

# 2018

## Kooperativa 2018 Non-Financial Reporting



**Kooperativa**

VIENNA INSURANCE GROUP

For life as it is

# Table of Contents

Introductory Note by Board of Directors Chairman	3
UN Sustainable Development Goals & GRI Methodology	4
Stakeholders	5
CSR in Kooperativa and its Pillars	6
CSR Strategy	8
Fair Business & Traffic Safety	9
Platform VISION O	11
Employees	12
Environment & Carbon Footprint Measuring	16
Carbon Footprint Measuring	16
Kooperativa Foundation	19
Sponsorship and Internal Events	20
We Introduce CSR Activities in the Regions	22
GRI Content Index	24
Kooperativa's Declaration	28
Conclusion by Martin Laur	30
Kooperativa 2018 Non-Financial Reporting – Preparation and Implementation Review	31

# 2018

# Introductory Note by Board of Directors Chairman

Corporate social responsibility (CSR) has become a frequently used concept and ought to gain on importance in coming years. If I were asked to describe this notion and what lies behind it, I would not consider such a task too difficult. For me, it means behaving in line with my own conscience, doing my best in everything, using common sense, not harming my surroundings and nature, and helping those who have been less lucky in their lives.

Also, given the size of our company, it is our duty to look at the world we live in and think about how we have been affecting it, and especially how we can make it a better place to live. Every day, we encounter stories of bad luck and misfortune. These stories leave no one untouched; to the contrary, they highlight the power of empathy and willingness to help. They teach us and remind us the value of human health, family, friends, humanity and a helping hand provided just at the right time. These are the values our company is founded on; these are the principles we use to deal with one another; these are the reasons why we look for ways to improve society as a whole, provide help, a comforting word and joy wherever they are needed. If we stick to these principles and dedicate some of our time and means to apply these principles, we need not worry about ourselves or the future of our company. Whatever the future brings.

For us, this report is a summary of Kooperativa's footprint in society, towards our clients, business partners, shareholders and the general public, and also towards our employees – our colleagues who have made us the leader in the Czech market.



A stylized, handwritten signature in black ink, appearing to read 'Martin Diviš'.

Ing. Martin Diviš, MBA

# 2018

# UN Sustainable Development Goals & GRI Methodology

*To perceive and positively influence the world around us; to promote sustainable solutions and a responsible approach to doing business. These all are key factors for us, affecting our future. The success of our company and society as a whole is based on seeking mutually beneficial solutions together with our customers, who are in the spotlight of our interest. The search for such solutions inevitably also involves our employees, who are irreplaceable in taking these steps, our shareholders who share values with us, and other stakeholders. Since 2010, Kooperativa has been following the principles*

*of social responsibility as a member of the Business for Society alliance. The company has also adopted the Sustainable Development Goals (SDGs) issued by the UN Development Programme, and recently, the main UN Principles for Sustainable Insurance. We are already preparing ourselves for the European regulation on sustainable business in the financial sector.*

## GRI methodology

For reporting data in the field of social responsibility and sustainable development, we have chosen the GRI international standards methodology. These indicators are used to gauge long-term sustainability, for comparable measuring and for evaluation of the social responsibility of various organisations.

## UN Sustainable Development Goals and how Kooperativa perceives them

- 3 We care for the health of our employees
- 5 We strive to ensure equality of men and women
- 8 We seek not only financial profit, but also long-term sustainability of our business with respect for the environment
- 10 Our approach reduces inequalities
- 11 Our insurance contributes to sustainable development of cities, towns and communities, also in case of natural disasters
- 13 We take climate change into consideration in our products
- 15 We offset our environmental impact and plant new trees; we pay attention to good neighbourhood relations
- 16 We initiate legislative changes with a view to cultivating the legal environment
- 17 We create dialogues and partnerships with the aim of improving life in this country



# Stakeholders

*We maintain an ongoing dialogue with our partners (stakeholders – see the chart) which we then reflect in our decision-making processes, services and products, a dialogue which also influences the focus of our activities in the area of social responsibility.*

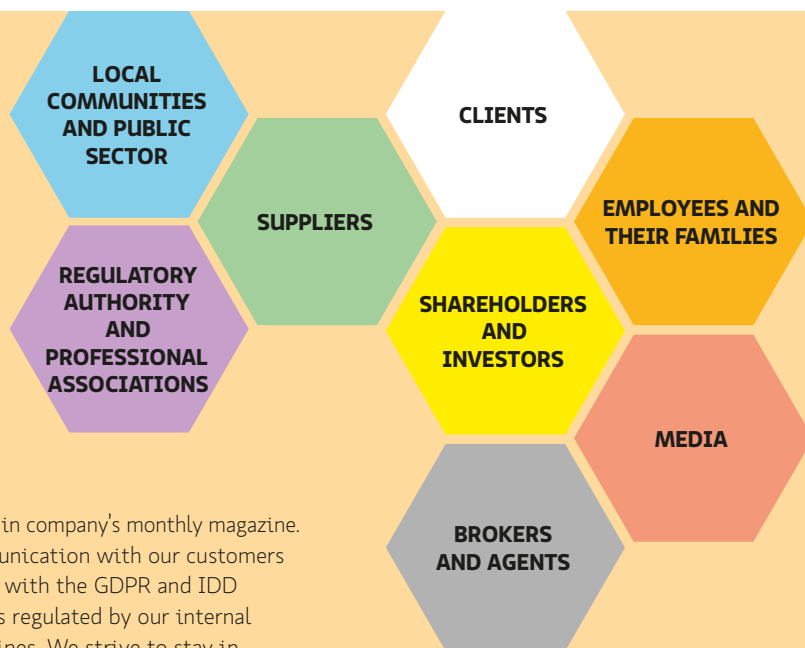
We actively engage in a dialogue with the public sector in the long term. Our representatives participate in and even manage individual working groups within the Czech Insurance Association (ČAP), within expert groups of the Czech National Bank (ČNB) and within our dialogue with insurance agents and brokers. In September 2018, we initiated the establishment of the Platform VISION O – a constantly improving dialogue not only with public sector institutions, but also with academic sector, private sector and non-profit organisations, all with a view to increasing the level of traffic safety in the Czech Republic.

We actively communicate with our employees using internal communication tools, extensive internal surveys and the “Nápadník” (Ideas Box) innovation platform. The active dialogue does not end with retirement; communication continues with our former employees – Kooperativa organises a traditional annual meeting with them and also regularly updates them on the latest

events in company’s monthly magazine. Communication with our customers in line with the GDPR and IDD rules is regulated by our internal guidelines. We strive to stay in regular contact with our clients. Updated information, interests and needs form the basis for setting up our services and products. We regularly communicate with our shareholders and investors. Our majority shareholder is Vienna Insurance Group, whose standards are taken into account in internal management and monitoring processes. We actively communicate with insurance brokers and agents in order to provide high-quality services to end customers. We pay attention not only to the sale of products, but also to subsequent care for the clients. We provide marketing support, product training and professional service, with the assistance of the staff of our special sales support department and also on-line, on a website intended

for communication with external business partners. Active communication with suppliers takes place according to internal standards and principles. Media relations are arranged for by the Public Relations Department, which maintains the relevant dialogue, drafts press releases and organises conferences on topical issues. We are regularly involved in activities of the local communities within the “Dobry soused” (Good Neighbour) project.

