



# Corporate Social Responsibility 2015



Corporate social responsibility of Bank Pocztowy towards its clients, employees, shareholders, bondholders and the society is an integral part of its operations. The principle has been confirmed in the new development strategy for the years 2015-2018 adopted in April 2015.

The mission of Bank Pocztowy is to be a leading supplier of financial services in provincial Poland, offering simple, secure and reasonably priced banking.

Bank Pocztowy: what is it like?

- simple. Focused on simple products,
- inexpensive. Offering good prices for a wide group of clients,
- integrated with Poczta Polska. Providing modern financial services based on integration within the Poczta Polska Capital Group.

## Relations with clients

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The main objective of all activities taken by Bank Pocztowy is to constantly improve client satisfaction by way of offering products and service responding to their needs. Clients were the key areas of focus when in 2015 the Bank decided to adopt a new mission and strategy assuming simple secure and well-priced banking services, which was the starting point for simplifying the product offer, processes, procedures and communication methods.

The strategy assumes a simple offer available in the vast sales network of Poczta Polska targeted at mass clients from towns of below 50 000 inhabitants. The Bank decided to develop a mobile offer for digital clients integrated with services of the Poczta Polska Capital Group (including consumers and microenterprises) and to continue growth in the housing and settlement areas.

Having in mind client needs in 2015 Bank Pocztowy introduced a number of innovative initiatives aimed at improving service quality and higher client satisfaction with the Bank's services. They included projects discussed in more detail in the Report, such as: streamlining a number of the Bank's Contact Center areas, simplifying the product offer, developing a new website <http://www.pocztowy.pl> and an educational website on stock exchange [giełdowy.pocztowy.pl](http://giełdowy.pocztowy.pl), as well as preparing a top-quality interactive on-line annual report.

The Bank incessantly strives to further improve the customer service quality taking appropriate steps in the following areas:

- training Relationship Managers,
- monitoring service quality,
- client satisfaction surveys (Net Promotor Score).

Bank Pocztowy focuses on natural communication and starting friendly relationships with clients, hence it no longer encourages traditional standard sales communication. Service standards need constant adjusting to needs and expectations of the target client group.

In order to ensure high service quality, we have adopted client service standards depicting desirable behavior to be adopted by advisors when discussing with clients. The description includes discussing with clients coming to the outlets, telephone calls and e-mail correspondence. The aspects described in the book of standards are monitored in the form of *Mystery Shopping* and *Mystery Calling*.

Also, a blog has been maintained on the Bank's website as an element of dialog with clients. A number of messages published in the blog, such as introducing *Pocztowy24*, the new Internet banking system, have met a strong response on the clients' side.

Bank Pocztowy has used its Facebook profile and YouTube to reach its clients, too.

# Relations with employees

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Implementation of the Bank's strategy would not be possible without mature managers and devoted employees.

Social responsibility regarding relations with Bank's employees involves:

- providing employees with promotion and development opportunities,
- succession plan implementation,
- providing friendly and safe job positions,
- integrating and enhancing bonds with the employer,
- improving internal communication,
- ensuring ethical management,
- ensuring work-life balance, among others through supporting employees' passions and hobbies.

Various aspects of remuneration policy, competency building, developing growth and promotion paths are presented in Section 10 Human resources management.

Bank Pocztowy supports non-professional interests of its employees, to include sports. Most sports events are organized in cooperation with Poczta Polska.

In 2015, the calendar of events included 26 initiatives, out of which four were sponsored by the Bank and two organized directly by it. Employees of Bank Pocztowy participated in the following sports events:

- Polish Men's and Women's Volleyball Championship for Poczta Polska Employees in Iława,
- International Sailing Championship of Poczta Polska in Wilkasy near Giżycko,
- Olympic Games of Poczta Polska Employees in Cetniewo near Władysławowo,
- Shooting contest in Ustka, during which the 2<sup>nd</sup> Sea Fishing Competition was held (both events organized by the Bank),
- InO Competition in w Ślesin near Konin (organized by the Bank),
- Warsaw 10 km Race.

