



IBA Group 2018 Corporate Social Responsibility Report



Contents

[Message from IBA Group Chairman](#)

Section 1. [Managing the Company](#)

- 1.1. Business Overview
- 1.2. Mission, Vision, and Values
- 1.3. Organizational Structure
- 1.4. Business Ethics and Practice

Section 2. [Developing a Sustainable Business](#)

- 2.1. Sustainability Management
- 2.2. Contribution to the UN Sustainable Development Goals
- 2.3. Stakeholder Engagement

Section 3. [Implementing Innovations](#)

- 3.1. Quality Management
- 3.2. Mobile Technologies
- 3.3. Cloud Technologies
- 3.4. Robotic Process Automation (RPA)

Section 4. [Making Responsible Decisions](#)

- 4.1. Environmental Protection
- 4.2. Employee Support
- 4.3. IT Education
- 4.4. Charity and Sponsorship

[Appendices](#)

- Appendix 1. About This Report
- Appendix 2. Awards and Recognition
- Appendix 3. Terms and Abbreviations
- Appendix 4. GRI Standards Content Index
- Appendix 5. Feedback Form
- Appendix 6. Contact Information



Company's History

2001

IBA opens IBA Gomel

2000

IBA opens IBA IT GmbH in Germany

1999

IBA opens IBA CZ, a center of excellence in Prague, Czech Republic. IBA receives Government Quality Award for the first time

1998

IBA opens IBA USA in the US

1993

JV IBA founded in Minsk, Belarus

2002

IBA establishes its training center that eventually turns into IBA Institute

2005

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

2006

IBA Group opens IBA Rus in Moscow. 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

2018

IBA Group joins the UN Global Compact

2017

IBA Group opens IBA Bulgaria in Burgas

2016

IBA Group unveils its campus in Belarus' High Tech Park

2015

IBAA Group opens IBA Slovakia in Bratislava

2013

IBA Group opens IBA South Africa in Johannesburg

2012

IBA Group opens IBA Ukraine in Kiev and IBA UK in London



2018 Factsheet

12

IBA Group has offices in 12 countries



IBA became a sixth-time winner of Belarusian Government Quality Award

25+

years in international IT business

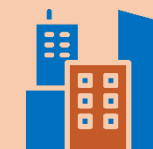


IBA Group joined the United Nations Global Compact, the world's leading voluntary corporate social responsibility initiative

IBA Group was listed among The Global Outsourcing 100 companies in the Leader judging category for the sixth consecutive year

5

centers of excellence in 5 countries



Since 2008, IBA Group has been selected for Software 500, a ranking of the world's largest software and service providers

40+

projects for customers in 40+ countries



IBA Group won at European IT & Software Excellence Awards for the sixth time

2,500+

IT and business professionals



IBA Group received the second Global Sourcing Association (GSA) award in the category *Corporate Social Responsibility (CSR)*



Message from IBA Group Chairman

IBA Group became a signatory of the United Nations Global Compact in 2018. Joining this important initiative, we confirmed our commitment to making the UN Global Compact (UNGC) and its principles part of the company's strategy, culture, and day-to-day operations. In this Report, we show how we work to achieve the UN Sustainable Development Goals (SDGs).

I believe that a business today should act in the interest of sustainable development. IBA Group contributes to quality education; decent work and economic growth; responsible production and consumption; peace, justice, and strong institutions; and other SDGs.

To ensure inclusive and equitable quality education, we at IBA Group invest in employee education, support universities in the countries of operation, and conduct empowerment courses for people with disabilities.

To promote inclusive and sustainable economic growth, and full and productive employment and decent work, IBA Group implements technological innovations in custom projects, proprietary solutions, and internal processes. The IBA's self-service banking solutions enhance the capacity of domestic financial institutions and expand access to banking services.

In addition, IBA Group provides a safe and comfortable working environment for employees. We support our employees through fair salaries, and educational and social programs, as well as through fostering creativity and innovation. The company maintains a special focus on attracting university graduates. Young professionals are able to connect, grow and develop a career at an international IT company. We also take care of our former employees who retired after years of loyal service.

In terms of responsible consumption and production, IBA Group acquires and installs the most efficient equipment and devices in its offices and data center, as well as embeds sustainable practices in operations.

Finally, IBA Group promotes peaceful and inclusive societies for sustainable development at the national and international levels, and ensures public access to information through its values, standards, and norms of behavior.

In 2018, IBA Group marked its 25th anniversary. In the past years, we implemented thousands of projects for customers from more than 40 countries. The company continued to expand its global presence, opening a new development center in Bulgaria.

Our employees play an extremely important role in achieving our sustainable development goals. The company's success is a team effort.

Likewise, we value our customers and strive to build partnerships with them. IBA Group has a reputation for being a reliable partner and we are proud to have long-term customers that have been with us for years and some of them even since the company's inception.

We look forward to the future with confidence and aim at improving efficiency in all areas of our operations.

Sergei Levteev
IBA Group Chairman



Managing the Company

Business Overview

IBA Group is one of the largest IT service providers in Eastern Europe, performing onshore, nearshore, and offshore projects with more than 2,500 professionals. Headquartered in Prague, Czech Republic, IBA Group operates in 12 countries. The company's development centers are in Belarus, the Czech Republic, Bulgaria, Kazakhstan, and Slovakia. The sales offices are in the US, Germany, Great Britain, Russia, Ukraine, South Africa, and Cyprus. IBA Group is a joint stock company. Its branches are joint stock or limited liability companies.

For more than 25 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 presence. 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 40 countries, focusing primarily on the B2B segment. IBA Group improves its technological expertise, solves customers' business problems in digital transformation, business process automation, analytics, Robotic Process Automation (RPA), and cloud and mobility technologies.

IBA Group's services and solutions are designed for:

- IT companies
- Manufacturing enterprises
- Transport companies
- Financial institutions
- Trade organizations
- Utility enterprises
- Mining industry
- 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.

Managing the Company

Services and Solutions

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

- Enterprise applications
- Complex multiplatform solutions
- RPA, machine learning (ML), and artificial intelligence (AI)
- Business analytics
- Internet of Things (IoT).

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



Managing the Company

IBA Group in Global IT Industry

In 2018, the global IT services market exceeded \$ 1 trillion. Compared to 2017, the growth was at 4.3%. In Belarus, where IBA Group has its largest development centers, the IT industry is one of the most dynamically developing areas of the economy.

The country is listed among the world leaders in the export of IT services per capita with \$108. In the US, this figure is \$58, in India \$40, and in China \$20. The IT industry generates the third largest number of jobs in Belarus. More than 60 percent of IT specialists are engaged in outsourcing services. The share of IT in the country's GDP is 7.7 percent.

IBA Group is one of the largest IT service providers in Central and Eastern Europe. In 2017, the company's revenue was \$117.3 million.

In 2018, IBA Group continued to strengthen its expertise in digital banking and electronic document management, and in solutions for the transport sector. In addition, the company expanded its global presence, opening a new office in Bulgaria.

IBA Group was listed in leading global rankings, including Software 500 and The Global Outsourcing 100, and won major awards, including European IT & Software Excellence Awards and GSA Global Sourcing Awards (For more information, see **Appendix 2. Awards and Recognition**).



IBA Group is a member of IAOP® (USA), Belarus' High-Tech Park, the Scientific and Technological Association Infopark (Belarus), and Emerging Europe Alliance (UK).



Managing the Company

Mission, Vision, and Values

Mission

The IBA Group's mission is to effect change and improve business performance for our clients through the use of advanced information technologies.

Vision

IBA Group seeks to become the world's most trusted provider of IT services. We are committed to working in partnership with our clients, where each shares common interests, values, and goals. We are also striving to be a workplace of choice for the best IT professionals who enjoy and care about their job at IBA Group. IBA Group will be recognized as a well-managed and financially strong company dedicated to the success of its clients and employees.

Our Values

Customers

Striving for maximum satisfaction of customers' needs based on the optimal combination of latest information technologies and solutions, customer orientation and reliable partnership.

Employees

Building a team of experts and providing them with conditions for efficient work, as well as professional and personal development.

Quality

Designing high quality products and solutions that meet advanced international standards and are based on the following company's strengths.

- Business reputation of a reliable partner
- Qualified employees
- Effective solutions and innovative technologies
- Quality management system
- Productive ideas and innovations.



Managing the Company

Strategy, Goals, and Tasks

The main strategic goal of IBA Group is sustainable business development, with a 15% revenue growth rate and a profitability of at least 20% for each year. 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 ability to compete for international projects of global companies
- Strengthen expertise in innovative technologies and methodologies with their subsequent use in software and hardware solutions
- Improve 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
- Develop G2B and G2C services using a model of public-private partnership and investing in the development of IBA Data Center
- Support IT education in the countries of presence as one of the main sources of the company's human resources.



Managing the Company

Goals

- Accumulate vertical industry expertise and create a portfolio of the IBA's core competencies
- Build up efforts to establish and maintain partnerships and mutually beneficial relations with world IT leaders
- Foster employee motivation and loyalty through social and development support.

Goals for 2018

- Increase stability and reduce risks through business diversification, and expansion to new markets and new industries
- Provide high quality services and solutions to ensure customer satisfaction and attract new customers
- Support employees through competitive salaries and a benefit package.

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

- Expanded the range of services through the use of innovative technologies
- Created new products and solutions using advanced technologies
- Provided high quality integrated services to customers
- Supported employees by raising salaries in line 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 in IT training by creating special courses, equipping research laboratories, and providing support to IT championships and other events.



Our strategy is successful partnership.

Managing the Company

Organizational Structure

The highest governance body of IBA Group is the Board of Directors. The Board outlines the company's strategic objectives, elects Chairman of the Board, and appoints the Chief Executive Officer (CEO) and the 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.

