

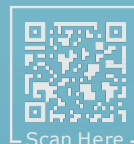


Corporate Social Responsibility Report

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Company's History

IBA
GROUP

- **1993**
JV IBA founded
- **1998**
IBA opens IBA USA in the US
- **1999**
IBA opens IBA CZ, a center of excellence in Prague, Czech Republic.
- **2000**
IBA opens IBA IT GmbH in Germany
- **2001**
IBA opens IBA Gomel development center
- **2002**
IBA establishes its training center that eventually turns into IBA Institute
- **2005**
IBA relocates its headquarter to Prague, Czech Republic, transforming IBA to IBA Group.
IBA CZ expands to Brno
- **2006**
IBA Group included in the Leaders category of The Global Outsourcing 100 for the first time
- **2011**
IBA Group wins at European IT & Software Excellence Awards for the first time
- **2012**
IBA Group opens IBA Ukraine in Kiev
- **2013**
IBA Group opens IBA South Africa in Johannesburg
- **2015**
IBA Group opens IBA Slovakia in Bratislava
- **2016**
IBA Group unveils its campus in Belarus' High Tech Park
- **2017**
IBA Group opens IBA Bulgaria in Burgas
- **2018**
IBA Group joins the UN Global Compact
- **2020**
IAOP recognizes IBA Group in all sub-lists of The Global Outsourcing 100
- **2021**
IBA Group opens IBA Poland in Wroclaw

2021 Factsheet



Message from IBA Group Chairman



Summing up the results of 2021, I would like to highlight that the International Association of Outsourcing Professionals (IAOP) included IBA Group in the Leaders category and all sub-lists of The Global Outsourcing 100 for the ninth and second consecutive years, respectively. IT Europa selected IBA Group a winner of the European IT & Software Excellence Awards 2020-2021 in the category Enterprise Solution of the Year and the European Business Services Association announced IBA Group a winner at the 2021 North America - CEE Investment Summit & Awards in the category Top CEE-Based Digital Services Provider to North American Companies.

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

As a responsible employer, IBA Group worked to support employees. We invested in employee relocation and proceeded with training programs for our IT and business professionals. IBA employees went on practicing sports and participating in sport competitions online and offline in their locations.

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

Like the rest of the world, we adapt to the new norms and requirements. While this report highlights our progress in 2021, commitment to sustainability has been part of our values for years. We confirm our support of the UNGC's Ten Principles on human rights, labor, environment and anti-corruption, and continue our progress on the path of sustainable development.

IBA Group has been a signatory of the United Nations Global Compact (UNGC) since 2018. Joining this world's leading voluntary corporate social responsibility (CSR) initiative, we expressed our commitment to the UNGC and its Ten Principles. In this Report, we renew our ongoing commitment to the initiative and describe what we did in 2021 to achieve the UN Sustainable Development Goals (SDGs).

The year 2021 continued the period of uncertainty with the COVID-19 pandemic persisting and the economy contracting. Work from home became a new normal and employee relocation became a common practice, affecting the day-to-day operation of most organizations, including IBA Group. To this end, we launched additional IT infrastructure facilities and went on setting up offices in new locations and regions where IT services are in high demand.

IBA Group proceeded with the work on quality education; decent work and economic growth; responsible production and consumption; peace, justice, and strong institutions; and other SDGs.

This year, we kept our focus on employee empowerment, education, community relations, and environmental protection.

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 nearly 3,000 professionals. Headquartered in Prague, Czech Republic, IBA Group has development centers in the Czech Republic, Poland, Belarus, Slovakia, Bulgaria, and Kazakhstan. The sales offices are based in the United States, Germany, Ukraine, South Africa, Croatia, and Cyprus (as of 2021). IBA Group is a joint stock company. Its branches are joint stock companies and limited liability companies.

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

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

IBA Group's services and solutions are designed for:

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

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





Services and Solutions

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

Focus Areas

- Solutions for the enterprise
- Mainframe and multiplatform software
- Intelligent automation
- Data science and machine learning (ML)
- Cloud solutions
- Business application development

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.

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

IAOP listed IBA Group in the Leaders category and all sub-lists of The Global Outsourcing 100, and IT Europa selected IBA Group as a winner in the European IT & Software Excellence Awards.

For more information, see Appendix 2. Awards and Recognitions

IBA Group in Global IT Industry

In 2021, the global IT market grew by 9.5% and reached \$4.26 trillion (Gartner).

The volume of the global IT outsourcing market at the end of 2021 reached \$360 billion, having increased by almost 13% compared to 2020 (Statista).

Total IT spending in the EMEA region grew by 11.5% and reached US\$1.22 trillion in 2021 (Statista).

Eastern Europe is one of the most popular IT outsourcing destinations due to its dynamic business climate and European culture. It is home to more than 1.7 million qualified IT specialists (Eurostat) working for leading tech companies or freelance, and more than 2,500 companies specializing in software development outsourcing (Clutch).

IBA Group continued to expand across Eastern Europe and Asia. Its revenue amounted to US\$117,642,000 in 2021, 10% up from 2020. The company invested significantly in the opening of new offices. In September 2021, IBA Group opened a new development center, IBA Astana Development, at Astana Hub, Kazakhstan's largest technopark. In February 2021, IBA Group announced the opening of its development center in Wroclaw, Poland. Poland became the sixth country where IBA Group set up a development center and the 13th country where IBA Group established its presence.

Mission, Vision, and Values



Mission

Co-creating a SMART future

Vision

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

Our Values

Personal

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

Collaborative

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

Reliable

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

Strategy, Goals, and Tasks

The main strategic goal of IBA Group is sustainable business development. To obtain long-term benefits for shareholders, customers, employees, partners, and communities, IBA Group sets the following business objectives.

- Improve industry expertise to ensure a thorough understanding of key customers' businesses and to be able to provide end-to-end services, resulting in the company's competitiveness in international markets
- Strengthen expertise in innovative technologies and methodologies with their subsequent use in software and hardware solutions
- 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
- Support IT education in the countries of operations as one of the main sources of the company's human resources



Goals

- Accumulate vertical industry expertise, and maintain and expand a portfolio of IBA's core competencies
- Systematically build up efforts to establish and maintain partnerships and mutually beneficial relationships with world IT leaders
- Foster employee motivation and loyalty through social and development support

Goals for 2021

IBA Group set the following goals for 2021.

