Corporate Social Responsibility of Bank BPH SA in 2009
MAN IS THE IMAGE OF THE WORLD
Leonardo da Vinci
Corporate Social Responsibility of Bank BPH SA in 2009
Warsaw, 2 April 2010

Dear Stakeholders,

It was with true satisfaction that I received the inclusion of Bank BPH in RESPECT, a newly established index at the Warsaw Stock Exchange comprising companies with the highest ratings of corporate social responsibility.

Only 16 issuers were recognized, including Bank BPH and two other listed banks. The companies were carefully selected after an interdependent management audit, which assessed their corporate social responsibility and ethical standards in business.

This achievement crowns our long tradition at Bank BPH of respect for ethical values, such as trust, respect, responsibility and ethical conduct. These are the cornerstones of our corporate culture that the Bank is building on the ethical code The Spirit & The Letter. The code was developed by General Electric Company, our majority shareholder. The motto of the code is: Always with unyielding integrity, in all business activities, everywhere, every day and by every employee.

This is the fourth edition of the Corporate Social Responsibility Report of Bank BPH. Our first report, published in 2004, was among the first such reports in the sector and was devoted to the Bank’s relations with the main stakeholder groups.

We invest in relationships, the motto of this edition, shows how we understand our mission to become the Bank of choice for individual Customers, small and medium enterprises and mid-cap companies. We believe that only through integrity we will be capable of strengthening our high reputation as an institution of public confidence. We are working to further reinforce confidence our Customers have in our products, services and in the Bank itself. We consider it as a precondition for our further growth.

Sincerely yours

Józef Wancer
President of the Management Board
Bank BPH is sensitive to the needs of all our stakeholder groups. We are operating in compliance with Polish legal regulations, which are compatible with European Union directives. We are observing principles of Best Banking Practices and of corporate governance in public companies, as well as of The Spirit & The Letter, the code of ethical conduct of General Electric Company, our majority shareholder. We are building an image of a friendly, professional and trustworthy Polish financial institution.

Bank BPH upholds principles of corporate governance and of corporate social responsibility (CSR) and treats them as guidelines for conduct and a fundamental component of our corporate culture. The supervision provided by the Management Board and the role of its President in particular, as the highest coordinator of the practical implementation of the principles, give the Bank’s socially responsible activities an appropriately high profile, while the commitment of our staff ensures that the activities are successful.

**Mission Statement of Bank BPH on Corporate Social Responsibility**

GE approach to citizenship is a full-time commitment employing the same goals, strategies, and accountabilities that drive its business. GE’s simple citizenship framework — make money, make it ethically, and make a difference — dictates that GE makes contributions and creates value for society in ways that align with its business strategy. This integrated approach to citizenship is critical to how GE operates.

“We are committed to staying true to our core values in these difficult times and believe that our responsible business practices are critical in helping us and our communities to weather the storm. GE integrity, our experience and our focus on the social needs of health, infrastructure, energy, finance, and education position us as a natural partner in managing a sustainable economic recovery. This economic meltdown has been tough on GE investors, employees, retirees, customers, and other important stakeholders, but we continue to focus on our core values and the long term.”

Jeff Immelt, GE Chairman and CEO

GE engages in dialogue with stakeholders all over the world, a long way from the corporate boardroom. At the corporate level, three key bodies are responsible for making decisions about citizenship and learning from stakeholders:

- The Public Responsibilities Committee of the GE Board of Directors, chaired by former Senator Sam Nunn, includes CEO Jeff Immelt, and oversees GE positions on corporate social responsibilities and public issues of significance that affect investors and other key GE stakeholders.
- The Citizenship Executive Advisory Council (CEA) is comprised of five senior GE executives: Brackett Denniston, Senior Vice-President and General Counsel; Bob Corcoran, Vice-President of Corporate Citizenship; Gary Sheffer, Executive Director of Corporate Communications & Public Affairs; Ann Klee, Vice-President of Environmental Programs; and Steve Fludder, Vice-President of ecomagination. This group meets periodically to review stakeholder feedback and issues important to the Company’s citizenship efforts, helping ensure that the appropriate actions and resources are in place.
- The Corporate Executive Council (CEC) brings
together 40 of GE top leaders, including business CEOs, to discuss progress on the Company’s strategy and performance, disseminate best practices, and when necessary, review citizenship initiatives.

Citizenship issues are linked into GE broader strategic planning through both hardwired and softwired connections. Societal issues are hardwired to strategy as part of GE ‘Growth Playbook’. Environmental, social, and regulatory issues are incorporated into a number of cyclical processes, including individual employee assessments, business compliance and environment reviews, health and safety assessments.

GE has continued to invest in technology and innovation in the areas of clean energy, healthcare, and infrastructure across the world, particularly in emerging markets. For instance, of the $6 billion that the Company invests in research and development each year, $4 billion is allocated to solving the problems of affordable healthcare and clean energy. Through the resulting products and innovations, along with GE leadership in education reform, it can play a crucial role in helping to solve global problems.

Being global, driving innovation, building relationships, and leveraging its strengths positions GE as a natural partner to governments around the world working to create jobs, meet needs, steward common resources, and create sustainable growth. GE technical expertise, collaborative capability, and alignment to key societal challenges make the Company a natural partner in developing a ‘green’ recovery.

Each year, the GE family, which is comprised of more than one million people, including 327,000 employees, retirees, GE businesses and GE Foundation, invests $237 million in the communities in which its employees live and work.

General Electric plans to double its research and development spending to $10 billion for its Ecoimagination program over the next five years, a corporate initiative aimed at so-called clean technology to help reduce the carbon footprint of a wide swath of industrial activities.

### 03/Brief Information on Bank BPH

Bank BPH is a universal bank with a nationwide distribution network integrated with electronic distribution channels. With our innovative technology and the expertise of our employees we provide our individual Customers, businesses and institutional Customers with modern finance management tools. We want to become the bank of choice for individual Customers, small and medium enterprises as well as mid-cap corporations. The Bank was established more than 20 years ago, when Poland embarked on its free-market reforms and nine commercial banks were spun off from the structures of the National Bank of Poland. Five years later, in 1994, the Bank was privatized in an IPO and listed, in 1995, at the Warsaw Stock Exchange. Our Global Depository Receipts have been listed at the London Stock Exchange since 2001. Throughout its history Bank BPH has taken several strategic turns. In the most momentous of these steps the Bank merged, at the end of 2001, with another listed bank, PBK, and emerged as
the third largest universal bank in Poland in terms of assets. In November 2007, Bank BPH was broken up and a larger part, including more than 80% of assets, was incorporated in Bank Pekao S.A.

