

**U. S. Steel Košice Foundation**

## **Annual Report 2017**

**Registered office:   Vstupný areál U. S. Steel  
044 54 Košice  
Identification No: 35549891**

## A. FOUNDATION ACTIVITIES IN 2017

The U. S. Steel Košice Foundation (hereinafter “the USSK Foundation“) was established on December 9, 2002 and incorporated in the Register of Foundations kept by the Ministry of Interior of the Slovak Republic with the number 203/Na-2002/695 on December 11, 2002. The USSK Foundation was established by U. S. Steel Košice, s.r.o. (hereinafter „U. S. Steel Košice“ or „USSK“) in order to support public-benefit activities in the following areas:

- Health protection and support,
- Support of physical activities and sport,
- Provision of social and humanitarian support,
- Preservation of cultural treasures,
- Education and educational system support,
- Human rights protection,
- Environment protection and creation and preservation of natural treasures,
- Science and research,
- Organization and mediation of volunteer activities,
- Support of pensioners - former employees of the company U. S. Steel Košice, s.r.o

In 2016, the USSK Foundation supported projects in the following areas:

AREA	NUMBER OF PROJECTS	AMOUNT
Education and educational system	49	54,287.56
Social and humanitarian support	31	48,758.26
Physical activities and sport	10	158,480.00
Environment creation and preservation of natural treasures	1	1,633.42
<b>Total</b>	<b>91</b>	<b>263,159.24</b>

### **Education and educational system**

During 2017 the USSK Foundation supported 49 projects organized by educational institutions, focusing mainly on education process enhancement, and provided 43 scholarships. The cash funds provided totaled EUR 54,287.56.

#### *Scholarship Program*

The program is intended for the support of studies at colleges and universities for talented children of U. S. Steel Košice employees working full time, talented students from socially disadvantaged environment who study at technical colleges and universities. The program is focused on those university students who besides studies are involved in diverse social – beneficial activities and at the same time it is a motivation for better study results also for secondary schools’ students, since the participation in the program depends also from their achievement at school.

Information about the specific projects supported is given under item *D. List of People and Entities Who Received Funds from the Foundation*, section Education and educational system.

### **Social and humanitarian support**

During 2017 the USSK Foundation supported 31 projects of social, humanitarian and charity organizations in the Košice and Prešov regions with funds totaling EUR 48,758.26 and 15 of them were supported by public fundraising. One of our projects with the longest tradition is the Wishing Tree event, which aims to fulfil the wishes of children in the foster homes in

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Podolínec and Košice, Urlaská 1 as well as the children in ten families of U. S. Steel Košice, s.r.o. employees who find themselves in difficult life conditions due for example to the long-term illness or death of one of the parents.

The St. KlementHofbauerFoster Home will use the donated funds for buying a car and completing the interior furnishing of the foster home.

The Uralská Street Foster Home in Košice will use the donation for interior furnishing of the home and for recreation of their children in camps during the summer vacation, trips to swimming centers, admission fees to cultural and athletic events and for buying sports equipment.

The USSK Foundation also supported two “half-wayhouses” sheltering young people who have finished their stay in foster homes in Košice and in Medzilaborce. The “half-way house” in Košice will use these funds for building a barrier-free access to the house and for refurbishing the common rooms.

The “half-way house” in Medzilaborce will use the funds for further equipping the interior of the facility.

Information about the specific projects supported is given under item *D. List of People and Entities Who Received Funds from the Foundation*, section Social and humanitarian support.

### **Physical activities and sport**

In this area the USSK Foundation supported 10 projects, providing cash funds totaling EUR 158,480.00. The USSK Foundation focused mainly on the grant program “Your Chance to Play”.

#### *The “Your Chance to Play” Grant Program*

The program focuses on supporting children whose families do not have enough resources to finance their sport activities. These children have an opportunity to make progress also thanks to this support. The USSK Foundation’s approach is consistently based on equality of opportunities for everyone. A specific demonstration of this approach can be found in programs supporting ice-hockey, basketball and soccer players. The young ice-hockey players’ support program applies mainly to boys aged between 5½ and 15 years, for whom the USSK Foundation pays club fees in the Košice Ice-Hockey Club and part of the cost of buying hockey equipment. There is a similar situation with the soccer talents aged up to 15 years who are members of the Jednota Košice Athletics Club. For girls aged up to 15 years there is a young basketball players’ program, with the same form of support.

In the school year 2017/2018 we have been giving more possibilities also to young talented sportspeople from among the employees working full time at U. S. Steel Košice and its subsidiary companies, namely in selected sports such as ice-hockey, basketball and soccer.

Information about the specific projects supported is given under item *D. List of People and Entities Who Received Funds from the Foundation*, section Physical activities and sport.

## **B. BREAKDOWN OF CONTRIBUTIONS BY ORIGINAL SOURCE**

<b>CONTRIBUTIONS</b>	<b>Amount in EUR</b>
Contributions exceeding EUR 331 received from other legal entities	49,201.00
Contributions received from private individuals	9,901.12
Contributions from share of paid income tax	597,838.72
Interest	6.39
<b>Total</b>	<b>656,947.23</b>

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Contributions amounting to EUR 188,418.43 were recognized as revenue of the USSK Foundation. Contributions amounting to EUR 468,528.80 were recognized as deferred income.

In 2017 the USSK Foundation received the following donations or financial funds exceeding EUR 331 from the same donor:

FINANCIAL GIFTS – DONATIONS	Amount in EUR
U. S. Steel Košice, s.r.o.	46,756.00
RMS, a.s. Košice	2,000.00
U. S. Steel Services s.r.o.	445.00
<b>Total received</b>	<b>49,201.00</b>

### C. BREAKDOWN OF EXPENSES BY INDIVIDUAL ACTIVITIES OF THE FOUNDATION

USSK Foundation Total Expenses were EUR 268,362.59 and they consisted of Public Service Expenses and Foundation Administrative Costs.

PUBLIC SERVICE EXPENSES	Amount in EUR
Education and educational system	54,287.56
Social and humanitarian support	48,758.26
Physical activities and sport	158,480.00
Environment creation and preservation of natural treasures	1,633.42
<b>Total</b>	<b>263,159.24</b>

FOUNDATION ADMINISTRATIVE COSTS	Plan in EUR (approved by Board of Trustees)	Amount in EUR
Foundation Administration		
- cost of audit and notarial services	950.00	894.55
- bank charges and other fees	700.00	315.47
- withholding tax on interest	250.00	1.36
- promotion costs	0.00	3,991.97
<b>Total Foundation Administrative Cost</b>	<b>1,900.00</b>	<b>5,203.35</b>

At its meeting on October 11, 2016, the USSK Foundation Board of Trustees approved the budget for administration of the USSK Foundation for the year 2017.