In the future, we will focus on a more thorough and comprehensive dialogue with our stakeholders, as we can still see some room for improvement in this area.



# CSR in Kooperativa and its Pillars

*To operate our business responsibly, ethically and morally, and positively influence society and the community we live in. These are the pillars of our corporate social responsibility and we strive always to proceed in the spirit of these values. Insurance itself can be conceived of as a field driven by the basic principles of helping others, responsibility and solidarity. Every day, we deal with crises and unpleasant situations encountered by our clients and help them manage the consequences of unfortunate events and various accidents in their lives. We know what value there is in help offered at the right time. We approach all our clients fairly and ethically.*

*The same is true of all our activities. We are aware that we are part of the society in which we successfully operate and, as such, we want to improve it and cultivate it. An absolute key for any insurance company, as a business operating in the services sector, is its employees. Their work, abilities, determination, ideas and satisfaction are the sources of our success, which is why we take care of their development and education.*

*For our business, it is crucial not only to deal with damage, but also to prevent it. We have initiated a number of preventive programmes and measures in this regard. Perhaps even more than in any other sector, we in the insurance business are aware that it is important to help those who have had less luck. These activities are covered by the Kooperativa Foundation.*

*The scope of our activities in the area of corporate social responsibility is documented and summarised in the CSR Strategy, approved by the company management in 2018.*

2018

# We build our CSR on four basic pillars:

## Employees

In Kooperativa, people work with people. We strive to ensure decent treatment, personal development, equal opportunities and flexibility.



## Environment

Green is not only our corporate colour. A responsible approach to the environment is quite natural for us.



## Fair and sustainable business & Traffic safety

Our product is our reflection. We know the consequences of various kinds of accidents and occurrences and their impact on the lives of our clients. We care about prevention.

## Kooperativa Foundation

We help those who have had less luck in their lives. We contribute to cultivating society and education of individuals. We promote healthy lifestyle for Czech families.





# CSR Strategy

***The strategy of responsible and sustainable business was first formulated and approved in 2018. Its creation was preceded by extensive internal and external monitoring of CSR activities, as well as the trends prevailing in this area in this country, in Europe and globally. The strategy was drafted in view of the global objectives of sustainable business, as well as the nature of our company, the area of its activity, corporate culture and corporate values.***

We have already been a major player on the Czech insurance market for 27 years. Our almost 3 800 employees take care of more than two million clients. Even after 27 years in business, we still find space for improvement and self-development. It is our objective to be an active partner and a recognised leader in terms of solidarity, a responsible and sustainable approach, and an active contributor to both social and environmental issues. We strive to be a respected member of the communities where we do our business. For us, sustainable solutions and a responsible approach to business belong among important factors for any future changes and steps. We believe that future success of our company and

society as a whole depends on seeking consensual and mutually beneficial solutions with customers, who are at the centre of our interest, and with employees who enable us to implement the relevant steps. All that with support from our shareholders, who share values with us.

Our main priorities include sustainable business with a responsible approach to the

customers, programmes of prevention with emphasis on the objectives of VISION 0, development of our employees' sense of solidarity with the company values and help for those in need via the Kooperativa Foundation.

## Key areas of our approach





# Fair Business & Traffic Safety

***We implement the principles of responsibility and sustainability not only in our services and products, but also in all related activities.***

## **Comprehensibility of products and services**

On the global market, insurance products are often considered complex, unclear and incomprehensible for the clients. Customers are often unaware under what terms and against which risks they are insured and what their cover actually is. We acknowledge this fact and strive not only to sell our products in a fair manner, while taking into consideration the actual needs and wishes of the clients, but also to ensure that any exclusions are comprehensible and kept to the necessary minimum.

## **Client-friendly distribution**

Technologies are an integral part of today's world and business. We do not want to lag behind in this regard. Our activities in this respect take into account the client's needs, especially in terms of communication and distribution of insurance. Along with completely paperless products, we are expanding our network of digital signatures, cash-free payments and interactive insurance guides.

## **Prevention**

On a daily basis, we encounter the life stories of our clients, involving many various accidents and occurrences that only real life

can bring. Precisely because we know the consequences and difficulties associated with unfortunate life events, we want to help our clients avoid them. Fulfilling our commitments in case of insured events is

To fulfil our commitments in case of insured events goes without saying. Nowadays, however, this is not enough. We know that our happiest client is the one who can avoid such situations. That is why we extended our portfolio of preventive projects in 2018, mainly in the area of traffic safety.

## **Fair adjustment of claims**

We strive to ensure equal and fair approach to all clients and all insured events. It is also vital for us that honest clients are not asked to bear the burdens generated by dishonest ones. We constantly develop mechanisms of detecting fraudulent and unfair activities. Over CZK 110 million was saved in 2018 thanks to denial of illegitimate claims. In many of these cases, we have co-operated with other insurers and the Czech Insurance Association (ČAP), as well as with private detectives and the Police of the Czech Republic.

## **Code of conduct**

The notion of ethical conduct can be understood in many ways; this is one of the reasons why we decided to unify this term and define a clear framework, for both internal and external needs of our company, what the limits are in our dealings with clients, suppliers and customers, as well as all other stakeholders.

AČPM



Pojišťovna roku



**Banka roku  
2018**

# Traffic Safety

***The question is not whether we should at all be concerned with the prevention of traffic accidents, but rather how we should approach this task. Covering more than 1.5 million vehicles in the Czech market, we have the knowledge about both the causes and consequences of traffic accidents. To make our clients' lives easier when dealing with a traffic accident, we pay attention to issues of traffic safety. We have committed ourselves to VISION 0, a philosophy of zero fatalities and serious injuries caused by traffic accidents. We also agree with the proclamation, saying that a traffic accident is caused not only through fault of an individual, but rather by a failure of the whole system. This includes education, legislation, law enforcement, sanctioning system, infrastructure, technologies and drivers themselves. Following this philosophy, the Kooperativa Foundation established the Platform VISION 0 in 2018 – a non-political non-profit organisation, co-ordinating and associating entities who can and want to influence the level of traffic safety in the Czech Republic. We also support and initiate a number of projects reflecting many of the above activities throughout the Czech Republic.***



## My Vision Zero

A project declared by the Kooperativa Foundation which aims to involve, in issues of traffic safety, those who are among the most vulnerable drivers – young drivers, university students. We have announced a public competition for Czech university and college students where we seek term

papers and theses focusing on traffic safety. The best projects will be rewarded with valuable prizes or by being followed up in practice. This project also has one other substantial aspect – the students become acquainted in an easy form with the aspects of traffic safety, as well as the relevant threats and risks. The project is co-financed from the “fond zábrany škod České kanceláře pojistitelů” (damage prevention fund of the Czech Insurers' Bureau).