The latest landmark date was 17 June 2008, when the majority shareholding of the rump Bank BPH was acquired by General Electric Company (GE), one of the world’s largest corporations.

At Bank BPH we spent the entire 2009 preparing for a legal merger with GE Money Bank, GE other Polish subsidiary. Key merger decisions were taken at an Extraordinary General Meeting on 27 October 2009, when the shareholders unanimously approved the merger at the terms and conditions of the Merger Plan proposed by the Management Boards of the merging Banks and approved by their Supervisory Boards.

Since the registration of the merger between BPH and GEMB on 31 December 2009, Combined Bank BPH has been operating as a single entity. The integration was carried out pursuant to Art. 124 (1) and (3) of the Banking Law and to Art. 492 (1)(1) of the Code of Commercial Companies (CCC) by transferring to Bank BPH all assets of GEMB, while simultaneously increasing Bank BPH share capital with a new merger share issue. GE now holds 89.2% of the Combined Bank.

As at the end of 2009, Bank BPH served more than 2 million Customers through a nationwide distribution network comprising 319 proprietary branches, 155 partner outlets, 2.8 thousand agents and 3.4 thousand sale finance points.

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04/Financial Highlights of Bank BPH

<table>
<thead>
<tr>
<th>End of year figures:</th>
<th>2006</th>
<th>2007</th>
<th>2008*</th>
<th>2009*</th>
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<tr>
<td>Balance-sheet total (PLN m)</td>
<td>64,757</td>
<td>13,027</td>
<td>36,678</td>
<td>35,215</td>
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<tr>
<td>Net loans (PLN m)</td>
<td>35,594</td>
<td>6,165</td>
<td>29,742</td>
<td>29,096</td>
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<tr>
<td>Amounts due to customers (PLN m)</td>
<td>41,534</td>
<td>5,621</td>
<td>10,317</td>
<td>10,125</td>
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<tr>
<td>Book value (PLN m)</td>
<td>6,861</td>
<td>1,473</td>
<td>4,359</td>
<td>4,390</td>
</tr>
<tr>
<td>Pre-tax profit (PLN m)</td>
<td>1,634</td>
<td>285</td>
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<tr>
<td>Net profit (PLN m)</td>
<td>1,303</td>
<td>226</td>
<td>395</td>
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<tr>
<td>Capital adequacy ratio (%)</td>
<td>12.09</td>
<td>15.30</td>
<td>11.24</td>
<td>12.66</td>
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<tr>
<td>Cost/Income ratio (%)</td>
<td>47.0</td>
<td>64.9</td>
<td>70.01</td>
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<tr>
<td>Headcount</td>
<td>9,671</td>
<td>3,172</td>
<td>8,794</td>
<td>7,571</td>
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<tr>
<td>Employee costs (PLN m)</td>
<td>829</td>
<td>307</td>
<td>781</td>
<td>776</td>
</tr>
</tbody>
</table>
The Bank runs its coordinated communication policy for a very demanding and influential group of stakeholders consisting of investors, analysts, rating agencies and other capital market players. Our investor relations are based on the principle of equal access to information for all. The main objective of the Capital Market Communication Policy is to keep the capital market continuously attracted to the Bank’s stock, while assuring investors and analysts of a fully transparent and reliable conduct on our part and that the Bank is observing rights of minority shareholders who are critical for the stock market’s liquidity. We have a long history of investor relations both at the Warsaw Stock Exchange, where we have been listed for more than 15 years, and in London, where the Bank has been present for nine years.

The Bank’s communication with capital market institutions is based on the following principles:

**Transparency**: The Bank discloses all information required by law in its current and periodic reports. The Bank has commissioned Moody’s rating agency to perform independent rating of our financial strength and of the short and long-term creditworthiness;

**Reliability**: Every investor question is answered using published financial data or, if the data has not been published in the form of a current or periodic report, using a qualitative assessment;

**Equal Access**: All investors have access to the same scope of information and have the same terms and condition of information access;

**Credibility**: A reliable communication of events that influence the price of BPH stock is a precondition, but members of the Bank’s Management Board take part in the most important conferences and meetings with investors and analysts wherever it is the most desirable;

**Quality**: Top quality of content, format and presentation of our data communication;
Investor communication is based on an annual plan, which is always internally agreed as part of an overall communication plan of Bank BPH.

In 2009, our stock was popular among investors. They traded PLN 460 million in shares and 5.5 million shares changed hands, accounting for nearly 20% of all shares.

The Bank holds periodic conferences where analysts and investors have an opportunity for a direct exchange of opinions with the Bank’s CEO and the CFO. This happens at least on a quarterly basis, when we publish our financial results. On 30 July 2009, we staged an additional event to introduce a revised Merger Plan and the Bank’s Strategy for 2009-2012. The teleconference involved representatives of the majority shareholder and drew much attention from investors and the media.

Our Annual Report was highly rated in a joint rating prepared by the Accounting and Tax Institute and the Warsaw Stock Exchange. In the Best IFRS/IRS Annual Report of 2008 we ranked 3rd among banks and financial institutions.

Our Compliance Department is responsible for monitoring of the Bank’s compliance with the law, regulator recommendations, internal regulations and ethical standards.

In 2008, Bank BPH adopted GE code of conduct entitled The Spirit & The Letter. The document establishes key principles of ethical conduct obligatory not just for every employee, but also for all consultants, agents, sales representatives, distributors and independent contractors working with us. The code sets the rules of cooperation with Customers, suppliers and government administration. In particular it refers to illicit material benefits in relationships with suppliers, to restrictions in international trade, money laundering, personal data protection and to the observance of competition regulations. The document also addresses areas such as equal employment opportunities, the environment, health and safety, security and crisis management, intellectual property, financial controllership, conflict of interest, insider trading and stock tipping.

The principles included in the code are to help employees identify situations, in which it may be necessary to consider the right course of action, to seek advice or to make a decision that is the best from the perspective of the Bank, our shareholders, Customers and partners.

The GE code regulates the following matters:

- Compliance
- Improper Payments
- Supplier Relationships
- International Trade Controls
- Money Laundering Prevention
- Personal data protection
- Working with Governments
- Complying with Competition Laws
- Fair Employment Practices
- Environment, Health & Safety
- Security & Crisis Management
- Intellectual Property
- Controllership
- Conflicts of Interest
- Insider Trading & Stock Tipping

Our employees should follow a number of core principles:

- Obey the applicable laws and regulations governing our business conduct.
- Be honest, fair and trustworthy in all your activities.
- Avoid all conflicts of interest.
• Foster an atmosphere in which fair employment practices extend to every employee.
• Strive to create a safe workplace and to protect the environment.
• Through leadership at all levels, sustain a culture where ethical conduct is recognized, valued and exemplified by all employees.

