



National Bank of Serbia

SOCIAL RESPONSIBILITY

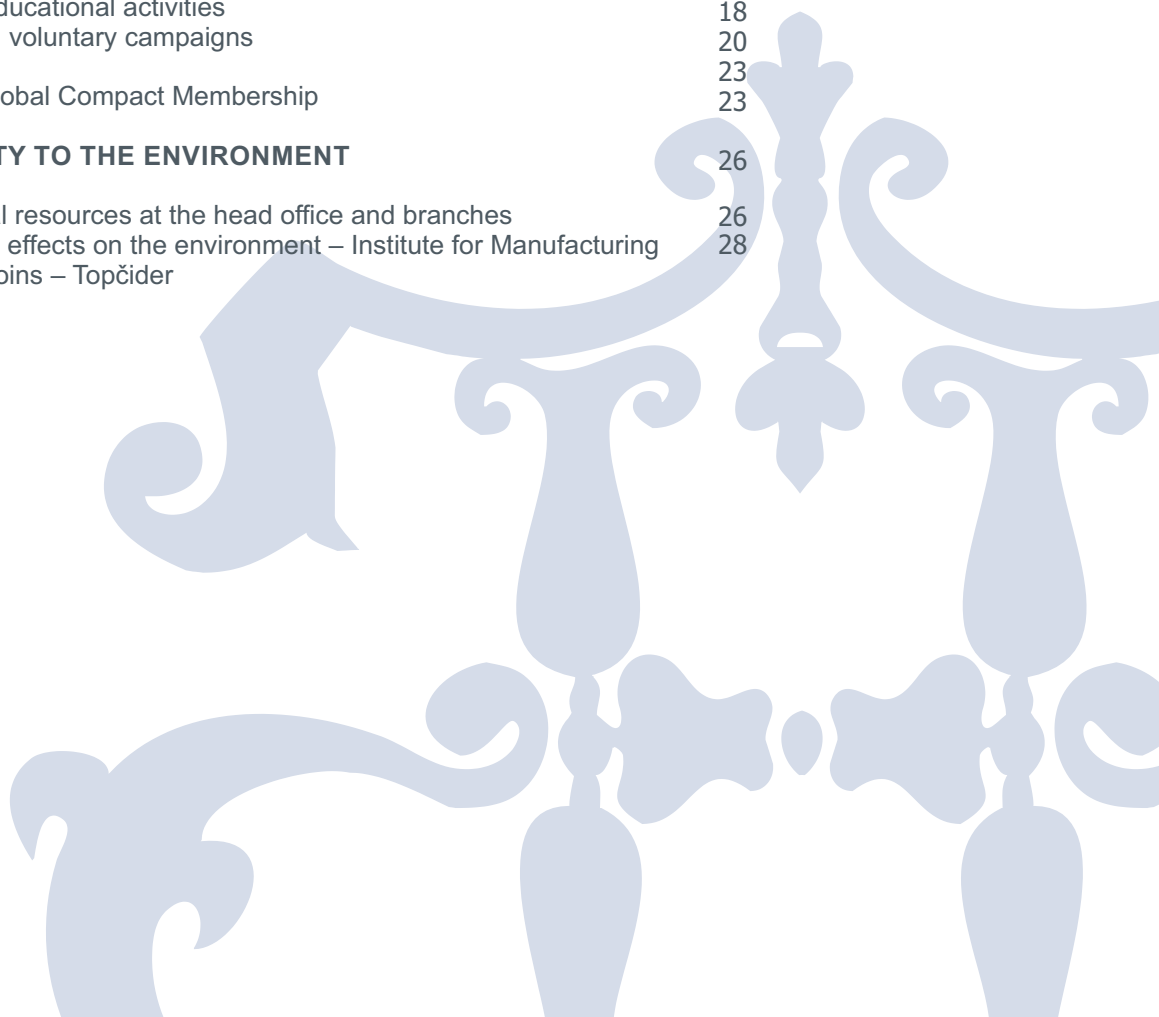


2022



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FOREWORD BY THE GOVERNOR



During 2022, in an environment of several overlapping crises, the Serbian economy continued to grow and develop. The National Bank of Serbia contributed to overcoming challenges, mitigating the economic consequences of the pandemic and the energy crisis and continuing economic growth and development thanks to measures adopted in full coordination with the Serbian Government.

Having built defence mechanisms and accumulated reserves, we were able to respond to the challenges. At the level of 2022, Serbia's FX reserves reached their highest level, the relative stability of the exchange rate was not questioned at any point, and our banking sector remained stable and well-capitalised. I am proud to say that people in Serbia have one thing less to worry about – for a decade already they do not have to check the exchange rate each day with apprehension. And I shall do my best to make sure it remains so, for as long as I am Governor – the relative stability of the exchange rate will not have an alternative as it is a basis for all other segments of our economy, a nominal anchor of monetary and financial stability. The unquestionable stability of the domestic currency benefits everyone. Each Serbian resident, whether in the capacity of a citizen or a legal entity, feels this. Everyone can feel the benefits of this stability – benefit to their personal budget, family, the community, as well as the country as a whole. Serbia has a strong track record of solid macroeconomic performance. Reining in inflation remains an imperative for both central banks in the world and for the National Bank of Serbia. We do this by tightening monetary conditions gradually, but continually. There is no doubt that the global macroeconomic environment will remain rife with challenges in 2023 as well. The National Bank of Serbia will continue to monitor and analyse trends in the international financial and commodity markets, and to estimate whether there is a need for further monetary tightening and to what extent.

During last year, there was talk about the importance of transforming an economy based on environmentally sustainable grounds, i.e. about the concept of green transformation. Mitigating climate risks is a global task, because the risk is also a common one. As a central bank, we are aware that climate risks do not arise from the financial sphere, but we are also aware of their impact on many areas of social life, whereby they also affect the financial system, which is not isolated from people and economy. The entire concept of green economy is complex;

hence the terms, methodologies and data are still being standardised. Therefore, its introduction in local frameworks must be gradual. Though green and digital are and must be among the priorities of policy makers in this century, safety and stability remain the key priorities. Without stability there can be no sustainable investment, and here in Serbia we know this very well. For the sake of a reminder, in September 2021, Serbia issued its first green instrument, whereby it became one of the few European countries and the only European country outside of the EU that has issued a green eurobond. Based on FX reserves management, the National Bank of Serbia's portfolio also includes green bonds of high-ranking first-class international issuers, which is another way to support green transformation. In addition, as a regulator and a supervisor, we conducted a survey among banks in Serbia about how climate risks impact banks' operations and which activities they are undertaking in this respect. There is no dilemma that ecology must be one of the priorities of policy makers, and in Serbia this is the case because it permeates many policies. All actors, from institutions to decision-makers, must behave responsibly, and our task is to find sustainable solutions that would be the best for our citizens. This is clearly seen in the example of the ongoing energy crisis, where it takes time to build alternative sources of energy, and energy security is a priority.

As the National Bank of Serbia is one of the founders and active members of the UN's Global Compact in Serbia, this report is designed so as to fully support the ten principles pertaining to the protection of human and workers' rights, environmental protection and fight against corruption.

Thanks to the responsibility, which is primarily to its citizens, the National Bank of Serbia has become and will remain a synonym for stability in a time of global insecurity. This is supported by the confidence and our achievements, which are hard-won and need to be safeguarded, but at the same time we need to continue pursuing the same objectives as so far.