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

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

- Expanded the range of services and solutions through the use of innovative technologies
- Invested in the set up and expansion of software development centers
- Provided high quality integrated services to customers
- Supported employees 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 R&D laboratories, and providing support to IT events

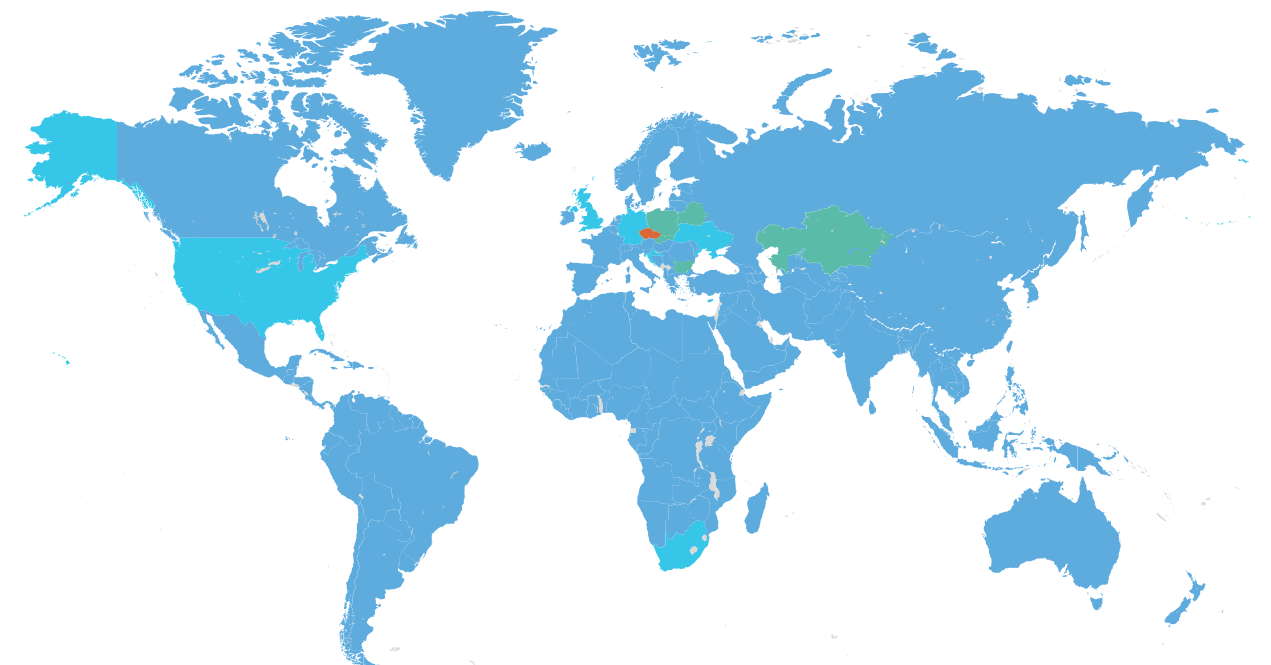
Our strategy is successful partnership.

Organizational Structure

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

Functional Structure

IBA Group incorporates development centers, sales offices, training and technical centers, and other legal entities.



- IBA HQ and IBA CZ, Development Center, Prague, Brno, and Ostrava, Czech Republic
- IBA Bulgaria, Development Center, Burgas, Bulgaria
- IBA Poland, Development Center, Wroclaw, Poland
- IBA Minsk, IBA Gomel, Development Centers, Belarus
- IBA Slovakia, Bratislava, Slovakia
- IBA Kz, IBA Group Office and Development Center, Astana, Kazakhstan
- IBA IT GmbH, Kierspe – Rönsahl, Germany
- IBA USA, San Jose, CA, USA
- IBA Ukraine, Kiev, Ukraine
- IBA South Africa, Johannesburg, South Africa
- IBA Cyprus
- IBA Croatia, Zagreb, Croatia
- IBA Institute, Minsk, Belarus

Production Structure

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

Company Management

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

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

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

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

No critical concerns were identified during the reporting period.

IBA Group Board





Sergei Levteev

IBA Group Chairman & CEO

Sergei Levteev has been IBA CEO since the company's inception in 1993. In 2005, he was elected Chairman of the Board of IBA Group. Mr. Levteev spearheads all aspects of the company's business efforts, including overall vision and strategy. During his tenure, a small firm evolved into an international group of nearly 3,000 employees.

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

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



Sergei Akoulich

**Member of the Board of IBA Group
VP, Delivery**

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

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

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



Kirill Degtiarenko

**Member of the Board of IBA Group
VP, Business Development**

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

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

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



Leanid Bokun

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

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

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

Business Ethics and Practice

Managing Conflicts of Interest

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

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

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

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

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

At IBA Group, various options are continuously available to employees, business partners, and third parties for seeking advice or using confidential and secure channels to express concerns about possible misconduct. Contact points include an online

whistleblowing system, which can be reached via the company intranet. In order to ensure that an adequate response to compliance violations is carried out, all reports are investigated.

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

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

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

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

Principles and Standards of Behavior

Leadership

Be proactive

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

Do not be afraid of responsibility

- Learn from failures
- Take responsibility
- Admit failures
- Maintain a positive working mood in any situation

Strive for success

- Focus on achieving results
- Learn continuously
- Set ambitious goals

Partnership

Maintain reliable, trusted relations

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

Be honest and open-minded

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

Be responsible

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

Conscientiousness

Follow rules and standards

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

Always achieve goals

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

Value the company's reputation

- Be demanding to yourself and others
- Do your job in the best possible way to earn customer loyalty

Improve yourself and approaches to work

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





Anti-Corruption

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

There were no incidents of corruption during the reporting period.

Publicity and Transparency

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

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

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

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

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

IBA Group has a TRACE Anti-Bribery Compliance certificate that confirms that the company fully complies with 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/ibagroup/>



Protection of and Respect for Human Rights

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

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

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

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

In 2021, employees submitted 5 proposals, none of these concerning human rights. For discussions and exchange of views, IBA Group uses a corporate page on Workplace by Facebook. To inform employees about various aspects of corporate life, including the benefits package, healthcare, and sports, IBA held a series of IBA Talks on Zoom, where employees could ask questions and discuss their pressing issues.

Information Security Policy

IBA Group respects every customer's, provider's, business partner's, and employee's right to inviolability and confidentiality of personal data. We use the latest technologies and standards to ensure the security of information of our customers. IBA takes adequate measures to organize physical access control, logical access control, in-house security control, data transfer protection, and processing audits. IBA Group and external auditors conduct annual security audits at all company sites. The IBA Group's information security division constantly monitors the corporate network and checks the organization's activities for compliance with regulatory acts.

Developing a Sustainable Business



Sustainability Management

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

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



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

CSR Program

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

Employee Support

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

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

Community Relations

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

Environmental Protection. Green IT

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

IT Education

IBA Group cooperates with leading Czech, Belarusian, and Bulgarian IT universities to create a reserve of young professionals.

IBA Group and the UN Global Compact

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

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

Monitoring and Evaluation

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

In 2021, IBA Group successfully re-certified its information security management system to ISO/IEC 27001:2016, STB ISO/IEC 27001-2016, and ČSN ISO/IEC 27001:2014, and Quality Management System to ISO 9001:2015, STB ISO 9001-2015, ČSN EN ISO 9001:2016, and ČSN ISO/IEC 20000-1:2019.

