IBA GROUP

Corporate Social Responsibility Report

2022

Contents

Company's History

IBA GROUP

1993
JV IBA founded

1998
IBA opens IBA USA in the US

1999
IBA opens IBA CZ, a center of excellence in Prague, Czech Republic

2000
IBA opens IBA IT GmbH in Germany

2005
IBA relocates its headquarter to Prague, Czech Republic, transforming IBA to IBA Group. IBA CZ expands to Brno

2006
IBA Group included in the Leaders category of The Global Outsourcing 100 for the first time

2011
IBA Group wins at European IT & Software Excellence Awards for the first time

2012
IBA Group opens IBA Ukraine in Kiev

2013
IBA Group opens IBA South Africa in Johannesburg

2015
IBA Group opens IBA Slovakia in Bratislava

2016
IBA Group unveils its campus in High Tech Park

2017
IBA Group opens IBA Bulgaria in Burgas

2018
IBA Group joins the UN Global Compact

2020
IAOP recognizes IBA Group in all sub-lists of The Global Outsourcing 100

2021
IBA Group opens IBA Poland in Wroclaw

2022
IBA Group opens offices in Croatia, Georgia, Lithuania, and Serbia

Message from IBA Group Chairman

IBA Group has been a signatory of the United Nations Global Compact (UNGC) since 2018. Joining this world's leading voluntary corporate social responsibility (CSR) initiative, we expressed our commitment to the UNGC and its Ten Principles. In this Report, we renew our ongoing commitment to the initiative and give an overview of what we did in 2022 to achieve the UN Sustainable Development Goals (SDGs).

The year 2022 became disruptive for many of us. The tense global economic and political situation caused by the COVID-19 pandemic was further aggravated by the military conflict between Russia and Ukraine. Our clients became cautious about or opposed to outsourcing software development to Belarus-based companies.

IBA Group had to address the new challenges. We divested from our branches that focused on services for Russia- and Belarus-based clients and went on implementing the relocation strategy. In 2022, we opened offices in Croatia, Georgia, Lithuania, and Serbia. We also deployed additional datacenter facilities in the Czech Republic.

IBA Group proceeded with activities on decent work and economic growth; responsible production and consumption; quality education; peace, justice, and strong institutions; and other SDGs. This year, we kept our focus on employee empowerment, education, community relations, and environmental protection.

Summing up the results of 2022, I would like to highlight that the International Association of Outsourcing Professionals (IAOP) included IBA Group in the Leaders category and all sub-lists of *The Global Outsourcing 100* for the tenth and third consecutive years, respectively.

IT Europa selected IBA Group a finalist of the IT Europa Channel Awards in the category *Enterprise Solution of the Year,* and the European Business Services Association announced IBA Group a finalist at the CEE Business Services Awards in the categories *Business Services Firm of the Year – Czech Republic* and *Top CSR Initiative of the Year*. In addition, the Association of Marketing and Communication Professionals awarded us Platinum for the 2020 CSR Report in the category *Annual Report / Corporate Social Responsibility*.

We maintained trusted relationships with our clients and partners, seeking win-win solutions to the most pressing problems. We continued implementing innovative projects that bridge the legacy of the past with the landscape of the future. IBA's self-service banking solutions expanded access to banking services for SMEs and individuals. Our transport and transit solutions contributed to the creation of smart cities.

As a responsible employer, IBA Group has been supportive of its employees. We helped them and their families relocate to and adapt in the new locations, including learn the languages, rules, and laws of the host countries. IBA Group proceeded with training programs. Our employees went on practicing sports online and in their locations.

In terms of responsible consumption and production, we kept acquiring and installing the most efficient equipment and devices, as well as went on adopting sustainable practices in our operation.

To conclude, I would like to iterate that we remain committed to sustainability, confirm our support of the UNGC's Ten Principles on human rights, labor, environment and anti-corruption, and continue our progress on the path of sustainable development.

Sergei Levteev
IBA Group Chairman

Managing the Company

Business Overview

IBA Group is one of the largest IT service providers in Eastern Europe. Headquartered in Prague, Czech Republic, IBA Group has development centers in the Czech Republic, Poland, Belarus, Slovakia, Bulgaria, Kazakhstan, Georgia, Lithuania, and Serbia. The sales and support offices are based in the United States, Germany, Ukraine, South Africa, Croatia, and Cyprus.

IBA Group is a joint stock company. Its branches are joint stock companies or limited liability companies.

For nearly 30 years, IBA Group has been working in the IT industry. As the company is a partner of world IT leaders, it is able to introduce innovative technologies at local enterprises in the countries of its operations. However, the company's innovativeness depends on its partners because IBA Group's services and solutions are based on technologies of world IT leaders.

IBA Group serves customers in more than 50 countries, focusing primarily on the B2B segment. IBA Group improves its technological expertise, solves customers' business problems in the fields of digital transformation, business process automation, analytics, and cloud and mobility technologies.

IBA Group's services and solutions are designed for:

- IT companies
- Financial institutions
- Manufacturing enterprises
- Transport companies
- Trade organizations
- Utility enterprises
- Mining enterprises
- Public institutions
- Educational institutions

IBA Group has unique expertise, optimized business processes, and good reputation. IBA Group improves its business processes, providing customers with high quality services.

2022 Factsheet

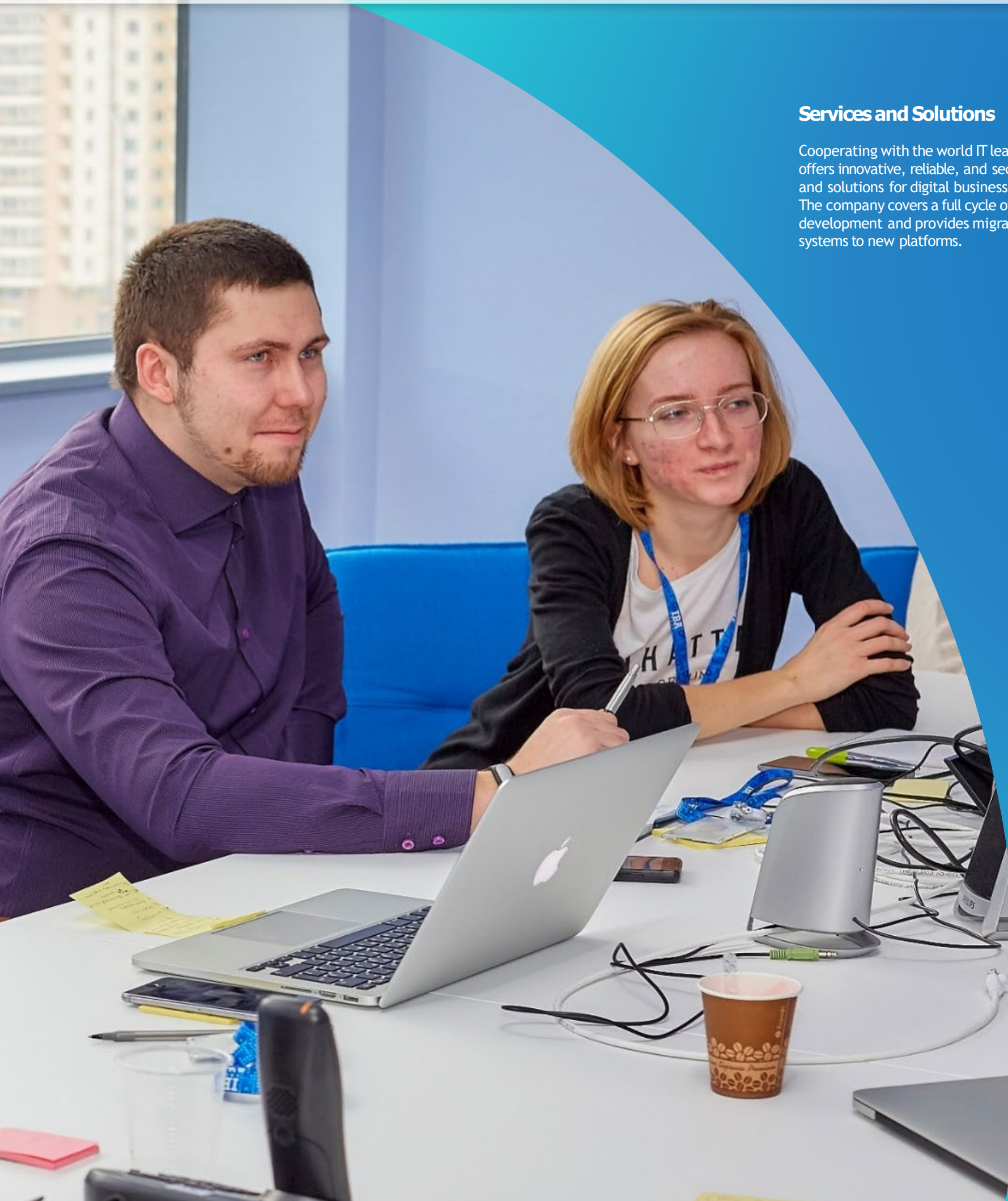**29** years in international IT business

15 offices in 15 countries

50+ customers in 50+ countries

9 centers of excellence in 9 countries

2,000 employees

Services and Solutions

Cooperating with the world IT leaders, IBA Group offers innovative, reliable, and secure IT services and solutions for digital business transformation. The company covers a full cycle of software development and provides migration of legacy systems to new platforms.

Focus Areas

- Solutions for the enterprise
- Mainframe and multiplatform software
- Intelligent automation
- Data management and big data
- Cloud solutions
- Business application development

In addition, IBA Group's portfolio includes a wide range of solutions for retail banking, an automated fare collection system for public transport, and a cloud platform.

The main strategic goal of IBA Group is sustainable business development.

IBA Group in Global IT Industry

Global IT industry spending in 2022 was approximately $5.3 trillion, showing steady growth at 5%-6% per year after a slowdown in 2020. The US led the tech market, reaching $1.8 trillion in 2022. Western Europe was a significant contributor, accounting for about one-fifth of global technology spending (https://www.statista.com/statistics/507365/worldwide-information-technology-industry-by-region/). However, the political turmoil curbed revenue growth for tech companies. Numerous IT companies resorted to massive layoffs of employees to bolster their balance sheets (https://www.computerworld.com/article/3679733/tech-layoffs-in-2022-a-timeline.html).

Eastern Europe retained its tech talent pool, expertise, and tech partners, enabling companies to excel in their tech competencies. As per data from *Emerging Europe*, the combined tech talent pool of Central and Eastern European countries surpassed 2.2 million in 2022

IBA Group's revenue in 2022 amounted to US$98,197,000, 15% down from 2021. The reason for the negative growth rate is the divestiture of the branches based in Russia and Belarus caused by the military conflict between Russia and Ukraine and massive relocation of employees. The company invested in the opening of new offices and development centers in Croatia, Georgia, Lithuania, and Serbia. As of the end of 2022, IBA Group had development centers in 9 countries and sales offices in 15 countries.

Mission, Vision, and Values

Mission	**Co-creating a SMART future**

Vision	Engineering customer-centric solutions through trusted relationships & technology that bridge the legacy of the past with the landscape of the future.

Our Values

Personal

We are more than a solution provider. We are a partner who puts you at the center of everything we do. We listen, care, and deliver the best for you, every time.

Collaborative

Our success is your success. We partner with you to make your business work better.

Reliable

Our experienced engineers are driven by excellence and work tirelessly for you.

Strategy, Goals, and Tasks

The main strategic goal of IBA Group is sustainable business development.

To obtain long-term benefits for shareholders, customers, employees, partners, and communities, IBA Group sets the following business objectives.

- Improve industry expertise to ensure a thorough understanding of key customers' businesses and to be able to provide end-to-end services, resulting in the company's competitiveness in international markets

- Strengthen expertise in innovative technologies and methodologies with their subsequent use in software and hardware solutions

- Enhance marketing activities to increase the efficiency of investments in proprietary products and solutions. This includes research and analysis of market segments to determine trends, consumption volumes, price levels, economic and political environment, and technical requirements for products

- Invest in the development of employee competencies, increasing employee satisfaction and motivation

- Meet quality indicators set for products and project deliverables to achieve customer satisfaction

- Support IT education in the countries of operation as one of the main sources of the company's human resources

Goals

Accumulate vertical industry expertise, and maintain and expand a portfolio of IBA's core competencies

Systematically build up efforts to establish and maintain partnerships and mutually beneficial relationships with world IT leaders

Foster employee motivation and loyalty through social and development support

Goals for 2022

IBA Group set the following goals for 2022.

Increase stability and reduce risks through business diversification and expansion to new markets, countries, and industries

Provide high quality services and solutions to ensure customer satisfaction and attract new customers

Support employees through competitive salaries and a benefit package

Our strategy is successful partnership.

To solve emerging tasks, IBA Group took the following actions.

- Expanded the range of services and solutions through the use of innovative technologies
- Invested in the set up and expansion of software development centers
- Provided high quality integrated services to customers
- Supported employees through aligning salaries with productivity growth and giving access to the benefit package
- Organized certification and recertification of IBA Group's development centers to comply with international standards
- Supported universities through training courses, R&D labs, and IT events

Organizational Structure

The highest governance body of IBA Group is the Board of Directors. The IBA Group Board outlines the company's strategic objectives, elects Chairman of the Board, and appoints Chief Executive Officer (CEO) and directors of IBA Group's member companies. The Chairman and CEO is responsible for translation of the company's strategic goals into action.

