



Stredoslovenská vodárenská  
prevádzková spoločnosť, a.s.

## ANNUAL REPORT

Stredoslovenská vodárenská  
prevádzková spoločnosť, a. s.

A large, artistic photograph of a dandelion seed head against a blue gradient background. The seed head is positioned in the center, with its long, thin seeds radiating outwards. In the center of the seed head, where the seeds meet, is a small, transparent globe. Inside the globe, a stylized map of Slovakia is visible, colored in shades of purple and blue. The globe appears to be a water droplet or a lens focusing on the map.

# 2021

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Annual Report 2021 | StVPS, a.s.

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# 1 basic data

**TRADE NAME:**  
Stredoslovenská vodárenská prevádzková spoločnosť, a. s.

**COMPANY SEAT:**  
Partizánska cesta 5  
974 01 Banská Bystrica

**LEGAL FORM:**  
Joint-stock company

**IDENTIFICATION NO:** 36 644 030  
**VAT REG. NO:** SK 2022102236

**CAPITAL STOCK:**  
34,000 €

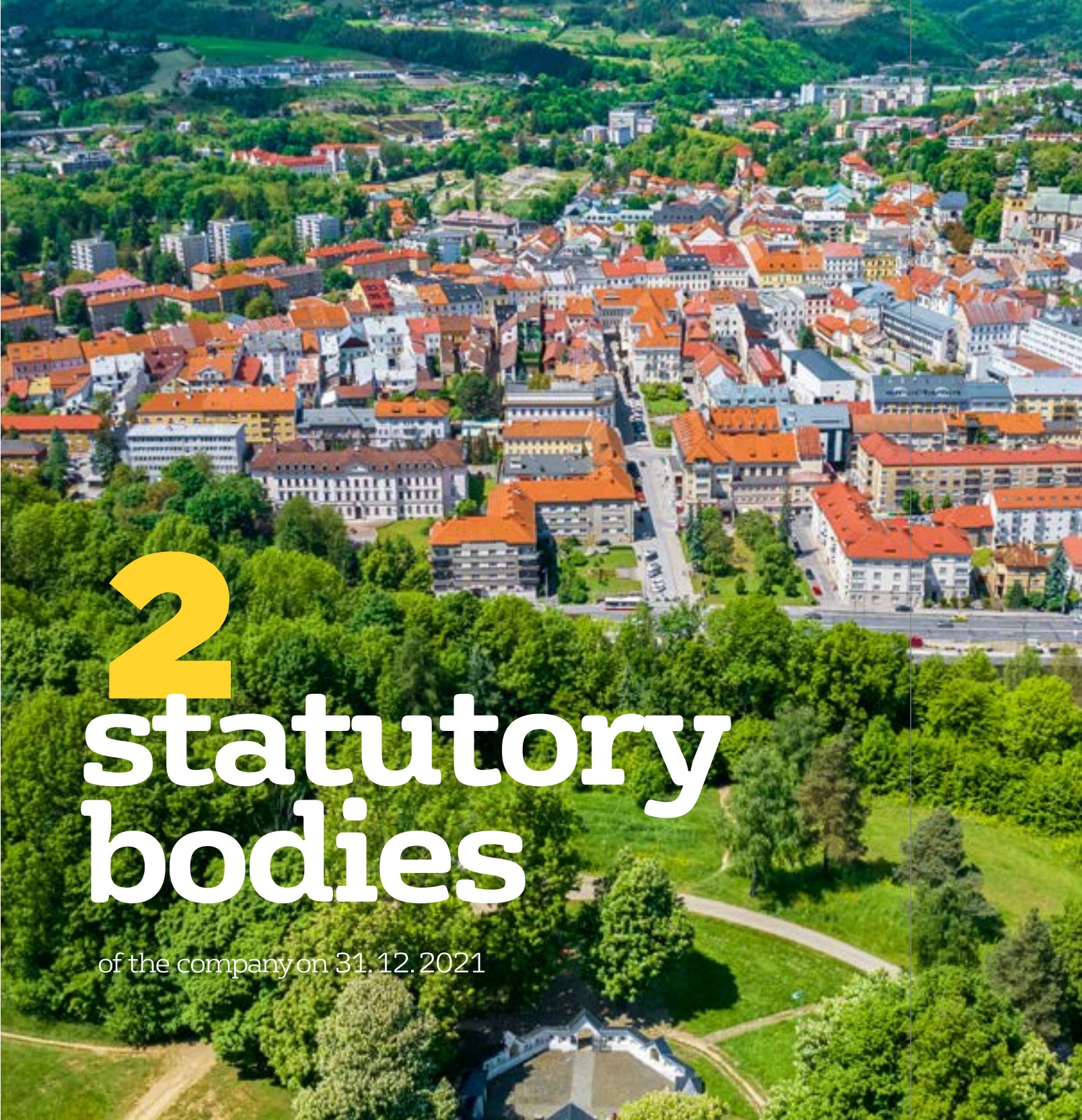
Trade register of the District court in Banská Bystrica,  
section: Sa, Insert No.: 840/S

**REGISTERED ON:** January 1, 2006

## business activities

- operation of I to III Category public water supply systems,
  - operation of I to III Category public sewer systems,
  - consulting, technical and professional assistance in the field of production, treatment and supply of drinking and industrial water, operation of water supply systems, sewage and wastewater treatment plants,
  - cleaning of water and sewerage pipelines,
  - conducting inspections of sewer systems by instrumentation,
  - detection of hidden water leaks by correlative and electroacoustic techniques,
  - setting out water supply, sewerage networks and armatures and determining contact points for connection of instrumentation,
  - measuring wastewater volume on specific volumes and sewerage systems with the determination of the immediate or cumulative flow by instrumentation,
  - physicochemical, radiological, microbiological and hydrobiological analyses of drinking, utility and waste water, including technological water analyses,
  - conducting water tightness tests of water management facilities and equipment,
  - business activities in the field of the disposal of non-hazardous waste,
  - conducting technical inspections of pipelines,
  - repair and installation of water meters,
  - designing, solving and evaluating the roles of hydrogeological surveys, engineering geological surveys and geological surveys of the environment,
  - electricity generation in small hydroelectric power stations with an output up to 5 MW,
  - electricity distribution,
  - purchase of goods with the purpose of their sale to other trading license holders (wholesale trade),
  - purchase of goods with the purpose of their sale to end users (retail trade),
  - intermediation in commercial and service activities,
  - draw up documentation and projects for simple buildings, small buildings and changes to such buildings,
  - realization of simple buildings, small buildings and changes to such,
  - realization of buildings and changes to such,
  - implementation of water and civil engineering works,
  - execute construction site manager activities,
  - execute construction site supervisor activities,
  - engineering activities in civil engineering,
  - supply and installation of chlorination and dosing equipment for chemicals,
  - repairs, servicing, maintenance and execution of expert inspection and testing of chlorinating and dosing equipment for chemicals,
  - machinery and equipment rental,
  - public procurement,
  - national road freight,
  - real estate rental,
  - repairs and servicing of all kinds of pumps,
  - conducting revisory and pressure tests of stable pressure tanks,
  - repair, installation, maintenance and servicing of electrical equipment,
  - conducting technical inspections and testing of specified electrical equipment,
  - organizing courses, training and seminars,
  - conducting courses, training and seminars,
  - fire safety engineer,
  - accommodation and catering services in accommodation facilities.
- THE COMPANY HAS NO ORGANIZATIONAL UNIT ABROAD.





# 2 statutory bodies

of the company on 31.12.2021

## board of directors

### **Philippe Guitard**

*chairman*

Betlémská 262/10  
Praha 1 110 00  
Česká republika

### **Ing. Peter Martinka**

*member*

Kynceľová 124  
Kynceľová 974 11

### **Ing. Robert Tencer**

*member*

Nevádzová 17211/6F  
Bratislava - Ružinov 821 01

### **Ing. Martin Bernard, MBA**

*member*

Josefa Obadala 3387/44  
Kroměříž 767 01  
Česká republika

### **Ing. Peter Dobrý**

*member*

Jilemnického 1955/32  
Zvolen 960 01

## shareholder

### **VEOLIA CENTRAL & EASTERN EUROPE S.A.**

rue La Boétie 21  
Paris 750 08  
France

## supervisory board

### **Marian Detvan**

Hlavná 115/61  
Málinec 985 26

### **Ing. Lucia Harachová**

Komenského 14483/10E  
Banská Bystrica 974 01

### **Róbert Tonhajzer**

Podhradská 114/117  
Lehota pod Vtáčnikom 972 42

### **Ing. Denisa Beníčková**

Riznerova 8  
Trenčín 911 01

### **Ing. Miluše Poláková**

Kbel 224  
Benátky nad Jizerou 294 71  
Česká republika

### **JUDr. Roman Dula**

Železniarska 5  
Banská Bystrica 974 01  
(until 30. 9. 2021)



# 3 key data

as of 31.12.2021

**60.09 mil. €**  
Turnover of the Company

**649,003**  
Supplied Residents

**892,957 €**  
Profit after Taxation

**1,073**  
Employees

**40.470 mil. m<sup>3</sup>**  
Total Production of Own Water

**1,114.4 km**  
Length of the Sewer Network

**4,524 km**  
Length of the Water  
Distribution Network

**118,893**  
Contracted Customers

**22**  
Water Preparation Plants

**123,400**  
Water Meters Monthly

**54.167 mil. m<sup>3</sup>**  
Treated Waste Water

**1,889**  
Calls Made on  
Customer Line  
(on average monthly)

**42**  
Wastewater Treatment Plants



# 4 editorial

## Dear shareholders, business partners and clients, colleagues,



We present to you the annual report of Stredoslovenská vodárenská prevádzková spoločnosť, a.s., which summarises the results of our work in 2021, a truly turbulent year, which was a challenge not only for us but for most companies in Slovakia and around the world. The coronavirus pandemic and related changes and problems required flexibility and new approaches. The way we dealt with these exceptional conditions proved to be correct and effective, as evidenced, among other things, by our financial results.

The overall financial situation at Stredoslovenská vodárenská prevádzková spoločnosť, a.s. was stable during the year and we fulfilled our obligations, especially towards our employees, state

institutions, business partners and suppliers. We achieved a positive after-tax result of € 892,957.

We remain one of the largest and most stable employers in the region with 1,073 employees. Management in this area has also been challenging, but thanks to the introduction of home office working, rotation of employees on sites and a high level of work commitment, we have maintained the quality of service to our clients, but most importantly the health and safety of our employees. We have managed to maintain employment and there has been only a slight reduction in staff numbers during 2021.

In the past year, we also carried out several major investment projects, the most significant of which was the construction of the „R2 Kriváň highway - Mýtna, water pipeline relocations“, which was contracted in 2021 with an expected completion in 2022. A substantial part of the construction work was already completed in 2021.

We continued the trend of introducing projects to computerise services and the use of SMS and the first automated option was the use of a free SMS reminder for an unpaid invoice. This reduced the number of written reminders sent by 25%. A new client service feature is the ability to read the water meter via interactive SMS.

We are also constantly working on improving the quality of management. In 2021, we were one of the first water companies in Slovakia to obtain the ISO 37001 anti-corruption management system certificate, confirming our long-term interest and commitment to actively fight corruption, prevent and minimise corruption risks. We believe that by obtaining and subsequently defending the certificate we will contribute to the overall improvement of the business environment in Slovakia.

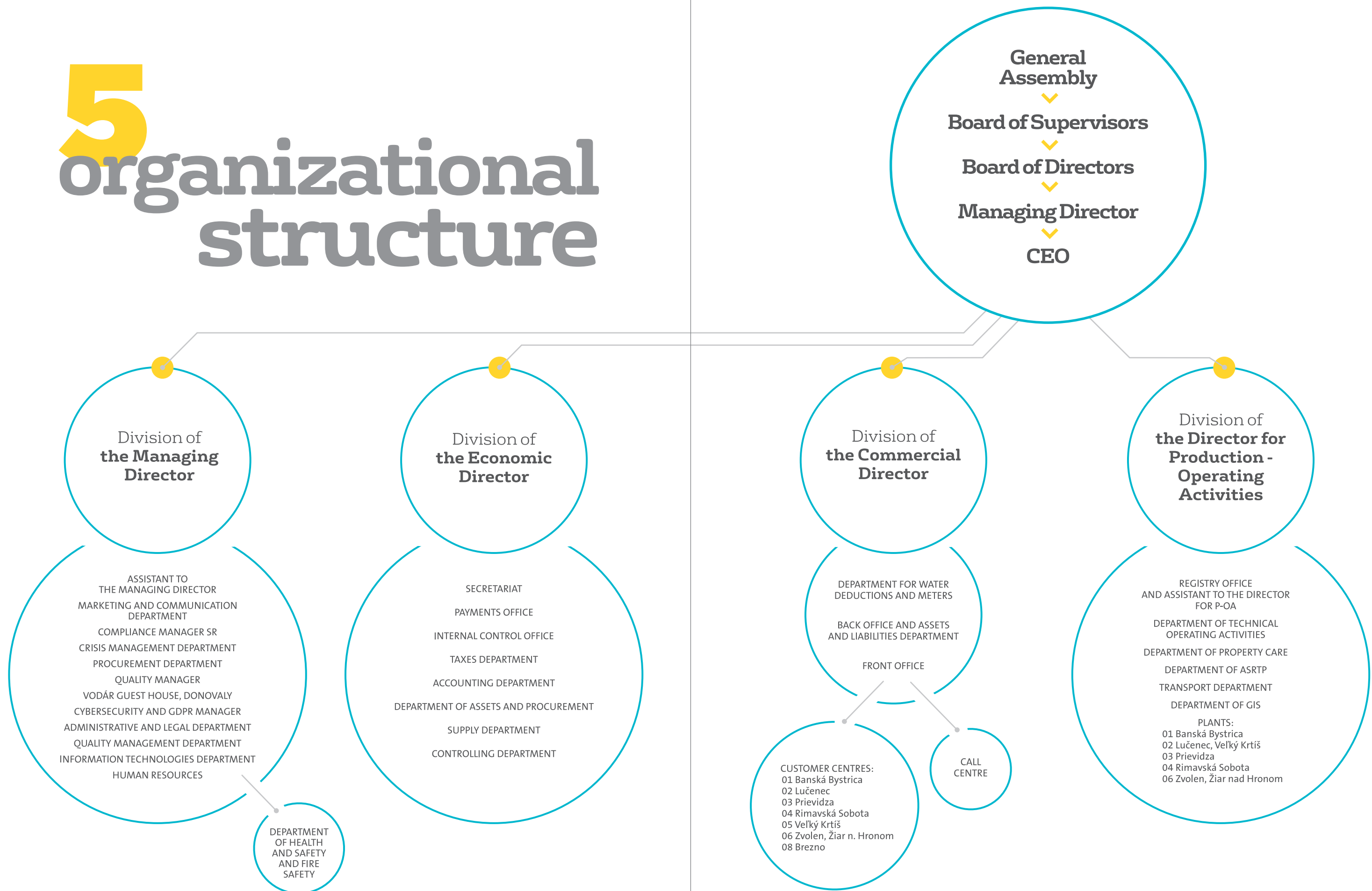
Dear shareholders, business partners and clients, colleagues, in the preceding paragraphs I have mentioned only some of the events and activities that we lived through in the past year. In the coming years, our company will continue to focus on the positive impact of our business for all stakeholders - clients, consumers, employees, business partners and of course with respect for the environment. In all of this, we know that working together and striking a balance between the economic, environmental and societal benefits of our operations is essential.