The code of conduct provides an introduction to other important and more detailed internal regulations of Bank BPH. In 2009, we adopted a number of policies covering conducting businesses outside of the Bank, conflict of interest, giving and receiving gifts, raising integrity concerns and investing in financial instruments by persons linked to the Bank or on their account.

The Bank also introduces GE standards on responsible lending, workout, considering Customer complaints and on launching new products by involving relevant units within the Bank in the process of product designing, its sales channels, customer service, product documentation and marketing merchandise.

Bank BPH is building a culture of compliance, in which employees understand their responsibilities and can raise concerns without any hindrance or fear of retaliation, it promotes ethical and compliant conduct and takes into account employee efforts to maintain compliance in employee appraisal and rewarding.

Our strategy of building a strong culture of compliance is based on six main processes:
• Risk assessment and mitigation – identification, assessment and mitigation of legal, ethical and regulatory risks;
• Raising and responding to integrity concerns – building an open environment to flagging and solving observed problems;
• Training – participation in training on legal and ethic-related matters;
• Communication – following communication on compliance, taking into account and highlighting ethical aspects in business communication;
• Appraisal – taking part in compliance program surveys, contributing opinions and suggestions. The success of the strategy depends on the work of every employee and on the commitment of the management.

Regulatory Compliance is a corporate program aimed at identifying key legal requirements and monitoring regulations of the Bank’s activities with these regulations. The program’s assumption is to systemize the process of organizational alignment with the changing regulatory environment and management of risk associated with compliance towards critical legal regulations (Critical to Compliance, CTC).
07/Efficiency Enhancement Program at Bank BPH

On 20 October 2009, the Management and Supervisory Boards adopted a program to strengthen the Bank’s efficiency. It was required under Art. 142 of the Banking Law after a consolidated net loss of PLN 86 million reported by the Bank in the first half of the year. The loss was an effect of a combination of three factors:

- Deteriorating macroeconomic performance;
- A cost structure inherited after the Bank’s spin-off in November 2007;
- One-off costs of: (I) the Bank’s restructuring program intended to align our employment structure with the scale of business, (II) the distribution network optimization and (III) back-office centralization to increase efficiency.

The efficiency strengthening program was based on the main assumption that the merger of Bank BPH and GE Money Bank would be completed by the end of 2009 and this would help us return to the top ten of the largest banks in Poland. In the effect, the Bank has emerged as a universal bank with a considerably broader customer base, expanded distribution network, greater scale of operation and a strong presence on the consumer finance market.

08/Investing in Human Capital

8.1 Employment structure

As at the end of 2009, the integrated Bank BPH employment totaled 7,571 FTE (full-time equivalents), with a dominant part (71.6%) of women (i.e. 5,421 FTE). The Bank’s staff is relatively young with the average age of 32 years and with 69% of the personnel within the 35 year age range. Nearly 62% of our employees have a higher education degree. Managerial staff constituted at the end of last year 6.9% of the total employed. Out of the total 569 managers 252 (or 44%) were female and 317 were male.

8.2 Employment restructuring

The merger of Bank BPH and GE Money Bank coincided with a deterioration of the macroeconomic performance triggered by an unprecedented crisis on the financial markets. In this situation the two merging Banks found themselves forced to align their employment to the scale of business through restructuring.

Bank BPH took a two-step restructuring approach. Both steps were covered by an agreement with the trade unions specifying the rules of dissolving employment relations with the Bank’s employees for reasons beyond the employee control. In the first step the Bank was to lay off up to 488 employees between April and July 2009. In the second step, the reduction was up of to 440 employees between June and November 2009. Eventually the Bank laid off 745 people.

GE Money Bank also decided, in March 2009, to reduce headcount and opened talks with its trade union organization. In April, the Bank signed an agreement, which provided for up to 786 redundancies between 21 April and 31 August 2009 plus protective measures similar to these at Bank BPH.
The total combined cost of redundancies and the closure of 39 outlets in the less attractive locations at both Banks added up to PLN 120 million.

8.3 Recruitment system and compensation policy

The Bank has a clear set of recruitment rules. We publish a list of vacancies, which we seek to fill in, and corresponding required qualifications and practical skills on our website.

The Bank is also active in a ‘Win a Placement’ competition to find new interns. The competition is targeted at students of their final years and at graduates up to 30 years of age. Interns have been seen to quickly acclimatize at work and soon become fully capable members of the Bank’s team.

Employee compensation packages consist of the base pay, dependent on the position and function (fixed part) and of a bonus (variable part). Bonuses, which will be paid in 2010 for the performance in 2009 were linked with individual performance, but also took into account the Bank’s cost rationalization program and especially the employment restructuring measures.

8.4 Bank BPH awarded as ‘Human Capital Investor’

In October 2009, Bank BPH was recognized, for the second time, in the prestigious ‘Human Capital Investor’ program where companies are awarded for their achievements in the management and investment in human capital. The program, established ten years ago, helps companies assess their human resource policies against the market. On the previous occasion Bank BPH was awarded in 2005.

Every company or organization joining the program is evaluated in terms of personnel development, responsible and transparent personnel policy and success in building an environment of a knowledge-based organization.

These areas are analyzed and compared by distinguished industry experts under the supervision of the independent survey firm TNS OBOP. Nearly a thousand companies and organizations of all sectors and industries have taken part in the Program so far. Bank BPH received its title following an independent HR policy audit. The award is even more valuable, as it was won in a year when many difficult decisions had to be taken. The Management Observatory Foundation awarded us the program emblem in recognition of:

- The introduction of an electronic employee appraisal system EMS, recording the employee’s professional achievements during the past year and helping plan his or her career in the year ahead and beyond.
- The introduction of a new training strategy with a broad use of our MyLearning platform that offers more than three thousand electronic courses in all areas, available in real time and in various languages, including Polish.
- The Onboarding program intended to provide new employees with a smooth introduction to the organization.
- The Development Academy program.

The award is an expression of recognition of the Bank’s entire management staff which help create friendly jobs appreciated by the employees and the labor market at large.

8.5 Training strategy

Bank BPH operates and develops efficient and modern training methods and tools to support the building, the use and spreading the knowledge necessary to achieve business goals. Our training activities rest on four main pillars:

1. The Development Academy;
2. GE corporate training;
3. Local training;
4. On-line learning using the MyLearning platform.
Our training activity is part of the development policy adopted by the Management Board and intended to:

- Ensure adequate preparation to perform functions required in a given position;
- Ensure that our investment in the knowledge and skills of the employees is in line with the values adopted at the Bank as part of the GE Group;
- Ensure the Bank's competitive advantage through inviting in the employee knowledge and skills;
- Provide employees with an environment that is conducive to their professional development.

