

U. S. Steel Košice Foundation

Annual Report 2018

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

A. FOUNDATION ACTIVITIES IN 2018

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 2018, the USSK Foundation supported projects in the following areas:

| AREA | NUMBER OF PROJECTS | AMOUNT in EUR |
|--|--------------------|-------------------|
| Health protection and support | 1 | 40,909.35 |
| Education, science and research | 70 | 218,049.50 |
| Social and humanitarian support | 32 | 62,301.66 |
| Preservation of cultural treasures | 6 | 26,000.00 |
| Physical activities and sport | 11 | 573,410.00 |
| Environment creation and preservation of natural treasures | 1 | 1,588.36 |
| Total | 121 | 922,258.87 |

Health protection and support

In the area of health protection and support the USSK Foundation has supported the non-profit organization DIEŤA V NEMOCNICI, n.o., that will purchase special instrumentation to the Children's Audio Center for the Pediatric Otolaryngology Department of the Pediatric Teaching Hospital in Košice. The audio center will enable the screening of new born children and treatment of small patients with hearing organ impairments. The gift with the total value of 40,909.35 EUR was handed over during the beneficial gala Christmas concert in the State theatre in Košice on December 14, 2018.

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

Education and educational system

During 2018 the USSK Foundation supported 70 projects, focusing mainly on education process enhancement, and provided 58 scholarships. The cash funds provided totaled EUR 218,049.50.

Scholarship Program

The program is intended for the support of studies at colleges and universities for talented children of U. S. Steel Košice, s.r.o. full time employees, talented students from socially

Annual Report of the U. S. Steel Košice Foundation

disadvantaged environment who study mostly 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 2018 the USSK Foundation supported 32 projects of social, humanitarian and charity organizations in the Košice and Prešov regions with funds totaling EUR 62,301.66 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 fulfill the wishes of children in the foster homes in Podolínec and Košice, Uralská Street 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, care for handicapped child.

The St. Klement Hofbauer Foster Home in Podolínec will use the donated funds for buying a car for 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 and transport to cultural and athletic events and for buying sports equipment.

The USSK Foundation also supported "Half-way house" sheltering young people who have finished their stay in foster homes in Košice. The "half-way house" in Košice will use these funds for building a barrier-free access to the house and for reconstruction of social rooms and to support the education, sport and culture for the house clients.

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.

Preservation of cultural treasures

Throughout 2018 the USSK Foundation has supported 6 projects aimed at preservation of cultural values with the total amount of 26,000.00 EUR. The financial gift for technical equipment of the orchestra has helped the State philharmonic orchestra Košice to renew and repair its musical instruments. The State Theatre Košice has used the financial gift to purchase the equipment for artistic scenes – costumes, stage, props. The USSK Foundation has also supported the event titled 10th international festival of youth orchestras SCHENGENSKÝ POLUDNÍK – Euroorchestries in Slovakia 2018, that took place from June 29th to July 5th 2018 in Košice region.

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

Physical activities and sport

In this area the USSK Foundation supported 11 projects, providing cash funds totaling EUR 573,410.00. 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 18 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 18 years who are members of the Jednota Košice Athletics Club. For girls there is a young basketball players' program, with the same form of support.

In the school year 2018/2019 we have been giving more opportunities also to young talented sportspeople whose parents are 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, eventually other sports.

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.

Environment creation and preservation of natural treasures

In the area of environment creation and preservation of natural treasures the USSK Foundation has supported the Union of mutual help of people and dogs, Košice, that used the funds raised during the fundraising event in the charity stall of the USSK Foundation for the activities of the shelter Ú.V.P. at Haniska.

Information about the specific projects supported is given under item *D. List of People and Entities Who Received Funds from the Foundation*, section Environment creation and preservation of natural treasures.

B. BREAKDOWN OF CONTRIBUTIONS BY ORIGINAL SOURCE

| CONTRIBUTIONS | Amount in EUR |
|--|---------------------|
| Contributions received from other entities exceeding EUR 331 | 235,000.00 |
| Contributions received from individuals | 10,617.52 |
| Contributions from share of paid income tax | 907,035.72 |
| Total | 1,152,653.24 |

Contributions amounting to EUR 478,521.07 were recognized as revenue of the USSK Foundation. Contributions amounting to EUR 674,132.17 were recognized as deferred income.

In 2018 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. | 234,000.00 |
| RMS Košice, s.r.o. | 700.00 |
| Total received | 234,700.00 |

C. BREAKDOWN OF EXPENSES BY INDIVIDUAL ACTIVITIES OF THE FOUNDATION

USSK Foundation Total Expenses were EUR 927,634.70 and they consisted of Public Service Expenses and Foundation Administrative Costs.

| PUBLIC SERVICE EXPENSES | Amount in EUR |
|--|----------------------|
| Health protection and support | 40,909.35 |
| Education and educational system | 218,049.50 |
| Social and humanitarian support | 62,301.66 |
| Preservation of cultural treasures | 26,000.00 |
| Physical activities and sport | 573,410.00 |
| Environment creation and preservation of natural treasures | 1,588.36 |
| Total public service expenses | 922,258.87 |

| FOUNDATION ADMINISTRATIVE COSTS | Plan in EUR (approved by Board of Trustees) | Amount in EUR |
|---|--|----------------------|
| Foundation Administration | | |
| - cost of audit and other services | 950.00 | 972.55 |
| - bank charges and other fees | 700.00 | 403.44 |
| - promotion costs | 0.00 | 3 999.84 |
| - withholding tax on interest | 250.00 | 0.00 |
| Total Foundation Administrative Cost | 1,900.00 | 5,375.83 |

At its meeting on November 3, 2017, the USSK Foundation Board of Directors approved the budget for administration of the USSK Foundation for the year 2018.

