by VUB AM or the pension management company VUB Generali, which further improved their position.

VUB Bank also performed relatively well in the area of financial results. Thanks to loan growth, we increased operating income by almost compared to last year. In the area of costs, we remained efficient and kept the cost-to-income ratio at around 43%, which is a relatively moderate level for a universal bank such as VUB Bank with a wide branch network.

In the area of risk management, it is worth highlighting the results achieved by VUB Bank in the comprehensive assessment of banks carried out by the European Central Bank. VÚB banka not only achieved the best results among Slovak banks, but the bank's results were even better than those of several traditionally much stronger banking groups across the euro area. The assessment by the European Central Bank confirmed that VÚB banka is rightly regarded as an exceptional banking house with a strong focus on risk management and thus the highest possible accountability to clients, shareholders and other partners.

## MARKET SHARES

	k 31. 12. 2014	k 31. 12. 2013	k 31. 12. 2012
<b>Total assets</b>	17,6 %	18,6 %	18,6 %
<b>Client deposits</b>	16,8 %	17,6 %	17,8 %
<b>Loans to clients</b>	18,4 %	18,3 %	19,1 %
<b>Mortgage loans</b>	41,6 %	44,8 %	46,4 %
<b>Branch network</b>	18,7 %	19,4 %	19,9 %
<b>Payment cards</b>	figure not available	27,3 %	28,8 %
<b>ATMs</b>	figure not available	22,1 %	22,6 %
<b>EFT POS terminals</b>	figure not available	22,2 %	23,1 %

The full results are published in VUB's Annual Report 2014 [v](#).

<i>Number of VUB Bank employees</i>	<i>k 31. 12. 2014</i>
2014	3 493
2013	3 485
2012	3 497

<i>Staff structure</i>	<i>k 31. 12. 2014</i>
<b>Members of the Board of Directors</b>	7
<b>Managers</b>	530
<b>Non-managers</b>	2 963

**SUBSIDIARIES WITH A MAJORITY STAKE IN VÚB, A.S.****Consumer Finance Holding, a.s.**

Headquarters: Main Square. 12, 060 01 Kežmarok

Shareholders: VUB, a.s.

Share of VUB, a.s.: 100 %

*Main :* Provision of non-bank loans

**VÚB Leasing, a.s.**

Headquarters: Mlynské nivy 1, 820 05 Bratislava

Shareholders: VUB, a.s.

Share of VUB, a.s.: 100 %

*Main :* Finance and operating leases

**VUB Factoring, a.s.**

Headquarters: Mlynské nivy 1, 829 90 Bratislava

Shareholders: VUB, a.s.

Share of VUB, a.s.: 100 %

*Main :* Execution of factoring and forfaiting transactions



## EVALUATIONS

### ***The best bank in Slovakia by Global Finance***

The financial magazine Global Finance awarded VUB Bank the Best Bank in award. Global Finance is a prestigious economic magazine founded in 1987 and based in New York. It regularly compiles rankings of the world's most successful companies in cooperation with experts, managers, financial and industry analysts. Ranking criteria included asset growth, profitability, strategic relationships, client service, pricing, and product innovation.

### ***The best bank in Slovakia by EMEA Finance***

VUB Bank was awarded the Best Bank in Slovakia. EMEA Finance magazine annually evaluates the performance of banks operating in Europe, Africa and the Middle East. The award-winning banks managed to outperform their competitors last year, delivering a return on investment to shareholders and helping their clients grow. This is the fifth time that VUB Bank has received this award.

### ***The safest bank in Central and Eastern Europe***

Every year, the financial magazine Global Finance prepares a list of the world's safest banks. The magazine based its rankings on the long-term credit ratings of Moody's, Standard & Poor's and Fitch and the total assets of each bank. The magazine named VUB Bank, which been among the safest financial institutions for the fourth , as the safest bank in Slovakia.

### ***Euromoney Award for Best Private Banking***

The prestigious financial magazine Euromoney regularly evaluates the level of service for private banking clients . VUB's private banking has a history of several years and has a very strong position on the market. In addition to the overall victory, VUB succeeded in seven other categories (relationship management, privacy and security, enhancement, best service for clients with assets of 0.5 - 1 million EUR, best service for clients with assets of 0.5 - 1 million EUR, best service for clients with assets of 0.5 - 1 million EUR, USD, best services for clients with assets of USD 1 - 10 million, best services for clients with assets of USD 1 - 10 million, best services for clients with assets of USD 1 - 10 million. USD, corporate advisory for private clients and specialised services).

### ***HERMES Communicator of the Year***

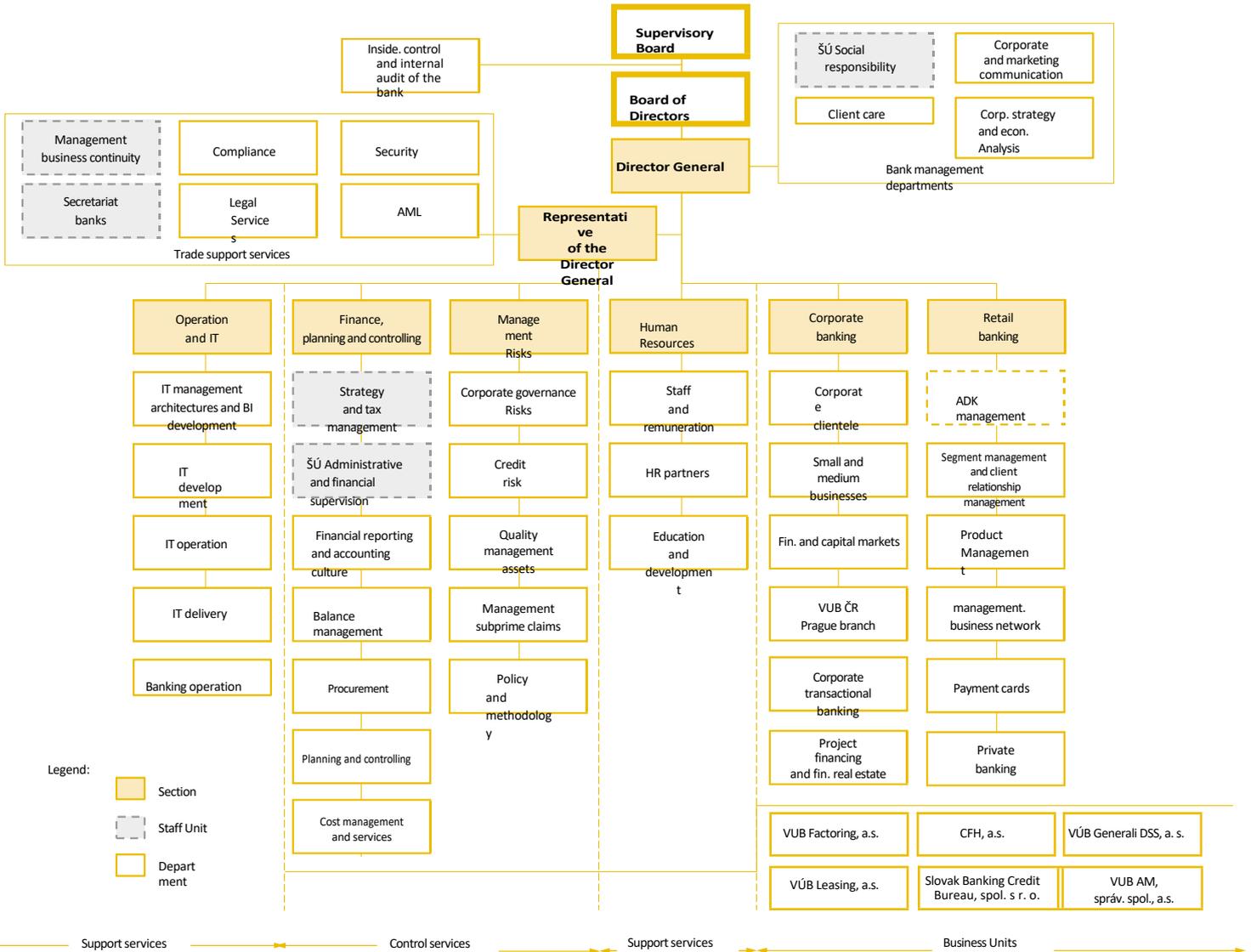
VUB Bank won the banking category and was awarded the HERMES Communicator of the Year 2014. The nominations of the companies were evaluated by experts in advertising, media buying, PR, digital marketing, research and academia, as well as the public. The jury evaluated performance in the areas of PR, advertising, sales, sponsorship and philanthropy and innovative approach in communication.

### ***Gold Coin***

The purpose of the Gold Coin competition is to help the general public to find their way around the labyrinth of banking products offered by financial institutions. VUB Bank has historically been the most successful bank in this competition. In each of the previous nine editions, it has won the most awards and defended this position in 2014. The expert jury awarded VUB Bank with the Gold Coin in the categories of housing loans (Flexihypotéka ✓), credit cards (Blue by American Express ✓) and debit cards (Maestro DOBRÝ ANJEL ✓). Silver coins were awarded in the categories of consumer loans (Flexi Loan ✓), business accounts (Flexibusiness Account ✓) and business loans (Profi Loans/Business Line of Credit ✓). The coin collection is completed by two bronze coins in the categories of electronic banking (Internet Banking and Mobile Banking ✓) and savings accounts (Savings Account ✓).



# Organisation and management



## GOVERNANCE

Like its parent Intesa Sanpaolo, VUB Bank applies a dual model of administration and control in which control activities and strategic management are separated from the management of business activities, which is carried out by the Bank's Board of Directors. Ownership and management are thus clearly defined, with the Supervisory Board acting as a filter between shareholders and the Management Board. The bank's management has full executive power, while the Supervisory Board exercises a control. This model ensures transparency and reduces the risk of conflicts of interest.

## ORGANISATIONS OF THE BANK

The bodies of VUB, a.s. are:

- General Assembly,
- Supervisory Board,
- Board of Directors.

## GENERAL ASSEMBLY

The General Meeting is the supreme decision-making body of the Bank, representing all shareholders, and its decisions approved in accordance with applicable law and the Bank's Articles of Association are binding on all shareholders. The General Meeting shall be composed of all shareholders present at the General Meeting. Members of the Bank's Supervisory Board and Management Board regularly attend General Meetings to contribute to their smooth conduct and to respond to shareholders' questions and suggestions. The Management Board is obliged to convene an Ordinary General Meeting within three months of the preparation of the annual accounts and their. If the interests of VUB, a.s. so require and in the cases provided for by law, an extraordinary general meeting may be convened.

## SAFETY ADVICE

The Supervisory Board is the Bank's supreme controlling body. It supervises the exercise of the powers of the Management Board and business activities of the Bank. With the exception of members of the Supervisory Board elected by the employees of VUB, a.s., a member of the Supervisory Board may not be an employee of VUB, a.s. The Supervisory Board shall review and submit to the General Meeting conclusions and recommendations concerning in particular:

- the performance of the tasks assigned by the General Meeting to the Board of Directors,
- compliance with these Articles of Association and legal regulations in the activities of VUB, a.s., and
- business and financial activities of VUB, a.s., accounting, documents, accounts, the state of assets of VUB, a.s., its liabilities and receivables.

The Supervisory Board shall have a minimum of three members and a maximum of seven members, including its Chairman and at least one Vice-Chairman. The members of the Supervisory Board shall be elected and dismissed by the General Meeting. Their term of office shall be three years.

## MEMBERS OF THE SUPERVISORY BOARD IN 2014

Ezio Salvai	Chairman of the Supervisory Board (since 25 March 2014)
György Surányi	Chairman of the Supervisory Board (until 25 March 2014)
Ignacio Jaquotot	Vice-Chairman of the Supervisory Board
Massimo Malagoli	Member of the Supervisory Board
Paolo Sarcinelli	Member of the Supervisory Board
Christian Schaack	Member of the Supervisory Board
Andrej Straka	Member of the Supervisory Board, employee
representative Ján Gallo	Member of the Supervisory Board, employee representative (since 22
January 2014)	

## COMMITTEES OF THE SUPERVISORY BOARD

In accordance with the relevant provisions of the Banking Act No. 483/2001 Coll., as amended, and the Accounting Act No. 431/2002 Coll., as amended, and the relevant provisions of the Articles of Association of VUB, a.s., the Supervisory Board established the Audit Committee and the Remuneration Committee.

### AUDIT COMMITTEE

As at 31 December 2014, the Audit Committee had five members, including the Chairman. Three members were appointed by the General Meeting of VUB, a.s. (one on 3 April 2012, another on 9 April 2013 and the third on 25 March ). Two members of the Committee for

Audit (appointed by the Bank's Supervisory Board on 11 November 2013 and 25 March 2014) are also members of the Supervisory Board.

Matters discussed by the Board relate primarily to: the preparation of financial statements and compliance with specific regulations; the effectiveness of the Bank's internal control and risk management system; compliance with regulatory requirements; the audit of individual financial statements and the audit of consolidated financial statements. The Audit Committee shall further review and monitor the independence of the auditor, in particular the services provided by the auditor pursuant to a specific regulation; recommend for approval the auditor to perform the audit for the Bank and set a deadline for the auditor to submit an affidavit of independence. During 2014, the Audit Committee also invited the Bank's external auditor to its meetings.

The control function at VUB, a.s. is performed by the Internal Control and Internal Audit Department of the Bank, whose rights and duties, except those defined by law, are determined by the Supervisory Board. The recommendation and prior approval of the Supervisory Board is a condition for the appointment or dismissal of the Director of the Bank's Internal Control and Internal Audit Department, as well as for the determination of the remuneration attributable to this function.

In 2014, the Supervisory Board also invited the Chairman of the Audit Committee and the Director of the Bank's Internal Control and Internal Audit Department to its meetings.

### REMUNERATION COMMITTEE

The Remuneration Committee has been operating at VUB Bank since July 2012. It has 3 members, all of whom are members of the Supervisory Board. The Committee meets at least once a year. Its main tasks are to independently assess the remuneration principles of selected functions (in accordance with the Banking Act) and their impact on risk management, own funds and liquidity; to prepare decisions regarding the remuneration of selected functions, including decisions affecting risk and risk management in the Bank, to be made by the VUB Management Board; to take into account the long-term interests of the Bank's shareholders, investors and other stakeholders when preparing these decisions; and to oversee the remuneration of selected functions.

## BOARD OF DIRECTORS

The Board of Directors is the statutory body managing the Bank's activities. It is authorised to act on behalf of the Bank in all matters and represents VUB, a.s. to third parties before the court and other authorities. The Board of Directors manages the activities of VUB, a.s. and decides on all matters of VUB, a.s., unless they are reserved by law or the Articles of Association to the competence of other bodies. In particular, the Board of Directors shall:

- a) executes the decisions of the General Assembly and the Supervisory Board,
- b) maintains the prescribed accounting and other records, books of business and other documents of VUB, a.s,
- c) maintains the issuer's register of securities,
- d) submitted to the General Meeting for after prior approval and on the recommendation of the Supervisory Board:
  - amendment of the Bank's Articles of Association,
  - proposals to increase and decrease the share capital and to issue bonds,
  - ordinary, extraordinary or consolidated financial statements,
  - proposals for the distribution of current or retained earnings from previous years and/or proposals for the reimbursement of outstanding losses from the current or previous years,
  - annual report,
- e) approves and periodically reviews the Bank's Remuneration Policy.

Members of the Management Board are elected and dismissed by the Supervisory Board. The latter shall also determine which of the members of the Management Board shall be the Chairman and, if a Deputy Chairman or Deputy Chairmen has been appointed, shall also determine which of them shall be the Deputy Chairman or Deputy Chairmen of the Management Board. The terms and conditions of office of the members of the Company's Management Board are regulated in the Contract on the performance of the duties of a member of the Management Board in accordance with the relevant provisions of the Commercial Code, Act No. 483/2001 Coll. on Banks, the adopted Remuneration Principles and other relevant .

## MEMBERS OF THE BOARD OF DIRECTORS IN 2014

Alexander Resch	Chairman of the Board of Directors and Chief Executive Officer
Elena Kohútíková	Member of the Board of Directors and Deputy CEO
Michelis	Member of the Board of Directors and Senior Director of Finance, Planning and Controlling (until 30 June 2014)
Antonio Bergalio	Member of the Board of Directors and Senior Director of Finance, Planning and Controlling (from 1 October 2014)
Jiří Huml	Member of the Board of Directors and Senior Director of Retail Banking (until 31 December )
Jozef Kausich	Member of the Board of Directors and Senior Director of Corporate Banking
Peter Magala	Member of the Board of Directors and Senior Director of Risk Management
Stanislav Hodek	Member of the Board of Directors and Chief Operating and IT Officer (until 31 March )
Peter Novák	Member of the Board of Directors and Senior Director of Operations and IT (since 1 October 2014)
Silvia Puchovská	Member of the Board of Directors and Chief Human Resources Officer (until 2 February 2014)

The biographical data presented in the 2014 Annual Report [✓](#) and on the website under About the Bank/Bank Profile [✓](#) contain information on the professional competence of the members of the Supervisory Board and the Management Board in the sphere of finance and banking, as well as information on their practical experience, which is a guarantee of effective corporate governance in with the Bank's strategy in the economic, environmental and social spheres. The Bank has adopted the Remuneration Policy of VUB, a.s., which complies with the Intesa Sanpaolo Group Remuneration Policy, Law No. 483/2001 on Banks and other relevant . The Remuneration Policy aims to prevent inappropriately risky behaviour, behaviour aimed at achieving only short-term objectives and to manage potential conflicts of interest. It aims to align the individual objectives of the members of the Management Board with the long-term interests of the VUB Group. At the same time, the individual performance of each position is assessed through the achievement of Key Performance Indicators, which represent sustainability targets and economic, financial, operational or risk-adjusted indicators.

### Committees of the Board of Directors

In particular, the following bank-wide senior committees are established by the Board of Directors at VUB Bank to coordinate, escalate and make decisions on bank-wide processes and initiatives:

- Corporate Credit Committee,
- Asset and Liability Management Committee (ALCO),
- Credit Risk Committee,
- Operational Risk Committee,
- New Introduction Committee.

## INTERNAL CONTROL AND INTERNAL AUDIT OF THE BANK

The mission of the Internal Control and Internal Audit Department is to provide independent, objective assurance and consulting services aimed at adding value and improving the business operations of VUB, a.s. and its . It helps VUB Group to achieve its objectives through a systematic, disciplined approach to assessing and improving the effectiveness of risk management, control and governance processes. The independence of the Internal Control and Internal Audit Department is reflected in the organisational structure, where it falls directly under the Supervisory , which has also established an Audit Committee for the purpose of more detailed communication regarding the Bank's internal control system.

## INFORMATION DISCLOSURE AND TRANSPARENCY

The Bank applies strict rules on the protection of confidential information, maintains and regularly updates a list of persons with access to confidential information. Information on management methods is published on VUB Bank 's website in the "About us" section. Information for shareholders is published on VUB Bank 's website in the "For shareholders" section. Members of the Management Board and Supervisory Board have no personal interest in the business activities of the Bank. The Bank strictly complies with the provisions of Act No 483/2001 Coll. on Banks, as amended, concerning the provision of business to a person with a special relationship to the Bank. Pursuant to this Act, the unanimous consent of all members of the Board of Directors is required for the conclusion of such a transaction, taken on the basis of a written analysis of the relevant transaction; the person to whom the transaction relates is excluded from the decision-making process. The Bank shall not carry out transactions with persons having a special relationship with it which, by their nature, purpose or risk, would not be carried out with other customers. The Bank complies with the Code of Corporate Governance in Slovakia as well as the rules of the Bratislava Stock Exchange governing the disclosure of all material information. The Company's compliance with these regulations ensures that all shareholders and potential shareholders have access to information about the financial position, economic performance, ownership and management of the Company, on the basis of which they can make informed investment decisions. The Slovak Corporate Governance Code is available on the website of the Central European Corporate Governance Association (CECGA) . The Stock Exchange Rules are available on the website of the Bratislava Stock Exchange  under

"BSE Rules". The Company actively promotes constructive dialogue with institutional investors and ensures that all shareholders are informed in a timely manner about the General Meetings and announcements through its own website in both Slovak and . This enables the active participation of foreign and domestic investors. The Bank applies the changes resulting from Act No. 566/2001 Coll. on Securities, in the European context the so-called MiFID (Markets in Financial Instruments Directive) and continues its activities aimed at investor protection and strengthening the trust of clients in the provision of investment services. The essence of MiFID lies in the categorisation of clients according to their knowledge and experience in investing, the obligation to provide clients with an investment service under the best possible conditions for the product (best execution), increased requirements for market transparency and for the organisation of the bank as a securities dealer to ensure internal control mechanisms and the prevention of conflicts of interest. The Bank keeps the investing public informed via the  website of the trades concluded in listed shares and bonds.