## Seniors without Accidents

Senior citizens are certainly not the pirates of Czech roads. Accidents they are involved in are often caused by inadequate or outdated knowledge of traffic regulations, slower reflexes, poor physical shape, lack of knowledge of the infrastructure or technology, failure to acknowledge the relevant risks, as well as aggressive behaviour of other drivers. All these factors are pointed out in a series of 300 lectures presented throughout the whole Czech Republic in 2018 and 2019. Kooperativa supports this project and invites its partners and clients to attend the events.



## We Drive by Example

We actually do what we say. Many of our activities start with our own employees. And together with them, we set an example when driving. This is what we called our internal project intended for our employees with the aim of pointing out in an entertaining form various dangers and risky behaviour on roads and also positively influencing the actual driving habits. At many places in the Czech Republic, our colleagues can try out a crash impact simulator and see the importance of wearing seatbelts, learn the value of compulsory equipment on a bicycle and the importance of reflective elements. Furthermore they can try on drunk goggles, inspect child car seats and take part in a number of other activities. In parallel, they can support the “Dětská dopravní nadace” (children's traffic accidents foundation).

### I Drive with the Times

Practice, practice, practice. It is never too late to learn. This was the underlying idea of a series of courses organised in 2018 for senior drivers over 65 years of age at eight testing centres throughout the Czech Republic, aimed at refreshing their knowledge and practical skills, providing a legislative update and first aid courses.



### Man vs. Road

A superhero will never stop when faced by any danger, not even a road. In a series of videos, a hero of the “Tým silniční bezpečnosti” (traffic safety team), Berger Grillský points out various dangers that can be encountered in road traffic. The first series of videos drew attention to the risk of poor visibility, importance of seatbelts, knowledge of first aid and danger to motorcyclists.

## Platform VISION 0

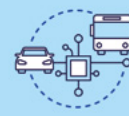
Platform VISION 0 in fact points out, that there is absolutely no excuse for any fatalities or serious injuries caused by traffic accidents. We in Kooperativa agree with this, and therefore proudly support this philosophy. In the Czech Republic, we can see a pressing need for closer

# vizenula

co-operation not only in the public sector, but also with academic sphere and commercial entities. Indeed, they all are able to, can and want to influence the level of traffic safety; they all have resources, information, experience and common responsibility. This was also a reason for establishing the Platform VISION 0, creating so much needed space for communication and co-ordination. To achieve systematic, society-wide changes emphasising all the components of the transport structure are common ends of all members of the Platform and its supporters



INFRASTRUCTURE



MEANS OF TRANSPORT  
AND TECHNOLOGY



EDUCATION



LEGISLATION AND LAW  
ENFORCEMENT



MARKETING AND MEDIA

All this matters, not only in the context of the current state of affairs, but also in the long-term perspective, with a vision of technological changes, autonomous transport, urban planning, etc.

The quality of outputs is supervised by an expert council associating specialists from various areas of public, academic, research, law enforcement and commercial spheres. In 2019, the main topics of the working groups of the Platform VISION 0 include the System of Driver Education, Methodology of Assessing Drivers' Health, Future Technologies (SMART CARS, SMART CITIES), etc.

# Employees

***Our objective is to be a popular and competitive employer with an inspiring working environment, which is able to keep our existing employees and attract new ones. We respect our employees to balance their professional and personal lives and create conditions for those who are disadvantaged in the labour market.***

## Diversity

Diversity of employees provides space for innovation and understanding. This is what we believe in and the reason why we signed the European Diversity Charter and honour its principles, which are reflected in our various activities such as meetings of the female managers' club, coaching, training and workshops, personal stories of our employees.

We strive to ensure equal opportunities and respect the individual needs of employees irrespective of their age, gender, health condition and family situation, considering the importance of bridging the generation gap (134 working pensioners among our employees) A special seniors' programme is dedicated to our former employees. We also focus on Talent management, organisation of Trainee programme (since 2007), support of mental hygiene (corporate psychologist and internal coaches). All of the above activities are a clear proof of our diversity approach.

## Flexibility

We focus on providing a modern, flexible environment and work-life balance. We therefore support work from home – this option was used by 380 employees within a total scope of 4 695 working days. The same is true of sick days (3 days a year are fully paid and were taken by a total of 3 771 employees within a total scope of 9 909 working days). The option of a part-time job, mainly for women on maternity and parental leave, was used by 144 employees, of whom 121 were women. There are currently

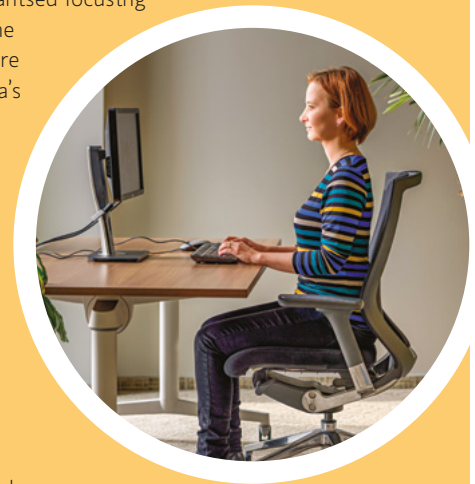
two men on parental leave. We give mothers-to-be a day off every 3 months.

## Education

With the aim of both personal and professional development of employees, we organise a number of internally organize lectures and workshops with interesting guests and health preventive programmes. At the same time, our employees can educate themselves in e-learning courses or register for external education. In 2018, our employees spent 11 860 days attending education programmes organised by the HQ, of which 2 298 days took the form of internal education, 4 714 the form of external education and 4 848 the form of e-learning.

## We take care of ourselves

The main topic of 2018 was health. In February, a campaign was organised focusing on a healthy back; the physiotherapists were advising Kooperativa's employees on how to correct their bad postures and how to sit properly directly at their desks in their workplaces. Each employee received a physiotherapeutic "overball" as a gift. The campaign was supplemented by an instruction video and anyone interested could attend regular yoga classes (393 employees). Throughout the year, we focused on up-to-date and global issues. Overall, we organised 45 events for 3 300 employees, with the main focus on physiotherapy, healthy heart, prevention of breast and testicular cancer, stress



DETAILS ON EMPLOYEES			
NUMBER OF EMPLOYEES:	MALE 1 117	FEMALE 2 667	TOTAL 3 784
<b>Age structure</b>			
up to 24	45	132	177
25-29	101	269	370
30-39	289	603	892
40-49	283	798	1 081
50-59	293	718	1 011
60-64	83	115	198
65 and more	23	32	55
<b>Completed education</b>			
University education	502	585	1 087
Higher vocational education	24	68	92
Secondary education	550	1 789	2 339
Primary education	0	0	0
Vocational training with graduation examination (maturita exam)	1	90	91
Vocational training	40	135	175
<b>Persons in managing positions</b>			
Board of Directors	6	1	7
1st management level	24	6	30
2nd management level	79	37	116
3rd management level	91	61	152
<b>Types of employment (in %)</b>			
40 h	68	66	67
37.5 h	30	29	29
Less than 37 h	2	5	4
<b>Staff turnover</b>			
New recruitment	160	392	552
Newly on maternity/parental leave	0	140	140
Rate of return after maternity/parental leave	0	46	46
Staff leaving the company	191	467	658
<b>Interesting bits</b>			
Utilisation of maternity/parental leave	2	261	263
Use of sick days (3 days/year)	1 062	2 709	3 771
Work from home	128	252	380
Disabled employees	20	68	88
Working pensioners	38	96	134

management techniques, prevention of vascular diseases, psychosomatics, prevention of serious diseases, family communication and first aid for children.