The total of 240 employees of Bank Pocztowy participated in these events. Moreover, 30 persons received a grant for their participation in mass events, mainly in street runs organized by various organizations in Polish cities.

The employee relationship policy is supported by activities initiated under Social Benefit Fund. In 2015, the Fund:

- provided non-refundable support to individuals affected by accidents or facing material, family or other serious life problems,
- co-funded organized domestic and foreign vacation for children and youth aged up to 18 and purchase of school books,
- co-funded group benefits, so-called open cultural, educational, entertainment and sports events,
- co-funded MultiSport initiative,
- purchased shared sports equipment,
- provided seasonal benefits for employees' children (Christmas, Easter) and cash benefits for all employees of the Bank. The gift giving event organized on 6th of December enjoyed popularity among employees. It gathered 300 participants, including 112 children. The event was organized in Digiloo Fun Park, one of the largest fun parks for children in Warsaw,
- providing employees assistance in the form of reimbursable housing loans.

## Social initiatives

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Like in the previous years, the initiatives of Bank Pocztowy focused on supporting education, equalization of opportunities and preventing exclusion.

The projects are usually dedicated to elderly people who require special approach and communication. To this end, the Bank decided to support Activus Foundation running the Senior Academy Activus project.

The Bank published educational articles in the press preferred by its target group. One of the examples can be information about bank accounts published in the *ABC* weekly. The text provided advice on elements which should be considered in selection of a current account to avoid additional costs. In the article published in the *Wprost* weekly the Bank discussed the credit market and encouraged people who need a loan to go to banks rather than to fraudulent lending firms and shadow banks. It also discussed risks related to payday loans often granted at unfair usurious interest. The Bank also published articles in the *Fakt* daily.

Bank Pocztowy in cooperation with Poczta Polska launched a website dedicated to the stock exchange and basic investing skills at [www.gieldowy.pocztowy.pl](http://www.gieldowy.pocztowy.pl). Certain educational activities were carried out under the Akcjonariat Obywatelski program. The [www.gieldowy.pocztowy.pl](http://www.gieldowy.pocztowy.pl) website was created to present key information about the stock exchange to people who have never invested or have only just started their investing activities. The web service presents information useful for all newcomers to the stock market, such as general information about the stock exchange, its history, the listing process, stock exchange indexes and other interesting facts, such as famous investment quotes. This is yet another example of educational activities carried out by the Bank. The Bank also initiated discussion on the necessity to prevent financial exclusion during numerous business events, it published educational articles in the press and introduced elderly people to the world of finance at the Third Age University. The educational website of Bank Pocztowy follows the idea of the Akcjonariat Obywatelski program for individual investors, launched in 2010 by the Ministry of State Treasury.

In 2015 Bank Pocztowy decided to develop an offer dedicated to Poles spending their holiday at the seaside and created its special zone called Pocztove Wybrzeże (Postal Seaside) at the Sopot beach. Persons visiting the zone could use free beach chairs, sun umbrellas provided by Bank Pocztowy, the Wi-Fi and take part in a number of other facilities: games, art and sport competitions, eco-workshops, first aid courses, beach libraries and a kite rental place.

## Supporting business

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For many years Bank Pocztowy supported initiatives promoting entrepreneurship in Poland, by way of advocating best market practices. In 2015, for the second year in a row, Bank Pocztowy was a partner of Business e-Gazelles ranking prepared by Bonnier Business Polska publishing the *Puls Biznesu* daily.

As a result, a ranking of the fastest-growing small and medium e-commerce firms in Poland was prepared. It included firms that saw rapid growth over last three years.