D. LIST OF PEOPLE AND ENTITIES WHO RECEIVED FUNDS FROM THE FOUNDATION**Health protection and support**

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|--|------------------|---|-----------------|
| 1. | Child in Hospital, non-profit organization, Košice | 40,909.35 | for purchasing special instrumentation to the Children's Audio Center for the Pediatric Otolaryngology Department of the Pediatric Teaching Hospital in Košice, which will enable screening of newborns and treatment of small patients with hearing impairment | 97/2018 |

Education and educational system

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|--|------------------|---|-----------------|
| 1. | Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 176.17 | to support the development of education and the quality of teaching – public fund-raising | 9/2018 |
| 2. | Elementary Art School – Visual Arts Department, Kováčska 43, Košice | 862.93 | purchase of artistic material for pupils of school – public fund-raising | 16/2018 |
| 3. | Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 13,486.60 | production of 8 pcs of special desks for interactive classroom of the Faculty of Materials, Metallurgy and Recycling, promotion of study at the Faculty of Materials, Metallurgy and Recycling via on-line media and billboards | 26/2018 |

Annual Report of the U. S. Steel Košice Foundation

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|-----|--|------------------|--|-----------------|
| 4. | Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 5,083.00 | material gift – Precision 5820 Tower XCTO, ACER Nitro 5, DELL U2715H, TV Samsung with holder to provide for education of students in the laboratory of Numeric metallurgical processes simulations | 27/2018 |
| 5. | Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 8,292.49 | material gift – graphic designs and material objects totaling 5,952.49 EUR, documentation of project and engineering services for the electro installation changes and project documentation for the construction changes for the interactive classroom construction on 3 rd floor of the Technical university in Košice totaling 1,140.00 EUR and 1,200.00 EUR. The material gift shall serve for promotion of gift receiving entity and education purposes of students at the Faculty of Materials, Metallurgy and Recycling. | 28/2018 |
| 6. | Civic Association Jánosa Hunfalvyho, Košice | 2,500.00 | to support the Children´s Choir Little Bell travel expenses to take part at the International Festival „European Music for Young People, Neerpelt in Belgium that will take place from April 26 th to May 2 nd 2018. The Children´s Choir performs at the Highschool and Elementary school Sándora Máraiho with the Hungarian teaching language in Košice. | 32/2018 |
| 7. | University of P. J. Šafárik in Košice, Faculty of Science | 1,500.00 | to support technical and organizational provision of lectures from the subject Introduction to the Natural Sciences Study for First Year Students from September to October | 33/2018 |
| 8. | University of P. J. Šafárik in Košice, Faculty of Science | 13,500.00 | renovation and modernization of the planting greenhouse on the premises of the Botanical Garden for the purpose of creation of a research and educational laboratory intended for tuition of PhD candidates and diploma students, implementation of research projects, as well as exhibition, popularization, and educational events intended for the general | 34/2018 |
| 9. | Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 110,418.31 | realization of the construction changes and electro installation of the interactive schoolroom, graphic design, technical and interior equipment of the interactive schoolroom, technical and interior equipment of the refractory materials laboratory, technical equipment of LTS schoolroom – metallographic microscope, desks, microscope Bresser A, LCD TV and graphic designs and for the purpose of procurement of material objects related to promotion of the faculty study possibilities | 39/2018 |
| 10. | „SPLASH INTERNATIONAL“, Košice | 13,500.00 | for purchasing textbooks, school supplies, computer and didactic technique | 40/2018 |
| 11. | „Rondo“, Novosad | 1,500.00 | for purchasing a piano for piano play teaching for pupils of the Private elementary artistic school in the village Novosad | 42/2018 |
| 12. | Combined School of St. Kosice martyrs, Košice | 2,000.00 | material-technical equipment of the therapeutic room for pupils with special tutoring and educational needs | 44/2018 |

Annual Report of the U. S. Steel Košice Foundation

| LIST OF STUDENTS SUPPORTED | | | | |
|----------------------------|--|------------------|---|-----------------|
| # | Student Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
| 1. | René Atyafi, Valaliky - Všechnsvätých | 700.00 | Study expenses at the Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 45/2017 |
| 2. | Ivana Atyafiová, Valaliky – Všechnsvätých | 700.00 | Study expenses at the Technical University in Košice, Faculty of Materials, Metallurgy and Recycling | 46/2017 |
| 3. | Dávid Balogh, Košice – Nad Jazerom | 700.00 | Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics | 47/2017 |
| 4. | Dáša Drenčaková, Košice – Západ | 1,190.00 | Study expenses at the Masaryk University in Brno, Faculty of Science, Chemistry field of study, Czech Republic | 48/2017 |
| 5. | Františka Ferencíková, Dargov | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Mechanical Engineering | 49/2017 |
| 6. | Jana Horniaková, Košice – Juh | 700.00 | Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics | 50/2017 |
| 7. | Kristína Jajková, Košice – Sídliisko Ťahanovce | 1,190.00 | Study expenses at the Charles University in Prague, Faculty of physical education and sport, Czech Republic | 51/2017 |
| 8. | Marcel Jass, Moldava nad Bodvou | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Economics | 52/2017 |
| 9. | Bc. Lukáš Jenčík, Košice – Sídliisko Ťahanovce | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Mechanical Engineering | 53/2017 |
| 10. | Jakub Kalmár, Valaliky – Buzice | 700.00 | Study expenses at the College of Economics in Prague, Faculty of International Relations, Czech Republic | 54/2017 |
| 11. | Bc. Katarína Lapčáková, Košice – Sídliisko KVP | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Economics | 55/2017 |
| 12. | Matúš Makatura, Košice – Sídliisko KVP | 700.00 | Study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics | 56/2017 |
| 13. | Aleš Manica, Mokrance | 1,400.00 | Study expenses at the Technical University in Munich, Course: Technology and Management, Germany | 57/2017 |
| 14. | Henrieta Michel'ová, Košice - Krásna | 1,190.00 | Study expenses at the Masaryk University in Brno, Faculty of Informatics, Czech Republic | 58/2017 |
| 15. | Martin Múdry, Košice – Západ | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Mining, Ecology, Process Control and Geotechnology | 60/2017 |
| 16. | Dávid Nguyen, Košice – Sídliisko KVP | 1,400.00 | Study expenses at the University of Edinburg, Informatics, Great Britain | 61/2017 |
| 17. | Patrik Piga, Košice – Šaca | 1,190.00 | Study expenses at the College of Economics in Prague, Faculty of Finance and Accounting, Czech Republic | 62/2017 |
| 18. | Veronika Slobodníková, Košice – Ťahanovce | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Economics | 63/2017 |
| 19. | Ivana Stanová, Košice - Ťahanovce | 1,190.00 | Study expenses at the College of Economics in Prague, Faculty of Informatics and Statistics, Czech Republic | 64/2017 |
| 20. | Roman Staňo, Košice – Dargovských hrdinov | 1,190.00 | Study expenses at Charles University in Prague, Faculty of science, Czech Republic | 65/2017 |