The Bank’s training needs are diagnosed by analyzing these needs at the beginning of a year in all areas of the Bank’s activity and in close cooperation and contact with the management staff. In this way the needs of every single employee are identified and can be addressed by subsequent training activities. Results of the training needs analysis and proposed action plans are reported to members of the Management Board in charge of specific divisions, to the management staff and the employees. The management supports this operating practice by promoting the initiative within the organization through internal communication and to the outside world.

A good example of supporting the practice by the management is our talent review process (Session C), which is a corporate process conducted with every GE Group member in a similar way. Training and development activities pursued as part of this practice are fully compliant. Additionally the training system aims to improve the efficiency of organization management, while taking into account corporate social responsibility, respect to all stakeholders and to ethical principles.

The Development Academy is a program of internal training conducted by in-house trainers selected in a specific procedure. The Academy aims to build a knowledge-sharing culture and any employee who wants to share his or her rich knowledge and experience with others can play the role of a trainer. In 2009, 45 such trainers were selected. Each quarterly edition of the Academy program begins by the publishing of a detailed course catalogue. Due to an involvement of employees from various areas and organizational units the training offer is always a rich mosaic of training opportunities ranging from tool courses, to sales, quality, interpersonal, to managerial training. After the training an evaluation form is distributed to all participants as an assessment tool for the content and the organization of the session.

Meeting our training needs with the Development Academy training generates significant savings. During 2009, we conducted 71 training courses attended by 10% of the Bank’s employees and in this way we saved approx. PLN 650 thousand.
The Development Academy operates to regulations adopted by the Management Board and communicated to all employees.

Corporate training

GE is one of these global corporations that regard their personnel training and development on a par with their business goals. The company has the Crotonville university (USA) that targets among its major goals training managers and future organization leaders. The training is provided by carefully selected training suppliers and by practitioners, i.e. experienced GE leaders.

The training is offered in the form of managerial courses, focused on developing management and leadership skills, and technical courses, devoted to the development of important skills, such as presentation and communication skills.

Training candidates are selected in a systematic nomination process that uses talent reviews and the annual appraisal of every employee. The pool of nominees is calibrated at the overall Bank level to provide equal treatment of the candidates and to ensure that the training is provided to people with truly the greatest development potential. In 2009, we sent 20% of our management staff to corporate training.

The University courses include special programs for future financial leaders (Financial Management Program) and information management leaders (Information Management Leadership Program). People interested in developing into top managerial posts in human resources can take advantage of a dedicated Human Resources Leadership Program, which covers improvement through work experience in various corporate areas and through management training.

All training courses are evaluated using the same methodology ensuring that the efficiency of various courses can be effectively compared. The method is known as the Net Promoter Score (NPS) and each participant is asked to answer questions on how they liked the training and how much they would recommend it to others.

Local training

The main objectives of internal training provided at Bank BPH include: supporting efficient functioning of the organization, helping adapt to organizational change, equalization of opportunities, improving knowledge, providing equal start at work for all employees.

Internal training is targeted at both specialized employees and managerial staff. Some of the major courses include:

- The Onboarding package for new employees intended to quickly and thoroughly acquaint them with the working environment, bring them into the new activities and to help them learn the company’s organizational culture;
- Specialized training for specific positions. Examples include an introductory training package for branch personnel in the Retail Banking Division and product and application training for our partner outlets. The Retail Banking Training Office offers training on products, systems and sales, as well as coaching. Courses are addressed to account managers in our own branches and to franchise outlets. Every employee of a franchise outlet has to undergo certification, which requires prior training on product and on responsible sales. In 2009, the Office’s trainers delivered training to more than 2,100 employees of the former GEMB, to more than 1,000 account managers of the pre-merger BPH and to hundreds of sales staff from our intermediaries. Account manager training involved in the preparation for the merger was of particular importance. It was conducted by 16 trainers and involved more than 1,000 participants who completed the courses by taking knowledge tests. The training proved highly successful, which was proven by high NPS satisfaction ratings that exceeded 80% net satisfied participants. After the merger, the
trainers went out to the branches to provide support to account managers.

- Instruction courses, such as on tools for employee appraisal. In 2009, we had 139 training sessions for managers, employees and managerial staff.

**Distance training using the MyLearning platform**

With the MyLearning platform the location of an employee ceased to be of importance. In this way training organization is much less restricted and distance learning can be provided to virtually unlimited number of participants in a short span of time.

The training scheme is addressed to all employees and can be made either optional or obligatory depending on the group of employees. Courses are accessible from any place, including a home-based computer with web access.

In response to their great popularity we are introducing new courses. There are 46 Polish language courses available and 11 more will be added by the end of the first quarter of 2010. New courses will be developed as needed on an ongoing basis. According to the latest survey more than 5,500 courses were completed between January and November 2009. The implementation of the platform and its practical offering to the employees has been accepted as a best practice at the GE Group.

### 8.6 Health and safety

It is a basic obligation of every employer to observe rules and regulation of health and safety at work, including the protection of life and health of the employees. Bank BPH is working actively to build an effectively operating health and safety system in all of its organizational units. Numbers of work accidents have been falling steadily. Based on rates of accident and industrial disease occurrences, the Polish Social Security Authority (ZUS) has classified the Bank in occupational risk group 2, which represents a very low risk allowing for assessing the accident level as very low.

A health and safety service is in operation at Bank BPH. The service operates throughout the country and provides systematic supervision and control of the working conditions and reports on an ongoing basis to the employer on any irregularities, which are then consistently eliminated. A health and safety instruction is a binding document for all our employees. The Bank provides its employees with an efficient training scheme offering knowledge and skills in this area. New employees receive their introductory training in direct meetings with the health and safety service, whilst subsequent periodic training is provided via the Internet platform.

### Work accidents 2006-2009

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<th>Item</th>
<th>2006</th>
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<tr>
<td>Work accidents</td>
<td>50</td>
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<td>- including deaths</td>
<td>0</td>
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<td>0</td>
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<td>Days of incapacity following a work incident</td>
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<td>371</td>
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<td>Accidents per 1,000 employees</td>
<td>4.95</td>
<td>5.01</td>
<td>3.6</td>
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8.7 Health care

All employees of Bank BPH are covered by a free health care scheme. In 2010, we are working with LuxMed, our new health service provider, and a Basic Package of services is offered free of charge. Extended and Comfort Packages are also available for a fee.

