



Šiaulių Bankas AB
Corporate Social Responsibility Report
2016

Contents

PRINCIPLES OF THE BANK SOCIAL ACTIVITIES	3
A WORD FROM THE CEO	4
ON THE REPORT	5
ON THE BANK	6
VALUE CHAIN	12
INVOLVEMENT OF INTERESTED PARTIES	12
SOCIAL RESPONSIBILITY ACTIVITIES AND OBJECTIVES OF THE BANK	13
PERSONNEL	13
EQUAL OPPORTUNITIES AND DIVERSITY	14
REMUNERATION	14
EMPLOYER AND EMPLOYEE RELATIONSHIP	15
FEEDBACK	15
BASKET OF ADDITIONAL BENEFITS	16
WORK ENVIRONMENT	18
TRAINING AND PERSONAL DEVELOPMENT	19
PROMOTING EMPLOYEE ENGAGEMENT	20
ETHICAL WORKPLACE	21

CLIENTS	22
QUALITY SERVICES	22
ACCESSIBILITY OF SERVICES	22
QUALITY OF CLIENT SERVICE	23
RESPONSIBLE INFORMATION DELIVERY	24
CODE OF GOOD BANKING PRACTICE	24
ENVIRONMENT	25
CONTRIBUTION TO ENERGY EFFICIENCY IN THE COUNTRY	25
USE OF RESOURCES	26
VEGETATION SUSTAINABILITY INITIATIVE	28
COMMUNITIES AND THE GENERAL PUBLIC	29
REDUCING DIFFERENCES BETWEEN REGIONS	29
PROMOTION OF ENTREPRENEURSHIP	30
STRENGTHENING LINKS BETWEEN BUSINESS AND STUDIES	31
UPHOLDING TRADITIONS AND PRESERVING CULTURE	32
REDUCING SOCIAL EXCLUSION	33
ANTI-CORRUPTION	34
ANTI-MONEY LAUNDERING	35

PRINCIPLES OF THE BANK SOCIAL ACTIVITIES

Šiaulių Bankas AB (hereinafter referred to as the "Bank") has been participating in the international United Nations (UN) Global Compact initiative since 2008.

In its activities, the Bank observes the Global Compact's ten principles: assumes and complies with the ongoing commitment to strengthen its socially responsible activities and to observe the principles of ❶ human rights, ❷ employee rights, ❸ environment and ❹ anti-corruption.

❶ HUMAN RIGHTS

- | | |
|-------------|--|
| Principle 1 | Businesses should support and respect the protection of internationally proclaimed human rights; and |
| Principle 2 | make sure that they are not complicit in human rights abuses. |

❷ LABOUR

- | | |
|-------------|--|
| Principle 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; |
| Principle 4 | the elimination of all forms of forced and compulsory labour; |
| Principle 5 | the effective abolition of child labour; and |
| Principle 6 | the elimination of discrimination in respect of employment and occupation. |

❸ ENVIRONMENT

- | | |
|-------------|---|
| Principle 7 | Businesses should support a precautionary approach to environmental challenges; |
| Principle 8 | undertake initiatives to promote greater environmental responsibility; and |
| Principle 9 | encourage the development and diffusion of environmentally friendly technologies. |

❹ ANTICORRUPTION

- | | |
|--------------|--|
| Principle 10 | Businesses should work against corruption in all its forms, including extortion and bribery. |
|--------------|--|

A WORD FROM THE CEO

For us, the year 2016 was marked out with records: we achieved the maximum profits throughout our lifetime and demonstrated excellent key performance indicators. Along with these results, it is especially gratifying that last year we became the second bank in Lithuania according to the service quality; our attention has been focused on the given area for the last few years.

It is important that last year, investors showed confidence in us - the Bank's shares were among the top 10 most-traded securities in the Baltic countries. Also, we numbered amongst the top 20 Nasdaq Baltic Market Awards in Vilnius, which recognize excellence in communication and investor relations of the listed companies.

Our success was accompanied by an international rating. Moody's Investors Service rating agency upgraded the ratings for our Bank in 2016. Our Bank was ranked the Best Bank in Lithuania 2016 by Global Finance Magazine and The Banker. We competed for The Growth Strategy of the Year Award at the grand final of the European Business Awards (EBA) international competition.