Thank you for your trust and support and I trust that together we will be successful and beneficial for all in the period ahead.

Ing. Peter Martinka  
Managing Director StVPS, a. s.



# 5 organizational structure





# 6our. services

## water management

In the supply of drinking water to clients, there was a slight increase in the quantity of water supplied compared to last year. In 2021, the amount of water delivered or billed to clients was 25,746 thousand m<sup>3</sup>, an increase of 246 thousand m<sup>3</sup> compared to 2020 (25,500 thousand m<sup>3</sup>).

A slight increase in water consumption was recorded for both residential and other clients. In 2021, the specific water consumption was 76.3 l/person/day, a slight increase compared to 2020 (75.6 l/person/day).

Stredoslovenská  
vodárenská prevádzková  
spoločnosť, a. s.,  
provides services for

**649,003**  
residents.



## water production

In the area of water production, 40,470 thousand m<sup>3</sup> of drinking water were produced at the company's water facilities, of which 12,596 thousand m<sup>3</sup> was produced from surface water and 27,874 thousand m<sup>3</sup> from groundwater. The total volume of water produced compared to the previous year, 2020, was 367 thous. m<sup>3</sup> of water produced, which also corresponds to higher water consumption (water billed) in 2021 compared to 2020. The quality of the drinking water supplied in accordance with the legislation in force was ensured, as required, in 22 surface and groundwater treatment plants. The main water used for the production of drinking water from surface water sources was water abstracted from water supply reservoirs, and the large water treatment plants Hriňová, Málinec, Klenovec and Turček; smaller water treatment plants for subsequent water treatment were used for the treatment of water abstracted from streams as required. In the event of unsatisfactory groundwater quality, groundwater treatment plants were also used as necessary. In 2021, raw water was treated in the water treatment plants operated by our company in a total volume of 15,005 thousand m<sup>3</sup>.

## water meters

As of 31.12.2021, a total of 126,090 water meters have been installed in the network, including 124,216 billing water meters and 1,874 district (control) water meters at water supply points.

In 2021, a total of 20,569 water meters were replaced, of which 19,978 water meters were replaced as part of the periodic replacement and 591 water meters were replaced for other reasons such as damaged water meter, standing water meter, replacement at client request, etc.

48 water meters were removed and sent for official testing at the client's request, of which 35 water meters were compliant and 13 water meters were non-compliant.

In 2021, a total of 14,105 water meters were repaired by an external contractor, Menert s.r.o. in Šaľa.

## water losses

Water losses in the network have long represented the largest part of unbilled water by volume, so the company's main focus in the area of water losses has been on repairing water pipes, where the incidence of faults is highest. Hidden water pipe leaks are the largest contributor to losses. Modern technology and instrumentation are used to locate hidden water leak locations as accurately as possible. Centralised management of the search for hidden water leaks and the purchase of modern search technology in our company plays a major role in locating hidden water leaks. This activity is carried out within the fault-finding department by 4 working groups: the Banská Bystrica, Brezno group, the Lučenec, Veľký Krtíš, Rimavská Sobota group, the Prievidza group and the Zvolen, Žiar nad Hronom group. After localisation of water leaks by the fault-finding department, these leaks were subsequently eliminated by the workers of individual plants according to their importance, thus preventing further increase of water losses. In 2021, the fault-finding department inspected 1,156 km of water supply networks and located 519 faults. Metering work worth €8,316.5 was carried out for external clients.

## breakdowns in the water supply network

In 2021, a total of 2,021 breaks in the water supply network were repaired, 258 of them on feeder pipes, 1,282 on the distribution network and 481 on connections. Of this number, a total of 1,870 were leaks (1,430 on the network and 440 on the connections) and 1,836 were excavated (1,414 on the network and 422 on the connections). Of the total number of faults repaired, 1,514 were on pipelines and 507 on fittings. As in previous years, corrosion of pipe materials and fittings was the most common cause of failure in 2021, which is related to the high age of public water supply systems. The second most common cause of failures was material defects and soil movement caused by frequent recurring soil freezing in the spring months and waterlogged soil due to summer heavy rains. Regular monitoring and evaluation of minimum night-time abstractions, coupled with a search for hidden leaks in the field, was carried out as part of accident prevention.

## MAIN INDICATORS OF PRODUCTION AND SUPPLY OF DRINKING WATER

**649,003**

number of supplied residents

**119,951**

number of water connections

**227**

number of pumping stations

**25,746**

water invoiced, in thousand m<sup>3</sup>/year

**14,499**

water not invoiced, in thousand m<sup>3</sup>/year

**40,244**

water to realization, in thousand m<sup>3</sup>/year

**4,524**

length of water distribution network, in km

**765**

length of water connections, in km

**22**

number of water preparation plants

**12,969**

water losses in the pipeline network, in thousand m<sup>3</sup>/year

**32.22**

share of water losses from water for realization in %

## investments for other investors in 2021

The amount of the income plan from the realisation of investments for other investors for 2021 was set at € 500,000. The implementation of individual constructions during the year was in accordance with the developed time and financial schedule.

In the first half of the year, the completion and subsequent handover of the construction „Janova Lehota - supply pipeline from the DVZ“, contracted and implemented since 2018, took place.

The most significant activity implemented in 2021 was the construction „R2 Kriváň highway - Mýtna, water pipeline relocations“, which was contracted in 2021 with the expected completion of the construction in 2022. A substantial part of the construction works was completed in 2021.

Another important activity carried out in 2021 for a foreign investor was the construction of the „Technical equipment for RD Na Kačici - Banská Bystrica - supplementation“, which was carried out in two stages. Both stages were completed and handed over to the investor at the end of the year.

In total, our company realised revenues of € 1,006.63 thousand for the year 2021 in the area of investment realisation for other investors. This meant that the revenue plan for the year was met by 201%.

In 2021, we also carried out the connection of water and sewerage connections to the public water supply and public sewerage system for Stredoslovenská vodárenská spoločnosť, a.s. under a special contract, with revenues from this activity amounting to € 127.1 thousand in 2021.



## drainage and sewage treatment

A total of 402,695 inhabitants are connected to the sewerage network with a total length of 1,114.40 km. There was a difference in the amount of water treated, with a year-on-year decrease of 1,609 thousand m<sup>3</sup> compared to 2020, which represents a decrease of 2.89 %.



### MAIN INDICATORS OF THE DRAINAGE AND TREATMENT OF WASTE WATER

**389,446**

residents  
connected  
to WWTP

**1,114.4**

length of  
sewer system  
in km

**73**

pumping  
stations

**37,369**

number  
of sewer  
connections

**270.6**

length of sewer  
connections  
in km

**402,695**

residents  
connected to the  
sewer network

**42**

waste water  
treatment  
plants

**22,407**

invoiced  
waste water  
in thousand  
m<sup>3</sup>/year

**54,167**

treated  
waste water  
in thousand  
m<sup>3</sup>/year

## survey and measurement of sewer network

In the area of sewer network survey and measurement of connected producers, the already established technology of smoke testing of sewer networks continued to be used successfully. This technology can be used to detect faults in sewer pipes and sewer network objects, unauthorised property connections as well as unauthorised storm water connections to the separated sewerage system. In 2021, flow measurements were carried out at untreated outfalls of public sewers, as well as control measurements and TV surveys of the technical condition of public sewers. In 2021, both IPEK and Rausch TV camera systems were used to survey the technical condition of sewer lines at both operational and new handover sites. The IPEK system, which also allows the measurement of deformations of flexible pipes, has proved its worth on new sewers. At the end of 2021, the QuickView® airHD view camera with laser distance measurement was launched for rapid assessment of the condition of the sewers for repair planning purposes.

## breakdowns in the sewer network

The most frequent cause of breakdowns on the sewerage network in 2021 was also blockages of sewers and pumping stations, especially in the winter and spring months, as a result of the low gradients of the pipe network in flat areas, as well as due to the poor technical condition of some sections of the sewerage network. Other causes of breakdowns are damage to the pipeline system and sewer shafts due to traffic loads, due to the indiscipline of some producers throwing material and objects into the public sewer which do not belong in the sewers, as well as poor quality construction of sewers in the previous period.

In 2021, a total of 613 faults were rectified on gravity sewer networks, of which 385 were blockages and 228 were structural failures. Of the structural failures, 41 were directly on sewers, 73 were on sewer connections and 114 were on sewer structures. There was a total of 49 failures in the pressure sewers, including 47 failures on pumping station facilities and 2 failures in the pressurised pipeline. Compared to the previous year, there was a decrease of 1.6% in the total number of failures.



## quality of drinking and wastewater

### drinking water

The quality of drinking water in our company is controlled by accredited laboratories according to ISO/IEC 17025:2017 and meets the requirements set by the current valid legislation (certificate number S-198). In addition to basic physicochemical, microbiological, biological indicators, the presence of metals, pesticides and organic substances in drinking water is monitored according to Slovak technical standards. The health safety of drinking water is ensured not only by quality control but also by a system of water source control, protection of water supply facilities and regular disinfection. In 2021, 3,804 samples were taken for monitoring microbiological indicators and 3,780 samples for monitoring physicochemical indicators in the laboratories of the ORK (Quality Management Department). A total of 115,040 analyses were carried out at client outflows from water reservoirs and water treatment plants. At the same time, 2,257 samples were taken from sources and 72,279 analyses were carried out.

### wastewater

The implementation of the programme for monitoring the quality of wastewater discharge and treatment in sewers and treatment plants managed by StVPS a.s. is ensured by accredited wastewater laboratories in Zvolen, Banská Bystrica and Lučenec according to the ISO/IEC 17025:2017 standard (certificate number S-198). In 2021, 8,829 samples were taken at the individual stages of the WWTP, WTPs and at untreated outflows. 55,263 analyses were performed. At the same time, 1,224 samples from plants connected to the sewer system managed by StVPS, a.s. were tested in our laboratories, which represented 4,738 analyses.



# 7 customers

We promote transparency and ethical rules as a condition for building long-term quality relationships with customers, based on trust and integrity. We are constantly developing and improving customer service and providing modern and convenient forms of communication.

## structure of the customers

|                 | THE NUMBER OF CUSTOMERS | Of which are households: |                                               |        |
|-----------------|-------------------------|--------------------------|-----------------------------------------------|--------|
|                 |                         | individual customers     | high-rise flats and housing association flats | Others |
| January         | 117,202                 | 106,786                  | 2,207                                         | 8,209  |
| February        | 117,211                 | 106,788                  | 2,207                                         | 8,216  |
| March           | 117,222                 | 106,796                  | 2,207                                         | 8,219  |
| April           | 117,258                 | 106,831                  | 2,207                                         | 8,220  |
| May             | 117,381                 | 106,944                  | 2,205                                         | 8,232  |
| June            | 117,452                 | 107,008                  | 2,205                                         | 8,239  |
| July            | 117,555                 | 107,095                  | 2,207                                         | 8,253  |
| August          | 117,653                 | 107,185                  | 2,207                                         | 8,261  |
| September       | 117,773                 | 107,303                  | 2,205                                         | 8,265  |
| October         | 117,876                 | 107,406                  | 2,206                                         | 8,264  |
| November        | 117,962                 | 107,485                  | 2,205                                         | 8,272  |
| December        | 118,068                 | 107,622                  | 2,204                                         | 8,242  |
| AVERAGE         | 117,551                 | 107,104                  | 2,206                                         | 8,241  |
| SUM OF AVERAGES | 117,551                 | 91.11 %                  | 1.88 %                                        | 7.01 % |



## news in customer service

In 2021, we continued with our projects aimed at the electronification of services and the use of SMS possibilities. The prerequisite for sending SMS was a phone number verification campaign in which 70,094 mobile phone numbers were verified, of which almost 90 % remained after verification for communication purposes.

### free SMS reminder

The first automated SMS option was the use of a free 'SMS reminder' for an outstanding invoice. SMS reminders are set to be sent daily except weekends and a total of 23,245 SMS reminders were sent for unpaid invoices in 2021. At the same time, this reduced the number of written first reminders sent by 25% and second reminders by 15%.

### chatbot

In order to increase awareness and improve the convenience of the services provided, a Chatbot communication robot was added to our website in the previous year. The Viola online assistant knows the answer to client questions and can handle them instantly. In 2021, additional areas of questions from the areas of most interest for clients were processed. We have also extended the Chatbot with the possibility to enter a request for a change of payment method, a change of advances and a request to close a payment plan. The Chatbot, along with voice texting, is one of the technological innovations that we are using to take client communication to the next level at the company.



### water meter reading via interactive SMS

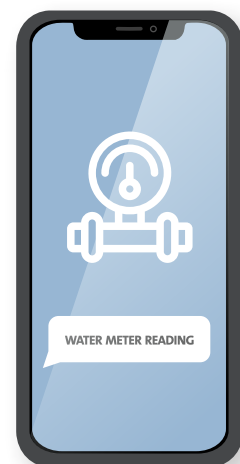
From December 2021, in line with our commitment to client service innovation, we are offering clients the opportunity to report their water meter status via interactive SMS (i-SMS for short), following a prior request on our website and registration with the water supplier.

The SMS, which will be sent to the client on the regular meter reading cycle and contains a web link that will redirect the client to the interactive website in order to take and send a photo of the water meter and the status of the water meter to the water supplier (StVPS, a.s.).

