



# **Communication on Progress**

Implementing UN Global Compact principles in ScienceSoft, 2021

Sustainability Report covers ScienceSoft's social, safety, and environmental performance and events during May 2021-2022.



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ScienceSoft

2021 was yet another year full of challenges and uncertainty. And the first half of 2022 has already presented some of the greatest challenges to our business, customers, employees, and local communities that have been seen in decades.

Despite this, I am proud to see how we stepped up on our efforts and stayed focused on implementing our plans, overcoming obstacles, and working towards our social, environmental and responsible business targets.

I am delighted to announce that we successfully accomplished our global sustainability goals set through 2021 to ensure the

well-being of our employess, minimize the negative effect on the environment due to responsible consumption, stand for transparency in all business operations, and prevent corruption, bribery, and coercion.

As an international software development company delivering technology and services to 45countries around the globe, we see it as our duty to promote the principles of fair business competition, equality, human rights, and environmental responsibility. At ScienceSoft, we believe that sustainable development is at the core of an effective business strategy. We also encourage our business partners and customers to do the same.

We've done our best to deliver our services in new conditions with no impact on their quality and support the continuity of our customers' businesses in this challenging time. We've taken all precautions to maintain the safety and well-being of our employees and stakeholders. We also run an active campaign to save the jobs and wages of our employees, and help local communities.

This year, we continue to diligently work on achieveing a more sustainable future and make meaningful progress in Social, Environmental and Governance (ESG) journey.

I want to thank all our stakeholders for the ongoing support and collaboration. And to thank the United Nations for the opportunity to participate in the Global Compact initiative.

I'm delighted to see our business strives to achieve a better future for all of us. I am proud of the progress we've made so far and we'll continue exploring more ways to integrate sustainability into our business.

Sincerely, Nick Kurayev, President of ScienceSoft USA Corporation



## **Social Impact**

#### **Compliance with Principles:**

Human Rights:

- Businesses should support and respect the protection of internationally proclaimed human rights.
- Make sure that businesses are not complicit in human rights abuse.

Labor:

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- ✓ The elimination of all forms of forced and compulsory labor.
- ✓ The effective abolition of child labor.
- The elimination of discrimination with respect to employment and occupation.

## **Occupational Health and Safety**

The well-being of employees remains the key priority of ScienceSoft.

- We aim to create safe and healthy working conditions for all our employees. Every employee is instructed on safe work practices.
- We conduct the workplace assessment and act upon its results immediately if the need arises.
- We hold accident prevention training and ask our employees to report unsafe situations at the workplace.
- We take timely measures to prevent occupational diseases and improve the convenience of workstations (introducing ergonomic chairs, noise-cancelling headphones, air humidifiers and purifiers, etc.).
- We provide home office support during the period of remote work. The company grants authorization to employees to take home all the necessary pieces of furniture and equipment and organize a suitable home workspace.
- All of ScienceSoft's employees are entitled to comprehensive medical insurance. The company provides an employee with a full compensation of insurance cost. We also offer 50% insurance coverage for family members of our employees.
- The company pays an injured or sick employee their full pay for 3 weeks and an average monthly salary afterward until they are well enough to return to work.

ScienceSoft actively promotes a healthy lifestyle and sport engagement among employees.

• All ScienceSoft's employees are encouraged to lead a healthy lifestyle.



- All ScienceSoft's employees get reimbursement for gym and sports services they use.
- ScienceSoft's largest office has a well-equipped gym.

#### 2021 goals and results

- Free COVID-19 vaccination and revaccination for employees and their families. Done.
- Online First Aid Training for employees. *Done.*
- Educating employees in workstation set up, good posture techniques, including self-massage, yoga and stretching exercises to relieve work-from-home stiffness, and more. *Done.*
- Deliver psychological online sessions that aim at helping employees handle occupational stress and COVID-related anxiety and distress. *Done.*
- Paid running races and marathon participation. *Done*.
- A month-long virtual running competition that can be carried out in any safe location and anytime in order to help their training and keep their motivation up during the coronavirus pandemic. The winners earned medals and sports accessories. – *Done.*

#### 2022 goals:

- Set up own football and basketball clubs.
- Set up own cycling club.
- Hold regular 1:1 meetings between employees and HR team to receive feedback on the work environment.
- Continue to support participation in running races and marathons.