Aleksandar



ABOUT THE NATIONAL BANK OF SERBIA

Objectives and functions

The National Bank of Serbia (NBS) is an independent and autonomous institution that enjoys great confidence among citizens. In addition to the primary objective of achieving and maintaining price stability, the NBS also contributes to maintaining and strengthening the stability of the financial system. It is accountable to the National Assembly of the Republic of Serbia.

The position, organisation, mandate and functions of the NBS, as well as its relations with bodies of the Republic of Serbia and international organisations and institutions, are regulated by the Constitution of the Republic of Serbia and the Law on the National Bank of Serbia.

Tasks of the NBS are to:

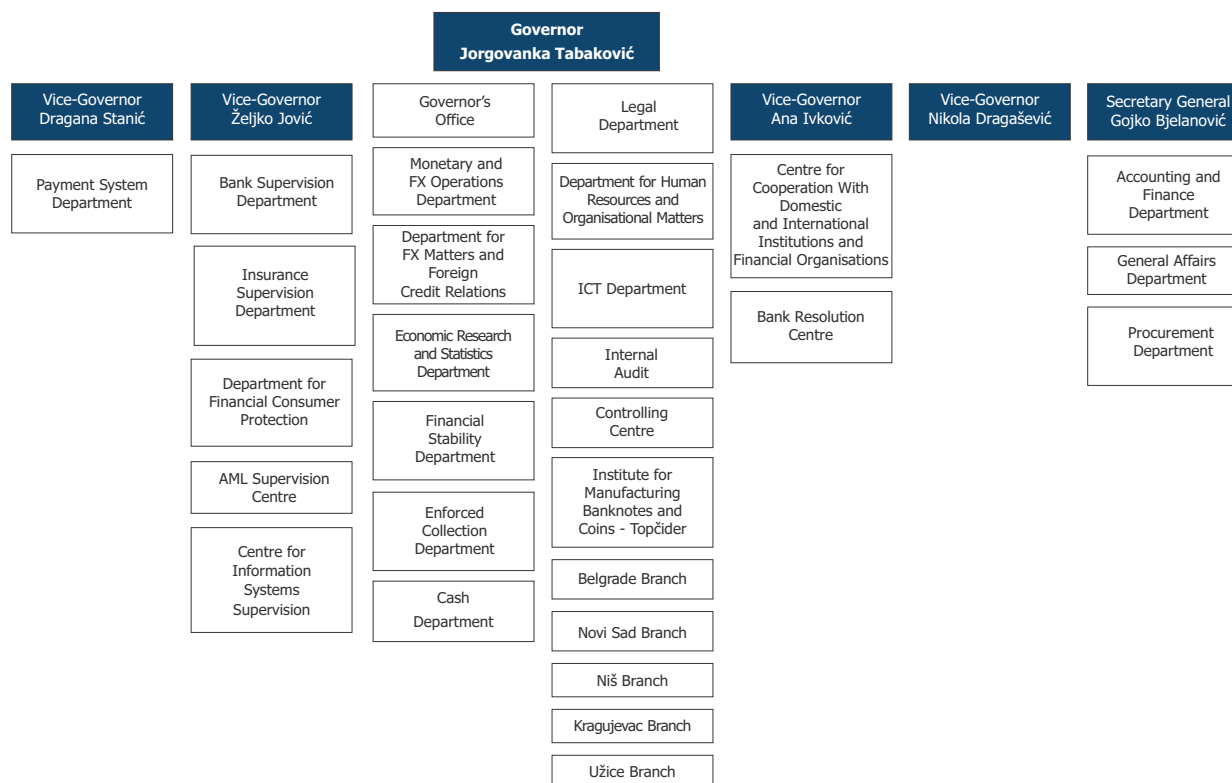
- determine and implement monetary and foreign exchange policies;
- manage foreign exchange reserves;
- determine and implement, within its scope of authority, the activities and measures aimed at maintaining and strengthening the stability of the financial system;
- issue banknotes and coins and manage cash circulation;
- regulate, oversee and promote the smooth performance of domestic and cross-border payment transactions, in accordance with the law;
- issue and revoke banks' operating licences, carry out prudential supervision of bank operations and perform other activities, in accordance with the law governing banks;
- issue and revoke insurance licences, supervise the insurance business, issue and revoke licences to perform specific insurance activities, and perform other activities, in accordance with the law governing insurance;
- issue and revoke financial leasing licences, supervise the performance of financial leasing operations and perform other activities, in accordance with the law governing financial leasing;
- issue and revoke operating licences of voluntary pension fund management companies, issue and revoke fund

management licences, supervise this activity and perform other activities, in accordance with the law governing voluntary pension funds;

- issue and revoke payment service provision licences of payment institutions and electronic money issuance licences of electronic money institutions, supervise the provision of payment services and electronic money issuance, and perform other activities, in accordance with the law governing payment services;
- pursue activities relating to the protection of the rights and interests of consumers of services provided by banks, insurance undertakings, financial lessors, voluntary pension fund management companies, payment service providers and electronic money issuers, in accordance with law;
- ascertain the fulfilment of conditions for the initiation of procedures for the resolution of banks and/or banking group members, and implement these procedures; decide on instruments and measures to be taken in the resolution process, and perform other activities relating to bank resolution, in accordance with the law governing banks;
- issue and revoke operating licences of payment system operators, supervise their operation and perform other activities, in accordance with the law governing payment services;
- issue and revoke authorisations to perform exchange operations, supervise foreign exchange and exchange operations and perform other activities in accordance with the law governing foreign exchange operations;
- perform statutory or contractual activities for the Republic of Serbia, without prejudice to the autonomy and independence referred to in Article 2 of the Law on the National Bank of Serbia;
- perform other activities under its remit, in accordance with law.

Bodies of the NBS are the Executive Board, Governor, and the Council of the Governor.

The Executive Board includes the Governor and Vice-Governors. The Executive Board, among other things, determines monetary and foreign exchange policies and activities aimed at maintaining and strengthening financial stability. It also sets the key policy rate and other interest



rates applied by the NBS in the conduct of monetary policy and the rate-setting methods. The Executive Board issues regulations and other general acts in the area of supervision of financial institutions, in accordance with the pertinent laws, and in the areas of protection of rights and interests of financial service consumers, issuing and revoking authorisations to perform exchange operations and supervision of exchange and foreign exchange operations. It also adopts regulations and other general and individual acts in the field of bank resolution in accordance with the law governing banks. Executive Board meetings are held as often as deemed necessary, but no less than once a month. Meetings are chaired by the Governor.

The NBS is managed by the Governor, who represents and acts on behalf of the NBS. The Governor is appointed by the National Assembly at the proposal of the President of the Republic of Serbia. The Governor is appointed for a six-year renewable term of office. The Governor manages the operations of the NBS and organises its work, implements decisions of the Executive Board and the Council of the Governor, enacts regulations, general and individual acts,

which do not fall under the remit of the Executive Board and the Council of the Governor, and performs other duties.

The Council of the Governor consists of five members, including the President, appointed by the National Assembly at the proposal of the National Assembly's Finance Committee. Members of the Council are appointed for a five-year renewable term of office. The meetings of the Council of the Governor are held as often as deemed necessary, but not less than once every two months. Among other things, at the proposal of the Executive Board, the Council of the Governor issues the Statute and the financial plan, and adopts NBS annual financial statements.

The NBS is a legal entity headquartered in Belgrade. It may set up branch offices without the status of a legal entity, whose internal organisation, scope of operation and responsibilities are defined by the NBS Statute.

The NBS also includes a specialised organisation, the Institute for Manufacturing Banknotes and Coins – Topčider, whose duties and responsibilities are regulated by the Law on the National Bank of Serbia and the NBS Statute.