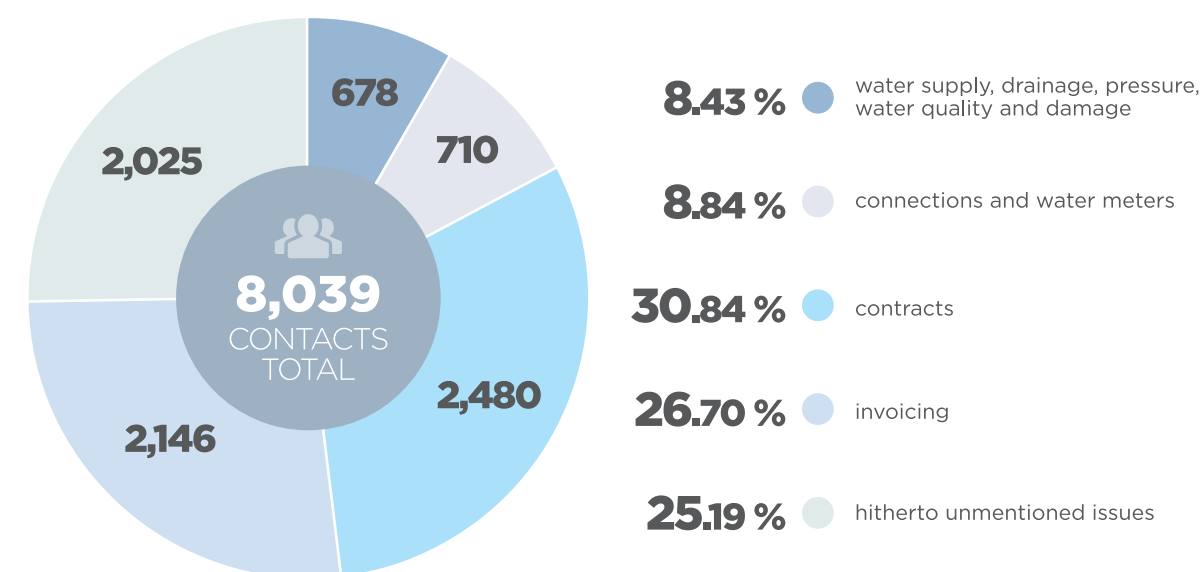
Since the end of the year, the interactive SMS has been used after leaving a reading ticket at an inaccessible tapping point. The client can also request this option for taking readings via the Chatbot. In this case, the meter reader will not take the readings, but the client will receive a voice SMS and take the readings themselves.

To use this option, the client needs an internet connection on their mobile and activated data transfer on their mobile. To send the photo and the status of the water meter, the application uses data transmission over the internet, therefore sending the self-detection is not charged separately.

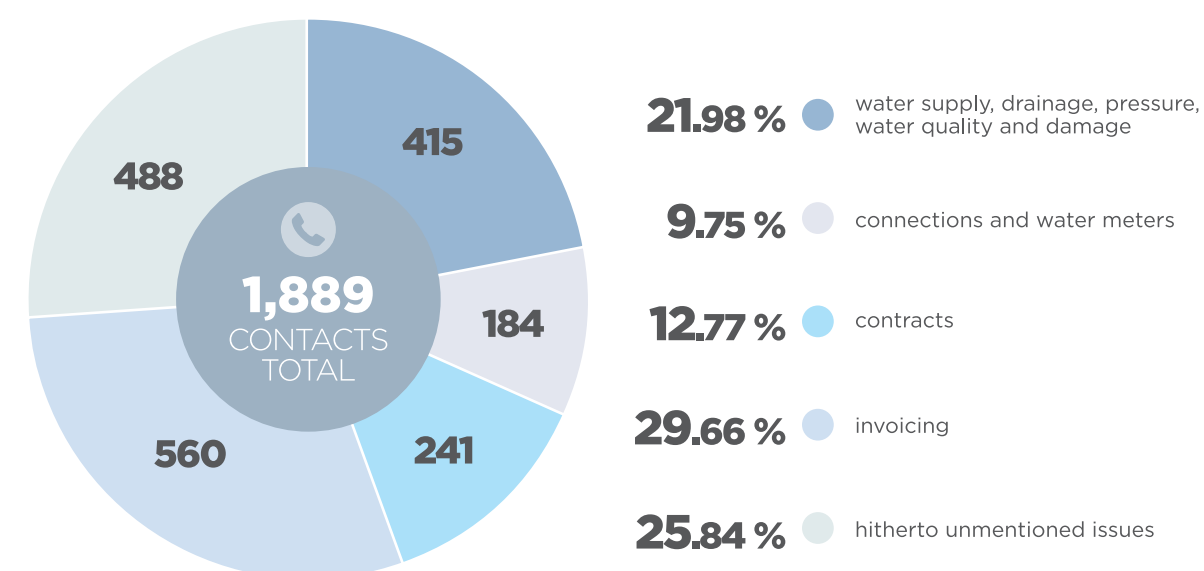
The SMS self-read is intended for all clients, but we recommend it especially for clients who have a water meter located in a closed area or on their property where there is no free access for reading the water meter.



DATA ABOUT AVERAGE MONTHLY CONTACTS IN THE MATTER OF:



AVERAGE NUMBER OF CALLS CARRIED OUT PER MONTH IN THE CALL CENTRE:





# company website

The StVPS, a. s. website (www.stvps.sk) is one of the main information channels of the company. In 2021, it was visited by approximately 4,000 people on average per month. The website is optimised for all kinds of devices (mobile phones, laptops, tablets) so that clients can find the information they need anytime and anywhere.

In online mode, clients can find all the important data on water supply interruptions. In the „Breakdowns and restrictions“ section, they can find information on the location of the breakdown, the impact on the supply, the delivery of a replacement water source and the expected date of completion of the repair.

Another frequently searched topic is the quality of the water supply. The individual main indicators of the quality of supplied drinking water are listed by individual districts on the website in the section ‘Customers’.

## MOST VISITED WEBPAGES

|                                    |         |
|------------------------------------|---------|
| 1. <b>breakdowns/ restrictions</b> | 20.38 % |
| 2. <b>home page</b>                | 19.85 % |
| 3. <b>contact</b>                  | 19.44 % |
| 4. <b>download</b>                 | 10.45 % |
| 5. <b>price of water</b>           | 9.17 %  |
| 6. <b>contacts-plants</b>          | 2.62 %  |
| 7. <b>our services</b>             | 2.27 %  |
| 8. <b>invoicing</b>                | 2.26 %  |
| 9. <b>invoice by email</b>         | 1.62 %  |
| 10. <b>sending SMS messages</b>    | 1.53 %  |

## VISITOR DEVICES

MOBILE  
**61.5 %**

DESKTOP / NOTEBOOK  
**37.3 %**

TABLET  
**1.2 %**



## CUSTOMER STRUCTURE AND SHARE OF INVOICING

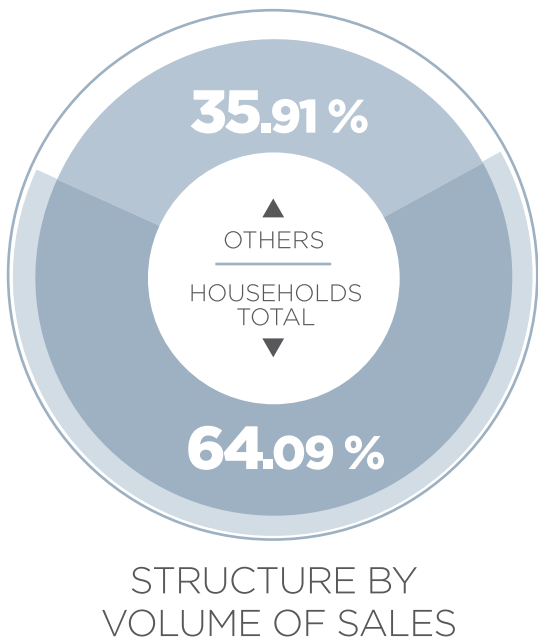
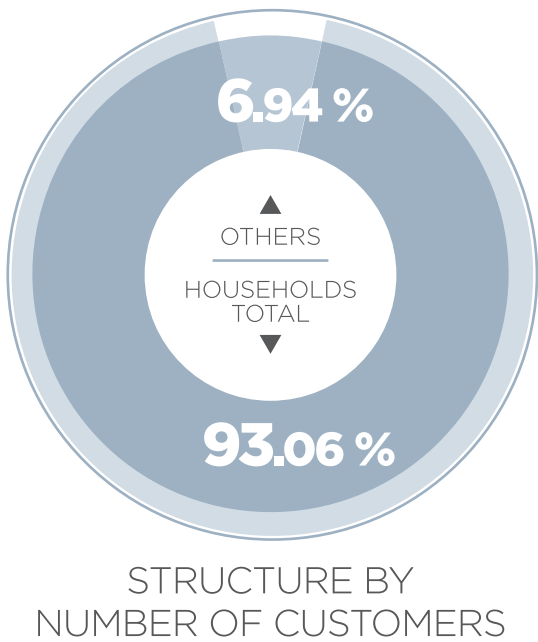
|                               | NO. OF CUSTOMERS   |                 | SHARE OF VOLUME OF SALES |                 |
|-------------------------------|--------------------|-----------------|--------------------------|-----------------|
|                               | as of 31. 12. 2021 | %               | Invoiced (€)             | %               |
| <b>TOTAL HOUSEHOLDS</b>       | <b>110,643</b>     | <b>93.06 %</b>  | <b>36,635,666</b>        | <b>64.09 %</b>  |
| of which INDIVIDUAL CUSTOMERS | 108,439            | 91.21 %         |                          |                 |
| of which HOUSING ASSOCIATIONS | 2,204              | 1.85 %          |                          |                 |
| <b>OTHERS</b>                 | <b>8,250</b>       | <b>6.94 %</b>   | <b>20,523,378</b>        | <b>35.91 %</b>  |
| <b>TOTAL NO. OF CUSTOMERS</b> | <b>118,893</b>     | <b>100.00 %</b> | <b>57,159,044</b>        | <b>100.00 %</b> |

  
**8,039**  
average number of all  
customer contacts  
per month

  
**2,140**  
average number of  
customer visits  
per month

  
**1,889**  
average number of  
customer calls to the  
call center per month

  
**123,400**  
average number of  
invoiced water meters  
per month





# 10 largest customers in 2021

•1

Housing Association, Banská Bystrica

•2

Housing owners according to the delivery point rep. by Housing Association in Zvolen

•3

District Housing Association, Prievidza

•4

District Housing Association, Rimavská Sobota

•5

Housing Association, Lučenec

•6

Housing Association, Brezno

•7

Housing Association, Žiar nad Hronom

•8

BYTOS -Housing Authority Prievidza, s.r.o.

•9

SPOOL, a.s.

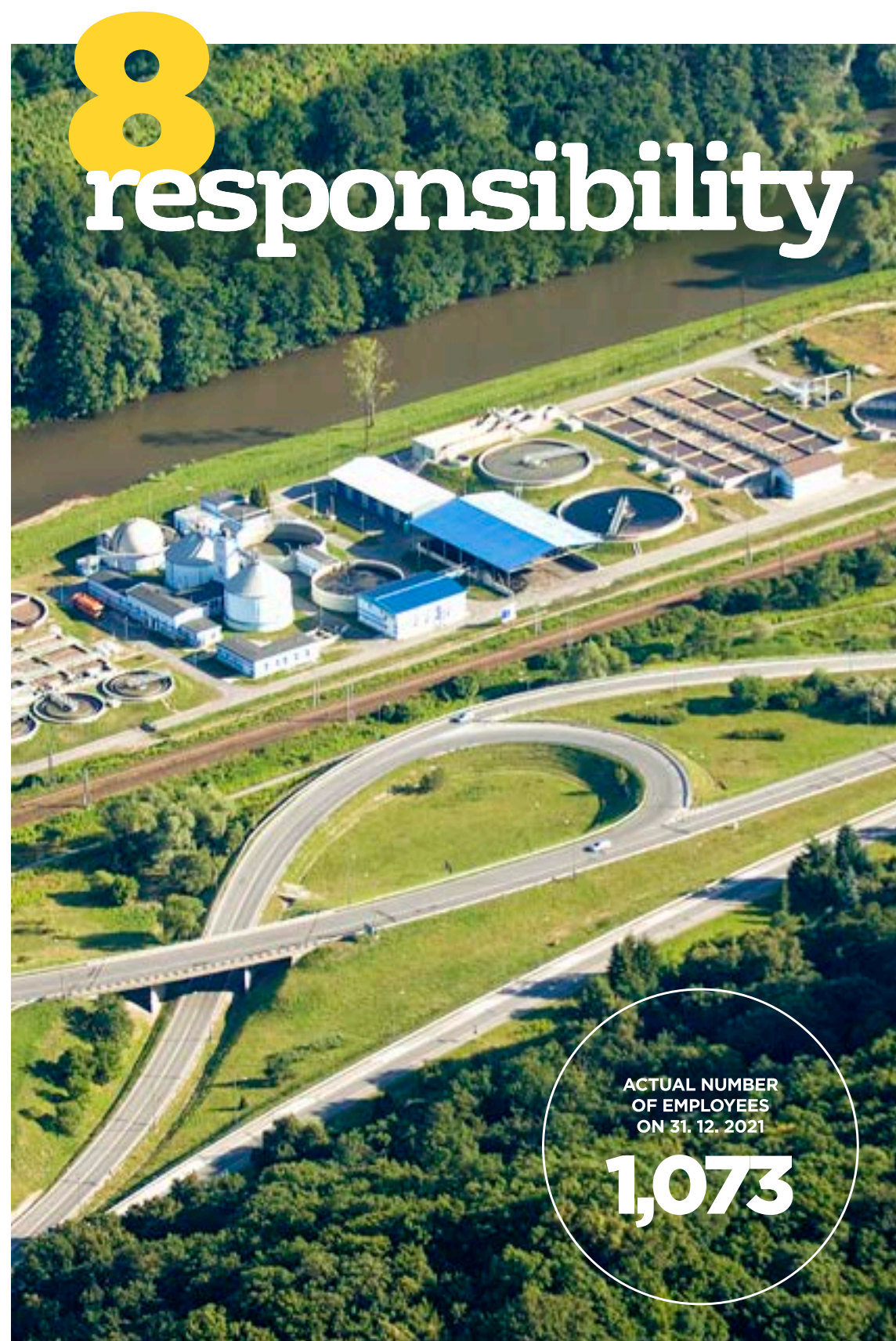
•10

F. D. Roosevelt University Hospital, Banská Bystrica

Invoicing for Water and Sewerage (EUR incl. VAT) &gt; 10 largest customers of StVPS, a.s., in 2021