## **Diversity and Equal Opportunities**

We believe that the diversity of our employees' unique backgrounds undoubtedly plays an important role in driving innovation in our industry and in reshaping our world. ScienceSoft defines equal employment opportunities for applicants and prevents any discrimination in partnership. We hire and promote employees and cooperate with partners without regard to their race, religion, national origin or citizenship status, sex, sexual orientation, gender identity or expression, pregnancy, age, disability, or military status.



We promote just, peaceful and inclusive societies. We create the opportunities and build culture to enable employees being their authentic selves at work.

Our global corporate strategy demonstrates our commitment to being responsible, good neighbor in the communities where we operate. We invest in charitable organizations and actively support our employees' volunteerism.

## First jobs and apprenticeships

We actively support applicants looking for their first jobs and junior specialists, be they students, recent grads or those forced to transition to a new role because of the rapidly changing economy.

## Women in Technology and Sales

We create a supportive, inclusive environment for female employees and invest efforts in:

- Mentorship in women's educational programs.
- Women's full and effective participation and equal opportunities for leadership.

## **Training and Education**

ScienceSoft runs a knowledge-based business and constantly evolves employee skills in line with the market demand. We retrain employees and improve their competencies by organizing their participation in workshops, forums, seminars, and conferences. ScienceSoft is also committed to tech education to promote techs and help people upskill and reach their career goals.

- ScienceSoft Meetups initiative was launched. ScienceSoft Meetups is a series of free open events run by ScienceSoft's experts, which cover the most trending IT topics.
- The company covers employees' expenses of getting professional certificates.

#### 2021 goals and results:

- Further development of the online learning platform for job candidates and junior employees. – *Done.*
- Knowledge sharing events for employees (Free Teck Talks, UX Challenge, Modelling challenge, Communication training, Interview training, Blockchain training, SQL Challenge, Business Communication training). – *Done.*
- Free trainings on business analysis, ServiceNow platform, PHP. *Done*.

We also supported other educational events for junior specialists as speakers and sponsors. We hired 50 recent grads and people with other work background, including 10 junior specialists over the age of 40. In addition, 20 people received our job offers after our trainings.

#### 2022 goals:

- Upgrade the online learning platform for job candidates and junior employees.
- Further support knowledge sharing events for employees.
- Further support local educational initiatives and events in the regions of presence.

## Inspiring interest in technology among youth:

#### 2021 goal and results:

- Sponsoring XXII Tournament of Young Mathematicians. *Done.*
- Donating computers to several schools to foster digital education opportunities. –
  Done.

We also created an animated video to engage children into IT.

#### 2022 goals:

- Active participation in educational events for kids and teens.
- Donating computers to schools and other educational institutions to foster digital education opportunities.
- Collaboration with tech schools and organization of master classes for children.

## **Respecting Human Rights**

ScienceSoft fully supports and promotes internationally proclaimed human rights and ethics, working in line with the International Labor Organization's core conventions and the UN Global Compact. Our HR team is always available and open to discussion with employees regarding Human Rights issues. Our employees are encouraged to discuss any relevant issues with the HR department or senior management.

The company will not tolerate any form of unlawful harassment against any employee by anyone, including other employees, vendors, or clients.

We require our partners to practice principles that adhere to Human Rights policies.



## Safe Working and Employment and Competitive Compensation

ScienceSoft promotes sustainable economic growth and decent employment. We offer competitive salaries and encourage the review of annual wages. Our Employee Handbook covers policies concerning employee rights, responsibilities and compensation. Our Employee Handbook is kept updated and is available to all staff on an ongoing basis.

We regularly communicate with the team through various means such as internal team and company-wide meetings, staff surveys and corporate social media to ensure all employees are kept up to date with business progress and all views are heard and considered. Employee-wide communications include regular news updates on our intranet site and a weekly global employee newsletter, quarterly newsletters, and social media updates. In addition to contacting management or Human Resources, employees can anonymously report concerns at any time through our internal digital platform.

### **Protecting Privacy and Security**

We handle all the personal data of our customers and employees responsibly. All newcomers undergo comprehensive security and privacy training.