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

Customer References

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

Programs for Innovation

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



Sustainable development is the main strategic goal of IBA Group.

In 2021, IBA Group continued cooperating with the United Nations. The programs included SDG Ambition and Family / Parent Smart Company.

In 2021, IAOP included IBA Group in The Global Outsourcing 100, the list of the best outsourcing providers for the ninth consecutive year.



Awards and Certifications

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

Corporate Social Responsibility (CSR)

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

Key Achievements and Goals in Sustainable Development

CSR / Sustainable Development Goals	Key Achievements in 2021	Goals for 2021	Goals for 3 to 5 Years
Provide high quality IT services and solutions through the use of advanced technologies and first rate customer service.	Based on the latest annual customer survey, the customer satisfaction level amounted to 97.58%.	Maintain and improve customer satisfaction score.	Keep customer satisfaction above 95%.
Expand the range of products and services using innovative technologies from world IT leaders.	The set of software solutions expanded to include open source plugins for the mainframe ecosystem and cloud solutions.	Continue mastering new technologies and methodologies.	Increase the share of projects using the latest technologies in the total volume of IBA Group's projects.
Expand the client base by conquering new markets, penetrating new vertical industries, and creating partnerships with current clients.	In 2021, IBA Group opened Astana Development Center in Kazakhstan and IBA Poland, a new development center in Wrocław, Poland..	Expand project geography.	Expand cooperation with customers and partners in Europe, America, Asia, and Africa.
Keep pace with innovations in IT and business areas.	Solutions for public transport and mobile payment. Creation of an open source GitHub repository.	Integrate new solutions in business processes of IBA Group and its customers.	Create and implement new solutions with IBA Group customers and internally.



Contribution to UN SDGs



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

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



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

Creation of AgromonX, an application for agriculture to automate crop production management. The product is based on IoT.



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 aged 70 or over. These are mostly top class mainframe specialists. All employees have access to a benefit package that includes medical care, sports, cultural activities, and financial assistance. Former IBA Group employees who retired have access to the benefit package too.



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

The IBA Institute of IT and Business Administration (IBA Institute) provides training to IBA employees and conducts free IT and business training for vulnerable groups. IBA Group has long-lasting relations with universities, where IBA's R&D labs are ongoing. IBA Group specialists train students at IBA courses and young people have internships with the company. IBA Group is a sponsor of programming contests and championships among school and university students.



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, 34 percent of IBA Group employees are women.



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

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



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

IBA Group has its own its campus that includes a six-floor office building of 12,000 square meters, IBA Data Center of 946 square meters, a fitness center of 2,400 square meters, and a parking garage for 350 cars. All buildings have the latest equipment that uses modern life support technologies. IBA Group's offices in different countries meet the highest requirements for office space. The IBA Data Center provides cloud services to local businesses.



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

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



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

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



Responsible consumption and production.

IBA Group saves fuel and energy resources by using resource efficient technologies. The IBA Data Center employs an innovative technology of heat recovery. The heat generated by the data center equipment is used to heat the IBA Fitness Center. Computers used at IBA Group have built-in energy saving systems that reduce power consumption during temporary interruptions in operation. Lighting systems use energy-efficient light sources. The water supply 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.



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

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



Revitalize the global partnership for sustainable development.

In 2018, IBA Group became a signatory of the UN Global Compact. In 2019, IBA Group began cooperation with the United Nations High Commissioner for Refugees and in 2021, with the UNFPA.

Stakeholder Engagement

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

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

Publics

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

Other Stakeholders

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

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



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



Employees

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

Shareholders

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

Clients and Partners

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

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

Stakeholder Engagement in 2021

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



Shareholders

- **Key Expectations/Interests**
Revenue surplus. Positive company reputation.
- **Interaction Mechanisms**
Development of strategy and founding documents. Direct control of the company.
- **Key Events in 2021**
Enhancement of the IBA Group Board. Growth in key indicators.



Employees

- **Key Expectations/Interests**
High wages. Favorable environment and safe working conditions. Benefit package. Professional development.
- **Interaction Mechanisms**
Regular wages and performance-based bonuses. Engagement in company activities. Benefit Package database in intranet, where employees can sign up for a variety of sports and cultural events held or sponsored by the company. Training Database in intranet with access to a variety of training courses. Talent Constructor HRM solution facilitates employee development. All applications and databases were developed by IBA Group employees.
- **Key Events in 2021**
Rewarding of the best employees of the year of IBA Group. Online training courses for employees and university students. Women empowerment program at IBA Institute. A series of online sports workouts for remote workers.
Establishment of M10 Theater consisting of IBA Group employees. A series of lectures and workshops on cultural, medical, and scientific topics.

For more information, see Section 4.2 of the Report.



Customers

- **Key Expectations/Interests**
High quality services that meet customer requirements and international standards.
- **Interaction Mechanisms**
Offshore and onshore delivery models with IBA teams working in cooperation with customer teams.
- **Key Events in 2021**
IAOP selected IBA Group for all sub-lists of The Global Outsourcing 100 for the second year in a row. IT Europa selected IBA Group as a winner in European IT & Software Excellence Awards.



Partners

- **Key Expectations/Interests**
High sales of partners' products.
- **Interaction Mechanisms**
Partnership and distribution agreements. Affiliate programs and partner levels. Collaborative activities. Contests among partners.
- **Key Events in 2021**
IBM re-appointed IBA Group as its Platinum Business Partner. SAP re-appointed IBA as a Gold Services Business Partner and recognized IBA's expertise in the industries of Travel & Transportation, Utilities, Oil & Gas, and Telecommunications; and in the solutions of SAP HANA, SAP S/4HANA, Data Management, Enterprise Planning, and Real Estate Management. Red Hat appointed IBA as an Advanced Solution Provider with Hybrid Cloud Infrastructure specialization. VISA re-appointed IBA Group as a Visa Ready Certified partner

IBA Group Partnered with Amplio Technologies on digital transformation. IBA Group Celebrated 10 years of partnership with Hapag-Lloyd.



Media

- **Key Expectations/Interests**
Prompt provision of information of interest to the media.
- **Interaction Mechanisms**
Press conferences, round table discussions, interviews, articles, and etc.
- **Key Events in 2021**
Throughout 2021, IBA Group participated in or organized online conferences and roundtable discussions, as well as published thought leadership articles in corporate, international and local media.



Universities

- **Key Expectations/Interests**
Provision of equipment, software, and training programs. Sponsorship of international and local championships and competitions.
- **Interaction Mechanisms**
Four joint research laboratories at universities
In 2021, IBA Group maintained the innovative SAP Next-Gen Lab at the Belarusian State University and other labs at national universities.
Training courses for students and teachers. Cooperation agreements with universities of the Czech Republic and Bulgaria.
- **Key Events in 2021**
In 2021, 271 students completed 14 IBA courses of 1,217 academic hours and 299 students had internships at IBA Group.
You can find more information in Section 4.3 IT Education.