Code of Professional Conduct

Last year, the NBS's ethical and professional conduct standards continued improving.

The NBS continued to meet its obligations pertaining to the preparation of the Integrity Plan, in line with the Guidelines for the Development and Implementation of the Integrity Plan adopted by the Anti-Corruption Agency. In 2022, we continued working on the third cycle of drafting the NBS Integrity Plan (for the period 2021–2024). The third cycle comprises four stages, and the first stage (preparatory) concluded on 31 January 2022, while the second stage (risk assessment) concluded on 27 December 2022 by adopting the decision on the adoption of the NBS Integrity Plan. During the assessment of the current state of exposure to corruption risks in the NBS, the Working Group for drafting the Integrity Plan in the third cycle concluded that in the majority of cases, the NBS implements adequate measures for managing corruption risk, hence this risk in the NBS is assessed as low.

In accordance with provisions of the Law on the Prevention of Corruption and provisions of the relevant regulations, the NBS and its officials continued to regularly meet the prescribed obligations. All officials of the NBS duly receive notifications about their obligations arising from these laws and regulations (such as the obligation to submit regular or ad hoc reports on their property to the Anti-Corruption Agency, obligations about the performance of a job or an activity at the moment of taking up a public office, etc.).

In 2022, the NBS issued eight opinions on whether the work that an employee intends to perform outside working hours would create a potential conflict of interest or affect the employee's impartial performance of work. These were the following jobs: member of the Serbian Electoral Committee, yoga instructor certified by the Yoga Alliance of Serbia, realisation of a World Bank project in the form of drafting a so-called economic memorandum for a developing country, publishing a children's book, a

demonstrator at the Faculty of Economics of the University of Belgrade, actuarial calculation of provisions for pension severance pay and rewards for years of service, and on two occasions a request was submitted for the job of a data collector during the population census. All of these jobs were assessed as not having an impact on employees' impartial performance of their job in the NBS. One present for an employee was reported and was assessed as unfit and not in line with the protocol, therefore the employee returned the present to the person who sent it and notified the relevant NBS organisational unit thereof.

Public relations

External communication

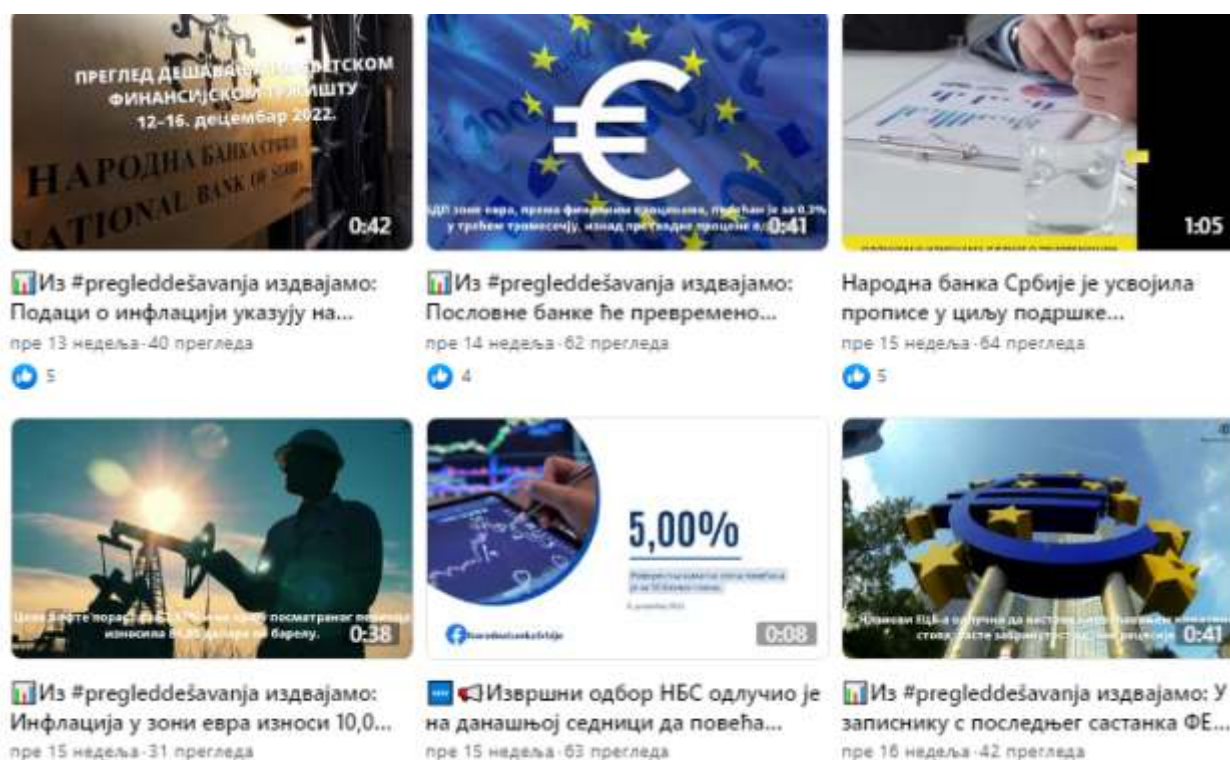
Responsible, consistent and timely informing of the wider public about NBS operations and activities unfolded in 2022 through intensive cooperation with the media and publication of information on the NBS's official website and its subdomains, as well as through communication on social media.

A total of 107 press releases were published in 2022 and answers provided to 370 queries by journalists. As many as 72 statements and seven interviews were given for the print



A tabular overview of press releases and answers to journalists' queries in 2022:

Press releases	Answers to journalists queries	Statements	Interviews	Appearances in electronic media	Press conferences
107	370	72	7	66	7



and electronic media. Also, 66 television and radio appearances were made by the Governor, Vice-Governors and other members of the NBS staff.

Four presentations of the Inflation Report were organised for the public, a press conference by the Governor on current developments in the financial sector, a press conference by the Governor on the NBS's package of measures pertaining to bank fees, a presentation of a three-year report on the NBS activities in the field of protection of financial services consumers, as well as the recording of the beginning of the plenary meeting with the IMF mission during its two visits to Serbia.

A new category was introduced, themed "It's good to know...", with the intention of making topics within the NBS's competence more easily understood by the broader public. Simple videos in this category explain how monetary policy decisions affect citizens, in what way the national payment card Dina is different from other payment cards in our market, what cryptocurrencies are and whether they can be traded, and similar.

During the year which, in addition to the pandemic, also brought along new geopolitical tensions, armed conflicts and a deeper economic crisis, the NBS's accounts on Twitter and Facebook played a key role in timely and



transparent notification of the general public. Last year, the Bank's official Twitter account posted more than 800 tweets and gained 2,690 followers, up by 256 from 2021.

During the reporting period, the NBS's official Facebook page published more than 800 posts, recorded 2,300 page likes and gained 2,587 followers, and also received and responded to 100 user queries through the inbox.

Website and publications

The official NBS website is intended for citizens with a view to informing, educating and offering assistance in protection of their personal interests, as well as for

professionals, since it features the reports and publications containing relevant information on NBS operations.

Via its website, the NBS informed the public about the instruments and measures it took to preserve and strengthen financial stability, as well as about the activities carried out to implement monetary and foreign exchange policies. With its regular publications, statistical analyses and press releases, the NBS presented its activities in the field of supervision of financial institutions, payment service providers and electronic money institutions.