### Healthy company

In co-operation with "Oborová zdravotní pojišťovna" (health insurance company), we extended a part of the preventive programmes.

**DENTAL HYGIENE** (1 271 employees)

**DERMATOLOGY CHECK UP** (596 employees)

**EYE EXAMINATION** (575 employees)

**FLU VACCINATION** (312 employees)

**BACK PAIN RELIEF PROGRAMME** (1 391 employees)

**MASSAGES** (1 150 employees)

The Kooperativa's Headquarters building has its own first-aid station, which is regularly used for massages (provided by visually impaired massage therapists of the Tecum company).

Not only we do support sports in Kooperativa, but we also practice them. Since Kooperativa was founded, there has been a club (called Triangle) partnering employees – athletes, who participate every year in company sports games and other activities. Making no difference in terms of age, occupation and hierarchy, colleagues from the entire country meet twice a year at the company's summer and winter sports games. A total of 15 teams, each with up to 12 competitors, take part in downhill skiing, snowboarding and cross-country skiing races in the winter, and in tennis, swimming, football (soccer) and volleyball in the summer. With respect to their scope and popularity, these are the biggest teambuilding events in Kooperativa. Our football team represents Kooperativa not only on the national level, but also in international matches.

### Social aid

Each of us might run into a difficult life situation. In such cases, we provide help in the form of refundable and non-refundable social loans. In case of serious personal issues, we provide time-off to employees who are single parents. Within our benefit scheme, we provide accident insurance for newborns, a contribution towards pension insurance and life insurance.

The Hrůzův mlýn training centre is available to our employees. It serves primarily for education events but can also be used for private recreation on weekends. During summer holidays, it turns into children's summer camps organised by employees for their colleagues' children. We also offer recreational stays in Šumava National Park and Karlovy Vary spa resort at discounted prices.

### Disabled employees

We take active care of employees with disabilities within our special programme, where we also provide financial support in the form of a contribution worth CZK 36 000 a year. The number of disabled employees with the status of severe disability (with the assigned severe disability card) increases every year – there are currently 88 such employees in the company.

### Baby office

Kooperativa takes care of employees' work-life balance; this year, we opened two "baby offices" for employees with children. These are multifunctional spaces, combining a children's play area and office. Parents can work or attend a business meeting while their children play with toys, a game console, an interactive educational panel focusing on traffic safety, etc. The purpose of this space is to help parents who need to bring their children



to work in extraordinary family situation, as well as parents on maternal or parental leave.

### World around us and famous people in VIG Czech Republic

Series of workshops for all employees are organized at Kooperativa's congress centre; with the aim to improve the general knowledge of our colleagues and give them the opportunity to meet people who are famous and important in their respective fields. Each year, these workshops are visited by ca. 600 employees.

### Trainee programme

An annual cycle for university graduates directed by a mentor is complemented by professional internships in company divisions, regional branches and competence centres. The programme includes several multi-day education courses focusing on etiquette, teamwork or presentation skills. Since 2007, 179 trainees attended the programme, thereof 149 joined Kooperativa later. Many of them currently work in various positions, from controllers, analysts, Key Account Managers and project leaders, to heads of teams, departments and sections, and regional managers. Students awarded us a bronze medal "Top Zaměstnavatel 2018" (top employer survey).





## General benefits

- ▶ Free all-year travel insurance
- ▶ Additional week of leave
- ▶ Contribution towards meals
- ▶ Life insurance with accident insurance, disability insurance, insurance of unfitness to work and serious diseases

## Optional benefits

- ▶ Recreation for children
- ▶ Short-term children's sports events
- ▶ Refundable interest-free social loans
- ▶ Non-refundable social aid
- ▶ Support for employees dismissed on the grounds of redundancy
- ▶ Conditions for arranging contractual insurance of property and liability for damage for citizens
- ▶ Conditions for arranging motor vehicle insurance
- ▶ Time-off provided to bridge periods of sickness
- ▶ Time-off provided in case of special personal reasons
- ▶ Contributions towards Teambuilding Events and Employee Stays
- ▶ Employer's contribution towards supplementary pension insurance or additional pension saving schemes
- ▶ Employer's contribution towards private life insurance
- ▶ Triangle sports club and sports games
- ▶ Accident insurance of employees' newborns
- ▶ Employee loans
- ▶ Employee benefits provided by the Česká spořitelna Financial Group

## Status benefits

- ▶ Time-off provided to pregnant women
- ▶ Programme for senior employees
- ▶ Programme for disabled employees
- ▶ Benefits provided to employees on maternal or parental leave



# Environment & Carbon Footprint Measuring

***We always have ecology and sustainability in mind, in order to ensure a minimal negative impact on our ecosystem. Thanks to digitalisation, electronic communication with our clients, digital signatures, and electronic payments, we are heading towards our goal of paperless conclusion of insurance, thereby not increasing our environmental impact. We support electric mobility and the use of alternative fuels. Our ecological footprint is subject to regular monitoring. We have been implementing arrangements for mitigating our ecological footprint e.g. by various offset projects.***



## Kooperativa Headquarters

The Main Point Karlín building (MPK) was awarded the prestigious LEED Platinum "Green Buildings" certificate. The relevant evaluation focuses especially on the building's energy savings, its environmental intensity and impact on the surroundings. What is unique about our building is especially its cooling system which uses water flowing through a pipe from the Vltava river

and its envelope with vertical glass-concrete pilasters, functioning as sun breakers. Rainwater is utilised for automatic watering of green areas and terraces of the building. The above are just some of the reasons why the MPK was declared the best office building of 2011 at the MIPIM Awards held in Cannes, France.

## LED lighting at company branches

Within the project of remodelling our network of branches, we focus on environmentally sound and economical operation. Therefore, we gradually install LED lights, which are considered to be more environmentally friendly.

## Separation of waste and environmentally sound disposal of IT equipment

We pay attention to waste separation in all the regions where we operate. Special containers for separated, hazardous, electrical and electronic waste and batteries are a matter of course. We also dispose of IT equipment in an environmentally sound manner, i.e. with environmental labels.