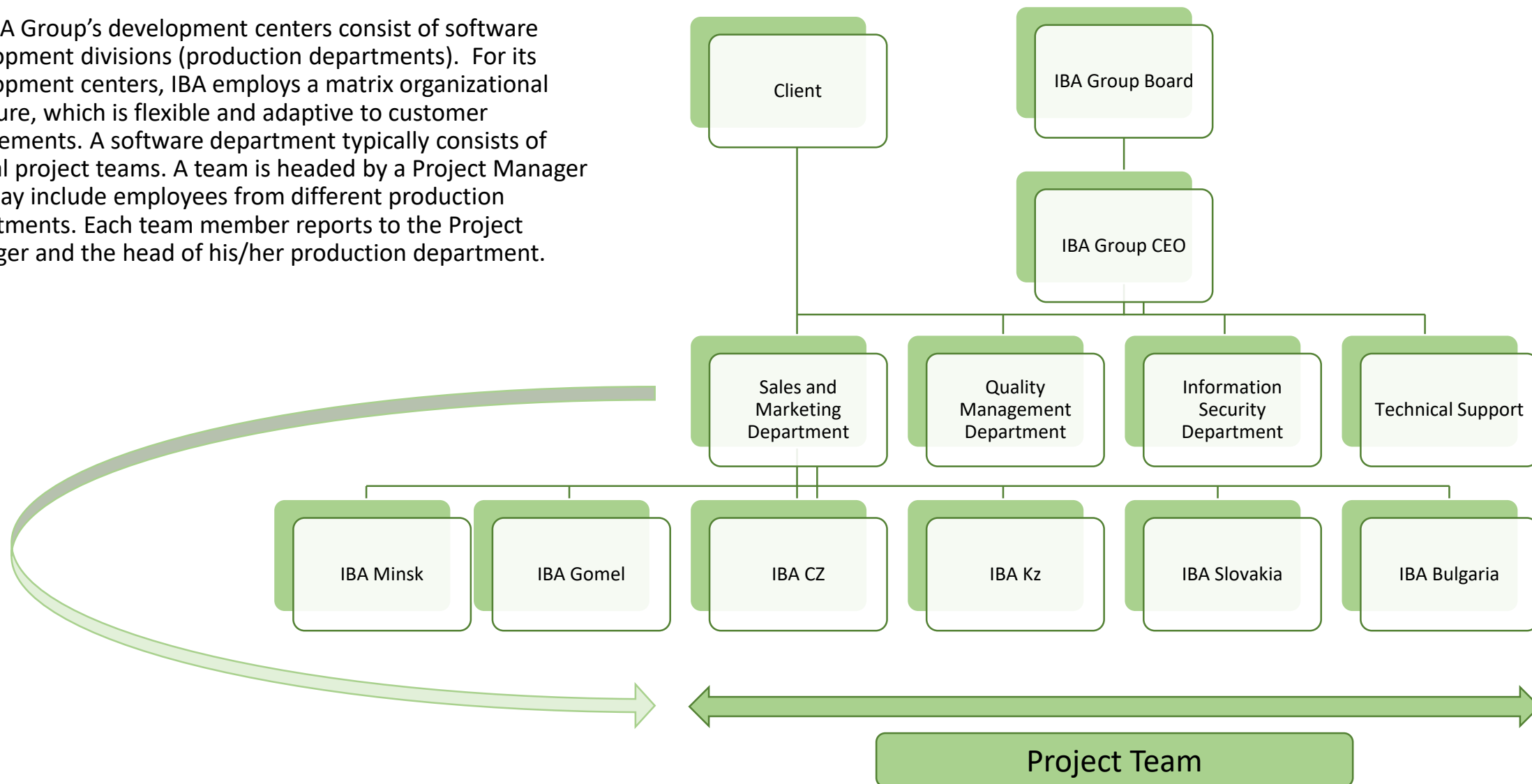
- IBA IT Park, Development Center, Minsk, Belarus
- IBA Gomel, Development Center, Gomel, Belarus
- IBA Institute, Minsk, Belarus
- IBA CZ, Development Center, Prague, Brno, and Ostrava, Czech Republic
- IBA Slovakia, Bratislava, Slovakia
- IBA IT GmbH, Kierspe — Rönsahl, Germany
- IBA USA, San Jose, CA, USA
- IBA Rus, Moscow, Russian Federation
- IBA Kz, IBA Group Office and Development Center, Astana, Kazakhstan
- IBA Ukraine, Kiev, Ukraine
- IBA UK, London, United Kingdom
- IBA South Africa, Johannesburg, South Africa
- IBA Bulgaria, Development Center, Burgas, Bulgaria
- IBA — Information Business Architectures, Development Center, Minsk, Belarus
- IBA Mogilev, IBA Office, Mogilev, Belarus
- IBA Novopolotsk, IBA Office, Novopolotsk, Belarus



Managing the Company

Production Structure

The 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.



Managing the Company

Company Management

The IBA Group's management team is composed of experienced leaders who had successful careers as senior executives and who continually steer the company to success.

Sergei Levteev

Chairman of the Board
Chief Executive Officer

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 2,500+ 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 the company from the ground up is one of the greatest experiences in his life.



Managing the Company



Sergei Akoulich

Deputy Chairman of the Board at IBA Group
Chief Executive Officer at IBA IT Park

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.

Sergei Akoulich holds an M.S. degree in the automation of technological processes from the Belarusian State University of Informatics and Radioelectronics (BSUIR) and a B.S. degree in the automation and management of technological systems from this university. 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

VP, Sales Operations

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 Degtiarenko has been a Member of the Board of IBA Group.

Kirill holds a Bachelor of Science degree in mathematics and electronics from the Belarusian State University and a Professional Diploma in Management from the British Open University.

Kirill Degtiarenko keeps expanding his knowledge base and improving professional skills. In 2014, he became a Certified Outsourcing Professional (COP), following an examination process and a rigorous peer review conducted by the International Association of Outsourcing Professionals (IAOP).

Managing the Company

Business Ethics and Practice

IBA Group adheres to high ethical standards and seeks to work honestly and transparently. IBA Group strives to develop a trusting and mutually beneficial cooperation that is based on strict fulfillment of contractual obligations and adherence to business ethics.

IBA Group introduced the Code of Ethics, setting out a system of corporate values that are fundamental to the company's efficient operation and long-term success.

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 stated in a number of documents that regulate the company's activities and include the following positions.

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



Managing the Company

Principles and Standards of Behavior

Leadership

Be initiative

- Be actively involved in projects and tasks
- Believe in success in any situation
- Inspire by example
- Know how to unite and lead the 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's 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 process

Value the company's reputation

- Be demanding to yourself and others
- Do your job in the best possible way, so that the client will be willing to use the company's services again
- Fulfill obligations using the best ways to solve complicated tasks
- Develop professional competencies and maintain high qualification.

Managing the Company

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 Ethics. IBA Group introduced the position of CEO Assistant for Security who monitors and prevents corruption and violation of anti-corruption laws among employees.

Publicity and Transparency

IBA Group is included in global rankings that demand public disclosure of the company's results. In 2018, IBA Group was ranked #315 in the Software Magazine's Software 500 ranking of the world's largest software service providers.

This ranking requires publication of the company's annual turnover, revenues from software services,

company profits, and research and development expenses. IBA Group has been included in Software 500 since 2008.

Using a corporate website¹ and social media accounts², the company provides updates and communicates with stakeholders 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 the projects. The IBA Group's internal labor regulations provide for employees' obligation not to disclose the trade secrets of the employer and third parties.



In 2018, IBA Group received the TRACE Anti-Bribery Compliance certificate, which confirms that the company fully complies with national and international anti-corruption standards and adheres to the fundamental principles of fairness, transparency of information, and financial responsibility in all areas.

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/lbagroup/>



Managing the Company

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.

IBA Group handles complaints and requests from employees using a database called Personnel Proposals. In 2018, IBA Group employees submitted 31 proposals, none of them concerning human rights. For discussions and exchange of opinions, IBA Group uses a corporate page on Workplace by Facebook and a corporate portal.

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



Developing a Sustainable Business

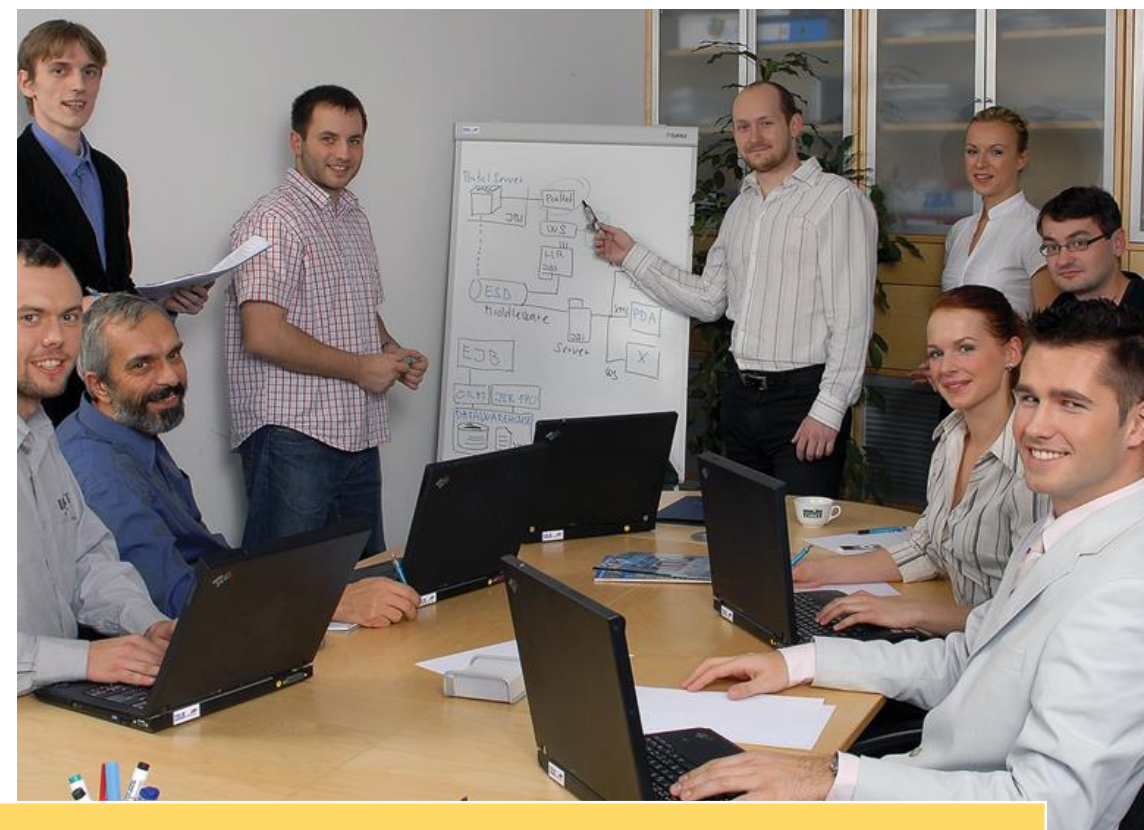
Sustainability Management

Since its inception, IBA Group has been implementing a sustainable development policy and views it as a basis for the harmonious development of business, society, and the 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 economies of Belarus and the Czech Republic, providing IT services and solutions for local clients, ensuring safe working environment and decent salary, and respecting human rights of its employees.

CSR Program

The company adopted a consistent corporate social responsibility (CSR) program in 2008. The CSR program complies with international standards and applies to all activities of IBA. CSR management is based on the mission, vision, and values of the company.



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



Developing a Sustainable Business

Employee Support

Being a people-centered company, IBA Group provides its employees with healthy and comfortable working conditions and 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.

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 and vulnerable groups on a regular basis.

Environmental Protection. Green IT

Green IT is of high importance to IBA. The 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 Belarusian, Czech, and Bulgarian IT universities to create a reserve of young professionals.