Annual Report of the U. S. Steel Košice Foundation

| LIST OF STUDENTS SUPPORTED | | | | |
|----------------------------|---|------------------|---|-----------------|
| # | Student Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
| 21. | Bc. Zoltán Szöke, Moldava nad Bodvou | 700.00 | Study expenses at the Technical University in Kosice, Faculty of Avionics | 66/2017 |
| 22. | Bc. Denisa Šestáková, Košice - Západ | 700.00 | Study expenses at the University of Central Europe in Skalica, Environmental Management | 67/2017 |
| 23. | Daniel Valanský, Košice – Dargovských hrdinov | 1,190.00 | Study expenses at the Masaryk University in Brno, Faculty of Informatics, Czech Republic | 68/2017 |
| 24. | Alexander Zemančík, Košice - Západ | 1,400.00 | Study expenses at the University of Vienna, International Business Administration, Austria | 69/2017 |
| 25. | René Atyafi, Valaliky | 500.00 | to provide for university tuition fees at the Technical University in Košice, Faculty of Materials, Metallurgy and Recycling, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 49/2018 |
| 26. | Dávid Balogh, Košice | 500.00 | to provide for university tuition fees at the Technical University in Košice, Faculty of Electrical Eng. and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 50/2018 |
| 27. | Dáša Drenčaková, Košice | 850.00 | to provide for university tuition fees at the Masaryk University in Brno, Faculty of Science, Chemistry field of study, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 51/2018 |
| 28. | Františka Ferenčíková, Dargov | 500.00 | to provide for university tuition fees at the Technical University in Kosice, Faculty of Mechanical Engineering, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 52/2018 |
| 29. | Jana Horniaková, Košice | 500.00 | to provide for university tuition fees at the Technical University in Košice, Faculty of Electrical Eng. and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 53/2018 |
| 30. | Marcel Jass, Moldava nad Bodvou | 500.00 | to provide for university tuition fees at the Technical University in Kosice, Faculty of Economics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 54/2018 |
| 31. | Bc. Lukáš Jenčík, Košice | 500.00 | to provide for university tuition fees at the Technical University in Kosice, Faculty of Mechanical Engineering, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 55/2018 |
| 32. | Jakub Kalmár, Valaliky | 750.00 | to provide for university tuition fees at the College of Economics in Prague, Faculty of International Relations, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 56/2018 |
| 33. | Matúš Makatura, Košice | 500.00 | to provide for university tuition fees at the Technical University in Košice, Faculty of Electrical Eng. and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 57/2018 |

Annual Report of the U. S. Steel Košice Foundation

| LIST OF STUDENTS SUPPORTED | | | | |
|----------------------------|-----------------------------|------------------|--|-----------------|
| # | Student Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
| 34. | Martin Múdry, Košice | 500.00 | to provide for university tuition fees at the Technical University in Kosice, Faculty of Mining, Ecology, Process Control and Geotechnology, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 58/2018 |
| 35. | Dávid Nguyen, Košice | 500.00 | to provide for university tuition fees at the University of Edinburg, Faculty Science and Engineering, Great Britain, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 59/2018 |
| 36. | Patrik Piga, Košice | 850.00 | to provide for university tuition fees at the College of Economics in Prague, Faculty of Finance and Accounting, Czech Republic, e.g. school supplies, books, IT equipment, clothes, travelling expenses, boarding expenses, etc. | 60/2018 |
| 37. | Roman Staňo, Košice | 850.00 | to provide for university tuition fees at The Charles University in Prague, Faculty of science, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 61/2018 |
| 38. | Lenka Trembecká, Perín-Chým | 850.00 | to provide for university tuition fees at The University of Glasgow, Physics, UK, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 62/2018 |
| 39. | Karla Manicová, Košice | 850.00 | to provide for university tuition fees at The Masaryk University in Brno, Faculty of Informatics, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 63/2018 |
| 40. | Ján Pastorek, Rozhanovce | 750.00 | to provide for university tuition fees at The Comenius University in Bratislava, Faculty of Mathematics, Physics and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 64/2018 |
| 41. | Matej Bobrik, Košice | 500.00 | to provide for university tuition fees at The Technical university in Košice, Faculty of Electrotechnics and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 65/2018 |
| 42. | Sarah Barnová, Košice | 1,000.00 | to provide for university tuition fees at The Institut National des Sciences Appliquées, Toulouse, France, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 66/2018 |
| 43. | Kristína Kačmárová, Košice | 850.00 | to provide for university tuition fees at The University of Sunderland, Cosmetic Science, UK, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 67/2018 |
| 44. | Marián Lukáč, Košice | 1,000.00 | to provide for university tuition fees at The Imperial College London, Electronic and Information Engineering, UK, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 68/2018 |