These achievements further oblige us to be socially responsible. Being a member of our society, we make an impact on others, and our duty is to ensure that this impact is positive.

Hence we will seek to continue to be a workplace where every employee is valued and socially safe. Our goal is to be the bank on which each client can rely and in which each client can duly receive appropriate services. We will improve our efforts to protect the environment in our daily activities. We will compete fairly and operate in a transparent and sustainable manner. We are aware that this is the only way to be useful for Lithuanian society and the whole country's economy.

Thank you for reading our Corporate Social Responsibility Report which introduces our activities carried out by us in accordance with the principles of the UN Global Compact.



Vytautas Sinius
Chief Executive Officer



ON THE REPORT

Since 2010, the Bank has been submitting its annual social responsibility reports which are publicly available on the Bank's website www.sb.lt under "[Social Responsibility](#)" and on the [UN Global Compact website](#).

The Bank's Corporate Social Responsibility Report for January-December 2016 is presented herein.

The report contains data obtained from the Bank's internal documents and the staff responsible for the areas mentioned in the report. This report has not been audited.

GOAL

To prepare a Corporate Social Responsibility Report for 2017 including the Bank subsidiaries, for the financial services sector in accordance with the Global Reporting Initiative (GRI) Guidelines.



ON THE BANK OPERATING ACTIVITIES

Founded in 1992, the Bank is a rapidly growing and stable financial institution that maintains a diversified shareholder base spanning Lithuanian and foreign shareholders, including the European Bank for Reconstruction and Development that holds 18 percent shares of the Bank.

The Bank aims to be a reliable, flexible, and attentive financial partner which attaches the utmost importance to the country growth potential and prosperity of Lithuanian population and business.

PRIORITY AREAS

- Consumer financing
- Financing of small and midsize businesses
- Saving and investing
- Daily banking services

VALUES

- Confidence
- Professionalism
- Respect
- Responsibility

MISSION

Our roots are intertwined. In providing financial services, we create prosperity of Lithuanian people and business and grow together with them.

LONGSTANDING BANKING PARTNERS:

European Bank for Reconstruction and Development



European Investment Bank



European Investment Fund



ON THE BANK SHAREHOLDERS

The number of the Bank shareholders was 3 401 as at 31 December 2016.

MAJOR SHAREHOLDERS :

Shareholder	Percentage of shares, %
European Bank for Reconstruction and Development	18,24
Clients of Swedbank AS (Estonia)	9,41
Invalida INV AB	6,79
Gintaras Kateiva	5,82

For more information, visit the Bank website www.sb.lt: "About Bank" → "To Bank's Investors" → "Information about Shares" → "[Major Shareholders](#)".

ON THE BANK MANAGEMENT OF THE BANK

- General Meeting of Shareholders
- Supervisory Council, a collegial supervisory body
- Management Board, a collegial executive body
- Chief Executive Officer, the sole management body

ON THE BANK SUBSIDIARIES OF THE BANK

Life insurance company Bonum
Publicum UAB
life insurance



Šiaulių banko investicijų
valdymas UAB
investment management



DIRECTLY CONTROLLED SUBSIDIARIES *

SB Lizingas UAB
financial leasing, consumer credits



Šiaulių Banko Lizingas UAB
financial leasing and an operating lease



Šiaulių banko turto fondas UAB
management of immovable
property



SBTF UAB
management and administration of
movable and immovable property



Minera UAB
management of immovable
property



Pavasaris UAB
development of an apartment block
residential area



INDIRECTLY CONTROLLED SUBSIDIARIES *

Sandworks UAB
management of mmovable
property

Apželdinimas UAB
landscaping, environmental
management

SUBSIDIARIES HELD FOR SALE *

- Trade Project UAB
- Investicinio turto valdymas UAB
- ŽSA 1 UAB, ŽSA 2 UAB, ŽSA 3 UAB, ŽSA 4 UAB, ŽSA 5 UAB
and Žalgirio sporto arena UAB

* As at 31 December 2016

ON THE BANK

BANKING SERVICES

- Opening and administration of accounts in euros and foreign currency for Lithuanian and foreign clients
- Money transfers in euros and foreign currency to accounts in banks operating in Lithuania and abroad
- Collection of utility charges and other fees
- E-invoice service, periodical and contingent payments
- Account management through online banking
- Mobile banking services
- Issue and administration of payment cards
- Extension of various short-term and long-term credits
- Trading of foreign currencies
- Saving and investing services

ON THE BANK

KEY PERFORMANCE RESULTS

Sustainable activities of the Bank, targeted development, and excellent performance in recent years allow the Bank to contribute significantly to the country's economic growth.