# **Our responsibility**

# Corporate responsibility milestones

## YEAR 2007

- Principles of Corporate Responsibility included in the Business Plan
- the creation of a Corporate Responsibility Manager
- Issuing the first Corporate Responsibility Report
- Via Bona Award for Corporate Responsibility and Corporate Philanthropy in the Main Award for Large Enterprises category

## YEAR 2008

- Establishment of a separate Corporate Social Responsibility unit and a bank-wide Corporate Responsibility Task Force
- release of the first Global Reporting Initiative Corporate Responsibility Report
- implementation of the corporate responsibility strategy at VUB under the responsibility of the parent company Intesa Sanpaolo
- staff training at all levels
- Via Bona Award for Responsible Business and Corporate Philanthropy for courage to support an innovative project

## YEAR 2009

- adoption of corporate responsibility policies (VUB Environmental Policy, Intesa Sanpaolo Group Code of Conduct, Internal Code of Conduct, Donation Acceptance Policy)
- Internal communication of values, of Ethics, Internal Code of Conduct and Corporate Responsibility policies
- environmental e-learning and an internal environmental campaign
- Via Bona award for responsible business and corporate philanthropy in the responsible market performance category

## YEAR 2010

- Adoption of the United Nations Global Compact
- Adoption of a policy of non-proliferation
- spreading awareness of corporate responsibility among VUB clients - the project "Corporate Responsibility Reports for SME Clients"
- Via Bona award in the category of the Main Prize for Large Enterprises

## YEAR 2011

- adoption and implementation of the Equator Principles in project finance
- a satisfaction survey aimed specifically at female employees
- regular reporting of qualitative data on corporate responsibility to the parent bank

## YEAR 2012

- measures to reconcile work and personal life resulting from the employee satisfaction survey
- Adoption of the VUB Code of Ethics and introduction of management of complaints of its breaches
- new principles of internal communication on corporate responsibility and philanthropy - intensive internal communication of corporate responsibility principles and results
- Adoption of an internal policy on Sustainability Rules for the organisation of events
- Implementation of the Whistle blower policy - reporting unethical behaviour (podnety@vub.sk ✓ andetickykodex@vub.sk ✓)
- new projects to engage employees and change management culture
- financial education for clients and the public through the website

**YEAR 2013**

- reporting on community investment according to the London Benchmarking Group methodology
- satisfaction survey for female employees on work-life balance
- National Winner of the European Business Awards in the Environment and Corporate Responsibility category
- 10th anniversary of the VUB Foundation - special grant programme for exceptional community projects
- Promoting employee volunteering in the new Hidden Heroes programme
- informing VUB employees about corporate responsibility through a new section on the intranet and educational materials

**YEAR 2014**

- Corporate Responsibility Beacon training for all bank employees
- preparation for the adoption of ISO 26 000
- training of CSR department staff in reporting according to the Global Reporting Initiative guidelines
- responsibility in the supply chain

## Objectives and commitments for 2014

Area	Objectives and commitments	Results	State of fulfilment
<b>Clients</b>	Optimising the sales network to make services as accessible as possible to clients.	Opening new branches in locations more accessible to clients.	xxx
	Strengthen dialogue with partners. Get closer to clients and better understand their needs.	Findings from client satisfaction surveys "We listen to you " was the basis for the new measures - the gradual introduction of new services and products. The time taken to deal with complaints has been reduced clients.	xxx
	Introduction of a new service for clients - cash deposits via ATM.	The service has been launched in selected locations.	xxx
	Implementation of the Non-Arms Policy.	The policy is consistently applied in the assessment of individual business cases in cooperation with the parent bank.	xxxx
	Educating clients on financial literacy.	There is a website with a separate financial education section, information brochures and leaflets in branches.	xx
<b>Staff</b>	Strengthening the relationship between the Bank and employees.	In 2014, a new Collective Agreement was signed for the period . The agreed terms and conditions apply for all VUB employees, not just members. The fulfilment of its obligations shall be evaluated annually.	xxxx
	Motivating employees for career progression.	Management positions in the business network were mostly filled by internal candidates from the programme "Manager's Bench", which searches for and trains future managers from among the employees. 40 were involved.	xxx

	Stabilize key staff and managers and reduce turnover.	In order to reduce turnover, we have created a stabilisation and incentive programme. Candidates have been selected in the categories of talent, key employees and successors. A special programme has been prepared for them, focusing on their remuneration, training and benefits.	xxx
	Dialogue with employees - employee satisfaction survey.	We conducted a survey of women's satisfaction at VUB "Colleague, a word...". The results of the survey have been incorporated into a number of measures to improve work-life balance. All employees can benefit from the measures put in place.	xxxx
	Dialogue with employees - satisfaction survey employees with educational activities.	The electronic feedback serves us to evaluate the quality of trainers and to better plan trainings. We support the implementation and transfer of knowledge gained in education and training activities.	xxxx
	Improve the work-life balance of employees.	An adjustment to the basic working time has been introduced - employees can leave the workplace an hour early if the agreed conditions are met.	xxxx
	Trainee programme "Internship and work".	The programme prepares students for work experience, helping them to gain their first work experience. In 2014, we selected 15 trainees out of the 200 students who applied. Some stayed on to work full-time in a bank or continue with the programme.	xxx
<b>Suppliers</b>	Strengthening transparency in the selection of suppliers of goods and services.	We have introduced new SAP procurement systems and Portale Fornitori. We have prepared workshops for them for the Bank's employees and suppliers to familiarise themselves with the new processes.	xxxx
	Dialogue and improved interdepartmental cooperation in the procurement of goods and services.	Through workshops, we have familiarised staff with the centralisation of procurement.	xxxx
	Improving the efficiency of the procurement process and supplier portfolio management.	We have updated relevant materials, manuals and regulations.	xxxx
<b>Environment</b>	Implementing cost-saving measures.	We have replaced older appliances and technological equipment with low efficiency with new ones with a higher efficiency class. We have optimized heating, metering and control systems.	xxx
	Employee education on environmental friendliness.	We have prepared an internal campaign for employees on protection, which resulted in the removal of 4 illegal waste dumps at the initiative of the employees.	xxx
	Electricity saving measures.	The deployment of LED technologies is at the stage of evaluating pilot projects.	xx
	Making waste separation more efficient.	The target is in the process of mapping the situation across the business network.	xx
<b>Community</b>	Ensure the sustainability of the donor programme in the context of a declining tax credit of income.	Multi-source funding for the donor philanthropy programme was secured. In addition to the tax deduction, VUB Bank makes an annual donation to the VUB Foundation in the amount of EUR 200 000. The Bank also contributes to the non-profit sector and families in need through charity credit.	xxxx
	Provision of more funding for educational projects.	Compared to previous years, we have increased our support for education-oriented projects and the promotion of economic science and research in Slovakia. The amount of funding directed to education has thus increased from 22% to 30%.	xxx

More emphasis on regions - support for projects in economically weaker areas of Slovakia.	In addition to the quality of the project, we take into account the availability of donors and funding in the region when assessing projects for grants. Percentage of projects with a national scope increased from 15 to 18% compared to 2013 and the share of regional projects increased by 11 % to 61 %.	xxx
Establish a mechanism to provide assistance to individual applicants.	In 2014, we prepared a new concept of the mechanism for providing assistance to individual applicants - people in need and with disadvantages. The mechanism has been in force since 2015. The assistance is provided by the VUB Foundation in cooperation with the donor portal.	xxxx

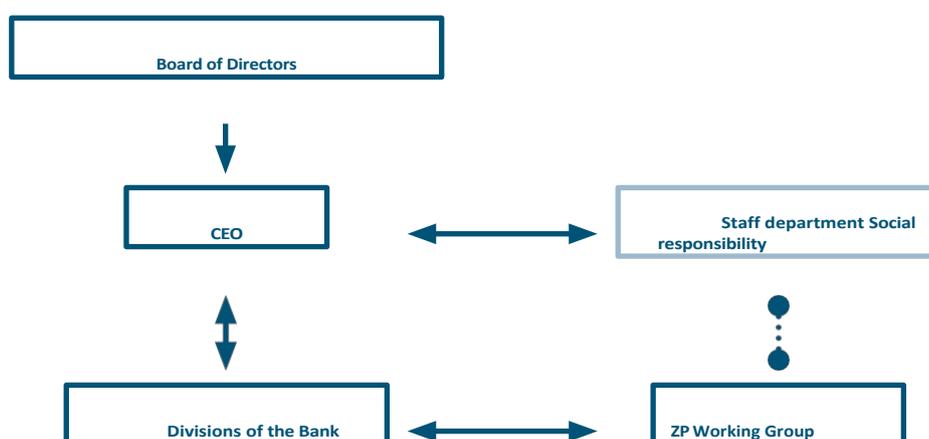
Legend: xxxx completed, project closed

partially completed or in preparation

xxx mostly completed, project not closed xx

x not met

## Management model and strategy



### STAFF UNIT SOCIAL RESPONSIBILITY

The unit is included in the Bank's organisational structure as an independent department reporting directly to the CEO. It is headed by the Corporate Responsibility Manager, who is also a member of the International Corporate Responsibility Coordination Group of the parent company Intesa Sanpaolo. The role of the department is to provide support, guidance and, where , coordination of corporate responsibility activities through designated representatives from each banking division.

### CORPORATE RESPONSIBILITY GROUP

In order to implement the principles of corporate responsibility in all aspects of the Bank's activities, a Bank-wide Responsibility Group is continuously working, to which representatives from each banking division have been nominated by the Board of Directors.

The Group is responsible for:

- implementing the principles of corporate responsibility in the activities of the Unit,
- management and monitoring of all aspects of corporate responsibility in its division,
- supplying qualitative and quantitative data for the annual responsibility report,
- quarterly delivery of qualitative and quantitative data to the parent bank.

Managerial decisions in the area of corporate responsibility are the responsibility of the CEO, with all activities reported to the Bank's Board of Directors on a quarterly . Codes and policies relating to corporate responsibility are always approved by the Board of Directors, which has responsibility for performance in the economic, social and environmental areas.

## CORPORATE RESPONSIBILITY STRATEGY



The subsidiary banks implement the same values, policies and principles of corporate responsibility in their activities as the parent Intesa Sanpaolo. The model applied by the parent company is based on the fact that, like the bank itself, all employees are responsible in their day-to-day activities. A comprehensive approach to sustainability is important, reflecting the needs of the bank's various partners, be they owners, employees or customers. This results in the implementation of common policies and principles of corporate responsibility.

## STAFF TRAINING

In 2014, all VUB employees were educated about the Bank's values, corporate culture and responsibility. This activity, called the *Responsible Business Beacon*, was prepared and sponsored by the parent bank Intesa Sanpaolo. Employees were informed about the principles of responsibility in the Bank's business activities and were introduced to inspiring activities from the entire international network of subsidiary banks in the form of short videos. Successful examples of responsible business from the Bank's day-to-day activities were presented by the employees themselves, were actively involved in them. Corporate responsibility managers also participated in the opening international workshop.

## Dialogue with partners

VUB Bank implements several programmes aimed at dialogue and communication with partners affected by our business activities. We mainly focus on dialogue with key partners in the following forms:

- client satisfaction surveys,
- dealing with client suggestions,
- employee surveys and polls,
- discussion between staff and Bank management,
- communication with the community.

We pay most attention to the category of clients through several types of surveys to determine their satisfaction. The survey is based on the internationally recognised European Customer Satisfaction Index. Client suggestions are investigated by the Care Department, which consistently receives and analyses all suggestions, their validity and causes, and gives feedback to other departments in the form of suggestions for improving processes, products and preventing similar potential mistakes in the future. For more information see chapter *Clients* v.

Attentive listening and dialogue are also important in relation to employees. Their satisfaction is periodically surveyed through employee surveys and by disseminating the Bank's values and the principles enshrined in the Code of Ethics. In 2014, a regular employee satisfaction survey was carried out throughout the Intesa Sanpaolo Group. We also conduct internal surveys on various topics throughout the year. In addition, we implemented the measures resulting from a survey specifically aimed at female employees regarding their satisfaction with work-life balance. Employees have the possibility to ask questions directly to the CEO via an intranet form. For more information, see chapter [Employees](#) v.

Identification of community needs is ensured through meetings with representatives of communities, the third sector, education and other entities conducted by the Social Accountability Staff Unit.

All the forms of dialogue and communication with partners that have been implemented are specified in the individual chapters of this report. The dialogue with partners results in actions and commitments that the Bank implements in its business and action plans. All these measures help us to fulfil the Bank's mission, to improve our services and products, and to manage our relationship with the Bank's partners in such a way that our relationship is evenly balanced to the satisfaction of both parties.

### SPREADING THE PRINCIPLES OF RESPONSIBLE BUSINESS

VUB Bank is committed to spreading the principles of corporate responsibility and raising awareness among entrepreneurs and the general public. Since 2004, it has been a member of the Business Leaders Forum (BLF), an informal association that brings together leaders in promoting the principles of responsible business in Slovakia. In 2014, BLF focused on the topic of responsible supply chain and eco-efficiency. For the third time, VUB Bank was a partner of the international conference, which is held annually in Bratislava under the title Central European CSR Summit and Responsible Business Week.

## Business ethics and sensitivity management

We are a bank committed to doing business responsibly, and our clients, shareholders, employees and suppliers expect us to do business ethically. That is why VUB Bank has decided to implement ethics in its business through concrete steps and has introduced a Code of Ethics as part of various important measures. It is a set of principles that is of strategic importance to us and regulates the behaviour of our employees. Its adoption is required of every employee without distinction. Compliance is continuously monitored and violations are sanctioned. The Code of Ethics is followed by a corporate anti-corruption programme with specific system and organisational measures, including an internal audit control system.

Given the great responsibility we have as a bank to our depositors, shareholders and, of course, to our customers, we have to comply with a whole range of rules. Compliance with these is overseen by regulators. But we go further. We also follow rules that are not mandated by any law or enforced by any authority, but which we take for granted because they give our business an ethical dimension.

During 2014, VUB Bank was not a party to any significant proceedings.

### ETHICAL CODES

Don't lie. We repeatedly use this word, which could capture the essence of all the ethical codes to which VUB Bank has subscribed. Our efforts to provide clear and truthful information translate into practice one of our core values, which is transparency.

- Code of Conduct for banks in the field of consumer protection
- European agreement on pre-contractual information
- Code of Conduct for Housing Loans (ESIS)
- Code of Ethics for Advertising Practice

The text of all codes of ethics is published on page [v](#).

## INTERNAL AND EXTERNAL ETHICAL STANDARDS

VUB Bank continues to purposefully build its Corporate Governance and, in cooperation with its parent company Intesa Sanpaolo, sets its own internal corporate responsibility rules well beyond the basic framework required by Slovak legislation. The following internal and external regulations are in force:

- VUB Code of Ethics,
- Group Internal Code of Conduct,
- Environmental Policy,
- UN Global Compact,
- Equator Principles,
- The policy of not funding weapons,
- Acceptance Policy,
- Whistle Blower ,
- Relationship management policy with political parties and politically exposed persons, clients operating in the arms and risk , clients from risk countries and transactions with risk countries in the VUB Group.

### *VUB Code of Ethics*

The VUB Code of Ethics is based on the Intesa Sanpaolo Group Code of Ethics. The Code is one of the pillars of the corporate culture. It represents a framework of ethical and moral values, the observance of which is an essential prerequisite for successful growth and sustainable development. It contains principles of conduct in relation to all partners that raise the level of standards that each individual within the company must adhere to in order to have the trust of all stakeholders. As a management tool and part of the Group's broader vision of social and environmental responsibility, the Code of Conduct places the utmost importance on relations with all stakeholders. An electronic version of the document is published [at V](#). In 2014, there were four internal breaches of the Code of Conduct by employees. These related to inappropriate behaviour towards clients in crisis situations. Sanctions were taken against the employees.

### *Group Internal Code of Conduct*

The Code sets out the basic principles of conduct for the Bank's representatives, employees and external collaborators, who are obliged to perform their duties responsibly, honestly, fairly and professionally; to promote the interests of the Bank and the Group, as well as to take into account the interests of clients and shareholders. The exercise of decision-making powers and all business activities must therefore reflect all the values and principles contained in the Code. The Parent Company and all Group companies promote - through an adequate system of internal control and appropriate training and information systems - respect for applicable laws and regulations, as well as compliance with the general principles of conduct set out in the Code at all decision-making and operational levels, and in every geographical context where Intesa Sanpaolo carries out its business, in order to protect the assets, integrity and reputation of each company and the Group.

### *Environmental policy*

An environmental policy is a written commitment to protection that sets out the mission and objectives for environmental management. The policy defines the VUB Group's approach to preventing, managing and, where , reducing direct and indirect environmental impacts generated by its business activities. As a responsible corporate citizen, VUB Bank is committed to managing the impacts of its business activities and reducing the environmental impacts of its activities in cooperation with its partners. We are not a significant direct polluter of the environment, but we make it a priority to ensure that any negative impact on the environment is kept to a minimum.

### *Global Compact (UN Global Compact)*

VUB is a signatory to Global Compact [V](#), a strategic initiative of the United Nations focused on responsibility. Globally, more than 5,000 companies from over 100 countries have joined the initiative. VUB is committed to promoting ten basic principles in the areas of human rights, working conditions, the environment and the fight against corruption. These principles are fully in line with VUB's values.

### *Equator Principles*

Intesa Sanpaolo is committed to the so-called Equator Principles [V](#). They consist of a set of international rules for project finance developed by a group of international banks on the basis of the policies of the International Finance . The Principles are based on the World Bank's environmental and social standards and are applied to the financing of projects worth more than USD 10 million.

The Principles help financial institutions select projects to reduce social and environmental risks in project finance. They make it mandatory for applicants for financing to prepare an environmental impact report. In 2014, VUB Bank provided financing for one small project that met the Equator Principles criteria.

#### *Non-weapons financing policy*

In accordance with the values and principles of the Code of Ethics, this Intesa Sanpaolo policy defines the prohibition of financing and carrying out transactions related to the import and export of weapons and weapons systems. Members of the Group may assist clients in transactions relating to existing intergovernmental agreements or other transactions for national armies, police or other armed forces of a state that may be considered compatible with the spirit of "unarmed bank", authorised by the competent Intesa Sanpaolo Group department.

#### *Gift Acceptance Policy*

This internal policy, which is based on VUB Bank's Code of Ethics, regulates the principles and restrictions on the behaviour of the Bank's representatives and employees when accepting unsolicited gifts. It also sets limits and rules of conduct when accepting gifts.

#### *Relationship management policy with political parties and politically exposed persons, clients active in the arms industry and risk industries*

In particular, the policy regulates:

- managing relations with political parties and politically exposed persons in order to maintain impartiality and independence

In order to avoid potential reputational risks related to political parties and politically engaged persons, VUB Group is obliged to act impartially and independently. This means that companies belonging to the VUB Group will exercise the utmost caution when entering into business relations with political parties and politically exposed persons.

- management of relations with clients operating in the arms industry

In the context of upholding the values and principles defined in the Code of Ethics, the main objective of this policy is to prevent VUB Bank and its subsidiaries from participating in the financing of activities and transactions related to the production of weapons equipment as well as trade in such equipment for military purposes.

- managing relationships with clients operating in risky business areas (industry risk)

Clients and potential clients operating in the sectors/business areas listed below are considered at risk within the VUB Group:

- exchange offices,
- Credit Unions,
- bars, nightclubs, casinos,
- gaming rooms with more 3 slot machines,
- security agencies,
- sex shops and pornography distributors,
- collection agencies,
- brokerage companies,
- bookmakers.

- management of client relationships and transactions to/from risky countries (country risk)

Intesa Sanpaolo's clients and potential clients from the selected countries are considered at risk, as well as all types of transactions and payments to and from these countries, in accordance with the requirements of the binding regulations and rules.

### PROCESSING OF CONFIDENTIAL DATA

We respect and protect our client's privacy. We handle our clients' confidential data with the utmost care and with their knowledge and consent in accordance with the law. We publish and continuously update a list of third parties to whom we have provided client data on the [VUB](#) site:

- List of VUB's intermediaries in the area of processing personal data of clients and persons to whom personal data constituting banking secrecy is disclosed,
- List of third parties and recipients to whom personal data of clients and data constituting banking secrecy are provided and disclosed.

### INVESTOR PROTECTION (MIFID)

VUB Bank continues to provide the highest possible protection not only to retail clients, but also to clients in the higher category of professional clients. VUB Bank has adopted and is continuously improving a number of measures aimed at protecting investors and resolving their complaints. The basis for this legislation is the Markets Financial Instruments Directive (MiFID), implemented in the Securities Act. Our clients have documents available on the [Bank VUB](#) website help them better understand financial instruments and the provision of investment services.

### CLIENT PROTECTION IN THE PROVISION OF PAYMENT SERVICES

VUB Bank continues to implement effective measures aimed at better informing clients when providing payment services in connection with the implementation of the PSD (Payment Services Directive) in Slovakia through the Payment Services Act. At the same time, through internal training activities, the Bank further deepens the knowledge of its own employees so that the highest possible customer comfort is guaranteed in the practical use of payment services.

### CLIENT PROTECTION IN FINANCIAL INTERMEDIATION

VUB Bank has aligned its activities with the requirements of Act No. 186/2009 Coll. on Financial Intermediation and Financial Counselling and on Amendments and Additions to Certain Acts, as amended, in order to provide clients with the protection required by law. In order to ensure greater protection of clients' rights, VUB Bank strives to treat each client as a retail in financial intermediation. We publish basic information on financial intermediation, the products that are the subject of it and the tied and subordinated financial agents with which VUB Bank cooperates on our website [VUB](#).

### CLIENT PROTECTION IN CONSUMER LENDING

VUB Bank provides consumer loans in accordance with Act No. 129/2010 . on Consumer Credit and Other Credit and Loans to Consumers and on Amendments and Additions to Certain Acts, as amended.

### CONFLICT OF INTEREST POLICY

VUB Bank undertakes to avoid conflicts between the private interests of its employees and the interests of the Bank. Employees are obliged to take the required measures to avoid conflicts of interest. Should such a conflict , employees shall resolve it in favour of the Bank. Employees shall never use their association with the Bank to advance their personal interests or to damage the Bank's reputation by their actions, nor shall they use their position or confidential information to favour an applicant for employment with the Bank or a person to enter into a business with the Bank. The Bank regularly evaluates the measures and procedures implemented to prevent, minimise and address potential conflicts of interest. VUB Bank has implemented measures to minimise the occurrence of external conflicts of interest in the economic activities of employees and in transactions between the bank and an employee or a person close to an employee. Employees should consult with their supervisor about their work activities outside their main job or involvement in business activities. The Bank has no objection to employees engaging in non-work activities as volunteers or otherwise, that such activity does not interfere with the performance of regular work for the Bank or contravene the internal rules of the Bank and the Intesa Sanpaolo Group.