| Name                                                                  | Identifica-<br>tion No. | 1/2021    | 2/2021    | 3/2021     | 4/2021    | Period    |            |           |           |            |           |           |            | Total        |                     |
|-----------------------------------------------------------------------|-------------------------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|------------|--------------|---------------------|
|                                                                       |                         |           |           |            |           | 5/2021    | 6/2021     | 7/2021    | 8/2021    | 9/2021     | 10/2021   | 11/2021   | 12/2021    | 1 – 6        | 1 – 12              |
| 1 Housing Association, Banská Bystrica                                | 00170071                | 901.54    | 408.24    | 505 406.19 | 15 415.11 | 0.00      | 676 117.11 | 14 300.13 | 0.00      | 547 488.77 | 2 077.64  | 2 971.19  | 512 979.48 | 1 198 248.19 | <b>2 278 065.40</b> |
| 2 Housing owners according to the delivery point rep. by HA in Zvolen | 00222054                | 9 156.13  | 8 231.00  | 361 497.81 | 9 023.64  | 7 392.46  | 478 806.87 | 8 999.69  | 7 708.10  | 408 363.55 | 6 764.22  | 19 704.46 | 375 784.34 | 874 107.91   | <b>1 701 432.27</b> |
| 3 District Housing Association, Prievidza                             | 00173801                | 0.00      | 99.23     | 320 840.62 | 0.00      | 0.00      | 403 901.51 | 0.00      | 1 633.48  | 344 029.76 | 14 953.26 | 0.00      | 334 432.17 | 724 841.36   | <b>1 419 890.03</b> |
| 4 District Housing Association, Rimavská Sobota                       | 00173916                | 0.00      | 0.00      | 216 629.10 | 0.00      | 0.00      | 335 899.04 | 0.00      | 0.00      | 271 014.55 | 0.00      | 0.00      | 244 195.13 | 552 528.14   | <b>1 067 737.82</b> |
| 5 Housing Association, Lučenec                                        | 00171816                | 2 880.96  | 2 773.22  | 188 959.75 | 8 428.86  | 3 748.02  | 247 753.26 | 2 566.80  | 3 242.65  | 216 746.84 | 3 036.55  | 3 674.80  | 204 212.50 | 454 544.07   | <b>888 024.21</b>   |
| 6 Housing Association, Brezno                                         | 00170143                | 269.40    | 0.00      | 158 617.95 | 0.00      | 0.00      | 233 294.25 | 1 247.46  | 0.00      | 195 350.02 | 4 278.52  | 0.00      | 186 223.55 | 392 181.60   | <b>779 281.15</b>   |
| 7 Housing Association, Žiar nad Hronom                                | 00176192                | 0.00      | 0.00      | 161 598.08 | 0.00      | 0.00      | 227 474.34 | 0.00      | 0.00      | 195 512.80 | 0.00      | 2.84      | 180 784.58 | 389 072.42   | <b>765 372.64</b>   |
| 8 BYTOS - Housing Authority Prievidza, s. r. o.                       | 36313009                | 0.00      | 0.00      | 155 098.25 | -53.85    | 0.00      | 196 253.78 | 276.52    | 0.00      | 171 389.01 | 515.05    | 606.64    | 159 875.05 | 351 298.18   | <b>683 960.45</b>   |
| 9 SPOOL, a.s.                                                         | 31586392                | 51 597.45 | 54 323.22 | 57 657.79  | 54 003.75 | 51 002.88 | 59 858.81  | 50 471.97 | 51 413.06 | 56 515.98  | 48 437.01 | 48 970.48 | 49 677.39  | 328 443.90   | <b>633 929.79</b>   |
| 10 F. D. Roosevelt University Hospital, Banská Bystrica               | 00165549                | 51 544.41 | 49 983.25 | 57 194.54  | 38 274.76 | 60 219.20 | 51 712.01  | 50 868.94 | 55 870.19 | 49 555.99  | 50 108.52 | 54 141.39 | 48 772.79  | 308 928.17   | <b>618 245.99</b>   |





## employees

The year 2021 was a challenging year from the point of view of human resources in Stredoslovenská vodárenská prevádzková spoločnosť, a.s. for maintaining stable employment due to the health crisis associated with the Covid-19 pandemic. However, during this period, thanks to the established Home Office way of working and the rotation of employees in the plants and departments, it was possible to ensure the health and safety protection of em-

ployees. At the same time, we have managed to maintain employment in 2021 and have not been forced to reduce staff as an employer.

During 2021, there was only a slight decrease in the number of employees and we employed 1,073 employees as of 31 December 2021. This development in the number of employees is the result of the rationalisation and streamlining of business processes.

## social dialogue

In cooperation with our social partner, as in previous years, we managed to find a social settlement in collective bargaining, which resulted in the conclusion of a collective agreement for 2021. The main points discussed in the social dialogue were wage valorisation and the increase in employee benefit accounts. Annex 1 - Rules for drawing on the social fund is also part of the collective agree-

ment. The social fund is one of the basic sources of the social policy applied in the company. The formation of the social fund is set at the maximum statutory value of 1.5% of gross wages and it is thanks to this social fund formation that the company demonstrates social responsibility towards its employees. In 2021, the social fund amounted to just under € 176,000.

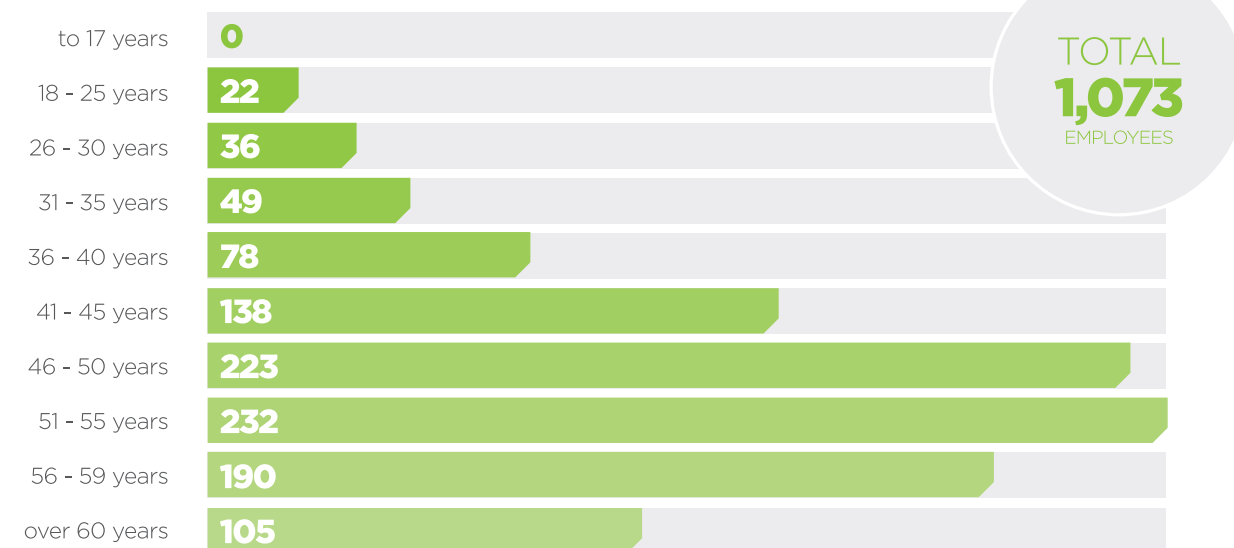
## SOCIAL FUND FOR 2021

a detailed overview of the creation and methods of drawing on the Social Fund

| Budget of the StVPS a.s. Social Fund             | Plan for 2021     | Drawdown in € as of 31. 12. 2021 |
|--------------------------------------------------|-------------------|----------------------------------|
| Initial state as of 1. 1. 2021                   | 164,707.38        | 164,707.38                       |
| Social fund creation (1.5%)                      | 172,926.71        | 175,571.87                       |
| Allocation from the Company's Profit             | 0.00              | 2,526.08                         |
| <b>Creation in total</b>                         | <b>337,634.09</b> | <b>342,805.33</b>                |
| One-off non-refundable aid                       | 1,660.00          | 498.00                           |
| Contribution for catering                        | 80,947.50         | 73,927.95                        |
| Contribution for blood donors                    | 501.00            | 350.00                           |
| Contribution for plasma donors                   | 501.00            | 0.00                             |
| Programme Benefit Plus                           | 90,000.00         | 133,540.02                       |
| <b>Total expenses</b>                            | <b>173,609.50</b> | <b>208,315.97</b>                |
| <b>Reserve/presumed balance as of 31.12.2021</b> | <b>164,024.59</b> | <b>134,489.36</b>                |



## AGE STRUCTURE OF EMPLOYEES:



## our compliance with the rules

Compliance is a general term that means 'compliance with the rules'. In the field of business, we use this word to refer to a set of individual activities and measures aimed at ensuring that the company, its employees and management act in a manner that is in compliance with the law, internal company directives, policies and principles which are enshrined in the company's code of ethics and key procedures.

At Stredoslovenská vodárenská prevádzková spoločnosť, a. s. (StVPS, a.s.), we continuously assess, evaluate, monitor and audit compliance with our ethics and compliance programme (ISO 37 001) and related policies and procedures. We present our findings to the Company's senior management.

In connection with the compliance policy in place in our company, compliance ambassadors have been appointed from among our employees who, together with the compliance manager, will be responsible for building a culture based on compliance with ethical principles and rules within the respective companies. With effect from 23 June 2021, StVPS, a.s. has been awarded the ISO 37001 anti-corruption management system certificate. We have confirmed our long-term interest and commitment to actively fight corruption, to prevent and minimise corruption risks and to be prepared to deal with possible incidents. We believe that the implementation and certification of an anti-corruption management system according to ISO 37001 will bring benefits such as:

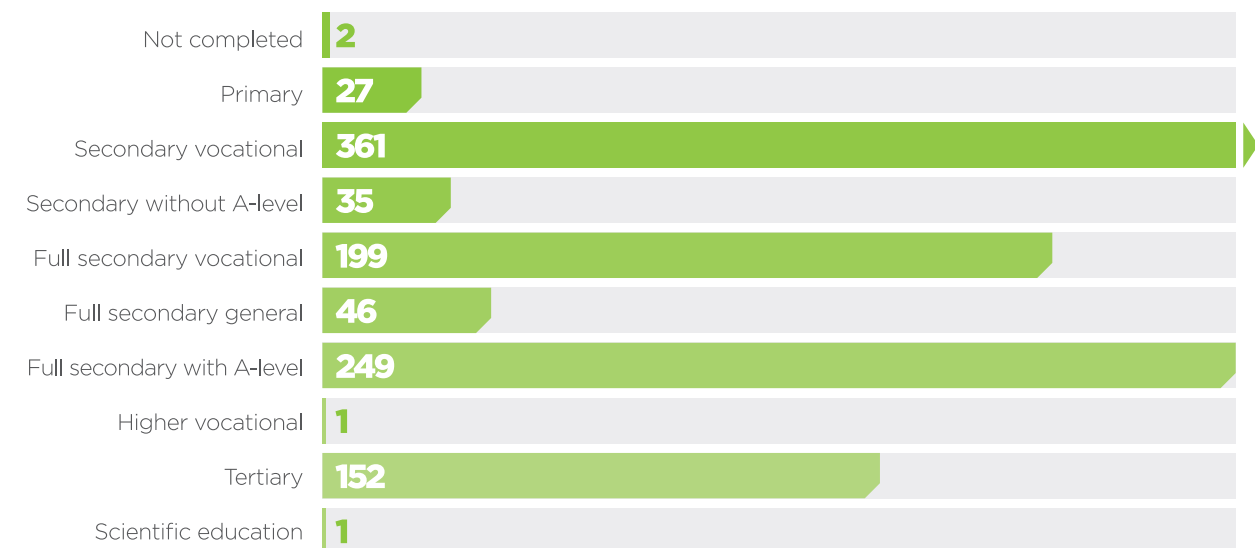
- ▶ systematic assessment of corruption risks and their subsequent elimination
- ▶ financial savings
- ▶ enhancing the external reputation of the company

Compliance protects the company from potential risks and at the same time mitigates the negative impact on the company's operations. Risks mainly arise from the following areas:

**Human rights and environmental protection,  
Anti-corruption measures,  
Protection of personal data,  
Anti-competitive practices.**



## EDUCATIONAL STRUCTURE OF EMPLOYEES:



## staff training

As part of human resources development, we pay great attention to the professional and personal growth of our employees, which we provide through corporate training.

Each job position requires a specific approach in the selection of training activities in order to improve and deepen the knowledge of our employees. We are aware that if we want to achieve our goals,

we must invest in improving our employees' qualifications and their potential, because only a highly professional and motivated employee can bring the company success in the future. In addition to job-specific training, we also strive to develop the language skills of our employees, which is why we provide them with English language training, either in groups or through individual courses.

## STRUCTURE OF EMPLOYEES (by category)

**669** WORKERS      **324** ADMINISTRATION      **80** MANAGEMENT

## DEVELOPMENT OF THE NUMBER OF EMPLOYEES in last 5 years

... 2017 ..... 2018 ..... 2019 ..... 2020 ..... 2021

**1,092**      **1,087**      **1,083**      **1,077**      **1,073**



# health & safety at work



Along with training, the occupational safety of our employees is a strategic pillar of our company policy. In addition to the basic rules of the Labour Code, ISO standards, we also comply with our own internal codes. Employees are provided with regular training and first aid courses. We organise a special Health and Safety at Work week.

In 2021, many work activities were affected by the pandemic situation, which brought with it various restrictions in the work schedule of employees. In terms of occupational safety, this was most often felt in the reduction of staffing levels at workplaces and in all educational activities. Greater organisational rigour was required from management staff, managing all work with a view to eliminating the possibility of the spread of COVID.

The general indicator of the level of occupational safety, occupational accidents, increased slightly to a total of 8 registered occupational accidents in 2021. Absenteeism due to work-related injuries accounted for 467 days. As the most common cause of injury in 2021, up to 87.5% was employee falls.

To improve the approach to employee health and safety, the quality of protective equipment supplied was reviewed and a new and single supplier of protective equipment was selected based on the required criteria across the required range of PPE.