Stakeholder Engagement in 2021



Government authorities

- **Key Expectations/Interests**
Compliance with local laws. Participation in government programs on automation and informatization of government agencies and institutions.
- **Interaction Mechanisms**
Participation in tenders, development of solutions for automation of business processes.
- **Key Events in 2021**
Implementation of the IBA Group tapXphone solution in Lithuania, Latvia, Greece, Estonia, Serbia, and Bulgaria.



IT and outsourcing associations

- **Key Expectations/Interests**
Participation in industry events and projects. Promoting industry's interests.
- **Interaction Mechanisms**
A member of the International Association of Outsourcing Professionals (IAOP) and of Guide Share Europe (GSE).
- **Key Events in 2021**
Inclusion in the Leaders category and all sub-lists of the IAOP's The Global Outsourcing 100.

Becoming a winner at the IT Europa's European IT & Software Excellence Awards and in the North America - CEE Investment Awards.

Becoming a winner of Stevie® Awards as part of the IBM award-winning team.



Secondary educational institutions

- **Key Expectations/Interests**
Computerization of schools. Financial support for schools and IT contests.
- **Interaction Mechanisms**
Sponsorship
- **Key Events in 2021**
Financial support of Belarusian Children's Hospice: installation and maintenance of AIST playground

Belarusian State University of Informatics and Radioelectronics: IT courses for orphans and children with disabilities

ICPC International Collegiate Programming Contest: support of the Belarusian State University team

Family Inclusive Theater: financial support on a regular basis



Local communities

- **Key Expectations/Interests**
Ethical and environmental compliance. Participation in environmental, healthcare, and humanitarian projects.
- **Interaction Mechanisms**
Financial support of and technical assistance to people with disabilities, Belarusian children's hospice, and other children's institutions.
- **Key Events in 2021**
IBA Group continued to provide assistance to healthcare institutions, including purchase of medicines and medical equipment, and procurement of COVID-19 test kits. IBA employees became blood donors.

Memberships in International Initiatives and Associations in 2021

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



Implementing Innovations



Quality Management

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

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

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

Quality Improvement Processes

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

Quality Assurance and Information Security

The IBA Accelerator Portal is designed to encourage innovation, focusing on search, development, testing, and implementation of innovative ideas.

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:



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

- Quality management system for design, development, production, and maintenance of software and automated systems, compliant with ISO 9001:2015, STB ISO 9001-2015, ČSN EN ISO 9001:2016, and ČSN ISO/IEC 20000-1:2019
- Information security management system for development, production, and maintenance of software and automated information systems, compliant with ISO/IEC 27001:2016, STB ISO/IEC 27001-2016, and ČSN ISO/IEC 27001:2014
- In 2021, IBA Group confirmed compliance of its management systems with these standards.



Quality Management

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

In 2021, the goals and objectives set by the company management regarding quality management were fully met, which is reflected in the report on the efficiency of management systems and in the results of external audits.

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

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

IBA Group conducts annual customer surveys.

	2017	2018	2019	2020	2021	
Number of complaints	0	1	1	1	1	
Customer satisfaction	Domestic markets (7-point scale)	6.1	6.2	6.26	6.47	6.7
	International markets (non-IBM projects, 5-point scale)	4.3	4.6	4.51	4.357	4.87
	International markets (IBM projects, 100-point scale)	98.53	98.74	99.58	99.56	99.65

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.

Customer Satisfaction

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

To study satisfaction levels, IBA analyzes the following information:

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

Based on findings and conclusions of 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.

IBA Group conducts internal audits in line with the IBA-MR.1 procedure Internal Audit and Software QMS Audit Programs for 2021.

Internal Audit and Software QMS Audit Programs for 2019-2021

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

The detected inconsistencies refer to timely updating of relevant documents.

Audit Results

- The program of audits is executed in full and taking into account all objectives and tasks in quality improvement
- No violations of the internal audit procedures were detected
- Audits time frames were met
- Audit results are registered in a timely manner in line with IBA-SCP9.2 and stored in the QMS audit database
- Audit teams comprise competent and qualified professionals

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

Information Security Audits in 2019-2021

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

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



Mobile Technologies

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

Mobile Projects



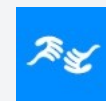
Automated Fare Collection (AFC) System. Commuters can pay for travel in public transport using smartcards or other NFC-enabled devices. Visa and MasterCard-certified.



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

ZBot

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



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

Cloud Technologies

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

- IBA Data Center is designed to provide a trouble-free performance of user information systems with specified levels of availability, reliability, security, and manageability. It meets the TIER 3 requirements and up-to-date international information security standards. It is energy efficient: the heat generated by IBA Data Center is used to heat the IBA Group's Fitness Center
- 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
- Development and modification of proprietary solutions and products is deployed in the IBA Cloud Platform based on SaaS

Data Storage

IBA Data Center is a fail-safe complex of interrelated software and hardware components, engineering infrastructure, and organizational procedures. The IBA Data Center is a detached two-floor building, designed and built in compliance with international standards and local regulations in the field of information security.

Features

- Protection against electromagnetic radiation by Faraday cage
- Liquid cooling and maintaining high pressure in the main computer room with access through airlock chambers
- Autonomous power supply from a diesel generator and two independent transformer substations
- Total capacity: 1 MW (64 server racks and 8 telecommunication racks)
- Redundant communication channels from different providers
- Heats the IBA Fitness Center (energy-saving technologies).

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



Cloud Solutions

IBA AVM

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

IBA SECURITY

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

talent constructor®

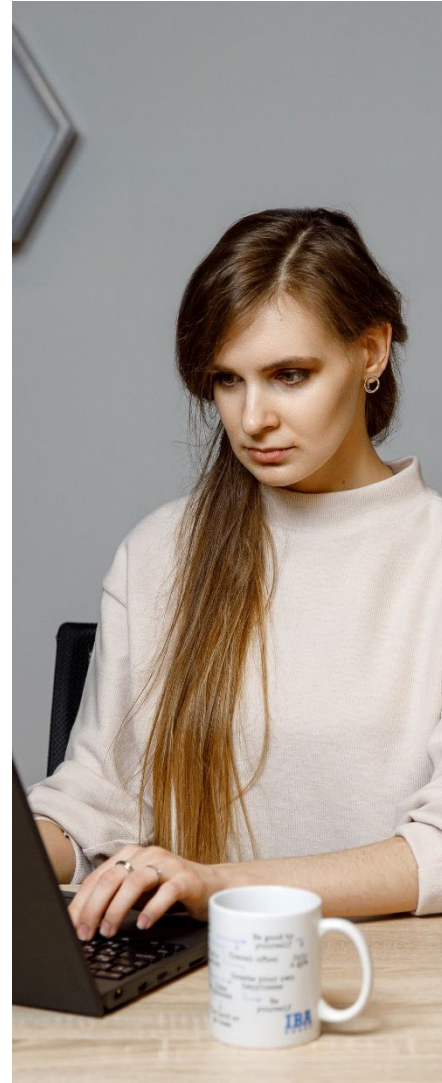
Talent Constructor is a family of software products designed for effective human resource management. Talent Constructor is scalable and easily integrates with existing HRMS (for more information see Section 4.2 Employee Support).