VUB Bank also applies and complies with specific measures against conflicts of interest in the area of investment services. Their main objective is to prevent conflicts of interest or to manage unavoidable conflicts of interest in such a way that VUB Bank avoids the risk of damage to the interests of its clients. These measures are monitored and their effectiveness is regularly evaluated. In connection with the occurrence of a potential conflict of interest, VUB Bank declares that it will disclose the nature and source of the conflict to its clients prior to the provision of an investment service or the performance of an activity, and will always put the clients' interests ahead of its own in the event of their provision or performance. In the event of a conflict of interest between the clients themselves, it will ensure equal and fair treatment of all affected clients.

### **FIGHT AGAINST MONEY LAUNDERING AND TERRORISM**

In the fight against money laundering and financing of terrorism, we act in accordance with both Slovak and European legislation and ensure the protection of our clients as well as the bank itself. In the banking sector, we are a partner for the Financial Investigation (FIU), which operatively reviews the signs of client behaviour reported by us, and we are also under constant supervision of the regulatory body of the National Bank of Slovakia.

We are increasingly active in relation to protecting banks from money laundering and terrorist financing and are paying more attention to this area. We do not want to even indirectly encourage these negative phenomena by facilitating financial flows through our products, services or in any connection with the Bank. For these reasons, we adhere to strictly set internal rules to prevent money laundering and terrorist financing through the detection of unusual business transactions. For these purposes, the Bank has developed and implemented its own Anti-Money Laundering and Anti-Terrorist Financing Programme based on/on:

- Slovak legislation,
- European legislation,
- FATF international recommendations, Basel Committee on Banking Supervision recommendations, Wolfsberg Principles, US Patriot Act,
- Intesa Sanpaolo's group policy on laundering, as well as towards entities and countries at risk.

We apply enhanced due diligence (Customer Due Diligence) in accordance with applicable legislation, taking into account the risk profile of individual clients.

Within the organisational structure, the Bank has defined a specialised unit responsible for the implementation, execution and coordination of activities related to the protection against the misuse of the Bank for money laundering and terrorist financing purposes, reporting directly to the Deputy . The unit is also responsible for detecting unusual business operations and cooperating with the relevant regulators, and ensuring that all financial operations are monitored in accordance with the requirements of the law and international legislation. This unit also evaluates foreign payment transactions in real , thus preventing in the first instance the link between the banking sector and a sanctioned or risky person/country.

### **INFORMATION**

The Bank has created a specialised unit, which is part of the Risk Management Division and deals with the detection of fraud and corruption, working closely with the Internal Audit and Internal Control Department and the Compliance Department. All Bank employees are informed about internal ethical standards and the zero tolerance principle and have access to basic information on the steps to be taken in the event of any suspicion of corruption or fraud. As the Bank has an eminent interest in detecting corruption and fraud, it has implemented a "Whistle blower policy" which allows any Bank employee to communicate suspicions while preserving their anonymity.

The bank does not hide the detected cases of corruption and fraud from its employees, but on the contrary, it has decided to inform and educate its managers to continuously improve their work and eliminate shortcomings and mistakes in this area in the future. For this reason, the managers are informed of some of the cases that have in the past.

All newly recruited employees of the retail network are given a special lecture on fraud and corruption risks as part of their induction training, where they are alerted to the typical signs of risky behaviour. The main objective of this training activity is to increase prevention and reduce the incidence of such cases.

## NON-DISCRIMINATION

VUB Bank adheres to the principles of non-discrimination at all levels and in relation to all its partners, which are firmly enshrined in our Code of Ethics and value system. One of VUB Bank's values is *"We promote equality - We are committed to excluding any discrimination from our actions and to respecting differences based on gender, age, race, religion, political opinion, trade union participation, language ability or disability."* For more information on how to apply, see [Employee v](#).

## CORRUPTION AND FRAUDULENT PRACTICES

### *Clearly defined attitude and principles*

VUB Bank meets and is committed to high moral and ethical standards based on clearly stated principles. These principles have been communicated to all the Bank's employees in various forms (distributed brochures, internal campaign, publication on the intranet). The principles are as follows:

- The Bank requires all employees to act with honesty, integrity and to protect the resources and information in their work environment or for which they are responsible.
- The Bank is committed to ensuring that the risk of fraud and corruption is reduced to the lowest possible .
- This policy applies to all unusual occurrences involving both employees and external consultants, suppliers, contractors and/or any other third party in a business relationship with this organization.
- All employees must make their own decisions in accordance with the interests of the Bank. They must not act with the aim of obtaining financial or other material advantage for themselves, their family or loved ones.

### *Zero tolerance*

VUB Bank clearly proclaims its fundamental principle of zero tolerance to corruption and fraud. All employees of the bank are informed about these principles:

- The Bank will not accept any form of fraudulent or corrupt behaviour, therefore each case will be thoroughly investigated and appropriate action will be taken.
- Any involvement in fraud or attempted fraud will lead to dismissal and possible prosecution.
- The necessary investigation will be carried out regardless of the relationship of the person concerned to the organisation, the position or the length of employment.

### *Measures to reduce corruption and fraud*

#### Internal control system

The Bank has various controls built into its processes to minimise the risk of corruption and fraud. The Bank stipulates the need for a control mechanism in every process where there is a risk of corruption and fraud (e.g. verification decisions, 4 eyes control, access rights management, .). The internal control system consists of three levels: statutory, executive and supervisory.

#### Internal audit

The Bank has established an Internal Audit and Internal Control unit, which is an independent supervisory body (the unit is directly subordinate to the Bank's Supervisory Board, not the Management Board). One of its main tasks is to review the functionality of the internal control system, compliance with external and internal legislation, including the Bank's Code of Ethics, review of control system failures and suspected internal fraud.

In 2014, the Internal Audit and Internal Control Unit reviewed the internal control system in all corporate branches, in approximately half of the retail branches and also conducted a number of specialised audits related to the risk of internal fraud and corruption. All key processes in the bank selected on the basis of the risk map prepared annually were also reviewed. Based on the risks identified in the individual audits, the Bank immediately took corrective action and set up regular monitoring of such areas and informed the relevant government authorities where necessary.

# Clients

Clients are one of our most important partners and therefore they are at the centre of our attention and our priority. It doesn't matter whether the client is an individual or a large company, we treat everyone with the same responsible and professional approach.

The strategy in this area rests on three pillars:

- development of retail banking,
- development of the medium and small business segment,
- improving the quality of services, improving processes, innovating the bank's products and distribution channels.

The objectives are clear:

- to be the number choice for our clients,
- to be a strong, stable and secure bank,
- increase profitability.

## OUR CLIENTS

At the end of 2014, VUB Bank had 1 227 856 clients (including the Prague branch).

	2014	2013	2012
Individual clients	1 125 793	1 142 866	1 151 017
Corporate clients	102 061	102 363	101 914
<b>Total</b>	<b>1 227 856</b>	<b>1 245 229</b>	<b>1 252 931</b>

### INDIVIDUAL CLIENTS

Our focus is on retail banking, where we serve more than 1.1 million customers:

- citizens - natural persons,
- small entrepreneurs and sole traders,
- ,
- .

We have a significant position in many areas of banking for this clientele. The fact that in 2014 VÚB Bank received a number of awards testifies to its good approach to clients and building long-term relationships based on trust and client satisfaction. An overview of these awards is presented in the introductory chapter of this report [v](#).

### CORPORATE CLIENTS

An important segment in VUB Bank are corporate clients, to whom we provide our services associated with a professional and personal approach in 32 corporate branches across Slovakia and in one branch in Prague in the Czech Republic. We use local knowledge combined with international know-how, which enables us to provide a range of attractive products and services. In addition, we offer products designed to contribute to sustainability. Our clients are:

- small and medium-sized enterprises,
- large companies,
- towns and villages,
- Farmers,
- managers of flats and apartment buildings.

## MUNICIPALITIES

VUB Bank is a strong and reliable partner also in the local government segment. By combining special consultancy and tailor-made products, we help local governments to implement their projects. We participate to a large extent in the co-financing of projects supported by EU funds aimed at the development of the infrastructure of cities, municipalities and regions.

## FINANCIAL AND CAPITAL MARKETS

We provide services to a wide range of clients, which are financial institutions and business clientele including both legal entities and . We work closely with and support retail and private banking clients and interact with many partners in the interbank market on a daily basis.

### Individual clients - breakdown by age

	2014	2013	2012
0 - 25	155 963	162 505	167 323
26 - 40	324 685	336 627	345 759
41- 60	385 322	390 281	393 627
> 61	259 875	253 398	244 308

The average age of a VUB client in 2014 was 45.89 years, which is approximately the same as in the previous period.

### Individual clients - breakdown by length of business relationship with the bank

	2014	2013	2012
Less than 1 year	85 134	38 522	43 307
2 - 4 years	148 520	136 552	143 507
5 - 7 years	156 839	150 174	168 638
8 - 10 years	163 417	198 154	198 526
Over 10 years	661 545	619 409	597 039

The average length of a client's relationship with the bank in 2014 was 11.9 years, which is longer than in the previous period.

## CLOSER TO CLIENTS

### THE BUDDING NETWORK

VUB Bank provides its products and services in Slovakia in the second largest network of retail branches. As of 31 December 2014, the following services were available to customers:

- 196 retail branches,
- 11 mortgage centres,
- 32 corporate branches.

### Number of branches

	2014	2013	2012
Retail branches	196	200	203
Mortgage centres	11	11	11
Corporate branches	32	32	32

All VUB Bank branches are available to customers 5 days a week. In each regional city, at least one branch is open 7 days a week and 10 hours a day. There were 19 such outlets (retail branches) and 1 mortgage centre.

We strive to make our branches easily accessible for people with . All new outlets have wheelchair access, and when refurbishing older ones we make sure that such access is built in. Fifty per cent of ATMs have hardware training to communicate with blind people.

*Number of branches with barrier-free access*

	2014	2013	2012
	181	181	183

## CONTACT CENTRE

The Contact Centre provides services for all clients, whether in Slovakia or , for residents of the Slovak Republic and foreigners. It operates 24 hours a day, 7 days a week. Operators provide service and advice via telephone and e-mail. They also carry out activities related to ensuring the security of clients' funds, whether it is the security of working with internet banking or security related to payment cards.

## ATMS

VUB Bank ranks second in in the number of ATMs. As of 31 December 2014, VÚB banka had 572 ATMs.

*Number of ATMs*

	2014	2013	2012
	572	566	560

In 2014, we introduced a new service called vkladomat - a new way to deposit money into an account, whether personal business. Special ATMs equipped with a smart deposit module were installed in 4 large shopping centres, allowing people to make deposits in addition to dispensing cash. This way, our clients can make deposits at any time and are not restricted by branch opening hours or . They can thus benefit from another modern channel alongside internet and mobile banking. In addition, cash-in devices have been installed to take cash, count it and check the authenticity of the notes. Cash processing and reconciliation of any differences takes place at a processing centre outside the branch. The advantage is that the client does not have to wait for the banknotes to be processed and verified at the branch cash desk. An alternative for merchants is a cash-in facility in a secure disposable container. This device also allows the insertion of small amounts of coins.

## DIRECT BANKING

In 2014, VUB Bank launched a new version of internet and mobile banking. In addition to the classic web application, it is available for all types of mobile devices, whether it is a smartphone or a classic mobile phone with an internet browser, regardless of the type of operating system. It provides clients with a high user experience, modern design, new functionalities and interesting innovations. For example, it offers a graphical display of income and expenses on accounts, a more detailed overview of investments in mutual funds or information on payment cards. A customisable home page and more convenient controls have been added. A new feature is the possibility to apply for several products electronically, without visiting the bank: a loan, a mortgage, a time deposit or a savings account or an investment in funds. We have also been inspired by our clients' suggestions, and therefore the applications have a more modern design, are simpler and clearer. They also have new features to make them easier to use for colour-blind and partially sighted clients.

## SAFETY

### VÚB BANKA IS THE SAFEST BANK IN SLOVAKIA

According to Global Finance magazine, which annually publishes a ranking of the world's safest banks based on the long-term ratings of Moody's, Standard & Poor's and Fitch and the amount of total assets of individual banks, VUB Bank was named the safest bank in Slovakia in 2014. Foreign experts appreciated our responsible approach to banking business and the fact that we approach risk responsibly. VÚB banka is well capitalised and is one of the banks with the lowest ratio of defaulted loans in Slovakia.

### SECURITY AND DATA PROTECTION

Protecting the confidentiality and privacy of our clients is a matter of course for us. All information and documents about clients that are not publicly available, in particular information about business with the bank and balances, are subject to bank secrecy.

### SECURITY IN BRANCHES

All branches of VUB Bank are equipped with CCTV and other security in accordance with the relevant legislation. The basic rule of security is that the protection of the lives and health of customers and employees always takes precedence over the protection of property.

### PAYMENT CARD AND ATM SECURITY

The trend of paying by card on the Internet is constantly advancing and so is the threat of misuse. For this reason, in 2014, we gave customers the option to set an internet limit through our e-banking services. Since 2014, MasterCard and VISA credit card holders have not been able to block their card via computer or mobile, but they can also set a limit on their card for payments at online merchants and change it repeatedly. Changing the limit is done immediately and free of charge. This measure provides clients with a higher level of security and minimises the possibility of card misuse on the internet. Simply set a zero limit for Internet transactions on your card and temporarily increase it to the necessary level if necessary.

Currently, all our payment cards are equipped with a chip. Another form of security is insurance in case of misuse of a lost or stolen card. This insurance applies to corporate cardholders and is provided automatically and at no cost. The insurance covers unauthorised transactions during the 24 hours prior to the moment of reporting the blocking of the lost or stolen card.

To increase security, anti-skimming protection is deployed on ATMs.

## DIALOGUE WITH CUSTOMERS

We that not only numbers, graphs, volumes, but also the category "client satisfaction" are the measure and the basis of our success. At its core is quality service and the pursuit of continuous improvement based on communication and feedback.

### CLIENT CARE AND COMPLAINT HANDLING

VUB Bank has a separate Department  to take care of clients and deal with their complaints. It is responsible for improving customer satisfaction, for which it uses direct feedback from customers, who can the bank through all available channels:

- in person, at any branch of the bank,
- by phone, via the CONTACT service (tel. no. 0850 123 000),
- in writing to the Client Care Department (Mlynské nivy 1, 829 90 Bratislava 25),
- via the online form.

In 2014, the number of complaints from clients decreased by approximately .

*Number of complaints*

	2014	2013	2012
	13 074	13 813	15 013

Feedback from our clients can be both positive and negative. We are always pleased to receive compliments from our clients, which is why we have developed an initiative in the bank where we concentrate all positive feedback in one . We also send them directly to the employee , to their superiors and publish them on the company intranet as a model and motivation. However, not all suggestions from clients are positive. We register all complaints, claims and requests and respond to them in accordance with the applicable legislation. Based on the resolution and analysis of the less pleasant suggestions, many processes and internal settings have been changed within the bank. Therefore, we are very grateful for any feedback from our clients. Despite the age of modern technology, more than 50% of clients still prefer to have personal contact in the branch.

*Input channels for receiving stimuli*

	2014*	%	2013*	%	2012	%
Branch network (in person)	7 665	63,56	7 058	57,30	9 285	55,09
Contact centre (by phone)	3 862	32,03	4 694	38,10	4 729	37,39
Bank Head Office (in writing)	532	4,41	566	4,60	999	7,52

\* not including applications

The most frequent complaints were related to credit transactions. This is to be expected given the huge number of card transactions carried out on a daily basis. In second place were complaints about malfunctioning devices. The average time to resolve complaints was 11.3 days.

The number of complaints addressed directly to the Banking Ombudsman of the Slovak Republic by our clients decreased in 2014. There were 10 such cases, while in 2013 there were 23 such cases.

In 2014, we continued the successful activities of the past years. In September, we celebrate Client Day across the Intesa Sanpaolo International Group. Through various activities, we emphasise to our clients that they are important to us and that we value the trust they place in us as a bank. In addition, we asked them what complementary services to existing products they would welcome or prefer. We found that our clients appreciate the various loyalty programme options. The results were forwarded to the competent departments of the bank, which are working on product innovation. Traditionally, the Branch Manager welcomed his clients during the Clients' Day and the clients were given a little attention.

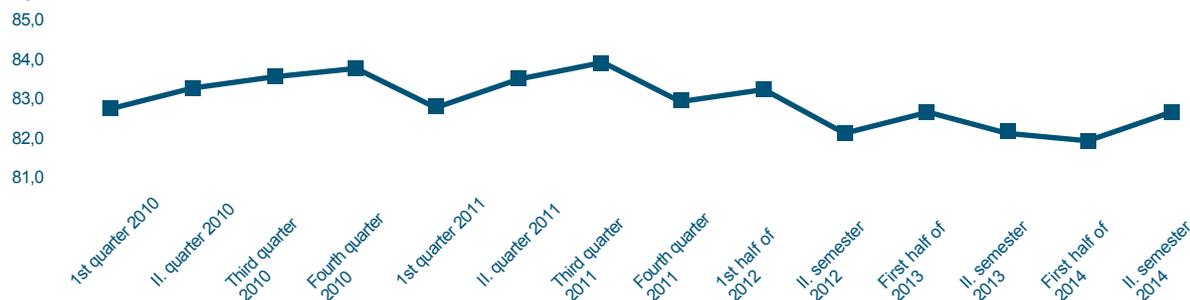
**WE LISTEN TO YOU 100%**

We are aware that the ability to correctly identify the needs of our clients is a prerequisite for lasting success. That is why in 2014 we continued our successful project *We listen to you 100%* ✓ aimed at increasing the quality of services, improving processes, innovating the bank's products and distribution channels. Twice a , we conduct a survey of VUB Bank's clients' satisfaction according to the internationally recognised European Client Satisfaction Index methodology. In order to obtain feedback on the bank, the quality of sales, our products and services, as well as overall satisfaction, the survey focuses on:

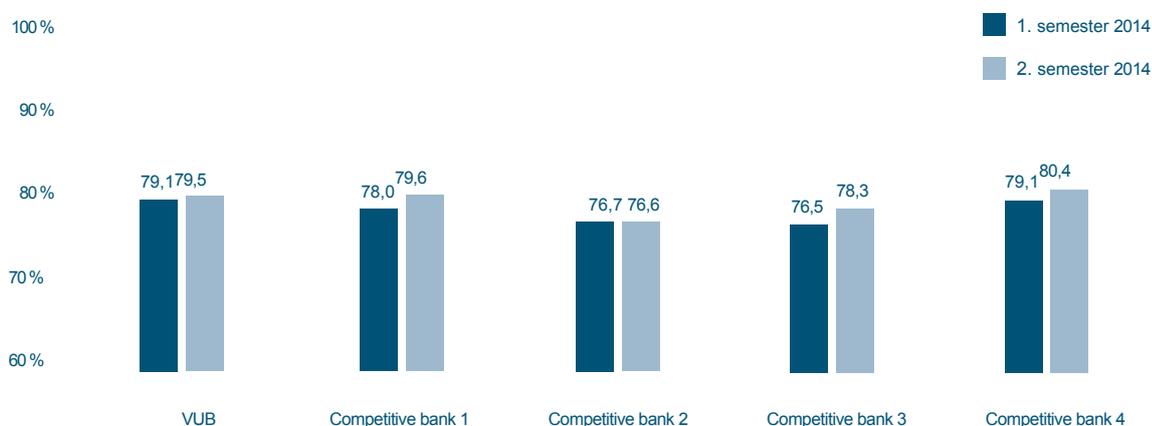
- retail and SME clients,
- corporate clients.

Počúvame  
vás na  
100%

### European Client Satisfaction Index



As part of the project *We Listen to You 100%*, we are also conducting a comparative survey of the level of customer satisfaction with the services of banks in Slovakia - an interbank survey of the satisfaction of retail and SME customers (Bank benchmarking, retail and SME customers). The information obtained in the survey is processed according to the methodology of the *European Customer Satisfaction Index (ECSI)*. Both surveys are conducted in cooperation with an independent external international agency.



### EVALUATION OF BRANCHES

Since 2006, we have introduced a system of branch valuation based on strict quality parameters. Within these criteria we do not look at the volume of products sold, but at parameters related to the quality of client service and the quality of sales, advice and qualified assistance to the client. This helps us to identify the problem areas of individual branches.

### PROCESSES TO IMPROVE CLIENT SERVICE

In 2014, we completed a project to centralise back office activities, resulting in the integration and improvement of existing processes in the company's branches. This change will ensure greater convenience for clients in handling requests as well as a comprehensive and fast service.

### RESPONSIBLE PRODUCTS AND SERVICES

VUB Bank pays attention to the constant development of new products and their improvement. In doing so, it also thinks about weak, vulnerable or otherwise disadvantaged groups. Among the products developed especially for them are, for example, the *Senior Account*, the *Good Angel* charity card, discounted loans and accounts for students or the *Flexihypotéka for young people*. In 2014, VUB Bank brought the following responsible products and services to its customers:

### VIRTUAL DEBIT CARD

The digitalization trend in Slovakia is progressing and we are following it by expanding our offer of cutting-edge and secure options. At the end of 2014, we expanded our product portfolio with the new VISA Inspire Mobile Payments card, which offers clients an innovative, fast and convenient way to pay for goods and services.

It is a virtual debit payment card that is part of the Wave2Pay mobile application and allows its holder to make purchases of goods and services via mobile phone. VUB Bank was the first bank in Slovakia and the second in Europe to use NFC technology with the location of sensitive card data in the cloud for contactless payments. Payments via the mobile application are not tied to a mobile operator, the client does not need to change his SIM card. In the Wave2Pay mobile app, clients have an overview of the transactions made, access to the account balance, an overview of the daily limit used, as well as the daily number of transactions and the geolocation of the made, thanks to which the holder of this card can see the location/address where he/she made the transaction.

### CONTACTLESS TECHNOLOGY

In 2014, VUB Bank continued to issue cards with contactless technology, which increases the convenience and speed of payments. So far, the bank has issued nearly 529,000 contactless to customers, with a 24% increase compared to 2013.