Despite the aforementioned unfavourable pandemic situation in 2021, enormous emphasis was placed in our company on the educational activities provided at the level of senior employees. The improvement of this process was the basis of the overall concept of the Health and Safety at Work policy at StVPS, a.s., which was closely followed by the provision of quality and appropriate safe working practices. We also implemented the addition and expansion of appropriate work equipment and safety devices. We will continue to work in this area, particularly in the area of safety systems for work in excavations, confined spaces and work at heights.

The occupational health and safety management system in place is instrumental in providing clarity and accountability in the performance of occupational safety tasks. Based on the inspection activities of the audit groups, the quality of the management system and the implementation of occupational safety measures in our company has been confirmed.

Fire protection as part of occupational health and safety is already provided to a high standard and no adverse incidents were recorded in this area in 2021.

In 2021, seven inspections, with excellent results, were carried out at Stredoslovenská vodárenská prevádzková spoločnosť, a. s. by state authorities and contractors, focusing on occupational safety, fire protection and public health.



# 9 ISO

An integrated management system is a very convenient way to create a management system that takes into account not only the quality of service, but also the approach to the environment, occupational health and safety and energy management. In addition, a systems approach guarantees orientation in the legislative requirements and their fulfilment, reduces the administrative burden and saves financial resources.

In 2021, our company successfully passed the supervisory audit of the STN ISO 9001:2016 quality management system and the recertification audit of the STN ISO 14001:2016 environmental management system, the STN ISO 45001:2019 occupational health and safety management system and the STN ISO 50001:2020 energy management system. The audit verified selected articles of the ISO standards and again stated the compliance of our system with their requirements. The audit was carried out at the Lučenec, Velký Krtíš and Rimavská Sobota plants and facilities.

In June 2021, we obtained the STN ISO 37001:2019 - anti-corruption management system certificate. Our company has thus confirmed its long-term interest and commitment to actively fight

corruption, prevent and minimise corruption risks and be prepared to deal with possible incidents.

Management systems are now an integral part of our company's management and are used in all production processes and activities. These systems have become an essential progressive element in our relationship with our clients and also the basis for continuous improvement.

By purchasing and using PEFC-certified paper, the company demonstrates its commitment to supporting socially responsible business. Our company has made this commitment by signing the „Memorandum of Support for Sustainable Forest Management“ and declares it through its environmental policy. We use the PEFC Slovakia logo on our printed materials.





A large background image featuring a blue gradient with several water droplets on a surface. A bee is flying in the upper right corner. The text is overlaid on the left side.

# 10 environmental responsibility

and the promotion  
of biodiversity

The activities of Stredoslovenská vodárenská prevádzková spoločnosť, a. s. are closely linked to the sustainable use of natural resources. Conservation of resources in times of fundamental climate change is becoming more and more of a challenge. It is therefore a clear and necessary strategy of our company to sustain all our activities with the contribution of new technologies and innovations. We place emphasis on a way of doing business that minimises the impact on biodiversity, while at the same time striving to promote it in the countryside through our various activities.



## environmental protection

In accordance with legal regulations in the field of environmental protection, we have fulfilled the reporting obligation to ensure financial coverage of liability for environmental damage, including the expected costs of remedial action and corrective measures to eliminate any environmental damage that may be caused by the operator's work.

In accordance with legal regulations in the field of air protection, our company fulfils the report-

ing and fee obligation. We operate 36 medium stationary sources of air pollution and 49 small stationary sources of air pollution, of which:

- 28 small and 16 medium sources of energy air pollution (combustion equipment-boiler rooms),
- 21 small and 20 medium sources of technological / fugitive air pollution (WWTP sludge fields).



## biodiversity support

The diversity of animals, plants and ecosystems has long been suppressed by human activity. At StVPS, a.s. we implement several projects with an emphasis on the protection and promotion of biodiversity in the countryside.

We consider natural diversity and environmental protection on our premises to be a commitment. We cooperate with the Ekopolis Foundation to increase the diversity of species not only on our premises. We focus primarily on monitoring and evaluating the impact of our activities on local ecosystems and implementing measures to conserve biodiversity and promote ecosystem services.

There are currently 3 premises involved in our biodiversity conservation project. In the premises, we are generally modifying the grassland maintenance system, removing obstacles and dangerous elements for animals, building water areas, ecosystems for different species, installing bird houses, bat shelters, supporting bee keeping, etc. Our aim is to create 'biodiversity oases' in the urban environment with simple practices, which are close to valuable natural habitats with a high biodiversity of species.

In the Rakytovce wastewater treatment plant area, we have implemented the following measures in 2021:

- Creation of 3 flowering beds from seeds of native plant species: creation of 3 different types of beds in the meadow with pond and trees, care of the areas (watering, clearing of unwanted plant species),

- Post-planting care: mowing of vegetation in the meadow with the pond together with laying mulch (mown vegetation) around the planted trees; mowing of vegetation on the slope behind the screw pumping station and grease and sand trap.
- Monitoring of plant species in the meadow with pond, monitoring of plant species in the meadow with planted trees and pond - resulting in a list of herbaceous species that can be used as a reference in the future to monitor the development of the meadow community.
- Water retention measures - rainwater pond: mechanical cleaning of algae, replenishment of natural algae repellent, replenishment of plant geotextile and monitoring of bird species: monitoring of bird species with an ornithologist from BirdLife Slovakia.
- Support of bird species - cleaning and monitoring of birdhouses placed in the area, modification of the surroundings of the birdhouses by trimming branches. White stork nested in the area in 2021.

Bees are kept in three water reservoir premises, thanks to which a variety of flowers thrive in the landscape. In total, around 50 bee colonies give us honey, and we are building more hives every year.

We train our employees in biodiversity and also spread awareness to the public through our communication campaigns. The site is also a destination for excursions for primary and secondary schools in the region.



# 11 waste management



In 2021, as part of the reduction of waste production, our company produced 13,361 tons of sludge, which is considered a by-product and not waste according to the valid decision of the District Offices in Banská Bystrica and Trenčín.

**830,617 €**  
**TOTAL COSTS OF DISPOSAL OF WASTE AND SLUDGE**  
 including transport costs incurred in 2021

## TOTAL PRODUCTION OF WASTE IN 2021

**35,710 t** OF WHICH: **35,704.4 t** OTHER WASTE **5.6 t** HAZARDOUS WASTE

In connection with the environmental policy of our company, we ensured the recovery of waste, which was disposed of in landfills in the previous period, the saved funds were reused to improve the environment in the field of waste management.

Other activities in the area of waste management were focused mainly on the thorough separation of waste and the improvement of the possibilities of its collection in our operations.

## ENERGY RECOVERY OF SLUDGE

The company's priority is the energy recovery of sludge, which arises in connection with wastewater treatment. The aim of this activity was, in addition to the economic effect, also to reduce the

burden on the environment caused by the extraction of fossil fuels and natural gas and to reduce the production of waste - sludge from the treatment of municipal wastewater.

### TOTAL SLUDGE DISPOSAL:

**25,606 t** OF WHICH: ▼

**10,605 t**  
 Sludge from waste water treatment

**13,361 t**  
 Sludge from the treatment of waste water, which, according to the Waste Act, is considered a by-product and is not waste

**1,640 t**  
 Sludge from water clarification

WITHIN THE FRAMEWORK OF THE TECHNOLOGICAL PROCESSING OF BIODEGRADABLE WASTE IN THE WASTE MANAGEMENT SYSTEM, WE SUCCEEDED IN GAINING THE FOLLOWING:

**1,614 MWh**  
**ELECTRICAL ENERGY**

**2,072,916 m³**  
**BIOGAS**

**9,435 GJ**  
**HEAT ENERGY**

## ANOTHER 10 TYPES OF WASTE FROM PRODUCTION:

**4,962 t**  
 SOIL AND AGGREGATES

**2,872 t**  
 EXCAVATED SOIL

**1,568 t**  
 WASTE FROM SAND TRAPS

**55 t**  
 MIXTURES OF CONCRETE AND TILES

**239 t**  
 WASTE FROM SEWER CLEANING

**922 t**  
 BITUMINOUS MIXTURES

**316 t**  
 RAKINGS FROM BAR SCREENS

**134 t**  
 MIXED WASTE FROM CONSTRUCTION WORKS

**8 t**  
 BIODEGRADABLE WASTE

**6 t**  
 MIXTURES OF FATS AND OILS





# 12 innovation

Investments in modernising technology so that we can continue to provide services of the highest quality in the future and to the satisfaction of our clients are now a necessity. In addition to increasing the efficiency of our services, they are also essential for protecting the environment and ensuring the safety of the water supply network.

## water preparation

In 2021, the following measures and innovations were implemented in drinking water technologies and water treatment plants (WTP):

- ▶ After the completion of the trial operation, the construction 'Budiná, water reservoir - addition of water treatment technology' was put into permanent operation, the aim of which was to reduce the secondary iron content in the supplied drinking water.
- ▶ After the test operation was completed, the construction 'WTP Jasenie, addition of technology' was put into permanent operation with the aim of removing arsenic from the water supplied to the group water supply system Jasenie - Predajná - Nemecká.
- ▶ As part of the planned renovations of the large WTPs, the 'Innovation and modernisation of the Klenovec water treatment plant' and the 'Innovation and modernisation of the Málinec water treatment plant' continued to be implemented in 2021. In 2021, some parts of these works were put into early use at the Klenovec WTP, e.g. the ceramic membrane filtration, GAU filters and related facilities at the Klenovec WWTP and the reconstructed lamella sedimentation tanks No 3 and No 4 at the Málinec WTP.
- ▶ Completion of the construction 'Čierny Balog, WTP - addition of technology', which deals with the addition of an ultrafiltration stage to the technology of the existing WTP to improve the quality of the supplied drinking water in microbiological and biological indicators also during periods of turbidity in the Čierny potok surface water source.
- ▶ After the completion of the trial operation, the construction of the 'Kremnica WTP, sludge tailrace' was put into permanent operation with the aim of ensuring the required quality of the waste water discharged from the WWTP into the stream.
- ▶ In connection with the state of emergency, the Vodohospodárska výstavba š.p. Bratislava, as a co-ownership company, carried out the reconstruction of the roof above the filtration hall at the Turček WTP.
- ▶ The cooperation between StVPS, a.s. and Comenius University in Bratislava continued on the research project of magnesium enrichment of drinking water using a fluidised bed reactor. The project, carried out in cooperation between Comenius University, STU Bratislava and the Regional Health Authority, examines new possibilities of water hardening, which, in addition to the positive health effect, also allows the reduction of the aggressiveness of the supplied drinking water on the pipes of public water supply systems and thus reduces the corrosion damage to the pipes and extends their service life.
- ▶ The defectiveness of samples of drinking water taken from reservoirs and the distribution network in 2021 was 1.74% for microbiological indicators and 3.54% for physico-chemical indicators, which represents a decrease in defectiveness compared with the previous year. The defectiveness of drinking water samples in the consumer free chlorine indicator was 0.75%.



## sewage treatment plants

In 2021, the following measures and innovations were implemented in the waste water treatment technology and wastewater treatment plants (WWTP):

- Completion of construction works
  - WWTP Handlová - solution of sludge terminal
  - WWTP R. Sobota - storage of dewatered sludge
  - WWTP Brezno - reconstruction of fine rake
- Construction of WWTPs in agglomerations co-financed from EU funds has been completed:
  - Oslany, Čereňany agglomeration - sewerage and WWTP
  - Nitrianske Pravno agglomeration - sewerage and WWTP
  - Tornaľa agglomeration - sewerage and WWTP
  - Podbrezová agglomeration - sewerage
  - The Valaská WWTP was put into trial operation after complete reconstruction and extension.
- The implementation of the construction of Agglomeration Hriňová - sewage collection station has started.
- Construction works were carried out for the purpose of reconstruction, modernisation or addition of technologies:
  - Prievidza WWTP - KGJ and residual gas burner,
  - Kremnica - sewerage and WWTP stage I,
  - Dudince WWTP - reconstruction.
- At the Banská Bystrica WWTP, the overlapping of the screw pumps in the inlet pumping station was carried out.
- Among the more important repairs we can mention:
  - WWTP Veľký Krtíš - repair of the sand trap,
  - R. Sobota WWTP - repair of facades on the sludge management buildings and repair of the chimney at boiler house No.2,
  - Filákov WWTP - repair of the leaking roof on the sludge farm.

## pumping stations and reservoirs

The following measures and innovations were implemented in 2021 in the pumping stations (PS) and reservoirs (VDJ):

- Repair of the water disinfection technology in the facilities of VDJ Radvaň I Banská Bystrica and Tajov.
- Repair of construction parts of the VDJ in Ľubietová (Podlipa), Horné Pršany, Moštenica, Závadka nad Hronom (Pivarčovské), Donovaly (Zvolen), Dolná Strehová, Malinová, Nová Lehota No. 1, Nevidzany, Oslany No. 1 and 2, Veľký Blh, Železná Breznica, Čačín, Budča and Banská Štiavnica (Drieňová).
- Reconstruction and repair of electrical wiring, including the transformer substation in the Hriňová Pumping Station building.
- Repair of electrical wiring in the Vyšná Pokoradz hydroelectric power station, AS RTP in the Chanava hydroelectric power station and LV connection to the Kyjatice hydroelectric power station.
- Reconstruction of AS RTP and technological parts of Hnúšť'a Pumping Station and VDJ.
- Reconstruction and modernisation of AS RTP in the objects of the VDJ in Gemerské Dechtáre, Petrovce, Hostišovce, Veľký Blh and Pumping Station in Petrovce, Hostišovce and Lukovišťa.
- Completion of transmissions to the dispatching from the objects of the VDJ in Banská Štiavnica (Cintorínsky), Dudince (Gastenec), Sklené Teplice, Sebedín and Terany.
- Continuation of preparation for the implementation of the comprehensive reconstruction of the buildings and technological part of the Horná Lehota (Trangoška) water reservoir.