VAS

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

IBA Finance Management Solutions

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



start point

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

Intelligent Automation

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

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

EasyRPA

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

Open Source Solutions for Mainframe

IBA Group has special expertise in mainframe software development, both system and applied, and in migration of legacy systems. Trying to make mainframe more user friendly to attract young developers, IBA Group came up with a range of open source solutions that bridge the divide between modern applications and the mainframe.

For Mainframe Plugin



The open source For Mainframe IntelliJ IDEA plugin is an interactive mainframe code editing tool that brings support for browsing, editing, and creating data on z/OS via z/OSMF REST API. The plugin modernizes one of the biggest legacy elements of the mainframe, the black and green screen. It is the first mainframe plugin on the JetBrains marketplace.

Global Repository for Mainframe Developers

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

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

Making Responsible Decisions



Environmental Protection

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

Efficiency of Environmental Protection Activities

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

- Exercise control over observance of requirements for environmental protection by company employees
- Develop plans for the implementation of production control in the company
- Develop action plans in the field of environmental protection
- Organize training and knowledge assessment of employees in the field of environmental protection.

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



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

Improvement of Environmental Management System

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

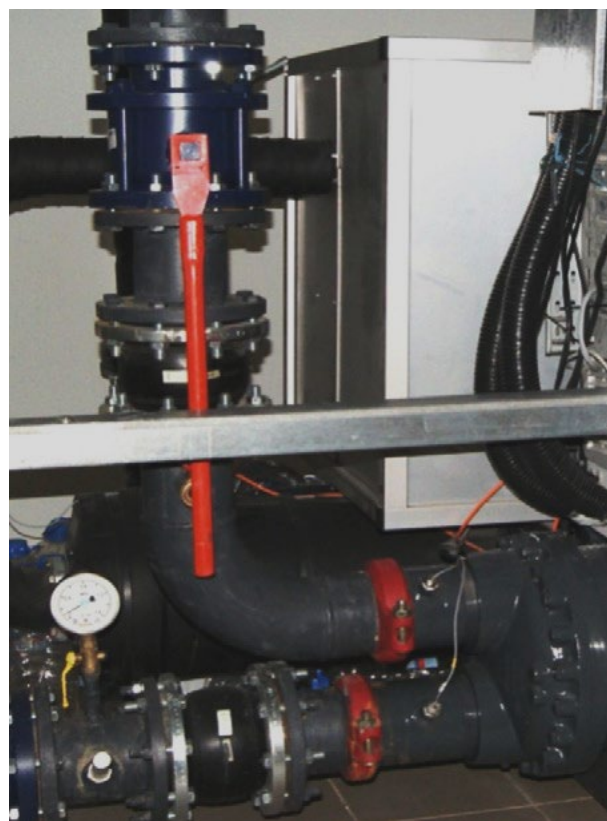
To manage the Environmental Program, IBA Group signed outsourcing contracts with companies that specialize in environmental protection. Each year, an environmental passport is issued for the company, keeping record of the amount of generated waste. IBA introduced a waste sorting system.

Environmental Impact

For better distribution and efficient use of fuel and energy resources, IBA Group develops and approves annual fuel and energy resource consumption norms. In addition, the company keeps track of changes in the level of greenhouse gas emissions in CO₂ equivalent, relevant to electricity and heat consumption. Every year, an Action Program aimed at reducing consumption of fuel and energy resources is developed and approved. In 2021, the Action Program focused on timely shutdown of unused lighting and power equipment, optimization of the ventilation system switching schedule, awareness-raising activities among employees, and maximization of natural light usage.

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

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



Energy Efficiency and Conservation

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

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

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

- Air handling units are equipped with heat recovery systems. Rotary heat exchangers of at least 65 percent efficiency are used for office premises and 30 percent heat exchangers with an intermediate heating medium for cafeteria. Rotary heat exchangers have hygroscopic coating, which ensures heat and moisture return and reduces air conditioning load in summer
- Regulation units are equipped with three-way valves on the supply line and circulation pumps with frequency control on the return line to optimize the heat consumption in the air handling units
- Heat curtains are equipped with built-in thermostats and 5-speed fans. Fan speed and temperature are maintained automatically
- Heating units are equipped with an automatic temperature control system
- Heating devices are equipped with thermostats to maintain specified air parameters in the premises
- Air conditioning is water-cooled. Fan coil units are equipped with an automatic control system consisting of a control valve and an in-room controller

- Ventilation and air conditioning systems are equipped with a dispatching system that allows for 24/7 automatic operation planning
- Fans in the air handling units are equipped with performance frequency regulators to prevent air overconsumption and optimize pressure in the duct network
- Pumping equipment of ventilation and air conditioning systems, as well as water supply and heating systems are equipped with frequency converters
- Input and distribution devices, as well as power and lighting boards are located in the load center, which reduces voltage losses in internal electrical networks and ensures the most economical power cabling
- For artificial lighting, the company uses energy-efficient lamps. All lamps are equipped with an electronic control gear (ECG) and have a high power factor, which reduces the operating current of the lamp, power consumption when switched on, and, consequently, voltage loss in the lines
- Electrical wiring in the buildings is made of copper-conductor cables. Group and distribution networks are laid in trays, in cable channels, and on clamps along the shortest path, which reduces voltage losses and improves cooling of current-carrying conductors
- Transformer substations are made of block sets and are located close to the center of electrical loads, which reduces losses in 0.4 KV cable lines
- The company uses photo relays and time delay relays for automatic lighting control

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

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

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

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

Aggregate Consumption of Fuel and Energy, 2020/2021

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

The data show that the consumption of thermal energy increased and of electrical energy decreased in 2021 with the total consumption remaining flat compared to 2020.

Air Protection

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

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

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

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

Production Waste Management

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

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

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

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

Ecological Awareness

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

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

Employee Support

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

- **Personnel development:** new employee adaptation, professional training, expansion of competencies, and a pool of candidates for higher positions
- **Staff motivation and loyalty:** competitive wages and performance-based bonuses, various forms of recognition and moral encouragement, and benefit package

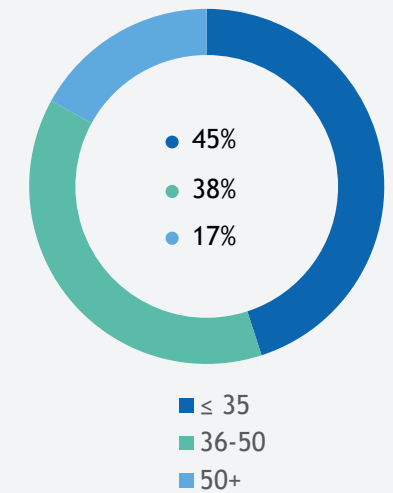
• **Personnel's awareness and engagement.**

Competition for IT professionals is ever increasing on local and international markets, which results in very high attrition rates in the IT sector. The pandemic even worsened the situation. IBA Group kept the issue under control, investing in internal projects and additional training for employees who were not involved in customer projects.