Over 300 firms from around the country were granted the e-Gazelle title. During the five final galas organized in Sopot, Katowice, Kraków, Wrocław and Warsaw, the winners were granted statuettes and could share their experience in this type of business activity. Each gala was accompanied with a panel discussion attended among others by representatives of the Bank's Management Board and selected ranking winners. The discussion was to see the e-commerce related issues both from the viewpoint of market players and suppliers of financial and logistic services that significantly impact the form and quality of e-commerce in Poland. Puls Biznesu published reports from all galas and presented the most interesting e-businesses. Detailed ranking report and information and photos of the winners can be found at [e-gazele.pb.pl](http://e-gazele.pb.pl).

In May 2015 the Bank participated in the organization of the 41<sup>st</sup> Symposium on Contemporary Economy and Public Administration held twice a year on the initiative of Fundacja Gospodarki i Administracji Publicznej

(Economics and Public Administration Foundation) associated with the Faculty of Economics and Public Administration of the Kraków University of Economics. The main theme of the Symposium was “Polish work” and the panelists analyzed the Polish labor market. The speakers tried to determine the methods of improving the quality of Polish work, changing labor offices to fully exploit the potential of Polish talents and shaping the Polish labor market.

## Promoting sports

Considering sports as the area promoting desired behaviors, which is important for individual development and often constitutes a focal point of local societies, the Bank decided to support sport initiatives.

In 2015 the Bank became the General Sponsor of the Basketball Academy of Legia Warszawa. The Academy organizes general sport classes with basic elements of basketball for children aged 3 to 9. During a 50-minute class, children supported by two coaches enter a wonderful world of sport stories, where they can improve their physical fitness and exercise their imagination. The world offers sport adventure, fun in a friendly environment and the possibility to gain new mini basketball skills. The project supported by Bank Pocztowy is aimed at promoting basketball among children.



As for sports activities for teenagers the Bank has also sponsored KS ZWAR, a football school for young players, which organizes football classes and prepares football teams playing in Polish tournaments for young players born between 2000 and 2011.

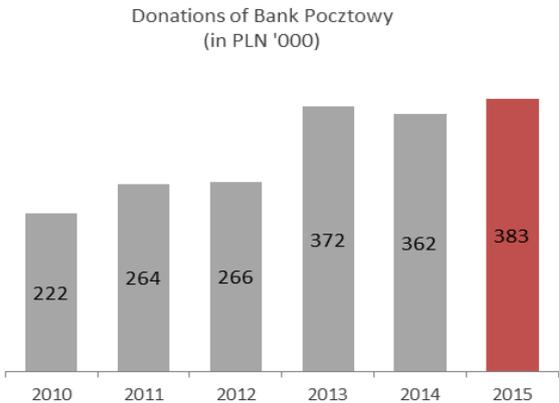
In 2015 Bank Pocztowy also supported professional sports, having granted Stal Gorzów Wielkopolski team funds for organizing Polish Motorcycle Speedway Team Championship in summer 2015.

## Donation policy

Since Bank Pocztowy has addressed its offer to citizens of small towns and villages, it focuses on local initiatives supporting financial education, education of children and youth and business development. Further, it provides financial support to those in need.

Bank Pocztowy has a Donation Committee, which, according to the Charter, may distribute up to 1.5% of gross profit generated in the previous financial year.

In 2015 Bank Pocztowy S.A. granted support in excess of PLN 383 thousand.



## Additional benefit packages

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Like in the previous years, in 2015 Bank Pocztowy provided its employees with a large package of additional benefits. At the same time, it started works to make them more attractive, by way of adding new benefits, taking into account staff preferences:

- comprehensive health care. The program offers a wide range of private medical services to all employees with an option to extend it to their family members on preferential terms. In 2015 the package was additionally extended by new medical services access standards,
- sports and entertainment: The Bank continued its cooperation with Benefit Systems Sp. z o.o. Thanks to MultiSport cards all employees are granted unlimited access to sports and leisure facilities around the country. Further, each employee can buy additional MultiSport Kids cards for children and partners on preferential terms, under an agreement concluded between the Bank and Benefit Systems Sp. z o.o.,
- MultiBenefit rebate program performed in cooperation with Benefit Systems Sp. z o.o.: Employees may do shopping with a preferential discount and use different forms of entertainment, such as movies, theater and weekend outings, booked through an Internet platform,
- Employee Pension Plan (EPP) significantly contributing to safe financial future of employees due to the growing need to accumulate capital for future pension benefits,
- group voluntary life insurance plan. Under the agreement between the Bank and the selected insurance company employees may buy life insurance on advantageous terms,
- social benefits. Employees may receive benefits offered under the Company Social Benefits Fund created by the Bank under the Act on Company Social Benefits Funds of 4 March 1994 and Company Social Benefit Fund Regulations adopted in Bank Pocztowy. All eligible persons can use the Company Social Benefits Fund by way of:
  - participation in various forms of sport and cultural events organized by the Bank,
  - receiving financial support in challenging and unpredictable situations in life.  
Such support is provided based on social criteria in the following forms:
    - non-refundable financial or non-financial support,
    - subsidized textbooks for employees' children who are still at school,
    - subsidized holiday travel for children and teenagers,
    - refundable loan for housing purposes.

## Employee satisfaction survey

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One of the priorities of the Management Board and top executives of the Bank was to create an engaging work environment, as it translates into higher business performance in the long run. Employees who feel engaged in the work environment display three attitudes: they express positive opinions about the company, are determined to be a part of the organization and are willing to exceed expectations. According to the research, in organizations, which open the ranking of Employee Satisfaction Survey carried out under the Best Employer Program, employee commitment is highly correlated with key performance factors, such as: cost reduction achieved though lower absence rate and staff turnover, higher revenue and profit, higher rate of return for shareholders a higher customer satisfaction.

The survey is carried out annually with the intention to improve results every year and to become one of Top Employers.



In 2014 the Management Boards of the Bank and Centrum Operacyjne decided to launch an Employee Satisfaction Survey project. The survey objective was to measure the current employee engagement and satisfaction in various work environments (as-is analysis) and identify key areas for development.

From the very beginning the survey was considered as process focused on further action steps not only on as-is analysis.

The project started with workshops for the Management Board, where strategic assumptions on driving employee engagement were determined. The Management Board defined their needs and roles in the entire process. The survey was carried out in January and the response rate was 76% for the Bank and 82% for Centrum Operacyjne (average response rate for Poland is ca. 70%). The high response rate guaranteed a reliable view of the work environment perception by employees.

One-day meetings were organized for all managers before and after the survey. Meetings preceding the survey were aimed at presenting the impact of high employee commitment on business performance and describing market trends and best practices. The purpose of meetings carried out after the survey was to teach the participants how to interpret the survey results, how to communicate them and take appropriate, efficient and simple action steps which would drive commitment in teams.

Meetings with all employees were organized to communicate the survey results. Most of the time during the 4-6 hour workshops was dedicated to discussing the work environment, encountered problems and needs of employees. The main focus, however, was on developing possible work environment improvements.

After the survey result analysis and meetings with employees 9 key initiatives were selected to be implemented in the Bank, i.e.: terms and conditions of work and customer service; access to the workplace and office devices; access to IT devices and their condition; efficiency and operational standards of IT systems; efficient cooperation; development system in the Bank; attractive employee experience and financial rewards for work; employer branding based on efficient communication and motivation; engaging leadership. The first issue of the newsletter entitled "Play with us to celebrate the changes" was issued in December 2015. The objective of this periodical is to inform staff of current events and initiatives.

According to the research, Top Employers build their competitive advantage on engaging leadership style focused on talents and performance and on a strong belief that commitment is essential for high business performance. Consequently, work environment management is not an option, it is a must.

The survey will be carried out regularly as an element of building the organizational structure of the Bank.