### D. LIST OF PEOPLE AND ENTITIES WHO RECEIVED FUNDS FROM THE FOUNDATION

#### Education and educational system

#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
1.	Elementary Art School – Visual Arts Department, Kováčska 43, Košice	645.82	Purchase of teaching aids for pupils of school – public fund-raising	18/2017
2.	Technical University in Košice, Faculty of Metallurgy	371.55	for activities related to the Faculty promotion – public fund-raising	7/2017
3.	Technical University in Košice, Faculty of Mechanical Engineering	1,500.00	organization of the 30th year of the Current Issues of Occupational Safety Conference held between November 6 and 8, 2017 in the Patria Hotel, ŠtrbskéPleso	27/2017
4.	The Association of graduates and friends of the Technical University of Košice, non-investment fund	7,053.75	graphic design and refurbishment of premises on the 3rd and 4th floor of the Technical University of Košice	28/2017

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5.	Technical University in Košice, Faculty of Materials, Metallurgy and Recycling	16,856.44	material gift - graphic design and making of promotion objects supplied by COPYVAIT, s.r.o., Košice	29/2017
6.	Technical University in Košice, Faculty of Materials, Metallurgy and Recycling	7,440.00	material gift – 40 pcs. Tablets LENOVO TAB 4 8" 16 GB LTE slate black, to support education, science and research	73/2017
LIST OF STUDENTS SUPPORTED				
#	Student Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
1.	Martin STUPÁK, Perín-Chym	450.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	32/2016
2.	Ivana ATYAFIOVÁ, Valaliky - Všechnsvätých	450.00	Study expenses at the Technical University in Košice, Faculty of Metallurgy	33/2016
3.	René ATYAFI, Valaliky - Všechnsvätých	450.00	Study expenses at the Technical University in Košice, Faculty of Metallurgy	34/2016
4.	Ivana STANOVÁ, Košice –housing development Ťahanovce	800.00	Study expenses at the College of Economics in Prague, Faculty of Informatics and Statistics, Czech Republic	35/2016
5.	Dáša DRENČAKOVÁ, Košice - Západ	800.00	Study expenses at the Masaryk University in Brno, Faculty of Science, Chemistry field of study, Czech Republic	36/2016
6.	Jakub KALMÁR, Valaliky - Buzice	800.00	Study expenses at the College of Economics in Prague, Faculty of International Relations, Czech Republic	37/2016
7.	Veronika SLEBODNÍKOVÁ, Košice - Ťahanovce	450.00	Study expenses at the Technical University in Kosice, Faculty of Economics	38/2016
8.	Daniela ANDAHÁZYOVÁ, Medzev	450.00	Study expenses at the Prešov University in Prešov, Faculty of Management	39/2016
9.	Nikola RIGANOVÁ, Seňa	800.00	Study expenses at the Czech Technical University in Prague, Faculty of Information Technology, Czech Republic	40/2016
10.	Ľubomíra GABÁNIOVÁ, Malá Ida	450.00	Study expenses at the Technical University in Kosice, Faculty of Mining, Ecology, Process Control and Geotechnology	41/2016
11.	Jana HORNIÁKOVÁ, Košice - Juh	450.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	42/2016
12.	Filip GURBÁL, Košice – Poľov	450.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	43/2016
13.	Bc. Erika RÁCOVÁ, Košice – Lorinčík	450.00	Study expenses at the Technical University in Kosice, Faculty of Mechanical Engineering	44/2016
14.	Richard ĽAPIN, Košice - Pereš	800.00	Study expenses at the University College London, UK, field of study Economics	45/2016
15.	Denisa ŠESTÁKOVÁ, Košice - Západ	450.00	Study expenses at the University of Central Europe in Skalica, Environmental Management	46/2016
16.	Roman STANO, Košice - Dargovskýchhrdinov	750.00	Study expenses at the Charles University in Prague, Faculty of science, Czech Republic	47/2016
17.	Zuzana TAKÁČOVÁ, Košice - Krásna	750.00	Study expenses at the Copenhagen Business School, Business Study, Asian Languages and Chinese Culture, Denmark	48/2016
18.	Kristína JAJKOVÁ, Košice - SídliiskoŤahanovce	400.00	Study expenses at the P. J. Šafárik University in Košice, Medical Faculty	49/2016
19.	René Atyafi, Valaliky - Všechnsvätých	300.00	Study expenses at the Technical University in Kosice, Faculty of Materials, Metallurgy and Recycling	45/2017
20.	Ivana Atyafiová, Valaliky - Všechnsvätých	300.00	Study expenses at the Technical University in Kosice, Faculty of Materials, Metallurgy and Recycling	46/2017