The IBA CSR program stipulates 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.



Developing a Sustainable Business

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 with more than 9,670 companies from 161 countries. 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.

The current Report demonstrates the IBA Group's support of the UN Global Compact initiatives.



Sustainable development is the main strategic goal of IBA Group.

Sergei Levteev, IBA Group Chairman: "This step underscores our commitment to corporate responsibility and sustainability that are firmly embedded in our strategy, values, and culture. Sustainability for us means creating a safe and comfortable working environment for our employees, developing IT education, and supporting vulnerable groups in the countries of our operations. This way, we contribute to a more sustainable society. As a signatory of the UN Global Compact, we reaffirm our commitment to the principles of social responsibility of business."



Developing a Sustainable Business

Monitoring and Evaluation

IBA Group 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 regularly conducts internal audits and certified organizations perform annual external audits at IBA Group.

In 2018, IBA Group successfully re-certified its quality management systems to ISO 9001:2015 and to ISO 14001:2015, as well as its security management system to ISO/IEC 27001:2013. The company implemented and certified the systems to ensure sustainable development.

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 five judging categories.

1. **Size and Growth** as measured by revenue, employees, and global presence.
2. **Customer References** as demonstrated through value being created at the company's top customers.
3. **Awards and Certifications** as demonstrated through the value being created through industry recognition, and relevant organizational and individual professional certifications.
4. **Programs for Innovation** as demonstrated through specific programs and resulting outcomes that produce new forms of value for customers.
5. **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.

In 2018, IBA Group was listed among The Global Outsourcing 100 companies in the Leader judging category for the sixth consecutive year.

In addition, IBA Group received its second consecutive title of a Super Star of the Global Outsourcing 100 and was recognized as Top Company for Customer References (8 points), Awards & Certifications (8 points), Programs for Innovation (7 points), and Programs for Corporate Social Responsibility (8 points), 8 being the highest score. The IBA Group's average score exceeded the overall average score of the top 100.



Developing a Sustainable Business

Key Achievements and Goals in Sustainable Development

CSR / Sustainable Development Goals	Key Achievements in 2018	Goals for 2019	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 annual customer survey, the customer satisfaction rate was more than 90 percent.	Maintain and improve customer satisfaction score.	Keep customer satisfaction above 90 percent.
Expand the range of products and services using innovative technologies from world IT leaders.	The suite of software development services expanded to include RPA, ML, and AI. New SAP and other traditional technologies were introduced.	Expand the RPA / ML / AI portfolio from one provider to four. Continue mastering new technologies.	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 clients.	IBA opened a new office in Bulgaria.	Open a second sales office in the US. Establish local partnership in the Balkans. Expand project geography.	Expand cooperation with customers and partners in Europe, America, and Africa.
Keep pace with innovations in IT and business areas.	Solutions for HR management, agriculture, and anti-corruption.	Integrate new solutions in business processes of IBA Group and its customers.	Create and implement new solutions at IBA Group customers and internally.

Developing a Sustainable Business

Contribution to UN SDGs

1 NO POVERTY



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

Helping children's institutions, people with disabilities, and veterans. For more information, see **Section 4. Making Responsible Decisions. Charity and Sponsorship.**

2 ZERO HUNGER



The food and agriculture sector offers key solutions for development, and is central for hunger and poverty eradication.

Creation of AgromonX, an IoT-based application for agriculture that automates crop production management.

3 GOOD HEALTH AND WELL-BEING



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. Ten of the company's employees are older than 70 years. These are top class mainframe specialists. All employees have access to a benefit package that includes medical care, sports classes, cultural activities, and financial assistance. Former IBA Group employees who retired have access to the benefit package too.



Developing a Sustainable Business

Contribution to UN SDGs

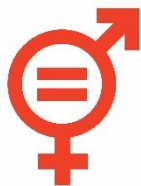
4 QUALITY EDUCATION



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

The IBA Group's training center evolved into the Institute of IT and Business Administration (IBA Institute). It provides training to IBA employees, and corporate and individual customers, as well as conducts free IT and business training for people with disabilities. IBA Group has good and long-lasting relations with Belarusian universities, where IBA's R&D labs are ongoing. IBA Group specialists train students at IBA courses and young people have internships within the company. IBA Group is a sponsor of programming contests and championships among school and university students.

5 GENDER EQUALITY



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, 40 percent of IBA Group employees are women.

8 DECENT WORK AND ECONOMIC GROWTH



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

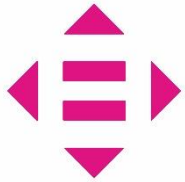
IBA Group is a responsible employer. The company's staff includes 2,500+ employees. IBA Group equips R&D labs and school classrooms with computers. IBA Institute conducts IT and business training for people with disabilities to help them find employment.



Developing a Sustainable Business

Contribution to UN SDGs

10 REDUCED INEQUALITIES



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 Belarus-based, Czech, and other IBA development centers.

11 SUSTAINABLE CITIES AND COMMUNITIES



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 terminals, currency exchange terminals, an automated fare collection system for public transport, automated fleet management systems, and online payment systems.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Responsible consumption and production.

IBA Group saves fuel and energy resources by using resource efficient technologies. Thus, 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 system has 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.

Developing a Sustainable Business

Contribution to UN SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



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 stakeholders about its activities and social and environmental impact.

17 PARTNERSHIPS FOR THE GOALS



Revitalize the global partnership for sustainable development.

On November 28, 2017, IBA Group signed an agreement on cooperation of socially responsible organizations of Belarus in the implementation of CSR projects. On May 31, 2018, IBA Group became a signatory of the UN Global Compact.



Developing a Sustainable Business

Stakeholder Engagement

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

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.

Developing a Sustainable Business

Stakeholder Engagement

IBA Group uses various communication channels to encourage honest and open dialogue with stakeholders.

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, an open dialogue is maintained through various communication channels, including meetings, surveys, intranet and Facebook Workplace postings, electronic correspondence, office displays, corporate websites, and social media.

Clients and Partners

To ensure consistent quality and customer satisfaction, the company's management team maintains contacts with external stakeholders, primarily 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 and participation in joint projects with universities and other educational institutions.



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 on the company's website.






Developing a Sustainable Business

Stakeholder Engagement in 2018

Stakeholders	Key Expectations/Interests	Interaction Mechanisms	Key Events in 2018
 Shareholders	Revenue surplus. Positive company reputation.	Development of strategy and founding documents. Direct control of the company.	Changes in the IBA Group Board. Growth in key indicators.
 Employees	High wages. Favorable environment and safe working conditions. Benefit package. Professional development.	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 intranet with access to various training courses. Talent Constructor HRM solution facilitates employee development. All applications and databases were developed by IBA Group employees.	Rewarding of the best employees of the year and honored employees (veterans) of IBA Group. Tourist rally with participation of 1,600+ employees. For more information, see Section 4. Making Responsible Decisions. Employee Support.



Developing a Sustainable Business

Stakeholder Engagement in 2018

Stakeholders	Key Expectations/Interests	Interaction Mechanisms	Key Events in 2018
 Customers	High quality services that meet customer requirements and international standards.	Offshore and onshore delivery models with IBA teams working in cooperation with customer teams.	Six-time winner of Belarusian Government Quality Award. Winner in European IT & Software Excellence Awards, category <i>Software Innovation Solution of the Year</i> for an RPA project.
 Partners	High sales of partners' products.	Partnership and distribution agreements. Affiliate programs and partner levels. Collaborative activities. Contests among partners.	Partnership agreement with WorkFusion, a leader in intelligent automation. Partnership agreement with Positive Technologies, a supplier of cybersecurity products and services (Partner on MaxPatrol). IBA CZ was appointed as Microsoft Gold Partner for Application Development.
 Media	Prompt provision of information of interest to the media.	Press conferences, roundtable discussions, interviews, articles, and other.	Publications in international (7) and local media (up to 100).

Developing a Sustainable Business

Stakeholder Engagement in 2018

Stakeholders	Key Expectations/Interests	Interaction Mechanisms	Key Events in 2018
 Universities	Equipment, software, and training programs. Sponsorship of international and local championships and competitions.	Seven research laboratories at universities of Belarus. Training courses for students and lecturers. Cooperation with universities of the Czech Republic and Bulgaria.	In 2018, IBA hired more than 170 students and graduates. Belarus: 11 training courses, the total of 1,457 academic hours. In 2018, more than 100 students and graduates with course completion certificates found employment at IBA Group. Czech Republic: Partner's Day and a course of lectures at Masaryk University. Bulgaria: A partnership agreement with Burgas Free University. A course in Linux System Programming using C for 20 students. You can find more information in Section 4. Making Responsible Decisions. IT Education.
 Government authorities	Compliance with local laws. Participation in national programs on automation and informatization of government agencies and institutions.	Participation in tenders. Development of solutions for automation of business processes.	Introduction of contactless payment system in Minsk Metro.

Developing a Sustainable Business

Stakeholder Engagement in 2018

Stakeholders	Key Expectations/Interests	Interaction Mechanisms	Key Events in 2018
 IT and outsourcing associations	Participation in industry events and projects. Lobbying industry's interests.	Resident company of Belarus' Hi Tech Park and a member of IAOP, Infopark Association, and Emerging Europe Alliance.	Joining the Emerging Europe Alliance. Sergei Akoulitch, CEO of IBA IT Park and member of IBA Group Board, was elected a member of the Infopark Council.
 Secondary educational institutions	Computerization of schools. Financial support for schools and IT contests.	Sponsorship.	Financial support of Minsk State Palace of Children and Youth, and Orsha District Department of Education, Sports and Tourism.
 Local communities	Ethical and environmental compliance. Participation in environmental and humanitarian projects.	Support of people with disabilities, Belarusian Children's Hospice, war veterans, and children's institutions.	IBA Group was selected the winner of the 2018 GSA Global Sourcing Awards in the category <i>Excellence in Corporate Social Responsibility</i> for the project <i>Personal and Professional Empowerment of Disabled People in Belarus</i> . IBA Group provides financial support to Nursery & Kindergarden #383 in Minsk. IBA launched <i>Auto Volunteers</i> app aimed to help children with disabilities.