As of this year, the homepage of the NBS website includes a form by way of which citizens can ask questions in relation to areas within the NBS's competence. Also available are forms for filing complaints or objections to the work of a financial service provider or for submitting a proposal for mediation. Replies are provided by organisational units according to their competences and within the shortest possible time.

During 2022, on its website the NBS published its Annual Report on Activities and Results, Annual Financial Stability Report, Annual Monetary Policy Report and Semi-Annual Monetary Policy Report.

Other publications include monthly issues of the Statistical Bulletin, quarterly reports on the banking sector, financial leasing supervision, supervision of the insurance sector and voluntary pension funds sector, and activities in the field of financial consumer protection. The Report on the Dinarisation of the Financial System and the Inflation

Publication	Number of copies in Serbian	Number of copies in English
Annual Report on Activities and Results	100	60
Annual Monetary Policy Report	80	60
Semi-Annual Monetary Policy Report	80	60
Inflation Report	80	60
Annual Financial Stability Report	80	80
Working Papers Bulletin	65	45

Report were published on a quarterly basis. Presentations of the Inflation Report were live streamed on the NBS's official website.

The following reports are also available to the public: Trends in Lending, Counterfeit Currency Report, the quarterly Report on the Results of the Bank Lending Survey, monthly Report on Inflation Expectations, Developments in the Global Financial Market, as well as the Payment System Oversight Report, published annually.

In order to make its scientific and research work more available to the broader public, as well as to contribute to debate within the academic and wider community, the NBS continued to publish its Working Papers Bulletin. The Bulletin mostly includes papers by NBS staff, concerning the causal and consequential relations in the economy, factors affecting the key macroeconomic indicators and many other topics relevant for the functioning of a central bank and the financial system as a whole. Two Working Paper Bulletins were published in 2022.

Through its subdomains *Tvoj novac* (www.tvojnovac.nbs.rs) and *Visitor Centre* (www.centarzaposetioce.nbs.rs), the NBS informed the public about its activities in the field of financial services consumer protection and education, exhibitions and cultural events, and educational programmes for pupils and students.

All information about the domestic DinaCard payment card and data about the DinaCard system, as well as the list of all acceptors, are available to the public through the link: www.dinacard.nbs.rs. Visits to this subdomain are increasing, which indicates the rising interest of citizens and corporates. The Instant Payment subdomain (www.ips.nbs.rs) provides all relevant information on advantages of and methods for instant payments.

All printed and electronic materials made for the public are available in both Serbian and English.



On its YouTube channel (Narodna banka Srbije/National Bank of Serbia), the NBS publishes recordings of conferences for the press and professionals presenting the Inflation Report and the Annual Financial Stability Report, the NBS Governor's public address, as well as recordings about the history of the Bank, financial education and money, and other relevant content.

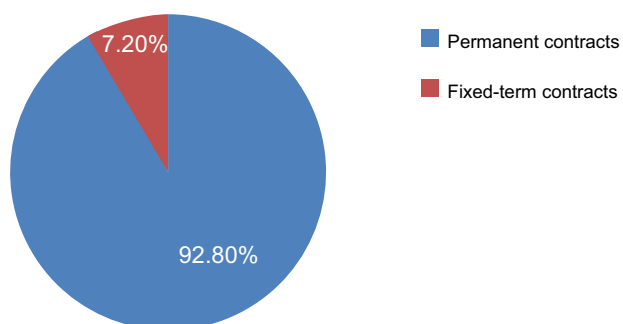
RESPONSIBILITY TO EMPLOYEES

As central bank's operations largely depend on the quality of its human resources and their successful management, as well as the level of expertise and experience of the employees and their capacity to make the optimal decisions, the care of its employees is a priority goal in the area of social responsibility of the NBS. By applying the latest trends in human resources management, the NBS not only provides opportunities for ongoing professional training, but also encourages improvement of the organisational culture fostering motivation and commitment to work which, in the final instance, helps us retain the most highly qualified staff and preserve the individual and collective knowledge. The NBS's long-term objective is for its team to comprise highly skilled, professional and satisfied employees, committed to organisational values and motivated to deliver optimal results.

Employee structure

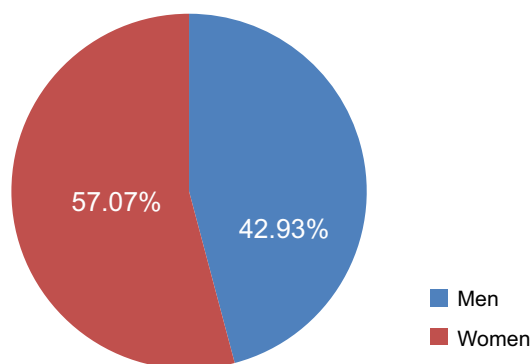
Employee structure in 2022 was diverse in terms of the type of employment, gender, level of education and age.

Chart 1 Employee structure by type of employment



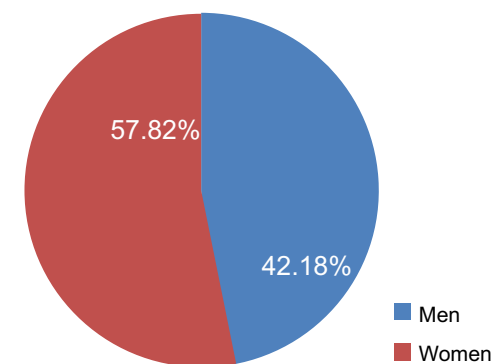
Looking at the gender structure, as in earlier years, female employees (57.07%) outnumbered male employees (42.93%).

Chart 2 Gender structure of the NBS employees



In recent years, women have been dominant in managerial positions (57.82%) relative to the total number of managerial jobs.

Chart 3 Gender structure of management staff

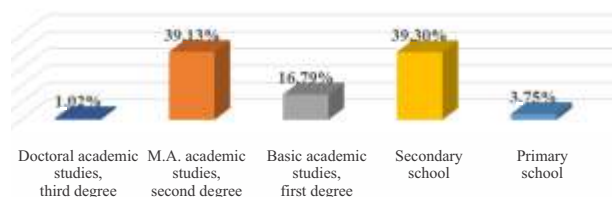


Gender structure of employees at managerial levels

	Officials		Managers of basic organisational units, branches and the Institute		Middle and lower management		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Men	3	50%	26	44.07%	60	41.10%	89	42.18%
Women	3	50%	33	55.93%	86	58.90%	122	57.82%
Total	6		59		146		211	

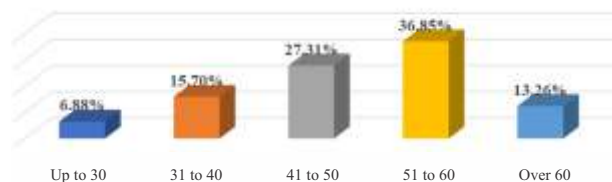
In terms of the staff qualifications structure, on 31 December 2022, the highest number of NBS employees were high school graduates (39.30%) and master's degree holders (39.13%).

Chart 4 Staff qualifications structure



In terms of age structure, as in the previous years, the two most prevalent age groups were employees between 51 and 60 years old (36.85%) and between 41 and 50 years old (27.31%).

Chart 5 Staff age structure



By fully applying the principle of equal opportunities for all, the NBS shows its commitment to the fight against all forms of discrimination.