09/Investing in Relationships

9.1 Diversified product portfolio

Bank BPH is a universal bank serving individuals, corporations and institutional Customers. We also have an integrated brokerage arm as well as treasury banking and asset management operations. At the end of 2009, the Combined Bank served 1.9 million private Customers, 98 thousand small and medium enterprises and 1,754 corporate Customers.

Bank BPH adjusts its products and processes according to requirements of the Markets in Financial Instruments Directive (MiFID), to provide Customers with a high level of protection fitted to level of their knowledge and experience with a certain banking product. MiFID standards will be introduced in Poland since mid – June 2010, but Bank BPH makes efforts to introduce them even earlier.

Our Customer service is integrated across the entire distribution network following the completion of the first stage of the operational merger. We provide uniform services and a full range of products in all distribution channels and locations.

The integrated Bank has a diversified credit portfolio, which is dominated by retail mortgages accounting for 52% of the total portfolio. This group is followed by other loans to the same group of Customers at 32% and including consumer loans, auto loans and card credit. Small and medium enterprises account for 10.5% of credit and corporate Customers for 3.9% of the portfolio.

Bank BPH credit portfolio structure at the end of 2009 vs. 2008

* Commercial real estate.
9.2 Customer service quality and claims system

In 2009, Bank BPH introduced a new visual identification system guided by the motto ‘We invest in relationships’. This involved re-branding of the entire distribution network and of the Head Office buildings, firstly of Bank BPH, and in the second stage – those belonging to former GE Money Bank.

The merger preparations included the development of a Catalogue of Customer Service Standards with guidelines for account managers containing best practices and models for serving Customers and selling products. The standards were developed on the basis of existing experience of Bank BPH and ex-GE Money Bank and of the best market practices.

Between December 2009 and January 2010, all account managers went through an e-learning course on this topic. Additionally Customer service standards were introduced to the obligatory training of each new employee provided immediately after hiring. In 2010, it is planned to launch a periodic measurement of service standards at all branches. The results should help introduce a continuous improvement system. Service quality is included in the appraisal of the branch and employee performance. Activities scheduled for 2010 will further improve our Customer satisfaction level.

In order to maintain good Customer relationships Bank BPH is running an extensive claim and query management process. It involves a detailed analysis of contacts between the Customers and the Bank and the information is used in an ongoing quest to improve our processes. We continuously monitor the number and type of claims coming into the Bank and look for their root causes. Armed with this information process owners prepare and implement improvement plans.

Monitoring of root causes and of improvement plan efficiency follows a monthly cycle, but immediate action is taken in situations requiring quick initiative. The process involves managers responsible for each process (in monthly cycles) and the Management Board (quarterly).

We also have product educational programs for Customers. The Bank offers credit restructuring to Customers with temporary liquidity problems.

All these measures are intended to expand our Customer relationships, to maintain quality service and, consequently, to achieve high Customer satisfaction level.

9.3 Leading corporate service Bank

The Indicator Banking Research Center and the Warsaw Institute of Banking published a survey report ‘Assessment of the banking offer for large and very large companies in 2009’. The survey involved 440 medium-sized companies (with more than PLN 30 million in net sales revenues) and large companies (from the Polityka weekly’s top 500 list). The surveyors asked about the range of banking services, about the public visibility of banks, their importance for the respondents, activity in offering products and services and on the companies’ preferences in this respect. Bank BPH was rated by large enterprises as one of the top four most favorite corporate banks on the Polish market (after PkO BP, Pekao S.A. and ING Bank Slaski).

Survey ranking by Indicator and WIB as at the end of 2009

<table>
<thead>
<tr>
<th>Most important banks for firms (% of indication)</th>
<th>Large enterprises</th>
<th>Largest companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>PKO BP</td>
<td>20.4</td>
<td>21.9</td>
</tr>
<tr>
<td>PKO SA</td>
<td>13.9</td>
<td>27.4</td>
</tr>
<tr>
<td>ING Bank Śląski</td>
<td>8.7</td>
<td>13.4</td>
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<tr>
<td>BPH</td>
<td>8.2</td>
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</tr>
<tr>
<td>BZ WBK</td>
<td>7.6</td>
<td>4.1</td>
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<td>Bank BGŻ</td>
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<td>Bank Handlowy</td>
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<td>BRE</td>
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<td>Bank Millenium</td>
<td>4.1</td>
<td>5.5</td>
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<tr>
<td>Raiffeisen Bank</td>
<td>3.5</td>
<td>4.1</td>
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</tbody>
</table>
Additionally Bank BPH also won the title of the Best Business Partner in the Corporate Banking category. We were among companies awarded for the 8th time by an economic magazine Home&Market as the most desirable, innovative and reliable banks with a broad offering and competitive prices, according to their partners.

9.4 Bank BPH for micro-companies

Bank BPH was the first Polish bank to lend against guarantees from EU Framework Program for the Competitiveness and Innovation 2007-2013. The Bank offered a relevant product from 1 April 2010. The European Commission decided to spend the Program money on credit guarantees to be granted by the European Investment Fund (EIF) to micro, small and medium-sized enterprises as part of a system of guarantees for the SME sector.

Companies eligible for the EIF guarantees must employ less than 250 people and turn over no more than the zloty equivalent of EUR 50 million net or have assets worth less than EUR 43 million.

The following of our credit products are covered by the EIF guarantees:
- Auto loan (AutoSezam);
- Simple Investment Loan for the purchase of fixed assets, including machines, equipment, devices and computer hardware with software;
- Standard Investment Loan for purchasing new or expanding existing fixed assets, including: purchase of machines, equipment and vehicles, land, real-estate, products involved in building or converting production and commercial buildings, upgraded and restructuring existing production assets.

The modified offer has lower security requirements. An EIF guarantee can run up to 50% of the credit value, but not to exceed EUR 1.5 million. The Bank takes over all formalities required in security an EIF guarantee at the time of creditworthiness assessment. The Customer is not required to submit any additional documents or representations.

Bank BPH increased the LTV to 85% for the Standard Investment Loan and the Simple Investment Loan and to 90% in the case of AutoSezam.

Because the EIF guarantees are funded from public sources there are no fees or commission for the granting and administration of such guarantees to the Customer. However, a loan guaranteed in this way results in the Bank granting de minimis type public aid pursuant to Commission Regulation (EC) No. 1998/2006, dated 15 December 2006.

The amount of public aid in the guarantee is equal to a commission that the Customer would have to pay for a commercially available guarantee.

The agreement signed by the Bank covers a guarantee backing for a credit portfolio worth PLN 709 million and in case of default up to 50% of the loan amount in the form of the guarantee.

9.5 Credit restructuring

Bank BPH takes great care to grant loans responsibly and to support Customers in financial or personal difficulty. The Bank does this by developing products that meet Customer needs, by informing Customers on the interest rates and fees, by ensuring good Customer communication, by an in-depth creditworthiness assessment and by offering assistance tools for those who have run into financial difficulties.