In 2016 the Bank Group earned unaudited net profit of EUR 43.7 million, which was 83 percent more than in 2015. Profitability was significantly affected by the results of atypical performance: the total return index exceeded 26 percent and the cost-income ratio exceeded 42 percent.

The Bank Group's loan and lease portfolio increased by 13 percent over 12 months and exceeded EUR 1 billion at the end of the year. The deposit portfolio grew by 4 percent during the year and amounted nearly to EUR 1.5 billion at the end of December 2016.

During the year, significant improvement in asset quality indicators was noted: the ratio of non-performing exposures to assets decreased from 7.5 to 4.7 percent. The cost of risk amounted to 0.7 percent in 2016, which was almost 3 times less than in 2015.

The Bank's financial statements, profitability ratios, prudential standards, asset quality indicators and ratings are published on the Bank website www.sb.lt: "About Bank" -> "To Bank's Investors" -> "[Financial Statements, Ratios, and Prospectuses](#)"

ON THE BANK BANK SHARES

The Bank's shares are listed on the Baltic Official List on Nasdaq stock exchange.

The Bank won the 2nd place in the "Member of the Year" awards at the annual Nasdaq Baltic Market Awards ceremony.

INVESTOR RELATIONS MEASUREMENT

The Bank provides detailed information - the Bank statements have been well received: the annual financial statement and annual report received 17.93 points out of 20.

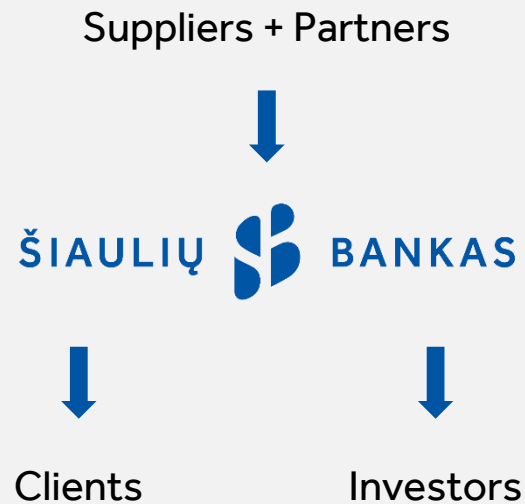


ON THE BANK ASSOCIATED MEMBERSHIP

- UN Global Compact International Initiative
- Society for Worldwide Interbank Financial Telecommunication (SWIFT)
- VISA Inc. international payment card organization
- MasterCard Worldwide payment card organization
- Lithuanian Banking Association
- Nasdaq Vilnius AB Stock Exchange
- Lithuanian Financial Brokers Association
- Lithuanian Business Employers' Confederation
- Human Resources Professionals Association
- Lithuanian Association of Accountants and Auditors
- Vilnius Chamber of Commerce, Industry and Crafts
- Kaunas Chamber of Commerce, Industry and Crafts
- Klaipėda Chamber of Commerce, Industry and Crafts
- Šiauliai Chamber of Commerce, Industry and Crafts
- Panevėžys Chamber of Commerce, Industry and Crafts
- Klaipėda Association of Industrialists
- Šiauliai Association of Industrialists
- Akmenė District Entrepreneurs' Association
- Kelmė District Entrepreneurs' Association
- Mažeikiai Entrepreneurs' Association
- Tauragė Region Entrepreneurs' Association
- Telšiai District Entrepreneurs' Association
- Šilalė District Entrepreneurs' Association
- ISACA

VALUE CHAIN

We strive to provide high quality and innovative financial services to Lithuanian citizens and businesses.