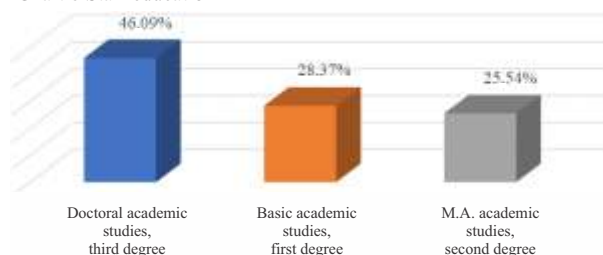
Education, professional training and development

As an institution of great significance and reputation, the NBS is actively supporting the concept of lifelong learning and has provided support to the process of upgrading institutional capacities. For this reason, in 2022 employees were given the opportunity to attend university studies in Serbia, professional training in order to acquire different

professional titles and certificates, as well as to participate in seminars, workshops, counsellings, conferences and other forms of professional development.

In 2022, the NBS financed the costs of education of 13 employees, enabling them to complete a higher course of studies by attending graduate, master and doctoral academic studies.

Chart 6 Staff education



In 2022, the NBS enabled 28 of its employees to acquire licences and certificates in order to obtain new knowledge, skills and competencies required for performing certain types of jobs. In this way, the NBS as the employer also met its obligations arising from regulations on protection, chemicals management in all stages of chemicals' life cycle, health and safety at work, fire protection, etc.

The contents of seminars, conferences, specialized courses and workshops on various central banking topics attended by employees were adapted to the current and future challenges faced by the central bank in performing its statutory tasks. The lecturers were experts from central banks, the Official Monetary and Financial Institutions Forum (OMFIF), the International Monetary Fund, the European Money and Finance Forum (SUERF), the Centre for Financial Excellence (CEF), the European Central Bank, etc.

Most of the training events organised by central banks and international organisations and institutions in 2022 were in the form of webinars attended by over 230 employees. Training events at home mostly involved live participation and were attended by over 60 employees.

Chart 7 Professional training

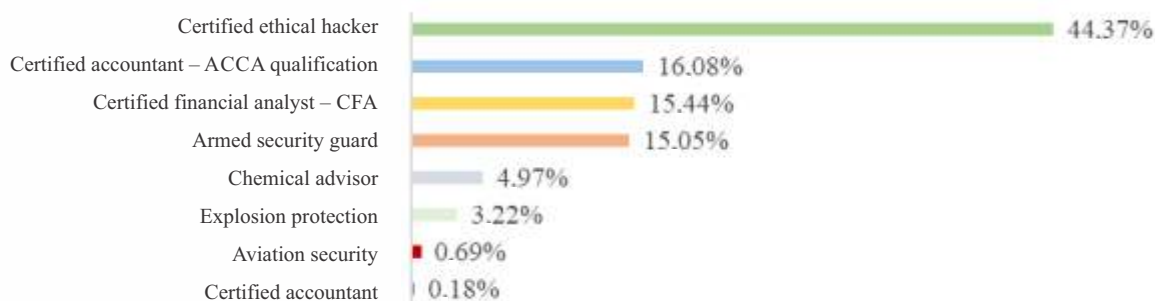
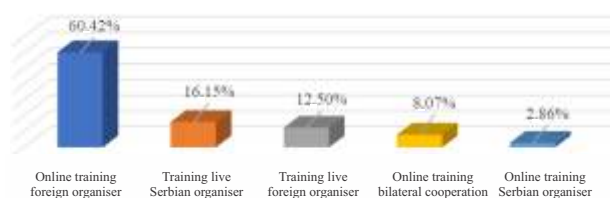


Chart 8 Professional development



In 2022, as part of bilateral cooperation, the NBS was provided with expert and technical assistance of the Deutsche Bundesbank and the Central Bank of the Republic of Turkey in the form of three online training events covering topics of relevance for the National Bank of Serbia such as financial technologies (FinTech), internal controls in accounting and planning and supervision of financial institutions' information systems, attended by over 30 employees.

As part of bilateral cooperation with other central banks, in 2022 the NBS provided expert and technical assistance to the National Bank of Kazakhstan in the form of online training entitled: “Protection of financial market participants from cyber-attacks“. At the same time, since the NBS's Instant Payments System operates and applies the technical and technological solutions which are in line with the latest, state-of-the-art trends in the area of payment systems, the NBS provided expert and technical assistance to the Central Bank of the Republic of Turkey in upgrading their system and the services they offer in relation to instant payments.

The NBS organised summer practice for 36 students in their final year of university studies at home and abroad. The key goal of the summer practice is to help students learn about the functions of the NBS and the jobs performed in it, giving them an opportunity to add practical work to the theoretical knowledge gained in the course of their studies and acquire references for further career development. Over the past years, summer practice in the NBS has also been attended by students from the University of Priština with temporary headquarters in Kosovska Mitrovica and students from the Republic of Srpska universities. Summer practice is therefore an opportunity for young people to connect and meet while working together in an institution which is unique and capable of providing summer practice attendees with a specific type of knowledge and expertise impossible to acquire elsewhere.

In addition to the summer practice traditionally organised in the July-August period, in 2022 the NBS also organised practice for 52 students from different faculties. This nine-month vocational practice programme is a way of attracting young talented people who are able to see first-hand the advantages of working in a central bank and the possibility of starting a professional career in the National Bank of Serbia.

Occupational health and safety

As a responsible employer, the NBS takes care of the occupational health and safety of its employees on a daily



basis and undertakes all necessary activities related thereto. Employees performing high-risk jobs were referred to mandatory annual medical examinations in order to determine their fitness for work. Prior or periodical assessments and examination of work tools and equipment used in basic organisational units were conducted, including personal protection tools and equipment of the third category, which is used for the protection against fatalities. Tools and equipment for personal protection at work were distributed to the newly employed staff and to those whose equipment was damaged or worn out, in accordance with the Workplace and Work Environment Risk Assessment Act of the NBS. In accordance with the concluded contracts, tools and equipment for personal protection at work were procured for the needs of the basic organisational units and branches. The first aid kit and equipment were checked. Regular, periodical examinations of work equipment, as well as regular work conditions tests were performed in 2022. All necessary prior training (for new employees, before the start of work) and periodic training for safe and healthy work of employees were implemented in the basic organisational units (annual for employees at high-risk jobs and four-yearly for other employees). All injuries at work in the basic organisational

units were reported and duly recorded. In line with the procurement plan for 2022, the NBS carried out the public procurement of the following services related to occupational safety and health: testing ventilation system efficiency, testing radon exposure levels – radioactivity monitoring, calibration of the alcohol test device, controlling intoxication and presence of psychoactive substances, and of goods: procurement of protective clothes and hearing protection devices.

The Decision on Establishing the Committee for Drafting the 2022 Programme of Elimination of Deficiencies in the Field of Occupational Safety and Health Requiring Greater Investments and not Seriously Threatening the Life and Health of Employees was prepared and signed. In cooperation with organisational units responsible for the implementation of measures and elimination of deficiencies in this field, determined by the Workplace and Work Environment Risk Assessment Act of the NBS and the Human Resources Department, the Committee submitted quarterly reports to the Governor on Programme implementation. Within its scope of authority, the Human Resources Department established good cooperation with the branches and the Institute for Manufacturing Banknotes

and Coins – Topčider on the uniform application of regulations in this field.

In the conditions of the coronavirus pandemic, in 2022 the NBS consistently applied the Plan for the Implementation of Measures to Prevent the Emergence and Spread of the Infectious Disease Epidemic, which is integral to the Workplace and Work Environment Risk Assessment Act of the NBS. This Plan prescribes in detail all preventive measures and activities of employees and the employer aimed at preventing the spread of the epidemic. Its provisions are still consistently applied.