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21.	Dávid Balogh, Košice – NadJazerom	300.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	47/2017
22.	DášaDrenčaková, Košice - Západ	510.00	Study expenses at the Masaryk University in Brno, Faculty of Science, Chemistry field of study, Czech Republic	48/2017
23.	FrantiškaFerenčíková, Dargov	300.00	Study expenses at the Technical University in Kosice, Faculty of Mechanical Engineering	49/2017
24.	Jana Horniaková, Košice - Juh	300.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	50/2017
25.	KristínaJajková, Košice – Sídliisko Ťahanovce	510.00	Study expenses at the Charles University in Prague, Faculty of Physical Education and Sport, Czech Republic	51/2017
26.	Marcel Jass, MoldavanadBodvou	300.00	Study expenses at the Technical University in Kosice, Faculty of Economics	52/2017
27.	Bc. LukášJenčík, Košice – Sídliisko Ťahanovce	300.00	Study expenses at the Technical University in Kosice, Faculty of Mechanical Engineering	53/2017
28.	Jakub KALMÁR, Valaliky - Buzice	300.00	Study expenses at the College of Economics in Prague, Faculty of International Relations, Czech Republic	54/2017
29.	Bc. KatarínaLapčáková, Košice – Sídliisko KVP	300.00	Study expenses at the Technical University in Kosice, Faculty of Economics	55/2017
30.	MatúšMakatura, Košice – Sídliisko KVP	300.00	Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	56/2017
31.	AlešManica, Mokrance	600.00	Study expenses at the Technical University in Munich, Course: Technology and Management, Germany	57/2017
32.	HenrietaMicheľová, Košice - Krásna	510.00	Study expenses at the Masaryk University in Brno, Faculty of Informatics, Czech Republic	58/2017
33.	KristínaMikolajová, Košice - Myslava	450.00	Study expenses at the Slovak Technical University in Bratislava, Faculty of Civil Engineering	59/2017
34.	Martin Múdry, Košice - Západ	300.00	Study expenses at the Technical University in Kosice, Faculty of Mining, Ecology, Process Control and Geotechnology	60/2017
35.	Dávid Nguyen, Košice – Sídliisko KVP	600.00	Study expenses at the University of Edinburg, College of Science and Engineering, Great Britain	61/2017
36.	Patrik Piga, Košice - Šaca	510.00	Study expenses at the College of Economics in Prague, Faculty of Finance and Accounting, Czech Republic	62/2017
37.	Veronika Slobodníková, Košice - Ťahanovce	300.00	Study expenses at the Technical University in Kosice, Faculty of Economics	63/2017
38.	Ivana Stanová, Košice - Ťahanovce	510.00	Study expenses at the College of Economics in Prague, Faculty of Informatics and Statistics, Czech Republic	64/2017
39.	Roman Staňo, Košice – Dargovskýchhrdinov	510.00	Study expenses at Charles University in Prague, Faculty of science, Czech Republic	65/2017
40.	Bc. ZoltánSzóke, MoldavanadBodvou	300.00	Study expenses at the Technical University in Kosice, Faculty of Avionics	66/2017
41.	Bc. DenisaŠestáková, Košice - Západ	300.00	Study expenses at the University of Central Europe in Skalica, Environmental Management	67/2017
42.	Daniel Valanský, Košice – Dargovskýchhrdinov	510.00	Study expenses at the Masaryk University in Brno, Faculty of Informatics, Czech Republic	68/2017
43.	Alexander Zemančík, Košice - Západ	600.00	Study expenses at the University of Vienna, International Business Administration, Austria	69/2017

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### **Social and humanitarian support**

#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
1.	Children's Home St. Clement Hofbauer, Podolíneec	509.37	For buying artistic and working material for the spare-time activity of the foster home children – public fund-raising	1/2017
2.	The Chance, non-profit organization, Košice	377.43	For buying material equipment for the Opatovska Street Combined School 101, Košice – public fund-raising	2/2017
3.	HornýBankov Re-education Center, Košice	450.30	For creative activity of the center clients – public fund-raising	3/2017
4.	ArtEst – poly-aesthetic education of handicapped youth, Košice	342.74	For buying artistic material for the mentally disturbed children – public fund-raising	4/2017
5.	Forrest Gump Club, non-profit organization, Košice	683.64	For buying materials required for the occupational activity and gift-making by clients of the Forrest Gump Day Center – public fund-raising	5/2017
6.	PSYCHOSOCIAL CENTRE of Košice	482.20	For activities of this civic association – public fund-raising	8/2017
7.	The Slovak Union of Sightless and Weak-sighted Citizens, Regional Center Košice	305.00	Purchasing of optical and compensational aids and furnishing of the center - public fundraising	9/2017
8.	"Happiness" Association of Relatives and Friends, Košice	353.57	For activities in the Bauerova Street Rehabilitation Center for the mentally disturbed in Košice – public fund-raising	10/2017
9.	Anti-cancer League SR, Bratislava	597.30	For supportive psycho-social activity of the Anti-Cancer League SR, at the Košice branch – public fund-raising	11/2017
10.	Uralská Street Foster Home, Košice	283.42	For buying artistic and working material in the therapeutic workshop – public fund-raising	12/2017
11.	Smile at Me Civic Association, Košice	723.75	Purchasing of special teaching aids for pupils at Vojenská 13 Street Combined School in Košice and for children at Ľudová 15 Street Special Kindergarten in Košice – public fund-raising	13/2017
12.	Rubikon Autistic Center, n.o., Košice - Myslava	481.56	For activities of this center – public fund-raising	14/2017
13.	Archdiocesan Charity, Košice	421.35	Operation of the Mother Teresa Hospice in BardejovskáNováVes, of the Retirement Home and the Social Services Centers in Košice, Lipany, VeľkýŠariš, Vojčice and for the KošickáNováVes Crisis Center – public fund-raising	15/2017
14.	REGINA Crisis Intervention Center, Kráľovce	300.00	For purchasing material for developing creativity of clients in therapeutic workshops for the Crisis Center, Adlerova 4, Košice; Crisis Center of Cana; and House of Social Services Kráľovce – public fund-raising	16/2017
15.	ETP Slovakia Civic Association – Center for sustainable development, Košice	446,63	For activities of this civic association – public fund-raising	17/2017
16.	Ján PETY, Kazimír	1,000.00	Covering costs incurred in repairing damage and refurbishment of the house after fire	20/2017
17.	Salesians of Don Bosco – Province of Slovakia, Bratislava	2,000.00	Covering costs of organizing out-of-town and summer camps for children from socially-disadvantaged backgrounds held in July - August	21/2017
18.	Children's Home St. Clement Hofbauer, Podolíneec	6,500.00	purchase a car for Children's Home for interior home furnishing	31/2017
19.	Children's Home Košice, Uralská 1	6,500.00	Arrange for interior home furnishing and recreation of children during the holidays in the summer camps, swimming pools, entrance fees and transportation to cultural and sporting events, and purchase sporting goods	32/2017

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#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
20.	Council for consultancy services in social work, Košice workplace	3,000.00	Building barrier-free access to the house and refurbishment of common rooms	33/2017
21.	Social Services Center "Dúhovýsen" in Kalinov	3,000.00	For interior furnishing of the "half-way house" at Dobrianskeho #53 in Medzilaborce	34/2017
22.	Peter HERCEG, Janík	2,000.00	Reimbursement of suitably invested costs for household needs	35/2017
23.	Branislav LORINC, Čaňa	2,000.00	Reimbursement of suitably invested costs for household needs	36/2017
24.	Pavol VYBOŠTEK, Poproč	2,000.00	Reimbursement of suitably invested costs for household needs	37/2017
25.	Róbert VARGOVČÍK, Malá Ida	2,000.00	Reimbursement of suitably invested costs for household needs	38/2017
26.	Peter SEMAN, Malá Ida	2,000.00	Reimbursement of suitably invested costs for household needs	39/2017
27.	Mária REISOVÁ, Čaňa	2,000.00	Reimbursement of suitably invested costs for household needs	40/2017
28.	Kristián REŠTEI, Košice – NadJazerom	2,000.00	Reimbursement of suitably invested costs for household needs	41/2017
29.	Peter OVSÁK, Čaňa	2,000.00	Reimbursement of suitably invested costs for household needs	42/2017
30.	Peter PANDIČ, Košice - Myslava	2,000.00	Reimbursement of suitably invested costs for household needs	43/2017
31.	Ing. Danka KOLESÁROVÁ, Sokof	2,000.00	Reimbursement of suitably invested costs for household needs	44/2017