Year	2014	2013	2012
Number of contactless cards	528 981	428 604	205 433
% of total number of cards	41	33	15

### POS PAYMENT TERMINALS

In Slovakia and abroad, the number of payment terminals supporting contactless technology, which enables fast and secure payment for goods and services, is growing every year. In addition, VUB banka allows additional services such as payment of invoices or recharging prepaid SIM cards of mobile operators on its terminals in agreement with selected merchants. In the whole year 2014, cardholders made transactions with a turnover of EUR 1 133 million at VUB Bank's payment terminals. The trend of shifting transactions away from the previously popular ATMs in favour of cashless payments made via payment terminals or via the Internet continues, where 66% of the total number of card transactions was made in 2014.

#### Coverage by contactless terminals of VUB Bank

Year	2014	2013
% of the number of VUB terminals	42	26

## PRODUCTS FOR STUDENTS

### FLEXI-LOAN FOR STUDENTS

This loan is one of the ways students can finance their studies. According to a survey, university students spend between EUR 2 000 and EUR 4 400 per year on their studies, depending on their financial situation, place of study and type of university. According to statistics from the Centre for Scientific and Technical Information of the Slovak Republic, the usual monthly expenditure of university students amounts to EUR 230-270. Most studies are financed by the family, but university students also try to get scholarships and earn extra money through part-time jobs. Another option is to obtain a loan from a bank. Based on this information and the needs of students, VUB Bank has prepared a new product for students aged 15-24 - a discounted loan. It is a loan of up to EUR 5,000 with a maturity of 6 years, while MBA students can get a loan of up to EUR 25,000. Active students pay only 50% of the loan origination fee and receive other benefits - for example, they can reduce their interest by up to 3% in total for outstanding grades, scholarly activity or volunteer work. In 2014, loans totalling EUR 1 105 300 were granted to students.

### START ACCOUNT

In addition to the advantageous loan, VUB Bank provides young people (students and non-students) 15 to 24 with a free Start account, which includes products and services tailored to the needs of young people. The account comes with a VISA Classic or VISA Inspire contactless card, and they do not pay for card payments or withdrawals from VUB ATMs. A bonus is also free insurance against loss or theft of documents, keys, bag or wallet, as well as against misuse of the mobile SIM card. Students can use the mobile app with the VISA Inspire Wave 2 contactless payment sticker for fast and secure payments. For young people aged

From 25 to 26 years of age, the Start Generation savings account is also available with a better interest rate, free Flexisporenie service, free Personal Credit service, no fees for card payments and ATM withdrawals, and other discounted products and services.

## PRODUCTS FOR YOUNG FAMILIES

### FLEXIHYPOTEC FOR YOUNG PEOPLE

It is a discounted, subsidised mortgage for young people up to 35 years of age who need to invest in the purchase, construction, renovation or modernisation of a property. The advantage of this product is a lower repayment and the possibility of obtaining a higher loan. Those who earned an average gross income of up to EUR 1 153 were eligible for the interest rate advantage for the first five years after the mortgage was granted. The amount of the advantage is 3 %, of which 2 % is subsidised by the State and 1 % by the bank. The subsidy on the commercial interest rate could be obtained up to a maximum of EUR 50 000, and at the same time up to a maximum of 70 % of the value of the property. With a maximum mortgage of 50 000 EUR with a maturity of 30 years, a young person can save more than 80 EUR per month thanks to the advantage, which represents an amount exceeding 5 000 EUR over the 5-year duration of the advantage. In addition to the financial savings, the mortgage for young people allows to halve the repayments or defer the principal payments for two years upon the birth of a child. Another advantage of the subsidised mortgage is that any part of it can be repaid at any time during the first five years without charge. In 2014, almost 4 000 subsidised mortgages for young people were granted, amounting to more than €220 million.

### HONEYMOON LOAN

It is intended for young spouses up to 35 years of age. The loan is up to EUR 10 000 with a maturity of 7 years. Its popularity decreases proportionally with the growth of interest in the Flexihypotek for young people.

#### *Number and volume of honeymoon loans granted*

Year	2014	2013
Number of loans	12	30
Total amount in euros	83 300	227 200

## PRODUCTS FOR SENIORS

### SENIOR ACCOUNT

The special product for pension benefit recipients offers a discounted package of services to the current , a free payment card, a discounted account maintenance fee and free payments at merchants with a payment card. In 2014, 9 260 accounts for seniors were active.

## ACCOUNTS AND CREDITS

VUB Bank has long been a leader in housing lending. In 2014, it won 1st place in the *Mortgage of the Year 2014* competition, announced by Fincentrum & Trend, and *the Gold Coin* for its popular Flexihypotéka product. In 2014, we conducted a survey focused on the interest of Slovaks in housing loans. Respondents aged between 18 and 60 were positive about their decision to take out a mortgage (nine out of ten) and the majority of Slovaks with a mortgage admit that it was a necessary solution and the only way to make their dream of owning their own home come true.

Slovaks are also aware of the importance of saving - almost 60% of the population tries to save money. Only 15% of Slovaks manage to save regularly. A fifth of us say that they are unable to save because of repayment of loans and debts.

**SHETRIPPER**

It is a savings-oriented soft loan available as a no-purpose loan or as a refinancing loan. Upon regular repayment, VUB Bank will send 8% of each monthly instalment of the Savings Loan to the client's savings account. For example, with a loan of seven thousand euros for eight years, the client can get back more than 1,000 euros.

**GREEN FLEXIHYPOTHECA**

It promotes low-energy sources, the use of renewable energy or technological innovations promoting green technologies in the construction and renovation of real estate. VUB Bank is the first bank in Slovakia to provide clients with direct support when investing in green projects in the form of up to 100% discount on the origination fee. In 2014, we provided green Flexihypotokes in the total amount of EUR 92,000.

**ELECTRONIC EXPERT OPINION**

Saves time and money. Clients at VUB Bank could arrange a Flexihypotek faster and without a fee if they attached an electronic form of the expert's report to the appraisal. This option was developed at the suggestion of clients and in order to speed up the approval process.

**SPORING ACCOUNT**

It is a non-term account in euros, which allows clients to quickly and easily deposit free funds at a more favourable interest rate than with a classic current account. The savings account is a product that clients can also choose within the Start Generation youth account. It is maintained without account maintenance and payment fees.

**PROFI LOANS FOR START-UP ENTREPRENEURS**

This type of loan has a simplified approval and document submission process. In 2014, VUB Bank granted Profi loans in the total amount of EUR 109 358 302.

**PROFIHYPO**

In 2014, the soft business loan was extended to other uses - refinancing and financing of movable assets. At the same time, 20% of the loan amount can be used without proving the purpose of the loan.

**FLEXI-CREDIT FOR FARMERS**

The business of farming is different from other types of business, especially in terms of seasonality, receiving payments for goods or support for various activities from European funds. It requires the adaptation of conditions and the creation of tailor-made products. Flexi-credit for farmers meets the needs of farmers and serves to bridge the period between the need to finance the operating costs needed to cover increased financial needs. It can be used, for example, for the purchase of machinery, technology, buildings, seeds, protective equipment or fertilisers.

**FLEXIPÔDA**

It is an investment loan for the purchase of agricultural land with an accelerated and simplified .

**LOANS TO APARTMENT OWNERS' ASSOCIATIONS AND OWNERS OF RESIDENTIAL BUILDINGS**

Also in 2014, we focused on improving products that promote energy efficiency. Significant product changes include extending the maximum repayment term to 25 years, simplifying the drawdown terms and increasing the client's information comfort, e.g. through multi-variant offers.

## SIMPLICITY AND TRANSPARENCY OF COMMUNICATION

We want our clients' cooperation with our bank to always be easy, comfortable and beneficial. We care that they know how to exercise their rights and know the bank's obligations towards them. As a signatory to *the Code of Conduct for Banks in the field of consumer protection*, we inform our clients as openly as possible about everything. We provide them with information about our products and services through:

- Staff,
- business places,
- information leaflets,
- brochures and guides,
- websites ([vub](#) [v](#), [flexihypoteka](#) [v](#), [flexiucet](#) [v](#), [flexibiznisucet](#) [v](#), [startkonto](#) [v](#)).

In addition to up-to-date information about the bank and its products and services, clients and the general public can also access various **interactive calculators**, e.g. for calculating the maximum loan amount.

## FINANCIAL EDUCATION

To increase the financial awareness of our clients, we have a section on our website dedicated to financial education [v](#). Both clients and non-clients can go there:

- get information on financing options for different life situations,
- discover the world of banking products and that it is not so complicated,
- learn how to manage your finances more efficiently and save time.

To explain and facilitate the work with Internet Banking, we have prepared **instructional videos** for our clients (one- to two-minute video tutorials with advice on how to do each task).

## PROFESSIONAL ASSOCIATIONS

At VUB Bank, we value our clients and therefore we adapt our offer of products and services to their needs and specific requirements. We strive to get to know our clients and differentiate our product portfolio to meet the requirements of our client base to the maximum extent possible. One of the forms of getting closer to the client, cooperation and communication is the conclusion of agreements with professional associations (chambers and associations). It is VUB Bank's interest to establish the most intensive cooperation with professional associations in terms of mutual communication, support of activities, marketing activities and the use of banking products and services by their members. The cooperation is aimed at making the Bank's products and services as accessible as possible to the members of professional associations. That is why our website has a special section for professional associations [v](#).

Continuous development, credibility, reliability and honesty are the core values we apply in meeting the needs of members of professional associations. Our partners include:

- Association of Private Practitioners,
- Chamber of Veterinary Surgeons of the Slovak Republic,
- Slovak Chamber of ,
- Slovak Medical Chamber,
- Slovak Chamber of Commerce,
- other chambers with special offers.

# Staff

## MEETING 2014 TARGETS

Fulfilling the objectives	Status
<p><b>Collective agreement 2014 - 2016</b></p> <p>At the beginning of 2014, a new Collective Agreement was signed for the period . The fulfilment of the obligations arising from it is evaluated every year and the terms and conditions for the following period are negotiated. In addition to the annual evaluation, monthly meetings are held between the Bank and the Council of Trade Union Representatives to discuss topics such as:</p> <ul style="list-style-type: none"> <li>■ fundamental rights of employees, prohibition of discrimination,</li> <li>■ wage forms and wage resources,</li> <li>■ staff training,</li> <li>■ working hours and time off work,</li> <li>■ social fund,</li> <li>■ services provided to employees.</li> </ul>	■
<p><b>Adjustment of basic working time</b></p> <p>In the first half of 2014, a pilot operation of adjustments to the basic working was carried out in workplaces with flexible working hours. Employees could finish work at 15.00 (reduction of one hour) on any day of the week, subject to agreed conditions. The trial proved successful and the basic working time adjustment was subsequently introduced in normal operations. We see this as one step towards a better work-life balance for employees.</p>	■
<p><b>Recruiting new staff</b></p> <p>In 2014, we recruited approximately 500 new employees. To make communication with applicants more attractive, we set up a new form of advertising and new communication standards. Management positions in the retail business network were in most cases filled by internal candidates, whom we train in the "Manager's Bench" program. Its aim is to identify, develop and prepare future managers from among the employees of the small branches. Last year, 40 were involved. The programme will continue in 2015.</p>	□
<p><b>Stabilisation and incentive programme</b></p> <p>In order to reduce turnover, we have created a stabilisation and incentive programme for employees. Across the bank, we have identified candidates in each category - talent, key employees and successors. According to their individual motivators, a special program was prepared for them, focusing on their remuneration, training and other benefits.</p>	□
<p><b>Satisfaction survey "Colleague, a word..."</b></p> <p>This is the name of an anonymous satisfaction survey aimed at all women working at VUB Bank. 38% of female colleagues expressed their views on work-life balance, and some of them were also part of open forums in five cities. The discussions were attended by women working both at the head office and in branches in different regions, managers and non-managers, with and without children, ladies of different ages and marital statuses. Thus, the research sample was comprehensively representative of the bank's female employees. The survey sought their views on various topics:</p> <ul style="list-style-type: none"> <li>■ reconciling work and personal life,</li> <li>■ career progression,</li> <li>■ the reasons for the lower number of women in senior management positions,</li> <li>■ personal experience of discrimination - subjective perception of gender inequalities,</li> <li>■ the specific situation of certain groups (mothers with minor children, women 50+),</li> <li>■ perceptions of the taken, as revealed by the first survey in 2011.</li> </ul>	■

## Fulfilling the objectives

Status

The survey was compiled by the Institute for Public Affairs and the results provide valuable feedback. We have worked through the outputs in detail and a number of measures have been put in place to help improve work-life balance, including, for example:

- an increase in the children's summer allowance,
- a day off to escort a freshman to school,
- health care allowance for long-serving employees aged 50+,
- wellness voucher for long-serving employees 55,
- A new training strategy that also takes account long-serving staff.

In addition to these measures, which apply equally to women and men employed by the bank, we have also implemented changes in the area of improving processes in communication with internal and external job applicants and we have also expanded the benefit system of discounts for employees.

### Electronic feedback



In 2014, a new form of feedback from training sessions was introduced, focusing on:

- preparation before training (do I know why I am going to training?),
- feedback on the quality of the training and the trainer (overall satisfaction),
- sharing information with colleagues (promoting team ),
- space for knowledge application (use in ).

In this way, we get data for evaluating the quality of trainers, we can better plan trainings for the next period, support the implementation and sharing of lessons learned, and monitor the effective use of the budget. Last but not least, by doing away with paper questionnaires we contribute to saving the environment.

### We are equipped with a defibrillator



Everyone may one day find themselves in a situation where help, a simple decision, courage and knowledge will mean saving a life. In 2014, we placed a life-saving device in the bank's premises - the so-called automatic external defibrillator. Its location is highlighted by stickers in the VUB headquarters building, which inform employees, clients and passers-by that we are equipped with this simple and at the same time extremely important device. At the same time, several employees of the bank have been trained, who have undergone a course under the guidance of a doctor - a rescue legend and have received a certificate of competence for the use of the defibrillator in first aid.

### Intern and work



For several years, VUB Bank has been helping students prepare for real jobs in the *Internship and Work* programme. We believe that the best choice is made when a person has the opportunity to try out what really awaits him or her in practice. Thanks to the work experience gained during their studies, students can form their own idea of the banking world, define their direction after school, or get an interesting job position. At VUB Bank, students can take part in work tasks, have their own development plan, participate in training, be mentored by a manager, receive feedback on their performance, as well as guidance in personal development. Last but not least, they can apply for vacant positions. So far, on average, up to 70% of trainees have continued to work with VUB Bank. In , approximately 200 students applied, 15 of whom worked for several months in departments according to their respective areas. Several of have been employed full-time after their internship, or we are continuing the training programme with them. You can also read more about our collaboration with universities in the *Community* chapter.

Activity started and completed in 2014



Activity started in 2014 and continuing in 2015



## STAFF STRUCTURE

### Staff structure by type of employment contract

	2014	%	2013	%	2012	%
Indefinite period	2 952	84,51	2 949	84,62	2 939	84,04
Specific time	541	15,49	536	15,38	558	15,96

### Staff structure by type of full-time equivalent

	2014	%	2013	%	2012	%
Full time	3 482	99,69	3 473	99,66	3 490	99,80
Part-time	11	0,31	12	0,34	7	0,20

### Staff structure by job type and gender

	%
Senior managers	1,60
Men	1,00
Women	0,60
Middle and junior managers	13,57
Men	5,07
Women	8,50
Administrative staff	84,83
Men	20,41
Women	64,41

### Structure of branch staff by category and gender

	%
Management staff	4,83
Men	1,01
Women	3,83
Personal bankers	36,96
Men	4,99
Women	31,97
Other	11,61
Men	0,78
Women	10,83

*Staff structure by education and gender*

	%
Higher education	56,08
Men	19,24
Women	36,85
Secondary education	43,00
Men	6,87
Women	36,13
Other	0,92
Men	0,37
Women	0,54

*Staff structure by age*

	%
Less than 30 years	23,96
31 - 50 years old	61,61
50 years and more	14,43

*Average length of working relationship in years*

	Men	Women	Total
2014	8,59	11,36	10,55
2013	8,32	11,09	10,37
2012	7,93	10,82	10,05

*Staff on parental leave*

<b>Number of employees entitled to and taking parental leave</b>	<b>376</b>
Men	1
Women	375

## STAFF OUTPUTS

At 13.4%, staff outputs represent a slight decrease compared to the previous year (13.6%). A total of 468 staff left, of which 133 were male and 335 female. In addition to external factors, we have sought to reduce turnover through the following practices:

- by drawing up an adaptation plan when each staff member joins,
- continuing regular meetings with new staff during the probationary and adaptation periods,
- ongoing motivational interviews with employees after the adaptation period to obtain feedback (it is also a source of identifying possible departures of newly recruited employees and dealing with such unwanted situations),
- improving the quality of recruitment tools for key positions (assessment and development centre),
- when coaching managers, we place even more emphasis on their work with subordinates (especially with newly recruited colleagues),
- introducing a new mentoring concept that improved and accelerated the preparation of newly recruited staff for their future work,
- The new mentoring has also shifted the attrition rate of new recruits to 3 months after joining,
- preventive management of staffing problems through HR Relationship Managers in the regions and at headquarters,
- conducting exit interviews, identifying reasons for departures and following up on those reasons.

## RECRUITMENT OF NEW STAFF

The rules we follow when recruiting and hiring new employees are based on an assessment of individual knowledge, skills and personal qualities relevant to the vacant position being filled. We take care to observe the principles of impartiality and avoid favouritism, abuse or discrimination. For job seekers, we have a **"Careers"** section on our website  with an up-to-date overview of vacancies. Using an electronic questionnaire, candidates can apply for vacant positions and send their CVs.

One of the most important sources for filling vacant positions is VUB's own employee base through internal selection procedures. Vacancies or newly created positions are an opportunity not only for external candidates, whose main contribution is a "new wind", i.e. new experience and practice, but also for internal to grasp the chance in career growth, which is equally challenging. Successful candidates will undergo a standard adaptation period to enable them to better manage the onboarding process and learn their way around their new position.

In the previous year, we continued our **"Find Your Colleague"** activity across Slovakia, which aims to involve our employees in finding and recommending candidates for vacant positions. For all candidates suggested, we considered their suitability for the position. The best of the best went through a standard selection process. After six months and subsequently after one year of , the employee is paid an incentive bonus. For university students, we offer the opportunity to be employed within the framework of the **"Internship and Work"** programme.

### Recruitment in 2014

Total	468
Men	145
Women	323

## PERFORMANCE MANAGEMENT AND CAREER DEVELOPMENT

At the Bank, we guarantee equal opportunities in professional development and growth, access to development tools and job roles. We give all employees the opportunity to express their individuality and creativity at work to the best of their abilities, and we also encourage innovation. Professional development and employee growth is covered by a **performance and development management system** that aims to:

- to create conditions for the individual development of employees and to enable the development of the Bank as a whole,
- Strengthen staff involvement in the Bank's development,
- Ensure that all staff contribute effectively to the achievement of objectives,
- Increase transparency and fairness in remuneration.

We enable employees to develop their careers while growing within the company. The purpose of the development path is for everyone to receive targeted support in developing the competencies needed to succeed in their job. Adaptive training starts at the beginning, followed by training according to the type of position, the required knowledge and skills to fulfill the tasks.

An important part of the performance and development management system is the appraisal process. In the past year, we continued the GPS (Global Performance System) evaluation system, which is common to all Intesa Sanpaolo Group. Its main task is to evaluate the employee's objectives and to plan the key tasks and targets supporting the Bank's strategy for the coming period. Each year, all employees are evaluated by their direct supervisor, depending on their job position and classification. The employee himself plays an important role in the whole process, declaring his ambitions and ideas for his future career. Based on the employee's performance, motivation and potential, the supervisor coordinates the employee's further development and growth.

Number of promotions by sex	2014
Total	40
Men	19
Women	21
Percentage of staff promoted	1,15 %

## REWARDING

The remuneration system at VUB is based on the principles of transparency, fairness and motivation. It is set up in such a way that we as a bank are competitive on the labour market and at the same time attractive for our employees. Our task is to monitor and respond to wage and inflation developments in Slovakia so that real incomes correspond to these trends.

The basic tool for setting the remuneration policy is the catalogue, which defines the job positions in the bank, descriptions, the "size" of each position across the bank measured on the of:

- the complexity of the work,
- impact on the company's results,
- core business and support,
- working with confidential information,
- initiatives and control of results,
- knowledge and experience,
- management and autonomy.

The remuneration system consists of a fixed and a variable part. The fixed part reflects the job, its 'size', complexity and long-term performance. The variable component is proportional to the employee's performance and is also a motivational tool designed to increase the personal commitment of employees to the tasks set and to reward their performance and contribution to the Bank.

Annual overall as well as individual performance is evaluated by a remuneration committee composed of the , the Deputy CEO for Support, the Senior Director of Finance, Planning and Controlling and the Senior Director of Human Resources. The Commission also approves the results of annual appraisals, variable pay components and base salary adjustments.

## BENEFITS

The Bank provides a wide range of benefits (i.e. financial and non-financial benefits) to all employees, regardless of their job classification. VUB Bank fully covers the meal allowance and provides financial assistance for employees who find themselves in a difficult life . Employees of the retail network with daily client contact receive a clothing allowance. The largest amount of money spent on employee benefits is the contribution to supplementary pension savings, with an employee/employer ratio of 1:1. Employees can also benefit from certain discounted banking products, such as free current account maintenance, discounted rates on term , consumer or mortgage loans at preferential interest rates or discounted insurance rates. Transport allowance is also part of the benefits. Among other things, each year we focus on supporting the families of our employees, as evidenced, for example, by the allowance, the popular International Children's Day gifts or the summer camp allowance. In 2014, we also continued our strategy of looking after the health of our employees and finding a work-life balance. We provide an allowance for a preventive check-up, a day of paid time off before a wedding, time off to see off a freshman or a day off for new dads. Employees are informed about the current range of benefits mainly via the intranet and also through many other communication channels.