Annual Report of the U. S. Steel Košice Foundation

| LIST OF STUDENTS SUPPORTED | | | | |
|----------------------------|-----------------------------------|------------------|---|-----------------|
| # | Student Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
| 45. | Lucia Drenčáková, Košice | 750.00 | to provide for university tuition fees at The Comenius University in Bratislava, Faculty of Mathematics, Physics and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 69/2018 |
| 46. | Anna Kótelesová, Košice | 500.00 | to provide for university tuition fees at The Technical university in Košice, Faculty of Electrotechnics and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 70/2018 |
| 47. | Veronika Gajdošová, Košice | 850.00 | to provide for university tuition fees at The Czech Technical University in Prague, Faculty of Architecture, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 71/2018 |
| 48. | Alexandra Strompová, Košice | 1,000.00 | to provide for university tuition fees at The University of Aberdeen, Scotland, Computing Science, UK, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 72/2018 |
| 49. | Eniko Kotelesová, Košice | 1,000.00 | to provide for university tuition fees at The Aalborg University, Economics and Business Administration, Denmark, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 73/2018 |
| 50. | Daniela Andaházyová, Medzev | 500.00 | to provide for university tuition fees at The University of Prešov, Faculty of Humanities and Natural Sciences, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 74/2018 |
| 51. | Lucia Jassová, Moldava nad Bodvou | 500.00 | to provide for university tuition fees at The Technical University in Košice, Faculty of Economy, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 75/2018 |
| 52. | Michaela Hurná, Košice | 500.00 | to provide for university tuition fees at The Pavol Jozef Šafárik University in Košice, Faculty of Science, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 76/2018 |
| 53. | Adriána Čikotová, Košice | 425.00 | to provide for university tuition fees at The Technical University in Košice, Faculty of Materials, Metallurgy and Recycling, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 77/2018 |
| 54. | Bc. Filip Gurbál, Košice | 500.00 | to provide for university tuition fees at The Technical university in Košice, Faculty of Electrotechnics and Informatics, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 78/2018 |

Annual Report of the U. S. Steel Košice Foundation

| LIST OF STUDENTS SUPPORTED | | | | |
|----------------------------|---------------------------|------------------|--|-----------------|
| # | Student Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
| 55. | Martin Ondejka, Košice | 850.00 | to provide for university tuition fees at The Czech Technical University in Prague, Faculty of Information Technology, Czech Republic, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 79/2018 |
| 56. | Laura Linkeschová, Košice | 1,000.00 | to provide for university tuition fees at The City University of London, International Political Economy, UK, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 80/2018 |
| 57. | Petra Bajusová, Čižatice | 425.00 | to provide for university tuition fees at The Technical University in Košice, Faculty of art (architecture and urbanism), e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 81/2018 |
| 58. | Ivana Gábiková, Valalíky | 500.00 | to provide for university tuition fees at The Technical University in Košice, Faculty of Materials, Metallurgy and Recycling, e.g. school supplies, books, IT equipment, travelling expenses, boarding expenses, etc. | 82/2018 |

Social and humanitarian support

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|-----|--|------------------|---|-----------------|
| 1. | ArtEst – poly-aesthetic education of handicapped youth, Košice | 459.12 | For buying artistic material for the mentally disturbed children – public fund-raising | 1/2018 |
| 2. | Smile at Me Civic Association, Košice | 642.45 | 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 | 2/2018 |
| 3. | Anti-cancer League SR, Bratislava | 469.14 | For supportive psycho-social activity of the Anti-Cancer League SR, at the Košice branch – public fund-raising | 3/2018 |
| 4. | REGINA Crisis Intervention Center, Kráľovce | 373.20 | 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 | 4/2018 |
| 5. | Re-education Center, Horný Bankov 15, Košice | 424.85 | For creative activity of the center clients – public fund-raising | 5/2018 |
| 6. | Uralská Street Foster Home, Košice | 502.60 | For buying artistic and working material in the therapeutic workshop – public fund-raising | 6/2018 |
| 7. | The Chance, non-profit organization, Košice | 390.15 | For buying material equipment for the Opatovska Street Combined School 101, Košice – public fund-raising | 7/2018 |
| 8. | Foster Home St. Clement Hofbauer, Podolíneč | 540.91 | For buying artistic and working material for the spare-time activity of the foster home children – public fund-raising | 8/2018 |
| 9. | PSYCHOSOCIAL CENTRE, Košice | 603.66 | For activities of this civic association – public fund-raising | 10/2018 |
| 10. | "Happiness" Association of Relatives and Friends, Košice | 596.82 | For activities in the Bauerova Street Rehabilitation Center for the mentally disturbed in Košice – public fund-raising | 11/2018 |

Annual Report of the U. S. Steel Košice Foundation

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|-----|---|------------------|---|-----------------|
| 11. | The Slovak Union of Sightless and Weak-sighted Citizens, Regional Center Košice | 460.64 | For activities of this union - public fundraising | 13/2018 |
| 12. | ETP Slovakia Civic Association – Center for sustainable development, Košice | 284.45 | For activities of this civic association – public fund-raising | 14/2018 |
| 13. | Archdiocesan Charity, Košice | 277.40 | Operation of the Mother Teresa Hospice in Bardejovská Nová Ves, of the Retirement Home and the Social Services Centers in Košice, Lipany, Veľký Šariš, Vojčice and for the Košická Nová Ves Crisis Center – public fund-raising | 15/2018 |
| 14. | Rubikon Autistic Center, n.o., Košice - Myslava | 488.98 | For activities of this center – public fund-raising | 17/2018 |
| 15. | Forrest Gump Club, non-profit organization, Košice | 527.29 | For buying materials required for the occupational activity and gift-making by clients of the Forrest Gump Day Center – public fund-raising | 18/2018 |
| 16. | Archdiocesan Charity, Košice | 10,000.00 | For support of social and healthcare services provided by Archdiocesan Charity Košice | 22/2018 |
| 17. | Forrest Gump Club, non-profit organization, Košice | 1,260.00 | for purchasing of wire glass panels and rubber playground tiles | 35/2018 |
| 18. | Foster Home St. Clement Hofbauer, Podolínec | 6,500.00 | for purchasing of car for Foster Home | 36/2018 |
| 19. | 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 | 38/2018 |
| 20. | Košice District - West | 5,000.00 | for purchasing of electric movable beds with anti-decubitus mattresses for clients Nursing facilities on Laborecká street 2 in Košice | 43/2018 |
| 21. | Martin Čoltko, Medzev | 2,000.00 | Reimbursement of suitably invested costs for household needs | 83/2018 |
| 22. | Stanislav Lukačko, Nová Polhora | 2,000.00 | Reimbursement of suitably invested costs for household needs | 84/2018 |
| 23. | Martin Garbera, Košice | 2,000.00 | Reimbursement of suitably invested costs for household needs | 85/2018 |
| 24. | Peter Mojžiš, Košice | 2,000.00 | Reimbursement of suitably invested costs for household needs | 86/2018 |
| 25. | Marek Balog, Šemša | 2,000.00 | Reimbursement of suitably invested costs for household needs | 87/2018 |
| 26. | Mária Reisová, Čaňa | 2,000.00 | Reimbursement of suitably invested costs for household needs | 88/2018 |
| 27. | Zdenek Lazor, Moldava nad Bodvou | 2,000.00 | Reimbursement of suitably invested costs for household needs | 89/2018 |
| 28. | Peter Herceg, Janík | 2,000.00 | Reimbursement of suitably invested costs for household needs | 90/2018 |
| 29. | Kristián Reštej, Košice | 2,000.00 | Reimbursement of suitably invested costs for household needs | 91/2018 |
| 30. | Pavol Výboštek, Poproč | 2,000.00 | Reimbursement of suitably invested costs for household needs | 92/2018 |
| 31. | Children's Home Košice, Uralská 1 | 6,500.00 | For purchasing of garden house, art therapeutic activities and children recreation during holidays | 93/2018 |
| 32. | Council for consultancy services in social work, Košice workplace | 4,000.00 | For construction of barrier free access to house, reconstruction of social premises, rooms and education, sports and culture support for home clients | 94/2018 |