### **Physical activities and sport**

#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
1.	The Deaf Children's Sports Club, Prešov	1,000.00	Covering organizational costs of the 25rd edition of U17 deaf children's international indoor football tournament, which took place from 9 to 15 July 2017 in Prešov	19/2017
2.	KOŠICE Ice-Hockey Club	4,270.00	Payment of HC Košice club fees for the 2017/2018 season and purchasing sports gear for the players: Gajdoš Radoslav 350 €, Gedeon Matúš 350 €, Oravec Marek 600 €, Ovčarik Dominik 350 €, JanočkoDávid 130 €, Janočko Filip 350 €, Jurčák Patrik 350 €, Jurčo Matej 350 €, Takács Mário 280 €, Šilerová Jessica 350 €, Sasák Denis 350 €, Verebes Alex Jozef 460 €	22/2017
3.	Union Press school sports club, Košice	628.00	Payment of sports club fees for the 2017/2018 season and purchasing sports gear for the players: Mačičáková Fatima 264 €, Kvašná Marianna 364 €	23/2017
4.	Marcel BOCKO, Košice - Myslava	430.00	Payment of HK Sršne Košice hockey club fees for the 2017/2018 season for the player: MatúšaBocka	24/2017
5.	Marián SOCHAN, Košice - Západ	740.00	For payment of 2017/2018 club fees in the PROefekt Košice bicycle club for children and youth and purchase of sports equipment for daughters: Emma Sochanová 370 € and Tamara Sochanová 370 €	25/2017
6.	Martin KRAJŇÁK, NižnáMyšľa	156.00	Payment of FC LOKOMOTIVA KOŠICE, a.s. soccer club fees for the 2017/2018 season for the player: Nicolas Krajňák	26/2017
7.	Ondrej KOPKÁŠ, Slanec	256.00	Payment of FC LOKOMOTIVA KOŠICE, a.s. soccer club fees for the 2017/2018 season and purchasing sports gear for the player: Adam Kopkáš	30/2017
8.	KOŠICE Ice-Hockey Club	40,000.00	Rent of the Steel Arena ice-rink for young hockey players: pre-school, elementary and cadet hockey classes	70/2017



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#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
9.	KOŠICE Ice-Hockey Club	110,000.00	Rent of the Steel Arena ice-rink for young hockey players: pre-school, elementary and cadet hockey classes	71/2017
10.	Košice Figure Skating Club	1,000.00	For organization of the international competition - Four National Figure Skating Championships from December 14 to 17, 2017 at the Crow Arena (Kavečianskacesta), Košice	72/2017

### **Preservation of Natural Treasures**

#	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract #
1.	Union of Mutual Assistance of People and Dogs, Košice	1,633.42	Covering costs of activities of the Animal Shelter near Haniska – public fund-raising	6/2017

### **E. CHANGES MADE IN THE FOUNDATION CHARTER AND THE USSK FOUNDATION BODIES**

There were no changes made to the Foundation Charter in 2017.

**The USSK Foundation Boards as of December 31, 2017 were:**

#### **Executive Board**

Name	Position
Scott Douglas Buckiso	Chairman
RNDr. Miroslav Kiraľvarga, MBA	Member
Ing. Ján Bača	Member

#### **Statutory Representative**

Mgr. Slávka Tvrdoňová was Administrator of the USSK Foundation.

#### **Supervisory Board**

Name	Position
Mgr. Elena Petrášková, LL.M	Member
Richard Carl Shank	Member
Ing. Martin Pitorák	Member

### **F. ADMINISTRATOR OF THE FOUNDATION AND OTHER BODIES' EMOLUMENTS**

In 2017 no emoluments were paid for their activities either to the Administrator of the Foundation or to the members of the Board of Directors or Supervisory Board of the USSK Foundation.

### **G. OVERVIEW OF FOUNDATION FUND ACTIVITIES**

In 2017 the USSK Foundation did not establish any Foundation Fund.

## H. EMPLOYEES

In 2017 the USSK Foundation did not have any employees.

## I. EXPECTATIONS FOR FUTURE DEVELOPMENT OF THE USSK FOUNDATION ACTIVITIES

The intention of the USSK Foundation is to continue supporting public projects in the field of education and healthcare, to financially support science, culture and charity through the foundation programs, to proceed with supporting talented children and youth either by financial or material contributions focusing on improvement of education processes and standard of living. The USSK Foundation will focus above all on supporting those individuals who need assistance, mainly children in foster homes and disabled individuals, USSK employees in a difficult life situation, as well as organizations and clubs involved in social and charity activities that are beneficial for our community. The USSK Foundation will be involved in humanitarian aid for individuals or groups who are affected by disasters or whose lives are at risk, as well as in environmental protection and nature preservation.

Košice, March 20, 2018



.....  
Slávka Tvrdoňová  
*Administrator of the Foundation  
U. S. Steel Košice Foundation*



.....  
Scott D. Buckiso  
*Chairman of Board of Directors  
U. S. Steel Košice Foundation*

U. S. Steel Košice Foundation

**Financial Statements**  
for the year ended December 31, 2017  
together with independent auditors' report

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors, Administrator and Supervisory Board of the Foundation Nadácia U. S. Steel Košice ("the Foundation")

### **Report on the financial statements**

#### *Opinion*

We have audited the financial statements of the Foundation Nadácia U. S. Steel Košice ("the Foundation"), which comprise the balance sheet as at 31 December 2017, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2017, and its financial performance for the year then ended in accordance with the Act on Accounting No. 431/2002 Coll. as amended (the "Act on Accounting").