INVOLVEMENT OF INTERESTED PARTIES

Ways of Involvement		Self Assessment
Personnel	<ul style="list-style-type: none"> Social initiatives Opportunities to submit and implement proposals Possibility of a report to a compliance officer Annual performance review discussion 	●
Shareholders	<ul style="list-style-type: none"> Regular reporting Presentation of performance results to investors 	●
Clients	<ul style="list-style-type: none"> Surveys of client service quality Communication in social networks Bank website 	●
Suppliers and partners	-	●
Regulatory bodies	<ul style="list-style-type: none"> Regular reporting Participation in meetings 	●
Communities and the public	<ul style="list-style-type: none"> Support and sponsorship projects Educational activities 	●
Associated organizations	<ul style="list-style-type: none"> A corporate social responsibility report to the Global Compact 	●



Good



Satisfactory



Bad

SOCIAL RESPONSIBILITY ACTIVITIES AND OBJECTIVES OF THE BANK

PERSONNEL

The Bank aims to improve the quality of life in Lithuania and to promote sustainable economic development and environment.

To this end, focus is given to the following areas that can be positively affected by the Bank:

- personnel
- clients
- environment
- communities and the general public

The Bank had 722 employees as at 31 December 2016 (719 employees as at 31 December 2015 respectively).

The Group's companies (excluding subsidiaries held for sale) had 829 employees as at 31 December 2016 (861 employees as at 31 December 2015 respectively).

PERSONNEL

EQUAL OPPORTUNITIES AND DIVERSITY

As a socially responsible employer, the Bank is guided by the principles of equality and diversity and grants equal career opportunities for people regardless of their age, sex, ethnicity, religion, etc.

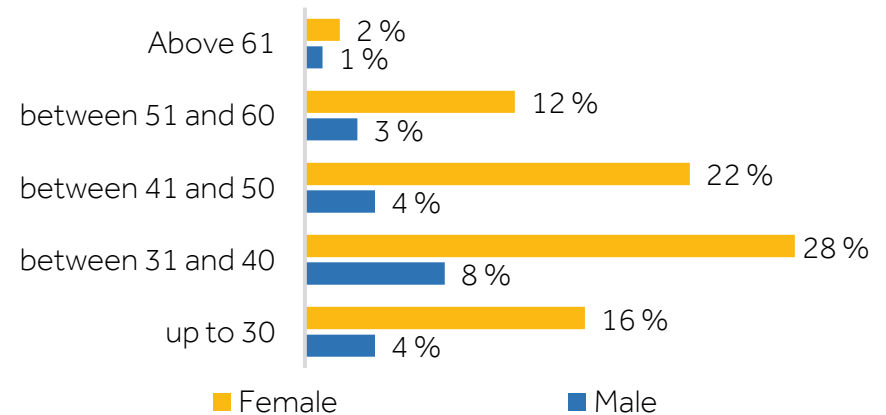
REMUNERATION

Requirements followed by the Bank while establishing and paying the remuneration to employees as well as bonuses and other disbursements designated to employees for their activity results including other provided benefits are set out in the Remuneration Policy.

Principles of the Remuneration Policy:

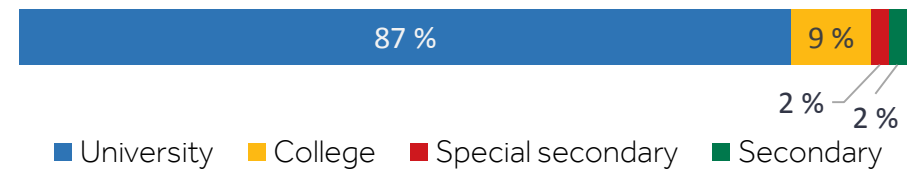
- **internal justice** - positions equivalent in terms of responsibility are subject to similar remuneration
- **external competitiveness** - a level of payable remuneration in the market allows attracting, motivating and maintaining required employees

Bank Employees by Age & Sex *



University education has been acquired by 627 employees, postsecondary education, special secondary education, and secondary education by 64, 14 and 17 employees respectively *.