We involve employees in activities that may not be directly related to their job duties or job description. Thanks to the internal *My Company* programme, there is a space for expressing appreciation and presenting various employee activities, such as blood donation, counselling high school and university students or volunteering.

The Bank supports employees through a number of measures to promote a more effective work-life balance. These measures include flexible working hours (start optional between 7.00 - 9.00 a.m. and end between 4.00 - 7.00 p.m.), four days off per year for health care beyond the statutory holiday entitlement. Single employees caring for a child under 15 years of age (up to 26 years of age for disabled children) and women from the fourth month of pregnancy onwards are allowed by the Bank to take two extra days of leave per year.

Overview of employee benefits provided in 2014:

- Pillar III pension/DDS,
- food allowance from the social fund,
- leave with pay in excess of the Code,
- transport allowance,
- clothing allowance,
- work anniversary reward,
- other benefits,
- social contributions,
- recruitment allowance,
- childcare for employees' children,
- care for the health of employees.

**Amounts spent on employee benefits in 2014 (EUR thousand)**

Insurance and accident contracts	0
Work anniversary allowance	208,87
Allowances for children/students	0
Cultural and recreational activities	0
Allowances for disabled children	0

**Discounted products for employees**

Mortgages (number)	414
Total mortgages disbursed (in thousands EUR)	28 261
Loans (number)	1 123
Total loans disbursed (in thousands EUR)	7 916

**TRAINING AND DEVELOPMENT**

VUB Bank creates conditions for continuous and systematic growth of employees' qualifications, supports their education in areas that are important for the needs of the bank and their personal development. Specific educational requirements are addressed according to individual needs in cooperation with external educational organisations in the Slovak Republic and abroad in the form of internships or participation in selected educational activities. **VUB Academy's** own training centre organises professional, corporate and personal courses. The Academy prepares professional and skilled employees, supports the continuous development of employees and their careers, motivates and stabilises employees.

In the **AMOS** e-learning system, employees can browse the catalogue of training activities and take an initiative in their development and career growth. E-courses and e-tests are available at any time and users can repeat them several times. The app contains courses on current topics, training on individual workflows, freely available tests relevant to the position or product, and a variety of training courses.

In 2014, we conducted an average of 6.5 training days per 1 VUB employee in the form of classroom training and 2.2 days in the form of e-learning.

<b>Education by category and gender</b>	<b>Average number of hours</b>
Senior managers	133
Men	125
Women	8
Middle and junior managers	141
Men	64
Women	77
Administrative staff	118
Men	60
Women	58

**Education by type**

Classroom education (% of hours)	75
Distance learning (% of hours)	25
Number of participants	3 694
Total hours of training provided (classroom and distance)	223 693
Number of training hours per employee	60,50

Education by content	%
Business	21
Operational	20
Credit	16
Financial	13
Special	10
IT	5
Language	3

Traditionally, we organise a **"Welcome Day"** for new employees, which takes place every month. The aim is to get a basic overview of the bank - information about the bank's history, the Intesa Sanpaolo Group, its position, its portfolio of products and services, the structure of the company, as well as employee rights, obligations and benefits.

Another activity we use to nurture our own professionals is the **Mentoring Program** in the retail business network. Mentors are employees in senior positions who pass on their practical experience to junior colleagues, mostly new hires or employees returning from maternity or parental leave. The aim is to facilitate adaptation to the .

Within the **ZAPNi** programme, we give employees the opportunity to find innovative solutions with the intention of improving the satisfaction of clients or employees themselves. In 2014, we received more than **100** suggestions for improving processes in the bank, **10** of which were put into . Since the programme was launched in 2009, **137 good ideas** have been put into practice.

## EMPLOYEE SURVEY

In 2014, a regular employee survey was conducted, for the sixth consecutive year. The anonymous survey, sponsored by an external firm, gauges the climate and satisfaction among employees across the Intesa Sanpaolo Group. For the VUB Group, 54% of employees participated. In an electronic questionnaire, employees could anonymously express their views in five areas. The results of the survey showed that overall job satisfaction was , which is better than the country average within the Intesa Sanpaolo Group. The suggestions arising from the employee survey and the subsequent focus groups will be used to propose areas of improvement that will be implemented in 2015.

## DIVERSITY AND EQUAL OPPORTUNITIES

VUB Bank is committed not to , to observe the principles of equal treatment, to exclude any discrimination from its actions and to respect differences based on gender, age, race, religion, political opinion, trade union activity, language ability, disability, marital and family status, language, political or other opinion, national or social origin, property or other status. By signing the Collective Agreement, it has also undertaken to respect the prohibition of discrimination in accordance with the Labour Code. Employees must not be disadvantaged because they exercise their rights under employment . In 2014, there were no recorded cases of discrimination. The Bank provides everyone with equal opportunities for personal and professional growth and gives every employee the same opportunity to assert himself or herself. Differentiation of employees according to job qualifications and performance is not considered discrimination.

The majority of our employees are women - in 2014, 2,568 women out of a total of 3,493 employees worked at the Bank. This disproportion in favour of women arises mainly in the branches of the retail business , women predominantly work. One woman served on the Bank's Board of Directors. In managerial positions, the representation of women is 60 %. The number of employees with disabilities increased to 37 in the year.

The indicator relating to violations of indigenous peoples' rights is not relevant given the geographic location of our business.

## HEALTH PROTECTION AT WORK

The Bank is obliged to create a working environment and conditions in accordance with Slovak technical standards and hygiene regulations. Occupational health and safety topics are covered in internal regulations and in the Collective Agreement. The rights of all employees in this respect are also represented by trade representatives. Pursuant to Section 20 of Act . 124/2006 Coll. on Occupational Safety and Health at Work (OSH), the Bank appoints a Chief Occupational Safety Committee. It consists of seven members: 4 representatives of employees (trade unionists) and 3 representatives of the employer. In addition to the main committee, regional OSH committees are appointed for each region to carry out regular annual comprehensive OSH inspections. The regional committee is composed of at least four members: a representative of the employees, two representatives of the employer (the regional asset management technician and the director) and the OSH technician. The total number of OSH committee members is 260, so the percentage of the total workforce represented in the formal joint OSH committees is in the category of up to 25 per cent of the total workforce.

Every new employee on joining the company undergoes an initial familiarisation of employees in accordance with Act No. 124/2006 . on Occupational Safety and Health and on Amendments and Supplements to Certain Acts. Periodic familiarisation with occupational health and safety within the meaning of the aforementioned legislation and the Bank's internal regulations shall be completed by all Bank employees every two years in electronic form. The Bank also provides training for employee safety representatives (trade unionists) and a first aid course. OSH activities (comprehensive OSH inspections, provision of personal protective equipment, training, investigation of accidents at work, measures to improve the working environment, updating of internal regulations) are submitted semi-annually when the Collective Agreement is evaluated. Training and advice on employees is provided by OHS technicians from an external company.

As part of risk prevention and control, an initial audit is carried out by the Occupational Health Service (OHS) at the opening of a new branch. The health service, first training, workplace supervision and preventive medical examinations in relation to the type of work carried out are provided by an external company's OH&S. The Bank shall ensure safe and healthy working conditions and provide personal protective equipment in areas where cash is handled and in areas where work of a technological nature is carried out. Where a staff member uses a company car, he shall be required to undergo a driving test every 2 years.

The nature of our business raises the possibility that employees could be exposed to a situation, e.g. a branch collapse. In these rare cases, they are provided with professional psychological support and are entitled to 5 working days off work to recover. In 2014 we recorded 2 such cases.

Despite the above described measures taken in the framework of occupational safety training, prevention and risk control, we recorded 3 registered work accidents in 2014. We did not record any serious work-related accidents or occupational diseases.

### Health and safety

Number of occupational disease claims submitted	0
Number of registered injuries	3
Number of serious injuries	0
Death in the workplace with final assessment	0

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Freedom of association and collective bargaining shall be exercised in accordance with the Labour Code, the Collective Bargaining Act and the Law on the Right of Association. The collective agreement shall regulate individual and collective relations between the employer and the employees which are more favourable than those provided for in the Labour Code or other generally binding . The Bank is thus committed to ensuring that trade union rights are preserved, in particular the right of employees to freely associate in trade unions and to bargain collectively in accordance with generally binding legislation. The collective agreement is concluded for a period of 3 years between VUB, a.s. and the Council of Trade Union Representatives of VUB, a.s. It applies to all employees in an employment relationship with the employer, regardless of their membership in a trade union . The provisions of the Collective Agreement shall take precedence over the Bank's internal regulations to the extent of the obligations entered into in the Collective Agreement.

### Trade union leave

Percentage of employees in trade unions	17,32 %
Number of days absent due to union activities (total time off granted to union organisers)	496
Number of days absent due to meetings	43

## NOTIFICATION OBLIGATION

The Labour Code imposes an information obligation on the employer towards the employee representatives in relation to the economic and financial situation and the anticipated development of the business. Information is defined as 'in a comprehensible manner and at an appropriate time'. Under the Labour Code, the employer is obliged to discuss with the employees' representatives in advance any substantial changes concerning, inter alia, the state, structure and expected development of employment. The provision of further information, including specific deadlines, is agreed in the collective in accordance with the wording of the Labour Code.

## INTERNAL COMMUNICATION AND DIALOGUE

At the bank, we understand that if we expect our employees to perform at their best, we need to regularly update them on what's happening, why and where the company is going, and where each of them fits into that fulfilment. At the same time, we give them the space to express their own opinions and ideas and involve them in decision-making processes. Internal communication is based on the seven values common to the entire Intesa Sanpaolo Group and helps in fulfilling our vision and mission.

The company intranet is built as a key and most effective tool for internal communication, with the employees themselves involved in the creation of the content. Each piece of information on the intranet has its own owner, so employees know who to at any time if they need to. Overall, approximately 5 % of all staff from the various departments are responsible for the content. In 2014, we provided more than 170 updates on the latest developments in the VUB Group and the international Intesa Sanpaolo Group. We continued to publish our internal magazine SVET. The magazine was distributed in a circulation of 4,000 copies to all VUB employees, including . The CEO regularly informs about key events through the electronic bimonthly CEO Newsletter, and the HR Newsletter speaks four times a year about topics in the field of human resources and benefits management.

When internal communication is set up well, it is all about understanding the message. If people are to understand what, why and how things are happening in the company, dialogue and two-way communication is necessary. Employees therefore always have the opportunity to ask questions of the CEO via the intranet form, to comment on topics of importance to the bank and the employee, e.g. the benefits system, the form and content of the intranet and the internal magazine. We conduct evaluations and surveys of internal communication channels on a regular annual basis.

## ACTIVE INVOLVEMENT OF EMPLOYEES IN THE LIFE OF THE BANK

**Internal campaigns** were designed to motivate employees to be actively involved and interactive on each topic. We launch campaigns inside VUB on a monthly basis, each time with a new topic relevant to the period. The face of the campaign is always one of the employees involved in the topic. He or she becomes the carrier of information that gets closer to others. In 2014, we communicated a number of topics in internal campaigns, such as new employee benefits, the ZAPNi employee ideas programme, the VIAMO mobile app, client care, environmental protection (the possibility to report illegal dumps), etc. We use all channels of internal communication to promote brand perception, values and, of course, business, including posters, intranet, magazine, personal emails and screensavers on computers. **The VUB CUP** sports and nomination event was aimed at promoting team spirit and informal relationships. The best employees from the event went on to represent VUB at international sports tournaments organised by the parent bank. At the end of the year, we held traditional Christmas meetings in Košice, Banská Bystrica and Bratislava so that all employees could participate. To support the achievement of business goals, motivation and competitiveness, the **VUB Superliga** employee competition continued in 2014.

**ACTIONERS**

## SHAREHOLDER STRUCTURE OF VÚB, A.S.

Information on the Bank's shareholders is published quarterly, within 30 days of the end of the quarter. The figures below are as at 31 December 2014.

By type of owner	Share of shares in thousands EUR*	Share in %
Intesa Sanpaolo Holding International S.A. - majority owner	417 997	97,02
Other legal persons	4 826	1,12
Natural persons	7 996	1,86
<b>TOTAL (Share capital of VUB, a.s.)</b>	<b>430 819</b>	<b>100,00</b>

By nationality of the owner	Share in thousands of shares EUR*	Share in %
Intesa Sanpaolo Holding International S.A. - majority owner	417 997	97,02
Domestic shareholders	9 519	2,21
Other foreign shareholders	3 303	0,77
<b>TOTAL (Share capital of VUB, a.s.)</b>	<b>430 819</b>	<b>100,00</b>

\* The share of shares of VUB, a.s. in EUR means the value of the shares of VUB, a.s., expressed as the nominal value in EUR multiplied by the number of shares held.

As at 31 December 2014, **31 167** shareholders held shares in VUB, a.s. The foreign shareholders come from the following countries: Luxembourg (97.023%), Germany 0.533%), Czech Republic (0.109%), Switzerland (0.085%), Austria (0.028%), Great Britain (0.004%), USA 0.003%), Canada, Romania, France, Sweden, Belgium, Andorra and Cyprus.

## SHARE CAPITAL AND SHARES OF VÚB, A.S.

The share capital of EUR **430 819 063.81** is divided :

- **4 078 108** registered shares issued in book-entry form with a nominal value of **EUR 33.20** per share; and
- **89** registered shares issued in book-entry form with a nominal value of **EUR 3,319,391.89** per share.

VUB, a.s., has its entire share capital paid up. Its shares are traded on the **public capital market** organized by the Bratislava Stock Exchange, a. s., under the share number - ISIN - SK 111 000 1437, in the total number of 4 078 108 units. Information on these shares is provided by the Stock Exchange on its website in the Securities/Markets, Listed Market and Issue Detail section of VÚB, a.s. VÚB Bank also issued 89 shares, which are not publicly traded.

### Information on shares of VUB, a.s., traded on the public capital market

Security name	Action of Všeobecná úverová , a.s.
Form of the security	book-entry share*
Form of security	action in name
Issuer of the security	Všeobecná úverová banka, a.s.

Country of issue action	Slovak Republic
Number of shares issued	4 078 108 pieces
Nominal value	33,20 euro
Location of the share issue	Stock Exchange in Bratislava, a. s.
Capital market	Main listed stock market
Currency trading	euro (€)
Numbering of shares	ISIN SK 111 000 1437
Abbreviation of the name of the security	1VUB02A
Stock index	SAX

**Remark:**

\* a book-entry share represents an electronic entry in the records of the Central Securities Depository of the Slovak Republic, a. s.

VUB, a.s. has a large number of minority shareholders from the first wave of coupon privatisation in 1991. The number of shareholders has declined from the original 80,000 shareholders to the current more than 31,100 shareholders. The majority shareholder is the Italian banking group Intesa Sanpaolo, which joined VUB, a.s. in .

### RELATIONS BETWEEN VÚB AND ITS SHAREHOLDERS AND VÚB'S APPROACH TO SHAREHOLDERS

The Bank complies with the provisions of the Commercial Code and other applicable laws concerning the protection of shareholders' rights, as well as the provisions on the timely provision of all relevant information about the Company and the provisions on the convening and conduct of its general meetings. The Company complies with the principles relating to shareholders' rights, the principle of equal access to information for all shareholders and other principles as set out in the Code of Corporate Governance in Slovakia. The corporate governance principles ensure, facilitate and protect the exercise of shareholders' rights. The Company duly and timely fulfils all its obligations towards shareholders arising from the relevant legislation and the Slovak Corporate Governance Code. The Company facilitates the proper exercise of shareholders' rights and acts transparently and exclusively in accordance with the relevant applicable laws.

### DIALOGUE WITH SHAREHOLDERS

VUB Bank's priority is to communicate effectively with all shareholders and to ensure that they are properly informed. The Bank's Secretariat department ensures continuous dialogue with shareholders and the Corporate Strategy and Economic Analysis department is responsible for communication with rating agencies and analysts. The dialogue includes several forms, both formal and informal, in both Slovak and , writing, by telephone and through face-to-face meetings. The main medium is the Bank's website [www.vub.sk](http://www.vub.sk), where the necessary information, guidelines and forms are published in a separate section under the heading "For Shareholders" . There are also practical legal procedures for transactions most frequently requested by shareholders, in particular:

- the manner and place of payment of the dividend,
- change of address or name of a shareholder - to whom and how to report,
- inheritance of shares - legal steps and entitlement,
- donation of shares - legal steps,
- authorization to pay dividend on shares and to transfer the right to dividend,
- proxy to participate in the general meeting,
- requirements for documents certified abroad
- participation of shareholders at the general meeting - rights and requirements,
- the full text of the documents and draft resolutions are the subject of the General Meeting's deliberations,
- the results of the General Assembly votes,
- information on the purchase of own shares of VUB, a.s.,
- possibilities of buying and selling shares of VUB, a.s.

In addition to the above procedures, the website also provides the following useful information for shareholders:

- decisions on dividend payments for individual years,
- information on their taxation,
- development of the share price of VUB, a.s.,

- information on the distribution of the Bank's share capital and shares of VUB, a.s.,
- information on the shareholder structure,
- information about the main shareholder,
- list of members of the board of directors and the supervisory board,
- press and analytical releases,
- financial statements and important background information the Bank's activities,
- information on VUB Bank's market position and its assessment,
- market shares,
- ,
- the Bank's vision and mission and awards,
- extract of data on VUB Bank from the Commercial Register of the Slovak Republic and
- annual reports.

#### OVERVIEW OF DIVIDEND PAYMENT FROM VÚB, A.S.

Dividend for the year	Dividend amount per action of VUB, a.s.	Record date for determining persons entitled to dividend	Dividend due date*
2008	-	-	-
2009	4,50 euro	7 May 2010	4 June 2010
2010	4,60 euro	4 May 2011	1 June 2011
2011	3,65 euro	3 May 2012	1 June 2012
2012	4,98 euro	19 April 2013	20 May 2013
2013	6,50 euro	24 April 2014	26 May 2014

Remark:

\* Dividend due date is the date of commencement of dividend payment, which has been determined by a resolution of the General Meeting.

#### VÚB, A.S. SHARE PRICE

Information on the current price of VUB, a.s. shares on the public capital market is regularly published in the national daily press publishing stock exchange news, e.g. PRAVDA, Hospodárske noviny or on the website of the Bratislava Stock Exchange [V](#). VUB's share is part of the Slovak SAX stock index and significantly influences its development. The share price has fluctuated over the last four years ( ) from a low of EUR 58 per share to a high of EUR 109.60 per share. Currently, the average price per share is as high as EUR 92 - 97.

VUB, a.s. share price development in EUR



Source: the Bratislava Stock Exchange, anonymous trades, 2012 - 2014

## RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

The rights and obligations of a shareholder are set out in the relevant legislation and the Articles of Association of VUB, a.s. All shares carry with them the shareholder's right to participate in the management of VUB, a.s. and the right to a share in its profits. The shareholder's right to participate in the management may be exercised at the General Meeting. The distribution of profits to shareholders in the form of dividends is decided by the General Meeting. Shares are freely transferable either by registering the transfer with the Central Securities Depository of the Slovak Republic, a. s. or by registering the transfer with a member of the Central Securities Depository on the basis of an order to register the transfer or transfer of shares.

The General Meeting is the supreme decision-making body of the Bank, representing all shareholders, and its decisions approved in accordance with applicable law and the Bank's Articles of Association are binding on all shareholders. The following major decisions fall within its competence:

- a decision to amend the statutes,
- the decision to increase and decrease the share capital and the decision to authorise the Board of Directors to increase the share capital,
- a decision to issue senior bonds or convertible bonds,
- a decision to change the rights attached to any type of VUB, a.s. shares and to limit the transferability of VUB, a.s. shares,
- election and dismissal of members of the Supervisory Board, with the exception of members of the Supervisory Board elected and dismissed by employees of VUB, a.s.,
- the approval of the ordinary and/or extraordinary individual and/or consolidated financial statements, the decision on the distribution of profits or the settlement of losses and the determination of royalties,
- a decision on the distribution of retained earnings from previous years and/or the settlement of outstanding losses from previous years,
- a decision on the use of the reserve fund,
- a decision on the amount, method and place of payment of dividends and the determination of the record date for determining the persons entitled to exercise the right to dividends.

Prior to the General Meeting, VUB Bank sends an invitation to all shareholders with the agenda of the General Meeting with annexes and basic information that will be discussed at the meeting. Additional information is available for inspection by shareholders at the Bank's registered office or sent upon . The invitation and basic documents are also published on the Bank's website and in with a national coverage publishing stock exchange news. Instructions on the shareholder's rights pursuant to Sections 180(1) and 181(1) of Act No. 513/1991 Coll., Commercial Code, as amended, and documents and data pursuant to Sections 184a(1) and (2) of the Commercial Code are published at least thirty days prior to the General Meeting on VUB Bank's website in the section titled "For Shareholders".

VUB Bank accepts all its legal obligations towards its shareholders. It complies with the provisions of the Commercial Code relating to the protection of shareholders' rights, in particular the provisions on the timely provision of all relevant information about the company and the provisions on the convening and conduct of annual general meetings. The Bank complies with the principle of equal access to information for all shareholders in accordance with the Corporate Governance Code in Slovakia.

## SHAREHOLDER PROTECTION INITIATIVES IN 2014

Since 2007, VUB Bank has applied Italian Law 262, which was issued in . For the purpose of implementation of the law, a project called "Project 262" was defined. Its objective is to achieve compliance with the requirements of Italian Law 262 at VUB Bank. Law 262, which was inspired by the US Sarbanes Oxley , was enacted in order to ensure a significant strengthening of investment protection. The resulting measures cover a broad area and focus on various activities, such as corporate governance, accounting audit rules, financial instruments rules, conflicts of interest, transparency and market regulation. This law is part of a legal scenario aimed at consistently strengthening governance. The objective of Project 262 at VUB Bank is to review the internal control system, identify weaknesses and, on the basis of these weaknesses, adjust the internal control system to eliminate potential risk and ensure a true and fair view of the financial situation.