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the provisions of Act No. 423/2015 Coll. on Statutory Audit and on Amendment to and Supplementation of Act No. 431/2002 Coll. on Accounting, as amended (hereinafter the "Act on Statutory Audit") related to ethical requirements, including the Code of Ethics for Auditors that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Management's Responsibility for the Financial Statements*

Management of the Foundation is responsible for the preparation of the financial statements to give a true and fair view in accordance with the Act on Accounting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International

Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### *Report on Information Disclosed in the Annual Report*

Management of the Foundation is responsible for information disclosed in the annual report prepared under the requirements of the Act on Accounting. Our opinion on the financial statements stated above does not apply to other information in the annual report.

In connection with the audit of financial statements, our responsibility is to gain an understanding of the information disclosed in the annual report and consider whether such information is materially inconsistent with the financial statements or our knowledge obtained in the audit of the financial statements, or otherwise appears to be materially misstated.

We evaluated whether the Foundation's annual report includes information whose disclosure is required by the Act on Accounting.

Based on procedures performed during the audit of the financial statements, in our opinion:

- Information disclosed in the annual report prepared for 2017 is consistent with the financial statements for the relevant year; and
- The annual report includes information pursuant to the Act on Accounting.

Furthermore, based on our understanding of the Foundation and its position, obtained in the audit of the financial statements, we are required to disclose whether material misstatements were identified in the annual report, which we received prior to the date of issuance of this auditor's report. There are no findings that should be reported in this regard.

Prešov, March 20, 2018

ADEZ s.r.o.  
Slovenská 40  
080 01 Prešov

SKAU Licence No. 310



Ing. Zdenka Kvasková  
audit partner

SKAU Licence No. 427

# FINANCIAL STATEMENT

Úč NUJ

of non-profitable accounting entity  
in the double-entry accounting system

compiled to 3 1 . 1 2 . 2 0 1 7

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Tax identification number <input type="text"/>	Financial statement <input checked="" type="checkbox"/> regular <input checked="" type="checkbox"/> compiled <input checked="" type="checkbox"/> extraordinary <input checked="" type="checkbox"/> approved Mark with x)	For period Month                      Year from 0 1                      2 0 1 7 to 1 2                      2 0 1 7 Directly previous period from 0 1                      2 0 1 6 to 1 2                      2 0 1 6
Company ID 3 5 5 4 9 8 9 1		
SID                      SK NACE <input type="text"/> <input type="text"/> . <input type="text"/> . <input type="text"/>		

Added articles of financial statement

Balance (Úč NUJ 1-01)                       Notes

Profit and loss statement (Úč NUJ 2-01) (mark with x)

Business name or name of accounting entity

N a d á c i a C . S . S t e e l K O Š I C E




Accounting entity seat

Street                      No.  
 V s t u p n ý a r e á l C . S . S t e e l

Zip Code                      Village  
 0 4 4 5 4                      K o š i c e

Phone number                      Fax number  
 0 5 5 / 6 7 3 4 9 1 5

E-mail address  
 s t v r d o n o v a @ s k . u s s . c o m

Compiled on: 2 0 0 3 2 0 1 8	Signing record of a person responsible for accounting keeping  Ing. Marcela Drenčáková	Signing record of a person responsible for accounting compilation  Ing. Beáta Marčáková	Signing record of a statutory body or a member of accounting entity statutory body:  Mgr. Slávka Tvrdoňová
Approved on: 2 0 0 3 2 0 1 8			

**Tax Office Records**

Place for registration number                      Imprint of tax office presentation stamp

Assets		Row #	Current Period			Prior Period
			Gross	Correction	Net	Net
A		b	1	2	3	4
<b>A. TOTAL NON-CURRENT ASSETS r. 002 + r. 009 + r. 021</b>		<b>001</b>				
<b>1.</b>	<b>Intangible non-current assets total r. 003 to 008</b>	<b>002</b>				
	Development costs 012 - (072 + 091AÚ)	003				
	Software 013 - (073 + 091AÚ)	004				
	Valuable rights 014 - (074 + 091AÚ)	005				
	Other intangible non-current assets (018 + 019) - (078 + 079 + 091 AÚ)	006				
	Acquisition of intangible non-current assets (041 - 093)	007				
	Advance payments made for non-current intangible assets (051 - 095AÚ)	008				
<b>2.</b>	<b>Tangible non-current assets total r. 010 to r. 020</b>	<b>009</b>				
	Land (031)	010		X		
	Works of art and collections (032)	011		X		
	Buildings 021 - (081 - 092AÚ)	012				
	Machinery and equipment 022 - (082 + 092AÚ)	013				
	Vehicles 023 - (083 + 092AÚ)	014				
	Perennial crops 025 - (085 + 092AÚ)	015				
	Livestock and draught animals 026 - (086 + 092AÚ)	016				
	Small tangible non-current assets 028 - (088 + 092AÚ)	017				
	Other tangible non-current assets 029 - (089 + 092AÚ)	018				
	Acquisition of tangible non-current assets (042 - 094)	019				
	Advance payments made for tangible non-current assets (052 - 095AÚ)	020				
<b>3.</b>	<b>Non-current financial assets r. 022 to r. 028</b>	<b>021</b>				
	Shares and ownership interests in controlled entities (061 - 096AÚ)	022		X		
	Shares and ownership interests in companies with significant influence (062 - 096AÚ)	023		X		
	Debt securities held to maturity (065 - 096 AÚ)	024				
	Loans to related parties and other loans (066 + 067) - 096 AÚ	025				
	Other non-current financial assets (069 - 096 AÚ)	026				
	Acquisition of non-current financial assets (043 - 096 AÚ)	027				
	Advanced payments made for non-current financial assets (053 - 096AÚ)	028				
<b>Control Number r. 001 to r. 028</b>		<b>991</b>				