Developing a Sustainable Business

Memberships in International Initiatives and Associations in 2018

Name	Date of Adhesion	Status
IAOP	2014	Member
Emerging Europe Alliance	2018	Member
High Tech Park	2006	Resident
Association Infopark	2005	Member
Agreement on cooperation of socially responsible companies of Belarus	2017	Signatory
UN Global Compact	2018	Signatory

Implementing Innovations

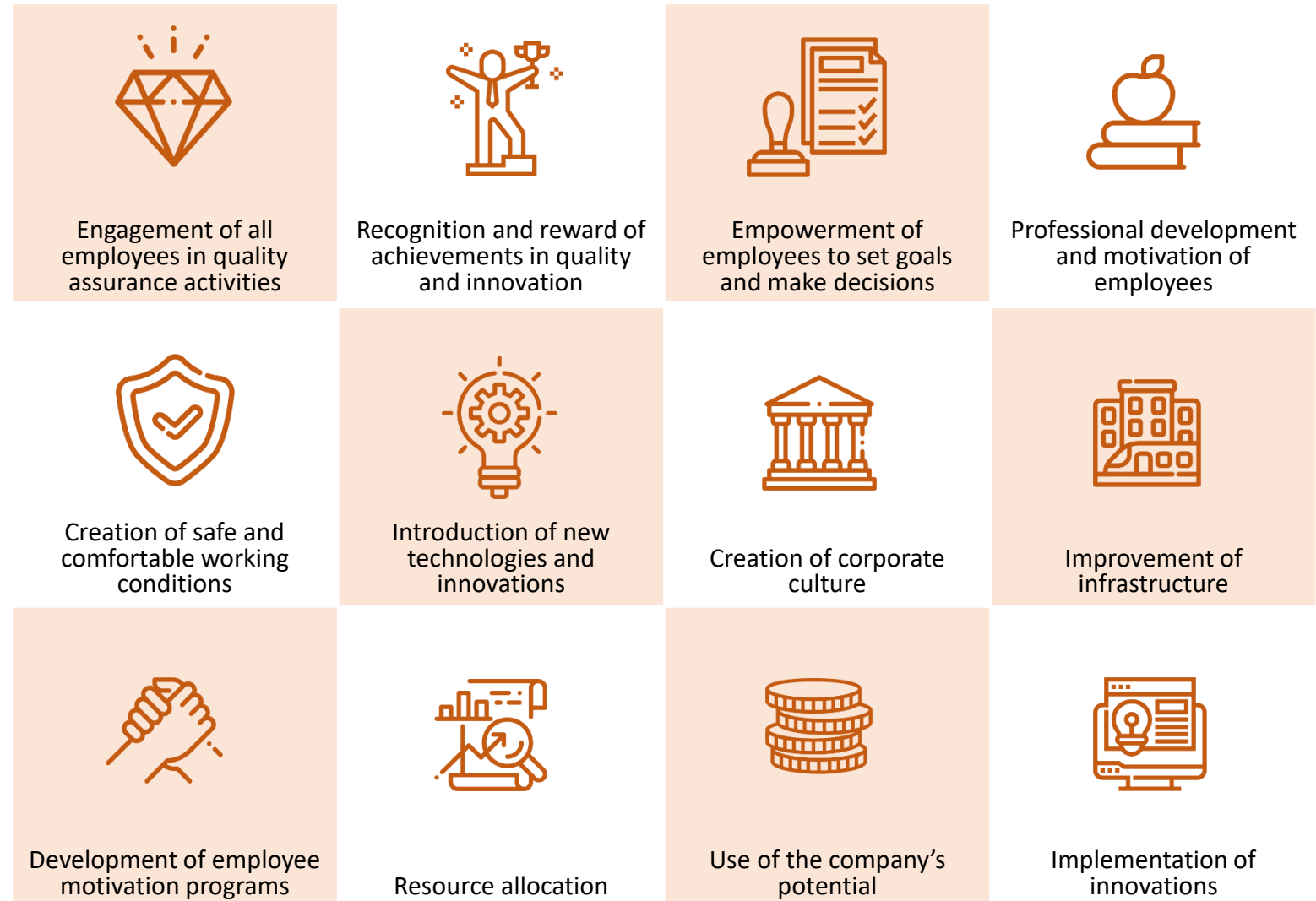
Quality Management

IBA Group provides its customers with high quality services and solutions. The IBA Group's quality management system is based on ISO 9001 and CMMI (Capability Maturity Model Integration).

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

The improvement is implemented using the PDCA model (Plan-Do-Check-Act).

Quality Improvement Processes



Implementing Innovations

To encourage innovation, the IBA's Innovation Commission was transformed into the IBA Accelerator Portal. The portal focuses on search, development, testing, and implementation of innovative ideas.

Management Systems

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 STB ISO 9001-2015, DIN EN ISO 9001:2015; ČSN EN ISO 9001:2016, and ČSN ISO/IEC 20000-1:2012
- Information security management system for development, production, and maintenance of software and automated information systems, compliant with STB ISO/IEC 27001-2016 and ČSN ISO/IEC 27001:2014.



The IBA Group's management team carries out regular inspections of the company's operations.

Implementing Innovations

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

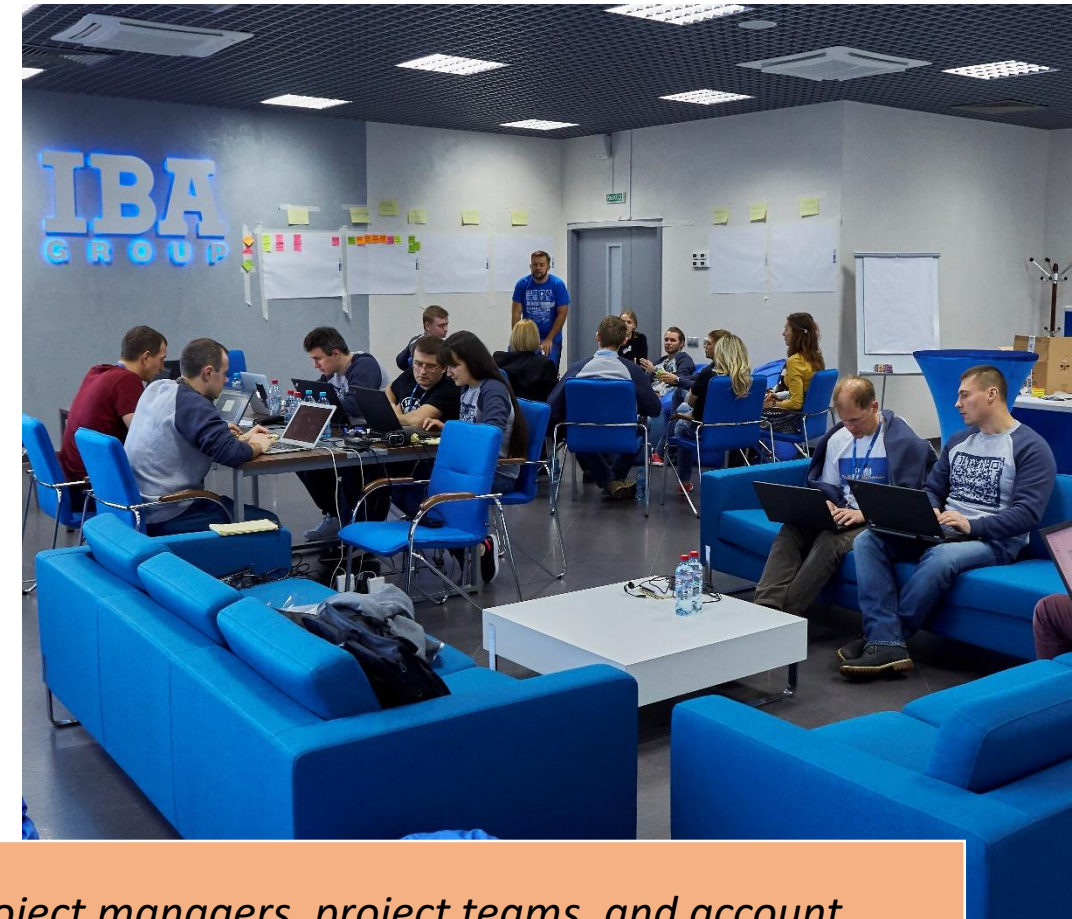
In 2018, the goals and objectives set by the company regarding quality management were fully met, which is reflected in the report on the effectiveness of management systems and in the results of external audits.

Customer Satisfaction

IBA Group management 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 customers and partners.

To study satisfaction levels, the following information is taken into account and analyzed.

- Reviews in the media
- Feedback and appreciation letters from users or customers
- User opinions obtained during marketing surveys
- Findings of surveys
- Registered bugs or other defects.

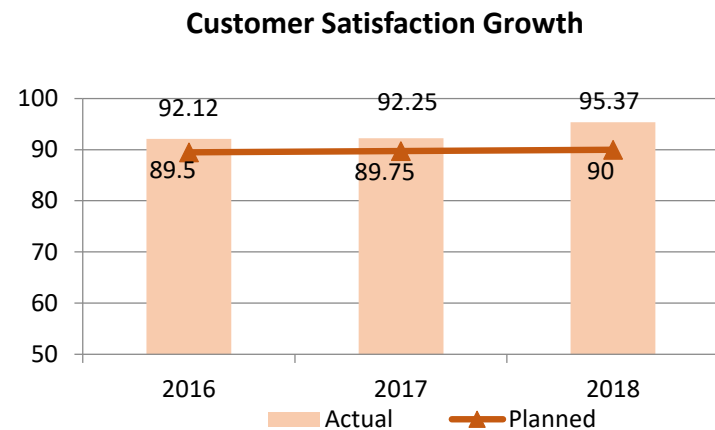


Project managers, project teams, and account managers perform continuous monitoring of customer satisfaction during project implementation.

Implementing Innovations

Project groups monitor customer satisfaction in real time during project status meetings and when discussing issues that arise in the course of project execution.

IBA Group conducts annual customer surveys.



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 the surveys, IBA Group develops an action plan to improve customer satisfaction.

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 the software quality.

IBA Group conducts internal audits in line with the IBA-MR.1 procedure *Internal Audit and Software QMS Audit Programs for 2018*.

Internal Inspections in 2018

Event	Period	
	January - June 2018	July - December 2018
Number of scheduled inspections	35	33
Number of unscheduled inspections	2	–
Number of minor issues detected	4	2
Number of major issues detected	–	–

Implementing Innovations

Audit Results

- The program of audits was executed in full and taking into account all objectives and tasks in quality improvement
- No violations of the internal audit procedures were detected
- Audit time frames were met
- Audit results were registered in a timely manner in line with IBA-SCP9.2 and stored in the QMS audit database
- Audit teams are comprised of competent and qualified professionals (auditors' training and certificates are registered in Training Database).

The internal audits of 2018 resulted in six corrective actions.

IBA Group conducts external information security audits. Since 2012, IBM has been conducting annual information security audits of IBA Group's operations. All audits were rated as satisfactory, which demonstrates efficiency of the IBA's policies in information security.



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

Implementing Innovations

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



Mobile Acquiring Service payBYcard enables users to accept payments for goods/services using a smartphone/tablet or a connected card reader.



Automated Fare Collection (AFC) System. Minsk citizens and visitors can pay for a single journey in the public transport using smartcards or other NFC devices. The AFC System functions in 3,000 buses, trolleybuses, and trams, as well as in Minsk Metro. In addition, IBA Group implemented the AFC System in Gomel (Belarus), Kaliningrad (Russia), and Dushanbe (Tajikistan).