Functional Structure

IBA Group incorporates development centers, sales offices, training and technical centers, and other legal entities. In 2022, IBA Group had to divest from the braches that served clients in Russia and Belarus.
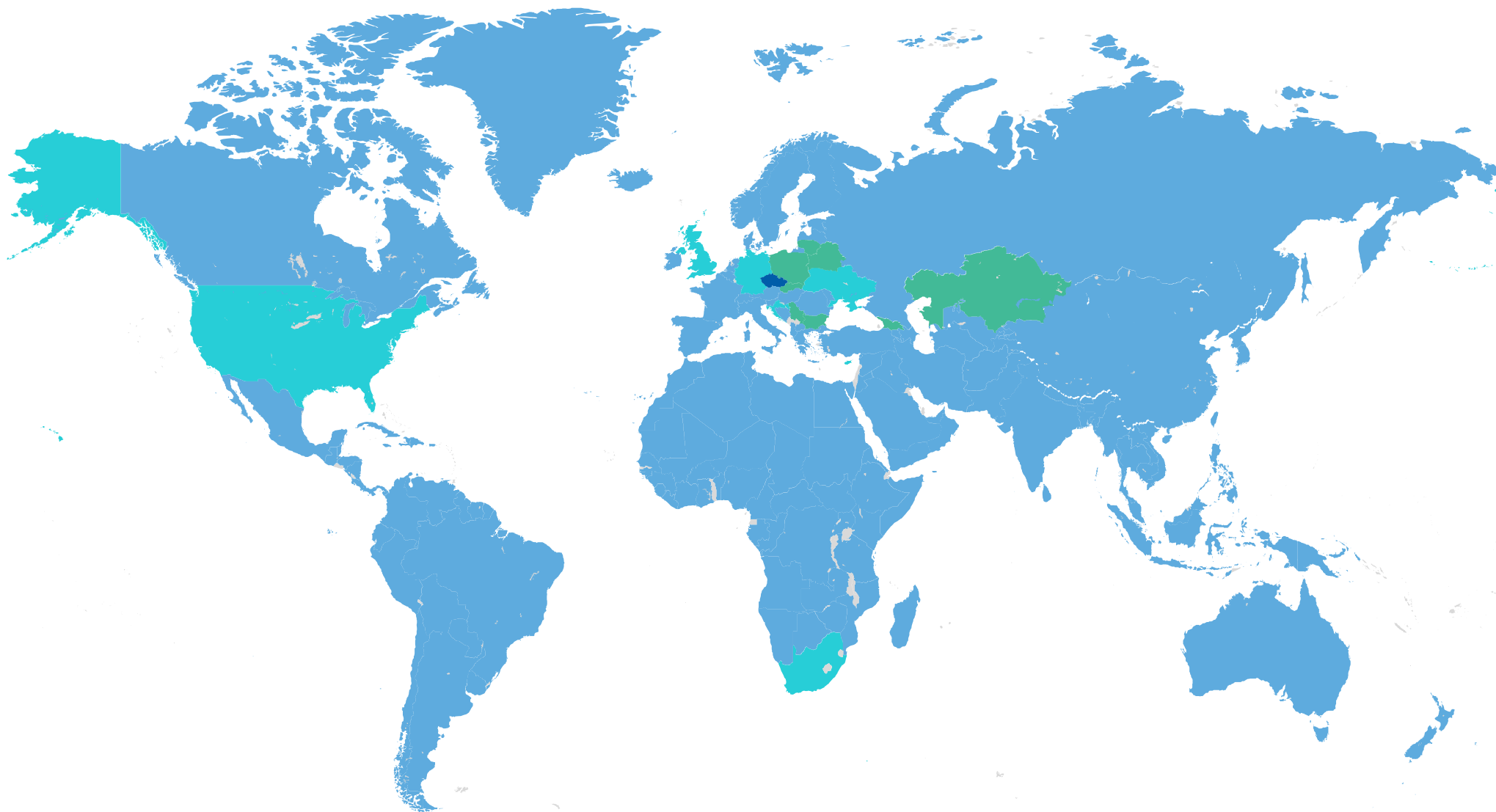
IBA HQ and IBA CZ, Development Center, Prague and Brno, Czech Republic

IBA Bulgaria, Development Center, Burgas, Bulgaria

IBA Poland, Development Center, Wroclaw, Poland

IBA IT Park, Minsk

IBA Slovakia, Bratislava, Slovakia

IBA Kz, IBA Group Office and Development Center, Astana, Kazakhstan

IBA IT Georgia, Tbilisi, Georgia

IBA Lithuania, Vilnius, Lithuania

IBA Beograd, Belgrade, Serbia

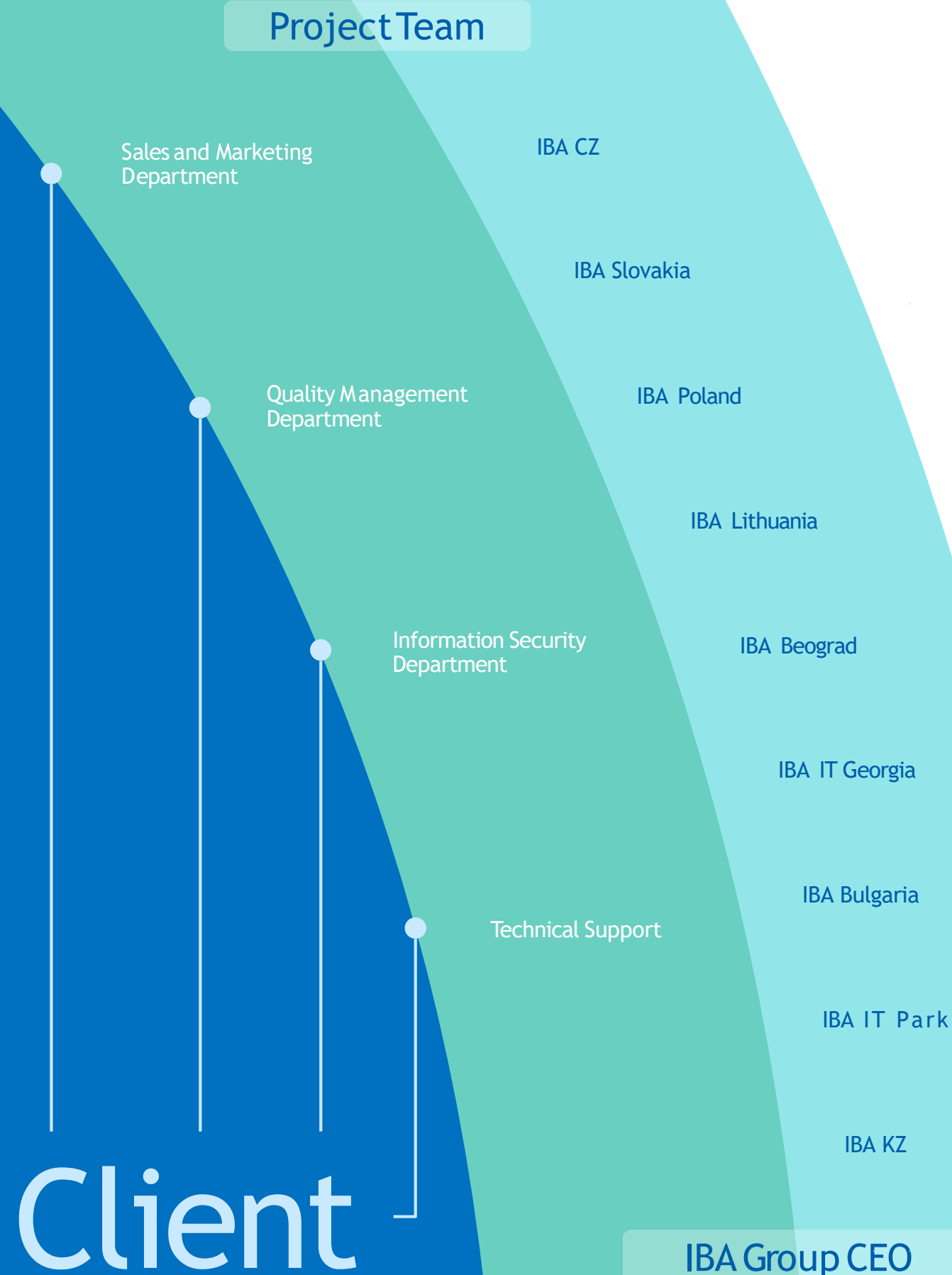IBA IT GmbH, Kierspe — Rönsahl, Germany

IBA USA, San Jose, CA, USA

IBA Ukraine, Kiev, Ukraine

IBA South Africa, Johannesburg, South Africa

IBA Development, Limassol, Cyprus

IBA Croatia, Zagreb, Croatia

Project Team

IBA CZ

IBA Slovakia

IBA Poland

IBA Lithuania

IBA Beograd

IBA IT Georgia

IBA Bulgaria

IBA IT Park

IBA KZ

Sales and Marketing Department

Quality Management Department

Information Security Department

Technical Support

Client

IBA Group CEO ← IBA Group Board

Production Structure

IBA Group's development centers consist of software development divisions (production departments). For its development centers, IBA employs a matrix organizational structure, which is flexible and adaptive to customer requirements. A software department typically consists of several project teams. A team is headed by a Project Manager and may include employees from different production departments. Each team member reports to the Project Manager and the head of his/her production department.
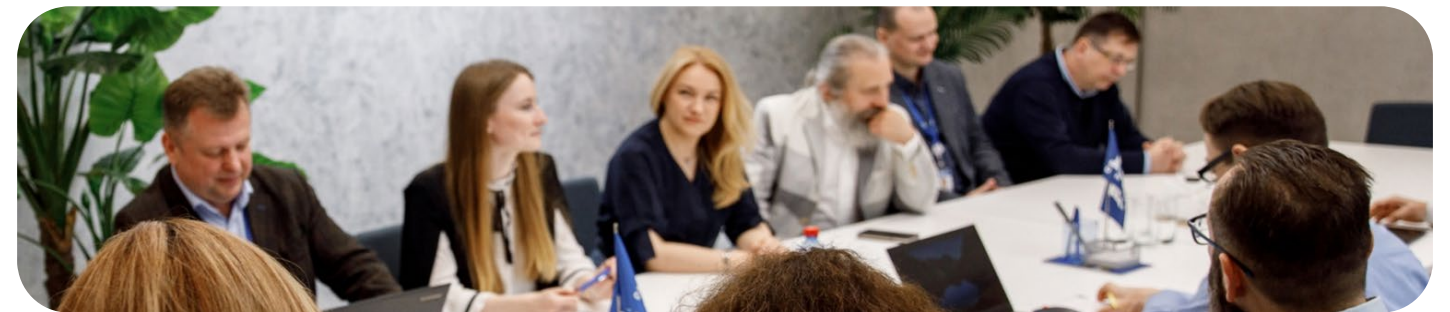
Company Management

IBA Group's management is composed of experienced leaders who have successful careers as senior executives and who continually steer the company to success. There is no separate executive-level position with responsibility for economic, environmental, and social topics. IBA Group is governed by the Board of Directors that elects its Chairman and appoints C-level executives. When considering the recruitment of new members of the Board, the Company adopts a formal and transparent procedure with due regard to the skills, knowledge, and level of experience required, as well as diversity.

In accordance with best practice, an effectiveness review is carried out with external facilitation at least once every three years. There was no Board's evaluation during the reporting period.

Every three months, the Board of Directors carries out a review of commercial, ecological, and social issues and their effects, risks, and opportunities.

Critical concerns are communicated to the highest governance body through executive meetings, management review meetings, email notifications, and corrective actions. The results of reviews are communicated via the intranet.

No critical concerns were identified during the reporting period. No penalties or fines were imposed on the company during the reporting period.

Sergei Levteev

IBA Group Chairman & CEO

Sergei Levteev has been IBA CEO since the company's inception in 1993. In 2005, he was elected Chairman of the Board of IBA Group. Mr. Levteev spearheads all aspects of the company's business efforts, including overall vision and strategy. During his tenure, a small firm evolved into an international group of 2,000 employees.

Sergei holds a B.S. degree in electronic engineering from the Belarusian State University of Informatics and Radio Electronics (BSUIR). Prior to IBA, he spent four years with the computer engineering association BelNPOVT. His career also included serving at Elorg-Data, a Finland-based IT company.

Sergei Levteev believes that building a company from the ground up is one of the greatest experiences in his life.

Sergei Akoulich

VP, Delivery

Sergei Akoulich has been working at IBA since 1999. From 2007 to 2011, he served as Business Development Director at IBA Minsk. In 2011, he was elected a member of the IBA Group's Board of Directors and appointed as First Deputy CEO of IBA Minsk. In 2013, Sergei was promoted to the position of Chief Executive Officer of IBA IT Park, a software development center of IBA Group.

Sergei Akoulich holds an M.S. degree in the automation of technological processes and a B.S. degree in the automation and management of technological systems from the BSUIR. His credentials include a Professional Certificate in Management from the British Open University.

His incredible stamina, self-discipline, and capacity for work enable Sergei to reach goals that are not achievable for others.

Kirill Degtiarenko

Member of the Board of IBA Group
VP, Business Development

Kirill Degtiarenko joined IBA in 1997 as a programmer in a project for IBM Germany. The same year, he was appointed as Software Manager responsible for day-to-day management of international projects. Since 2005, Kirill has been in charge of sales and marketing activities in the segment of new markets in Europe, Africa, and the United States. Since 2018, Kirill has been a Member of the Board of IBA Group.

Kirill holds a B.S. degree in mathematics and electronics from the Belarusian State University and a Professional Diploma in Management from the British Open University.

Kirill Degtiarenko is a Certified Outsourcing Professional (COP), following an examination process and a rigorous peer review conducted by the International Association of Outsourcing Professionals (IAOP).

Leanid Bokun

Member of the Board of IBA Group
VP, Finance and Controlling

Leanid Bokun joined IBA in 1999 as a software developer. His analytical skills, as well as extensive expertise in the development and implementation of information systems and business solutions made him a valuable resource for the company. As Leanid has professional skills in the fields of controlling, management accounting, and IT project management, he became in charge of finance and controlling. In 2018, Leanid was elected as a member of the IBA Group Board.

Leanid is a fan of various sports, from tennis to archery, which helps him develop versatile skills. His consistent and comprehensive expertise in IT, BPM, and economics helps him find a solution to any complex problem.

Business Ethics and Practice

Managing Conflicts of Interest

All Directors have a duty to avoid a situation in which they have, or could have, a direct or indirect conflict of interest or possible conflict of interest with the Company.

The Board has the authority to approve situational conflicts of interest. It has adopted procedures to manage and, where appropriate, approve such conflicts. The Company Secretary records authorizations granted by the Board in a register and is noted by the Board at its next meeting. Annually, the Board undertakes a review of authorized situational conflicts.

Following the latest review, the Board concluded that the potential conflicts were appropriately authorized, no circumstances existed to necessitate revocation or amendment of any prior authorization, and the authorization process continued to operate effectively.

IBA Group adheres to high ethical standards and seeks to work honestly and transparently, which creates a high level of trust from partners and customers.

The IBA Group's Code of Conduct sets out a system of corporate values that are fundamental to the company's efficient operation and long-term success.

At IBA Group, various options are continuously available to employees, business partners, and third parties for seeking advice or using confidential and secure channels to express concerns about possible misconduct. Contact points include an online whistleblowing system, which can be reached via the company intranet. In order to ensure that an adequate response to compliance violations is carried out, all reports are investigated.