## sewer network

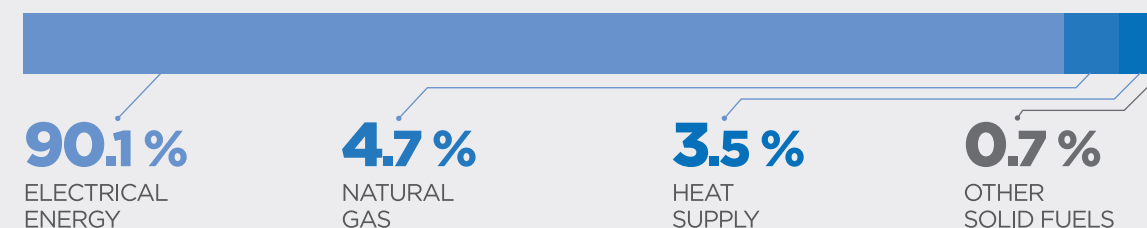
In 2021, in the field of the StVPS, a.s. sewerage network innovations, the implementation of reconstruction of relief chambers, continued; these are carried out in order to harmonise the condition of the buildings with the applicable legislation. The reconstruction includes equipping the facilities with equipment for capturing floating substances from the lightened wastewater

and measuring equipment for monitoring the operation of the relief chambers. These modifications will lead to a reduction in the pollution load of recipients of the lightened waters from the treated waste water. The reconstruction of 4 relief chambers in Žiar nad Hronom was completed and the reconstruction of 2 relief chambers in Hriňová was started.

## power engineering

For the operation of technological, control and safety equipment in the individual plants of StVPS a. s. Banská Bystrica it was necessary to ensure the supply of necessary energy mediums such as electricity, natural gas, heat, propane-butane and solid fuels.

### THE SHARE OF TOTAL ENERGY AND FUEL COSTS



### IMPLEMENTATION OF ENERGY SAVING MEASURES:

- modernisation of the current control room with the addition of energy management
- hydraulic regulation and thermostatisation of heat distribution and central heating
- addition of frequency converters for electric motors
- replacement of obsolete drives with drives with lower power and higher efficiency
- replacement of boiler heating units
- refurbishment of heat production and supply control
- increasing biogas production for electricity generation on CHP units
- replacement of uneconomic lighting fixtures
- reduction of the reserved power for large electricity consumers
- reduction of flat-rate charges for circuit breaker before billing metering

The main energy medium purchased from external suppliers for technological objects is and will remain in the future electricity with a share of about 74%, a much smaller share of about 18% natural gas and purchase of heat at 8% of the total consumption of purchased energy.

StVPS, a.s. operates 638 electricity consumption points and 28 natural gas consumption points, which regularly, in accordance with Decree No. 508/2009 Coll. and related regulations, ensuring health and safety protection at work on technical equipment ensures professional inspections and professional tests of reserved technical equipment, including official tests of Group A HVAC equipment.

For the purpose of cost reduction and energy medium management, the company was provided with both external and internal energy audits, the aim of which was to determine and the technical-economic assessment of the potential for energy savings in client facilities and the proposal of measures for energy-conscious modernisation of buildings and equipment. Based on the results of the energy audit, energy saving projects were included in the investment and repair plans, subject to a number of evaluation criteria in terms of economic, environmental, technical, operational and legislative aspects.

...



Great emphasis is placed on organisational measures, consisting of consistent communication between the staff of the technical departments, the staff operating, repairing and maintaining individual technological equipment and the energy engineer, with the aim of reducing energy consumption in order to ensure technological requirements. Regular verification of contractual terms and conditions for energy supply, selection of appropriate products provided by energy suppliers, especially after major changes in production volume and changes in more energy-intensive technological equipment, where energy consumption and performance ratios may change, leads

to a reduction in the cost of purchased energy. In order to increase the energy intensity of the WWTP operations in 2021, work began on the construction of another CHP unit at the Prievidza WWTP with commissioning in 2022 with an annual production of 870 MWh and a benefit at the simultaneously agreed electricity purchase price with the supplier SSE, a. s. of € 112,000. The operation of CHP units as renewable energy sources located at the Rakytovce WWTP, Zvolen WWTP and Lučenec WWTP produced 1,614 MWh of electricity, which represents a benefit for the company of more than € 197,500.

## information system and APCS

Currently, a total of 410 water supply network objects are connected to the dispatching control, 372 of them are connected to the central dispatching server and 38 are connected to local dispatching centres in Veľký Krtíš and Zvolen. Within the sewerage network, 146 objects are connected to the dispatcher's supervision and 17 direct accesses to WTTs have been established for the purpose of remote monitoring of the operation of the wastewater treatment plant technology.

Approximately 10 water management facilities are connected to the dispatching system each year. Due to the size of the territory in which StVPS, a.s.

provides drinking water distribution, dispatching supervision is provided by 4 dispatching centres with continuous operation.

Out of 146 sewerage objects, 101 are connected to one central server, the other objects are connected to the visualisation of the respective WWTP. The supervision of the sewerage objects is ensured by the respective sewerage operations, which have established access to the central server with the sewerage objects according to the territorial scope and affiliation to the individual WWTPs. All transmissions are carried out over the mobile operators' network via their own APNs.



## information technology

### Self-reporting project via interactive SMS

In 2021, the technical and content framework for the use of an additional SMS self-calculation service for our subscribers was prepared in cooperation with our company's sales department and the provider of these services, also taking into account the current trends in the field of digitalisation, as well as the current pandemic situation caused by the spread of COVID-19. During the year, the content and process framework for the implementation of SMS self-calculations was prepared, configuration work was carried out on the mobile application, data centre and communication interface between the application and the customer information system.

SMS self-calculations are an additional option for clients and one of the tools of our company to ensure the reading of the water meter status in the set reading cycles. In the fourth quarter of 2021, the project entered its pilot production operation, which means that, in accordance with the agreed scheme, interactive SMS are sent to clients, through which the client can perform a self-countdown of their water meter. At the same time, an extension to the Chatbot Viola tool on the stvps.sk website has been prepared in this context, where a process and a form for clients interested in activating the SMS self-calculation has been added.

### Project for electronic invoice liquidation in a new system on the Alfresco platform:

In 2021, in cooperation with the system supplier, a project for the implementation of electronic invoice liquidation in the Alfresco system was carried out, which consisted of creating and agreeing on a requirements analysis for the project, transforming them into the new system settings, gradually testing and solving problems and other user requirements in several stages, up to the final tuning of the system

for full use. At the end of the year, a pilot test run was successfully carried out with the participation of selected users and process guarantors, and full production operation in the new system is foreseen from 2022. This is the result of the gradual unification of the document management system (DMS) processes on the Alfresco platform in our company.

## integration projects

### Technical Information System (TIS) and Geographical Information System (GIS) interconnection project

The integration of the systems is being carried out in several stages and continues in 2022. In 2021, further integration was successfully carried out based on the project concept, focusing on the location and editing functions (location in TIS, location of breakdowns

from TIS to GIS, location by address and display functions in TIS; establishment, relocation, cancellation of the breakdown plan in GIS from TIS). In 2022, it is planned to finalise the integration project by preparing topological and tracing functions.

### Project to link Helios Green and the Envita (waste management) information system

The purpose of the project is to automate the waste treatment and registration processes in Helios Green and to extract these data for the Envita system, in order to fulfil the declarations related to the legislative requirements for statistical and control purposes of the Ministry of the Environment of the Slovak Republic. The aim of the project is to ensure operational and legislative waste records for the ISOH (waste man-

agement information system). In 2021, a detailed project analysis was mutually agreed and the subsequent configuration work in the Helios Green system was carried out, with ongoing testing and user training. At the end of 2021, acceptance protocols were approved in connection with pilot testing and preparation for handover to production operation, where final readiness is to be confirmed by comprehensive tests.



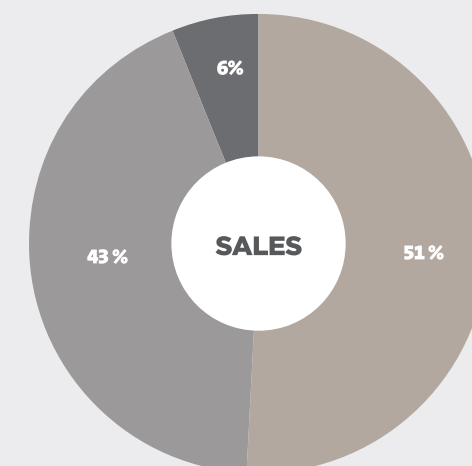
# 13 financial statement



## comments on the financial results in 2021

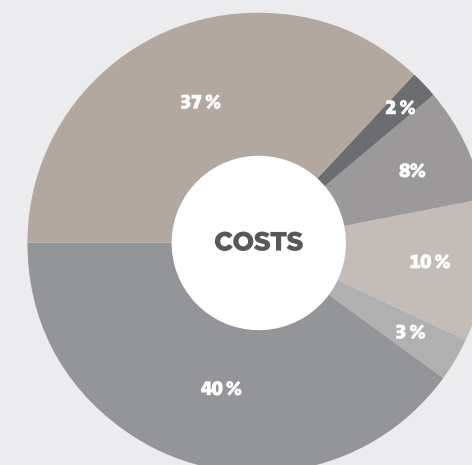
The company achieved a net turnover of €60.09 million in 2021, an increase of 3.24% compared to 2020. The increase in sales was mainly influenced by the gradual easing of restrictions on operations and a return to normal water consumption on the consumers' side. Of the total turnover, drinking water sales amounted to €31.31 million, sewerage and rainwater €25.98 million and other sales totalled €3.68 million. The total cost of the company's economic activities in 2021 amounted to €59.70 million. Compared to the previous period, this was an increase of 2.87%,

which in financial terms amounts to € 1.66 million, with this increase mainly influenced by a 7.9% increase in personnel costs compared to the previous year. The most significant cost item in 2021 was also services, totalling €24.89 million, of which the largest part is the rental of water and sewerage infrastructure amounting to €14.35 million. Other significant cost items included personnel costs of €21.31 million, material costs of €4.45 million, energy consumption at €4.4 million and repair and maintenance costs of €1.5 million.



### TURNOVER FOR 2021

- **51%** DRINKING WATER
- **6%** OTHER PERFORMANCES
- **43%** DRAINED WATER



### COSTS FOR ECONOMIC ACTIVITY

- **37%** WAGE, LEGAL AND OTHER SOCIAL COSTS
- **2%** DEPRECIATION AND ADJUSTMENTS TO ASSETS
- **8%** MATERIAL CONSUMPTION
- **10%** ENERGY CONSUMPTION
- **3%** REPAIRS AND MAINTENANCE
- **40%** OTHER SERVICES



The value of the company's total assets as at 31.12.2021 was €18.3 million, of which non-current assets accounted for €5.46 million at residual value. Investments amounting to €1.44 million were directed towards the modernisation and renewal of tangible and intangible assets in order to increase the efficiency of operations and management processes. Current assets amounting to €12.48 million represent 46.98% of the value of assets, the largest share of which is accounted for by short-term receivables amounting to €10.75 million. The cash balance at the end of the year amounted to €0.9 million.

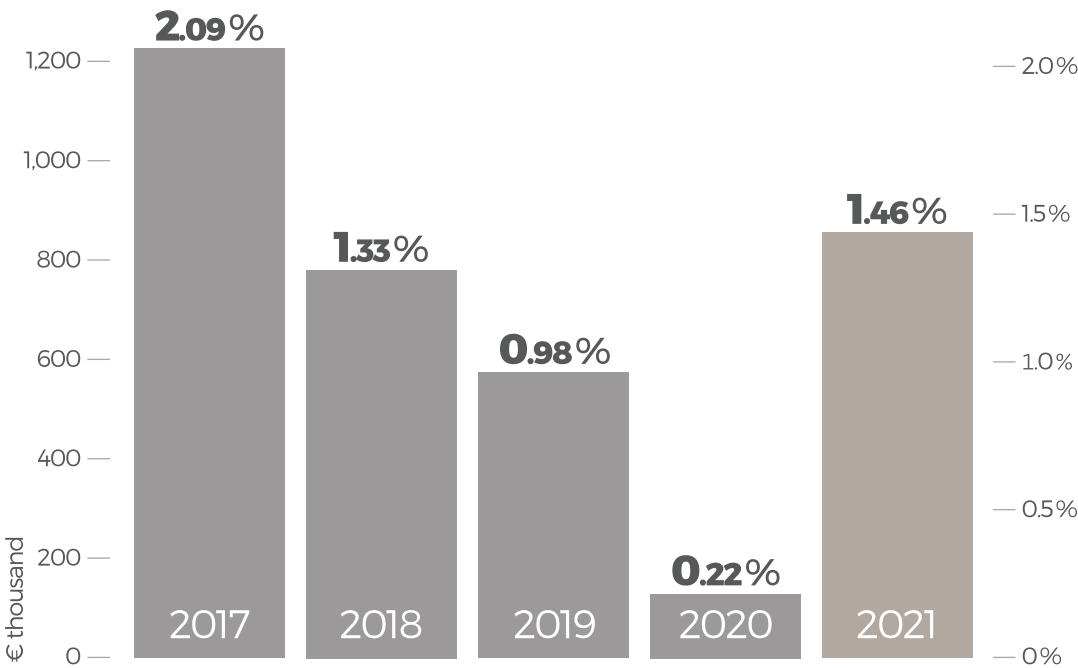
On the liabilities side, the most significant item is current liabilities amounting to €7.13 million, of which trade payables account for €3.29 million. As at 31 December 2021, the Company had drawn a medium-term loan of €5 million and a short-term loan of €0.5 million from Veolia Environnement Finance, Paris. The Company has not drawn any loans from banking entities. The Company's equity amounted to €4.23 million and increased by €0.78 million compared to 2021, mainly due to the higher profit for the current financial year.

The overall financial situation of the company was stable during the year and the company fulfilled its obligations to employees, state institutions, business partners and other suppliers within the set time limits.

For the year 2021, the Company achieved a positive result after tax of €893,000. The Company achieved this result with total revenues of €60.97 million and total expenses of €60.08 million. Income tax payable amounted to €256,000. Deferred tax amounted to €256,000 and deferred tax amounted to €7,000. The distribution of the result for the financial year 2021 will be decided by the Annual General Meeting. The statutory body proposes to the General Meeting to reallocate the result to retained earnings of previous years.

No events have occurred after 31 December 2021 that would have a material effect on the fair presentation of the facts underlying the accounts. The Company did not undertake any research and development activities in 2021. The Company did not acquire treasury shares, temporary warrants or business interests of the parent accounting entity during 2021.