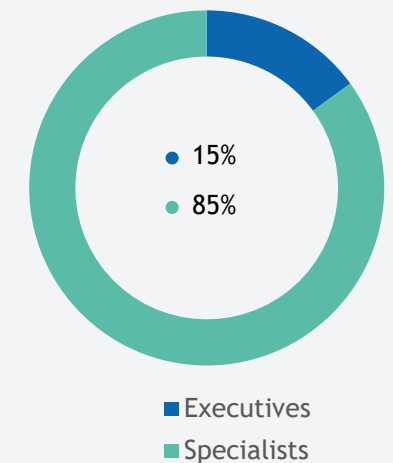
In 2021, IBA Group launched an extensive relocation program. As IBA Group affiliates are individual legal entities, employees had to terminate employment with one legal entity and apply for employment at another. The aggregate employee turnover in 2021 was 21.7 percent and the average length of service exceeded ten years.

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

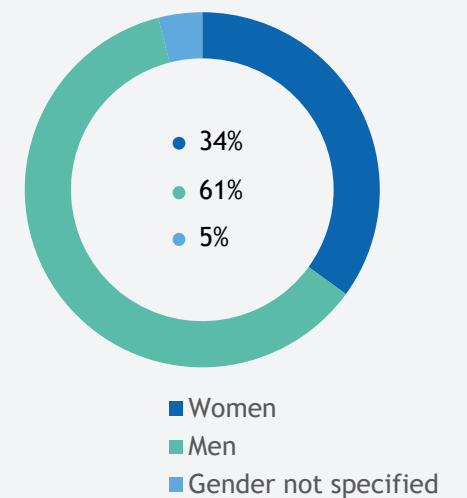
Employee Age Groups, 2021



Specialists vs Executives, 2021



Employees by Gender, 2021

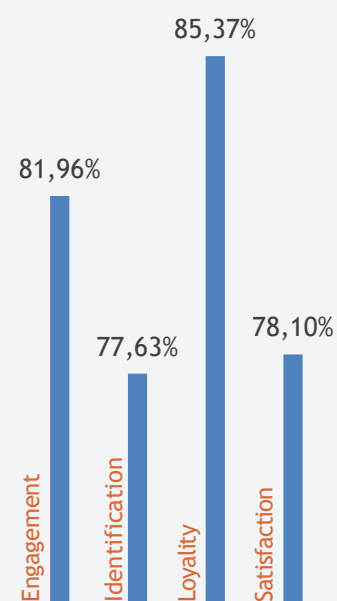


IBA Group offers parental leave for both female and male employees. In 2021, 16 people went on parental leave, none of them being males.

	Employees
Total number of employees who were entitled to parental leave	41
Total number of employees who took parental leave	16
Total number of employees who returned to work after parental leave	14
Total number of employees who returned to work after parental leave and were still employed 12 months after returning to work	21



Employee Satisfaction



The aggregate satisfaction rate at IBA Group amounted to 80.77%

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

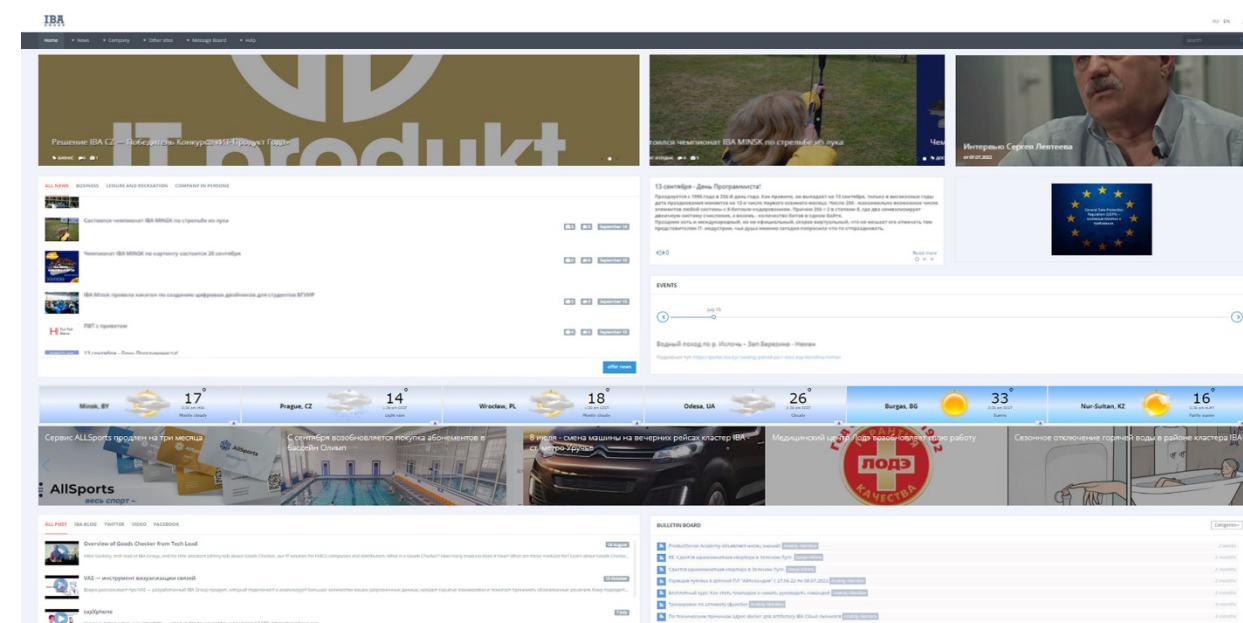
Since 2005, IBA Group has been conducting biennial employee satisfaction surveys using a survey application in the corporate information system. In 2017, the company began measuring employee loyalty. The findings of the latest survey are presented in the following table. Because of the COVID pandemic, the company did not conduct an employee satisfaction survey in 2020 and 2021.

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:

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

- Candidate pool
- Fund for support of new employees
- Personnel record keeping
- Sponsorship of universities
- Personnel selection and adaptation
- Personnel training
- Internal communications
- Benefit package
- Personnel Records
- Training
- Employee Certificates
- Surveys
- Financial Requests
- PM T PRS (IBA project management tool)
- Personnel Proposals
- SQMS
- ISMS
- Talent Constructor (IBA HR management tool)
- IBA portal



Employee Development and Training

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

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

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

In 2021, 321 employees received honorary diplomas for exemplary performance and 49 employees were awarded Best IBA Employee titles.



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

Training at Training Centers of World IT Leaders

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



The company organizes regular foreign language courses for employees. In 2021, 636 employees attended foreign language courses.