The program of adaptation of new employees includes familiarizing themselves with the Code of Conduct. IBA Group created universal rules and equal conditions for all employees. Internal labor regulations provide for employees' accountability for violations of labor discipline.

IBA Group observes the rules of fair competition. This is stipulated in a number of documents that regulate company's activities and include the following positions:

- Strict compliance with the law
- Observance of norms of ethical behavior and prevention of corruption
- Certification of management systems (QMS, ISMS) for compliance with international standards.

In client relations, IBA Group strives to develop a trusting and mutually beneficial long-term cooperation that is based on strict fulfillment of contractual obligations and adherence to business ethics.

Principles and Standards of Behavior

Leadership

Be proactive
- Be actively involved in projects and tasks
- Believe in success in any situation
- Inspire by example
- Unite and lead your team

Do not be afraid of responsibility
- Learn from failures
- Take responsibility
- Admit failures
- Maintain a positive working mood in any situation

Strive for success
- Focus on achieving results
- Learn continuously
- Set ambitious goals

Partnership

Maintain reliable, trusted relations
- Always complete tasks
- Find an individual approach to every client
- Solve production tasks quickly and efficiently
- Respect and trust each other and partners

Be honest and open-minded
- Build an open business relationship
- Assist colleagues readily
- Be willing to share knowledge
- Maintain confidential and open relations

Be responsible
- Always keep promises and be honest with partners
- Aspire to exceed partners' expectations
- Treat other people with respect

Conscientiousness

Follow rules and standards
- Complete tasks on time and meeting requirements
- Act in accordance with the company values
- Do not abuse the company's trust

Always achieve goals
- Adapt to new circumstances
- Succeed even with limited resources
- Achieve the best results without losing quality
- Work to achieve goals, not for the sake of a process

Value the company's reputation
- Be demanding to yourself and others
- Do your job in the best possible way to earn customer loyalty

Improve yourself and approaches to work
- Fulfill obligations using the best ways to solve complicated tasks
- Develop professional competencies and maintain high qualification standards

Anti-Corruption

IBA Group is opposed to all forms of corruption, including extortion and bribery, and is guided by the highest ethical standards in partner relations, which is stated in the company's Code of Conduct. IBA Group has a Security Division to monitor and prevent corruption and violations of anti-corruption laws among employees.

There were no incidents of corruption during the reporting period.

IBA Group fully complies with international anti-corruption standards and adheres to the fundamental principles of fairness, transparency of information, and financial responsibility in all areas.

Publicity and Transparency

IBA Group is included in global rankings that demand public disclosure of the company's results.

Using corporate websites and social media accounts, the company provides updates for stakeholders and communicates with them on a regular basis.

IBA Group implements outsourcing projects, which makes most of the information about customers and projects confidential.

Non-disclosure agreements (NDAs) are part of outsourcing contracts. If required by a customer, NDAs are signed directly with the IBA Group employees involved in projects.

IBA Group's internal labor regulations stipulate that employees must keep state and professional secrets, as well as confidential information of the employer and third parties involved in projects.

[1] https://ibagroupit.com/
[2] https://www.facebook.com/IBAGroupIT/
https://www.linkedin.com/company/iba-group
https://www.instagram.com/iba_group/
https://twitter.com/Ibagroup/

Protection of and Respect for Human Rights

IBA Group fully complies with national and international laws on human rights. The company creates fair and decent working conditions for all employees, complies with national and international standards in the field of equal opportunities, and supports the principles of respect for racial, religious, physical, and other differences of employees. IBA Group strictly adheres to the principles of privacy.

The company does not employ forced or compulsory labor in any form, nor does it discriminate its employees. IBA Group does not exploit child labor. In protecting and observing human rights, the company is guided by the following documents:

- Ten Principles of the UN Global Compact
- United Nations Convention against Corruption
- ETS 173: Criminal Law Convention on Corruption

A procedure to ensure protection of employees who report suspected violations of ethical behavior is stipulated in the IBA Group Code of Conduct. Company employees can report an alleged violation of human rights to the head of their business unit. They can also send a message to security@ibagroup.eu or file a complaint using the database *Personnel Proposals*.

In 2022, employees submitted two proposals, none of these concerning human rights. For discussions and exchange of views, IBA Group uses a corporate page on Workplace by Facebook. To inform employees about various aspects of corporate life, including the benefits package, healthcare, and sports, IBA held a series of IBA Talks on Zoom, where employees could ask questions and discuss their pressing issues.

Information Security Policy

IBA Group respects every customer's, provider's, business partner's, and employee's right to inviolability and confidentiality of personal data.

We use the latest technologies and standards to ensure the security of information of our customers. IBA takes adequate measures to organize physical access control, logical access control, in-house security control, data transfer protection, and processing audits.

IBA Group and external auditors conduct annual security audits at all company sites. The IBA Group's information security division constantly monitors the corporate network and checks the organization's activities for compliance with regulatory acts.

Developing a Sustainable Business

Sustainability Management

Since its inception, IBA Group has been implementing a sustainable development policy that serves as a basis for the harmonious development of business, society, and environment. As an IT company, IBA Group implements solutions that increase the efficiency of companies and organizations, as well as strives to improve the quality of life by supporting IT education.

IBA Group is a major contributor to the economy of the countries in which it operates, providing IT services and solutions for local clients, ensuring a safe working environment and decent salaries, and respecting human rights of its employees.

CSR Program

The company has a consistent corporate social responsibility (CSR) program. The CSR program complies with international standards and applies to all activities of IBA Group. Corporate social responsibility management is based on the mission, vision, and values of the company.

Employee Support

Being a people- centered company, IBA Group provides its employees with healthy and comfortable working conditions, as well as a friendly environment with a full scope of individual attention. We offer a benefit package that is commensurate with the great contribution that our employees make to our global success.

The IBA CSR program says that in its daily operations the company is guided by the principles of ethical behavior, transparency, respect for the rule of law and international norms, and respect for human rights.

IBA Group is a responsible corporate citizen that invests in society and contributes to environmental protection.

Community Relations

IBA Group contributes to the sustainable development of the communities in which it operates, improving the wellbeing of these communities. The company provides financial support to various organizations on a regular basis.

Environmental Protection. Green IT

Green IT is of high importance to IBA. IBA development centers are located in the countries that are not rich in natural resources and therefore we strive to use electric power and other resources efficiently.

IT Education

IBA Group cooperates with leading national IT universities to create a reserve of young professionals.

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IBA Group and the UN Global Compact

In 2018, IBA Group became a signatory of the United Nations Global Compact, the world's leading voluntary corporate social responsibility initiative. As a signatory member, IBA Group confirmed that it supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption. In addition, IBA Group pledged that it is committed to making the UN Global Compact (UNGC) and its principles part of the company's strategy, culture and day-to-day operations, and to engaging in collaborative projects to advance the UN Sustainable Development Goals.

This Report demonstrates how IBA Group is performing on the UN Sustainable Development Goals (SDGs).

> **Sustainable development is the main strategic goal of IBA Group.**

Monitoring and Evaluation

IBA Group is a global company that works in accordance with international standards of professionalism, management, and technologies and cares about compliance with these standards. To raise the stakeholders' level of trust and increase competitiveness, IBA Group evaluates its activities.

IBA Group organizes regular internal audits and annual external audits by certified organizations.

IBA Group holds ISO 9001 and ISO/IEC 27001 certificates for design, delivery, and maintenance of software and automated information systems, and for the Information Security Management System, respectively.

IBA participates annually in *The Global Outsourcing 100*, a ranking that recognizes the world's best outsourcing service providers. Companies are first organized by Leader or Rising Star criteria and then evaluated based on the following judging categories.

> **In 2022, IAOP included IBA Group in The Global Outsourcing 100, the list of the best outsourcing providers, for the tenth consecutive year.**

Customer References
as demonstrated through value being created at the company's top customers

Programs for Innovation
as demonstrated through specific programs and resulting outcomes that produce new forms of value for customers

IAOP GLOBAL OUTSOURCING 100 2022

Awards and Certifications
as demonstrated through the value being created through industry recognition, and relevant organizational and individual professional certifications

Corporate Social Responsibility (CSR)
as shown through corporate programs and outcomes that address such topics as community involvement and development, labor practices, human rights, fair operating practices, environmental impacts, consumer issues, and organizational governance

Key Achievements and Goals in Sustainable Development

CSR / Sustainable Development Goals	Key Achievements in 2022	Goals for 2023	Goals for 3 to 5 Years
Provide high quality IT services and solutions through the use of advanced technologies and first rate customer service.	Based on the latest annual customer survey, the customer satisfaction level amounted to 95.8%.	Maintain and improve customer satisfaction score.	Keep customer satisfaction above 95%.
Expand the range of products and services using innovative technologies from world IT leaders.	The set of software solutions expanded to include new open source plugins for the mainframe ecosystem and cloud solutions.	Continue mastering new technologies and methodologies.	Increase the share of projects using the latest technologies in the total volume of IBA Group's projects.
Expand the client base by conquering new markets, penetrating new vertical industries, and creating partnerships with current clients.	In 2022, IBA Group opened offices in Croatia, Georgia, Lithuania, and Serbia.	Expand project geography.	Expand cooperation with customers and partners in Europe, America, Asia, and Africa.
Keep pace with innovations in IT and business areas.	Solutions on mobile payment and mainframe modernization.	Integrate new solutions in business processes of IBA Group and its customers.	Create and implement new solutions with IBA Group customers and internally.

Contribution to UN SDGs

Economic growth must be inclusive to provide sustainable jobs and promote equality.

IBA Group is a global company that works in accordance with international standards of professionalism, management, and technologies and cares about compliance with these standards. To raise the stakeholders' level of trust and increase competitiveness, IBA Group evaluates its activities.

Industry, Innovation and Infrastructure. Investments in infrastructure are crucial to achieving sustainable development.

IBA Group has its own campus that includes a six-floor office building of 12,000 square meters, a data center of 946 square meters, a data center of 946 square meters, a fitness center of 2,400 square meters, and a new data center facility in Prague. All IBA Group's facilities have the latest equipment that uses modern life support technologies. IBA Group's offices in different countries meet the highest requirements for office space. IBA Group's data centers provide cloud services to company divisions and clients.

Ensuring healthy lives and promoting the well-being for all at all ages is essential to sustainable development.

IBA Group employees' age ranges from 20 to 70+ years, which is not typical of young IT companies. All employees have access to a benefit package that includes medical care, sports, cultural activities, and financial assistance. Retired IBA Group's employees are also eligible for the benefit package.

To reduce inequalities, policies should be universal in principle, paying attention to the needs of disadvantaged and marginalized populations.

To work on international projects, IBA Group creates mixed teams that comprise employees from IBA development centers in different countries.

There needs to be a future in which cities provide opportunities for all, with access to basic services, energy, housing, transportation and more.

IBA Group creates products and solutions that improve people's lives, including a series of payment solutions for retail and public transport sectors.

Obtaining a quality education is the foundation to improving people's lives and sustainable development.

IBA Group provides training to its employees and has long-lasting relations with universities in the countries of operations. University students have internships with the company. IBA Group is a sponsor of programming contests and championships among school and university students.

Responsible consumption and production.

IBA Group saves fuel and energy resources by using resource-efficient technologies. The IBA Data Center employs an innovative technology of heat recovery. The heat generated by the data center equipment is used to heat the IBA Fitness Center. Computers used at IBA Group have built-in energy saving systems that reduce power consumption during temporary interruptions in operation. Lighting systems use energy-efficient light sources. The water supply systems have integrated devices that dispense the amount of water. For wet cleaning of premises, automatic floor cleaning machines are used, which allows for reducing water consumption. A waste sorting system is in place.

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world.

IT is a male-dominated industry. However, 36 percent of IBA Group employees are women.

Sustainable economic growth will require societies to create the conditions that allow people to have quality jobs.

IBA Group is a responsible employer. The company's staff receives competitive salaries and enjoys a benefit package. IBA Group equips R&D labs and school classrooms with computers and peripherals.

Access to justice for all, and building effective, accountable institutions at all levels.

IBA Group aims to harmonize its activities with the values and expectations of society. The company continues to adhere to the principles of transparency and accountability, openly informing all stakeholders about its activities, and social and environmental impact.

Revitalize the global partnership for sustainable development.

IBA Group is a signatory of the UN Global Compact.

Stakeholder Engagement

IBA Group builds and maintains long-term relationships with stakeholders, taking into account their expectations and standpoints on various issues.

IBA Group works with a range of stakeholders, including the following groups.

Publics

- Shareholders
- Employees
- Customers
- Suppliers (partners)
- Media
- Universities
- National and local governments

Other Stakeholders

- IT and business associations
- Secondary educational institutions with IT specialization
- Local communities

IBA Group is focused on meeting the interests of all stakeholders, including customers, employees, suppliers, and local communities.

IBA Group uses various communication channels to encourage honest and open dialogue with stakeholders. No processes are in place for stakeholders to consult directly with the supreme governing body on economic, environmental and social matters.

Employees

Interaction with employees and their engagement in the company's activities is an important component of the corporate culture of IBA Group. To meet the expectations and needs of employees, company management maintains an open dialogue through various channels of internal communication, including meetings, surveys, intranet and Facebook Workplace postings, electronic correspondence, office displays, and social media.

Shareholders

IBA Group meets the expectations of shareholders in terms of economic growth. To keep its shareholders informed, the company discloses the results of audits and shares other information at the general meetings and the company's intranet and website.

Clients and Partners

To ensure consistent quality and customer satisfaction, the company's management team maintains contacts with external stakeholders, including customers. The engagement channels include the following:

- Meetings with representatives of current and potential customers and partners
- Participation in exhibitions, workshops, conferences, and other events
- Membership in trade associations
- Support of joint projects with universities and other educational institutions

Stakeholder Engagement in 2022

IBA Group meets the expectations of shareholders in terms of economic growth. To keep its shareholders informed, the company discloses the results of audits and shares other information at the general meetings and the company's intranet and website.

Shareholders

Key Expectations/Interests
Revenue surplus. Positive company reputation.

Interaction Mechanisms
Development of strategy and founding documents. Direct control of the company.

Key Events in 2022
Enhancement of the IBA Group Board. Growth in key indicators.

Employees

Key Expectations/Interests
High wages. Favorable environment and safe working conditions. Benefit package. Professional development.

Interaction Mechanisms
Regular wages and performance-based bonuses. Engagement in company activities. Benefit Package database in intranet, where employees can sign up for a variety of sports and cultural events held or sponsored by the company. Training Database in the intranet with access to a variety of training courses. Talent Constructor HRM facilitates employee development. All applications and databases were developed by IBA Group employees.