### Freedom of Association and Collective Bargaining

Currently, no restrictions are placed on the ability of our employees to organize themselves or join legally constituted bodies.

### Elimination of Slavery, Forced and Compulsory Labor, Child Labor

We don't allow human rights abuses and prevent any forced labor. We don't cooperate with any brands linked to forced and child labor.



## **Environmental Impact**

#### **Compliance with Principles:**

Environment:

- Businesses should support a precautionary approach to environmental challenges.
- ✓ Undertake initiatives to promote greater environmental responsibility.
- Encourage the development and diffusion of environmentally friendly technologies.

With the consequences of human-induced global warming and other harmful environmental effects of human activities, climate protection and energy conservation have become an important part of every corporate agenda. A mid-size company with operations not directly linked to production and natural resource usage, the environmental impact of ScienceSoft is rather small. Nevertheless, we strive to use every opportunity to reduce it to zero.

## **Reducing Our Ecological Footprint**

As the power supply to desktops and services is a major component of energy consumption in the IT business, the energy efficiency of computer equipment is a key factor in ScienceSoft's purchasing decisions. The introduction of modern blade servers and a drive towards virtualization allowed us to significantly decrease the amount of energy consumed by the server park. Unfortunately, renewable energy is unavailable in the main regions of our operations.

We strive to make care about the environment a part of the mindset of our employees. We drive awareness of responsible consumption and utilization through regular posts in corporate communication networks and ScienceSoft's accounts on major communication platforms (Instagram and Facebook).

We actively promote cycling culture and encourage our employees to use bikes instead of cars wherever possible.

As a part of environmental protection efforts at ScienceSoft, we try to integrate environmental protection into our day-to-day activities in the following ways:

• Use non-disposable kitchenware in the office and re-usable coffee mugs every time away.

- Collect waste paper as a raw material to expand the use of recovered paper further.
- Collect old accumulators and light bulbs to ensure their safe utilization.
- Use electronic documents in place of hard copies.
- Use double-sided printing.

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• Donate unneeded goods (computers, chairs) to charities (schools, orphanages).

#### 2021 goals and results:

- Install energy-efficient LED bulbs. *Done*.
- Use environmentally friendly cleaning supplies. Done.
- Conduct free zero waste training. *In progress.*
- Further improve recycling and recovery (e.g., adding organics recycling to our office recycling program). We've provided employees with water bottles, eco cups and thermos mugs.

#### 2022 goals:

- Setting up a cycling club to promote using bikes instead of cars.
- Conducting a zero waste training and further promotion of environmentally friendly lifestyle.
- Promoting the idea of donating unwanted items to charity.



## **Responsible Business and Corporate Giving** (Philanthropy)

#### **Compliance with Principles:**

Businesses should work against corruption in all its forms, including extortion and bribery.

## **Digital Responsibility, Data Privacy and Security**

We don't develop or deliver software that can be used at the expense of human rights (e.g., secret surveillance software) or principles governing sustainable development and environmental protection.

## **Anti-corruption**

We strongly stand for anti-corruption, elimination of bribery and coercion to maintain trust among employees and with our customers and business partners and promote transparency in all our business operations.

- We provide employees with anonymous access to an online grievance and feedback channel, which is reviewed by key internal stakeholders.
- Bribery in any form is forbidden in all our business dealings.
- No company funds may be used for any bribe under any circumstances.

Our Employee Handbook outlines the relevant policy and grievance procedures and is available to download and read via our HR system so that employees are familiar with how to raise concerns about any form of corruption arising in the context of their work. There have been no reported incidents over the last year, with the company maintaining a zero tolerance position on corruption in all its forms.

## **Corporate Giving**

Making a meaningful impact in the communities we live and work in is the focus of our sustainability strategy. ScienceSoft contributes to various volunteer and charity initiatives. Our corporate giving includes:

• Monthly/quarterly/yearly donations to volunteer organizations and funds and charity projects.



• Targeted assistance to people and families in difficult situations or via specific institutions in the regions of presence.

#### 2021 goals and results :

- Continue all the current corporate giving and sponsorships. *Done*.
- Targeted assistance to people and families in difficult situations. *Done*.



## **Measurement of Outcomes**