With these activities, the NBS fulfilled all its legal obligations, enhancing safety at work and, to the extent possible, raising its employees' awareness about the importance and application of occupational safety and health measures.

Occupational health and safety – Institute for Manufacturing Banknotes and Coins – Topčider

To create a safe working environment and eliminate risks by promoting a culture of constant improvements in this area, in 2022 the Institute continued to implement activities aimed at enhancing occupational safety and health.

In accordance with the requirements of the ISO 45001 Health and safety management standard, and in order to enhance the efficiency of the established system for managing health and safety at work, activities were taken to improve health and safety at work, as confirmed by the verification of the certificate.

With a view to raising employees' awareness of the importance of health and safety at work, in 2022 the Institute organised training about the harmful effect of noise on employees' health, intended primarily for employees in jobs involving a risk of illness due to exposure to the harmful effect of noise produced by equipment (systems and machines). The training included a total of 170 employees. Each participant was tested and presented with a printed leaflet containing detailed information about the

harm and potential health hazards which could result from exposure to noise, and the measures to be regularly applied when working in order to prevent and/or mitigate the risk of illness.

In 2022, in cooperation with the Institute for Occupational Health “Dr Dragomir Karajović”, advanced training of employees in first aid administration was organised and implemented. Advanced training in first aid administration (theoretical and practical) was successfully completed by 94 employees. To confirm that the employees are trained, the Institute holds certificates of attendance and completion of the first aid administration training course for each of the participants.

In November, the Institute organised and implemented the testing of radon exposure (radioactivity monitoring) at 15 locations in the Institute, in underground facilities. According to the submitted Report on the Testing of Radon Concentration in the Facilities of the Institute for Manufacturing Banknotes and Coins – Topčider, testing results indicate that elevated radon concentration was not detected at any point of measurement, and that the concentration of radon in the examined facilities is within the ranges considered safe for the population.

In order to ensure working conditions allowing for maximum safety and health at work, special attention was paid to pre-emptive action in 2022.

In addition to regular activities taken in this area, and in accordance with the employer's legal obligation to organise and cover the costs of health protection of employees so as to create conditions for responsible conduct and protection of health at work, even employees in jobs not involving elevated risk (a total of 168 employees) were referred to general health examinations at the Institute for Occupational Health of Serbia “Dr Dragomir Karajović” in 2022.

As part of implementation of the planned activities defined in the Programme of Gradual Elimination of Deficiencies in the Field of Occupational Safety and Health Requiring

Greater Investments and not Threatening Seriously the Life and Health of Employees for 2022, reconstruction of the entire former warehouse in the broader area of the Institute was completed and a part was adapted into a laundry facility. After this, employees from the organisational unit performing the jobs of machine washing, ironing and maintenance of textile in the Institute were moved to a new, functional working space, which greatly improved their working conditions and reduced the possibility of injury of the employees during their work.

With a view to improving working conditions, fluorescent lights were replaced by led lights in production facilities, offices and some horizontal and vertical communication facilities (halls and staircases). The above activities will continue in 2023 as well, until lights in all facilities of the Institute are replaced.

Internal communication

Internal communication in the NBS is based on promoting the values of organisational culture in the work environment, implementing socially responsible activities, motivating employees to grow professionally and personally, and creating an adequate environment for work. These activities are in the remit of the Group for Internal Communication and Social Responsibility within the Communications Division.

Employees are informed about the basic goals, achievements and events through the internal communication channels - internal newspapers, intranet, brochures and video material. The development of internal communication is strategically planned, and each activity is designed and integrated into the Annual Internal Communication Development Plan.

In 2022, six issues of the “NBS Info” were published in electronic form. By involving an increasingly greater number of employees in its development, the Group for Internal Communication and Social Responsibility

continuously encourages the development of this channel of internal communication. With the support of the NBS management and the ambassadors for internal communication and social responsibility, internal communication is continuously improved and socially responsible behaviour promoted.



Exhibitions and educational activities

In the course of 2022, exhibitions, educational and cultural programmes of the NBS intended for the wider public recorded a turnout of 2,224 visitors – 110 at the NBS Kralja Petra building and 50 at the NBS building at Slavija square. Educational workshops were attended by 2,064 students.

In accordance with the recommendations of the Serbian Government and measures aimed at preventing the spread of the coronavirus, the exhibition and educational premises of the NBS (buildings in Kralja Petra 12 and Nemanjina Street 17) were closed for the public, starting from 16 March 2020. Subject to prior consent, the exhibition-educational hall at Kralja Petra 12 was visited only by domestic and international guests of the NBS.

In 2022, the following video content was prepared and posted: “Money of the Middle Ages – Byzantine Money”, “Money of Serbian Medieval Rulers”, “Distinguished Persons on Dinar Banknotes”, “Gračanica Monastery”, “Krušedol Monastery” and “Studenica Monastery”.

The video content is accessible at the subdomain of the Visitor Centre, as well as on social networks: Facebook, Twitter and YouTube.

Exhibitions

Due to the epidemiological situation, the hall of the NBS Slavija building was the venue of one humanitarian exhibition - “8th Handicraft Fair of Serbia's Muscular Dystrophy Association”.

Financial education of children and youth

Global Money Week

For the purpose of marking the Global Money Week from 21 to 27 March, the Exhibition and Education Unit prepared a video presentation for the public “Distinguished Persons on Dinar Banknotes”. The presentation was posted on the subdomain of the Visitor Centre, and on the NBS YouTube channel.

In the same week, students of the Academy of Vocational Studies “Western Serbia”, Valjevo Department, had the opportunity to attend the workshop “Me and My Budget”, as well as to participate in the tournament in educational game “Finances for Later”.

World Savings Day

This year again, from 31 October to 5 November, the NBS marked the World Savings Day by a series of educational activities for children and youth.



Under this year's programme, the first regional quiz tournament “Distinguished Persons on Dinar Banknotes” was organised for graduates of secondary economic schools in southern Serbia. The competition was held at the Leskovac Business School, and the graduates from the following secondary schools participated: Economics School from Leskovac, Technical School “Boško Krstić” from Bojnik, Technical School from Vlasotince, Law and Business School from Niš, Economic School from Pirot, School of Economics and Commerce from Vranje, Vocational School “Sveti Sava” from Bujanovac, Economics School from Niš, Trade School from Niš, Trade and Catering School from Leskovac and Technical School “Vožd Karađorđe” from Lebane.

Cooperation with vocational educational institutions

In 2022, the NBS held the following workshops: “Distinguished Persons on Dinar Banknotes”, “Counterfeits”, “Me and My Budget”, “Finances for Later” and “Dinar – Our Money” in Belgrade, Niš, Novi Sad, Valjevo, Leskovac, Šabac, Bujanovac, Vranje, Subotica and Zlatibor.

This year, the first regional tournament was organised for graduates of secondary economic schools in Serbia in the educational quiz “Distinguished Persons on Dinar Banknotes”. The participation of secondary school graduates from seven regions (eastern, western, southern, northern, central Serbia, Belgrade and Kosovo and



Metohija) is planned. The tournaments were held in five regions and will continue in 2023, when the final competition is planned, which will be held at the Faculty of Economics in Niš.

Cultural events

International Day of the Francophonie

On the occasion of the International Day of the Francophonie, on the subdomain of the Visitor Centre, interested visitors were able to look at the catalogue accompanying the exhibition “Central Banks of Serbia and France in World War I”.

Museums for 10

The Museums for 10 event was held from 14 to 20 May, under the slogan “Power of Museums”.