Key Events in 2022
Rewarding of the best employees of the year. Online training courses for employees and university students. Sports workouts, training, and memberships.

For more information, see Section 4.2 of the Report.

Customers

Key Expectations/Interests
High quality services that meet customer requirements and international standards.

Interaction Mechanisms
Offshore and onshore delivery models with IBA teams working in cooperation with customer teams.

Key Events in 2022
IAOP selected IBA Group for all sub-lists of The Global Outsourcing 100 for the third year in a row. IT Europa selected IBA Group as a finalist in European IT & Software Excellence Awards. European Business Services Association shortlisted IBA Group for CEE Business Services Awards

Partners

Key Expectations/Interests
High sales of partners' products.

Interaction Mechanisms
Partnership and distribution agreements. Affiliate programs and partner levels. Collaborative activities. Contests among partners.

Key Events in 2022
IBM re-appointed IBA Group as its Platinum Business Partner. SAP re-appointed IBA as a Gold Services Business Partner and recognized IBA's expertise in the industries of Travel & Transportation, Utilities, Oil & Gas, and Telecommunications; and in the solutions of SAP HANA, SAP S/4HANA, Data Management, Enterprise Planning, and Real Estate Management. VISA re-appointed IBA Group as a Visa Ready Certified partner

Media

Key Expectations/Interests
Prompt provision of information of interest to the media.

Interaction Mechanisms
Press conferences, round table discussions, interviews, articles, and other.

Key Events in 2022
Throughout 2022, IBA Group participated in online conferences and roundtable discussions, as well as published thought leadership articles in corporate, international, and local media. However, the ongoing relocation and restructuring impacted company's media relations.

Universities

Key Expectations/Interests
Provision of equipment, software, and training programs. Sponsorship of international and local championships and competitions.

Interaction Mechanisms
Four joint research R&D labs at universities
Training courses for students and teachers. Cooperation agreements with universities of the Czech Republic and Bulgaria.

Key Events in 2022
In 2022, 174 students completed 14 IBA courses of 808 academic hours and 286 students had internships at IBA Group.
You can find more information in Section 4.3 IT Education.

Stakeholder Engagement in 2022

Government authorities

Key Expectations/Interests
Compliance with local laws. Participation in automation of operations of government agencies and institutions.

Interaction Mechanisms
Participation in tenders, development of solutions for automation of business processes.

Key Events in 2022
Implementation of the IBA tapXphone solution in Kosovo, Moldova, and Azerbaijan.

IT and industry associations

Key Expectations/Interests
Participation in industry events and projects. Promoting industry's interests.

Interaction Mechanisms
A member of the International Association of Outsourcing Professionals (IAOP) and of Guide Share Europe (GSE).

Key Events in 2022
Inclusion in the Leaders category and all sub-lists of IAOP's The Global Outsourcing 100.

Becoming a winner in the MarCom Awards, and a finalist at the IT Europa Channel Awards and CEE Business Services Awards, as well as a winner in the IT Product of the Year by Computerworld (IBA CZ).

Secondary educational institutions

Key Expectations/Interests
Computerization of schools. Financial support of schools and IT contests.

Interaction Mechanisms
Sponsorship

Key Events in 2022
Financial and technical support of Belarusian Children's Hospice:

Financial support and mentorship of young innovators through the international youth competition *StartUp Heart*.

Financial support on a regular basis of the Family Inclusive Theater

Local communities

Key Expectations/Interests
Ethical and environmental compliance. Participation in environmental, healthcare, and humanitarian projects.

Interaction Mechanisms
Financial support of and technical assistance to people with disabilities, Belarusian children's hospice, and other children's institutions.

Key Events in 2022
IBA Group continued to provide assistance to the Belarusian Children's Hospice. IBA employees became blood donors.

Memberships in International Initiatives and Associations in 2022

Name	Date of Adhesion	Status
IAOP	2014	Member
Emerging Europe Alliance	2018	Member
UN Global Compact	2018	Signatory
GSE (Guide Share Europe)	2020	Member
SHARE Association	2020	Member

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Implementing Innovations

Quality Management

The company provides its customers with high quality services and solutions. The IBA Group's quality management system is based on internal and international quality standards.

The company continuously improves processes related to products, organizational and management structures, management systems, personnel training, corporate culture, working conditions, infrastructure, and stakeholder engagement.

IBA Group improves its business processes using the PDCA model (Plan-Do-Check-Act).

Quality Improvement Processes

Engagement of all employees in assurance activities	Recognition and reward of achievements in quality and innovation	Empowerment of employees to set goals and make decisions
Professional development and motivation of employees	Creation of safe and comfortable working conditions	Introduction of new technologies and innovations
Creation of corporate culture	Improvement of infrastructure	Development of employee motivation programs
Resource allocation	Use of the company's potential	Implementation of innovations

Quality Assurance and Information Security

Quality Management

To implement policies and achieve objectives in the field of quality and information security management, the company has the following certified management systems (MS) in place:

- Quality management system for design, development, production, and maintenance of software and automated systems, compliant with ISO 9001:2015.

- Information security management system for development, production, and maintenance of software and automated information systems, compliant with and ISO/IEC 27001:2013.

- In 2022, IBA Group confirmed compliance of its management systems with these standards.

IBA Group's management team carries out regular inspections of the company's operations to assess its performance.

IBA Group's management analyzes company performance in line with requirements of the IBA-MAN.1 Leadership process, based on semi-annual internal audit reports and annual performance reports. The results of the analyses are included in the minutes of the meetings of the Standing Committee for Quality Assessment (SCQA).

In 2022, the goals and objectives set by the company management regarding quality management were fully met, which is reflected in the report on the efficiency of management systems and in the results of external audits.

Project managers, project teams, and account managers perform continuous monitoring of customer satisfaction during project implementation.

Customer Satisfaction

IBA Group is aware of the role that quality management plays in solving economic and social issues. A special emphasis is placed on meeting the needs and expectations of all stakeholders, including customers, employees, partners, and suppliers.

To study satisfaction levels, IBA analyzes the following information:

- Reviews in the media

- Feedback from users or customers

- User opinions obtained during marketing surveys

- Findings of surveys

- Registered bugs or other defects

Real time monitoring of customer satisfaction is carried out by project groups during project status meetings and when discussing issues that arise in the course of project execution.

IBA Group conducts annual customer surveys. As the company stopped serving clients in Belarus and Russia, the domestic client surveys were not conducted in 2022.

		2017	2018	2019	2020	2021	2022
Number of complaints		0	1	1	1	1	1
Customer satisfaction	International markets (non-IBM projects, 5-point scale)	4.3	4.6	4.51	4.357	4.87	4.6
	International markets (IBM projects, 100-point scale)	98.53	98.74	99.58	99.56	99.65	99.59

Project curators and process owners analyze survey findings and discuss these at SCQA meetings. The conclusions made by the Committee lay the ground for corrective actions and plans for improvement of the management systems.

Based on findings and conclusions of surveys, IBA Group develops an action plan to improve customer satisfaction.

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Audits of Management Systems

IBA Group is continuously working on the development, implementation, and improvement of management systems to ensure stable quality and information security, and reduce project risks.

The company developed management processes that cover all activities that might affect software quality.

IBA Group conducts internal audits in line with the IBA-MR.1 procedure *Internal Audit and Software QMS Audit Programs for 2022.*

Internal Audit and Software QMS Audit Programs for 2019-2022

Event	Period			
	2019	2020	2021	2022
Number of scheduled inspections	104	100	103	76
Number of unscheduled inspections	4	4	3	6
Number of minor issues detected	12	7	3	3
Number of major issues detected	2	1	1	0

The detected inconsistencies refer to timely updating of relevant documents.

Information Security Audits in 2019-2022

Event	Period			
	2019	2020	2021	2022
Number of scheduled inspections	76	84	94	65
Number of unscheduled inspections	0	0	0	0
Number of minor issues detected	29	14	23	11
Number of minor issues tackled	28	14	23	11
Number of major issues detected	-	-	-	

Audit Results

- The program of audits is executed in full and taking into account all objectives and tasks in quality improvement

- No violations of the internal audit procedures were detected

- Audits time frames were met

- Audit results are registered in a timely manner in line with IBA-SCP9.2 and stored in the QMS audit database

- Audit teams comprise competent and qualified professionals

The program of audits is executed in full and meeting all quality management objectives.

Mobile Technologies

IBA Group develops enterprise applications for banks, manufacturing enterprises, and other businesses. The applications automate workflow, optimize communication between employees, and address a variety of other issues.

Mobile Projects

IBA AFC

Automated Fare Collection (AFC) System.
Commuters can pay for travel in public transport using smartcards or other NFC-enabled devices.
Visa and MasterCard-certified.

tap◆phone

TapXphone is a hardware-free digital payment solution that turns any NFC-enabled Android smartphone into a payment terminal. Using tapXphone, it is possible to accept contactless payments by Visa, MasterCard or other payment schemes. PCI CPoC-compliant. Visa and MasterCard-certified.

ZBot

ZBot is an AI-powered onboarding tool with a user friendly interface, designed to remove the first days' stress for new employees and make relevant information readily available to newcomers. It is also suited for onboarding of remote workers. The chat bot accompanies the newcomer through the first months at the company and acts as a mentor who is always available to answer questions. The bot collects feedback from new employees and provides analytics to the HR department. Zbot speeds up and simplifies the onboarding process and reduces workload for HR divisions.

Auto Volunteers application for the Belarusian Children's Hospice was created by developers of IBA Group within the Engineering Charity Marathon Hospice Project Auto Volunteers.

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Cloud Technologies

IBA Group has its own cloud platform and data center facilities to provide cloud services. As a part of the strategy for product transformation, IBA Group set up the following facilities and took the following actions:

- IBA data centers provide a trouble-free performance of user information systems with specified levels of availability, reliability, security, and manageability. They meet up-to-date international information security standards and are energy-efficient.

- IBA Cloud Platform (ICDC) is an easy-to-use cloud computing platform that provides centralized management of public and private clouds, and enables companies to migrate their traditional applications and develop new services for their customers in a dedicated and safe virtual environment

- Development and modification of proprietary solutions and products is deployed in the IBA Cloud Platform based on SaaS

Data Storage

IBA Data Centers are a fail-safe complex of interrelated software and hardware components, engineering infrastructure, and organizational procedures. The IBA data centers are designed in compliance with international standards and local regulations in the field of information security.

Features

- Protection against electromagnetic radiation by Faraday cage

- Liquid cooling and maintaining high pressure in the main computer room with access through airlock chambers

- Autonomous power supply from a diesel generator and independent transformer substations

- Redundant communication channels from different providers

ICDC Open Source Cloud Platform is a ready-to-use platform for cloud hosting. The platform optimizes business processes through virtual automation and the Location Admin service, which allows for effective customer management. ICDC offers a large stack of development services, including a Kubernetes container platform and DevOps as a Service. With this robust solution, companies can externalize their non-core activities, such as IT development.

Cloud Solutions

IBA AVM

IBA AVM is an automated fleet management system designed for centralized traffic control. The system also informs passengers about the estimated time of arrival of route vehicles (RV) at stopping points. It can be either installed on the customer's servers or delivered as a cloud service.

IBA SECURITY

IBA Group Security is a portfolio of products and services designed for the development, implementation, and maintenance of information security systems.

talent constructor®

Talent Constructor is a family of software products designed for effective human resource management. Talent Constructor is scalable and easily integrates with existing HRMS (for more information see Section 4.2 Employee Support).

VAS

IBA Visual Analysis Studio is an analytical solution for identification of fraud schemes. The solution is a full-fledged analytical machine designed for security divisions of financial and insurance companies.

IBA Finance Management Solutions

Solutions for Retail Banking (Internet Banking, Mobile Banking, payment and currency exchange solutions and terminals, business planning and budgeting, scoring and statistical analysis, and other systems). The introduction of these solutions reduced queuing time in banks and contributed to a positive user experience, resulting in enhanced customer satisfaction.

start point

Start Point is a cloud service designed for collaborative product development and maintenance, product data management (PDM), Product Lifecycle Management (PLM), and electronic document management (EDM) of engineering data.

Intelligent Automation

Intelligent automation enables businesses to streamline repetitive tasks, including sorting of incoming emails, responding to chat messages or extracting useful information from documents.

IBA Group partners with leading RPA (Robotic Process Automation) software providers to re-package and automate complex business processes. IBA Group renders intelligent automation services based on Machine Learning (ML) and Artificial Intelligence (AI).

Open Source Solutions for Mainframe

IBA Group has special expertise in mainframe software development, both system and applied, and in migration of legacy systems. To attract young developers to mainframe support and development, IBA Group came up with a range of open source solutions that connect mainframes to the modern tech stack and development tools.

EasyRPA

EasyRPA is a Robotic Process Automation platform designed for the development, deployment, running, and monitoring of software robots. EasyRPA supports attended and unattended robots with centralized management and hybrid business automation with a human in the loop. It is a full-featured RPA platform with no license fees, which results in rapid deployment and low entry adoption costs.

Mainframe Plugins

IBA Group developed plugins that enable those familiar with modern Integrated Development Environments (IDEs) to work comfortably with mainframes. The For Mainframe IntelliJ IDEA plugin leverages z/OSMF to interact with mainframe data sets and USS files. The Zowe Explorer for IntelliJ plugin provides support for browsing, editing, and creation of data on z/OS via z/OSMF REST API.

Global Repository for Mainframe Developers

The GRMD is a 100% open source repository that comprises useful, tested, and searchable mainframe solutions. It includes commands, scenarios, and templates to solve common mainframe problems and modernize the mainframe.

The repository helps find ad hoc solutions to mainframe problems and learn new skills, contributing to the mainframe community.

Making Responsible Decisions

Environmental Protection

Environmental policy is an integral part of the CSR program of IBA Group. As an IT company, IBA Group does not have a direct impact on the environment. Company's environmental activities comply with national environmental laws in the countries of operation and with international standards. It is also very important for IBA Group that its partners comply with environmental laws and share the company's values in the field of environmental protection. IBA Group pays special attention to energy efficiency and energy saving issues, and participates in the activities that increase environmental awareness.

Efficiency of Environmental Protection Activities

The company applies advanced technologies to make environmental protection activities more effective. IBA Group developed and approved the following Guidelines on the implementation of industrial environmental control:

- Exercise control over observance of requirements for environmental protection by company employees

- Develop plans for the implementation of production control in the company

- Develop action plans in the field of environmental protection

- Organize training and knowledge assessment of employees in the field of environmental protection.