## Paperless insurance company and digitisation

To comply with the ever-increasing environmental demands and to facilitate everyday practical work, we want to become a paperless insurance company. We use modern technologies creating a smaller environmental burden, while complying with the requirements of modern client services. We extend digitisation and increase the frequency of electronic communication with clients instead sending paper letters. We give priority to contracts negotiated in electronic form and, therefore, we have put in place digital signatures and electronic payments.

## Carbon Footprint Measuring

We consider the measurement of the environmental burden produced by Kooperativa a primary step necessary for rationalisation and subsequent implementation of a number of measures leading to their mitigation. Reduction of our environmental impact is our main objective in this area. Mapping the current situation is thus crucial not only for the decision-making processes, but also for measuring the impact and scope of these measures in the future. The carbon footprint in 2018 has been the



first measurement of this kind undertaken by Kooperativa. The measurement was performed by the CI2 company.

### Calculation of the carbon footprint

The calculation was performed in accordance with the GHG Protocol international standard ([www.ghgprotocol.org](http://www.ghgprotocol.org)). This is the most commonly used calculation tool for creating an inventory of greenhouse gases of a company or organisation. Measurement of emissions enables subsequent planning and management of the process of their reduction and thus also greener operation of the organisation.

### Scope of measurement

For the purposes of the relevant organisation and in accordance with the measurement methodology, the following range was chosen, divided into three scopes. **Scope 1** (mandatory scope of measurement) – covering direct emissions into the air from activities related to the operation of the organisation (e.g. emissions from fossil fuel boilers, emissions from the operation of vehicles owned by the company, leaks from air conditioning or emissions from industrial processes, and waste disposed of within the company). **Scope 2** (mandatory scope of measurement) – covering indirect emissions from purchased energy, which are not a result of the company's business, but rather

a consequence of its activities (e.g. purchase of electricity or heat). For greater credibility, we extended the measurements to include optional **Scope 3** – covering certain other emissions not included in Scope 1 or Scope 2. This covers specifically purchased products and services, capital products and services, activities related to fuels and energy, waste generated in operation and business trips.

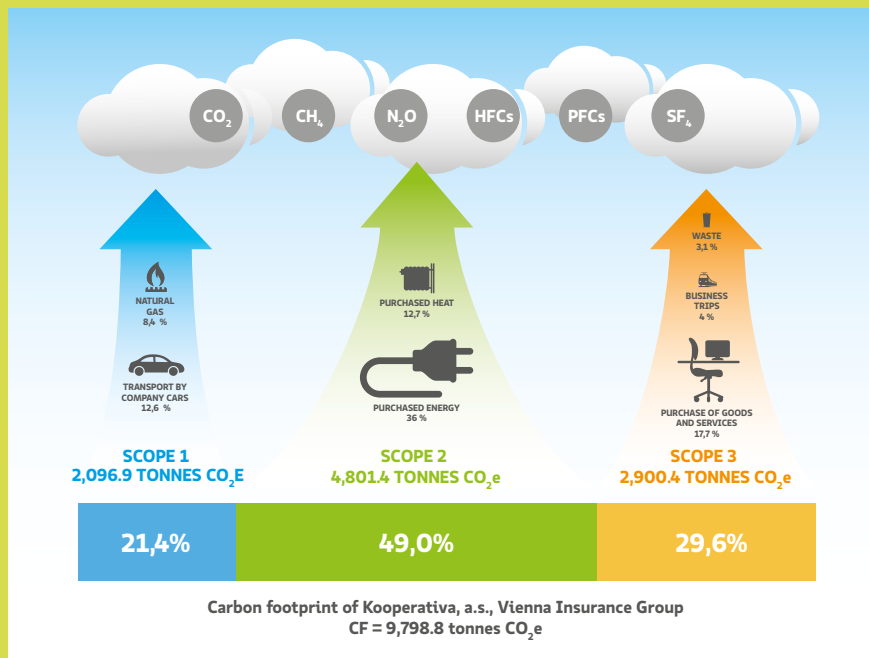
### Results of measurement: Distribution of emission production

Dominant in emissions of greenhouse gases are electricity

consumption (39.7%), consumption of heat and natural gas for heating of the company's workplaces (21.7%), operation of company cars (12.6%) and private vehicles and self-employed intermediaries for business trips (13.8%). Carbon dioxide emissions (CO<sub>2</sub>) are completely predominant in terms of individual greenhouse gases. Emissions of fluorinated hydrocarbons (HFC), methane (CH<sub>4</sub>) and dinitrogen oxide (N<sub>2</sub>O) are immaterial.

### Final recommendations

On the basis of a detailed carbon measurement report, we have



identified three most important environmental burdens we will focus on in the future. They are electricity, heat and fuels.

### **Central registry office and mail office in Modřice**

We provide for central receipt of physical correspondence and documents, keeping records, sorting and subsequent digitisation. At the same time, we manage the filing service and archiving of all insurance contracts, client communications and storage of contractual documents in depositaries and archives of the central registry office. After expiry of the applicable shredding deadlines, the relevant physical documents are shredded; since 2007, we have used environmentally sound methods of subsequent destruction of documents.

All files intended for shredding are sorted and separated from plastic parts (punched pockets, plastic folders, etc.). Also, thanks to this process, all paper and plastic waste can be subsequently recycled. We pay attention to careful handling of filing boxes. They can then be re-used for storing new documents. This is achieved for approx. 95% of the boxes.

We regularly organise selection procedures for the providers of shredding services. An important criterion, along with security, protection against data leaks, etc. is the final method of processing

and recovery of "waste". Last year, we discarded 53.2 tonnes of paper and 0.76 tonnes of plastics in the shredding process; these could then be fully recycled. Since 2007, we have thus separated and disposed in an environmentally sound manner of a total of 580 tonnes of paper in the whole VIG Czech Republic.

### **Electric and hybrid cars, electric bikes**

We support greener travelling and alternative fuels. In 2018, within the renewal of our car fleet, we increased the number of hybrid cars to seven. Along with them, we also use two electric cars and four electric bikes. The headquarters are equipped with 11 stations for charging electric cars or electric bikes.

### **Pressure on the supply chain**

We strive to ensure that our suppliers also use environment-friendly means. In addition to cleaning services that give priority to recyclable or environmentally friendly means (paper towels, detergents, cleaning agents), the Central registry office and mail room office in Modřice also strictly requires environmentally sound shredding of internal documents. To this end we require that the suppliers strictly comply with the internal requirements and that they hold the relevant environmental certificates.



### **"Na Cimbálku" offset project**

One of the projects to compensate for our environmental footprint is an offset project of planting alleys of fruit trees at "Na Cimbálku" in the village of Budiměřice, the Nymburk region. The project has been certified to comply with the rules of the Czech climate programme "SLEDUJEME/SNIŽUJEME CO<sub>2</sub>" (we monitor/reduce CO<sub>2</sub>). It is expected that the project will remove more than 91 tonnes of carbon dioxide from the air.