Preservation of cultural treasures

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|--|------------------|--|-----------------|
| 1. | Movie and History, Bratislava | 2,000.00 | For making of English film version titled „Boy who wanted to be a president“ about Michal Stranko | 21/2018 |
| 2. | The Civic Association Philharmonic, Košice | 5,000.00 | To support artistic activities of the Slovak State Philharmonic, Košice (ŠfK) – technical provision of the | 23/2018 |

Annual Report of the U. S. Steel Košice Foundation

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|--|------------------|---|-----------------|
| | | | orchestra, procurement of replaceable parts of musical instruments (strings, inserts, tuning pegs...), repair of musical instruments and accessories, fees for borrowing musical notations, and contribution for low-value tangible assets for the needs of the Orchestra | |
| 3. | The State Theatre Košice | 5,000.00 | material equipment of artistic productions - costumes, scene, props | 24/2018 |
| 4. | The Civic Association brass-band KODURKA, Košice | 1,000.00 | For activity of the band such as rental of non-residential areas and travelling costs related to performance of the band | 25/2018 |
| 5. | String orchestra Musica Iuvenalis, Košice | 3,000.00 | For organizational provision of 10 th international festival of youth orchestras SCHENGENSKÝ POLUDNÍK – Eurochestries in Slovakia 2018, that took place from June 29 th to July 5 th 2018 in Košice region | 29/2018 |
| 6. | TK Ellegance Košice | 10,000.00 | for purchase of dance wheelchair, dance costumes, training tools and travel cost for competitions | 30/2018 |

Physical activities and sport

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|--|------------------|--|-----------------|
| 1. | KOŠICE Ice-Hockey Club | 150,000.00 | to support the activities of the Club, for paying invoices for ice-rink hire for elementary ice-hockey school pupils in year groups 1-4, 5-8 and 9, lease of other sports area for purpose of the youth training process, pay and bonuses of coaches, transport to matches, tournaments, accommodation and boarding during hockey matches, costs associated with ensuring matches, material provision and activities of the Club | 19/2018 |
| 2. | Soccer Club Košice – Barca | 10,000.00 | for activity of the club, such as rental and maintenance of soccer playfields, organization of championship games and material – technical provision of the training process of all youth categories. | 20/2018 |
| 3. | The Civic Association RIM Basket, Košice | 2,500.00 | for activity of the club, such as rental of training areas, provision of referee services during competitive league games and purchasing of training equipment and jerseys | 31/2018 |
| 4. | The Deaf Children's Sports Club, Prešov | 1,000.00 | Covering organizational costs of the 25 rd edition of U17 deaf children's international indoor football tournament, which took place from 9 to 15 July 2017 in Prešov | 37/2018 |
| 5. | Basketball Club JF Košice | 5,500.00 | for activity of the club, such as gym rental, travelling costs, accommodation and board of sportsmen and purchasing of training equipment and sports clothing | 41/2018 |
| 6. | KOŠICE Ice-Hockey Club | 2,670.00 | Payment of HC Košice club fees for the 2018/2019 season and purchasing sports gear for the players: Gedeon Matúš 350 €, Ovčarik Dominik 350 €, Janočko Dávid 140 €, Janočko Filip 350 €, Šilerová Jessica 350 €, Valkovič Maxim 280 €+hockey kit 220 €, Verebes Alex Jozef – 280 €, Takács Mária – 350 € | 45/2018 |