The results of industrial environmental control are documented, specifying the detected violations, if any. Supervisory authorities conduct regular inspections that include measurement of risk factors in the work environment, such as microclimate, noise, electromagnetic fields, and other occupational hazards.

The inspections show that the measured parameters do not exceed the permissible levels and comply with the hygienic standards.

Improvement of Environmental Management System

IBA Group has its Environmental Program. The document is aimed at preserving the environment through the use of advanced and energy-saving technologies, and effective management of working environment and infrastructure. It also provides for safe working conditions, healthy morale, and ecological awareness of employees.

To manage the Environmental Program, IBA Group signed outsourcing contracts with companies that specialize in environmental protection. Each year, an environmental passport is issued for the company, keeping record of the amount of generated waste. IBA introduced a waste sorting system.

Environmental Impact

For better distribution and efficient use of fuel and energy resources, IBA Group develops and approves annual fuel and energy resource consumption norms. In addition, the company keeps track of changes in the level of greenhouse gas emissions in CO_2 equivalent, relevant to electricity and heat consumption.

Every year, an Action Program aimed at reducing consumption of fuel and energy resources is developed and approved. In 2022, the Action Program focused on timely shutdown of unused lighting and power equipment, optimization of the ventilation system switching schedule, awareness-raising activities among employees, and maximization of natural light usage.

The company keeps record of water consumption (water meters are installed).

> **Implementation of organizational and technical actions ensures annual reduction in fuel and energy consumption.**

Energy Efficiency and Conservation

In the design, construction, and operation of buildings, IBA Group implements integrated solutions aimed at decreasing consumption and increasing efficiency of energy resources.

Energy-efficient power, heat, and hot water supply, ventilation, and air conditioning are in operation in the IBA Group campus, primarily in the office building, IBA Data Center, and IBA Fitness Center.

To optimize heat and electricity consumption, IBA Group takes the following actions:

- Air handling units are equipped with heat recovery systems. Rotary heat exchangers of at least 65 percent efficiency are used for office premises and 30 percent heat exchangers with an intermediate heating medium for cafeteria. Rotary heat exchangers have hygroscopic coating, which ensures heat and moisture return and reduces air conditioning load in summer

- Regulation units are equipped with three-way valves on the supply line and circulation pumps with frequency control on the return line to optimize the heat consumption in the air handling units

- Heat curtains are equipped with built-in thermostats and 5-speed fans. Fan speed and temperature are maintained automatically

- Heating units are equipped with an automatic temperature control system

- Heating devices are equipped with thermostats to maintain specified air parameters in the premises

- Air conditioning is water-cooled. Fan coil units are equipped with an automatic control system consisting of a control valve and an in-room controller

- Ventilation and air conditioning systems are equipped with a dispatching system that allows for 24/7 automatic operation planning

- Fans in the air handling units are equipped with performance frequency regulators to prevent air overconsumption and optimize pressure in the duct network

- Pumping equipment of ventilation and air conditioning systems, as well as water supply and heating systems are equipped with frequency converters

- Input and distribution devices, as well as power and lighting boards are located in the load center, which reduces voltage losses in internal electrical networks and ensures the most economical power cabling

- For artificial lighting, the company uses energy-efficient lamps. All lamps are equipped with an electronic control gear (ECG) and have a high power factor, which reduces the operating current of the lamp, power consumption when switched on, and, consequently, voltage loss in the lines

- Electrical wiring in the buildings is made of copper-conductor cables. Group and distribution networks are laid in trays, in cable channels, and on clamps along the shortest path, which reduces voltage losses and improves cooling of current-carrying conductors

- Transformer substations are made of block sets and are located close to the center of electrical loads, which reduces losses in 0.4 KV cable lines

- The company uses photo relays and time delay relays for automatic lighting control

To save thermal energy produced by ventilation and heating systems, IBA Group uses time-varying control systems. Pipelines of heat supply systems, mains and risers of the heating system are thermally insulated. The heating system is equipped with control and balancing valves to ensure stability of the system and enable consumers to regulate heat consumption.

The low hydraulic resistance of the heating system allows for the use of pumps with low energy consumption. In the ventilation system, plate and rotary heat exchangers are used.

The heat pump is connected in parallel with heat engines to recuperate low-grade heat generated by

the equipment of the server room. The recovered heat is used for heating, hot water supply, and ventilation of IBA Fitness Center and IBA Data Center.

Production Waste Management

Thirteen types of production waste are generated by the company. All waste is separated by type in accordance with the waste and hazard class classification systems, effective in the countries of operation.

IBA Group developed Production Waste Management Guidelines in coordination with local authorities.

Production waste collection and disposal is carried out by IBA contractors. Waste disposal accounting meets requirements of the Technical Code of Common Practice 17.02-12-2014 (02120), Form POD-10.

IBA Group submits waste disposal statistics annually in line with national and international laws.

Waste is subjected to mandatory collection, accounting, storage, use, transfer for processing, and disposal to specialized enterprises.

Aggregate Consumption of Fuel and Energy, 2021/2022

Indicator	2020	2021	2022
Thermal energy GCal	1,496	1,724	1,280
Electrical energy, thousand kWh	2,919	2,919	2,377
Total consumption of fuel and energy resources, tons of oil equivalent	606	606	475

The data show that the consumption of thermal and electrical energy decreased in 2022, primarily because of the reduction of office space.

Air Protection

IBA Group seeks to reduce emissions of pollutants in the atmosphere, including:

- Vehicle storage
- Operation of diesel-driven generator sets
- Car washing

To ensure environmentally friendly operation of vehicles, IBA Group made contracts with specialized organizations for the replacement of consumables (oils, antifreezes, and brake fluid). During vehicle maintenance, the worn tires are sent for recycling.

Ecological Awareness

The company implements environmental projects, cooperates with stakeholders to address environmental issues, and informs stakeholders about actions taken in the area through different communication channels, including conferences, meetings, and round table discussions.

IBA Group organizes volunteer green initiatives. The initiatives are an excellent way to engage employees in environmental projects and thereby raise ecological awareness.

CASE STUDY

Nurturing Black Jaguar

IBA Group's commitment to environmental protection extends to animal welfare. In 2022, the company took responsibility for Bakht, a black jaguar.

Bakht, a 9-year-old black jaguar, escaped a flood at Tbilisi Zoo, earning his name which means "destiny." He now resides at Minsk Zoo.

IBA Group is supporting Bakht's well-being by funding his food, medical care, and contributing to his habitat expansion.

IBA Group's contribution to habitat expansion creates a natural environment for Bakht to thrive and express his natural behaviors.

IBA Group's partnership with the Zoo reflects its dedication to animal welfare and broader corporate social responsibility goals.

CASE STUDY

Celebrating Unity and Diversity: IBA Poland's Integration Event

In September, 2022, IBA Poland organized the Jarmark Fair, an integration event for its employees and honored guests from IBA Group. The event was held at MARINA Kleczków in Wrocław, Poland, and witnessed participation from nearly 220 attendees, including IBA Group members from various cities in Poland and abroad.

The integration event aimed to foster team building and stronger bonds among the current IBA Poland employees and those transitioning from other locations within IBA Group. The management's decision to hold the event during the summer holiday season allowed everyone to enjoy outdoor activities and build meaningful connections.

The day's agenda was packed with various activities, including a Regional Zone, Sports Zone, Games Zone, and Chillout Zone. The intense day program was followed by an Evening Party. Moreover, attendees were treated to traditional Polish cuisine, adding cultural flavor to the festivity.

Overall, the Jarmark Fair integration event proved to be a remarkable occasion, fostering a sense of togetherness and celebrating the diversity and unity within the IBA Poland community.

Employee Support

The IBA Group's personnel management policy meets local and international labor standards, and is in line with the corporate values. To attract and retain talent, IBA Group takes the following efforts:

- **Personnel development:** new employee adaptation, professional training, expansion of competencies, and a pool of candidates for higher positions

- **Staff motivation and loyalty:** competitive wages and performance-based bonuses, various forms of recognition and moral encouragement, and benefit package

- **Personnel's awareness and engagement**

Competition for IT professionals is high on local and international markets, which results in very high attrition rates in the IT sector. IBA Group kept the issue under control, investing in internal projects and additional training for employees who were not involved in customer projects. The company took special care of the employees who moved to new locations, helping them settle in a new environment.

In 2022, IBA Group proceeded with the extensive relocation program. As IBA Group affiliates are individual legal entities, employees had to terminate employment with one legal entity and apply for employment at another. This affected the turnover statistics. The aggregate employee turnover in 2022 was 58 percent.

See also Employee Structure in Appendix 5.

The main asset of IBA Group is talented employees, whose level of competence ensures high quality software and solutions. The company conducts and implements an array of activities and initiatives aimed at attracting, developing, and retaining capable employees.

IBA Group offers parental leave for both female and male employees. In 2022, 16 people went on parental leave, none of them being males.

	Employees
Total number of employees eligible for parental leave	33
Total number of employees who took parental leave	16
Total number of employees who returned to work after parental leave	17
Total number of employees who returned to work after parental leave and were still employed 12 months after returning to work	8

## Measuring Employee Satisfaction

Since 2005, IBA Group has been conducting biennial employee satisfaction surveys using a survey application in the corporate information system. In 2022, IBA Group applied the Employee Net Promotion Score (eNPS methodology) to measure employee satisfaction and engagement, breaking down survey participants into the following groups:

- Promoters who give the highest scores (9-10)
- Passively Satisfied who score their satisfaction at 7-8
- Detractors who give the lowers scores of 0-6

eNPS=% Promoters - % Detractors. The 2022 eNPS for IBA Group was 32.9%. An eNPS from 10% to 30% is considered a good score, and the company's rate exceeded this scoring, which indicates that the majority of employees are satisfied with their experience at IBA Group.

The highest satisfaction scores received teamwork (90.3%), work environment (89.7%), and management support (87.2%). The lowest score received career development (73.9%).

Employee Net Promotion Score (eNPS)

14,80%
47,70%
37,50%

- Promoters
- Passively Satisfied
- Detractors
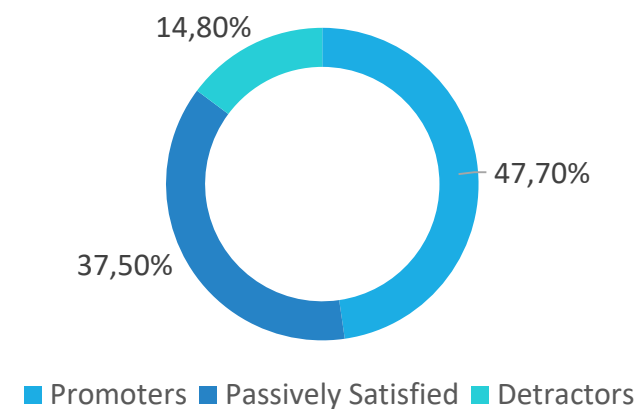
Assessment of HR Management

To encourage employees' feedback and improve HR management, IBA Group applies the following techniques:

- Direct access of employees to senior officials
- Training assessment questionnaire in the Training Database
- Staff Proposals Database for complaints and suggestions
- Regular employee surveys and polls

The aggregate satisfaction rate at IBA Group in 2022 was 83.3%, which is 3% higher than in 2018

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Improving HR Management

Efficient recruitment, assessment, and motivation of employees enable IBA Group to achieve its goals. To this end, the company leverages a variety of programs, techniques, and technologies:

- Candidate pool

- Fund for support of new employees

- Personnel record keeping

- Sponsorship of universities

- Personnel selection and adaptation

- Personnel training

- Internal communications

- Benefit package

The programs are updated annually after a thorough analysis of the previous year's results. IBA Group applies the following solutions and databases:

- Personnel Records

- Training

- Employee Certificates

- Surveys

- Financial Requests

- PMT PRS (IBA project management tool)

- Personnel Proposals

- SQMS

- ISMS

- Talent Constructor (IBA HR management tool)

- IBA portal
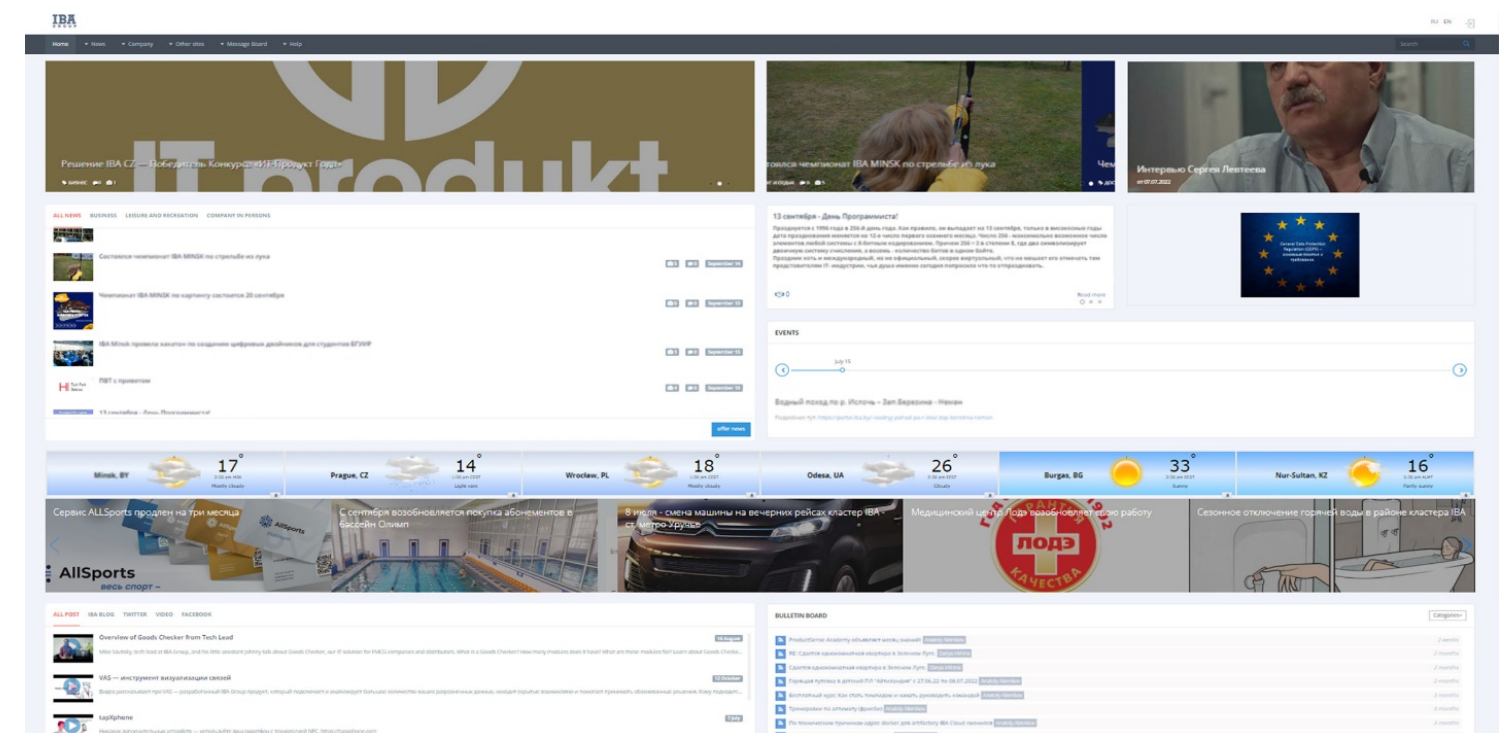
Employee Development and Training

IBA Group implements a consistent employee development policy that includes the following initiatives:

- IT training at training centers of world IT leaders and at the IBA Institute
- Certification of IT specialists
- Foreign language courses: English, French, and German
- Corporate trainings, workshops, and conferences

Relevant information on qualifications, practical experience, education, and training is systematically accumulated in personal files and employee registration cards in the Personnel Records and Certificates databases.