# development of economic results and profit rate



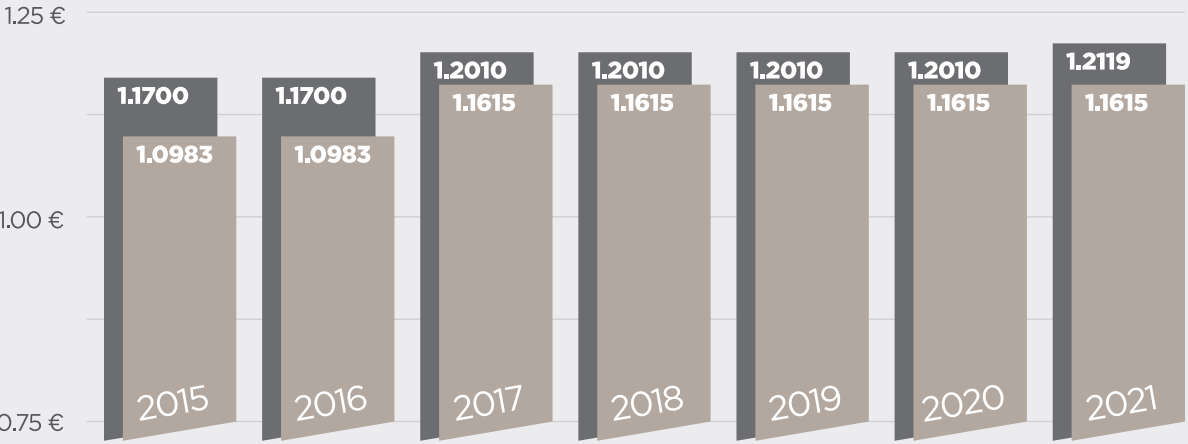
# price for drinking water and sewerage for 2021

Throughout 2021, the maximum prices for the production and supply of drinking water by the public water supply system were valid and the waste water was discharged and treated by public sewerage in the following amount excluding VAT:

|                                                                                     |                                                                                                               |                                                      |                                                     |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------|
|  | MAXIMUM PRICE FOR THE PRODUCTION AND SUPPLY OF DRINKING WATER BY MEANS OF A PUBLIC WATER-SUPPLY NETWORK       | <b>1.2010</b> €/m <sup>3</sup><br>until 18. 1. 2021: | <b>1.2119</b> €/m <sup>3</sup><br>from 18. 1. 2021: |
|  | MAXIMUM PRICE FOR THE PRODUCTION AND DISTRIBUTION OF DRINKING WATER BY MEANS OF A PUBLIC WATER-SUPPLY NETWORK | <b>0.6797</b> €/m <sup>3</sup>                       |                                                     |
|  | MAXIMUM COST FOR DRAINAGE AND TREATMENT OF WASTE WATER BY MEANS OF PUBLIC SEWERS                              | <b>1.1615</b> €/m <sup>3</sup>                       |                                                     |

The above prices are approved in accordance with Act No. 250/2012 Coll. on Regulation in Network Industries and on Amendments and Additions to Certain Acts, as amended, and in accordance with the Decree of the Office for Regulation of Network Industries (ÚRSO) No. 21/2017 Coll. of 13 February 2017, which entered into force on 16 February 2017 by ÚRSO Decision No. 0070/2021/V of 03 November 2021, intended for Stredoslovenská vodárenská prevádzková spoločnosť, a.s., Banská Bystrica, valid from 08.11.2021. The decision amends Decision No. 0214/2017/V of 24.02.2017, **Decision No. 0259/2017/V of 20.06.2017 and Decision No. 0002/2021/V of 18.01.2021.** Stredoslovenská prevádzková vodárenská spoločnosť applied the above prices subsequently after the first deduction from 01.07.2017 for sewerage and from 19.01.2021 for drinking water. The decisions of the ÚRSO are available for consultation at the company's registered office or on the website [www.stvps.sk](http://www.stvps.sk).

# development of water and sewage prices excluding VAT





BALANCE SHEET on 31. 12. 2021 (in €)

| Code     | ASSETS                                                                    | Line Number | Current Accounting Period                 |            | Previous Accounting Period |
|----------|---------------------------------------------------------------------------|-------------|-------------------------------------------|------------|----------------------------|
|          |                                                                           |             | Gross- section 1<br>Correction- section 2 | Net 2      | Net 3                      |
| a        | b                                                                         | c           | 1                                         |            |                            |
|          | TOTAL ASSETS I. 02 + I. 33 + I. 74                                        | 01          | 36,884,828<br>18,538,875                  | 18,345,953 | 18,630,484                 |
| A.       | Long-term assets I. 03 + I. 11 + I. 21                                    | 02          | 22,141,931<br>16,677,644                  | 5,464,287  | 5,605,091                  |
| A.I.     | Long-term intangible fixed assets total (I. 04 to I. 10)                  | 03          | 3,458,802<br>2,835,753                    | 623,049    | 831,554                    |
| 2.       | Software                                                                  | 05          | 3,454,162<br>2,835,753                    | 618,409    | 749,458                    |
| 6.       | Procured long-term intangible fixed assets                                | 09          | 4,640                                     | 4,640      | 82,096                     |
| A.II.    | Long-term tangible fixed assets total (I. 12 to I. 20)                    | 11          | 18,623,881<br>13,841,891                  | 4,781,990  | 4,736,048                  |
| 2.       | Buildings                                                                 | 13          | 7,050<br>6,223                            | 827        | 1,415                      |
| 3.       | Individual movable assets and sets of movable assets                      | 14          | 18,573,570<br>13,835,668                  | 4,737,902  | 4,556,893                  |
| 6.       | Other long-term tangible assets                                           | 17          | 5,740                                     | 5,740      | 5,740                      |
| 7.       | Procured long-term tangible fixed assets                                  | 18          | 31,938                                    | 31,938     | 172,000                    |
| 8.       | Advances made for tangible fixed assets                                   | 19          | 5,583                                     | 5,583      |                            |
| A.III.   | Non-current financial assets total (I. 22 to I. 29)                       | 21          | 59,248                                    | 59,248     | 37,489                     |
| A.III.1. | Equity securities and interests in affiliated entities                    | 22          | 2,235                                     | 2,235      | 2,991                      |
| 2.       | Securities and shares with the exception of affiliated accounting units   | 23          | 54,655                                    | 54,655     | 32,248                     |
| 4.       | Loans to affiliated entities                                              | 25          | 2,358                                     | 2,358      | 2,250                      |
| B.       | Short-term assets I. 34 + I. 41 + I. 53 + I. 66 + I. 71                   | 33          | 14,342,640<br>1,861,231                   | 12,481,409 | 12,549,863                 |
| B.I.     | Stocks total (I. 35 + I. 40)                                              | 34          | 434,182<br>29,529                         | 404,653    | 399,996                    |
| B.I.1.   | Material                                                                  | 35          | 432,387<br>29,529                         | 402,858    | 399,447                    |
| 6.       | Inventory prepayments provided                                            | 40          | 1,795                                     | 1,795      | 549                        |
| B.II.    | Long-term receivables total (I. 42 + I. 46 + I. 52)                       | 41          | 423,443                                   | 423,443    | 416,418                    |
| B.II.1.  | Trade receivables (I. 43 + I. 45)                                         | 42          | 15,172                                    | 15,172     | 186                        |
| 1.c.     | Other trade receivables                                                   | 45          | 15,172                                    | 15,172     | 186                        |
| 8.       | Deferred tax receivables                                                  | 52          | 408,271                                   | 408,271    | 416,232                    |
| B.III.   | Short-term receivables total (I. 54 + I. 58 + I. 65)                      | 53          | 12,590,212<br>1,831,702                   | 10,758,510 | 10,735,612                 |
| B.III.1. | Trade receivables total (I. 55 to I.57)                                   | 54          | 12,566,817<br>1,824,575                   | 10,742,242 | 10,714,755                 |
| 1.a.     | Trade receivables from affiliated accounting units                        | 55          | 175,565                                   | 175,565    | 455,357                    |
| 1.b.     | Trade receivables within equity, except receivables from related entities | 56          | 240                                       | 240        |                            |
| 1.c.     | Other trade receivables                                                   | 57          | 12,391,012<br>1,824,575                   | 10,566,437 | 10,259,398                 |
| 2.       | Net contract value                                                        | 58          | 633                                       | 633        | 829                        |
| 3.       | Other receivables from affiliated accounting units                        | 59          |                                           |            | 10,254                     |
| 9.       | Other receivables                                                         | 65          | 22,762<br>7,127                           | 15,635     | 9,774                      |
| B.V.     | Total financial accounts (I. 72 to I. 73)                                 | 71          | 894,803                                   | 894,803    | 997,837                    |
| B.V.1.   | Cash                                                                      | 72          | 91,611                                    | 91,611     | 22,613                     |
| 2.       | Bank accounts                                                             | 73          | 803,192                                   | 803,192    | 975,224                    |
| C.       | Total accruals and deferrals (I. 75 to I. 78)                             | 74          | 400,257                                   | 400,257    | 475,530                    |
| C.1.     | Expenses for future periods, long-term                                    | 75          | 287,406                                   | 287,406    | 334,057                    |
| 2.       | Expenses for future periods, short-term                                   | 76          | 112,851                                   | 112,851    | 141,473                    |

| Code    | PASSIVES                                                                                       | Line Number | Current Accounting Period | Previous Accounting Period |
|---------|------------------------------------------------------------------------------------------------|-------------|---------------------------|----------------------------|
|         |                                                                                                |             | 4                         | 5                          |
| a       | b                                                                                              | c           |                           |                            |
|         | TOTAL EQUITY AND LIABILITIES I. 80 + I. 101 + I. 141                                           | 79          | 18,345,953                | 18,630,484                 |
| A.      | Equity I.81+I.85+I.86+I.87+I.90+I.93+I.97+I.100                                                | 80          | 4,230,706                 | 3,442,398                  |
| A.I.    | Basic capital total (I.82 to I.84)                                                             | 81          | 34,000                    | 34,000                     |
| A.I.1.  | Registred basic capital                                                                        | 82          | 34,000                    | 34,000                     |
| A.III.  | Other capital funds                                                                            | 86          | 4,444,123                 | 4,444,123                  |
| A.IV.   | Legal reserve funds (I.88+I.89)                                                                | 87          | 10,120                    | 10,120                     |
| A.IV.1. | Legal reserve fund and indivisible fund                                                        | 88          | 10,120                    | 10,120                     |
| A.VI.   | Valuation differences from the revaluation sum (I.94 to 96)                                    | 93          | -1,150,494                | -1,172,144                 |
| A.VI.1. | Valuation differences from revaluation of assets and liabilities                               | 94          | -1,150,494                | -1,172,144                 |
| A.VIII. | Profit / loss for the period after tax (+/-) I.01 – (I.81+I.85+I.86+I.87+I.90+I.93+97+101+141) | 100         | 892,957                   | 126,299                    |
| B.      | Liabilities I. 102+118+121+122+136+139+140                                                     | 101         | 14,115,158                | 15,157,659                 |
| B.I.    | Long-term liabilities total (I. 103+107 to 117)                                                | 102         | 5,152,266                 | 5,164,707                  |
| B.I.1.  | Long-term trade liabilities (I. 104 to I. 106)                                                 | 103         | 17,777                    |                            |
| 1.c.    | Other trade liabilities                                                                        | 106         | 17,777                    |                            |
| 3.      | Other liabilities to affiliated accounting units                                               | 108         | 5,000,000                 | 5,000,000                  |
| 9.      | Liabilities from the Social Fund                                                               | 114         | 134,489                   | 164,707                    |
| B.II.   | Long-term reserves (I. 119 + I. 120)                                                           | 118         | 718,470                   | 443,262                    |
| 2.      | Other reserves                                                                                 | 120         | 718,470                   | 443,262                    |
| B.IV.   | Short-term liabilities total (I.123+127 to 135)                                                | 122         | 7,135,062                 | 8,363,187                  |
| B.IV.1  | Trade liabilities total (I. 124 to 126)                                                        | 123         | 3,293,173                 | 3,130,721                  |
| 1.a.    | Trade libalites to affiliated accounting units                                                 | 124         | 127,587                   | 196,504                    |
| 1.c.    | Other trade liabilities                                                                        | 126         | 3,165,586                 | 2,934,217                  |
| 3.      | Other liabilities to affiliated accounting units                                               | 128         | 504,357                   | 1,804,474                  |
| 5.      | Liabilities to partners and associations                                                       | 130         |                           | 573,368                    |
| 6.      | Liabilities to employees                                                                       | 131         | 1,069,946                 | 953,115                    |
| 7.      | Social insurance liabilities                                                                   | 132         | 689,683                   | 659,283                    |
| 8.      | Tax liabilities and subsidies                                                                  | 133         | 1,554,231                 | 1,165,867                  |
| 10.     | Other liabilities                                                                              | 135         | 23,672                    | 76,359                     |
| B.V.    | Short-term reserves (I.137+138)                                                                | 136         | 1,109,360                 | 1,186,503                  |
| B.V.1.  | Legal reserves                                                                                 | 137         | 58,277                    | 57,708                     |
| 2.      | Other reserves                                                                                 | 138         | 1,051,083                 | 1,128,795                  |
| C.      | Total accruals and deferrals (I. 142 to I. 145)                                                | 141         | 89                        | 30,427                     |
| 2.      | Short-term deferred expenditures                                                               | 143         | 15                        | 316                        |
| 4.      | Short-term deferred revenues                                                                   | 145         | 74                        | 30,111                     |