Bank Employees by Education *



* As at 31 December 2016

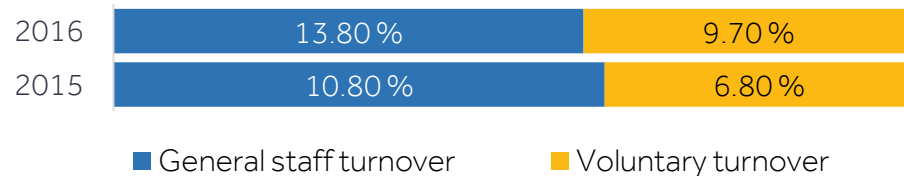
PERSONNEL

EMPLOYER AND EMPLOYEE RELATIONSHIP

The Bank upholds sustainable and long-term working relationship in creating a culture which is based on shared values and directed towards continuous improvement by creating a safe and favourable work environment.

Almost 30 percent of the personnel has been employed with the Bank for more than 10 years*.

Employee Turnover in the Bank



FEEDBACK

In order to increase efficiency of activity management and to achieve the best possible performance and employee engagement and satisfaction, the Bank conducts private conversations with its employees once a year in accordance with the procedure for the annual performance review discussion.

During such conversations, the managers and the employees:

- consider the works in progress and the projects in prospect
- identify employee competencies required for a successful development and values-based behaviour
- impart expectations for employees, managers, and the Bank
- discuss career opportunities and educational needs

* As at 31 December 2016

PERSONNEL

BASKET OF ADDITIONAL BENEFITS

The basket of additional benefits and social guarantees for both full-time and part-time employees includes the following :

- quarterly bonuses for achieving professional goals set by the Bank, its branch, and individual employees
- deferred annual bonuses for the employees whose professional activities and decisions can have a significant impact on the risk assumed by the Bank
- sales promotion scheme allowing the Bank to determine and motivate the best employees of the branch network
- one-off premiums granted to employees on occasions of personal celebrations and on the events significant for the Bank
- annual summer sports and leisure holiday
- promotion of corporate basketball, volleyball, and go-kart racing teams
- free annual vaccination against influenza
- the first 2 days of sick leave for employees are paid by the Bank at 100 percent of salary
- reimbursement of a portion of sports club membership fees
- employee hardship and disaster relief



PERSONNEL

In 2016, the following two exclusive benefits were added to the basket:

- *Let's Save Together* supplementary pension scheme: an opportunity of supplementary pension accumulation in which both the employee and the employer add their parts to the contribution;
- *Thank You* motivation scheme for employees to motivate one another: an opportunity to assess the merits of colleagues (involvement, support, efficiency, etc.) by points - electronic apples which can be exchanged for prizes.

New benefits further increased the attractiveness of the Bank as an employer and employee involvement and initiative in strengthening the team.



PERSONNEL

WORK ENVIRONMENT

A position in the Bank allows combining professional and personal aspirations and needs:

In 2016	Number of the Bank employees	Percentage of the Bank employees
paternity leave was granted to	7	1 %
childcare leave was granted to	94	13 %

The Bank aims to create safe and healthy workplaces by upgrading and restoring the facilities and updating equipment on a regular basis. For this purpose, the amount of EUR 14,785.06 was allocated in 2016.

The Bank continually invests in technology which facilitates and speeds up the work. In 2016, the Bank intensively implemented the Simply & Easily project whereby internal business processes were automated, standardized, and made more efficient by using a modern document management system.



PERSONNEL

TRAINING AND PERSONAL DEVELOPMENT

In 2016, the Bank focused on providing the employees with every opportunity to acquire knowledge about the existing and new products of the Bank and the related changes and innovations:

- 12 unique internal classroom workshops were held
- a new form of learning, e-training, was introduced
- top managers participated in a management skills training session



PERSONNEL

Investment in Personnel Training in the Bank

	2015	2016	
Education budget, EUR	67 633	100 000	↑
Training cost per employee, EUR	100	138	↑

In 2016, an employee of the Bank spent an average of 7.5 hours on current training.



PERSONNEL

PROMOTING EMPLOYEE ENGAGEMENT

The Bank aims to make employees more engaged in collective work on projects where they can develop themselves by exchanging ideas, knowledge, and experiences.