In 2022, 36 employees received honorary diplomas for exemplary performance and 27 employees were awarded Best IBA Employee titles.

IBA Group management appointed an Education Manager to coordinate training and career development programs for the company's personnel. An established procedure is in place for assessment of training courses and events.

Training at Training Centers of World IT Leaders

On average, more than 1,360 IBA employees receive training annually in more than 30 leading training centers of the CIS and Europe, including the following education providers: IBM Training Center, SAP CIS, Carnegie Mellon University, and Software Engineering Institute.

Monitoring activities

1 Selection and hiring of personnel

2 Defining training needs

3 Training program development and scheduling

4 Training sessions

5 Assessment of training outcomes

The company organizes regular foreign language courses for employees. In 2022, 670 employees attended foreign language courses.

Training and Certification, 2022

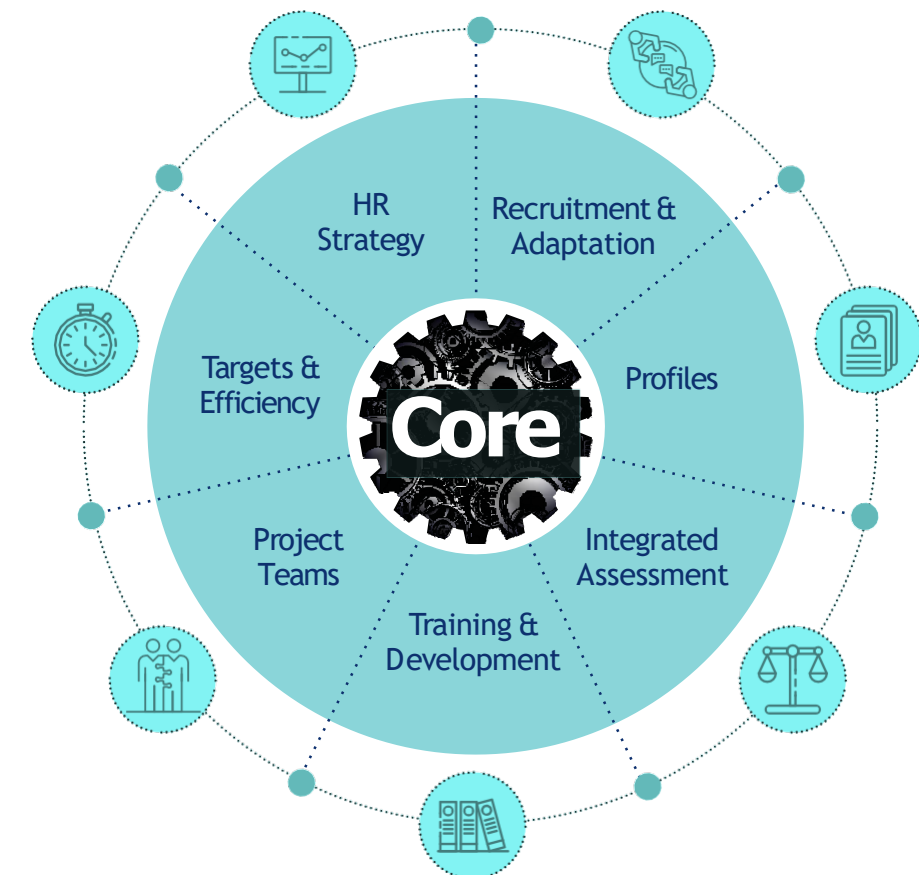| Type of Training	# of employees trained
Total	**1260**
Professional development	486
Certification	104
Foreign language courses	670

The IBA Group team consists of leading industry professionals who combine creative ingenuity, strategic business thinking, and technical expertise. We create a unique working environment in which both gray-haired gurus and young professionals in the field of software development, project management, information security, and quality management feel comfortable.

CASE STUDY

Employee Development

The company applies an HR management tool called *Talent Constructor*. Using this solution, each employee can devise an individual development path and follow it under supervision of a project manager or a division director. Talent Constructor is constantly evolving and to date, the solution is a cloud-based suite of services with the Selection, Assessment, Development, and Efficiency components.

Talent Constructor resolves HR management tasks and is seamlessly integrated with the HRM system of the company.

Core diagram: HR Strategy, Recruitment & Adaptation, Profiles, Integrated Assessment, Training & Development, Project Teams, Targets & Efficiency

Search of Talents

Creating and maintaining a team of first class IT and business professionals is one of the company's primary goals. To find qualified professionals, the company uses different methods, from training of young specialists to inviting specialists from other companies. IBA Group maintains a talent pool database that contains approximately 2,700 applicants.

Employing Young Personnel

To improve the quality of education of IT specialists and develop new lines of business, IBA Group provides financial assistance and conducts training courses on advanced IT technologies at the joint IBA – university R&D labs. IBA experts share their practical experience with future IT specialists. Eventually, many of the course attendees join the IBA Group's team. For more details, see IT Education in the Making Responsible Decisions section of this Report.

Relocation

Given the deficit of qualified specialists in specific IT fields, IBA Group sets up and expands centers of excellence in safe countries for employees who want to relocate.

Referral Recruitment Program

IBA Group applies a referral recruitment program to attract new qualified personnel. IBA employees refer candidates for filling job openings, as the company has an excellent working environment and a positive reputation among industry's specialists.

Motivation and Social Guarantees

Striving to be a workplace of choice for the best IT professionals, IBA Group creates a comfortable environment for employees' productive work, and professional and personal development. The company conducts research of salary levels in the IT industry to adjust remunerations at IBA Group accordingly.

Work from Home

IBA Group organized work from home for employees during the pandemic. To ensure a smooth transition, the company provided remote access to the IBA network and the IBA Cloud platform that enables employees to share big files and create virtual workstations. IBA Group performed the transition to work from home gradually and in compliance with customer requirements.

To empower IBA employees and their families, IBA Group offers a package of social and financial benefits. The amount of benefits an employee can receive depends on his or her qualification level. The benefit package has been continuously expanding.

In addition, IBA takes care of its retired employees. They participate in weekend tours or use discounted memberships for swimming pools and saunas.

The following fundamental principles are at the core of the benefit package:

Mutual development.
IBA employees contribute to the company's development and the company takes care of the employees' well-being and social security

Shared responsibility.
Both employees and the company contribute to financing social campaigns

Accessibility.
Social benefits are granted to employees, regardless of their performance

Transparency and openness.
 All employees can make proposals on the improvement of the benefit package. Information about the benefit package is published on the IBA information resources

To devise a social strategy and make timely decisions on employees' proposals, IBA organized a Council for Social Policy. Representatives of company management and divisions are members of the Council.

The Council's activities are governed by the Regulations on the Council for Social Policy. In addition to salaries, bonuses, and training courses at leading IT educational centers, IBA Group employees who achieve outstanding results receive awards at special company events.

The IBA-developed application SOCIAL PACKAGE enables employees to reduce the time spent on program selection and filing an application. The company analyzes the accumulated data to assess events' results and improve the benefit package.

Social events are grouped into the following programs:

- Medical care and recreation
- Financial assistance
- Improvement of living conditions
- Sports and tourism
- Festive events and gifts
- Children programs

Medical Care

 The company proceeded with protection of health and safety of IBA employees and their families.

During the pandemic, IBA Group organized work from home for employees and transferred meetings online. The year 2022 proved that this trend is viable and the company incorporated it in the production cycle. Company management adopted a hybrid working model where employees can work partly in their workplaces and partly remotely, from home. This helped reduce stress and allowed employees to feel more relaxed.

IBA employees received medical services at healthcare institutions that have contracts with IBA.

In 2022, 1,523 employees had medical insurance coverage. More than 510 consulted doctors and 138 were vaccinated against COVID at the IBA-supported medical institutions. IBA Group organized a fluorography examination with 246 employees examined. More than 230 employee had COVID tests made at the company's expense.

IBA Group organizes recreation of its employees and their family members. The procedure for provision of vouchers to IBA Group employees and their children, as well as for rehabilitation of children in recreational and sports camps is stipulated in the IBA Regulations on the Procedure for Provision of Sanatorium and Resort Treatment and Rehabilitation to Employees and their Children. In 2022, employees received 45 adult and children vouchers for sanatoria and 81 vouchers for children camps.

Donor Day

 In 2022, IBA Group conducted a series of the Donor Day events aimed at collecting blood for medical institutions with 27 employees donating their blood for the benefit of the health and lives of other people.

Dwelling Program

IBA Group provides interest-free loans to its employees who commission or buy flats or dwelling houses. The Provision on Loans to IBA Group Employees stipulates the approval procedure and the size of loans.

The Provision on Waiting List and Distribution of Rented Flats (51 flats) regulates distribution of rented flats.

Financial Assistance

In addition to the social allowances granted by national and local laws, IBA Group provides financial assistance:

- In the event of first marriage
- In the event of childbirth
- On parental leave up to three years
- For recreation of employees' children
- To employees who have children with disabilities
- As seasonal allowance
- In the event of retirement
- In the event of death of a close relative of an employee or of a retired employee

Sports and Tourism

The company fosters a healthy way of life. IBA Group has its own fitness center located in the company's campus. IBA Group employees can practice in the gym or in fitness groups (aerobics, Pilates, yoga, and other) with professional trainers, or play tennis, football, volleyball, or basketball, or dance. In addition, IBA Group employees who work in different countries enjoy discounted or free recreation or fitness center memberships.

IBA employees participate in competitions in different sports, including mountain skiing, snowboarding, table tennis, basketball, volleyball, billiards, mini golf, swimming, mini soccer, clay target shooting, arching, tennis, karting, darts, kicker, and bowling. IBA Group organizes tours and retreats.

In 2022, IBA employees used the hybrid working model, allowing for working from home, on the go, or in the office. They were happy to resume sport workouts, training, and competitions after the end of the COVID pandemic. IBA employees practiced tennis, football, basketball, volleyball, badminton, football, swimming, and other sports. More than 1,000 employees were involved in sport activities in 2022.

IBA Group organized fitness workouts for children with autism. A special program helps children cope with everyday challenges and reduce stress.

Labor and Health Protection

IBA Group applies a systematic approach to labor and health protection. The company fully observes national laws on labor protection and industry security, and complies with relevant international standards.

IBA Group employees are notified by email about accidents. The emails contain the algorithm of actions to address the accident. To increase occupational safety and prevent injuries, IBA Group performs the following actions:

- Purchase of medical kits

- Purchase of detergents and personal care products

- Laboratory and instrumental examination of harmful environmental factors at workplaces

- Blocking of leakage of tobacco smoke from smoking rooms

- Monitoring of load bearing structures of office buildings

- Maintaining first-aid rooms in major offices

Children Program

IBA Group organizes festive and training events for children of IBA employees and of the organizations the company supports. In 2022, the events included the following:

- New Year gifts

- Knowledge Day gifts to first graders

- Kids' club at the IBA Fitness Center with regular fitness workouts for kids

- Children's Inclusive Theater

- An IT course for orphan children and children with disabilities in partnership with the BSUIR

- Fundraising to help children in Ukraine

- First aid training

Holidays and Gifts

For long-term conscientious work and a significant personal contribution to the company's development, and in case of retirement, employees receive gifts or the company organizes special events for them.

SPORTS EVENTS AND OTHER ACTIVITIES 2022

EVENT	Number of applications, per year
Adult Events	
Monthly pool membership cards	780
Ski passes at ski center (winter)	86
Canoe trips (summer)	141
Maslenitsa celebration	266
ALLSPORT membership cards	1,584
Children's Events	
Children's fitness groups at IBA Fitness Center	268
New Year's children's show	381
Children's early development groups	231
Gifts for Knowledge Day	51
Children's New Year's gifts	501
SPORTS	
Sports group classes with instructor/coach	
Yoga (2 groups)	166
	51
Gym workout	62
Fitness mix	182
Group step-aerobics	32
Table tennis	97
Tennis	340
Volleyball	137
Basketball	172
Soccer	206
Badminton	365
Lawn tennis	622
Individual signups	
Gym	3,718
Billiards room	408
Table tennis room	242
Outdoor court	206

Championships & competitions	Number of participants
Weightlifting	15
Darts	51
Naliboki Marathon	4
Karting	35
Archery	21
Bowling	54
Badminton	20
Table soccer	30
TOTAL	11,474

IT Education

IBA Group closely cooperates with higher educational institutions, contributing to training of university students.

IBA Group's university support programs include the following:

- Training courses for students and teachers
- Technical and financial assistance
- Joint R&D labs

IBA Group partners with the Mendel University in the Czech Republic, Burgas Free University in Bulgaria, and other universities.

Courses for University Students

IBA Group conducted free courses for students and teachers of BSU, BSUIR, and Burgas University. The teachers were IBA experts, including software developers, testing engineers, business analysts, and team leaders. IBA uses the method 'from theory to practice', where students work on real IBA projects and use IBA technical resources, including the IBA Data Center.

More than 30 IBA Group employees are involved as part-time teachers.

Course graduates can start their career at IBA Group.

In 2022, 174 students completed IBA courses of more than 800 academic hours and 286 students had internships at IBA Group.

Support of University Hackathons

IBA Group assists in the organization of hackathons for university students. IBA experts conduct master classes, work as jury members, and advise and support the competing teams.