Act 262 requires individual companies to identify processes that affect financial information, assess the relevant risk associated with those processes, and, based on that assessment, design adequate internal controls to eliminate the potential risk. The basis of the project is to identify and respond promptly to any internal control that is not functioning properly. This will ensure that the quality of financial reporting is improved

through business ethics, effective internal controls and good corporate governance. Act 262 established the CEO's responsibility for the content of financial reports, the accounting procedures used, the adequacy of the control system, and the fair presentation of assets, liabilities, expenses, revenues and cash flows. The Chief Executive Officer and the Chief Financial Officer sign a declaration confirming the adequate and effective application of accounting and financial reporting procedures. The benefit of the whole project is to provide assurance to shareholders on the true and fair view of the capital, economic and financial position of the VUB Group and the adequacy and effectiveness of the internal control system and procedures.

# Suppliers

## STRATEGY

Suppliers are one of the groups of VUB Bank's partners that are significantly affected by responsible business conduct and the resulting compliance with the Code of Ethics. VUB Bank requires its suppliers to comply with the principles that are part of its business and which it sees as an obvious part of the Code of Conduct and its everyday conduct.

VUB Bank is aware that good business results are beneficial for all stakeholder groups, among which suppliers have their inherent position. VUB banka is one of the largest Slovak companies and as such has a wide network of business partners - its suppliers. By purchasing goods and services, it indirectly generates benefits for the whole company in the form of employment and the business and financial results of its suppliers. Responsible environmental and social practices are an inherent commitment of VUB Bank towards its suppliers.

## OBJECTIVES AND RULES

- close cooperation with suppliers, open communication, common process efficiency settings
- Responsible partnership, including regular and timely payment/invoice payments
- transparent selection of suppliers
- selection of environmentally friendly technologies, products and materials
- cost-effectiveness in the procurement process
- standardisation of purchases
- get quality services and goods at a good price

If a company wants to confirm its declared principles of responsibility, it must also apply them in the supply-customer relations. This brings mutual benefits. The position of the Procurement Department at VUB Bank has changed in recent years from an almost invisible "back-office" administering orders and paying invoices to suppliers to a valued cost saver and relationship builder. Procurement of goods and services is the acquisition and management of people, buildings, transport, materials, energy, water or waste. As demands increase, so does the importance of procurement as a strategic department of a company that contributes significantly to its business objectives. However, meeting the requirements of other departments while ensuring cost-effectiveness remains a priority, whether it is the purchase of consumables, office supplies, IT equipment, materials or services.

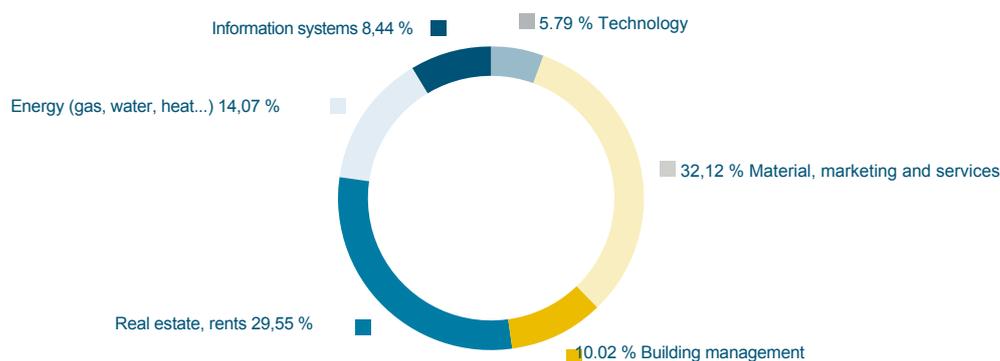
## APPLYING CORPORATE SOCIAL RESPONSIBILITY RULES TO SUPPLIERS

VUB Bank further transfers the principles of corporate responsibility to its suppliers. We strive to cooperate principally with companies that respect and share our values. In this way, we create an open and strong partnership across the entire supplier portfolio. We make cooperation conditional on a prospective business partners commitment to protecting and improving the living conditions of its employees, local communities and other specific social groups.

Already in the tendering process, we require suppliers to comply with the principles in the form of an "Affidavit of Compliance with the Principles of Corporate Social Responsibility". This document has become an integral part of the VUB-supplier relationship and is one of the mandatory annexes to tender procedures. By signing it, the candidate for business cooperation confirms that he/she conducts his/her business activities in accordance with the principles of ethics, transparency, morality, decency and that he/she complies with the legal order of the Slovak Republic. It further confirms that it rejects and punishes all forms of corruption, including extortion and bribery, and promotes fair competition. It declares that it does not participate in human rights violations, observes and respects international human rights in the field of business. The applicant respects the right to freedom of association and collective bargaining and recognises the rights of employees under the collective agreement, while respecting the international prohibition of forced and child labour in any form.

In 2014, VUB Bank cooperated with 1 208 suppliers from various fields. The largest share was accounted for by suppliers of materials, services and property owners from all over Slovakia, where the bank has its branches and sales outlets.

Type of commodity	Number of suppliers	Suppliers/commodities Ratio
Techniques	70	5,79 %
Material, marketing and services	388	32,12 %
Building management	121	10,02 %
Real estate, leases	357	29,55 %
Energy (gas, water, heat...)	170	14,07 %
Information systems	102	8,44 %
<b>Total</b>	<b>1 208</b>	<b>100,00 %</b>



Transparency and equality of opportunity are attributes that apply to the selection of suppliers, but also to the definition of internal supplier processes and relationships. In our view, these are the *attributes of VUB Bank's responsible approach to suppliers*. VUB Bank's suppliers are significantly affected by compliance with *the Code of Conduct*. VUB Bank believes in fair play and transparency in its relations with suppliers. In order to create and build an open partnership across the entire supplier portfolio, VUB Bank strives to work principally with those suppliers who respect and uphold these values.

VUB Bank is open to a wide range of suppliers. It gives space and business opportunity to all those who are not yet its business partners. For existing suppliers it is a challenge to continuously improve the quality of their products and services in order to be a valuable partner for future, for new suppliers it is a support in their ambition to become a business partner of VUB Bank.

One of the basic prerequisites for success in a competitive market is an efficient way of handling the funds for goods and services that VUB Bank needs for its operations. The total amount of such costs directly contributes to the business results and affects the profit. Therefore, VUB Bank expects from its suppliers a flexible, proactive and responsive approach accompanied by high efficiency. VUB Bank is interested in developing long-term business relationships based on open pricing in order to achieve the most advantageous and mutually acceptable supplier terms and conditions.

### THE GROUP'S PRINCIPLES OF SUPPLIER-CUSTOMER RELATIONS

- adherence to the principles of the Code of Conduct, in particular as regards transparency and fairness in supplier selection processes, adherence to the Group's internal code of conduct
- compliance with regulations on confidentiality and privacy, social and environmental sustainability, occupational safety, protection of industrial property and copyright
- separation of executive and control functions to avoid conflicts of interest in procurement
- timely reporting and management/management of anomalies
- the use of contractual provisions and control instruments that protect the group from liability risks between the partner and the client

All processes are harmonised with the standards of the parent bank. Compliance with these rules is regularly checked to ensure transparency and equal opportunities.

### WHISTLE-BLOWING POLICY

VUB Bank has adopted a Policy for dealing with anonymous complaints. It has established an e-mail address to which business partners may contact if, during the procurement process or during the execution of a contract, a supplier that any employee of the Bank or any other person related to the Bank has violated the law or the Bank's internal regulations in connection with a contract or otherwise (e.g., misuse of information in business dealings, fraud, extortion, embezzlement, bribery). The Supplier has the possibility to contact VUB Bank with a complaint to investigate the matter via e-mail [v](#).

### PORTALE FORNITORI

The way of purchasing goods and services at VUB Bank has changed since 2014. Some internal processes have been changed and new tools of the parent have been implemented. We started to actively use a new **supplier portal - Portale Fornitori** [v](#) - to communicate more effectively with suppliers and implement procurement processes. The portal is used to register suppliers and through it we carry out supplier selection. To familiarise ourselves with the new system, we organised an information for suppliers.

### ELECTRONIC AUCTIONS

VUB Bank uses electronic auctions through the **Access Point** [v](#) application for tenders. Suppliers submit their bids electronically at the same time in one place. VUB Bank thus speeds up and streamlines the supplier selection process in a transparent manner, as well as ensuring fair price negotiations. Electronic auctioning is a form of "open" negotiation that ensures equality of opportunity and fair play in the supplier selection process when procuring goods and services.

### LEGISLATIVE REGULATION OF THE PROCUREMENT PROCESS IN THE REPUBLIC OF SRPSKA AND ITS IMPACT ON THE ACTIVITIES OF THE VUB BANK

The selection of suppliers in VUB Bank in the Slovak Republic is not subject to the Public Procurement Act. During 2014, no fines were imposed on VUB Bank for non-compliance with any laws and regulations relating to procurement and purchase of goods and services. Internally, VUB Bank has set up a sufficiently strong control mechanism, either in terms of the internal control system at the level of the Procurement Department at the level of the Internal Audit Department.

## SHELTERED WORKSHOPS

Under the Employment Services Act, every employer in the Slovak who employs more than 20 employees is obliged to employ citizens with disabilities. The second option is the use of substitute performance and the award of a contract or the removal of products and services from a sheltered workshop that employs people with disabilities, from a citizen with severe disabilities or from an employer whose employees are citizens with severe . In view of these legal obligations, VUB Bank awards some of its contracts to sheltered workshops, despite the fact that the prices they provide are higher and the delivery times longer than those of regular suppliers. In 2014, VUB Bank purchased goods and services from sheltered workshops in the amount of EUR 47 000. For more information, see the *Community* v chapter.

## ENVIRONMENTAL MANAGEMENT OF SUPPLIERS

VUB Bank is neither a manufacturing company nor a direct polluter of the environment; it is committed to reducing its negative impact on the environment as much as possible. The company is looking for optimal solutions beyond legislation and one of the solutions is to give preference to environmentally friendly products. In particular, we give preference to those suppliers who take measures to minimise the negative environmental impact of their activities.

## MATERIALS

VUB Bank manages the use and consumption of office paper, the consumption of toner for and printers, and the collection and disposal of their used packaging. In the area of building management, it cooperates with companies that are ISO 14001 certified. This system helps companies to participate successfully in national and international competitions, but also ensures the growth of the company's value and cost-effectiveness, as well as the trust of customers. Purchases of office paper are limited to chlorine-free paper (TCF/ECF) and recycled paper. Bulk correspondence sent to the Bank's customers is exclusively in recycled envelopes.

In the area of building management and maintenance, VUB Bank cooperates with companies that take a systematic approach to environmental protection in all aspects of their business. In the area of redesign, reconstruction or other construction work, VUB Bank cooperates with construction companies that integrate environmental care into their business strategy and day-to-day operations. The same applies to lighting and interior design contractors, whose activities, in addition to production and service provision, are oriented towards saving energy, minimising waste and minimising environmental charges and fines for environmental pollution.

As VUB Bank is not a manufacturing company and its activities do not result in products for which it would be necessary to purchase input materials, the report does not deal in detail with used materials or used recycled input materials. For more information, please refer to Chapter *Environment* v.

# Environment

## STRATEGY

VUB Bank is neither a manufacturing company nor a direct polluter of the environment, and therefore the environmental impact of our business is not significant. However, we see the preservation of the landscape and the environment in which we operate for future generations as an obligation of each of us. We consider activities aimed at environmental protection and sustainable development to be a natural part of our operations, which is why we are committed to reducing our negative impact on the environment as much as possible. We take action both internally and externally to our company. We look for solutions beyond legislation, we are interested in our environmental performance in relation to inputs and outputs, we map relevant environmental indicators and we are constantly looking for new ways in our approach to the environment, in which we manage to achieve real results.

Measures to reduce the direct (from our activities) and indirect (from clients and suppliers) environmental impact are embedded in **the VUB Group Environmental Policy**. As part of an international banking group, we are guided **by** the *Equator Principles* and the *UN Global Compact*. We have well-defined internal rules and our investment and lending decisions also take into account social and environmental risks.

VUB Bank's main activities in the field of environmental protection in 2014 were based on

1. the current *Environmental Policy* aimed at:
  - support for investment projects saving and renewable energy,
  - cost-saving measures to reduce energy and consumption,
  - waste separation and measures to reduce waste production,
  - Raising the environmental awareness of employees,
  - global environmental .
2. *Environmental Sustainability Action Plan* with priorities for energy savings ():
  - replacing old electrical appliances with new ones with the highest environmental performance,
  - Comprehensive introduction of LED technologies,
  - optimisation of heating systems,
  - replacement of measurement and control systems and technologies.

## ENVIRONMENTAL POLICY

It is VUB Bank's fundamental document and the basis for the implementation of our environmental concept. It sets out the mission and objectives in the field of protection, sustainable development and comprehensive environmental management. At the same time, it is the basis of the Bank's management and business strategy. It defines principles and guidelines for direct and indirect environmental impacts in relation to all partners, addressing resource use (water, heat, energy, gas), emissions, green procurement, mobility, integrated environmental and energy management systems. Last but not least, it allows to communicate intentions and objectives to employees and other partners. In addition to the Environmental Policy, we also followed other internal policies in 2014:

1. organising social events and in-house training courses,
2. purchase and use of office ,
3. integrated enviro and energy management system.

## AND GLOBAL COMPACT

VUB Bank is committed to acting in accordance with the international standard *UN Global Compact* **v**, which it signed up to in 2009. It includes principles aimed at environmental protection, which we strive to comply with as as possible.

## EQUATOR PRINCIPLES

We take a responsible approach to project financing and lending. As a manager of large amounts of funds, we have a significant influence on capital flows. It is therefore to us that the projects we choose to finance do not have a negative impact on the environment in which we live. Our commitment to society is confirmed by our voluntary adherence to *Equator Principles* and the strict implementation of the principles applied to all stages and phases of the lending policy, including the training of the relevant teams.

## MANAGERIAL APPROACH

The aim is to encourage the workers - the users of the buildings - to find efficient solutions, provided, of course, that basic hygiene standards are met in order to create optimal working conditions.

Our environmental management includes:

- Building Management and Procurement departments,
- specialists and staff of the Internal Department,
- external suppliers of products and services,
- the Risk Management Unit (controls project financing and ),
- regular inspections and checks in both branch and head office buildings to reduce energy consumption and look for possible savings,
- internal rules and notices,
- internal communication - employee awareness.

## INTEGRATED ENVIRO AND ENERGY MANAGEMENT SYSTEM

It addresses prevention, management and, where , reduction of the impacts of our activities, whether direct or indirect. Direct impacts are defined as areas where our activities may have a negative impact or where, on the contrary, we can directly influence the through our actions. These are, for example, use, emissions production, green procurement, mobility, hazardous and waste management, waste reduction, energy efficiency (e.g. including electricity conservation and the use of lighting, computers and office equipment), attention to the impacts of our decisions.

Our management system defines the rules and processes related to the implementation of the environmental policy. As VUB Bank is not a direct polluter of the environment, our impact can be divided into:

Indirect:

- we comply with international and national protocols on protection,
- we support projects with high environmental value (loans),
- Environmental standards and the *Equator Principles* are clearly embedded in the lending system. As a matter of principle, VUB Bank does not provide financial resources to finance activities that could endanger the environment,

Direct:

- energy saving measures,
- implementing and complying with internal rules and notices relating to e.g.
  - efficient use of electricity in offices,
  - air conditioning (principles of its use),
  - cooling and heating (adjusting the indoor temperatures in cold and warm periods),
- regular collection and environmentally friendly disposal of non-working phones, accessories and batteries; collection and disposal of waste classified as hazardous (toners, fluorescent lamps),
- video conferencing instead of business trips,
- mandatory shutdown of PCs after working hours, on weekends and on days off.

**Environmental management indicators**

Number of staff whose job description includes direct implementation of environmental policy	1
Number of internal specialists	0
Number of external specialists	2
Percentage of employees informed about the implementation of environmental policy	100

*Costs related to environmental management and waste disposal*

Year	2014	2013	2012
IN EUR	17 781	17 213	17 038

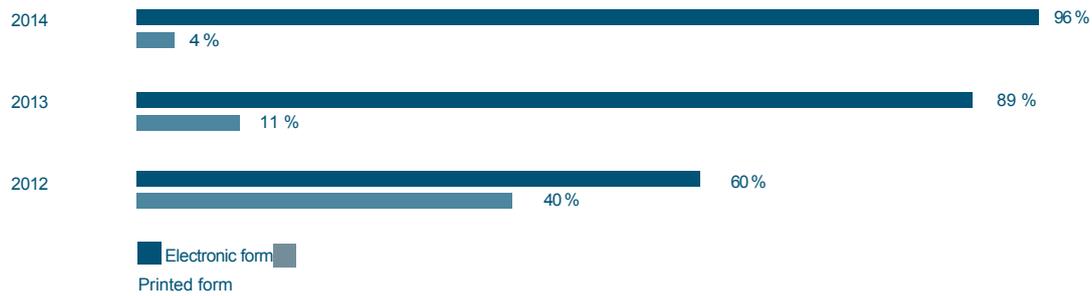
**DIRECT REACHES**

**PAPER**

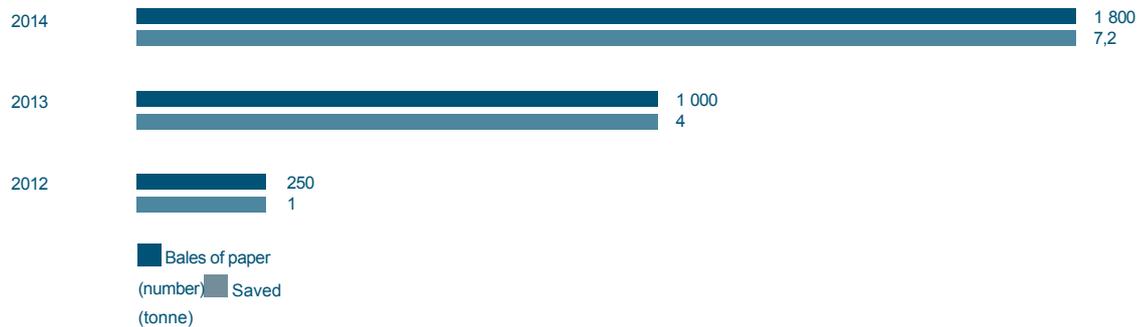
When we **use** paper, we save directly and indirectly:

- we prefer black and white and double-sided printing,
- the use of electronic instead of hard copy documents was introduced in Bank management meetings,
- 96% of managers have stopped receiving printed newspapers and can read them on the web,
- introduction of reusable envelopes made of recycled paper for internal mail.

*Subscriptions to newspapers and magazines in print versus electronic form*



*Amount of paper saved by using electronic versions of documents*



*Total paper consumption (kg)*

Year	2014	2013	2012
	490 583	473 264	452 906

*Paper consumption by type (kg)*

Year		2014	2013	2012
Certified paper	100% recycled	901	2 876	819
	FSC	47 702	59 903	69 198
	ECF/TCF	333 217	239 557	338 768
	FSC and ECF/TCF	104 591	168 499	39 710
Non-certified paper		4 172	2 430	4 411
<b>Total</b>		<b>490 583</b>	<b>473 264</b>	<b>452 906</b>

It was not possible to reduce the consumption of office paper in 2014. This is due to new legislation, which ultimately caused an increase in paper documentation. The increase in the consumption of uncertified paper in 2014 compared to 2013 was due to an increase in consumption for some envelope ranges (delivery envelopes, valuable and bubble envelopes, space envelopes made of ).

## ENERGY

VUB Bank is constantly striving to reduce energy consumption and managed to maintain this trend in . As in the previous period, in 2014 we placed emphasis on purchasing efficient cooling and heating equipment, on economical heating and cooling of our premises and on selecting the most economical possible lighting sources for our premises. There has been a wholesale replacement of refrigerators with new, more efficient and energy-saving models.

VUB Bank requires two primary sources of energy for its operation - electricity and gas. Electricity consumption decreased again in 2014, and this decrease is the result of continuous efforts to guide employees towards efficient use of resources, purchases of high-efficiency equipment and, last but not least, continuous supervision and regulation of the technology used.

*Direct energy consumption*

Year	Electricity	Gas	kWh	Total kWh
	kWh	m <sup>3</sup>		
2014	14 644 944	887 337	8 340 974	22 985 918
2013	15 757 832	1 096 513	10 307 222	26 065 054
2012	16 099 182	1 099 915	10 339 203	26 438 385

*Notes:*

- 1) 1 m<sup>3</sup>= 9.4 kWh
- 2) the data were obtained from the contractor's readings

In 2014, heat consumption was again reduced. The heat is supplied by various larger and smaller local heat producers, therefore it is not to indicate the primary energy source.

*Purchased secondary energy (thermal energy in the form of heat)*

Year	2014	2013	2012
in kWh	5 068 619	6 014 616	6 574 929

Last year, we reduced our total energy consumption by 4 025 133 kWh. 280 households or 14 000 PCs consume this amount of energy annually.

*Total energy consumption (heat+ electricity+ gas)*

Year	2014	2013	2012
in kWh	28 054 537	32 079 670	33 013 314

## RENEWABLE RESOURCES

The electricity suppliers are the largest local suppliers (ZSE, VSE and SSE), which guarantee that at least 15% of the energy they supply is produced from renewable sources. In accordance with the relevant provisions of Act No 656/2004, electricity suppliers in the Slovak Republic must inform their customers of the share of each type of primary energy source in the energy produced and supplied, including the supply of electricity produced in other EU Member States and in third . In 2014, the share of primary energy sources in the production of electricity supplied by our suppliers was as follows:

■ Renewable (hydro, wind, solar)	15 %
■ Gas	13 %
■ Coal	20 %
■ Core	52 %

Gas is purchased from a local supplier, which is the Slovak Gas Industry.

## RECRUITERS

In 2014, we installed so-called recovery units at some of the air handling units. The incoming outdoor air is partially heated by the heat of the waste that we discharge outside the building. The environmental benefit of this solution is that less energy is used to heat the supply air.