Transport BY allows for tracking the movement of public transport, viewing the current transport timetables and the arrival time of a vehicle at a particular bus stop, and planning a convenient in-city and inter-city routes. More than 3,000 users downloaded the application in the first 10 days. Currently, the application works in Gomel and 11 cities of Gomel Region.



Chancellor Smart is a mobile application designed for efficient and convenient online and offline remote work with an electronic document management (EDM) system using iOS and Android mobile devices. The application can be integrated with other EDM systems on any platform.



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

Implementing Innovations

Cloud Technologies

Cloud technologies reduce hardware costs, enable developers to share projects with customers and co-workers, ensure protection against data loss, and simplify development and deployment of applications.

- **IBA Cloud Platform** 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
- In 2018, IBA Cloud Platform was launched in production.
- Data Storage: **IBA Data Center** is a detached two-floor building, designed and built in compliance with international information security standards.



Implementing Innovations

Modification of IBA Solutions for Deployment in IBA Cloud Platform Based on SaaS



APPULSE is a centralized support platform for business applications that run on z/OS servers. Contains an AI module that generates and prompts problem solutions based on accumulated data.



Solutions for Retail Banking: Internet Banking, Mobile Banking, payment and currency exchange terminals, business planning and budgeting, scoring and statistical analysis, and other systems. Reduced queuing time in banks and positive user experience.



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.



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



IBA Visual Analysis Studio is an analytical solution for identification of fraud schemes.



Talent Constructor is a family of software products designed for effective human resource management.



AgronomX is a software and hardware platform based on the Internet of Things (IoT). Collects information about the field's current state via sensors, weather stations, smart devices, and satellites. Enables farmers to minimize crop losses during crop cultivation and storage.



IBA AVM is an automated fleet management system designed for a passenger transportation operator to conduct a centralized traffic control.

Implementing Innovations

Robotic Process Automation (RPA)

Robotic Process Automation (RPA) is the automation of business processes using software robots. RPA 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 software providers to re-package and automate complex business processes. IBA Group renders Smart RPA services based on Machine Learning (ML) and Artificial Intelligence (AI).

IBA EmailBot

In 2018, IBA Group created IBA EmailBot, capable of sorting incoming emails at the customer support centers. Groups typical customer requests by content, sends automatic responses, creates tickets, and gathers statistic data. Frees employees from repetitive operations, allowing them to focus on creative tasks.



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 environmental laws in the countries of presence and 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 maintains focus on energy efficiency and participates in environmental activities that increase environmental awareness.

Efficient Environmental Protection

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 certification (knowledge assessment) of employees in environmental protection.

The results of industrial environmental control are documented, specifying the detected violations, if any. Local authorities conduct regular company's inspections that include measurement of risk factors in the work environment, including 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.



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

Making Responsible Decisions

Improvement of Environmental Management System

In 2018, IBA Group developed its Environmental Program. The document is aimed at preserving the environment through the use of 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. Recently, IBA introduced a waste sorting system.

Environmental Impact

For better distribution and efficient use of fuel and energy resources, IBA Group annually develops and approves fuel and energy consumption norms. In addition, the company keeps track of changes in the level of greenhouse gas emissions in CO2 equivalent, relevant to electricity and heat consumption. Every year, an Action Program aimed at the reduction of consumption of fuel and energy resources is developed and approved. In 2018, 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.

Making Responsible Decisions

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, 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 intermediate heating medium are used 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 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.



Making Responsible Decisions

- 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-distribution devices, and 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, energy-efficient lamps are used. 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
- Photo relays and time delay relays are used for automatic lighting control.



Making Responsible Decisions

To save thermal energy produced by ventilation and heating systems, IBA 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 line with the waste and hazard class classification systems, effective in the countries of presence. 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 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.

Energy Efficiency Indicators for IBA Group Campus Buildings, 2018

	Planned	Actual
Total Fuel Energy Resources (FER), cumulative energy costs, actual (TCE)	564	558
Sales volume per unit of energy consumption, thousand rubles/TCE	151.8	180.7
Increase in the efficiency of fuel and energy use (2018 vs 2017), %		19.0%
Consumption of Fuel and Energy Resources per worker, TCE/person	0.36	0.33
Savings in the use of Fuel and Energy Resources per worker (2018 vs 2017), %		9.0%

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

Making Responsible Decisions

Air Protection

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

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

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

Ecological Awareness

The company implements environmental projects, cooperates with stakeholders to address environmental issues, and informs stakeholders about environmental actions through different communication channels, including conferences, meetings, and roundtable discussions.

IBA Group organizes voluntary green initiatives. Employees planted trees in IBA Group campus. A garden house was installed in the Minsk Children's Hospice. The initiatives are an excellent way to engage the employees into environmental projects and thereby raise ecological awareness.



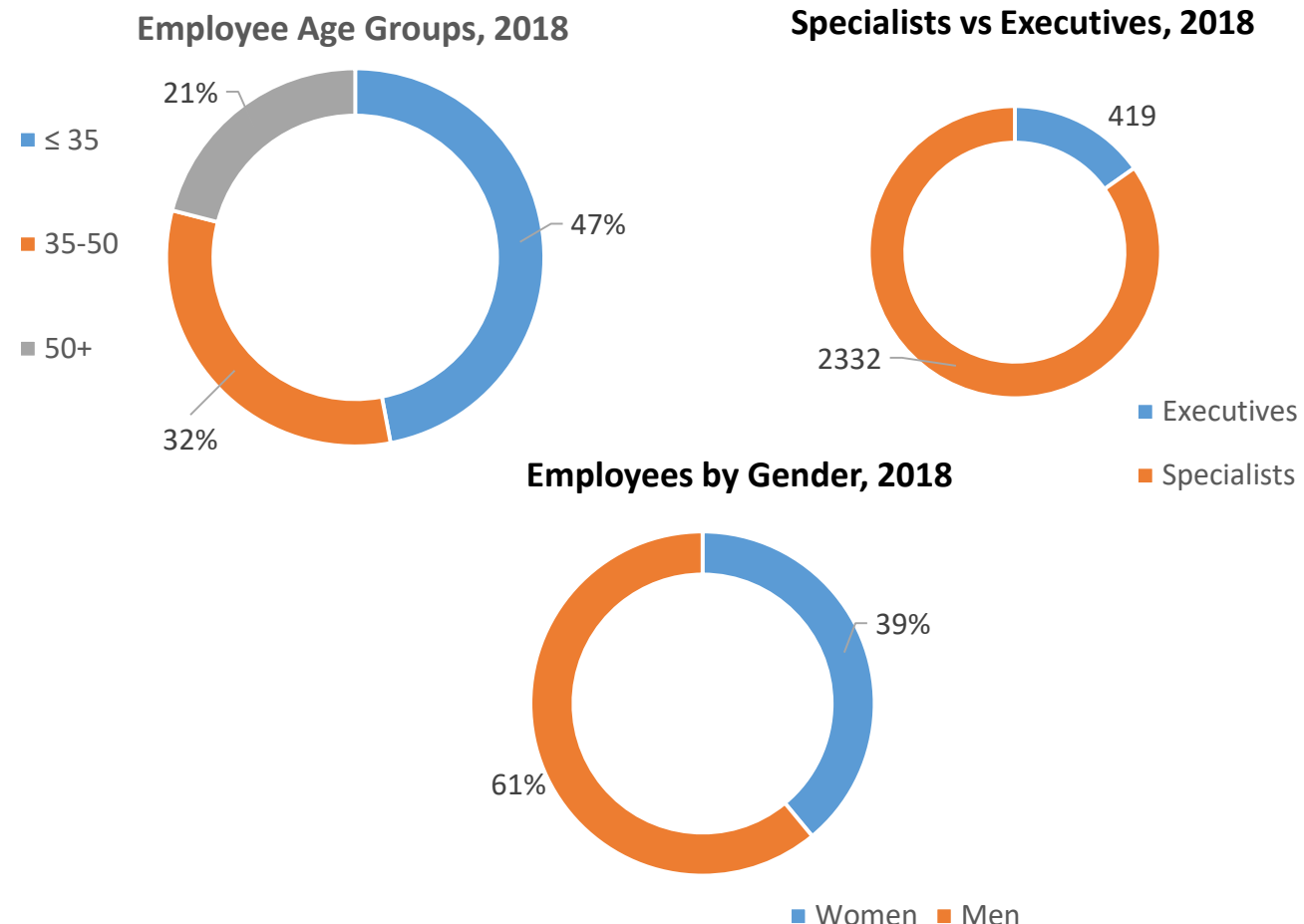
Making Responsible Decisions

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 development, expansion of competencies, training, and creation of a pool of candidates
- **Staff motivation and loyalty:** decent wages and performance-based bonuses, various forms of recognition and moral encouragement, and social package
- **Personnel's awareness and engagement.**

Competition for IT professionals is ever increasing on local and international markets, which results in very high attrition rates in the IT sector. IBA is proud to have one of the lowest attrition rates in the industry, both locally and internationally. In 2018, it was 8.5 percent.



The IBA Group's main asset is talented employees. The company implements an array of activities and initiatives to attract, develop, and retain capable employees.

Making Responsible Decisions

Assessment of HR Management

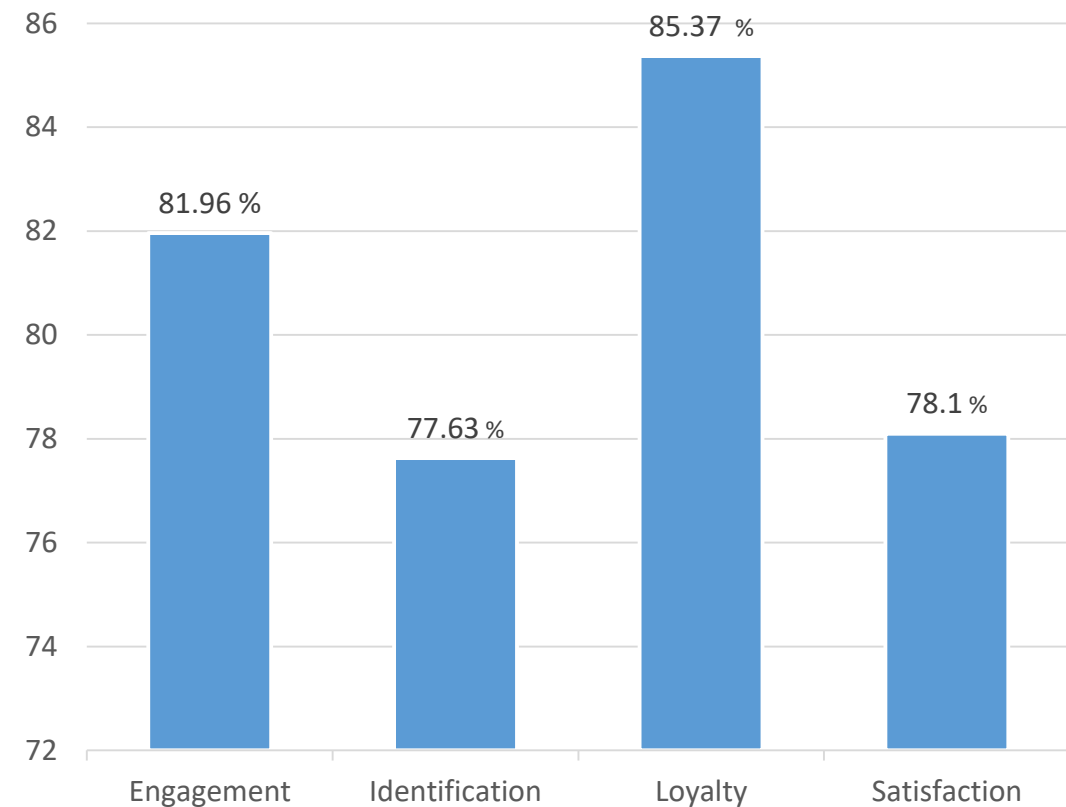
To encourage employees' feedback and improve HR management, IBA Group applies the following techniques.