Assets		Row #	Current Period			Prior Period
			Gross	Adjustment	Net	Net
a		b	1	2	3	4
<b>B. CURRENT ASSETS</b> r. 030 + r. 037 + r. 042 + r. 051		<b>029</b>	<b>496,564.26</b>	<b>0.00</b>	<b>496,564.26</b>	<b>107,975.44</b>
<b>1.</b>	<b>Inventories</b> r. 031 to r. 036	<b>030</b>				
	Raw material (112 + 119) - 191	031				
	Work in progress and semi-finished production (121 + 122) - (192 + 193)	032				
	Finished goods (123 - 194)	033				
	Animals (124 - 195)	034				
	Merchandise (132 + 139) - 196	035				
	Advance payments made for inventories (314AÚ - 391AÚ)	036				
<b>2.</b>	<b>Long-term receivables</b> r. 038 to r. 041	<b>037</b>				
	Trade receivables (311 AÚ to 314 AÚ) - 391AÚ	038				
	Other receivables (315 AÚ - 391 AÚ)	039				
	Receivables from associations members (358 AÚ - 391 AÚ)	040				
	Miscellaneous receivables (335AÚ + 373AÚ + 375AÚ + 378AÚ) - 391AÚ	041				
<b>3.</b>	<b>Short-term receivables</b> r. 043 to r. 050	<b>042</b>				
	Trade receivables (311 AÚ to 314 AÚ) - 391AÚ	043				
	Other receivables (315AÚ - 391AÚ)	044				
	Settlement with Social Insurance Company and health insurance companies (336)	045		X		
	Tax receivables (341 to 345)	046		X		
	Receivables due to financial relations to the state and regional budget (346 + 348)	047		X		
	Receivables from associations members (358 AÚ - 391AÚ)	048				
	Linking account for association (396 - 391AÚ)	049				
	Miscellaneous receivables (335AÚ + 373AÚ + 375AÚ + 378AÚ) - 391AÚ	050				
<b>4.</b>	<b>Financial accounts</b> r. 052 to r. 056	<b>051</b>	<b>496,564.26</b>	<b>0.00</b>	<b>496,564.26</b>	<b>107,975.44</b>
	Cash in hand (211 + 213)	052	0.00	X	0.00	
	Bank accounts (221AÚ + 261)	053	496,564.26	X	<b>496,564.26</b>	107,975.44
	Bank accounts with restriction period more than one year (221AÚ)	054		X		
	Short-term financial assets (251 + 253 + 255 + 256 + 257) - 291 AÚ	055				
	Acquisition of short-term financial assets (259 - 291AÚ)	056				
<b>C. Accruals and prepayments total</b> r. 058 to r. 059		<b>057</b>	<b>23,380.00</b>	<b>0.00</b>	<b>23,380.00</b>	<b>0.00</b>
<b>1.</b>	Prepaid expenses (381)	058	23,380.00	0.00	23,380.00	0.00
	Accrued revenues (385)	059	0.00		0.00	0.00
<b>TOTAL ASSETS</b> r. 001 + r. 029 + r. 057		<b>060</b>	<b>519,944.26</b>		<b>519,944.26</b>	<b>107,975.44</b>
<b>Control number</b> r. 029 to r. 060		<b>992</b>	<b>2,056,397.04</b>		<b>2,056,397.04</b>	<b>431,901.76</b>

Equity and Liabilities		Row #	Current Period	Prior Period
a		b	5	6
<b>A. Total liabilities and equity</b>		<b>r. 062 + r. 068 + r. 072 + r. 073</b>	<b>7,047.86</b>	<b>8,252.85</b>
<b>1.</b>	<b>Basic capital and cash funds</b>	<b>r. 063 to 067</b>	<b>6,638.78</b>	<b>6,638.78</b>
	Basic capital	(411)	6,638.78	6,638.78
	Cash funds created according to special regulation	(412)		
	Reproduction fund	(413)		
	Gains or losses from revaluation of assets and liabilities	(414)		
	Gains or losses from revaluation of investments	(415)		
<b>2.</b>	<b>Funds created from profit</b>	<b>r. 069 to r. 071</b>		
	Reserve fund	(421)		
	Funds created from profit	(423)		
	Other funds	(427)		
<b>3.</b>	<b>Retained earnings / (losses)</b>	<b>(+;-;428)</b>	<b>1,614.07</b>	<b>2,997.75</b>
<b>4.</b>	<b>Profit / (loss) for the period</b>	<b>r. 060 – (r. 062 + r. 068 + r. 072 + r. 074 + r. 101)</b>	<b>(1,204.99)</b>	<b>(1,383.68)</b>
<b>B. Total liabilities</b>		<b>r. 075 + r. 079 + r. 087 + r. 097</b>	<b>23,380.00</b>	<b>0.00</b>
<b>1.</b>	<b>Provisions</b>	<b>r. 076 to 078</b>		
	Legal provisions	(451 AÚ)		
	Other provisions	(459 AÚ)		
	Short term provisions	(323 + 451 AÚ + 459 AÚ)		
<b>2.</b>	<b>Long-term liabilities</b>	<b>r. 080 to r. 086</b>		
	Liabilities from the social fund	(472)		
	Bonds issued	(473)		
	Payables from rental	(474 AÚ)		
	Long-term advance payments received	(475)		
	Long-term un-invoiced deliveries	(476)		
	Long-term bills of exchange payable	(478)		
	Other long-term payables	(373 AÚ + 479 AÚ)		
<b>3.</b>	<b>Short-term liabilities</b>	<b>r. 088 to r. 096</b>	<b>23,380.00</b>	<b>0.00</b>
	Trade payables	(321 to 326) except 323	23,380.00	0.00
	Payables to employees	(331+ 333)		
	Settlement with Social Insurance Company and health insurance companies	(336)		
	Tax payables	(341 to 345)		
	Payables due to financial relations to the state and regional budget	(346 + 348)		
	Payables for unpaid subscribed shares and participations	(367)		
	Payables to associations members	(368)		
	Linking account for association	(396)		
	Other payables	(379 + 373 AÚ + 474 AÚ + 479 AÚ)		
<b>4.</b>	<b>Bank loans and borrowings</b>	<b>r. 098 to r. 100</b>		
	Long-term bank loans	(461AÚ)		
	Short-term bank loans	( 231+ 232 + 461AÚ)		
	Short-term borrowings received	(241+ 249)		
<b>C. ACCRUALS AND DEFFERED INCOME</b>		<b>r. 102 to r. 103</b>	<b>489,516.40</b>	<b>99,722.59</b>
<b>1.</b>	<b>Accrued expenses</b>	<b>(383)</b>		
	Deferred income	(384)	489,516.40	99,722.59
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>r. 061 + r. 074 + r. 101</b>	<b>519,944.26</b>	<b>107,975.44</b>
<b>Control number</b>		<b>r. 061 to r. 104</b>	<b>1,589,851.56</b>	<b>330,565.10</b>