Via video material, the NBS presented to the public the brochure accompanying the exhibition “Reflection of



Time and Events on Serbian Money – Money of the Principality and Kingdom of Serbia”. The public had the opportunity to look at the rich cultural and historical legacy of Serbian statehood, spirituality and culture in general, presented through selected issues of money from the end of the 19th and early 20th century, which vividly speak of the historical and social circumstances in which the young Serbian state was established.

European Heritage Days

From 15 September until 15 October 2022, the NBS marked the European Heritage Days by showing a video-presentation of the brochure accompanying the exhibition “Serbian Money from the 13th to the 21st Century”.

Humanitarian and voluntary campaigns

Driven by a desire to support the entire community with its responsible attitude through various forms of humanitarian actions, in 2022 the NBS continued to provide assistance to those most in need. Employees engaged actively in humanitarian campaigns aimed at collecting funds, food and clothes, providing selfless support to socially vulnerable groups, children with developmental disabilities, children deprived of parental care and the elderly. They also participated in voluntary campaigns, with which we aim to address some of the existing social problems and help those in need.

In cooperation with humanitarian organisations, centres, associations and schools, the NBS organises highly successful and visible humanitarian and voluntary campaigns. The total cash value of the humanitarian activities of NBS employees in 2022 amounted to RSD 1,068,037.

In the humanitarian action of the Užice branch, employees collected RSD 25,500. The collected money was used to purchase basic foodstuffs, personal hygiene substances and sweets for two socially vulnerable families, which are in the records of the Centre for Social Work.

In the humanitarian action of the Niš branch, employees collected RSD 45,000, which they donated to a 12-year-old

girl Angelina Nejčić from their town who has been fighting brain tumour since 2015. She needed funds to continue her treatment.

Traditionally humanitarian Easter exhibitions of children and youth with developmental disabilities and elderly persons were held on 11 April in the Novi Sad branch and 18–19 April at the NBS head office in Belgrade. This year's exhibition was organised with one or two representatives of each participating association and without the presence of children who made the handicrafts. Employee interest and turnout were nevertheless remarkable. Around RSD 19,000 was collected in Novi Sad and RSD 80,400 in Belgrade, which will increase the budget for the purchase of materials for creative workshops, which have an important role in maintaining users' mental and physical health.

Sixty volunteers participated in the voluntary campaign “Let's Set an Example with a Good Deed”, which was realised on the Bank Day, in elementary school “Majka





Jugovića” in Zemun. The volunteers painted halls, doors and radiators in the school, as well as the metal fences. With maximum effort, much more was done than expected. This voluntary action is also specific in that the volunteers from Belgrade were joined by the NBS pensioners, as well as colleagues from Novi Sad and Kragujevac. This action contributed to the creation of better conditions for education and development of children.

In two separate voluntary actions, which were carried out on 17 September, the NBS volunteers participated in the decoration of the Elementary School “Mihajlo Pupin” in Veternik, as well as in the preparation of the winter preserves and autumn works in the greenhouse of the Educational Camp of the School for Elementary and Secondary Education “Milan Petrović” in Čenej. Ten volunteers from Belgrade joined 24 volunteers from Novi Sad. In Veternik, volunteers painted and cleaned five classrooms and painted the school's metal fence. In this way, the volunteers contributed to the creation of better conditions for the education and development of children. At the Educational Camp in Čenej, volunteers made ajvar, worked in the greenhouse and made folders which the school sells to generate income. On that occasion, they socialised with the users of the camp's services, which meant a lot to them.

In the humanitarian action of the Novi Sad branch, employees collected RSD 33,000. The collected money was used to purchase school supplies, as well as sweets and snacks for school children who use the services of the Drop-in Shelter for Children and Youth in Novi Sad.

Employees from Belgrade participated in a socially responsible action of collecting food and clothing for users of the Soup Kitchen within Versko Dobrotvorno Starateljstvo of the Serbian Orthodox Church in Belgrade, to mark the International Day for the Eradication of Poverty. A total of 503 kg of food was collected (oil, pasta, beans, rice, sugar, condiments and sweets), worth RSD 96,000. Also, 85 packages of second-hand clothes were collected. One part of foodstuffs was used to prepare warm and cold meals, while the other part was distributed to users in the form of packages.

In a humanitarian action the employees of the Kragujevac branch collected RSD 40,000 and purchased sports clothes for children users of the Centre for Development of Social Services “Kneginja Ljubica” from Kragujevac.

Traditional New Year humanitarian exhibitions of children and youth with developmental disabilities and elderly



persons were held on 20 December in Novi Sad branch and 21–22 December at the NBS head office in Belgrade. The exhibition was organised with one or two representatives of each participating association and without the presence of children who made the handicrafts which did not diminish the interest and turnout of employees. Employees once again supported the work of the most vulnerable members of our society and demonstrated kindness and humanity. Employees collected RSD 156,600 in Belgrade and RSD 20,300 in Novi Sad, which will increase the budget for the purchase of materials for creative workshops, which have an important role in maintaining users' mental and physical health.

In a traditional humanitarian action “A Present for an Unknown Friend” held in the second half of December, employees jointly prepared and donated 333 New Year's packages and more than 120 packages of second-hand clothing and toys. The total value of packages amounted to RSD 316,600. This year, the packages were delivered to children and youth with developmental disabilities from the Day Care Centre “Neven” in Pančevo, the Home for Children with Developmental Disabilities in Veternik, and children from socially vulnerable families in Kragujevac and Novi Sad.

Through collection and sale of secondary raw materials which NBS employees sorted in their offices, an income of RSD 236,237 was generated and donated, according to the financial plan. This year, the funds went to the Educational Camp of the School for Elementary and Secondary Education “Milan Petrović” in Novi Sad. These funds will enable the introduction of heating in the greenhouse and, therefore, the education of children and youth with special needs in the winter period, thus contributing to additional income and the sustainability of the camp.

In 2022, NBS employees gathered around 1,750 kg of plastic bottle caps as part of the ecological and humanitarian action, implemented by the NBS together with the Association “Bottle Cap for Handicap”. Employees were continuously encouraged to take part in the action and the quantity of bottle caps collected helped to purchase three orthopaedic tricycles for three children aged from 7 to 14. Given that this action incurs no costs either for the NBS or its employees and yields results, it is considered very important and will be continued going forward.



The NBS will continue to carry out humanitarian and voluntary campaigns, broaden the circle of social responsibility associates, promote socially responsible behaviour and social responsibility.

Donations

Donations are regulated by the Decision on Establishing the Committee for Review of Applications for Donations and Humanitarian Assistance and Setting the Conditions, Mechanisms and Criteria of Award. On the basis of that Decision, funds for donations and humanitarian assistance, fixed assets, intangible assets and inventory no longer in use, as well as small inventory, consumables and supplies may be granted or donated, in accordance with the act determining the criteria for technical and technological deterioration of NBS resources, to legal persons, local government units, educational and cultural institutions, social and health care institutions, non-profit organisations and associations, humanitarian organisations and other institutions. The donations and



humanitarian contributions are set out in the NBS annual financial plan and the level of funds is determined by the Council of the Governor of the NBS. In 2022, the NBS earmarked RSD 2,409,300.00 for these purposes.

The Institute for Manufacturing Banknotes and Coins – Topčider produced and donated plaquettes to the “Dositej Obradović” Foundation.

Membership in UN Global Compact

Since the establishment of the UN Global Compact in Serbia on 6 December 2007, the NBS, as one of the founders and an active member of this initiative, continued advocating for this large-scale global voluntary association dedicated to promoting corporate social responsibility. The Global Compact requires its members to adopt, support and promote ten universal principles in the area of protection of human and labour rights,

environmental protection and the fight against corruption. In addition to large companies, this initiative is supported by medium and small-sized enterprises, non-governmental organisations, business associations and the academia.