- 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.

Measuring Employee Satisfaction

Since 2005, IBA Group has been conducting biennial employee satisfaction surveys in the corporate information system. In 2017, the company began measuring employee loyalty.

Customer Satisfaction, 2018



In 2018, the overall average satisfaction rate in IBA Group was 80.86%.

Making Responsible Decisions

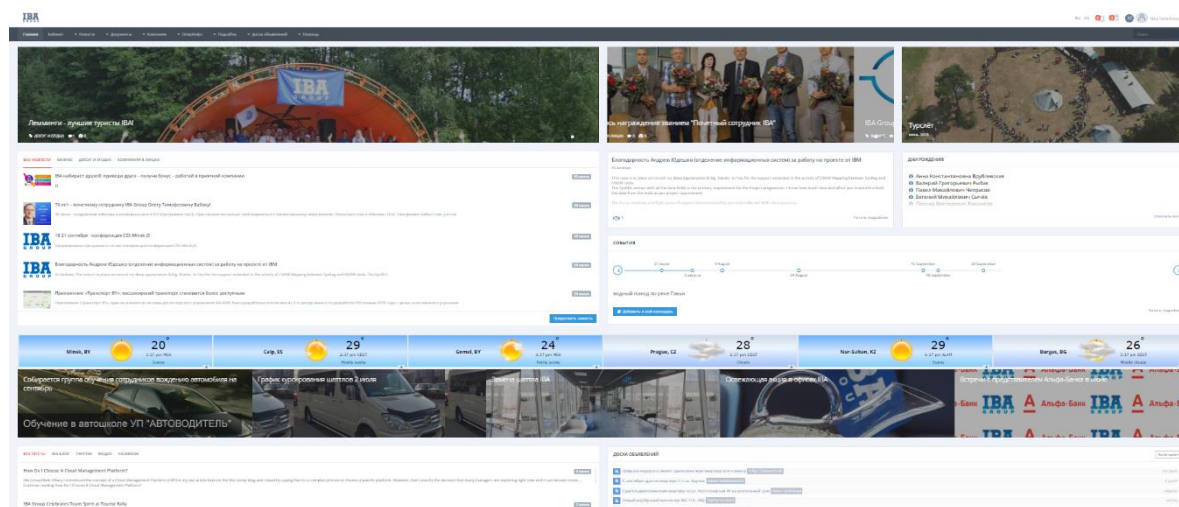
Improving HR Management

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 new employee support
- Personnel record keeping
- Sponsorship of universities
- Personnel selection and adaptation
- Personnel training
- Internal communications
- Social programs.

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

- Personnel Records
- Training
- Employee Certificates
- Surveys
- Financial Requests
- PMT PRS
- Personnel Proposals
- SQMS
- ISMS
- Talent Constructor
- IBA portal.



Making Responsible Decisions

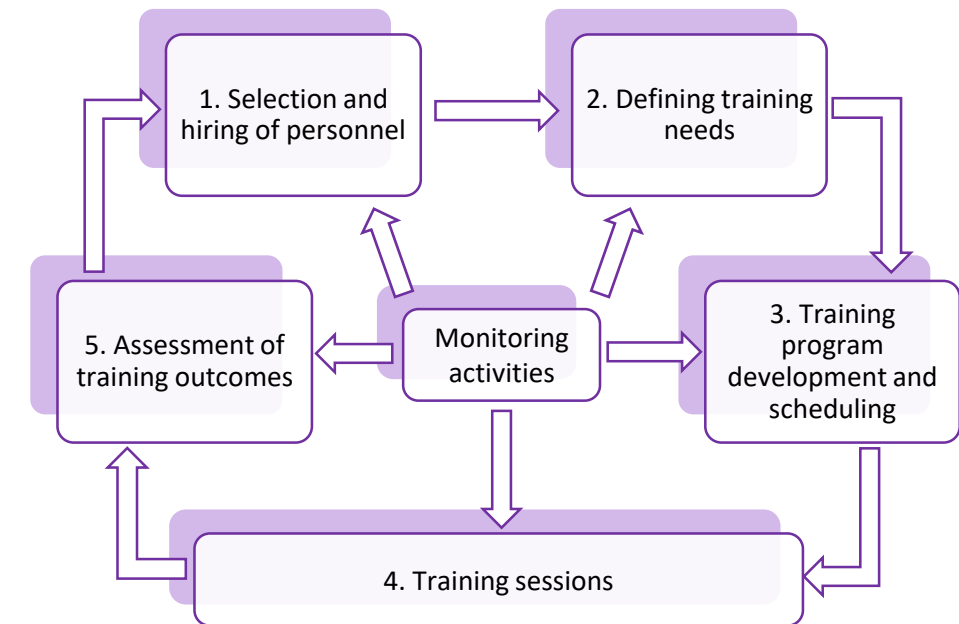
Employee Development and Training

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 at the IBA Institute;
- 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.

Personnel Training



In 2018, more than 200 honorary diplomas were awarded to the best-performing employees. Seven employees were awarded Honorary IBA Employee titles.

Making Responsible Decisions

An Education Manager was appointed to coordinate training and career development programs for IBA Group's personnel. The company has an established procedure for evaluating the effectiveness of training courses and events.

Training at Training Centers of World IT Leaders

On average, more than 700 IBA employees are trained annually in more than 30 leading training centers of Europe, including the following education providers: IBM Training Center (Moscow, Russia), SAP CIS (Moscow), School of Business and Management of Technology of the Belarusian State University (Minsk, Belarus), the IPM Business School (Minsk), the High Tech Park Educational Center, and IBA Institute.

Number of trained employees in 2018: **736**

Number of programs for career development and personnel training in 2018: **148**

The company organizes regular language courses for employees. More than 200 employees attend foreign language courses annually.

In 2018, the training effectiveness indicator was 85.3% vs planned 85%.



Making Responsible Decisions

CASE STUDY

Talent Constructor at HR Brand 2018

About People and for People was the motto of the IBA Group’s solution *Talent Constructor* at the HR Brand 2018 conference held in Belarus.

IBA Group aimed to increase public awareness of the best projects and practices in HR, open new talents, and share experience. IBA organized a game contest entitled *Lord of Talents*. He contestants had to answer three questions offered by Talent Constructor in the quickest way. Working with Talent Constructor, the participants showed professionalism and resourcefulness, and the best received IBA gifts.



Making Responsible Decisions

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.

Employing Young Personnel

IBA Group closely cooperates with higher educational institutions of Belarus, the Czech Republic, and Bulgaria, contributing to training of university students.

To improve the quality of education of IT specialists, maintain the ongoing and develop new lines of IT 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 **Section 4. Making Responsible Decisions. IT Education.**

Relocation

Given the deficit of qualified specialists in specific IT fields, IBA Group invited a number of qualified professionals from Russia to work in Belarus. Favorable living and working conditions in the country contributed to the initiative's success.

Referral Recruitment Program

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

Motivation and Social Guarantees

The company has a motivation system in a form of motivation models. Functioning in a testing mode, the system is based on KPIs and is instrumental in the assessment of the efficiency of employees working in the linear departments. Plans are underway to launch the system in a pilot mode by the end of 2019. A motivation model for non-linear departments is also in place. In the near future, enhancement of the company's HR brand will play a major role in the selection and retaining of talents, as well as in employee training and development.

Making Responsible Decisions

To strengthen the social protection of IBA employees and their families, motivate employees, develop corporate culture, and instill a favorable psychologic climate, 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 former employees who retired. They are able to participate in weekend tours or use free memberships for swimming pools and saunas.

The social package is built on the following fundamental principles.

- *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*. The list of social events granted to an employee does not depend on the employee's work results
- *Transparency and openness*. All employees can make proposals on the expansion of the benefit package. Information about the benefit package is published on the IBA information resources

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.

To devise a social strategy and make timely decisions on employees' proposals, IBA created a Council for Social Policy. Representatives of company management and divisions are members of the Council. The Council's activities are governed by the Regulation on the Council for Social Policy.

In addition to salaries, bonuses, and training at leading IT educational centers, IBA Group employees who achieve outstanding results are awarded at special company events.

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

Making Responsible Decisions

Medical Care

IBA employees can receive medical services and medicines in the company's medical rooms. Roughly, the IBA first-aid rooms receive 4,217 visits per year.

IBA employees can also receive medical services at the company expense based on contracts with healthcare organizations. IBA employees can conclude medical insurance contracts as a part of insurance agreements between IBA and insurance organizations.

In 2018, 743 employees and 184 employee relatives entered into medical insurance contracts. The insurance terms and procedures, as well as the list of authorized insurance companies are published on the company portal.

In 2018, a fluorography examination was organized (287 employees) and a campaign entitled *Oxygen Cocktails to the Office*. Roughly, 300 employees per year receive therapeutic massage at the company premises.

IBA Group organizes recreation of its employees and their family members. The procedure for provision of vouchers for rehabilitation, sanatorium, and resort treatment 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 2018, more than 100 children received vouchers for sanatoria and children camps.

Dwelling Program

IBA Group provides interest-free loans to its employees who commission or buy flats or houses. The procedure and the loan size are stipulated in the Provision on Loans to IBA Group Employees.

The distribution of rented flats is regulated by the Provision on Waiting List and Distribution of Rented Flats (51 flats are rented).

Financial Assistance

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

- In the event of first marriage or childbirth
- On parental leave up to three years
- For recreation of children
- To employees who have children with disabilities
- As seasonal allowances
- To war veterans and Chernobyl disaster fighters
- In the event of retirement
- In the event of death of a close relative of an employee, of an employee or of a retired employee.