Acc. #	Expenses	Row Number	Activity			Prior Period
			Main non-taxable	Business taxable	Total	
a	b	c	1	2	3	4
501	Consumption of material	01				
502	Consumption of energy	02				
504	Merchandise sold	03				
511	Repair and maintenance	04				
512	Travel expenses	05				
513	Entertainment costs	06	3,991.97		3,991.97	0.00
518	Other services	07	894.55		894.55	972.55
521	Wages and salaries	08				
524	Legal social and health insurance	09				
525	Other social insurance	10				
527	Legal social expenses	11				
528	Other social expenses	12				
531	Road tax	13				
532	Real estate tax	14				
538	Other indirect taxes and fees	15				
541	Contractual fines and penalties	16				
542	Other fines and penalties	17				
543	Receivables written-off	18				
544	Interests	19				
545	Foreign exchange rate losses	20				
546	Gifts	21	24,296.44		24,296.44	0.00
547	Special expenses	22				
548	Shortages and damages	23				
549	Other operating expenses	24	315.47		315.47	439.12
551	Depreciation and amortization expense of intangible and tangible non-current assets	25				
552	Net book value of intangible and tangible non-current assets sold	26				
553	Securities sold	27				
554	Material sold	28				
555	Costs of short-term financial assets	29				
556	Creation of funds	30				
557	Costs of securities revaluation	31				
558	Creation and settlement of provisions for impairment	32				
561	Contributions provided to organization units	33				
562	Contributions provided to other entities	34	10,898.00		10,898.00	0.00
563	Contributions provided to people	35	31,982.00		31,982.00	39,800.00
565	Provided contributions from income tax share	36	186,573.75		186,573.75	28,795.00
567	Provided contributions from public fundraising	37	9,409.05		9,409.05	8,890.35
<b>Account class 5 total</b>		<b>r. 01 to r. 37</b>	<b>38</b>	<b>268,361.23</b>	<b>268,361.23</b>	<b>78,897.02</b>
<b>Control Number</b>		<b>r. 01 to r. 38</b>	<b>994</b>	<b>563,722.46</b>	<b>563,722.46</b>	<b>157,794.04</b>

Acc. #	Revenues	Row. Number	Activity			Prior Period
			Main non-taxable	Business taxable	Total	
a	b	c	1	2	3	4
601	Revenues from own products	39				
602	Revenues from services	40				
604	Revenues from merchandise	41				
611	Change in work-in-progress	42				
612	Change in semi-finished production	43				
613	Change in finished goods	44				
614	Change in animals	45				
621	Capitalization of materials and merchandise	46				
622	Capitalization of internal services	47				
623	Capitalization of intangible non-current assets	48				
624	Capitalization of tangible non-current assets	49				
641	Contractual fines and penalties	50				
642	Other fines and penalties	51				
643	Payments from receivables written-off	52				
644	Interest	53	6.39		6.39	37.24
645	Foreign exchange rate gains	54				
646	Gifts received	55	24,296.44		24,296.44	0.00
647	Special revenues	56				
648	Legal fees	57				
649	Other operating revenues	58				
651	Revenues from intangible and tangible non-current assets sold	59				
652	Revenues from long-term financial assets	60				
653	Revenues from securities and ownership interest sold	61				
654	Revenues from material sold	62				
655	Revenues from short-term financial assets	63				
656	Income from fund used	64				
657	Revenues from securities revaluation	65				
658	Rental income	66				
661	Contributions received from organization units	67				
662	Contributions received from other entities	68	46,639.97		46,639.97	39,800.00
663	Contributions received from people	69	232.00		232.00	0.00
664	Membership contributions received	70				
665	Received contributions from income tax share	71	186,573.75		186,573.75	28,795.00
667	Received contributions from public fundraising	72	9,409.05		9,409.05	8,890.35
691	Subsidies	73				
<b>Account class 6 total r. 39 to r. 73</b>		<b>74</b>	<b>267,157.60</b>		<b>267,157.60</b>	<b>77,522.59</b>
<b>Profit / (loss) before tax r. 74 – r. 38</b>		<b>75</b>	<b>(1,203.63)</b>		<b>(1,203.63)</b>	<b>(1,374.43)</b>
591	Income tax expense	76	1.36		1.36	9.25
595	Additional payments of income tax	77				
<b>Profit / (loss) after tax ( r. 75 - (r. 76 + r. 77) ) (+/-)</b>		<b>78</b>	<b>(1,204.99)</b>		<b>(1,204.99)</b>	<b>(1,383.68)</b>
<b>Control number r. 39 to 78</b>		<b>995</b>	<b>531,907.94</b>		<b>531,907.94</b>	<b>152,296.32</b>

## 1. GENERAL INFORMATION

### a. Business Name and Address

Nadácia U. S. Steel Košice  
 Vstupnýareál U. S. Steel  
 044 54 Košice  
 Identification No: 35549891

The U. S. Steel Košice Foundation was established on December 9, 2002 and incorporated in the Register of Foundations kept by the Ministry of Interior of the Slovak Republic under # 203/Na-2002/695 on December 11, 2002.

### b. Boards of the USSK Foundation

The USSK Foundation Boards as of December 31, 2017 were:

#### Executive Board

Name	Position
Scott Douglas Buckiso	Chairman
RNDr. Miroslav Kiraľvarga	Member
Ing. Ján Bača	Member

#### Statutory Representative

Mgr. SlávkaTvrdoňová was Administrator of the USSK Foundation.

#### Supervisory Board

Name	Position
Mgr. Elena Petrášková, LL.M	Member
Richard Carl Shank	Member
Ing. Martin Pitorák	Member

### c. Main Activities of the USSK Foundation

The purpose of the USSK Foundation is to support activities in the areas of:

- Health protection and support,
- Support and development of physical activities and sport,
- Provision of social and humanitarian support,
- Preservation of cultural treasures,
- Education and educational system support,
- Human rights protection,
- Environment protection and creation and preservation of natural treasures,
- Science and research,
- Organization and mediation of volunteer activities,
- Support of pensioners - former employees of the company U. S. Steel Košice, s.r.o.

The USSK Foundation did not perform any profit-making activity either in 2017 or in 2016.

**d. Average Number of Employees**

The USSK Foundation did not have any employees as of December 31, 2017 (December 31, 2016: 0 employees).

**e. Basis for Financial Statements Preparation**

The financial statements of the USSK Foundation were prepared as ordinary financial statements in compliance with Law # 431/2002 Coll. on Accounting and Regulation of the Slovak Ministry of Finance # MF/24342/2007-74 as amended, which stipulate the details of accounting procedures and chart of accounts for accounting entities that were not founded or established to do business, and Regulation of the Slovak Ministry of Finance # MF/17616/2013–74 as amended, which stipulates the form of financial reports and scope of information from the financial statements to be disclosed for accounting entities that were not founded or established to do business.