Annual Report of the U. S. Steel Košice Foundation

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|-----|--|------------------|--|-----------------|
| 7. | Marcel BOCKO, Košice - Myslava | 480.00 | Payment of HK Sršne Košice hockey club fees for the 2018/2019 season for the player: Matúša Bocka | 46/2018 |
| 8. | Milan TÓTH, Čaňa | 480.00 | Payment of LIBA ACADEMY 11 Košice hockey club fees for the 2018/2019 season for the player: Andrej Tóth | 47/2018 |
| 9. | Basketball School Club GALAXY Košice | 780.00 | Payment of basketball club fees for the 2018/2019 season and purchasing sports gear for the players: Topolčanský Michal 300 € + kit 90 €, Čovan Timotej 300 € + kit 90 € | 48/2018 |
| 10. | Slovak Ice Hockey Federation, Bratislava | 200,000.00 | For activities of this Federation, to cover costs of accommodation, transport, food, sports gear, equipment for young hockey players for 7 youth teams (5 boy, 2 girl) to play in international tournaments for the Slovak national team | 95/2018 |
| 11. | Košice Arena | 200,000.00 | For reconstruction and modernization of the hotel premises incorporated in the certificate of ownership No. 11242 building, number of entry 1627, lot 3211, pursuant to the requirement of the Slovak Ice Hockey Federation. The objective of reconstruction and modernization of the hotel is to fulfill the required complex European standards of sports arenas for events of this rank. In the reconstructed hotel the accreditation center, dispatching, accommodation and board of guests, volunteers and journalists will be provided during the World Cup 2019. In the letter of the Slovak Ice Hockey association addressed to the gift recipient the hotel reconstruction is defined as a precondition to hold the World Cup 2019 in Košice. After the end of World Cup 2019 Košická aréna will continue to use the hotel as part of the STEEL ARÉNA complex to support the development of sport in the region by organizing sports competitions for youth, juniors and adults on state and international level. | 96/2018 |

Preservation of Natural Treasures

| # | Entity Name | Gift Value (EUR) | Gift Purpose | Gift Contract # |
|----|---|------------------|---|-----------------|
| 1. | Union of Mutual Assistance of People and Dogs, Košice | 1,588.36 | Covering costs of activities of the Animal Shelter near Haniska – public fund-raising | 12/2018 |

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

There were no changes made to the Foundation Charter in 2018.

The USSK Foundation Authorities as of December 31, 2018 were:

Board of Directors

On October 1st 2018 during the meeting of Board of Directors of the USSK Foundation Scott Douglas Buckiso resigned from the function of Chairman and member of Board of Directors of the USSK Foundation. On October 17th 2018 James Edward Bruno was elected the new Chairman and member of Board of Directors of the USSK Foundation.

| Name | | Position |
|--------------------------------|-----------------|-----------------|
| Scott Douglas Buckiso | to 10/1/2018 | Chairman |
| James Edward Bruno | from 10/17/2018 | Chairman |
| RNDr. Miroslav Kiraľvarga, MBA | | Member |
| Ing. Ján Bača | | Member |

Statutory Representative

Mgr. SlávkaTvrdoňová was Administrator of the USSK Foundation.

Supervisory Board

| Name | Position |
|------------------------------|-----------------|
| JUDr. Elena Petrášková, LL.M | Member |
| Richard Carl Shank | Member |
| Ing. Martin Pitorák, MBA | Member |

F. ADMINISTRATOR OF THE FOUNDATION AND OTHER BODIES' EMOLUMENTS

In 2018 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 FUNDS ACTIVITIES

In 2018 the USSK Foundation did not establish any Foundation Fund.

H. EMPLOYEES

In 2018 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

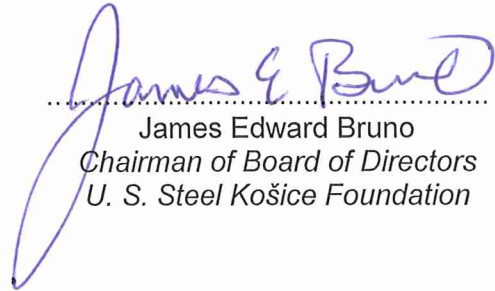
Annual Report of the U. S. Steel Košice Foundation

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, 2019



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



.....
James Edward Bruno
Chairman of Board of Directors
U. S. Steel Košice Foundation

U. S. Steel Košice Foundation

**Financial Statements
for the year ended December 31, 2018
together with independent auditor's 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 2018, 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 2018, 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 2018 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, 2019

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

SKAU Licence No. 310




Ing. Zdenka Kvasková
audit partner

SKAU Licence No. 427

| Assets | | Row # | Current Period | | | Prior Period |
|---|---|------------|----------------|-----------------|----------|--------------|
| | | | Gross 1 | Correction 2 | Net 3 | Net 4 |
| A | | b | | | | |
| A. TOTAL NON-CURRENT ASSETS r. 002 + r. 009 + r. 021 | | 001 | | | | |
| 1. | Intangible non-current assets total r. 003 to 008 | 002 | | | | |
| | 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 | | | | |
| 2. | Tangible non-current assets total r. 010 to r. 020 | 009 | | | | |
| | 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 | | | | |
| 3. | Non-current financial assets r. 022 to r. 028 | 021 | | | | |
| | 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 | | | | |
| Control Number r. 001 to r. 028 | | 991 | | | | |

| Assets | | Row # | Current Period | | | Prior Period |
|---|---|-------|----------------|------------|--------------|--------------|
| | | | Gross | Adjustment | Net | Net |
| a | | b | 1 | 2 | 3 | 4 |
| B. CURRENT ASSETS r. 030 + r. 037 + r. 042 + r. 051 | | 029 | 721,582.80 | 0.00 | 721,582.80 | 496,564.26 |
| 1. | Inventories r. 031 to r. 036 | 030 | | | | |
| | 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 | | | | |
| 2. | Long-term receivables r. 038 to r. 041 | 037 | | | | |
| | 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 | | | | |
| 3. | Short-term receivables r. 043 to r. 050 | 042 | | | | |
| | 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 | | | | |
| 4. | Financial accounts r. 052 to r. 056 | 051 | 721,582.80 | 0.00 | 721,582.80 | 496,564.26 |
| | Cash in hand (211 + 213) | 052 | 0.00 | X | 0.00 | 0.00 |
| | Bank accounts (221AÚ + 261) | 053 | 721,582.80 | X | 721,582.80 | 496,564.26 |
| | 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 | | | | |
| C. Accruals and prepayments total r. 058 to r. 059 | | 057 | 22,400.00 | 0.00 | 22,400.00 | 23,380.00 |
| 1. | Prepaid expenses (381) | 058 | 22,400.00 | 0.00 | 22,400.00 | 23,380.00 |
| | Accrued revenues (385) | 059 | 0.00 | | 0.00 | 0.00 |
| TOTAL ASSETS r. 001 + r. 029 + r. 057 | | 060 | 743,982.80 | | 743,982.80 | 519,944.26 |
| Control number r. 029 to r. 060 | | 992 | 2,953,531.20 | | 2,953,531.20 | 2,056,397.04 |