In 2009, the Bank offered new restructuring options for Customers who declared temporary problems in servicing their debt, but who were willing and capable of continuing doing so in future. Our restructuring options involve repayment schedule modifications intended to avoid
foreclosure. Customers are treated on a case-by-case basis and the Bank takes into account their credit histories. We offer different tools to Customers who are late by less than 30 days than those offered to borrowers who exceed this period.

To be eligible for debt restructuring the Customer has to meet the following criteria:

1. At least nine months must have elapsed since the release of the loan;
2. The latest amendment to the loan contract must be at least 12 month old;
3. There have been no more than two modifications to loan contracts made at the Customer’s request within the last five years of the loan repayment;
4. The repayment schedule may be extended by a maximum of 33% of the remaining repayment time;
5. The loan is returned to the current status once the Customer has paid 50% of the overdue amount.

9.6 Customer training

The Bank specifically targets Customers who are or intend to finance their projects with European Union aid. For this reason we do not stop at offering tailored credit products, but we also run informational and educational activity on this topic.

In 2009, Bank BPH arranged 15 seminars for nearly 500 Customers in 13 cities and provided individual consultation to more than 100 Customers during our EU Funding Day at Bank BPH Branch campaign. The Bank also continued its series of e-meetings on EU programs organized under the auspices of the Ministry of Regional Development in the format of web chats. In 2009, we held 11 such meetings that involved nearly 300 active participants.

Bank BPH got involved in the educational campaign ‘Women in the World of Finance’ aimed at helping Polish women to gain financial and personal independence through financial education and promotion of entrepreneurship.

10/Suppliers

In 2009, the Bank modified its purchasing policy. The modifications were intended to improve the efficiency of the supplier selection process and to align our policy with requirements of the GE Group, including introducing procedures to verify suppliers in terms of compliance. Other modifications increased our purchasing process transparency, minimized our risks in further cooperation with the suppliers. Digital bidding was adopted as the price negotiation standard. CSR clauses were introduced as amendments to contracts with suppliers in December 2009.

Targets for the purchasing units included not just cost optimization, but also working with suppliers that are socially responsible and compliant, especially in terms of the labor law.

The purchasing policy is monitored on an ongoing basis and with so-called Tier 2 quarterly control, which is performed by a person in an independent position. Monitoring results are submitted by the President of the Management Board and to relevant Head Office units.
In our lending policy we also consider aspects of the natural environment. These aspects are included in internal processes, such as credit analysis and decisions, through recognizing environmental risks in a catalogue of criteria for risk assessment and risk management. Pursuant to our General Rules of Lending the Bank will not finance projects that fail to meet standards developed by the World Bank or defined by local regulations. Detailed guidelines in this respect are included in the instruction ‘Environmental Risk Analysis and Assessment’, which defines various aspects of environmental risk and its levels for each sector (according to EBRD). We also defined a list of environmental exclusions, which covers projects with a significant impact on the environment. Decisions to finance projects or sectors included on the list are taken at higher credit authority levels.

Matters involving environmental risk are also an important component of the overall GE strategy defining standards of lending activity. The Bank is currently performing a verification task and is aligning itself with these standards. Additionally Bank BPH has also been taking its own steps in the area of environmental protection, including:

- Controlling unjustified water consumption by monitoring the functioning of water and sewer systems and immediately addressing defects and breakdowns;
- Controlling electricity consumption by optimizing the capacity of our connections;
- Controlling electricity consumption by educating employees about the need to switch off all unnecessary electrical appliances at the end of the day (including a banner to that effect on computer screens);
- Introducing environmental questionnaires about rented premises both in new and existing contracts (the questionnaires are a source of potential environmentally friendly and safety activities);
- Servicing of wiring systems and electrical devices sourced under permanent servicing contracts, including on air conditioning, UPSs and electrical wiring. Newly supplied devices and lights have energy savings systems, which improves the efficiency of electricity consumption;
- Disposal of air condition components, batteries, construction materials and wastes (our subcontractors);
- Segregation of printer cartridges and batteries and outsourcing their disposal (via the Supply and Logistic Department);
- Gradual upgrade of boiler rooms by switching to environmentally friendly heating (oil or gas);
- Gradual upgrading of the air conditioning (only air conditioning units with environmentally friendly coolants have been installed for several years);
- Using only attested materials in building upgrades and adopting energy-saving measures (external insulation and modern lighting);
- Waste segregation organized in municipalities where wastes are collected. This has been phased in gradually as part of the 2010 plan;
- Paper recycling.
12/Security procedures

12.1 Information security

Bank BPH, just as all other GE assets throughout the world, is obligated to be particularly careful with and to ensure information security. The Bank processes information of particular importance because of the secrecy clauses. Information covered by the banking secrecy and information under commercial secrecy has tangible value and requires careful handling. In accordance with guidelines of GE Group Security Standards to control and mitigate information processing risks the Bank has implemented an Information Security Management System. The system ensures maximum information security levels in regards to Customer data and data that is crucial for the company’s competitiveness. To ensure compliance with security standards and with general regulations on personal data protection and banking secrecy the Bank also provides supervision of our subcontractors that process the data on its behalf.

Additionally the Bank monitors its IT system resources and transactions performed via our online banking system. The IT resource monitoring covers mainly systems that perform protected data processing.

Our social responsibility is also visible in providing our Customers with access to all information related to them with the right to change or modify and to object to product and services marketing.

12.2 Physical safety and technical protection

To ensure adequate level of safety and security for our Customers and employees the Bank is using technical protection systems, such as electronic burglary and robbery systems, CCTV, access control and fire alarm, to minimize the risk of document loss and to prevent unauthorized access by unauthorized persons. Licensed security guards are stationed wherever necessary across our distribution network and beyond. Due to an increase in bank robberies observed in 2009 we have introduced training on emergency situations with active training by simulating a robbery and debriefing the participants’ reaction to that threat.

CCTV is used to record Customer withdrawals from cash dispensers inside the Bank outlets, which has contributed to a better security level in ATM transactions.

12.3 Countering money laundering and terrorism financing

Bank BPH is active in developing a system to counter money laundering and financing terrorism in Poland. In 2009, our representatives took active part in an effort coordinated by the Polish Bank Association (PBA) intended to introduce in the national legislation requirements included in the 3rd Directive of the European Parliament and Council on the countering of the use of the financial system to launder money and finance terrorism. Our representatives also coordinated work to develop and implement the PBA recommendation on Customer assessment from the point of view of the risk of money laundering and terrorism financing. Our employees who are established experts on money laundering spoke at numerous conferences and seminars.