**f. Financial Statements for Previous Accounting Period**

The financial statements for 2016 were approved by the Supervisory Board on March 7, 2017.

**g. Financial Statements Currency**

Financial data in these financial statements is presented in Euros rounded to two decimal places.

**2. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES**

**a. Expectation of Continued Activity**

The 2017 financial statements were prepared on a “going concern” basis.

**b. Accounting Policies**

**Liabilities**

Liabilities are initially measured at their nominal value. If document inventory identifies that the value of liabilities is different from the book amount, the liabilities are adjusted in the books and financial statements in the new value.

**Deferred Income**

Deferred income represents deferred contributions received from income tax share paid and they are reported in the amount representing received contributions not spent in the current year.

In 2014 the method of deferred income reporting changed. From January 1, 2014 on the deferred income account also the contributions from other organizations and natural entities are reported that will be spent in following years.

**Accruals relating to assets**

Deferred expenses represent accrued unpaid amounts from donation contracts concluded with individual students supporting their education.

From 2017 onwards the deferred expenses account shows unpaid amounts supporting the education of students with whom donation contracts have been concluded.

### Revenues and Expenses

Revenues and expenses of the USSK Foundation are recognized in the related accounting period on an accrual basis.

Costs of cash funds provided are recorded based on concluded donation contracts in the period when the donation contract was concluded. If the donation contract includes an option to terminate provision of the funds at any time based on the USSK Foundation decision, the costs are recognized in the period when the cash was provided.

The revenues from received contributions from organizations and natural entities were before 2013 booked for the period when the contribution was charged on the bank account or placed in the cash register of the USSK Foundation. In 2014 unused contributions were transferred to credit deferred income account changing retained earnings as well.

In 2014 a change in revenues booking occurred. From January 1, 2014 only the contributions received from organizations and natural entities, that are from time and material perspective related to donation contracts concluded in the specific period, are booked in revenues. The contributions that will be used in following years are reported as deferred income.

Revenues from contributions arising from income tax share are recognized in the period when the contribution was used.

#### c. Subsidies and Grants Provided to the USSK Foundation

No subsidies or grants were provided to the USSK Foundation either in 2017 or in 2016.

#### d. Events after the Balance Sheet Date

#### Executive Board Changes

Since December 31, 2017 no significant events have occurred that would require recognition or disclosure in the 2017 financial statements.

### 3. INFORMATION WHICH COMPLETES AND EXPLAINS BALANCE SHEET DATA

#### Equity

The movement of equity is shown in the following tables (in EUR):

	Balance as of Dec 31, 2016	2016 profit distribution	Loss 2017	Balance as of Dec 31, 2017
Foundation basic capital	6,639	-	-	6,639
Retained earnings (losses)	2,998	(1,384)	-	1,614
Profit/ loss for current year	(1,384)	1,384	(1,205)	(1,205)
<b>Total</b>	<b>8,253</b>	<b>-</b>	<b>(1,205)</b>	<b>7,048</b>

Foundation basic capital of EUR 6,639 was contributed in cash by the only founder – the company U. S. Steel Košice, s.r.o.

In accordance with the USSK Foundation Charter (Article VIII) the Supervisory Board approved the transfer of loss for the year 2016 totaling EUR (1,383.68) to the retained earnings at its meeting on April 11, 2017.

The USSK Foundation did not create either a Foundation Fund or any other funds prior to December 31, 2017 or December 31, 2016.

#### 4. INFORMATION WHICH COMPLETES AND EXPLAINS DATA IN THE INCOME STATEMENT

##### Revenues from Received Contributions

Revenues from received contributions were as follows (in EUR):

	2017	2016
Revenues – Received gifts	24,296	0
Revenues - Contributions received from other legal entities	46,640	39,800
Revenues - Contributions received from private individuals - others	232	0
Revenues - Contributions received from income tax share	186,574	28,795
Revenues - Contributions received from private individuals - public fund-raising	9,409	8,890
<b>Total</b>	<b>267,151</b>	<b>77,485</b>

##### Other Revenues

Other revenues represented revenues from interest on current bank accounts amounting to EUR 6.39 (2016: EUR 37.24).

##### Provided Contributions

Provided contributions and gifts were (in EUR):

	2017	2016
Contributions provided to other legal entities	10,898	0
Contributions provided to private individuals	31,982	39,800
Provided contributions from income tax share	186,574	28,795
Provided contributions from public fund-raising	9,409	8,890
Other gifts and donations	24,296	0
<b>Total</b>	<b>263,159</b>	<b>77,485</b>

##### Other Expenses

Other expenses were (in EUR):

	2016	2015
Financial statements auditing fees	840	840
Bank charges	315	432
Other services and charges	4,047	140
<b>Total</b>	<b>5,202</b>	<b>1,412</b>



The Auditor of the USSK Financial Statements did not provide any other services to the USSK Foundation either in 2017 or in 2016.

## 5. OTHER ASSETS AND LIABILITIES

In 2017 the USSK Foundation concluded donation contracts totaling EUR 276,139.24 (2016: EUR 78,485.35). As of December 31, 2017, EUR 23,380 was outstanding (December 31, 2016: EUR 10,400), of which EUR 23,380 (2016: EUR 10,400) represented the unpaid amount from donation contracts concluded with individual students to support their studies.



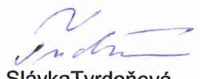
As of December 31, 2017 and December 31, 2016, the USSK Foundation did not have any further future possible cash or non-cash liabilities that were not recognized in the balance sheet. The USSK Foundation did not have any financial rights or duties that were not accounted for and recognized in the balance sheet.

The USSK Foundation does not control or own any cultural real estate properties.

Deferred income amounts (in EUR):

	2016	2017
Received contributions from income tax share	413,659	26,686
Received contributions from other organizations and natural entities	75,857	73,037
<b>Total</b>	<b>489,516</b>	<b>99,723</b>

Deferred expenses in 2017 amounted to 23 380 EUR.

Prepared on: March 20, 2018	Signature of person responsible for book-keeping: 	Signature of person responsible for financial statements preparation: 	Signature of statutory representative of accounting entity or member of statutory board of accounting entity: 
Approved on: March 20, 2018	Ing. Marcela Drenčaková	Ing. Beáta Marčaková	Mgr. Slávka Tvrdoňová