## EMISSIONS CO<sub>2</sub>

VUB Bank did not monitor the production of issues in 2014 either, as this figure is insignificant in view of the bank's activities. CO<sub>2</sub> is emitted only by company cars, the number of which is constantly being reduced. In addition, bicycle racks have been installed in the garage areas of the bank's head office and in front of some branches. The aim is to encourage employees to use this mode of transport to work in good weather.

## AUSTERITY MEASURES

The cost-saving measures are at the same time VUB Bank's investment in environmental protection and modernisation of operations. In 2014, we continued energy impact measures in the following areas:

- heating (reconstructions, hydraulic balancing and other related optimisation processes),
- refrigeration (upgrading equipment to operate more efficiently),
- reconstruction of lighting systems - replacement of current light sources with LED,
- insulation and heat leakage barriers - reconstruction of facades, roofs, replacement of windows.

In addition, we permanently supervise the correct settings of the measuring and control systems that control cooling and heating, and at the same time we explain the basic principles of operating economy to our employees.

*Share of energy savings*

Year	2014	2013	2012
Energy saved in kWh	4 025 133	1 675 800	1 645 000
Energy saved in %	12,55	5,22	4,98

**WATER**

Water is supplied to all VUB Bank branches throughout the Slovak Republic by local water companies. Water consumption increased slightly in 2014. In 2014, we had an average daily water consumption of 132.9 m<sup>3</sup>, which is 38 litres per employee per day on average.

*Total water consumption*

Year	2014	2013	2012
v m <sup>3</sup>	48 516	48 021	47 469

*Average daily water consumption*

Year	2014	2013	2012
For the whole bank (in m <sup>3</sup> )	133	132	130
Per 1 employee (litres)	38	37	37

VUB Bank is not a manufacturing company, therefore water consumption is not significant. We use water efficiently and mainly for personal hygiene, irrigation and a minimal amount for the operation of equipment (heating, cooling circuits, etc.).

We do not take water directly from the water source, but from water companies or small local suppliers. We do not require data on water sources and recycled water use from our suppliers. However, our activities do not affect local water sources.

**WASTE**

Waste management aims to remove or treat waste in ways that are acceptable. Employee education and training also play an important role in the path to waste minimisation. By their actions, their attitude to this issue then becomes part of their everyday awareness and gradually becomes an essential tool for the company to meet its environmental obligations.

It is the responsibility of all employees to sort waste. There is a process in place for waste segregation that is mandatory for all employees. Its text is available on the intranet site and staff have been informed about it by personal emails. Only paper is separated in facilities across the country. In the head office building of VUB Bank in Bratislava we sort waste as follows:

- paper waste (cardboard),
- plastics,
- metals,
- Glass,
- mixed municipal waste,
- hazardous waste.

*Hazardous waste containing residues of hazardous substances*

Year	2014	2013	2012
V kg	135	1 245	600

*Total amount of R22 refrigerants*

Year	2014	2013	2012
V kg	2 100	2 122	3 340

Since the end of 2014, a gradual replacement of all refrigeration equipment containing R22 refrigerant has been underway, taking into account the strategic importance of the area where it is . With this measure, we will meet our legislative obligation and, at the same time, we expect a reduction in electricity consumption during the cooling season in view of the higher efficiency of the new machines.

In 2014, we had slightly increased production of some types of waste.

#### *Types of waste disposed of (kg)*

Year	2014	2013	2012
Metal packaging contaminated with pollutants	0	30	
Plastics - payment cards	60	340	
Absorbents, other filter materials	0	-	0
Packaging containing dangerous substances	0	2 958	690
Waste toner from printers	487	140	0
Bulky waste	3 507	1 565	5 970
Lead acid batteries	0	-	0
Plastics and rubber	0	0	160
Discarded equipment (fluorescent lamps)	75	116	0
Discarded refrigerators (containing hazardous substances)	0	3 800	
Discarded equipment (other)	468	1 985	9 905
Polystyrene	0	90	
Discarded equipment containing hazardous substances	0	2 047	237
Decommissioned transformers in pcs	0	0	0

In 2014, we recycled 45,281 kg of paper, representing 770 trees saved.

#### *Waste - separated paper*

Year	2014	2013	2012
V kg	45 281	41 286	50 852

## INDIRECT IMPACTS

VUB Bank does not limit itself to reducing the negative impact of its business on the , but also promotes ecological thinking and behaviour of its employees and clients.

### EMPLOYEES

In 2014, there was no change compared to other years, which means that the guidelines and advice we have set for building users (how to use the facilities efficiently and how to ensure an optimal microclimate in the building) did not need to be updated. These documents are stored and available on the VUB intranet. Employees are kept informed about them and can also be reminded of our environmental guidelines at any time.

All employees are encouraged throughout the year through awareness raising and internal announcements to:

- saving paper and ,
- shutting down PCs after working hours and on days off,
- waste separation,
- energy efficiency (with a focus on cooling equipment in summer).

In all the interiors of the headquarters building there are advertising and information stickers, which aim to draw attention and spread awareness in saving light and energy.

## CLIENTS

VUB Bank successfully replaces paper account statements with electronic ones. Not only because the electronic statement is more modern and easily accessible at any time in one , but it is also a manifestation of our responsibility towards the . Currently, all VUB Bank customers with access to Internet Banking have access to their electronic statement for current and term accounts, as well as for credit cards, loans and share certificates. These clients are sent a paper statement only once a year in the form of the so-called annual summary statement. In addition, for credit cards, clients have the option to opt out of receiving paper statements altogether. We continuously encourage other clients to use electronic communication and electronic statements.

## SUPPLIERS

We also take impact into account when selecting suppliers. We give preference to suppliers who are environmentally conscious - using recycled materials, saving energy and reducing their negative impact on the . We require suppliers to declare that they implement preventive measures in relation to environmental protection and that they strive to reduce their negative impact on the environment when conducting their business. The supplier declares to VUB Bank by his signature that he will take steps towards greater responsibility for the environment, promote the use of environmentally friendly technologies or seek new and effective solutions beneficial to the . Also thanks to these established procedures, there was no environmental contamination in 2014 in the VUB's responsibility.

In the area of building management and maintenance, renovation, redesign and construction work, VUB Bank cooperates with companies that systematically approach environmental protection in all aspects of their business. The same applies to cleaning contractors, suppliers of services related to OHS, OSH and CO, as well as suppliers of interior, lighting fixtures or exterior signage (illuminated logos on buildings and ATMs), whose activities, in addition to the production and provision of services, are oriented towards savings, waste minimisation and minimisation of environmental charges and fines for pollution. Our major suppliers, like VUB Bank, have incorporated all environmental standards and subscribe to a responsible approach to the environment.

## MATERIALS

Environmental aspects include office consumption, toner consumption for copiers and printers, collection and disposal of used packaging, as well as cooperation in the area of facility management with companies that are ISO 14001 certified. The purchase of office paper is limited to chlorine-free paper (TCF/ECF) and recycled paper. We purchase office paper from certified manufacturers and with a origin label as a matter of principle.

The internal policy sets out the principles for the purchase of paper with the aim of:

- reduce the consumption of uncertified paper as much as possible,
- use environmentally certified paper,
- use 100% recycled paper as as possible,
- prefer to buy paper from certified producers with FSC, CSA or PEFC paper origin labels,
- buy and use ECF (Elemental Chlorine Free) or TCF (Totally Chlorine Free) bleached paper.

In where conventional recycled paper cannot be used, an equivalent in the form of FSC (Forest Stewardship Council), CSA (Canadian Standard Association), PEFC (Programme for the Endorsement of Forest Certification Schemes), SFI (Sustainable Forestry Initiative) or ATFS (American Tree Farm System) is acceptable. By giving preference to the purchase of FSC raw materials, we contribute to the improvement of forest management in the world. In doing so, we prevent the destruction as well as illegal logging of forests.

We also do not avoid the issue of bleaching of used wood pulp, which is why we buy and use ECF (Elemental Chlorine Free - which means that chlorine gas, but not chlorine derivatives such as chlorine dioxide) or TCF (Totally Chlorine Free) paper as much as possible.

We use eco-friendly envelopes made of purely natural materials for all mailings to our clients, which are

marked with the certified Green Energy logo. The envelopes in which we send our clients their account statements bear VUB's message as an environmentally friendly company - the *Green Letters* logo.



## ENERGY

We have introduced a number of saving measures:

- internal regulations (e.g. economical use of electricity in offices, air-conditioning use policy, cooling and heating - adjusting indoor temperatures in cold and warm seasons),
- mandatory shutdown of PCs after working hours, on weekends and on days off,
- video conferencing instead of business trips, promotion of the use of bicycles (racks on premises).

## BIODIVERSITY

None of VUB Bank's activities affect biodiversity. We do not carry out activities that would directly disturb the environment and therefore biodiversity indicators are not relevant for us. VUB Bank does not own any property or lease any premises that encroach on a protected area or are located in a protected area.

For the year 2014, we do not record any environmental contamination in the vicinity of our facilities. As we are not a manufacturing company, we have not caused any water pollution. We are not the owner of any premises from which sewage is discharged into the countryside and threatens the biodiversity of water bodies. The water is discharged as standard into sewerage systems and further treated in treatment plants.

We also contribute to environmental protection by managing accounts and providing credit and loans to companies and that are active in environmental .

## ENVIRONMENT AND CREDIT POLICY

Environmental sustainability is one of the cornerstones of our responsibility strategy. Not only do we want to work with partners who are committed to protection and sustainability, but we want to participate in sustainable development ourselves. As part of our lending policy, we only finance companies that comply with environmental legislation. We support companies that comply with the environmental protection requirements of the legislation of the Slovak Republic or the European Union. We also lend to clients in where environmental risks can be expected, but these are subject to detailed scrutiny.

From a green energy perspective, we offer products that contribute to environmental sustainability. Our commitment to bringing new or innovative products and services to the market was confirmed in , with increased focus on the following areas:

- agriculture,
- local governments,
- ,
- energy efficiency.

Funded projects contribute to environmental protection - reducing CO<sub>2</sub> production and thus improving the environment, protecting human health and natural resources, reducing air pollution and reducing energy consumption.

## ENVIRO PRODUCTS

- support and preferential lending rates for energy saving and renewable energy investment projects,
- support for "green energy" projects of Slovak companies,
- loans for energy savings and energy production from alternative energy sources (hydropower plants, biogas plants, biomass plants and photovoltaic plants),
- investment loans to support the development of energy efficiency infrastructure and renewable energy sources in towns and municipalities in Slovakia,
- Loans to apartment owners' associations and owners of residential buildings for energy projects,
- Green mortgage - promotes low-energy sources, the use of renewable energy or innovative green technologies in the construction and renovation of real estate,
- We lend at a preferential rate to projects to reduce CO<sub>2</sub> emissions and produce bio-based products,
- We provide soft loans and credit to companies and NGOs engaged in environmental activities.

## EQUATOR PRINCIPLES

Under the Equator Principles policy, VUB Bank provided one loan for the construction of a small hydropower plant for project financing in 2014.

## GREEN ENERGY AND ENERGY EFFICIENCY PROJECTS

In 2014, we granted loans for 28 renewable energy and energy efficiency projects for a total amount of EUR 18 336 616. These projects were financed by the European Investment Bank and the European Bank for Reconstruction and Development.

## EBRD INVESTMENT LOANS TO SUPPORT THE DEVELOPMENT OF ENERGY EFFICIENCY INFRASTRUCTURE AND RENEWABLE ENERGIES IN TOWNS AND MUNICIPALITIES (MUNSEFF PROGRAMME)

VUB Bank provides loans from the resources of the European Bank for Reconstruction and Development on the basis of the credit line Support for the Development of Energy Efficiency of Municipalities (under the MUNSEFF - Municipal Sustainable Energy Financing Facility). The programme is aimed at supporting the energy efficiency of municipal infrastructure in Slovakia, the energy efficiency of municipally owned buildings and residential housing, as well as projects in the field of renewable energy sources. In 2014, we provided investments from the MUNSEFF programme with a total value of EUR 8 336 616.

### Renewable energy loans

Type of project	2014		2013		2012	
	Number of	Investment volume in million euro	Number of	Investment volume in million euro	Number of	Investment volume in million euro
Photovoltaics	3	17,88	-	-	2	2,8
Hydropower	1	10,00*	-	-	0	-
Combined production electricity/heating	-	-	-	-	1	12,2
Biogas			1	2,0	8	20,9

\* Financed by EIB resources.

## LOANS FOR COMMUNITIES OF OWNERS OF FLATS AND NON-RESIDENTIAL PREMISES IN A RESIDENTIAL BUILDING UNDER THE MANAGEMENT OF THE ADMINISTRATOR (SVB)

In an effort to support projects aimed at achieving energy efficiency, in 2014 we also focused improving the quality of products for apartment and non-residential premises owners' associations in residential buildings under the management of the administrator. In order to be as close as possible to the needs of our clients, these investment loans can be granted with a maturity of up to 25 years as of 2014. In 2014, this type of loan was used by 24 clients with a total investment value of EUR 6.5 million.

*Loans for SVB*

Year	2014	2013
Number of loans	24	13
EUR million	6,5	1,9

**GREEN FLEXIHYPOTHECA**

It is aimed at individuals and promotes low-energy sources, the use of renewable energy or green technological innovations in the construction and renovation of real estate.

*Number of green mortgages granted*

Year	2014	2013
Number of loans	7	46
EUR million	0,92	2,74

**INITIATIVES TO REDUCE THE ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES****CREDIT POLICY**

VUB Bank has embedded standards in one of its core activities - lending. The bank does not provide resources to finance certain activities, which from an environmental point of view include:

- trade in wild game and wild game products,
- the release of genetically modified organisms into the natural environment,
- production, distribution and use of banned pesticides, herbicides, chemicals and ,
- fishing with floating nets,
- radioactive substances, including radioactive waste.

If the client knowingly engages in areas of risk, the bank requires due diligence to manage the client's environmental risk. Examples of such risk activities and areas of business are given below:

- hazardous waste storage, treatment and disposal,
- manufacture or trade in equipment and appliances containing Freons,
- manufacture or trading of electrical equipment containing polychlorinated biphenyls (PCBs),
- manufacture or trade in products containing asbestos,
- foreign trade in waste and waste products.

**ORGANIZING CORPORATE EVENTS AND INTERNAL TRAINING COURSES**

The policy addresses issues of paper consumption, use of office equipment, transport, accommodation and refreshments when organising corporate and educational events. For example, in order to reduce paper consumption, we have stopped using hard copy invitations and study materials (we only send them electronically) and where printing of documents is necessary, recycled or certified paper printed on both sides is used. We use recycled and recyclable materials, events are principally held in energy-efficient buildings and locations that are easily accessible by public transport (reducing car journeys reduces CO<sub>2</sub>), with preference given to environmentally friendly suppliers for accommodation and catering.

In 2014, we were able to implement this policy as follows:

2014	Fulfilled to
Invitations and documentation ONLY electronically	95 %
Using double-sided printing	100 %
Use of environmentally certified paper	100 %
Using recycled paper	20 %
Supplier selection according to enviro criteria	40 %
Choice of venue according to accessibility by public transport	60 %
Selection of accommodation according to enviro criteria	60 %
Use of products and gifts made from recycled materials	30 %
Choosing and using local suppliers and products	90 %
Water in jugs instead of plastic bottles	80 %

## COMMUNITY

Through the VUB Foundation, we have also supported several environmental projects and events organised by non-governmental organisations.

- Ekotopfilm - an international film festival on sustainable development combined with environmental education for children and youth. VUB Bank has been supporting this oldest and largest international festival on sustainable development since 2006.
- Clean Waters Project - cleaning of Tatra high mountain lakes in the National Park.
- Sponsorship contributions to small-scale environmental projects of local government.
- Grants to elementary schools under the employee grant program.

## VÚB IS A GREEN BANK

On the occasion of Earth Day, VUB Bank published information on its environmental activities. In addition, employees were motivated to be environmentally friendly in an internal campaign called Earth Day by VÚB: three things you can do for the environment from the office.

## BLACK BOXES

On the occasion of World Environment Day, VUB Bank announced an incentive programme for employees entitled *Can't you ? Then take a picture!* The aim was to draw attention to illegal landfills and resulted in the destruction of 4 selected landfills in the regions of western, central and eastern Slovakia. VUB employees undoubtedly have the environment at heart, as they reported over 60 illegal dumpsites they discovered and photographed in their surroundings or in the countryside. Of these, four were selected for removal. First up was Bratislava, where it was confirmed that even a small landfill can be a big problem. This was followed by landfills in Kmeťov, Oravský Bílý Potok and Zemplínská Šírava.

## TO WORK BY BIKE

VÚB Bank took part in the Bike2work competition organised by the Cyklokoalícia civic association supporting the development of urban cycling. The aim was to motivate people to use a bicycle instead of a car. The condition of participation in the project was to transport oneself to work on two wheels in the month of May. Employees from VUB joined forces and formed three teams, two of which took the top places in the national evaluation out of a total of 75 teams from all over Slovakia.

**Community**

In 2014, VUB Bank continued to help the community where our clients, employees and other partners live. VUB Bank supports projects in identical areas of focus to those of the VUB Foundation in order to achieve . These are the areas of education, culture and charity. For the eighth year we have been supporting the *Good Angel* humanitarian system through charity payment cards. Their number has grown to over 36 000. In the area of support for higher education, we continued our grant scheme, which brings foreign visiting professors to Slovak universities, as well as our support for the development of economic science through the *Economicus* competition. VUB managers go to lecture at economic universities. We provide know-how to women - budding entrepreneurs - in the *EMMA Business Academy* project. The Bank buys products and services from sheltered workshops that employ people with disabilities. In the area of philanthropy, we continued our long-standing initiatives aimed at preserving cultural heritage and supporting the visual through the VUB Foundation. In 2014, we contributed to the restoration of several historical monuments and held two exhibitions of young contemporary art in the medium of painting and photography.

## FINANCIAL AND NON-FINANCIAL ASSISTANCE

### Overview of sponsorship funds provided

Year	2014	2013	2012
Total donations in euros	238 000	234 000	295 000

### Number of donated IT devices

Year	2014	2013	2012
ks	72	32	76

## OTHER TYPES OF AID

### Cooperation with the non-profit sector

At the end of 2014, there were more than 159,000 "good angels" in Slovakia, 36 thousand of them VUB clients through the unique charity payment card . It is issued for the Good Angel by VÚB bank. One percent of the payments made goes to the account of the non-profit organization, which helps cancer patients and families with seriously ill children. This percentage is not donated by the cardholder, but by VÚB Bank on his behalf. More than 6,400 families were beneficiaries of the system.

Year	2014	2013	2012	2011
Number of Good Angel cards issued	36 797	31 832	27 559	22 724
Contribution from VUB Bank in euros (1% of payments made with clients' cards)	315 981	256 080	205 836	163 165

### Cooperation with sheltered workshops

VUB Bank supports the functioning of **sheltered workshops** by purchasing their products and services. In 2014, we purchased goods and services with a total value of **EUR 47,000**. In December, a traditional Christmas market was held in the VUB headquarters building, where employees were able to bring their children with them. Together they could enjoy the festive atmosphere and indulge in the pleasure of the products sold at the markets by 8 sheltered workshops from all over Slovakia - Dom Svitania, Krídla, Z dobrých rúk, Inklúzia, Prvosienka, Manna catering, Majolika and Tulipán.

### *Working with schools and supporting education*

One of VUB Bank's priorities is education in the main area of our business - economics and finance. Our projects offer clever students the opportunity to promote original ideas and express their talents. Their aim is to improve the quality of research and higher education in finance and to develop economic science and research. At VUB Bank, we have long been developing cooperation with secondary and higher education institutions, especially in the fields of economics, mathematics and IT. In order to make education in the fields of finance, economics and banking more attractive, we implement:

- consultancy activities in the creation of the diploma and year thesis,
- vocational and diploma internships for high school and university students,
- professional thematic lectures at secondary and higher education institutions,
- international student .

The activities for students are designed to introduce them to the functioning of the individual departments of the bank and to test their skills and knowledge from their studies through practical tasks. One such activity is the programme

*"Internship and work"* For final year university students. The programme introduces the functioning of the bank and allows students to try working in the bank for a few . By gaining real work experience during their studies, students will form an idea of banking and better choose their direction after school. During the internship, they are involved in specific work tasks, have their own development plan, participate in training sessions, work under the supervision of a mentor and receive feedback on their performance. The most skilful ones will be given the opportunity to apply for jobs at VUB Bank or stay in a temporary position.

### *Award for the best student project in the field of customer satisfaction*

In , the international  project competition for students of economics universities continued, which is held simultaneously in 8 countries in cooperation with the parent bank Intesa Sanpaolo. Its aim is to obtain students' independent, critical insight into the Bank's activities and to propose measures to improve customer satisfaction. The competition develops students' potential for creative, unconventional ideas on how to do ordinary things differently. The students' task was to develop a project in the area of customer satisfaction. The students prepared for the competition in a workshop where they were given a lot of information and input for their project. The talented undergraduates worked on their projects with the help of tutors - our colleagues, from whom they gained invaluable experience. Thanks to the competition, the students had the opportunity to connect academic studies with practice, to work on real cases from practice, in solving which they could test their skills and ability to apply their knowledge and ideas in practice. Out of 38 teams, 6 made it to the final round of the national competition. The jury appreciated the high level of the students' work and also highlighted the excellent presentation and argumentation skills of the finalists. Defending their opinions, proposals, ideas in English in front of the bank's management was a difficult task. The winners received a financial reward, an internship at VUB Bank and participation in the Superfinal in Milan.