Making Responsible Decisions

Sports and Tourism

The company fosters a healthy way of life. IBA Group has its own fitness center located in the company's campus in Minsk. 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 internal, local, and national competitions in different sports, including mountain skiing, snowboarding, table tennis, basketball, volleyball, billiards, mini golf, online poker, swimming, mini soccer, clay target shooting, arching, tennis, karting, darts, kicker, and bowling. First, second, and third place winners are awarded medals, certificates, and gifts. IBA Group organizes tours and retreats. Every year, the company holds a tourist rally.



CASE STUDY

2018 Tourist Rally

From June 22 to June 24, IBA Group conducted a tourist rally in the Minsk Region. More than 1,600 participants were able to try themselves at bungee jumping, a rope obstacle course, rock climbing walls, and weight lifting.

They could also take a ride at an armored surveillance vehicle, relax in a sauna, compete in a water rowing or kayak relay, participate in an intellectual quest, and play badminton or darts. Soccer fans could play a funny bumper-ball.

A special program was prepared for children. They could dance or play with animators, draw or paint themselves with a colorful aqua makeup, ride catamarans or canoe or play in an inflatable bounce castle.



Making Responsible Decisions

Children Program

Each September, IBA Group organizes festive events for children of IBA employees to mark Knowledge Day and give presents to first graders. For each New Year, IBA Group organizes the following events.

- Attendance of circus performances by IBA families (1,848 tickets in 2018)
- Kids fest on the children's railway on the New Year Express
- New Year gifts (nearly 1,000 in 2018).

Small children attend pre-school educational courses at the Early Development School *Svetoch* and at the center for additional education of children and youth (12 kids per month). Schoolchildren attend *IT-Landia*, courses on robotics (22 kids), and courses at the children's development center *Perspective* (32 kids).

Holidays and Gifts

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



Making Responsible Decisions

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 receive emails on how to prevent accidents and how to act, if an accident occurs. 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.



Making Responsible Decisions

IT Education

The IBA Group's university support programs include the following.

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

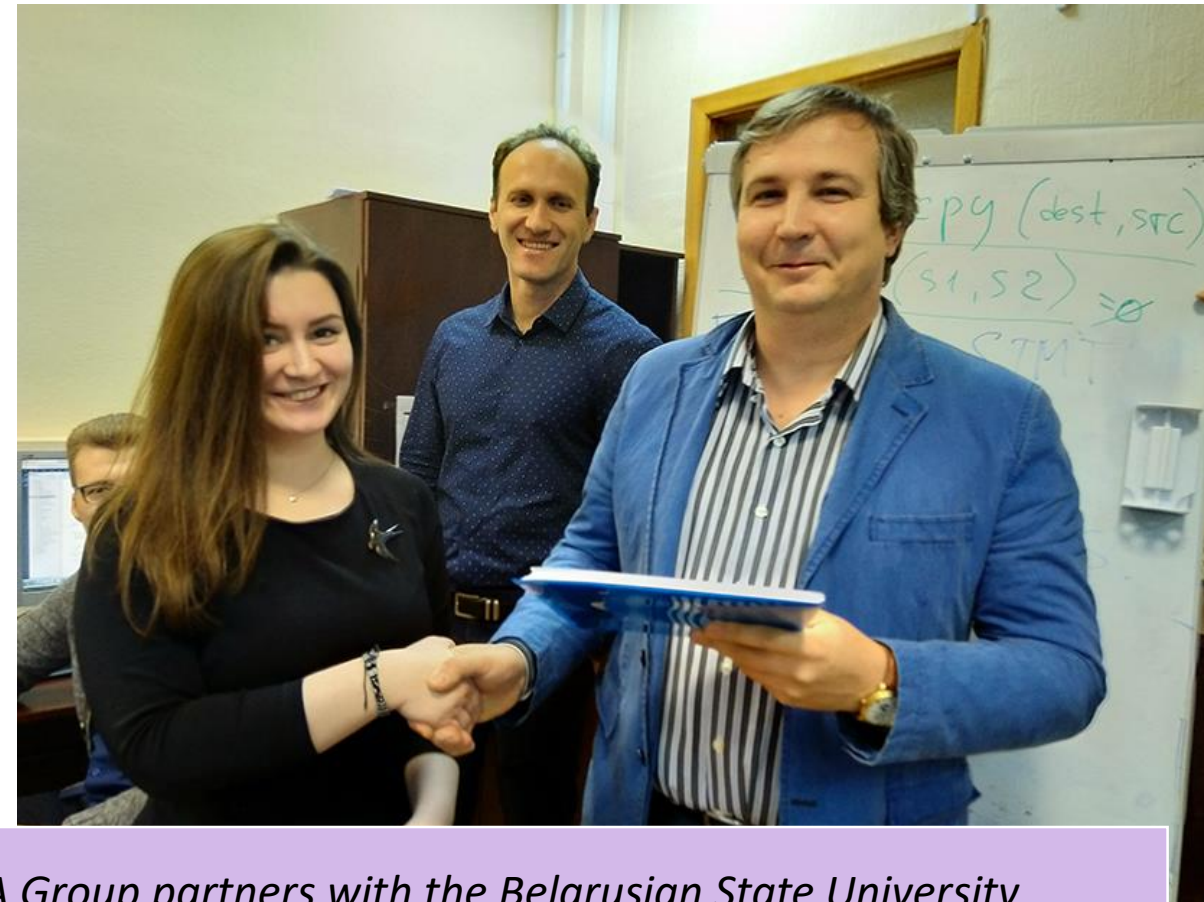
At a meeting with Belarus' HTP resident companies, universities agreed that IT companies may be involved in the development of curricula, if needed. IBA Group advises university teachers in production and managerial accounting using SAP ERP.

IBA Group employees meet with university students. In May 2018, leading IBA Group specialists met with the BSU student team that was a winner in the Belarusian national IT championship *IT Planet 2017 / 2018*.

IBA Group provided financial support for the following events in 2018.

- Visit to a Train-the-Trainer winter session at the Otto von Guericke University Magdeburg
- Participation in the 23rd SAP EMEA Academic Conference within the joint project SAP Next-Gen Lab (Munich, Germany).

In August 2018, employees of the IBA SAP department met with students and post-graduates who participated in BSU Hackathon 2018 and finals of *IT Planet 2017 / 2018*. The parties discussed IBA's SAP projects and career development at IBA Group.



IBA Group partners with the Belarusian State University (BSU) and the Belarusian State University of Informatics and Radioelectronics (BSUIR) in Minsk, with the Gomel State University and the Gomel State Technical University in Gomel, with the Masaryk University in the Czech Republic, and the Burgas Free University in Bulgaria.

Making Responsible Decisions

Student Training

To transfer knowledge and skills to the young generation and to enable young people to start a career at a large-scale IT company, IBA Group organizes special courses for university students of both IT and non-IT faculties.

In 2018, students of BSU, BSUIR, the Belarusian State Technical University (BSTU), the BSUIR Institute of Information Technologies (BSUIR IIT), and the Belarusian National Technical University (BNTU) attended the courses.

The teachers were IBA experts, including software developers, testing engineers, business analysts, and team leaders. As students show special interest in the courses that provide practical training, IBA combines theoretical disciplines with practical tasks, where students work on real IBA projects and use IBA technical resources.

The IBA Data Center and joint IBA – university labs are also instrumental in the provision of practical training.



Heads of IBA linear departments compile and update course curricula, meeting market requirements and technology trends.

Making Responsible Decisions

IBA Group Courses for University Students

IBA Group conducts free courses for university students. More than 30 IBA Group employees are involved as part-time teachers. Course graduates can start their career at IBA Group. In 2018, more than 230 students completed courses and more than 400 had internships at IBA Group.

Based on course results, IBA Group employed more than 100 students and graduates. In aggregate, IBA Group employed more than 170 university graduates in 2018, primarily from partner universities.

In 2018, IBA Group opened a new computer class equipped with 23 workstations for training of university students. As these IBA premises are located in Minsk downtown, they were popular among students of different universities. IBA Group conducted five courses with 46 students of four universities in attendance, namely BSU, BSUIR, BSTU, and the Academy of Public Administration.

At the request of universities, IBA Group organizes tours of its campus in Belarus' High Tech Park and other offices.

IBA Group supports student traditions. For the students who work in Belarusian software development centers, the company organizes annual events devoted to Student Day.

IBA Group Courses

Course Name	Duration (academic hours)
System Programming	141
Software Testing	120
Multiplatform Programming	140
Multiplatform Programming	160
Multiplatform Programming	140
Fundamentals of business analytics using IBM Cognos and SAP BO	120
Data management technologies (Big Data, ETL, and BI)	160
Design and development of DWH, Big Data, and Cloud analytical systems	120
Multiplatform Programming	176
Java & Web Development	80
SAP Technologies for Digital Transformation	100
Total	1,457

In 2018, students of BSU, BSUIR, and BSUIR IIT visited the IBA Group's campus in Belarus' High Tech Park.

Making Responsible Decisions

University Support

- IBA Group was the key partner of the international conference in web technologies *WebConf2018* held from May 14 to May 18, 2018 in Belarus
- IBA Group participated in the organization of the Hackathon BSU-2018 *Mind Games 2. Digital Universe* (March 23-25). IBA experts conducted master classes, worked as jury members, and advised and supported the competing teams. IBA Group contributed to the organization of a Hackathon at the Gomel State University (May, 2018)
- IBA Group organized a certification course entitled *Fundamentals of Integration and Optimization of Business Processes Using SAP ERP (TERP10)* for post-graduates of BSU and international universities at the IBA premises and using IBA technical facilities
- IBA Group provided financial support to the eighth BSUIR Open Championship in sports programming. As a feedback, IBA received a letter from the First Deputy Minister of Education of Belarus Vadim Bogush and from the BSUIR Chancellor Mikhail Batura, who expressed their appreciation of the IBA Group's contribution to the education of young people in Belarus
- IBA Group provided financial support to BSUIR student teams that participated in the semi-finals of the North Eurasia region at *ACM ICPC 2018-2019*
- IBA Group contributed to the organization of the student championship *BIT-Cup 2018*
- IBA provided assistance in moving the IBA - BSU lab to the new premises
- Nerdské večery. IBA Group organized Geek Parties in cooperation with Czech universities. Four events were held in 2018 with 60 attendees in aggregate.
- IBA Group conducted workshops on Blockchain, Machine Learning, Web Programming, and System Administration in Gomel, the second largest city of Belarus.



Making Responsible Decisions

Charity and Sponsorship

Guided by the Corporate Social Responsibility (CSR) Program adopted in 2008, IBA Group supports educational institutions, museums, and other non-governmental organizations. In 2018, the company provided financial support to the following organizations.