A possibility to register suggestions or ideas in the information system of the Bank is an effective tool for promoting engagement.

Employees are becoming more active in submitting their proposals with every passing year

	2014	2015	2016
Total number of proposals submitted	32	42	48
whereof:			
implemented	7	8	15
implementation commenced prior to a proposal	4	4	1
accepted for implementation	1	5	14
under consideration	9	12	13

ETHICAL WORKPLACE

Any forms or expressions of inequality, violence, discrimination, psychological or other kinds of pressure are unacceptable at work.

The Bank is equipped with a corporate channel for sending anonymous messages to a compliance officer, through which any employee can anonymously report any breach of a regulatory requirement that is taking place in the Bank.

Such report is then inspected and, in case it proves out, all necessary steps to rectify the breach are promptly taken.

CLIENTS

The Bank provides services to nearly 330 thousand private clients and more than 26 thousand business clients.

QUALITY SERVICES

For the Bank, it is important that clients receive all the financial services that meet the needs of the modern market under competitive conditions. In this regard, the existing services are improved and new solutions are sought.

Listed below are the new major products launched in 2016

- *Opportunity Credit*, a set of four borrowing arrangements
- A fixed-term deposit earning additional interest
- Plans of banking services for private clients
- Financing of innovative small and midsize businesses as well as mid cap companies under the "InnovFin - EU Finance for Innovators" initiative

In 2016, clients were given an additional electronic option to comfortably trade in securities on the Baltic Market via the Bank's online banking system.

ACCESSIBILITY OF SERVICES

The Bank aims to make its services accessible to all clients, regardless of their ethnicity, sex, age, place of residence, etc.

As at 31 December 2016, clients could use the banking services within one of the most extensive branch networks in the country and via all digital channels:

- 209 ATMs (14 whereof were deposit-enabled ATMs) operating in 48 locations in Lithuania
- 2063 terminals of Perlo paslaugos UAB throughout Lithuania to withdraw or deposit cash
- SB Linija online banking system
- Šiaulių bankas mobile application

The Bank Contact Center provides information to clients by e-mail, via online banking system, and by phone :

	2015	2016
Written inquiries responded to	18 230	23 669
Phone calls received	59 595	74 755
Claims received	488	799

CLIENTS

QUALITY OF CLIENT SERVICE

In 2014, the Bank established a special Client Service Department thereby actively contributing to the quality client service standard within the Bank. Since then, the quality of service has been improving significantly with every passing year.

In 2016, the Bank client service quality index became the second best among the results of all the seven Lithuanian banks researched by Dive Lietuva company.

The overall client service quality index of the Bank according to the independent mystery shopper's researches conducted by Dive Lietuva research company:



The Bank has set the goal to continuously improve and maintain no less than 90% value of the client service quality index.



CLIENTS

RESPONSIBLE INFORMATION DELIVERY

The Bank delivers information on changes in its activities to clients in a responsible and transparent manner using different client-tailored communication channels.

The results of the Bank's performance are published on its website www.sb.lt: "On the Bank" -> "To Bank's Investors" -> "[Financial Statements, Ratios, and Prospectuses](#)".

CODE OF GOOD BANKING PRACTICE

The Bank has signed and observes the Code of Good Banking Practice.

This Code is intended to uphold relationships with clients and promote good banking practices in determining the general principles and requirements for banking activities (including those which are not covered in laws) and a target behavioural pattern.

The Bank adheres to confidentiality provisions in providing information about its clients.



ENVIRONMENT

In order to preserve biodiversity and ecosystems and reduce the impact of global warming, the Bank contributes to increasing energy efficiency in the country and promotes saving energy and resources.

CONTRIBUTION TO ENERGY EFFICIENCY IN THE COUNTRY

The Programme for Multi-Apartment Housing Renovation (Modernization) is one of the most important measures under implementation in Lithuania to promote energy efficiency nationwide. The Bank has been actively contributing to it since 1999 by financing renovation projects.

In order to accelerate the smooth implementation of the said important program, the Bank allocated EUR 70 million of its own funds to this project in 2016 in cooperation with the European Investment Bank.