| Equity and Liabilities | | Row # | Current Period | Prior Period | |
|--|---|--|----------------|---------------------|---------------------|
| a | | b | 5 | 6 | |
| A. Total liabilities and equity | | r. 062 + r. 068 + r. 072 + r. 073 | 061 | 6,638.78 | 7,047.86 |
| 1. | Basic capital and cash funds | r. 063 to 067 | 062 | 6,638.78 | 6,638.78 |
| | Basic capital | (411) | 063 | 6,638.78 | 6,638.78 |
| | Cash funds created according to special regulation | (412) | 064 | | |
| | Reproduction fund | (413) | 065 | | |
| | Gains or losses from revaluation of assets and liabilities | (414) | 066 | | |
| | Gains or losses from revaluation of investments | (415) | 067 | | |
| 2. | Funds created from profit | r. 069 to r. 071 | 068 | | |
| | Reserve fund | (421) | 069 | | |
| | Funds created from profit | (423) | 070 | | |
| | Other funds | (427) | 071 | | |
| 3. | Retained earnings / (losses) | (+;-;428) | 072 | 409.08 | 1,614.07 |
| 4. | Profit / (loss) for the period | r. 060 – (r. 062 + r. 068 + r. 072 + r. 074 + r. 101) | 073 | (409.08) | (1,204.99) |
| B. Total liabilities | | r. 075 + r. 079 + r. 087 + r. 097 | 074 | 22,400.00 | 23,380.00 |
| 1. | Provisions | r. 076 to 078 | 075 | | |
| | Legal provisions | (451 AÚ) | 076 | | |
| | Other provisions | (459 AÚ) | 077 | | |
| | Short term provisions | (323 + 451 AÚ + 459 AÚ) | 078 | | |
| 2. | Long-term liabilities | r. 080 to r. 086 | 079 | | |
| | Liabilities from the social fund | (472) | 080 | | |
| | Bonds issued | (473) | 081 | | |
| | Payables from rental | (474 AÚ) | 082 | | |
| | Long-term advance payments received | (475) | 083 | | |
| | Long-term un-invoiced deliveries | (476) | 084 | | |
| | Long-term bills of exchange payable | (478) | 085 | | |
| | Other long-term payables | (373 AÚ + 479 AÚ) | 086 | | |
| 3. | Short-term liabilities | r. 088 to r. 096 | 087 | 22,400.00 | 23,380.00 |
| | Trade payables | (321 to 326) except 323 | 088 | 22,400.00 | 23,380.00 |
| | Payables to employees | (331+ 333) | 089 | | |
| | Settlement with Social Insurance Company and health insurance companies (336) | | 090 | | |
| | Tax payables | (341 to 345) | 091 | | |
| | Payables due to financial relations to the state and regional budget | (346 + 348) | 092 | | |
| | Payables for unpaid subscribed shares and participations | (367) | 093 | | |
| | Payables to associations members | (368) | 094 | | |
| | Linking account for association | (396) | 095 | | |
| | Other payables | (379 + 373 AÚ + 474 AÚ + 479 AÚ) | 096 | | |
| 4. | Bank loans and borrowings | r. 098 to r. 100 | 097 | | |
| | Long-term bank loans | (461AÚ) | 098 | | |
| | Short-term bank loans | (231+ 232 + 461AÚ) | 099 | | |
| | Short-term borrowings received | (241+ 249) | 100 | | |
| C. ACCRUALS AND DEFERRED INCOME | | r. 102 to r. 103 | 101 | 714,944.02 | 489,516.40 |
| 1. | Accrued expenses | (383) | 102 | | |
| | Deferred income | (384) | 103 | 714,944.02 | 489,516.40 |
| TOTAL EQUITY AND LIABILITIES | | r. 061 + r. 074 + r. 101 | 104 | 743,982.80 | 519,944.26 |
| Control number | | r. 061 to r. 104 | 993 | 2,260,987.18 | 1,589,851.56 |

| 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 | 3,999.84 | | 3,999.84 | 3,991.97 |
| 518 | Other services | 07 | 972.55 | | 972.55 | 894.55 |
| 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 |
| 547 | Special expenses | 22 | | | | |
| 548 | Shortages and damages | 23 | | | | |
| 549 | Other operating expenses | 24 | 403.44 | | 403.44 | 315.47 |
| 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 | 3,450.00 | | 3,450.00 | 10,898.00 |
| 563 | Contributions provided to people | 35 | 20,960.00 | | 20,960.00 | 31,982.00 |
| 565 | Provided contributions from income tax share | 36 | 888,179.75 | | 888,179.75 | 186,573.75 |
| 567 | Provided contributions from public fundraising | 37 | 9,669.12 | | 9,669.12 | 9,409.05 |
| Account class 5 total | r. 01 to r. 37 | 38 | 927,634.70 | | 927,634.70 | 268,361.23 |
| Control Number | r. 01 to r. 38 | 994 | 1,855,269.40 | | 1,855,269.40 | 563,722.46 |

| 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 |
| 645 | Foreign exchange rate gains | 54 | | | | |
| 646 | Gifts received | 55 | | | | 24,296.44 |
| 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 | 29,376.75 | | 29,376.75 | 46,639.97 |
| 663 | Contributions received from people | 69 | | | | 232.00 |
| 664 | Membership contributions received | 70 | | | | |
| 665 | Received contributions from income tax share | 71 | 888,179.75 | | 888,179.75 | 186,573.75 |
| 667 | Received contributions from public fundraising | 72 | 9,669.12 | | 9,669.12 | 9,409.05 |
| 691 | Subsidies | 73 | | | | |
| Account class 6 total | | r. 39 to r. 73 | 74 | 927,225.62 | 927,225.62 | 267,157.60 |
| Profit / (loss) before tax | | r. 74 – r. 38 | 75 | (409.08) | (409.08) | (1,203.63) |
| 591 | Income tax expense | 76 | | | | 1.36 |
| 595 | Additional payments of income tax | 77 | | | | |
| Profit / (loss) after tax (r. 75 - (r. 76 + r. 77)) (+/-) | | 78 | (409.08) | | (409.08) | (1,204.99) |
| Control number | | r. 39 to 78 | 995 | 1,853,633.08 | 1,853,633.08 | 531,907.94 |