In 2022, IBA Group supported the following hackathons:

- SAP Hackathon IBA/BSUIR
- Digital Twins, BSUIR
- Centenary Hackathon, BSU

Support of University Contests

IBA Group provides financial and technical support for contests in IT and related fields.

StartUp Heart.

IBA Group became a partner of *StartUp Heart*, a startup competition initiated by students of the Faculty of Economics of BSU.

R&D Labs. IBA Group maintains R&D labs at the following universities.	Burgas University	Faculty of Information Technologies and Management of BSUIR	Faculty of Computer Systems and Networks of BSUIR	BSU

IBA Group events for students in 2022

Event Name	# of Students	# of Hours
Digital Twins Hackathon, BSUIR, April 2022	90	40
Lecture on Ethical Hacking during TechWeek, BSUIR	80	4
SAP Hackathon IBA/BSUIR, September 2022	78	24
Startup Heart project competition at FE of BSU	130	8
The 100th anniversary of BSU Hackathon, BSU	30	5
TOTAL	408	81

CASE STUDY

Fostering Innovation with StartUp Heart Partnership

IBA Group's dedication to innovation and emerging talent extends to university collaborations, like the StartUp Heart startup competition. StartUp Heart aligns with IBA's commitment to nurturing ideas and entrepreneurship.

Annually, IBA collaborates with StartUp Heart, offering financial support and mentorship to young innovators. The competition welcomes projects at varying stages, refining concepts through workshops and expert guidance.

Notably, IBA's support spotlighted projects titled *Eye* and *SmartLogist*. The Eye project immerses users in a virtual civilization, while SmartLogist uses neural networks for 5G cost-path searching.

This dedication to innovation continues internally through the IBA Accelerator, empowering employees to turn ideas into reality. IBA encourages team members to participate, innovate, and contribute to a culture of progress.

StartUp Heart startup competition

Charity and Inclusivity

Guided by the IBA CSR Program, IBA Group supports educational institutions and other non-governmental organizations.

In 2022, IBA Group conducted a series of the Donor Day events aimed at collecting blood for treatment and emergency medical care. Twenty-seven employees donated their blood for the benefit of the health and lives of other people.

IBA Group provides financial support to the Inclusive Family Theater for children with autism, covering space rental and public utility costs, as well as scenery, costumes, and other expenses.

In 2022, IBA Group proceeded with fitness workouts for children with autism. A special program helps children cope with everyday challenges and reduce stress.

In addition, the company provided financial support to the following organizations:

- Minsk Regional Children's Clinical Hospital
- Senno boarding school for orphans and children without parental care
- Secondary and grammar schools
- Departments of education at local governing bodies

Support of Children's Hospice

The Belarusian Children's Hospice helps kids with severe disabilities to live a normal life by creating a homelike atmosphere.

IBA Group has been supporting this organization for several years, assisting with construction, repairs, and medical and computer equipment and devices. The company took part in various programs, including the open door days.

IBA Group maintained the Auto Volunteers application that the Hospice uses to organize transportation of children with disabilities by volunteers in their cars.

The company proceeded with financial support of the organization on a monthly basis.

CASE STUDY

Empowering Special Needs Students through IT Education

IBA Group is committed to promoting inclusive education for students with special needs. In collaboration with the UNESCO Chair "Professional Education in the ICT Field for Individuals with Special Needs" at Academy of Informatics for Children at BSUIR, IBA Group facilitated training for visually, hearing, and speech impaired students.

This initiative provided 40 students from specialized educational institutions across regions with an opportunity for remote learning . The project aimed to bridge the digital divide and ensure equal access to education and skill development.

Students were offered two basic-level courses: *Computer Graphics* and *Web Master*, guided by AIC BSUIR instructors. Engaging in 40 lessons per course through video conferences and webinars, the initiative not only developed digital skills but also nurtured a tolerant sociocultural environment.

Results were evident, as students enthusiastically completed assignments and acquired new skills. Post-program anonymous surveys indicated students' appreciation for the experience and their interest in continued learning with university instructors. This project shows a significant stride in narrowing the digital gap, demonstrating the potential of remote learning for students with special needs. Its success will propel expansion to other regions, underscoring IBA Group's commitment to accessible education for all.

Appendices

Appendix 1

About this Report

The IBA Group's 2022 Corporate Social Responsibility Report (Report) contains information about company's results for 2022 and plans for further development. In addition, the Report shows innovative approaches and practices the company applies in its operations. The company publishes reports annually (last report issued in October, 2022) and covers economic, social, and environmental performance and activities from January 1 to December 31.

This document serves as an instrument for the company's communication with a wide range of stakeholders, including employees, customers, partners, government authorities, communities, and mass media. The Report provides integral and comprehensive information about IBA Group's activities related to sustainable development.

CSR and sustainability reporting gives a number of benefits to IBA Group.

The company is able to:

- Identify the stance of stakeholders to IBA activities

- Confirm that the company takes into account the perceptions of stakeholders and builds trust in the company

- Foster improvement of internal and external processes

- Build and maintain a sustainable reputation

- Increase competitiveness

The Report complies with the following standards:

- Global Reporting Initiative (GRI SRS, Core)

- 17 UN Sustainable Development Goals (SDGs)

- Ten Principles of the United Nations Global Compact

- International standards for stakeholder engagement

- AA1000 by the Institute of Social and Ethical Accountability

IBA Group seeks to integrate the UN SDGs in the company's strategy.

Report Structure

The Report provides information about IBA Group's approaches to governance, and operations and plans in economic, environmental, and CSR areas.

The Report includes an overview of the company's activities in the following areas:

- Corporate governance
- Stakeholder engagement
- Environment protection
- Business ethics
- HR management

Boundaries

The Report contains a number of forecasts and predictions with regard to the company's future, plans, and expected results. These statements reflect IBA Group's expectations and intentions. However, they are associated with inherent risks and uncertainty, as their further implementation depends on a large number of various factors, many of which are beyond the company's control, including global economic and political conditions, and changes in tax, environmental or other laws. Therefore, the actual results may differ directly or indirectly from those stated in the Report.

No changes in the list of material topics and topic boundaries from the previous reporting period occurred. Also, there were no restatements of information during the reporting period.

Reporting Principles

Principles for Defining Report Content

The Report was prepared in accordance with the Core option of GRI's Sustainability Reporting Standards. Appendix 4 provides a GRI content index.

Essential Aspects

IBA Group identified the aspects that are most essential for the company and its stakeholders, and can influence the decisions about the company's future. We aimed to make the Report useful and concise.

When preparing the document, IBA updated the list of essential aspects and a number of aspects that are not essential for the stakeholders were not disclosed in detail. We also look forward to receiving proposals on how to improve the Report. To this end, we attached a feedback form.

Principles for Defining Report Quality

The Report quality is guaranteed through the use of the following GRI principles:

- Balance
- Comparability
- Accuracy
- Clarity
- Reliability
- Timeliness

Internal Procedures for Defining Report Quality and Reliability

IBA Group is in the process of building a corporate reporting system. Company divisions responsible for provision of information about each of the priority areas of sustainable development examined the quality and reliability of the texts and numbers. Therefore, the information disclosed in the Report is accurate.

The 2022 sustainability Report has not passed the public assurance process.

Appendix 2

Key Awards and Achievements of IBA Group in 2022

The IAOP for the tenth consecutive year included IBA Group in the Leaders category of The Global Outsourcing 100 (For more information, see Sustainability Management in Section 2. Developing a Sustainable Business), recognizing IBA Group as Super Stars of the Global Outsourcing 100 for Sustained Excellence and as Top Company for Customer References, Awards & Certifications, Programs for Innovation, and Programs for Corporate Social Responsibility (All Star).

IT Europa selected IBA Group as a finalist of the IT Europa Channel Awards 2022 in the category Enterprise Solution of the Year.

The Association of Marketing and Communication Professionals awarded Platinum for the IBA Group's 2020 CSR Report and Gold for the book The Digital CEO: A Dozen Years of IT Insight.

IBM re-appointed IBA Group as an IBM Platinum Business Partner. SAP re-appointed IBA as its Gold Services Partner and recognized IBA's expertise in the industries of SAP Travel and Transportation, Utilities, Oil & Gas, Telecommunications; and in the solutions of SAP HANA, SAP S/4HANA, Data Management, Enterprise Planning, and Real Estate Management.

VISA re-appointed IBA Group as a Visa Ready Certified partner within the Transit and Tap to Phone partner programs. IBA Group qualified for the finals of the tenth Transport Ticketing Awards in the Ticketing Technology of the Year category

The European Business Services Association selected IBA CZ a finalist at the CEE Business Services Awards in the category *Business Services Firm of the Year – Czech Republic* and Computerworld announced IBA CZ a winner in the IT Product of the Year contest.

Appendix 3

Terms and Abbreviations

AA1000 is a standard for assessing and strengthening the credibility and quality of an organization's social, economic, and environmental reporting. It is primarily intended for use by external auditing bodies that assure organization's reports or social accounts (Assurance Providers) but can also be used to guide any organization when building its accountability processes, systems and abilities. Unlike other similar standards, AA1000 seeks to instill a culture of continuous development through stakeholder responsiveness.

B2B (business-to-business) is a situation where one business makes a commercial transaction with another.
https://en.wikipedia.org/wiki/Business-to-business

Big Data is a field that treats ways to analyze, systematically extract information from, or otherwise deal with data sets that are too large or complex to be dealt with by traditional data processing application software.
https://en.wikipedia.org/wiki/Big_data

Cloud technologies or cloud computing is a general term for anything that involves delivering hosted services over the internet. These services are broadly divided into three categories: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS). The name cloud computing was inspired by the cloud symbol that's often used to represent the internet in flowcharts and diagrams
https://searchcloudcomputing.techtarget.com/definition/cloud-computing

CMMI (Capability Maturity Model Integration) is a process level improvement training and appraisal program. Administered by the CMMI Institute, a subsidiary of ISACA, it was developed at Carnegie Mellon University (CMU).
https://en.wikipedia.org/wiki/Capability_Maturity_Model_Integration

Corporate Social Responsibility (CSR), also called corporate sustainability, sustainable business, corporate conscience, corporate citizenship, conscious capitalism, or responsible business) is a type of international private business self-regulation.
https://en.wikipedia.org/wiki/Corporate_social_responsibility

G2B (government-to-business) is a suite of software and hardware tools for online communication of government bodies and businesses designed to support and develop business, including websites of government authorities and e-procurement portals.

G2C (government-to-citizen or government-to-consumer) is a situation when a government agency communicates with the general public.
https://acronyms.thefreedictionary.com/G2C

Internet of Things (IoT) is the extension of internet connectivity into physical devices and everyday objects. Embedded with electronics, internet connectivity, and other forms of hardware (such as sensors), these devices can communicate and interact with others over the internet, and they can be remotely monitored and controlled.
https://en.wikipedia.org/wiki/Internet_of_things

ISO 9001 is the international standard for a quality management system (QMS). The standard is used by organizations to demonstrate their ability to consistently provide products and services that meet customer and regulatory requirements and to demonstrate continuous improvement
https://the9000store.com/what-are-iso-9000-standards/what-is-iso-9001/

Outsourcing is an agreement in which one company hires another company to be responsible for a planned or existing activity that is or could be done internally and sometimes involves transferring employees and assets from one firm to another.
https://en.wikipedia.org/wiki/Outsourcing

PDCA (plan–do–check–act or plan–do–check–adjust) is an iterative four-step management method used in business for the control and continuous improvement of processes and products.
https://en.wikipedia.org/wiki/PDCA

Intelligent Automation is a business process automation technology based on the notion of metaphorical software robots or artificial intelligence (AI) workers.
https://en.wikipedia.org/wiki/Robotic_process_automation

Sustainable development is the organizing principle for meeting human development goals while simultaneously sustaining the ability of natural systems to provide the natural resources and ecosystem services upon which the economy and society depend. The desired result is a state of society where living conditions and resources are used to continue to meet human needs without undermining the integrity and stability of the natural system.
https://en.wikipedia.org/wiki/Sustainable_development

Sustainable development goals (SDGs) are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. The SDGs are part of Resolution 70/1 of the United Nations General Assembly, the 2030 Agenda.
https://en.wikipedia.org/wiki/Sustainable_Development_Goals

The UN Global Compact is the world's largest corporate sustainability (a.k.a. corporate social responsibility) initiative with 13,000 corporate participants and other stakeholders over 170 countries with two objectives: Mainstream the ten principles in business activities around the world and Catalyze actions in support of broader UN goals, such as the Millennium Development Goals and Sustainable Development Goals.
https://en.wikipedia.org/wiki/United_Nations_Global_Compact

Tons of oil equivalent (TOE) is a unit of fuel, equal in its energy value to a ton of oil.