# Profit and Loss Statement as of 31. 12. 2021 (in €)

| Code  | Item                                                                                      | Line Number | Real status               |                            |
|-------|-------------------------------------------------------------------------------------------|-------------|---------------------------|----------------------------|
|       |                                                                                           |             | Current Accounting Period | Previous Accounting Period |
| a     | b                                                                                         | c           | 1                         | 2                          |
| *     | Net turnover (part of acct. 6 in accordance with the law)                                 | 01          | 60,095,112                | 58,209,013                 |
| **    | Total revenue from economic activities (I. 03-09)                                         | 02          | 60,972,130                | 58,360,406                 |
| III.  | Revenue from sales of services                                                            | 05          | 60,095,112                | 58,209,013                 |
| V.    | Activation                                                                                | 07          | 4,123                     | 4,112                      |
| VI.   | Sales of fixed intangible assets tangible fixed assets and materials                      | 08          | 37,767                    | 38,591                     |
| VII.  | Other revenues from economic activity                                                     | 09          | 835,128                   | 108,690                    |
| **    | Operating costs in total (I. 11+12+13+14+15+20+21+24+25+26)                               | 10          | 59,703,298                | 58,037,361                 |
| B.    | Consumed material, energy and other non-inventory items                                   | 12          | 10,614,010                | 10,346,402                 |
| C.    | Adjustments to inventories                                                                | 13          | 3,812                     | 911                        |
| D.    | Services                                                                                  | 14          | 24,888,728                | 24,856,997                 |
| E.    | Personal costs                                                                            | 15          | 21,311,015                | 19,751,374                 |
| E.1.  | Wages and salaries                                                                        | 16          | 14,572,017                | 13,672,848                 |
| 2.    | Remuneration to members of corporate bodies and cooperatives                              | 17          | 123,607                   | 107,549                    |
| 3.    | Social insurance costs                                                                    | 18          | 5,246,017                 | 4,947,051                  |
| 4.    | Social costs                                                                              | 19          | 1,369,374                 | 1,023,926                  |
| F.    | Taxes and charges                                                                         | 20          | 1,224,387                 | 1,219,894                  |
| G.    | Write-offs and provisions for intangible fixed assets and tangible fixed assets (I.22+23) | 21          | 1,381,166                 | 1,359,449                  |
| G.1.  | Depreciation of intangible and non-current tangible fixed assets                          | 22          | 1,381,166                 | 1,359,449                  |
| H.    | Net book value of fixed assets and inventory sold                                         | 24          | 12,203                    | 18,030                     |
| I.    | Adjustments to receivables                                                                | 25          | -17,814                   | 112,228                    |
| J.    | Other operating costs                                                                     | 26          | 285,791                   | 372,076                    |
| ***   | Economic outturn (I. 02 to I. 10)                                                         | 27          | 1,268,832                 | 323,045                    |
| *     | Added value (I.03+04+05+06+07) – (I.11+12+13+14)                                          | 28          | 24,592,685                | 23,008,815                 |
| **    | Revenues from financial activity in total (I.30+31+35+39+42+43+44)                        | 29          | 709                       | 1,408                      |
| IX.   | Income from long - term financial assets, total                                           | 31          | 108                       | 108                        |
| IX.1. | Income from securities and shares from affiliated entities                                | 32          | 108                       | 108                        |
| XI.   | Interest on income (I. 40 + I. 41)                                                        | 39          | 526                       | 253                        |
| XI.1. | Interest on income from affiliated entities                                               | 40          | 526                       | 253                        |
| XII.  | Exchange rate gains                                                                       | 42          | 75                        | 1,047                      |
| **    | Financial activity costs in total (I.46+47+48+49+52+53+54)                                | 45          | 112,576                   | 119,105                    |
| N.    | Interest on costs (I.50+51)                                                               | 49          | 61,348                    | 67,567                     |
| N.1.  | Interest on costs for affiliated accounting entities                                      | 50          | 61,348                    | 67,567                     |
| O.    | Exchange rate losses                                                                      | 52          | 2,819                     | 3,121                      |
| Q.    | Other costs of financial activity                                                         | 54          | 48,409                    | 48,417                     |
| ***   | Profit / loss from financial activity (I. 29 to I. 45)                                    | 55          | -111,867                  | -117,697                   |
| ****  | Profit / loss for the accounting period before tax (+/-) (I. 27 + I. 55)                  | 56          | 1,156,965                 | 205,348                    |
| R.    | Income tax (I. 58 + I. 55)                                                                | 57          | 264,008                   | 79,049                     |
| R.1.  | Income tax payable                                                                        | 58          | 256,047                   | 106,354                    |
| 2.    | Income tax deferred                                                                       | 59          | 7,961                     | -27,305                    |
| ****  | Profit / loss for the accounting period after tax (+/-) (I. 56 - I. 57 - I. 60)           | 61          | 892,957                   | 126,299                    |

# Cashflow Statement as of 31. 12. 2021 (in €)

|                                                                                                             | 2021 (EUR) | 2020 (EUR) |
|-------------------------------------------------------------------------------------------------------------|------------|------------|
| CASH FLOW FROM OPERATING ACTIVITIES                                                                         |            |            |
| Cash flow from operating activities                                                                         | 2,045,098  | 2,293,496  |
| Interest paid                                                                                               | -61,348    | -67,568    |
| Interest received                                                                                           | 527        | 254        |
| Income tax paid                                                                                             | -179,170   | 384,376    |
| Cash flows before items of exceptional extent or occurrence                                                 | 1,805,107  | 2,610,558  |
| Income from items of exceptional extent or occurrence                                                       | 0          | 0          |
| Net cash flow from operating activities                                                                     | 1,805,107  | 2,610,558  |
| CASH FLOW FROM INVESTMENT ACTIVITIES                                                                        |            |            |
| Purchase of fixed assets                                                                                    | -1,229,245 | -2,012,176 |
| Revenue from sale of fixed assets                                                                           | 36,130     | 37,815     |
| Expenses for long - term loans of the subsidiary                                                            | -108       | 0          |
| Net cash flow from investment activities                                                                    | -1,193,223 | -1,974,361 |
| CASH FLOW FROM FINANCIAL ACTIVITIES                                                                         |            |            |
| Revenue from loans - group                                                                                  | 0          | -1,447,000 |
| Long-term commitments                                                                                       | -17,777    | -11,689    |
| Deposits in subsidiaries                                                                                    | 0          | 0          |
| Dividends paid                                                                                              | -697,141   | 0          |
| Net cash flow from financial activities                                                                     | -714,918   | -1,458,689 |
| (Decrease) increase of cash and cash equivalents                                                            | -103,034   | -822,492   |
| Cash and cash equivalents at the beginning of the accounting year                                           | 997,838    | 1,820,437  |
| Cash and cash equivalents at the close of the accounting year                                               | 894,804    | 997,945    |
| NET PROFIT (before deduction of interest, tax items and items of exceptional extent or occurrence)          |            |            |
|                                                                                                             | 1,217,786  | 272,662    |
| Adjustments of non-cash operations:                                                                         |            |            |
| Depreciation of long-term tangible and intangible assets                                                    | 1,381,166  | 1,359,449  |
| Rectified item to receivables                                                                               | -17,814    | 112,228    |
| Rectified item to inventories                                                                               | 3,812      | 911        |
| Reserves                                                                                                    | 198,065    | 305,414    |
| Profit from sale of fixed assets                                                                            | -25,488    | -20,431    |
| Other non-cash operations                                                                                   | 0          | 61,093     |
| Operating profit before change in working capital                                                           | 2,757,527  | 2,091,326  |
| Change in working capital:                                                                                  |            |            |
| Decrease (increase) in trade receivables and other receivables (including accruals and deferrals of assets) | 55,202     | 245,378    |
| Decrease (increase) of inventories                                                                          | -8,469     | -40,090    |
| (Decrease) increase of liabilities (including accruals and deferrals of passives)                           | -759,162   | -3,118     |
| Cash flow from current operations                                                                           | 2,045,098  | 2,293,496  |

### Cash

Cash is understood as cash, cash equivalents, current account funds in banks or branches of foreign banks, an overdraft account, and part of the balance of the money which is used to bridge the time gap between transfers between the current account and petty cash or between two bank accounts.

### Cash equivalents

Cash equivalents means short-term financial assets that are exchangeable for a pre-determined amount of cash that is not subject to a significant change in value over the next three months from the date on which the financial statements are prepared, for example, term deposits in bank accounts that are deposited on a three-month notice period, liquid securities for trading, preference shares purchased by an entity that are due within three months of the date of preparation of the financial statements.

# independent auditor's report



KPMG Slovensko spol. s r. o.  
Dvořákovo nábrežie 10  
811 02 Bratislava  
Slovakia

Telephone: +421 (0)2 59 98 41 11  
Internet: [www.kpmg.sk](http://www.kpmg.sk)

Translation of the Independent Auditors' Report originally prepared in Slovak language

## Independent Auditors' Report

**To the Shareholder, Supervisory Board and Board of Directors of Stredoslovenská vodárenská prevádzková spoločnosť, a.s.**

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of Stredoslovenská vodárenská prevádzková spoločnosť, a.s. (the "Company"), which comprise:

- the balance sheet as at 31 December 2021;
- the income statement for the period then ended; and
- notes, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section in our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance for the year then ended in accordance with the Act No. 431/2002 Coll. on Accounting as amended ("the Act on Accounting").

#### Basis for Qualified Opinion

As stated in section E.1 of the notes to the financial statements, in 2010 the Company wrote off the carrying amount of goodwill of EUR 24,661 thousand. In accordance with the Slovak Accounting Act goodwill is amortized over the estimated consumption period of future economic benefits derived from the related assets. The duration of the rental and operation contract for the water and sewerage infrastructure, from which goodwill was derived, is twenty-six years. Had the Company complied with the requirements of the Slovak Accounting Act, as at 31 December 2021 the carrying amount of intangible fixed assets and equity would have both increased by EUR 13,279 thousand and the profit for the year then ended would have decreased by EUR 948.5 thousand. Furthermore, as at 31 December 2020 the carrying amount of intangible assets and equity would have both increased by EUR 14,227.5 thousand and profit the year then ended would have decreased by EUR 948.5 thousand. Our audit opinion on the prior year financial statements issued on 31 March 2021 was also modified in respect of this matter accordingly.

KPMG Slovensko spol. s r. o., a Slovak limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Obchodný register Okresného súdu Bratislava I, oddiel Sro, vložka č. 4964/B  
Commercial register of district court Bratislava I, section Sro, file No. 4964/B

IČO/Registration number: 31 348 438  
Evidenčné číslo licencie audítora: 56  
Licence number of statutory auditor: 56





We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements of the Act No. 423/2015 Coll. on statutory audit and on amendments to Act No. 431/2002 Coll. on accounting as amended ("the Act on Statutory Audit") including the Code of Ethics for an Auditor 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 qualified opinion.

#### Responsibilities of the Statutory Body and Those Charged with Governance for the Financial Statements

The statutory body is responsible for the preparation of financial statements that give a true and fair view in accordance with the Act on Accounting, and for such internal control as the statutory body 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, the statutory body is responsible for assessing the Company'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 the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### Auditors' 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 auditors' 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism 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 Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body;
- Conclude on the appropriateness of the statutory body'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

### Reporting on other information in the Annual Report

The statutory body is responsible for the other information. The other information comprises the information included in the Annual Report prepared in accordance with the Act on Accounting but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information in the Annual Report.

In connection with our audit of the financial statements, our responsibility is to read the other information in the Annual Report that we have obtained prior to the date of the auditors' report on the audit of the financial statements, and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained in the audit of the financial statements, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Annual Report of the Company was not available to us as of the date of this auditors' report on the audit of the financial statements.

When we obtain the Annual Report, based on the work undertaken in the course of the audit of the financial statements we will express an opinion as to whether, in all material respects:

- the other information given in the Annual Report for the year ended 31 December 2021 is consistent with the financial statements prepared for the same financial year; and
- the Annual Report contains information required by the Act on Accounting.

In addition, we will report whether we have identified any material misstatement in the other information in the Annual Report in light of the knowledge and understanding of the Company and its environment that we have acquired during the course of the audit of the financial statements.

Audit firm:  
**KPMG Slovensko spol. s r.o.**  
License SKAU č. 96

Responsible auditor:  
**Ing. Ľuboš Vančo**  
License SKAU No. 745

Bratislava, 31 March 2022

This is a translation of the original Slovak Auditors' Report in English language. The Balance sheet, the Income Statement and the Notes to the financial statements have not been translated. For a full understanding of the information stated in the Auditors' Report, the Report should be read in conjunction with the full set of the financial statements prepared in Slovak.

# report of the supervisory board 2021



## Report of the Supervisory Board of StVPS, a.s. to the annual financial statement for 2021

At its meeting, the Supervisory Board reviewed in accordance with § 198 of the Commercial Code and in accordance with Art. XII. para. 4 of the Company's Articles of Association to the regular individual financial statement for 2021.

The report of the Supervisory Board on the financial year 2021 is prepared on the basis of the minutes from the meetings of the Supervisory Board, control activities and the statement of the company's auditor regarding the regular individual financial statements for 2021.

After reviewing the financial statement for 2021 and the report of the independent auditor, KPMG Slovensko spol. s r. o., the Supervisory Board states that the performed activities related to the subject of activity are carried out in accordance with the relevant legal provisions and the company keeps accounting in accordance with the Accounting Act and internal regulations. The Supervisory Board also notes the auditor's conditional opinion regarding the one-off amortisation of goodwill based on the decision of the sole shareholder and declares that no deficiencies have been identified that would prevent the approval of the company's financial statement and annual report for 2021.

The Supervisory Board states that the regular individual financial statement of StVPS, a.s. in all significant contexts expresses the financial situation of the company, the result of its management and cash flows as of 31.12.2021.

The members of the Supervisory Board were further acquainted with the proposal of the Board of Directors for the distribution of profits and the draft annual report for 2021. On the basis of the resolution adopted, the Supervisory Board recommends the Ordinary General Meeting to **approve** the financial statements together with the proposal for the distribution of the profit for 2021 and the annual report for 2021.

The Supervisory Board would like to take the opportunity to express their gratitude to all the employees of the company for their approach, willingness and commitment in ensuring an uninterrupted supply of water and sewage disposal during 2021. Thanks are also due to the members of the Board and our partners, the representatives of the towns and municipalities, for their cooperation and professional approach.

Banská Bystrica, May 2021

Denisa Beníčková  
Chairwoman of the Supervisory Board





Stredoslovenská vodárenská  
prevádzková spoločnosť, a.s.

## ANNUAL REPORT



**Stredoslovenská vodárenská prevádzková spoločnosť, a. s.**  
Partizánska cesta 5, 974 01 Banská Bystrica  
Tel.: 048/ 4327 111 | e-mail: [info@stvps.sk](mailto:info@stvps.sk) | [www.stvps.sk](http://www.stvps.sk)

**Call centre**  
**0850 111 234**

e-mail: [cc@stvps.sk](mailto:cc@stvps.sk) | fax: +421 48 4327 888

## CUSTOMER CENTRES

**Banská Bystrica** | Partizánska 73, 974 01 BB

**Prievidza** | V. Clementisa 52, 971 55 PD

**Lučenec** | Komenského 4, 984 53 LC

**Rimavská Sobota** | Duklianskych hrdinov 42, 979 01 RS

**Veľký Krtíš** | Banícka 39, 990 01 VK

**Brezno** | Sekurisova 4, 977 01 BR

**Žiar nad Hronom** | SNP 125, 965 01 ZH

**Zvolen** | Ľ. Štúra 2208/15, 960 01 ZV

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