The greatest challenge we are facing in 2010 is to implement amended regulations on countering money laundering and terrorist financing, especially in terms of Client risk and to apply financial security measures.
Bank BPH is a socially responsible institution that recognizes needs other than those related to providing banking services, such as needs important to the social environment in which the Bank operates. The Bank supports culture and the arts, engages in financial education on a large scale, as well as promotes charitable and volunteer activities. As part of its corporate social activity, the Bank runs national and local projects so that they address the needs of the communities in which the Bank’s employees live and work.

13.1 Supporting culture and the arts

One of the main areas of the Bank’s sponsorship and charitable activities in 2009 was to support renowned cultural institutions and initiatives, including those concerning classical music and the plastic arts.

Bank BPH was the sponsor of the 13th Ludwig van Beethoven Easter Festival – which is one of Poland’s biggest classical music festivals. The festival took place at the end of March and the beginning of April and was dedicated to the works of Haendel, Haydn and Mendelssohn. During the festival, within a two-week period, there were close to 30 concerts in which over 1,800 artists took part in five major cities of Poland: Warsaw, Gdansk, Krakow, Lodz and Wroclaw. Bank BPH was one of the festival’s sponsors and the main sponsor for the concert by Monte-Carlo Philharmonic Orchestra, which took place in the Grand Theatre – Polish National Opera.

Bank BPH continued its traditional cooperation with the Warsaw National Philharmonic – for the last few years and in 2009 the Bank has been the sponsor for concerts inaugurating each new artistic season for the Philharmonic.

The Bank also supported some other musical events of a local and national nature. In particular, one has to mention the Jewish Culture Festival and the ‘Sinfonia Varsovia for Its City’ Festival.

The Jewish Culture Festival is organized in Krakow and it is one of the biggest festivals of its kind in Europe. It is created by the most talented representatives of various fields of Jewish art and culture. On festival days, in the Krakow borough of Kazimierz one may hear synagogue songs, klezmer music, Jewish folk music, and Hasidic and classical music. One may also watch films, stage performances and exhibitions, take part in workshops and listen to stories about Jewish people and their culture. Last year, the festival finished with a several-hour final concert called ‘Shalom on Szeroka Street’, which attracted an audience of many thousands. Each year the number of festival guests grows larger, and thanks to television broadcasts the festival can be seen by people in Poland, Europe and around the world.

‘Sinfonia Varsovia for Its City’ Festival has gained an important position in the city’s cultural landscape as an artistic event of the greatest importance. The festival’s concerts usually take place in September in concert halls, churches and as open-air events. Traditionally, admission to many of the concerts is free of charge. Last year’s festival was particularly important as it celebrated the 25th anniversary of the Sinfonia Varsovia Orchestra.

In 2009, Bank BPH continued its work with ‘Czardasz’, the Polish Artists Aid Foundation. The foundation’s statutory objective is to help and promote young Polish artists involved in classical music. Every two years in Krakow, the foundation organizes the National Competition of Operetta and Opera Music Performance in memory of Iwona Borowicka.

Bank BPH boasts a long history of cooperation with institutions of great tradition in the field of preserving the national heritage, such as the Warsaw’s Royal Castle and Krakow’s National Museum.
As part of financial support granted to the Royal Castle in Warsaw, Bank BPH co-financed the organization of the following exhibitions: ‘The twenties. Faces of modernity’ and ‘The beauty of a portrait. Poland from Kober to Witkacy’.

‘The twenties. Faces of modernity’ was open from 12 November 2008 until 1 March 2009 and was organized jointly by the Polish History Museum and the Royal Castle in Warsaw. It was the first cross-sectional exhibition dedicated to the 2nd Polish Republic and its achievements – artistic, industrial, scientific and intellectual. The leading topic and slogan was modernity, and the exhibition introduced the visitors into the mood and atmosphere of that time by presenting political events, social issues and cultural life as well as material culture of the two decades of the 2nd Polish Republic.

During ‘The beauty of a portrait. Poland from Kober to Witkacy’ exhibition (from 5 December 2009 until 28 February 2010) at the Royal Castle, almost one hundred portraits were shown involving the works of Poland’s and Europe’s most renowned masters. Thanks to the cross-sectional view of portrait pieces from the end of 16th century to the middle of 20th century, the exhibition was a great opportunity to get to know the history, confrontation of styles, techniques and arrangement in the art of portraits.

Last year, the Bank also sponsored the activities of National Museum in Krakow, and especially organization of exhibitions such as ‘American Dream’ and ‘Whispers of arts - Jacek Malczewski 1854-1929’.

The exceptional exhibition of ‘Whispers of arts - Jacek Malczewski’ was organized to commemorate the 155th anniversary of the artist’s birth and the 80th anniversary of his death. It showed Malczewski’s painting deliberations on the act of creation, inspirations and enlightenment.

Throughout the year, the Bank also supported the educational activities taking place at the branch of the National Museum in Krakow in the Bishop Erazm Ciolek Palace, the latter not only being one of the most prominent of Krakow’s residences but also a great preservation, organizational and artistic undertaking. The Bank sponsored the organization of artistic and educational workshops for children and the disabled, such as under the ‘See the Invisible’ project where blind people were given direct contact with art ‘through touch’. Educational activities held in the Bishop Erazm Ciolek Palace also included: educational and creative workshops for pupils, teachers and individuals; plastic art workshops for families; educational publications – guides for children; concerts of early music and historic dance workshops, educational exhibitions, plastic art competitions for children and youth.

### 13.2 Financial education

For the Bank, one of the main activities included in the area of corporate social responsibility was to conduct broad-based financial education aimed at women in particular.

The Bank organized an educational campaign ‘Women in the world of finance’ aimed at supporting Polish women in gaining financial and personal independence through financial education and promotion of entrepreneurship. The Bank’s involvement in this project is an important element of activities focused on promoting of
We invest in relationships

making rational and responsible financial decisions and on supporting entrepreneurial efforts. The main tool of the campaign is the internet website (www.finansekobiet.org.pl) which provides expert advice and practical on-line trainings that may help women in budget management and development of their own business, such as trainings on setting up and financing one’s own business as well as on basic banking products. Moreover, in cooperation with independent experts and the Center for the Advancement of Women Foundation, the Bank organizes workshops for women and promotes financial education in the media. Thanks to our efforts in the national and regional media, year by year the target group of our campaign increases. It is also worth mentioning that so far over 60,000 women benefited from the campaign.

Bank BPH also runs an internet website at www.domowefinanse.pl, which presents straightforward information and useful tools helpful in the effective management of personal finance. The site’s overall mission is to educate and demonstrate the mechanisms of the financial world without promoting any particular financial products or services.