# Kooperativa Foundation

***The Kooperativa Foundation actively participates in a number of projects in the area of social responsibility. The foundation supports preventive programmes focusing on youth and parents in crisis within the “Česká rodina žije” (Czech Families are Alive) project.***

***It balances the prospects of families with a handicapped member and sick children through long-term partnerships with non-profit organisations. It calls on Kooperativa employees to help in locations where the company operates. The foundation implements a long-term programme of corporate volunteering and philanthropy throughout the Czech Republic. It supports art through our collection and the Kooperativa Gallery.***

## **Corporate volunteering and employee engagement**

Our employees have been engaged in charitable activities of the Kooperativa Foundation. In 2018, a total of 771 of our colleagues joined the “Den pro lepší život” (Day for a Better Life) – an event taking place in the whole of the Czech Republic. We help local projects and programmes, hospitals, hospices, institutions, schools, kindergartens and gardens. Every year, we fulfil the wishes of children, senior citizens and those who have had less luck in life, using the “Strom pro lepší život” (Christmas Tree for a Better Life). In 2018, our colleagues fulfilled almost 400 wishes worth more than CZK 300 thousand. At the “TOP ODPOVĚDNÁ FIRMA” (top responsible company) awards ceremony, we won a golden rating in 2018 in the employee engagement category.



## **Good neighbour**

We support co-operation and initiate partnerships with local organisations and institutions. We take part in the „Národní potravinová sbírka“ (national food collection), local charitable campaigns and collections. These are only several examples of many activities to help places where we do our business and to get closer to people who live there.

## **Kooperativa Gallery**

The collection of the Kooperativa Gallery comprises almost three thousand works of art. In an attempt to introduce art to the general public, we operate a gallery which organises 2 to



3 exhibitions every year. In 2018, we had a record number of 13 677 visitors, mainly thanks to the unique exhibition of František Kaván's works. In the autumn, the Gallery hosted an exhibition of “STO OBRAZŮ 1918 – 2018” (one hundred paintings 1918-2018) to commemorate the 100th anniversary of establishment of the Czechoslovak Republic. The Gallery is open to public free of charge.

## **Czech Families are Alive**

We support Czech families in all phases of their lives where they face various concerns and challenges. Via the “Zdravá rodina” (Healthy Family) project, we support those who have had less luck in life. We are partners of the Hamza treatment facility, the “Pomocné tlapy” (helping paws) project, the Sue Ryder organisation and the “Pečovatel” (carer) fund. Within the “Rodina budoucnosti” (family of the future) project, we support the development of abilities and independence of young talents through the international Duke of Edinburgh's Award. “Rodina v krizi” (Family in Crisis) helps single parents in difficult life situations.

# Sponsorship and Internal Events

## Prague Music Festival

This prestigious chamber music festival belongs among the oldest music festivals in Prague. Its founder and patron is the prominent Czech violin virtuoso, Václav Hudeček. Over a period of six months, the festival brings together renowned musicians and young and starting artists within a number of concerts.

## Český Krumlov International Music Festival

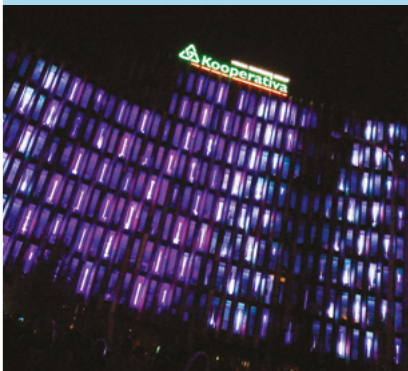
Interconnection of the historical centre, unique premises, exterior and interior spaces at the heart of Český Krumlov, registered in the list of UNESCO World Heritage Sites, with a display of global music culture and the most recent music trends from the 15th to the 21st century. That could be a description of the prestigious international music festival, which has become renowned not only among the visitors, but also among famous artists from all around the world.

## SIGNAL Festival

This festival has been a popular attraction over the past 6 years. Its 22 installations attracted as many as 620 thousand people. In 2018, Kooperativa also joined in

with its Headquarters in the Prague's district of Karlín.

A total of 4 km of cables and 120 LED lighting poles were installed for the 4-day festival. The festival ranks among the most important festivals of light installations in Europe.



## ČESKÉ HRADY.CZ Festival

The summer culture and music festival České Hradý.CZ takes place at eight Bohemian and Moravian castles in eight different regions. The festival is marked by a unique interconnection of history and architecture with modern music played by Czech and Slovak musicians. Up to 15 thousand visitors attend each of the concerts.

## "Kolo pro život" (bike for life)

With its 18-year history, this event has become the most widespread and most popular amateur cycling series in the Czech Republic. The individual races are intended for cyclists of all ages and skills, including young children and seniors. Every year, the event is attended by up to 25 thousand cyclists, including seven thousand children.



## Kooperativa NBL

The Czech top basketball competition – the Kooperativa National Basketball League – features 12 best teams of the Czech Republic. Kooperativa NBL means 252 matches with 222 thousand visitors and almost 900 thousand TV viewers. Kooperativa has been the general partner since 2014.



## "SníDEJTE s námi" (share your breakfast)

Within the employee engagement initiative, our colleagues from two company departments (so far) have organised charity breakfasts. They themselves prepared and offered breakfast to their colleagues at the Kooperativa Headquarters. During the event, employees could donate any amount to a charity project chosen by the organisers. A total of CZK 55 thousand was thus collected.



### **"Kníromember" (movember)**

The global November campaign for the prevention of prostate and testicular cancer also takes place in Kooperativa. Every year, we organise a photographic competition for our employees and whole teams. A collection to support the campaign, with a contribution from the Kooperativa Foundation, takes place all month.



### **Špindlerův Mlýn ski-resort**

We like to support sports and a healthy lifestyle, and we are therefore a proud partner of the most popular ski resort in the Czech Republic. We also pay attention to the youngest and therefore act as partners of skiing schools. At the same time, we place emphasis on the prevention of accidents by displaying various jokes along the Medvědíň cable car.

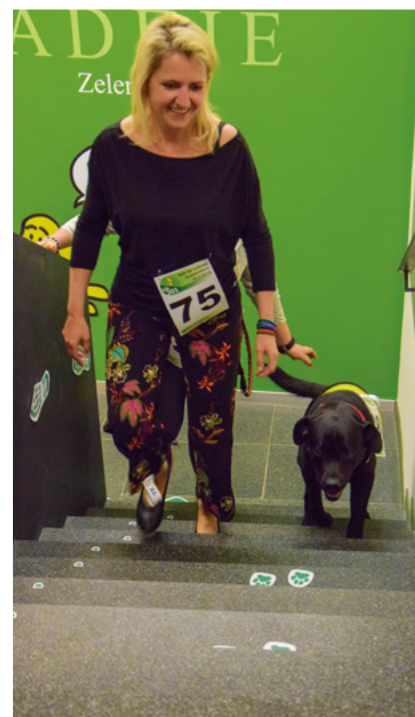
### **Safe Driving Center Sosnová**

Teaching is clearly an important part of any efforts to prevent traffic accidents. That is why we continued our partnership with the Safe Driving Center at Sosnová in 2018. Safe driving courses, first aid, dangers on road, modern technologies, emergency service components and practical handling and preventing crisis situations on roads – those are the topics in which we co-operate.