Financing Of Apartment Blocks Renovation (Modernization) in 2016

	Number of contracts, units	Total value of projects, EUR M
--	-------------------------------	-----------------------------------

Preliminary approvals for the signing of loan contracts submitted	285	77
---	-----	----

Loan contracts signed	368	97
-----------------------	-----	----



ENVIRONMENT

USE OF RESOURCES

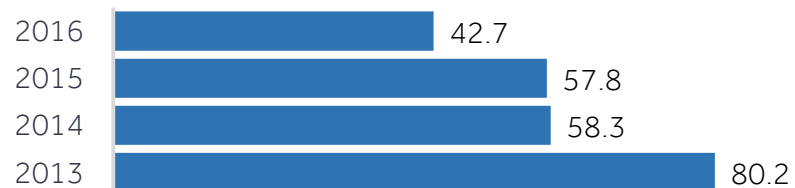
Paper

Use of resources in the Bank is connected with a large number of internal and external printed documents.

A new document management system which was intensively developed and increasingly employed throughout 2016 allows a significant reduction in the quantity of paper and means of printing whereas faster and more efficient processes account for a reduction in other resources as well.

In addition, 2016 saw the creation of the digital signature infrastructure. Digital signatures will be affixed by the personnel to all internal documents.

Paper Consumption in the Bank during 2013–2016 (t)



ENVIRONMENT

Transport and Fuels

In order to reduce fuel consumption and exhaust atmospheric pollution, the Bank:

- uses an electronic corporate car rental system allowing the Bank to arrange business trips in groups and employ a minimum number of cars for such business travels
- induces to hold meetings of employees and partners working in different cities and towns in modern teleconferencing rooms set up in Vilnius, Kaunas, Klaipėda and Šiauliai

Vehicle Use and Fuel Consumption in 2016

Petrol	Motor vehicles, units	Fuel consumption, l
Owned by the Bank	31	52 950
Others	26	40 421
In total:	57	93 371

Diesel	Motor vehicles, units	Fuel consumption, l
Owned by the Bank	18	37 127
Others	16	27 203
In total:	34	64 330

ENVIRONMENT

VEGETATION SUSTAINABILITY INITIATIVE

In order to offset a negative impact on the environment, the Bank arranged a joint forest planting action *Investment in the Future of Lithuania* which involved the Bank Group and its clients in all regions of the country in 2016.

The said initiative reflected the Bank's position that good investment was not limited to finance alone. The most valuable investment is expressed by the deeds made in assuming responsibility for the environment in which we live and which remains for future generations.

The participants of the *Investment in the Future of Lithuania* action 2016 planted nearly 10 thousand fir, oak, and birch trees on the outskirts of Vilnius, Kaunas, Klaipėda and Šiauliai.



COMMUNITIES AND THE GENERAL PUBLIC

REDUCING DIFFERENCES BETWEEN REGIONS

The Bank seeks to promote small and midsize business (SMB) and the country's regional economic development, as well as to reduce differences between regions.

One of the measures is financing of apartment blocks renovation (modernization). A large number of the projects on apartment blocks renovation are carried out in small towns. They involve project handling companies and construction contractors and create jobs in regions.

Cities / Towns which Signed Most of Contracts for Financing of Apartment Blocks Renovation Projects in 2016

City / Town	Number of contracts
Vilnius	77
Druskininkai	76
Ignalina	68
Palanga	58
Kaunas and Klaipėda	45 per each



COMMUNITIES AND THE GENERAL PUBLIC

PROMOTION OF ENTREPRENEURSHIP

The Bank is actively involved in organizing and sponsoring conferences, seminars, and training sessions to introduce business financing opportunities to the country's SMBs or those starting their own business:

- *Business Financing Opportunities through the EU Instruments Today and Future Prospects*, a free cycle of seminars in Alytus, Ukmergė, and Vilnius
- *What's Next?*, a conference on creativity and future trends
- The Business Development Forum 2016, etc

In 2016, financial assistance was given to Mažeikiai Businessmen Association for Business Day, Utena Public Institution Business Information Center for *Utena Business Nominations 2015*, Šiauliai Chamber of Commerce, Industry and Crafts, the Lithuanian Free Market Institute.