Training and Certification, 2021

Type of Training	# of employees trained
2021	1,361
Professional development	639
Certification	86
Foreign language courses	636

Staff Training Programs in 2021

Type of Training	# of training programs
2021	343
Foreign language courses	39
Professional development	240
Certification	64

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

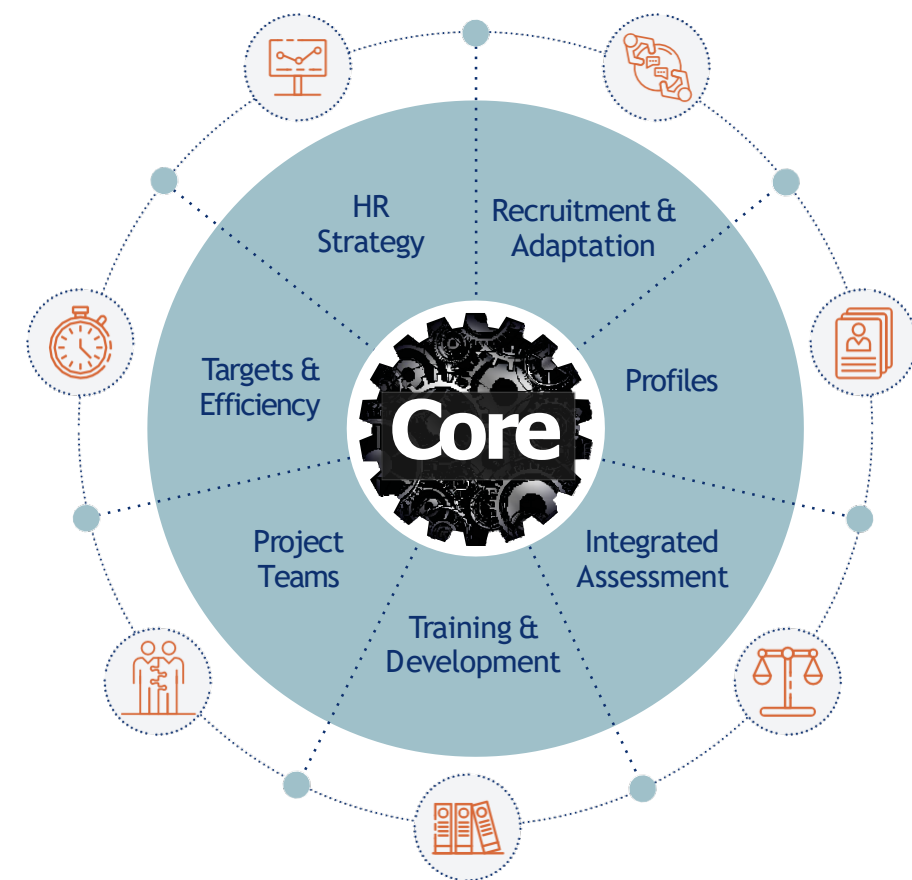


CASE STUDY

Employee Development

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

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



Search of Talents

Creating and maintaining a team of first class IT and business professionals is one of the company's primary goals. To find qualified professionals, the company uses different methods, from training of young specialists to inviting specialists from other companies. IBA Group maintains a talent pool database that contains approximately 4,000 applicants.

Employing Young Personnel

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

Relocation

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

Referral Recruitment Program

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

Motivation and Social Guarantees

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

Work from Home

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

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

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

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

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

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

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

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

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 organized a Council for Social Policy. Representatives of company management and divisions are members of the Council.

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

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



Medical Care

The year 2021 required the company to take extra measures to protect health and safety of IBA employees and their families.

To combat the pandemic, IBA Group organized work from home for the employees, suspended business trips, stopped receiving visitors at the IBA offices, and transferred all meetings, conferences, and other events to the online mode. IBA employees were able to receive free protective masks and undergo testing for COVID-19 at the company premises.

The IBA Group's technological infrastructure services, production help desks, DevOps team (for users of virtual machines), and network infrastructure management team (for VPN and internet connections) worked smoothly, putting in place the procedures required for uninterrupted remote work.

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

In 2021, 1,519 employees and 314 employee relatives entered into medical insurance contracts. More than 1,450 consulted doctors and 72% were vaccinated against COVID at the IBA-supported medical institutions. IBA Group organized a fluorography examination with 301 employees examined. More than 1,160 employees had over 7,000 COVID tests made at the company's expense.

IBA Group organizes recreation of its employees and their family members. The procedure for provision of vouchers to IBA Group employees and their children, as well as for rehabilitation of children in recreational and sports camps is stipulated in the IBA Regulations on the Procedure for Provision of Sanatorium and Resort Treatment and Rehabilitation to Employees and their Children. In 2021, employees received 23 adult and children vouchers for sanatoria and 114 vouchers for children camps.

Donor Day

In 2021, IBA Group conducted a series of the Donor Day events aimed at collecting blood for the City Transfusiological Center of the 6th City Clinical Hospital. Safe blood is vital for both treatment and emergency medical care. More than 35 employees donated their blood for the benefit of the health and lives of other people.

Dwelling Program

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

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

Financial Assistance

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

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

Sports and Tourism

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

IBA employees participate in competitions in different sports, including mountain skiing, snowboarding, table tennis, basketball, volleyball, billiards, mini golf, swimming, mini soccer, clay target shooting, arching, tennis, karting, darts, kicker, and bowling. First, second, and third place winners are awarded medals, certificates, and gifts. IBA Group organizes tours and retreats. The company participates in national Half- Marathon races and holds a tourist rally.

In 2021, most employees kept working remotely. Local HR divisions conducted online fitness workouts to help employees maintain health. New formats of breathing workouts and rehabilitation gymnastics were introduced to help employees overcome COVID fatigue.

The IBA Fitness Center returned to its full capacity.

In 2021, IBA Group organized fitness workouts for children with autism. A special program helps children cope with everyday challenges and reduce stress. From August 20 to August 22, IBA SUMMER WEEKEND took place. A two day rally gathered 1,873 employees and their family members.



Labor and Health Protection

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

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

- Purchase of medical kits
- Purchase of detergents and personal care products
- Laboratory and instrumental examination of harmful environmental factors at workplaces
- Blocking of leakage of tobacco smoke from smoking rooms
- Monitoring of load bearing structures of office buildings
- Maintaining first-aid rooms in major offices

To combat the COVID-19 pandemic, IBA Group organized work from home for employees. The company's technological infrastructure services, production help desks, DevOps team (for users of virtual machines), and network infrastructure management team (for VPN and internet connections) worked smoothly to deploy the procedures required for uninterrupted and secure remote work.

CASE STUDY

IBA Group organized a theater club for company employees who were looking to develop their acting and presentation skills. Eventually, the club transformed into a company theater called *M10*. Their playbill includes *Without Packing*, a performance consisting of monologues written by the performance participants, *Animal Stories*, premiered at the IBA Summer Weekend, and *Wonder Eight*, a New Year performance for children.