Appendix 4

GRI Standards Content Index

GRI Indicators	Business Theme	Report Section	SDG
GRI 2: General Disclosures			
The organization and its reporting practices			
GRI 2-1	Organizational details	Managing the Organization	
GRI 2-2	Entities included in the consolidated financial statements	Managing the Organization Appendices	
GRI 2-3	Reporting period, frequency and contact point	Appendices	
GRI 2-4	Restatements of information	Appendices	
GRI 2-5	External assurance	Appendices	
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	Managing the Organization	
Governance			
GRI 2-9	Governance structure	Managing the Organization	5. Gender Equality 16. Peace, Justice, and Strong Institutions
GRI 2-10	Nominating and selecting the highest governance body	Managing the Organization	5. Gender Equality 16. Peace, Justice, and Strong Institutions
GRI 2-11	Chair of the highest governance body	The Chairman of the Board of Directors is also an executive officer	16. Peace, Justice, and Strong Institutions
GRI 2-15	Conflicts of interest	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 2-16	Communicating critical concerns	Managing the Organization	
GRI 2-18	Evaluation of the performance of the highest governance body	Managing the Organization	
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	Message from the IBA Group Chairman	
GRI 2-26	Mechanisms for seeking advice and raising concerns	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 2-27	Compliance with laws and regulations	Managing the Organization	1 - Economic growth 3 - Ensuring healthy lives and promoting the well-being
GRI 2-28	Membership of associations	Developing Sustainable Business	

GRI Indicators	Business Theme	Report Section	SDG
Stakeholder Engagement			
GRI 2-29	Approach to stakeholder engagement	Developing Sustainable Business. Appendices	
GRI 2-30	Collective bargaining agreements	Percentage of employees covered by collective bargaining agreements - 100%	8. Decent Work and Economic Growth
GRI 3 Material topics			
GRI 3-2	List of material topics	Appendices	
GRI 200: Economic			
GRI 201: Economic Performance			
GRI 201-2	Financial implications and other risks and opportunities due to climate change	The Company does not conduct a financial assessment of the risks associated with climate change	13: Climate action
GRI 201-4	Financial assistance received from government	Taxes, fees, and duties granted to HTP residents, amounting to 8,500,000 BYN (~ US$3,300,000)	1: No poverty
GRI 202: Market Presence			
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Employee remuneration and benefits are in line with relevant national laws. Remuneration exceeds legislated minimum country wage levels irrespective of gender. There are no structural disparities by gender in entry level wages	1: No poverty 5: Gender equality 8: Decent work and economic growth
GRI 205: Anti-corruption			
GRI 205-2	Communication and training about anti-corruption policies and procedures	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 205-3	Confirmed incidents of corruption and actions taken	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 206: Anti-competitive Behavior			
GRI 206-1	Legal actions for anticompetitive behavior, antitrust, and monopoly practices	There were no legal actions during the reporting period	16. Peace, Justice, and Strong Institutions
GRI 207: Tax			
GRI 207-4	Country-by-country reporting	The indicator is not disclosed due to the confidential nature of information (this information is a trade secret of the Company)	1: No poverty 10: Reduced inequality 17: Partnership for the goals

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GRI Indicators	Business Theme	Report Section	SDG
GRI 300: Environment			
GRI 302: Energy			
GRI 3-3	Management of material topics	Making Responsible Decisions	
GRI 302-1	Energy consumption within the organization	Making Responsible Decisions	12. Responsible Production and Consumption
GRI 302-2	Energy consumption outside of the organization	IBA Group does not report the energy consumed outside the organization	7: Affordable and clean energy 8: Decent work and economic growth 12: Responsible consumption and production 13: Climate action
GRI 302-4	Reduction of energy consumption	Making Responsible Decisions	8. Decent Work and Economic Growth 12. Responsible Production and Consumption
GRI 304: Biodiversity			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Company's operations do not impact the protected areas or areas with high biodiversity value.	6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-3	Habitats protected or restored		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 308: Supplier Environmental Assessment			
GRI 308-1	New suppliers that were screened using environmental criteria	During the reporting period, there were no suppliers that were screened using environmental criteria	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken		

GRI Indicators	Business Theme	Report Section	SDG
GRI 400: Social			
GRI 401: Employment			
GRI 401-2	Benefits provided to full-time employees and not provided to temporary or part-time employees	Making Responsible Decisions	8. Decent Work and Economic Growth
GRI 401-3	Parental leave	Making Responsible Decisions	5: Gender equality 8: Decent work and economic growth
GRI 402: Labor/Management Relations			
GRI 402-1	Minimum notice periods regarding operational changes	The minimum notice period for significant operational changes is in compliance with applicable laws in the countries of operation.	8. Decent Work and economic Growth
GRI 403: Occupational Health and Safety			
GRI 403-6	Promotion of worker health	Making Responsible Decisions	3. Good Health and Well-Being 8. Decent Work and Economic Growth
GRI 404: Training and Education			
GRI 3-3	Management of material topics	Making Responsible Decisions	
GRI 404-1	Average hours of training per year per employee	Making Responsible Decisions	4. Quality Education 5. Gender Equality 8. Decent Work and Economic Growth
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Making Responsible Decisions	8. Decent Work and Economic Growth
GRI 405: Diversity and Equal Opportunity			
GRI 405-1	Diversity of governance bodies and employees	Making Responsible Decisions	5. Gender Equality 8. Decent Work and Economic Growth
GRI 406: Non-Discrimination			
GRI 406-1	Incidents of discrimination and corrective actions taken	No cases of discrimination	5. Gender Equality 8. Decent Work and Economic Growth 16. Peace, Justice, and Strong Institutions
GRI 407: Freedom of Association and Collective Bargaining			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are no operations where the right to exercise freedom of association and collective bargaining is at significant risk. There were no violations of freedom of association and collective bargaining during the year	8. Decent Work and Economic Growth

GRI Indicators	Business Theme	Report Section	SDG
GRI 408: Child Labor			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	No cases. Prohibited by law	8. Decent Work and Economic Growth 16. Peace, Justice, and Strong Institutions
GRI 409: Forced or Compulsory Labor			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No cases. Prohibited by law	8: Decent work and economic growth
GRI 411: Rights of Indigenous Peoples			
GRI 411-1	Incidents of violations involving rights of indigenous peoples	N/A	
GRI 413: Local Communities			
GRI 3-3	Management of material topics	Making Responsible Decisions	
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	During the reporting period, there was no suppliers' assessment for actual and potential negative impacts on local communities. Supplies were assessed for conformity with technical regulatory legal acts of relevant countries.	1: No poverty 2: Zero hunger
GRI 414: Supplier Social Assessment			
GRI 414-2	Negative social impacts in the supply chain and actions taken	During the reporting period, there was no suppliers' assessment for social impacts	5: Gender equality 8: Decent work and economic growth 16: Peace, justice and strong institutions
GRI 415: Public Policy			
GRI 415-1	Political contributions	The Company prohibits donations to political parties	16: Peace, justice and strong institutions
GRI 416: Customer Health and Safety			
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	IBA Group is committed to protecting the health and safety of others and themselves in compliance with relevant laws. Incidents would be thoroughly and independently investigated and appropriate action taken	16: Peace, justice and strong institutions

| GRI Indicators	Business Theme	Report Section	SDG
417: Marketing and Labeling			
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	The Company is committed to delivering quality products and services, responsible corporate citizenship and complying with relevant laws. There were no incidents of non-compliance concerning product and service information and labeling during the reporting period.	16. Peace, Justice, and Strong Institutions
GRI 417-3	Incidents of non-compliance concerning marketing communications	The Company is committed to fair, honest, and open communication, responsible corporate citizenship and complying with relevant aws. There were no incidents of non-compliance concerning marketing communications during the reporting period.	16. Peace, Justice, and Strong Institutions
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	The Company is sensitive to security and use of personal information. We recognise and respect personal privacy. There were no breaches of customer privacy during the reporting period.	16. Peace, Justice, and Strong Institutions

Appendix 5

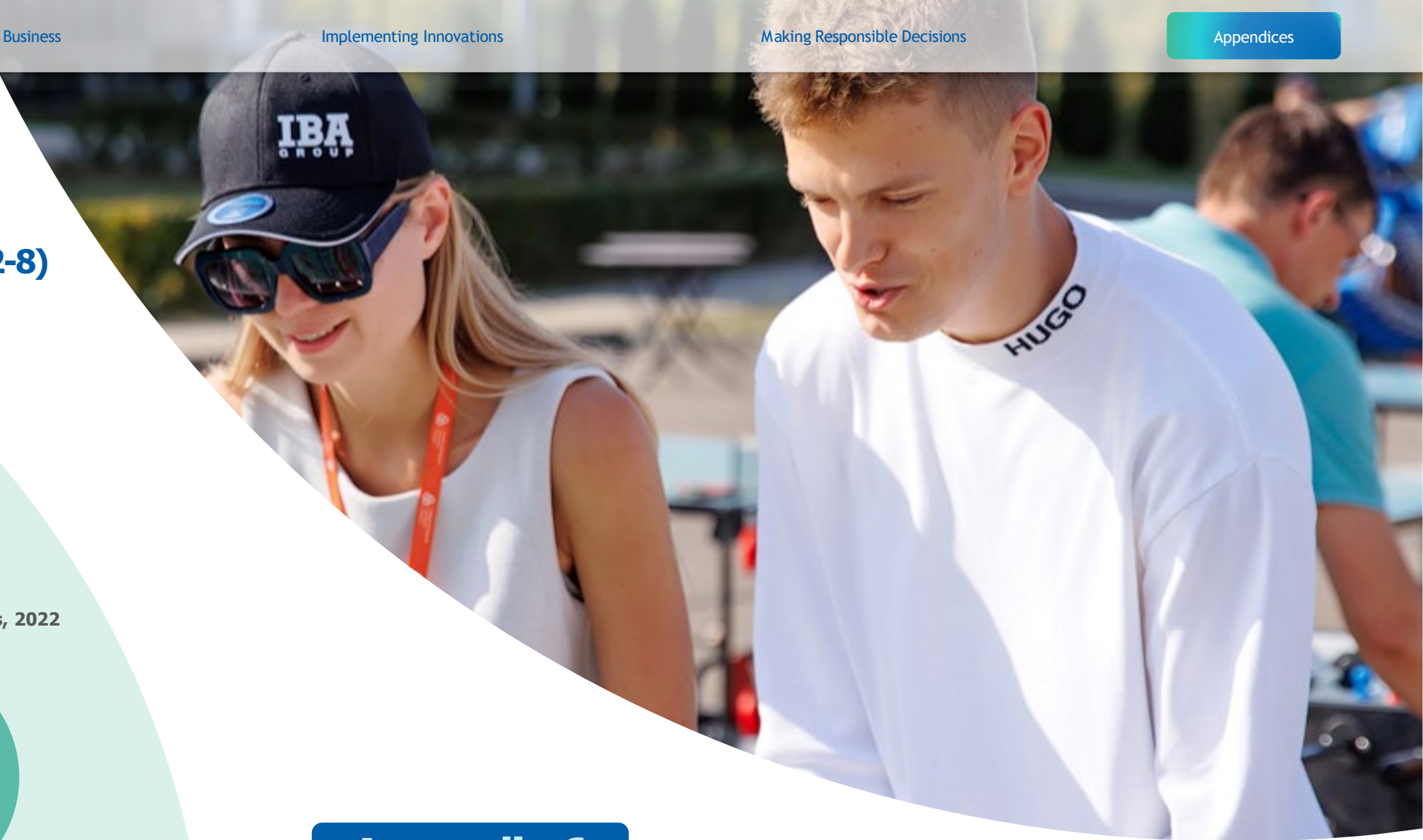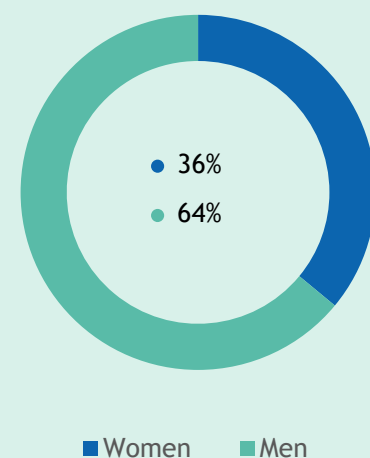## Employee Structure Charts (GRI 2-7, GRI 2-8)

Employee Age Groups, 2022

- 38%
- 43%
- 19%

- ≤ 35
- 36-50
- 50+
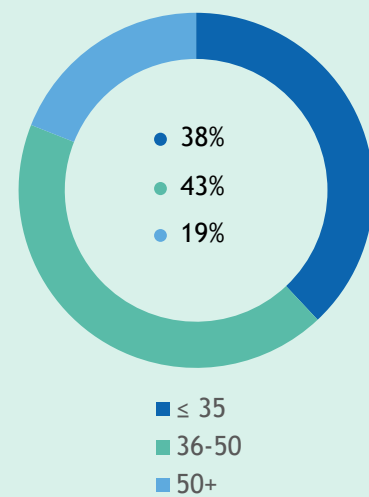
Specialists vs Executives, 2022

- 15%
- 85%

- Executives
- Specialists
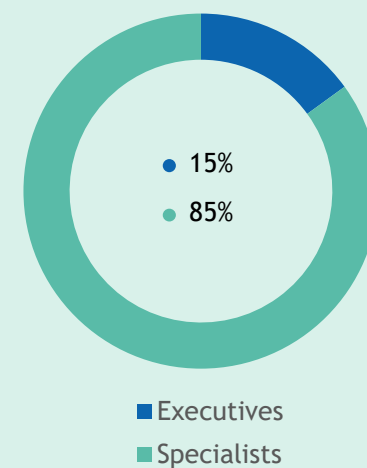
Employees by Gender, 2022

- 36%
- 64%

- Women
- Men

Appendix 6

Material Topics

To determine the list of material topics for this CSR Report, IBA Group applied the GRI best practice (Disclosure 3-1) for assessing and prioritizing significant sustainability impacts on the economy, society and the environment.

The initial step was collecting all relevant information regarding the company. The information included the purpose, business model, types of activities, products and services, sectors in which it is active, stakeholders, and number of employees.

The second step was to identify the actual and potential negative or positive impacts of the company on the economy, environment, and people, including impacts on their human rights.

After the impacts were identified, the company assessed their significance and prioritized them to be able to take action on the most important impacts. Finally, IBA Group's management approved the following list of material topics

List of Material Topics

- Business ethics and practices
- Implementing innovations
- Environmental protection
- Employee support
- IT education
- Charity and inclusivity

Appendix 7

Feedback Form

Dear reader,

You have just read the IBA Group's 2022 Corporate Social Responsibility Report. We strive for the most transparent and honest dialogue with all interested parties and will be grateful, if you can help improve the quality of company reporting by answering a few simple questions.

In addition to your opinion, we will also collect some personal information about you, including your name, organization, position, and email to contact you for follow-up, if needed. We will securely store the data until the reporting period is over. We respect your trust and protect your privacy, and therefore will never sell or share these data with any third parties.

By completing this form, you agree that we will process your data in line with our privacy policy that you can find at https://ibagroupit.com/about-iba-group/privacy-policy/. If you have any questions, please contact us at info@ibagroupit.com.

To which stakeholder group do you belong?

- Shareholder
- Investor
- Manager or employee
- Partner / Contractor / Supplier
- Customer
- Government official
- NGO / community member
- Representative of an environmental organization
- Journalist
- Employee family member
- Scientist / expert
- Other

1. Did you find in the Report relevant information about the problems that concern you?

- Yes, completely
- Partly
- No
- Not sure

2. What information in the Report interested you most?

3. What was the least interesting for you?

4. Indicate the topics that should be addressed but are not covered in this Report:

5. Please rate this report according to the following criteria:

	Excellent	Good	Poor	Very poor	N/A
Overall impression	o	o	o	o	o
Completeness of information	o	o	o	o	o
Credibility of information	o	o	o	o	o
Clarity and availability of information	o	o	o	o	o
Structure and search feature	o	o	o	o	o
Design	o	o	o	o	o

6. What recommendations for improving the company's activities would you like to make?

Your name and surname (optional)

Organization

Position

Email

Thanks for your feedback!

Appendix 8
Contact Information

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