The Ten Principles of the UN Global Compact in the field of protection of human and labour rights, environmental protection and the fight against corruption are based on: the Universal Declaration of Human Rights, International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, Declaration on Environment and Development, and United Nations Convention against Corruption.

For more information on all the activities of the United Nations Global Compact in Serbia, please visit www.ungc.rs.



HUMANITARIAN ACTIVITIES OF THE NATIONAL BANK OF SERBIA IN 2022

More than **500 kg** of food (oil, pasta, beans, rice, sugar, spices and sweets) and **85 packages** of used clothing donated to socially vulnerable categories in Belgrade

Four humanitarian exhibitions of artwork made by persons with disabilities and elderly persons

1,750 kg of plastic bottle caps collected as part of the “**Bottle Cap for Handicap**” action

More than **330** New Year's packages and **120** packages of used clothing donated in the New Year's action “A Present for an Unknown Friend”

Two staff volunteer actions

Humanitarian actions in NBS branches in Užice, Niš, Novi Sad and Kragujevac

Funds collected through secondary waste sorting by employees were donated to the Educational Camp of the Primary and Secondary School “Milan Petrović” from Novi Sad

Total cash value of humanitarian activities
1,068,037 dinars

RESPONSIBILITY TO THE ENVIRONMENT

Preserving natural resources at the head office and branches

In 2022, the NBS continued to behave responsibly towards the community and the environment. Waste formed in the process of current and investment

Heating

Season	Kralja Petra (kWh)	Nemanjina (kWh)
2013/2014	602,762	1,599,411
2014/2015	743,531	1,612,680
2015/2016	767,565	1,512,820
2016/2017	891,447	1,774,939
2017/2018	845,208	1,547,080
2018/2019	750,990	1,417,530
2019/2020	734,051	1,127,090
2020/2021	776,752	1,786,020
2021/2022	769,724	2,368,100

Water

Year	Kralja Petra (m ³)	Nemanjina (m ³)
2014	2,861	12,480
2015	3,271	12,632
2016	3,014	12,730
2017	1,142	12,698
2018	1,291	12,696
2019	1,330	12,209
2020	3,541	11,620
2021	3,482	12,177
2022	4,895	12,744

Electricity

Year	Kralja Petra HT (kWh)	Kralja Petra LT (kWh)	Nemanjina HT (kWh)	Nemanjina LT (kWh)
2014	605,340	221,580	2,432,240	920,110
2015	627,000	210,600	2,059,890	1,091,320
2016	580,200	201,600	2,012,210	1,051,240
2017	597,256	182,298	2,050,203	862,497
2018	495,257	148,502	1,676,482	874,308
2019	365,090	115,994	3,796,216	1,286,504
2020	351,161	125,631	4,385,966	1,542,767
2021	320,897	105,713	3,344,984	1,286,148
2022	280,849	91,606	3,365,376	1,302,096

HT – High tariff
LT – Low tariff

maintenance of facilities and equipment is handled in accordance with the Law on Waste Management. The sorted waste is properly and temporarily stored in a dedicated packaging, and then handed over to the authorised companies for final disposal. Records on the waste generated and handed over are kept regularly, and measures are taken to reduce the waste.

Employees at the Maintenance Division, in charge of monitoring energy consumption and implementing energy efficiency measures, keep track of the developments in the area of enforcement of the Law on Efficient Use of Energy, which prescribes requirements regarding rational energy consumption and introduces the principles of organised energy management, i.e. energy management system, in which the NBS also participates as a socially responsible institution.

The Bank's building at Slavija is considered highly automated. All the rooms have presence detectors that automatically activate temperature regulation. The system switches on at around 6 am and heats the premises to 19°C. When employees arrive, the temperature rises to optimal 22°C. When a window opens, the heating or cooling system automatically stops operating.

Waste sorting at the head office and branches

At all NBS locations, employees have been sorting and collecting secondary raw materials (paper, PET

packaging and mixed waste) since 2009. From paper selling, the NBS collected RSD 112,748.00, while income from PET packaging recycling came at RSD 79,887.40. Funds collected in this way are intended for humanitarian purposes and donated to non-profit organisations, associations, educational or health institutions.

Since 2008, employees have been continuously learning about the importance of separating secondary waste. The brochure “Guide through Recycling” was published for that purpose, along with a number of motivational texts in the internal newspaper.

Organisational unit	PAPER	
	Quantity (kg)	Income (RSD)
Head office and Branch in Belgrade	23,360.00	109,180.00
Novi Sad Branch	336.00	1,008.00
Niš Branch	320.00	2,560.00
Total	24,016.00	112,748.00



Organisational unit	PET packaging	
	Quantity (kg)	Income (RSD)
Head office and Branch in Belgrade	3,640.00	78,990.00
Novi Sad Branch	128.20	897.40
Total	3,768.20	79,887.40

Reducing harmful effects on the environment – Institute for Manufacturing Banknotes and Coins – Topčider

The Institute for Manufacturing Banknotes and Coins – Topčider has set a clear goal – improvement of the environmental protection management system, thus the principles of sustainable development have become an integral part of the Institute's daily operations.

Waste management has been recognised as very important for the improvement of this process, considering that various types of non-hazardous and hazardous waste are created as part of the Institute's regular production operations. Within the framework of a sustainable waste management system, the Institute has ensured effective separation of waste at the point of origin, careful marking, collection, temporary storage of waste in controlled and safe conditions, handing over to operators, and compliance with legal regulations and relevant international standards.

In 2022, it handed over to authorised operators 216 tonnes of non-hazardous and 21 tonnes of hazardous waste for recycling and final disposal.

A special feature of our engagement in 2022 is the effort we made to reduce the amount of waste that goes to the landfill. Fully aware that disposing waste from card products, PC and PVC in landfills is not the best solution, and that a lack of a functional infrastructure network for recycling such waste in Serbia makes our efforts difficult, we have been trying for years to find an operator which will recycle that waste, instead of disposing it in a landfill. In 2022, we found an operator who recycles this waste by making granules from it, so now our PC waste is used as raw material for manufacturing various products.

The Institute constantly monitors, controls and measures the quality of environmental media that it has an impact on. External verified laboratories measure the issuance of pollutants into water, air, and earth on a couple occasions

during the year, and so do we with our own resources. The results of measurements confirmed that all production processes in the Institute are implemented in accordance with the legal standards of environmental protection, and that we do not pollute the environment.

Employees' awareness of the importance of environmental protection is continuously improved through training, as well as talks and suggestions about the importance of reducing the consumption of non-renewable resources – turning off unnecessary lights, rational use of paper as a raw material, recording faulty installations and eliminating failure in the shortest possible time will reduce resource consumption, but also the amount of generated waste.

In accordance with the principles of the waste management hierarchy, the Institute controls the use of hazardous substances and reduces their use to a minimum in order to cut down the amount of waste. Hazardous chemicals are replaced with environmentally friendly ones wherever possible. Besides disposing of chemicals that have no safer alternatives in an adequate manner, we also take care of employees' safety. We also created and placed wallcharts on the safe use of the most frequently used chemicals in the Institute for the purpose of providing timely information on the measures for safe handling and storage, first aid measures, personal protective equipment, and fire extinguishers in the event of an incident.

We continuously improve the environmental management system in order to contribute to preserving employees' health and the environment in which we live and work.



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We welcome feedback on its contents.