### **201 Run**

Sedentary job? Not with us. This year, we organised a stair climbing competition in the 10-storey building of the Kooperativa Headquarters (a total of 201 steps), and thus supported the training of assistance dogs within the "Pomocné tlapky" (helping paws) project.



# We Introduce CSR Activities in the Regions

***In Northern Bohemia, Kooperativa contributes positive energy to meaningful corporate social responsibility projects.***

The Northern Bohemia Agency operates in the Liberec and Ústí regions. We have at least one office in each district town. Thanks to our own business network, as well as through brokers, agents and other external partners, we serve individuals, small companies and corporations, the municipal sphere and non-profit entities.

In Northern Bohemia, we want to be strong partner for our customers and support meaningful projects. We provide our clients with important information and products. This is essential in taking out fully-fledged insurance for themselves, their families and property, thus securing not only their jobs, but also free time.



Ing. Roman Kracík, MBA  
Director of the Northern Bohemia Agency



# 2018



### **St. Zdislava Hospice in Liberec**

Our partnership with St. Zdislava Hospice in Liberec is one of our traditional CSR projects in the region. Every year, we help with cleaning and gardening work, organise collections among employees and some colleagues even participate in activities for patients in their free time. We share experience and information with the hospice management. In co-operation with the Kooperativa Foundation, we supported a concert given by the violin virtuoso, Jaroslav Svěcený, in 2018 – organized for the patients and recently also for the general public at the hospice.



### **Employee education and awareness raising**

Kooperativa insurance company currently has the largest market share in the Czech Republic and its ambition is to provide the best-quality services in the sector. Along with that, it is necessary to take care of employees and clients throughout the year, and constantly train and inform them about new products, assistance and market situation. Since we share VISION 0, we also monitor information on the trends in accidents, causes of accidents, means of effective driving, information on the functioning of the emergency service, etc.

### **Operation and insurance of motor vehicles workshop**

In 2018, we organised a unique open workshop focusing on the operation and insurance of motor vehicles in co-operation with the Global Assistance Safe Driving Center Sosnová. At the workshop, our colleagues obtained practical experience and information from health science, insurance assistance products, road traffic rules and methods of effective driving. The purpose was to provide up-to-date information from the market, as well as build the team, e.g. by providing an opportunity to get a ride in a race car.

### **Lípa Musica International Music Festival & L. van Beethoven Music Festival in Teplice**

In the field of culture, we have become important partners of two music festivals, the Lípa Musica International Music Festival, where we were the partners of the opening concert given by opera singer Magdalena Kožená, and the 2018 L. van Beethoven Music Festival in Teplice.

### **Co-operation with the Faculty of Economics, Technical University of Liberec**

The cooperation with the academic sector is highly important. In our region we actively co-operate with the Faculty of Economics of the Technical University of Liberec. We are a permanent member of the Scientific Council of the Dean of the University's Economic Faculty. Via this participation we attract potential candidates for a job in our company. We are happy to discuss and subsequently utilise interesting ideas presented in the students' theses. We consider our individual approach to graduates mutually advantageous.

# GRI Content Index

**The GRI Content Index is built on identifying the organisation’s key departments according to the GRI (Global Reporting Initiative) international standards, within the “core” scope.**

**The data presented in the report cover the period from 1 January to 31 December 2018. This is the first non-financial reporting issued by the Kooperativa insurance company.**

Non-financial reporting is based on a detailed analysis of internal and external processes, activities and monitoring, with an overlap to topics concerning sustainability and social responsibility. Underlying for Kooperativa 2018 Non-Financial Reporting and internal audit of CSR activities are the key sustainability indicators given by GRI’s international standards. These indicators identify

areas for further development, preparation of follow-up arrangements and their implementation.

As an example of this process, we can refer to external measurement of the carbon footprint, monitoring of the overall impact of our activities on the environment and identifying the strong and weak points of our current processes, as a basis for new measures reflecting long-term sustainability.

Selected activities and data are reported in three pillars of sustainability:

- Economic
- Environmental
- Social

In order to constantly develop our activities in the area of corporate social responsibility and sustainable development, we welcome any feedback concerning the Kooperativa 2018 Non-Financial Reporting and any other CSR activities or sustainability by e-mail at [odpovednafirma@koop.cz](mailto:odpovednafirma@koop.cz).

## GRI Content Index and non-financial data

GRI INDICATOR	DISCLOSURE	PAGE
General disclosures		
Organizational profile		
102-1	Name of the organization	See the Annual Report
102-2	Activities, brands, products, and services	See the Annual Report
102-3	Location of headquarters	See the Annual Report
102-4	Location of operations	See the Annual Report
102-5	Ownership and legal form	See the Annual Report
102-6	Markets served	See the Annual Report
102-7	Scale of the organization	See the Annual Report
102-8	Information on employees and other workers	Page 12
102-9	Supply chain	See the Annual Report
102-10	Significant changes to the organization and its supply chain	See the Annual Report

<b>102-11</b>	Precautionary principle or approach	See the Annual Report
<b>102-12</b>	External initiatives	See the Annual Report
<b>102-13</b>	Membership of associations	See the Annual Report
<b>102-14</b>	Statement from senior decision-maker	See the Annual Report
<b>102-16</b>	Values, principles, standards, and norms of behaviour	See the Annual Report
<b>102-18</b>	Governance structure	See the Annual Report
<b>102-29</b>	Identifying and managing economic, environmental, and social impacts	Page 8
<b>Stakeholder engagement</b>		
<b>102-40</b>	List of stakeholder groups	Page 5
<b>102-42</b>	Identifying and selecting stakeholders	Page 5
<b>102-43</b>	Approach to stakeholder engagement	Page 5
<b>102-44</b>	Key topics and concerns raised	Page 5
<b>Reporting practice</b>		
<b>102-45</b>	Entities included in the consolidated financial statements	See the Annual Report
<b>102-46</b>	Defining report content and topic Boundaries	Page 24
<b>102-47</b>	List of material topics	Page 6
<b>102-48</b>	Restatements of information	-
<b>102-49</b>	Changes in reporting	-
<b>102-50</b>	Reporting period	Page 24
<b>102-51</b>	Date of most recent report	See VIG CSR 2017
<b>102-52</b>	Reporting cycle	Page 24
<b>102-53</b>	Contact point for questions regarding the report	Page 24
<b>102-54</b>	Claims of reporting in accordance with the GRI Standards	Page 24
<b>102-55</b>	GRI content index	Page 24–27
<b>102-56</b>	External assurance	-
<b>Management approach</b>		
<b>103-1</b>	Explanation of the material topic and its Boundary	Page 3
<b>103-2</b>	The management approach and its components	Page 3
<b>103-3</b>	Evaluation of the management approach	Page 30–31
<b>Economic criteria</b>		
<b>201-1</b>	Direct economic value generated and distributed	See the Annual Report
<b>201-2</b>	Financial implications and other risks and opportunities due to climate change	Page 16–18
<b>203-2</b>	Significant indirect economic impacts	Page 9
<b>204-1</b>	Proportion of spending on local suppliers	-
<b>205-2</b>	Communication and training about anti-corruption policies and procedures	100% of employees
<b>205-3</b>	Confirmed incidents of corruption and actions taken	0 incidents