Moreover, as part of its support for financial education activities Bank BPH continued its long-time cooperation with the Polish Economic Society by financing the scholarship for the winner of the Economic Knowledge Youth Contest.

In 2009, the Bank was also a partner to the periodic program created by the Leslaw Paga Foundation – ‘Investments and risk management’ as part of the Capital Market Leaders Academy, focused on shaping the future financial business elite in Poland through training and professional internships in a partner company/institution. Besides the financial support, the Bank also enabled program participants to undergo a traineeship at BPH TFI (BPH Investment Fund).

13.3 Charitable donations

The Bank’s charitable aid is executed through various channels – the direct financial support of certain institutions or projects, the voluntary activities of Bank employees for the benefit of selected organizations, and also through indirect actions e.g. issuing the affinity credit card.

We concentrate on supporting organizations dedicated to the financial education, as well as to helping people in need, especially handicapped children.

Among the institutions and entities that Bank BPH supported materially and financially in 2009 were: Polish Red Cross – Malopolska Regional Branch in Krakow, Association of the Friends of Polish Children, Foundation of Cardiac Surgery Development, Children’s Cancer Relief Foundation, Center for Social Assistance to Handicapped Children and Youth, J. Brzechwa’s Children’s Home, Public Library in the borough of Wlochy in Warsaw, and Food Bank Foundation in Lodz.

As part of the activities aimed at the protection and promotion of health, Bank BPH financially supported the Foundation Saving Children with Cancer Disease, whose major objective is to help children who are patients of the Clinic of Pediatric Oncology, Hematology and Bone Marrow Transplantation of Wroclaw Medical University. Moreover, Bank BPH actively promotes the affinity credit card issued by the Bank in cooperation with the Foundation. The idea of the card is clear: Bank donates the part of its commission on each transaction made by Customers using the card in order to support the Foundation. In 2009, the Bank also sponsored the Children’s Memorial Health Institute as well as the training-scholarship program organized by the Foundation of Cardiac Surgery Development, under which almost 200 specialists from Poland and abroad have raised their professional qualifications in the field of cardiac surgery.
A good example of direct, voluntary actions undertaken by the Bank employees was their participation in the Easter Food Collection organized by the Food Banks, whose mission is to prevent the wasting of food and to decrease areas in Poland where malnutrition exists. In addition, Bank BPH financially supported the operations of the Food Bank Foundation in Lodz.

During the first days of May in 2009 the Banks’ employees in Warsaw, Gdansk, Gniezno, and Krakow were engaged in the Honorary Blood Donation activities. The last year’s collection of blood was done as part of the national campaign ‘Krewniacy’.

The Bank employees also took part in the Christmas Charitable Action which aimed at collecting the greatest amount of money by the employees for the benefit of selected orphanages. Moreover, Bank BPH employees are supported by GE Volunteers organization in their work to help local communities and people in need.

Moreover, Bank BPH was a partner in the social campaign ‘Get there safely by bike’ organized by the Polish Police Headquarters. During the action there were educational meetings with traffic police and road check-ups of cyclists. The action’s objective was to increase the safety of young cyclists on the road.

In 2009, Bank BPH also supported the organization of the XVII Charitable Carnival Ball organized by the Rotary Club in Warsaw – Jozefow. The proceeds from the ball were donated to aid the construction of the ‘Window of Life’ for abandoned newborn children in one of hospitals in Warsaw. Moreover, Bank BPH sponsored the charitable concert organized by the Association of the Friends of Polish Children.

13.4 Awards for Bank BPH

For its activities dedicated to supporting culture in Poland, Bank BPH was awarded the prestigious title of ‘Benefactor for the Polish Culture’ in the category of ‘Sponsor’. The title was granted by the Polish Ministry of Culture and National Heritage for financing of numerous cultural undertakings.

Moreover, in 2009 Bank BPH received: the Prize of the President of National Bank of Poland in the category of ‘Sponsor’ in the competition called ‘Art is more valuable than gold’, title of ‘Patron of Warsaw Culture’ by the President of the capital city of Warsaw, as well as the title and the medal of the ‘Benefactor of the National Museum in Krakow’ granted by the Head of the National Museum in Krakow.
Bank BPH employees are personally involved in charitable projects supporting local communities and people in need. They work for communities in GE Volunteers organization, which supports variety of projects every year. For example, in 2009 at Christmas time, the volunteers organized Christmas meetings with surprises and gifts for child care centers in many Polish cities and towns. These included such project as: ‘Christmas Gift’ (Katowice), ‘Secret Garden’ (Gniezno), ‘Christmas package for pupils’ (Gdansk), and projects for children in day-care centers in Warsaw’s boroughs of Wola and Bialoleka, and for children in foster families in Krakow. The Bank employees dressed up as Santa Clauses and handed over gifts to two hundred children from the Child Care Centers operated by the Association of the Friends of Polish Children in Warsaw. In Krakow, the volunteers organized a meeting under the auspices of the Regional Family Emergency Center for about 50 children from large foster families, special care families and to those who serve as family emergency centers. During the meeting, the children received packages of gifts and sweets.

One of the most interesting examples of employee volunteerism was Christmas charity project named Little Star for Children. The project was inspired and conducted by GE Women’s Network, the organization that supports professional development of women throughout the GE. The idea of the event was to help children in need and to integrate managers and employees around a unique charity project just before the merger of GE Money Bank and Bank BPH. The objective was to collect money for orphanages by selling handmade Christmas gifts and cakes prepared by members of the Management Boards and management staff at both Banks. The Management Boards decided to spend an extra amount from the Banks’ budgets to double whatever amount employees would collect. The campaign consisted of four main steps:

**Step one:** Management Boards decision to start the action followed by extensive promotion amongst employees, such as distribution of letters from the Presidents of the Management Boards to all employees.

**Step two:** Christmas cards prepared by Management Board are sold at Internet auction. The starting price per card was PLN 20, but every single card was sold for much more. The highest price obtained for a card was over 100 times higher.

**Step three:** the Bank’s management staff were tasked to bake a Christmas cake together with their families. Then the Board members, dressed up as Santa Clauses were selling the cakes to employees. The Bank’s branches spontaneously joined the campaign and sold their cakes locally.

**Step four:** the campaign was summed up, money was counted and delivered to seven selected orphanages with broad information to the employees about the results.

The project released a surprising degree of ingenuity in the product preparation and many additional valuable voluntary initiatives involving employee families. The involvement of the managerial staff and employees in the project exceeded expectations. As the result, over PLN 100 thousand were donated by the Bank to the orphanages.

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14/Volunteer activities