Belarusian Association of Veterans for celebrations, concerts, visits to museums and theaters, reception of foreign delegations, and other events



Minsk State Palace of Children and Youth (4 computers, 4 monitors, a notebook, and a printer)



Belarusian national championship in computer science in the Grodno State College of Engineering, Technologies, and Design



Department of Education, Sports, and Tourism of the Orsha Rayon Executive Committee (23 computers, 3 notebooks, 5 printers, 18 desks, 3 armchairs, and 6 cabinets).

Making Responsible Decisions



Mechanical and Mathematical Faculty of BSU for purchase of computers, network and computer devices, printers, scanners, overhead video projectors, office equipment, furniture, air conditioners, manuals, and training aids.



Faculty of Computer Systems and Networks of BSUIR to upgrade equipment and devices at the Academic Competence Center of IBM Technologies

Faculty of Computer Systems and Networks of BSUIR to organize the eighth international open championship in sports programming

Faculty of Computer Systems and Networks of BSUIR to cover travel expenses to the semi-finals of the North Eurasian region in ACM ICPC 2018-2019 and to organize the IT championship BIT Cup 2018.

Minsk Nursery & Kindergarten #383 to purchase furniture and equipment.



Faculty of Applied Mathematics and Informatics of BSU to cover travel expenses for the team's trip to the finals of the IT contest *IT Planet 2017 / 2018* (June 1-4, 2018) in the Tyumen Industrial University, Russia.

Faculty of Applied Mathematics and Informatics of BSU to cover travel expenses of a BSU teacher for the 23rd SAP EMEA academic conference (Europe, the Middle East, and Africa) from September 9 to September 15 in the Competence Center of the Technical University of Munich, Germany

Making Responsible Decisions

Projects for People with Disabilities

CASE STUDY

Personal and Professional Empowerment of Disabled People

IBA Institute conducted a series of inclusive trainings for people with disabilities. The latest project entitled *Personal and Professional Empowerment of Disabled People in Belarus* continued the initiative of IBA Group to integrate people with disabilities in labor market through education and empowerment.

The project included the following free courses.

- 1) Development of soft skills for successful career building
- 2) Fundamentals of entrepreneurship. How to turn a hobby into a profession?

The project results included the following.

- 185 people with disabilities were trained
- 80 percent prepared CVs for prospective employers
- 14 found jobs.

The project was selected a winner of the GSA Awards 2018 by the Global Sourcing Association and the Business Process Enabling South Africa (BPESA) in the category *Excellence in Corporate Social Responsibility*.



Making Responsible Decisions

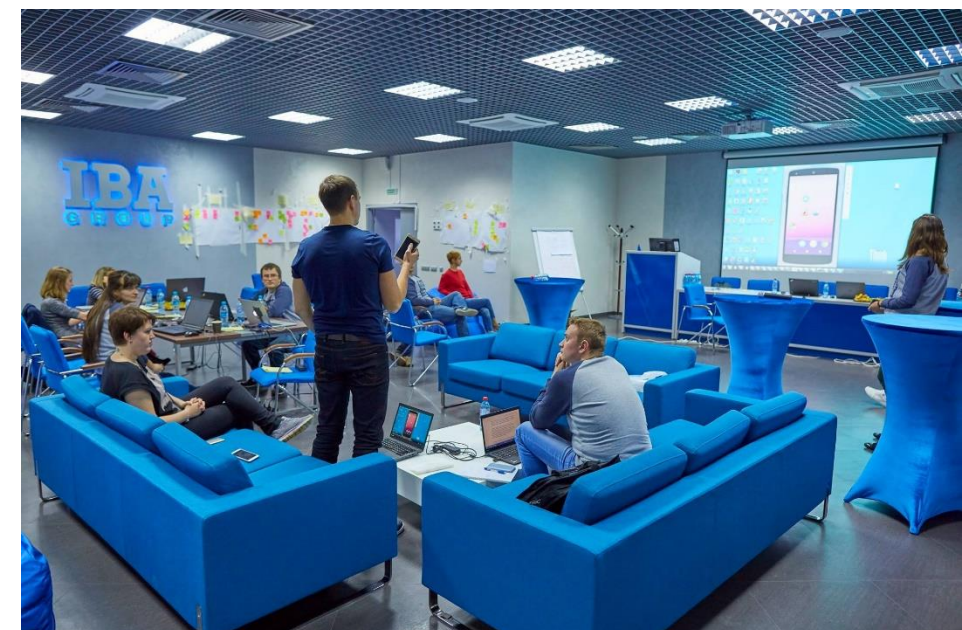
Projects for People with Disabilities

CASE STUDY

Auto Volunteers Application for Belarusian Hospice

IBA Group developed the Auto Volunteers application on Android for the Belarusian Children's Hospice within the Engineering Charity Marathon *Hospice Project Auto Volunteers*.

The Hospice uses the application to organize transportation of children with disabilities. The mobile application is similar to Uber but has no fare collection function. IBA employees developed Auto Volunteers within a charity marathon. To date, more than 1,500 users downloaded the application.



Appendices

Appendix 1. About this Report

The IBA Group 2018 Sustainability Report (Report) contains information about the company's results for 2018 and plans for further development. In addition, the Report shows innovative approaches and practices the company applies in its operations.

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 the IBA Group's activities related to sustainable development.

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

- 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 the 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
- Business ethics
- Stakeholder engagement
- HR management
- Environmental protection.

Appendices

Boundaries

The Report contains a number of forecasts and predictions with regard to the company's future, plans, and expected results. These statements reflect the 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.

Reporting Principles

Principles for Defining Report Content

The Report was prepared in accordance with the Core option of the GRI 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.

Appendices

Appendix 2. Key Awards and Achievements of IBA Group in 2018



In 2018, IBA Group for the sixth consecutive year was included in the Leaders category of The Global Outsourcing 100 (For more information, see **Section 2. Developing a Sustainable Business. Sustainability Management**).



Software Magazine included IBA Group in the *2018 Software 500* ranking of the world's largest software and service providers. IBA Group was ranked #315, with a total software and services revenue of US\$107.86 million and showing a 7.2 percent growth from the previous year.



IBA Group was selected a winner of 2018 GSA Awards organized by the Global Sourcing Association in the category *Excellence in Corporate Social Responsibility*. It was the second IBA Group's GSA award in the CSR category.



Two IBA Group's projects were qualified for the finals of SAP Coder 2018. The first was about facial recognition to tailor clients' servicing in a retail store and the second about classification of assets in accounting using Machine Learning.



IBA Group was selected a winner of *European IT & Software Excellence Awards 2018* in the category Software Innovation Solution of the Year for RPA (Robotic Process Automation) projects. It was the sixth IBA Group's award in this contest organized by IT Europa since the contest's inception.



IBA IT Park, the largest software development center of IBA Group, was selected a winner of the Belarusian Government's Quality Award. IBA became a winner for the sixth time (earlier in 2015, 2010, 2005, 2002, and 1999) and received a special award for *Management Excellence*.

Appendices

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>)

Appendices

High Tech Park (HTP) is a tax and legal regime in Belarus, contributing to the favorable development of IT business. It is a Belarusian analog of Silicon Valley in the US. The companies registered in HTP can enjoy tax benefits, regardless of the location of their Belarusian office.

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>).

Robotic Process Automation (RPA) 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 coal equivalent (TCE) is a unit of fuel, equal in its energy value to a ton of coal.

Appendices

Appendix 4. GRI Standards Content Index

GRI Indicators	Business Theme	Report Section	SDG
GRI 102: General Disclosures			
Organizational Profile			
GRI 102-1	Name of the organization	Managing the Organization	
GRI 102-2	Activities, brands, products, and services	Managing the Organization	
GRI 102-3	Location of headquarters	Managing the Organization	
GRI 102-4	Location of operations	Managing the Organization	
GRI 102-5	Ownership and legal form	Managing the Organization. Appendices	
GRI 102-6	Markets served	Managing the Organization	
GRI 102-7	Scale of the organization	Managing the Organization	
GRI 102-10	Significant changes to the organization and its supply chain	No significant changes	
GRI 102-12	External initiatives	Developing Sustainable Business	
GRI 102-13	Membership of associations	Developing Sustainable Business	

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 102: General Disclosures			
Strategy			
GRI 102-14	Statement from senior decision-maker	Message from the IBA Group Chairman	
Ethics and Conscientiousness			
GRI 102-16	Values, principles, standards, and norms of behavior	Managing the Organization	16. Peace, Justice, and Strong Institutions
Corporate Governance			
GRI 102-18	Governance structure	Managing the Organization	
GRI 102-22	Composition of the highest governance body and its committees	Managing the Organization	5. Gender Equality 16. Peace, Justice, and Strong Institutions
Stakeholder Engagement			
GRI 102-40	List of stakeholder groups	Developing Sustainable Business. Appendices	
GRI 102-43	Identifying and selecting stakeholders	Developing Sustainable Business	

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 102: General Disclosures			
Reporting Procedure			
GRI 102-45	Entities included in the consolidated financial statements	Managing the Organization. Appendices	
GRI 102-46	Defining report content and topic boundaries	Appendices	
GRI 102-52	Reporting cycle	Appendices	
GRI 102-53	Contact point for questions regarding the report	Appendices	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	Appendices	
GRI 102-55	GRI content index	Appendices	
GRI 302: Energy			
GRI 103-1	External assurance	Making Responsible Decisions	
GRI 103-2	Management Approach	Making Responsible Decisions	

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 302: Energy			
GRI 302-1	Energy consumption within the organization	Making Responsible Decisions	12. Responsible Production and Consumption
GRI 302-4	Reduction of energy consumption	Making Responsible Decisions	8. Decent Work and Economic Growth 12. Responsible Production and Consumption
GRI 307: Environmental Compliance			
GRI 307-1	Non-compliance with environmental laws and regulations	No monetary fines or non-monetary sanctions imposed on the company	16. Peace, Justice, and Strong Institutions
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 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

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 400: Social			
GRI 404: Training and Education			
GRI 103-1	Explanation of the material topic and its Boundary	Making Responsible Decisions	
GRI 103-2	The management approach and its components	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 5	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

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 400: Social			
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 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

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 400: Social			
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	

Appendices

GRI Indicators	Business Theme	Report Section	SDG
GRI 400: Social			
GRI 412: Human Rights			
GRI 103-1	Explanation of the material topic and its Boundary	Managing the Organization	
GRI 103-2	The management approach and its components	Managing the Organization	
GRI 413: Local Communities			
GRI 103-2	The management approach and its components	Making Responsible Decisions	

Appendices

Appendix 5. Feedback Form

Dear reader,

You have just read the IBA Group 2018 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.

You can access our feedback form by clicking the button below. Thank you!

[CLICK HERE](#)



Appendices

Appendix 6. Contact

IBA Group a.s.,

2583/13 Petržilkova St., Prague 5,

158 00, Czech Republic

Tel.: +420 251 116 206

Fax: +420 251 116 211

Email: info@ibagroupit.com

www.ibagroupit.com