<b>206-1</b>	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	0 actions
<b>Environmental criteria</b>		
<b>301-1</b>	Materials used by weight or volume	Page 16–18
<b>302-1</b>	Energy consumption within the organization	Page 16–18
<b>303-5</b>	Water consumption	Page 16–18
<b>305-1</b>	Direct (Scope 1) GHG emissions	Page 16–18
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	Page 16–18
<b>305-3</b>	Other indirect (Scope 3) GHG emissions	Page 16–18
<b>305-4</b>	GHG emissions intensity	Page 16–18
<b>305-5</b>	Reduction of GHG emissions	Page 16–18
<b>306-2</b>	Waste by type and disposal method	Page 16–18
<b>FSSS</b>	Greenhouse gas emissions from business trips on behalf of the company	Page 16–18
<b>307-1</b>	Financial value and number of significant fines and total number of non-financial penalties for non-compliance with environmental laws and regulations	0
<b>308-2</b>	Material actual and potential negative environmental impacts in the supply chain and actions taken	Page 16–18
<b>Social criteria</b>		
<b>401-1</b>	New employee hires and employee turnover	Page 13
<b>401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 12–15
<b>401-3</b>	Maternity and parental leave	Page 12–15
<b>404-1</b>	Average hours of training per year per employee	Page 12
<b>404-2</b>	Programmes for upgrading employee skills and transition assistance programmes	Page 12
<b>404-3</b>	Percentage of employees receiving compulsory training	100%
<b>405-1</b>	Diversity of governance bodies and employees	Page 13
<b>405-2</b>	Ratio of basic salary and remuneration of women to men	-
<b>406-1</b>	Total number of incidents of discrimination	0
<b>407-1</b>	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	0; secured by legislation
<b>408-1</b>	Operations and suppliers at significant risk for incidents of child labour	Suppliers come from developed countries where this risk is minimal
<b>409-1</b>	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Suppliers come from developed countries where this risk is minimal
<b>413-2</b>	Operations with significant actual and potential negative impacts on local communities	0

<b>FSSS</b>	Access sites in sparsely populated or less favoured areas.	300 branches throughout the Czech Republic
<b>FSSS</b>	Initiatives aimed to improve access to financial services for disadvantaged people	Digitisation, barrier-free access, staff mobility, flexibility of products
<b>414-1</b>	Suppliers that were screened using labour-law (social) criteria	Kooperativa's Code of Conduct
<b>414-2</b>	Negative social impacts in the supply chain and actions taken	None
<b>417-1</b>	Requirements for product and service information and labeling	–
<b>418-1</b>	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	0
<b>419-1</b>	Significant fines and non-financial penalties for non-compliance with laws and regulations in the social and economic area	0

# Kooperativa's Declaration

**Kooperativa is a fair, strong and valuable company.**

**However, we want to be more than just that.**

**We want our contribution and everything we do to be respectful, helpful, friendly and empathic to our surroundings and to the people.**

**We want to help. We will engage for a better life because we believe it matters and life could be better.**



Ing. Martin Diviš, MBA  
Chairman of the Board of Directors



JUDr. Hana Macháčová  
Member of the Board of Directors



Mag. Gerhard Lahner  
Member of the Board of Directors



Jiří Šýkora  
Member of the  
Board of Directors



Mgr. Filip Král  
Member of the  
Board of Directors



Ing. Tomáš Vaníček, MBA  
Member of the  
Board of Directors



Ing. Jaroslav Kulháněk  
Member of the  
Board of Directors

# Kooperativa

For life as it is.  
And for the world as it could be.



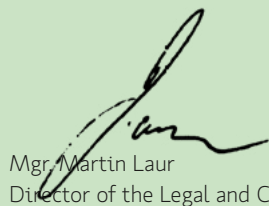
## Conclusion by Martin Laur

The topics of solidarity, ethics, responsibility and the natural effort to help others have been and are in the DNA of our company. This is one of the reasons why it is worthwhile to compile this paper – a comprehensive report on the “non-financial” value of Kooperativa. The result of our internal audit and external monitoring of activities in the fields of social responsibility and sustainability provided us with information on the potential for further steps and activities, as well as identification of opportunities for innovations, improvement, development, higher efficiency and consolidation.

Our further steps will be driven by the vision of sustainability goals as defined by the United Nations, in line with the company values and our corporate culture, to the extent declared in the CSR Strategy.

It is fundamental and unconditional for us to ensure the personal development and satisfaction of our employees, minimise our environmental footprint, provide equal opportunities, support and develop culture and the Kooperativa Foundation. However, our key objective is also to further incorporate the aspects of responsibility and sustainability into our products, internal processes, prevention and to further raise the public awareness. In all our activities we comply with the legal and ethical standards of the Czech Republic and the European Union.

We are fully aware of our society-wide responsibility and the impact of our activities on society to which we belong. We accept this role, challenge and responsibility with humility and determination. Our path in this field might have only begun, but we are sure that this is the right path.



Mgr. Martin Laur  
Director of the Legal and Compliance Department & CSR Manager



# 2018

# Kooperativa 2018 Non-Financial Reporting – Preparation and Implementation Review

Based on the Kooperativa 2018 Non-Financial Reporting, we identified a number of areas for improvement and intensification of our activities aimed at sustainability, efficiency and responsibility of our business.

In cooperation with the relevant departments and in accordance with the internal strategies, especially the CSR Strategy, we want to continue not only to identify the shortcomings, but primarily to eliminate their causes or transform them. We consider responsible conduct a part of our corporate culture, which is why we see such identified activities as an opportunity for constant improvement. In terms of contents, this Report is closely linked with the 2018 Annual Report, complementing it by selected non-financial data.

## The Kooperativa 2018 Non-Financial Reporting – Sustainability Overview:

The preparation of this Report created a carbon footprint in the amount of 0.492 tonnes of CO<sub>2</sub>e, as measured by the CI2 company.

The following were utilised for the preparation of the Kooperativa 2018 Non-Financial Reporting:

one  
bruised  
knee  
13 days of team work  
450 km of  
business trips,  
75% of which  
by public  
transport  
0 traffic  
accidents  
7 days of work from home  
8 pieces of cake from local business  
18 stretches with  
an overball  
34 cups  
of fair trade  
coffee

The Kooperativa 2018  
Non-Financial Reporting  
has obtained an  
environmental label  
of carbon footprint  
measurement, which was  
subsequently offset  
and is thus carbon neutral.



# 2018