### *Internship for students - future journalists*

The transition from university to practice tends to be complicated for every graduate. Even aspiring economic journalists, who lack experience in real journalism at the beginning of their careers, know this. The project of VÚB banka and the editorial office of The Slovak Spectator focused on solving these obstacles. The Focus on Business and Economy project helps to provide students of economic journalism at the University of Economics in Bratislava with theoretical knowledge and practical experience with the media. It guides students to learn ethical principles and to deal with real situations that an economic journalist commonly encounters. The project involved not only veteran journalists and academics from Slovakia and abroad, but also experts from VUB. For the students, the bank organised a real press conference and they were also able to discuss with a VUB macroeconomist the work of an analyst and his/her tasks in media communication. The outputs of the project in the form of student articles were published in a special supplement of the Slovak Spectator.

### *Education for budding female entrepreneurs*

In 2014, VUB Bank together with the monthly EMMA magazine organised the 6th year of the EMMA Business educational project. The project is dedicated to women who want to start a business and already know in what area, they just need an initial impulse and initial know-how. The lecturers were external experts, VUB managers, businesswomen and also successful graduates of previous years of the Academy. Three days of lectures helped the participants to discover their potential for entrepreneurship, to realize their strengths through personal diagnostics, to get valuable advice on how to communicate towards the customer. The lecturers revealed tricks on how to create a proper business, and there was no shortage of advice from marketing experts from the bank on the best way to advertise. In the final workshop, the trainees worked in teams to create business plans and together with the lecturers refined them to make them viable.

### *Employee involvement in community life*

In an effort to involve employees in activities beneficial to the community and to support their volunteerism, the VUB Foundation continued its existing employee programmes in 2014. These are very popular with employees. Employees can receive financial support in the employee programme for projects in the field of charity, education and leisure activities for children and youth. The grant is conditional on the employee's active participation in the implementation of the project in the form of volunteering. Employees submit projects in with , schools or local authorities. It is a way to support ideas and projects that employees find meaningful and useful: together they solve a problem in the community, support a public service activity or a civic association in which employees are involved. In 2014, employees submitted a total of 136 projects and received support worth **€19,904** for 20 organisations. In addition to experts in their respective fields, the Bank's employees are also represented on the evaluation committees.

### *Support for staff projects*

Year	2014	2013	2012
Number of registered projects	136	271	344
Number of supported projects	20	29	34
Grants awarded in euros	19 904	63 476	115 852

### *Volunteering*

For the second year in a row, employees can take advantage of one of the new benefits - half a day of volunteering with pay reimbursement. The new volunteer activity at the Slniečko Centre involves employees helping abused women and children. They did various jobs such as fire pit work in the garden, moving furniture, sanding climbing frames and painting them with paint, painting rooms and assembling furniture. The help was much appreciated by the centre and its residents. Every year, volunteers from VUB exchange the air-conditioned office space for fresh air in the magical surroundings of the Banská Štiavnica Calvary. Also in 2014, VÚBkers were involved in the renovation as part of two volunteer brigades. For one day, they tried their hand at the manual labour of restoring this precious historical monument - clearing the banks of woody growth, mowing the meadows, making casts and grooming the paths.

It has become a tradition for employees to donate blood during the "VUB Drop" mobile blood collection in cooperation with the National Transfusion Service. In 2014, 145 donors took part in the three collections and donated 63 litres of the life-saving fluid. As in previous years, we also conducted an internal campaign for employees on the topic of donating 2% of personal taxes and individual donations. Many employees have activated the Good Angel charity payment card. Employees are involved in activities that benefit the community and work as volunteers also thanks to the VUB Foundation's employee programme, where they can receive funding to implement community projects.

### *External defibrillator*

A novelty that will be noticed by employees, clients and passers-by are the stickers at the entrance to the VUB headquarters in Mlynské Nivy in Bratislava. They feature a large red heart with a lightning bolt in the centre and the inscription "We are equipped with a defibrillator". This simple device saves lives and is part of every major building in many developed countries. The defibrillator is used for severe heart disturbances, which it can restore using an electrical discharge and many times can prevent the worst from happening. Operating this important device is a simple task that VUB Bank has also taught its employees. The first aid training with the defibrillator was carried out by the Slovak rescue legend, chairman of the Red Cross, associate professor of emergency medicine MUDr. Viliam Dobiáš. Each participant thus received a great gift in their hands, which may one day save a life.

## ACTIVITIES OF THE VÚB FOUNDATION IN 2014

The VUB Foundation is an independent legal entity, but it implements some of its activities and projects in close managerial and -financial cooperation with VÚB bank, and therefore we also mention them in this report. All activities of the VUB Foundation in 2014 are comprehensively presented in the annual report published on the [V](#).

The VUB Foundation has been active in the field of philanthropy since . It is financed by tax allocation from VÚB Bank (**EUR 579 119** in ) and financial donations from the parent VÚB (**EUR 200 000** in ). VUB Bank supports its foundation staff, materially and administratively. In 2014, the Foundation contributed EUR 547 thousand to various public benefit projects, of which the majority of the funds went to support art and cultural heritage (51%) and charity (33%). The education sector received 16 % of the funds.

### Overview of grants awarded

Year	2014	2013	2012
Aid granted in euros	547-thousand.	633-thousand.	640-thousand.
Number of supported projects	70	77	100

### Foundation Programme *for Education*

The VUB Foundation's *Visiting Foreign Professor* [V](#) grant programme allows universities of economic studies to invite experts from for a semester-long visit. In addition to the pedagogical work of prominent foreign experts at our universities, the programme brings knowledge of the forms of scientific work at foreign universities, motivates economics students, PhD students and teachers to actively engage in economic science. Students can learn about the practices used abroad and acquire knowledge in a way they have not experienced before. In 2014, foreign professors worked at the University of Economics in Bratislava and the Technical University in Košice. For one semester, Professor Nikos Georgantzis from the University of Reading and Professor Patrick Musso from the University of Nice lectured there. The Foundation also supports the development of economic science and recognises high quality scientific work in economics in the annual Economicus competition.

### Foundation Programme *for the Arts*

The activities of the VUB Foundation focused on cultural heritage and fine arts are based on the tradition of enhancing the country's artistic and historical heritage, which is also shared by the Italian owner of VUB Bank, the Intesa Sanpaolo Banking Group.

### *Preserving cultural heritage*

We work with local partners and experts to identify and select sites in need of assistance. In addition to restoration, our goal is to spread awareness of the richness of our country and the vulnerability of our national heritage. In 2014, the VUB Foundation contributed 160 thousand euros to the preservation of cultural heritage, which was directed to the reconstruction of buildings in various parts of Slovakia. The VUB Foundation also involves the general public in deciding on the monuments to be supported. Last year, precious stained glass windows in 9 towns in different regions of Slovakia competed for the public's favour in an online voting. They were in a damaged state and in urgent need of restoration. Based on the results of the voting, the VUB [V](#) Foundation supported the restoration of the stained glass window in Spišská Kapitula, which was the winner of the voting.

For six years now, the VUB Foundation has been supporting the restoration of the Calvary of Banská Štiavnica, one of the most precious monuments in Slovakia. This UNESCO-protected national cultural monument has long been in a desolate state and in 2007 was listed among the 100 most endangered monuments in the world. Over 10 years (2008-2017), the VUB Foundation will provide the Fund with an annual contribution of EUR 66,400. In 2014, reconstruction work continued on the Upper Church and the Ecce Homo Chapel and the restoration of the frescoes.

### *Promotion of contemporary visual arts*

Following the example of its parent bank, VUB is committed as a supporter of the arts. In cooperation with the Foundation, it organises two art competitions every year to support talents in the medium of painting and photography. The works entered in the competitions are evaluated by international juries and the winners receive a financial prize. Both competitions are accompanied by exhibitions, which present the best works selected by the jury to the public.

In 2014, the ninth edition of the *Painting Competition - VUB Foundation Prize for Painting for Young Artists* took place, with 72 artists entering. The works of the finalists were presented at an exhibition in the Nedbalka Gallery from 14 November to 18 December 2014. In addition to providing direct financial support to artists, the competition also helps to promote contemporary visual art. The talents from the *Painting Competition* are presented in a virtual gallery on page [v](#).

The aim of the *Photo of the Year - VUB Foundation Award for Young Photographers* is to support young artists up to 35 years of age and to promote artistic works in the field of photography. Last year, the seventh edition of the competition took place, culminating in an open-air exhibition on Hviezdoslav Square in Bratislava. The exhibition lasted four weeks and presented the finalists of the competition, more than 60 large-scale photographs in total. Page [v](#) presents in a virtual gallery the competition photographs from the finals of the past years.

#### Foundation Programme **for Hope**

The charity-focused programme helps disadvantaged groups to level the playing field in life. It supports the development of sheltered workplaces, sheltered housing and funds therapies for the disabled, helping foster families. In the area of health care assistance, we have donated 66 thousand euros for medical therapies, the purchase of equipment and the equipping of hospital wards. The recipients of the grants were the Poprad Hospital, Onkológia-radioterapia, n. f., and the ADELI rehabilitation centre in Piešťany.

# Attachments

# Global Reporting Initiative Indicator Table

## PROFILE DISCLOSURE

GRI	Description	Complete ness of information	Page
<b>1. Strategy and analysis</b>			
1.1	Statement by the organization's top manager.	■	4 ✓
1.2	Description of key impacts, risks and opportunities.	■	4 ✓
<b>2. Profile of the organisation</b>			
2.1	Name of the organisation.	■	5 ✓
2.2	The most important types of goods, products and/or services.	■	13 ✓
2.3	The management structure of the organisation, including major divisions, operations, subsidiaries and consortia.	■	14 ✓, 17 ✓
2.4	The headquarters of the organisation's management.	■	15 ✓
2.5	Number of countries and names of countries where the main activity is carried out or is specifically linked to the sustainable development challenges identified in the report.	■	10 ✓, 11 ✓
2.6	Type of ownership and legal form.	■	10 ✓, 59 ✓
2.7	Markets (including geographical specification, sectors served and types of customers/users).	■	10 - 15 ✓
2.8	Size of the reporting organisation.	■	10 ✓, 35 ✓
2.9	Significant changes during the reporting period in size, structure and ownership.	■	59 ✓, 60 ✓
2.10	Awards received during the reporting period.	■	5 ✓, 16 ✓
<b>3. Message parameters</b>			
3.1	Reporting period.	■	6 ✓
3.2	Date of last report.	■	6 ✓
3.3	Reporting cycle.	■	6 ✓
3.4	Contact person for any questions.	■	6 ✓
3.5	The process of defining the content of the report, including determining relevance; identifying priority topics for the report; and identifying stakeholders who should use the report.	■	7 ✓
3.6	Scope of administration (e.g. countries, divisions, , leased facilities, consortia, suppliers).	■	7 ✓
3.7	Set out any specific limitations on the content and scope of the report.	■	7 ✓
3.8	Basis for reporting on consortia, subsidiaries, leased facilities, outsourced activities, and other entities that materially affect and/or inter-organization comparisons.	■	7 ✓
3.9	Data evaluation techniques and basis for calculations.	■	6 ✓
3.10	An explanation of the impact of any change to the information provided in previous reports and the reasons changing the information.	-	Not relevant
3.11	Significant changes from the previous reporting period in the scope, definitions or methods applied in this report.	-	Not relevant
3.12	Table of indicators and management approach.	■	89 ✓
3.13	Verification.	■	96 ✓

GRI	Description	Completeness of information	Page
<b>4. Governance, commitment and cooperation</b>			
4.1	The structure of an organisation's governing body, including committees under the highest governing body, which is responsible for specific tasks such as setting strategy or organisational overview.	■	17 - 21 ✓
4.2	Indicate whether the chairman of the supreme administrative authority is also the chief executive officer.	■	20 ✓
4.3	Organisations that have a single governing body structure shall indicate the number of members of the highest independent governing bodies and/or the number of members.	■	Not relevant
4.4	Mechanisms for shareholders and employees to provide recommendations or views to the highest governance bodies.	■	54 ✓, 60 ✓
4.5	The link between the compensation of members, senior and executive directors (including severance pay) and organizational performance (including social and environmental performance).	■	20 ✓
4.6	Processes designed for the highest administrative authority to prevent conflicts of interest.	■	20 IN, 31 IN, 32 IN
4.7	A process to determine the qualifications and expertise of the members of the highest governance body to ensure that the organisation's strategy is implemented in line with economic, environmental and social themes.	■	20 ✓
4.8	Internally developed statements of the company's mission, values, principles of corporate behaviour and principles relevant to economic, environmental and social performance and the status of their implementation.	■	9 ✓, 28 - 33 ✓
4.9	The highest governance body's procedures for reviewing the organisation's identification and management of economic, environmental and social performance, including relevant risks and benefits, compliance with internationally agreed standards, corporate behaviour and .	■	18 - 21 ✓
4.10	Processes for evaluating the Supreme Governing 's own performance, particularly with regard to economic, environmental and social performance.	■	20 ✓
4.11	Explanation of whether and how the organization applies the preventive approach or principle.	■	70 ✓
4.12	Externally developed economic, environmental and social statutes, principles or other initiatives that the organisation agrees with or subscribes to.	■	28 - 33 ✓
4.13	Membership of associations (e.g. industry associations) and/or national/international organisations.	■	15 ✓
4.14	A list of stakeholder groups working with the organisation.	■	27 - 28 ✓
4.15	The basics of stakeholder identification and selection for collaboration.	■	27 - 28 ✓
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by group.	■	27 - 28 IN, 54 IN
4.17	The key themes and interests that emerged from the stakeholder engagement and how the organisation responded to these key themes and interests, including its reporting.	■	28 ✓, 39 - 40 ✓, 54 ✓

## DISCLOSURE OF THE MANAGEMENT APPROACH

	Page
<b>Economics</b>	
Economic performance	12 ✓
Market presence	13 ✓
Indirect economic impacts	83 - 87 ✓
<b>Environment</b>	
Materials	70 - 72 ✓
Energy	70 - 73, ✓ 78 ✓
Water	70 - 72, ✓ 75 ✓
Biodiversity	70 - 72 ✓
Emissions, sewage and waste	70 - 72, ✓ 74 ✓
Products and services	70 - 72, ✓ 79 ✓
Compliance with legislation	70 - 72 ✓
Transport	70 - 72, ✓ 74 ✓
<b>Company</b>	
<b>Working procedures and conditions</b>	
Employment	50 ✓
Worker/management relations	56 ✓
Safety and protection at work	55 ✓
Training and education	53 ✓
Diversity and equal opportunities	54 ✓
<b>Human Rights</b>	
Investment and purchasing processes	65 - 66 ✓
Prohibition of discrimination	33 ✓
Freedom of association	56 ✓
Child labour	Not relevant
Forced and compulsory labour	Not relevant
Rights of indigenous peoples	Not relevant

	Page
<b>Product liability</b>	
Health and safety of clients	38 ✓
Labelling of products and services	28, 44 ✓
Marketing communication	28, 31 ✓
Customer privacy	38 ✓
Compliance with legislation	28 ✓
<b>Company</b>	
Community	83 - 87 ✓
Corruption	33 ✓
Public policy	30 ✓
Anti-competitive behaviour	33 ✓
Compliance with legislation	33 ✓

## PUBLICATION OF PERFORMANCE INDICATORS

GRI	Economics	Main indicator	Completeness of information	Page
<b>Economic performance</b>				
EC1	Direct economic value created and distributed, including sales, operating expenses, employee compensation, donations and other community investments, deferred earnings and payments to providers and the state.	■	■	10 ✓ 13 ✓
<b>Market presence</b>				
EC6	Policies, practices, and expense ratios for local suppliers at major points of operation.	■	■	66 ✓
<b>Indirect economic impacts</b>				
EC8	The development and impact of investments in infrastructure and services provided primarily for public benefit through commercial, non-profit, or fundraising events.	■	■	83 - 87 ✓
GRI	Environment	Main indicator	Completeness of information	Page
<b>Materials</b>				
EN1	Materials used, indicating their weight or volume.	■	■	73 ✓
EN2	Percentage of recycled input used.	■	■	73 ✓
<b>Energy</b>				
EN3	Direct energy consumption, indicating the primary energy source.	■	■	73 ✓
EN4	Indirect energy consumption, indicating the primary energy source.	■	■	74 ✓
EN5	Energy saved due to increased savings and improved efficiency.		■	74 ✓
<b>Water</b>				
EN8	Total volume of water abstracted, indicating the source.	■	■	75 ✓
<b>Biodiversity</b>				
EN11	The location and size of land owned, leased or managed that is located in or adjacent to protected areas and areas that are not protected but are characterised by high biodiversity value.	■	■	78 ✓
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas outside protected areas of high biodiversity value.	■	■	78 ✓
<b>Emissions, sewage and waste</b>				
EN19	Emissions of ozone-depleting substances by .	■	■	75 ✓
EN22	The total weight of the waste, indicating the type and method of disposal.	■	■	75 - 76 ✓
EN23	Total number and extent of significant contamination.	■	■	78 ✓
EN24	The mass of hazardous waste transported, imported, exported or treated, as characterised according to the Basel Agreement Annexes I, II, III and VIII, and the percentage of internationally transported waste.		■	75 ✓
<b>Products and services</b>				
EN26	Initiatives to reduce the environmental impacts of products and services, extent of impact reduction.	■	■	77 - 80 ✓

GRI	Working procedures and conditions	Main indicator	Completeness of information	Page
<b>Employment</b>				
	Total labour force by type of employment, employment contract and region.	■	■	48 - 49 ✓
LA2	Total number and ratio of staff turnover by age group, gender and region.	■	■	50 ✓
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major establishment.		■	52 ✓
<b>Worker/management relations</b>				
	Percentage of employees covered by a collective agreement.	■	■	56 ✓
LA5	Minimum notification period(s) for significant operational changes, including whether specified in the collective agreement.	■	■	56 ✓
<b>Health and safety at work</b>				
LA6	Percentage of total workforce represented in formal collective management - Occupational safety and health committees that help monitor and recommend occupational safety and health programs.		■	55 ✓
	Number of occupational injuries and diseases, days lost and days missed and number of deaths as a result of the impact of work, by region.	■	■	55 ✓
	Education, training, counseling, prevention and risk control programs related to serious diseases that are appropriate for workers, their families or community members.	■	■	55 ✓
LA9	Occupational health and safety topics covered in formal agreements with unions.		■	55 ✓
<b>Training and education</b>				
	Average number of training hours per employee per year by category of staff.	■	■	53 ✓
LA11	Skills management and lifelong learning programmes that support the ongoing employability of employees and help them to exit their careers.		■	53 ✓
LA12	Percentage of employees receiving regular updates on their performance and career development.		■	51 ✓
<b>Diversity and equal opportunities</b>				
LA13	The composition of the governing bodies and the categorisation of employees by gender, age group, membership of minority groups and other diversity indicators.	■	■	54 ✓

GRI	Human Rights	Main indicator	Completeness of information	Page
<b>Prohibition of discrimination</b>				
HR4	Total number of discrimination cases and implemented.	■	■	54 ✓
<b>Rights of indigenous peoples</b>				
	Total number of violations of rights concerning indigenous peoples and implemented.		■	55 ✓
GRI	Product liability	Main indicator	Completeness of information	Page
<b>Labelling of products and services</b>				
PR5	Customer satisfaction procedures, including the results of surveys that assess customer satisfaction.		■	38 - 40 ✓
<b>Marketing communication</b>				
PR6	Compliance programs for laws, standards and voluntary commitments in relation to marketing communications, including advertising, sales promotion and sponsorship.	■	■	28 ✓
<b>Compliance with legislation</b>				
PR9	The monetary value of serious fines for non-compliance with laws and regulations relating to the procurement and use of products and services.	■	■	67 ✓
GRI	Company	Main indicator	Completeness of information	Page
<b>Corruption</b>				
SO2	Percentage and total number of business units that were analysed for corruption risk.	■	■	33 ✓
SO3	Percentage of staff trained on the organisation's anti-corruption policy and principles.	■	■	32 ✓
<b>Anti-competitive behaviour</b>				
SO7	Total number of lawsuits resulting from anti-competitive and anti-trust behaviour, monopolistic practices and their outcomes.		■	28 ✓
<b>Compliance with legislation</b>				
SO8	Monetary value of significant fines and total number of non-monetary fines for non-compliance with laws and regulations.	■	■	28 ✓

# External verifier's opinion



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## Stanovisko k Správe o zodpovednom podnikaní

### Všeobecnej úverovej banky, a.s. za rok 2014

Všeobecná úverová banka, a.s. (VÚB banka) vydala už svoju ôsmu správu o zodpovednom podnikaní napísanú podľa smerníc Global Reporting Initiative (Smernice GRI G3). Nadácia Pontis bola poverená spoločnosťou VÚB banka, aby overila aplikačnú úroveň Smerníc GRI G3 v tejto správe. Správu pripravila VÚB banka, ktorá v plnej miere zodpovedá za správnosť údajov v nej obsiahnutých.

Správa podľa nášho názoru v plnej miere pokrýva všetky časti požadované Smernicami GRI. VÚB banka touto správou spĺňa všetky podmienky aplikačnej úrovne B+ a prekračuje množstvo požadovaných indikátorov.

Správu pripravenú podľa Smerníc GRI je možné jednoducho porovnať s predchádzajúcimi rokmi a taktiež s inými subjektmi s podobnou činnosťou. Správa názorne ukazuje zmeny (pozitívne aj negatívne) vo výkonnosti firmy v sledovaných oblastiach. Správa je napísaná primeraným jazykom, ktorému môžu porozumieť partneri (stakeholderi) spoločnosti.

VÚB banke odporúčame, aby v ďalšom reportovacom období začala využívať novú verziu Smerníc reportovania trvalo udržateľného rozvoja G4. Verzia G4 bude od 1.1.2016 záväzná pre všetky firmy, ktoré chcú reportovať aktivity zodpovedného podnikania podľa Smerníc GRI. Taktiež odporúčame pripraviť správu v interaktívnej on-line verzii dostupnej na internetovej stránke spoločnosti, prípadne na špecializovanom webovom portáli určenom na informovanie verejnosti o aktivitách firmy v oblasti zodpovedného podnikania.

V Bratislave dňa 10. apríla 2015

Michal Kišša  
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