1. GENERAL INFORMATION

a. Business Name and Address

Nadácia U. S. Steel Košice
 Vstupný areál 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. USSK Foundation Authorities

The USSK Foundation Authorities as of December 31, 2018 were:

Board of Directors

| Name | | Position |
|---------------------------|-----------------|----------|
| Scott Douglas Buckiso | to 10/1/2018 | Chairman |
| James Edward Bruno | from 10/17/2018 | Chairman |
| RNDr. Miroslav Kiraľvarga | | Member |
| Ing. Ján Bača | | Member |

Statutory Representative

Mgr. Slávka Tvrdoňová was Administrator of the USSK Foundation.

Supervisory Board

| Name | Position |
|-------------------------------|----------|
| JUDr. Elena Petrášková, LL.M. | Member |
| Richard Carl Shank | Member |
| Ing. Martin Pitorák, MBA | 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 U. S. Steel Košice, s.r.o.

The USSK Foundation did not perform any profit-making activity either in 2018 or in 2017.

d. Average Number of Employees

The USSK Foundation did not have any employees as of December 31, 2018 (December 31, 2017: 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 2017 were approved by the Supervisory Board on March 14, 2018.

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 POLICIES

a. Going Concern

The 2018 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 share of income tax 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, the contributions from other organizations and individuals, which will be spent in following years, are recognized in deferred income.

Accrued Expenditures

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

From 2017 onwards the accrued 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 contributions received from organizations and individuals, which relate to donation contracts concluded in the specific period, are recognized as revenues. The contributions that will be used in following years are recognized as deferred income.

Revenues from contributions arising from share of income tax paid 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 2018 or in 2017.

d. Events after the Balance Sheet Date

Changes in Board of Directors and Supervisory Board

Effective February 6, 2019 personal changes in the foundation authorities were made. Ing. Silvia Gaálová, FCCA and Marianne Slivková were elected as new members of the Board of Directors. Richard Carl Shank was withdrawn from the position of the Supervisory Board member and Ing. Adam Dudič, FCCA was appointed as the new Supervisory Board member.

3. INFORMATION WHICH COMPLETES AND EXPLAINS BALANCE SHEET DATA

Equity

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

| | Balance as of Dec 31, 2017 | 2017 profit distribution | Loss 2018 | Balance as of Dec 31, 2018 |
|-------------------------------|-------------------------------|-----------------------------|--------------|-------------------------------|
| Foundation basic capital | 6,639 | - | - | 6,639 |
| Retained earnings (losses) | 1,614 | (1,205) | - | 409 |
| Profit/ loss for current year | (1,205) | 1,205 | (409) | (409) |
| Total | 7,048 | - | (409) | 6,639 |

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 2017 totaling EUR (1,204.99) to the retained earnings at its meeting on May 18, 2018.

The USSK Foundation did not create either a Foundation Fund or any other funds as of December 31, 2018 and December 31, 2017, respectively.

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

Revenues from Received Contributions

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

| | 2018 | 2017 |
|--|----------------|----------------|
| Revenues – Received donations | 0 | 24,296 |
| Revenues - Contributions received from other legal entities | 29,377 | 46,640 |
| Revenues - Contributions received from private individuals - others | 0 | 232 |
| Revenues - Contributions received from income tax share | 888,180 | 186,574 |
| Revenues - Contributions received from private individuals - public fund-raising | 9,669 | 9,409 |
| Total | 927,226 | 267,151 |

Other Revenues

Other revenues represented revenues from interest on current bank accounts amounting to EUR 0.00 (2017: EUR 6.39).

Provided Contributions and Donations

Provided contributions and donations were (in EUR):

| | 2018 | 2017 |
|---|----------------|----------------|
| Contributions provided to other legal entities | 3,450 | 10,898 |
| Contributions provided to individuals | 20,960 | 31,982 |
| Provided contributions from income tax share | 888,180 | 186,574 |
| Provided contributions from public fund-raising | 9,669 | 9,409 |
| Other gifts and donations | 0 | 24,296 |
| Total | 922,259 | 263,159 |

Other Expenses

Other expenses were (in EUR):

| | 2018 | 2017 |
|----------------------------|--------------|--------------|
| Audit fees | 840 | 840 |
| Bank charges | 400 | 305 |
| Other services and charges | 4,136 | 4,057 |
| Total | 5,376 | 5,202 |

The Auditor of the USSK Financial Statements did not provide any other services to the USSK Foundation either in 2018 or in 2017.

5. OTHER ASSETS AND LIABILITIES

In 2018 the USSK Foundation concluded donation contracts totaling EUR 922,328.87 (2017: EUR 276,139.24). As of December 31, 2018, EUR 22,400 was unpaid (December 31, 2017: EUR 23,380), of which EUR 22,400 (2017: EUR 23,380) represented the unpaid amount from donation contracts concluded with individual students to support their studies.




As of December 31, 2018 and December 31, 2017, 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):

| | 2018 | 2017 |
|--|----------------|----------------|
| Received contributions from income tax share | 432,515 | 413,659 |
| Received contributions from other organizations and natural entities | 282,429 | 75,857 |
| Total | 714,944 | 489,516 |

Accrued expenses in 2018 amounted to 22,400 EUR.

| | | | |
|----------------|---|---|---|
| Prepared on: | 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: |
| March 20, 2019 |  |  |  |
| Approved on: | Ing. Marcela Drenčaková | Ing. Beáta Marčaková | Mgr. Slávka Tvrdoňová |
| March 20, 2019 | | | |