In 2016, the Bank started to arrange *Business Espresso* quarterly meetings with corporate clients in the regions, in which consultants shared their insights on relevant issues with clients:

- Legal Regulatory Challenges and Prospects for Small and Midsize Businesses
- How should You Attract and Retain Talents in Your Business?



COMMUNITIES AND THE GENERAL PUBLIC

STRENGTHENING LINKS BETWEEN BUSINESS AND STUDIES

Traditionally, the Bank in 2016:

- awarded memorial scholarships to two students of Vytautas Magnus University
- participated in Career Days of educational institutions
- initiated visits to the Bank for student groups
- allowed more than 60 students to attend professional training, on either a mandatory or voluntary basis, in the Bank



¹ Scholarship to a student in Finance and Banking
Postgraduate Studies Program of the Faculty of Economics
and Management of VMU

² Scholarship to a student in Art History, Criticism and Media
Studies Program of the Faculty of Arts of VMU

COMMUNITIES AND THE GENERAL PUBLIC

UPHOLDING TRADITIONS AND PRESERVING CULTURE

As a Lithuanian capital bank, the Bank attaches great importance to communal traditions in the cities and towns and cultural life in the regions of Lithuania.

In 2016, the Bank allocated over 60 thousand Euros of sponsorship, the major portion whereof was provided to communal, cultural, and sports projects :

- festivals in Utena, Varėna, Panevėžys, Marijampolė, Plungė, Rokiškis, Klaipėda and other cities and towns
- Šiauliai Basketball Club
- Public Institution Thomas Mann Culture Center
- the Lithuanian Musician Support Fund
- Šiauliai Aušros Museum, etc.



COMMUNITIES AND THE GENERAL PUBLIC

REDUCING SOCIAL EXCLUSION

In order to reduce social exclusion, the Bank presented the following three Lithuanian public aid charitable organizations: the Caritas, public organization *Save the Children*, and the Lithuanian Samaritan Community, with 100 modern TV sets in 2016.

Since 2013, in cooperation with Public Institution Geros valios projektai (Goodwill Projects), the Bank has enabled its clients:

- to allocate a desired amount of money to aukok.lt social projects via online banking system
- to donate by putting cash into charity boxes set in the Bank branches



During 2016, the Bank raised over 1600 Euros from charity boxes. The money was transferred to Public Institution Geros valios projektai (Goodwill Projects)

ANTI-CORRUPTION

The personnel of the Bank have committed themselves to observe the Code of Ethics of Šiaulių bankas AB. The most important principles of the Code are as follows:

- integrity
- responsibility and accountability
- respect for the law, individual, and human rights
- fairness, objectivity and impartiality
- exemplary behaviour

The Code of Ethics defines the actions to be considered as unacceptable cases of corruption.

In order to avoid potential conflicts of interest, the employees of the Bank shall submit annual Statements of Economic Interests.

The Bank responsibly pays all taxes to the State of Lithuania, complies with applicable legislation, arranges and participates in competitions in a transparent manner.

The Bank implements the requirements of the Foreign Account Tax Compliance Act (FATC) and the Common Reporting Standard (CRS).

ANTI-MONEY LAUNDERING

The Bank carries out anti-money laundering and counter financing of terrorism responsibilities by consistently and purposefully implementing the existing and inventing new instruments for anti-money laundering and counter financing of terrorism and by applying them in its activities:

- identification of clients, client representatives, and beneficiaries
- collection and verification of information on the purpose and nature of business relationships (Know Your Client Rule)
- monitoring business relationships and cash transactions
- identification of suspicious cash transactions and reporting them to the Financial Crime Investigation Service, etc.

The existing anti-money laundering instruments are applied and the new ones are designed depending on:

- the laws of the Republic of Lithuania regulating anti-money laundering and counter financing of terrorism
- the legislative requirements of the FATF (Financial Action Task Force), EU, UN, US



CONTACTS

Šiaulių Bankas AB

Tilžės g.149, LT-76348 Šiauliai

Tel.: +370 41 595 607

Fax: +370 41) 430 774

E-mail: komunikacija@sb.lt