IBA Group supports the Family Inclusive Theater. More than 80 children with autism and children with special needs are actors of the theater. In December 2021, IBA Group organized a joint performance of the IBA Group's *M10* theater and the Family Inclusive Theater.



Children Program

IBA Group organizes festive and training events for children of IBA employees and of the organizations the company supports. In 2021, the events included the following:

- New Year gifts (800)
- Knowledge Day gifts to first graders (80)
- IT courses at Perspectiva and ITlandia schools (50 children monthly)
- Kids' club at the IBA Fitness Center with regular fitness workouts for kids
- Children's Inclusive Theater
- An IT course for orphan children and children with disabilities in partnership with the BSUIR

Holidays and Gifts

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

IT Education

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

IBA Group's university support programs include the following:

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

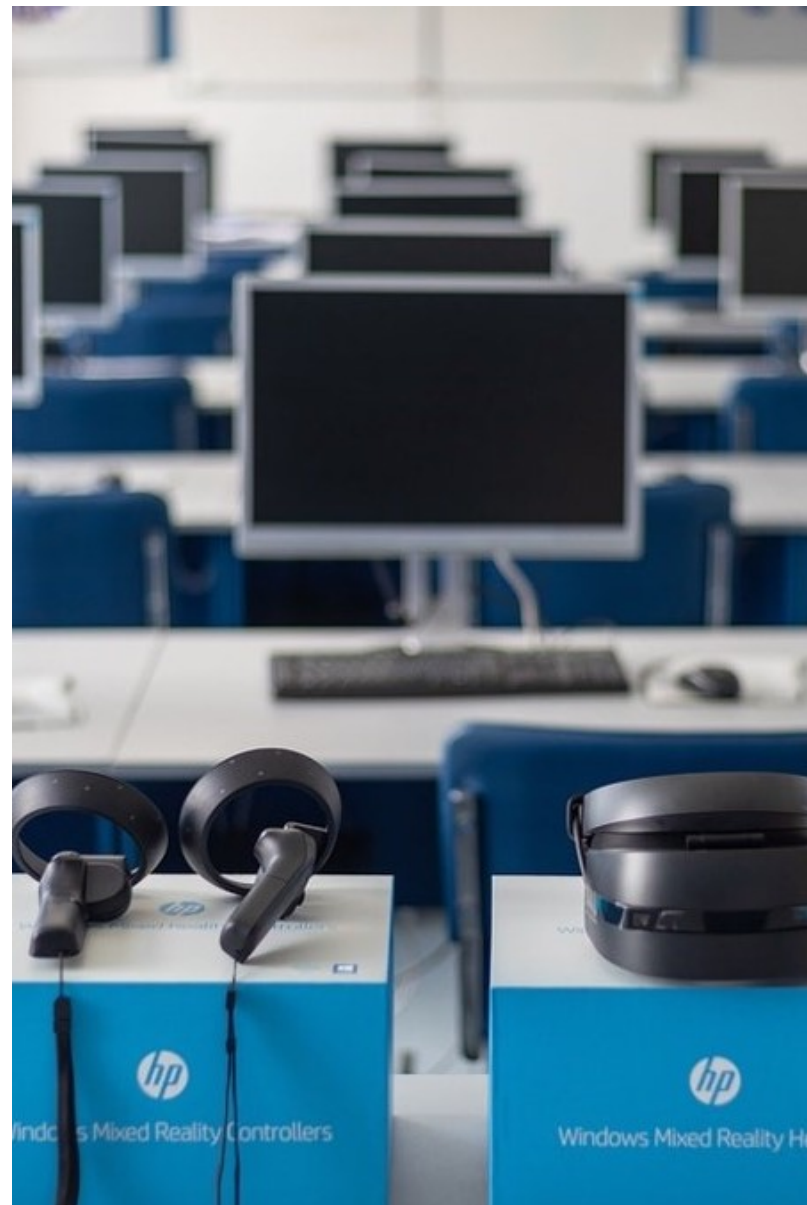
Courses for University Students

IBA Group conducted free courses for students and teachers of BSU, BSUIR, the Belarusian State Technological University (BSTU), the BSUIR Institute of Information Technologies (BSUIR IIT), and Belarusian National Technical University (BNTU). The teachers were IBA experts, including software developers, testing engineers, business analysts, and team leaders. IBA uses the method 'from theory to practice', where students work on real IBA projects and use IBA technical resources, including the IBA Data Center. More than 30 IBA Group employees are involved as part-time teachers.

Course graduates can start their career at IBA Group.

In 2021, 271 students completed IBA courses of more than 1,200 academic hours and 299 students had internships at IBA Group.

The company updated curricula and training materials.



IBA Group partners with the Mendel University in the Czech Republic, the Belarusian State University and the Belarusian State University of Informatics and Radioelectronics in Minsk, with the Gomel State University and the Gomel State Technical University in Gomel, and with the Burgas Free University in Bulgaria.

Support of University Hackathons

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

- In cooperation with IBA Group and SAP, BSU conducted the Open Hackathon Mind Games 5 in December 2021

Six teams participated in the Hackathon, solving tasks from IBA experts and coming up with their own actual problems. The two winning projects were a web service for the selection of men's clothing and medical records implementation using the Blockchain technology.

- In December 2021, Green Valley Eco Hackathon took place at the Gomel State University. The winners received diplomas, as well as technical and financial support for the implementation of the award-winning projects.

Support of University Contests

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

StartUp Heart.

IBA Group became a partner of the first national startup competition initiated by students of the Faculty of Economics of BSU and entitled *StartUp Heart*.

In 2021, the competition attracted participants from Belarus and Kazakhstan. In total, 20 teams fought for financial and technical support to implement their initiative. The projects covered healthcare,



The BSU team

A silver medalist of the ICPC International Programming Championship

psychology, mentorship, and education. IBA Group's jury of six experts voted for the projects *Mentorship* and *Pulmonary Freshwater Mollusks as Organisms for Bio Testing*.

ICPC International Programming Championship

On October 5, 2021, results of the final stage of the ICPC International Programming Championship, the main event for IT students, were announced. This year, 118 teams from 42 countries competed for the award.

The BSU team became a silver medalist of the championship. IBA Group was the main sponsor of the team. The winners were invited to the IBA Group office to receive gifts and tell about the winning experience.

R&D Labs.

IBA Group maintains R&D labs at the following universities.

International
Sakharov
Environmental
Institute of BSU

Faculty of
Information
Technologies
and
Management of
BSUIR

Faculty of
Computer
Systems and
Networks of
BSUIR

BSU

IBA Group courses for students in 2021

Course Name	# of Academic Hours	# of Attendees	# of Students Employed after Courses
SAP Application Development (spring)	100	21	8
Tableau Basics	60	13	6
Big Data & IBM Cloud (spring)	120	15	7
Fundamentals of Data Science	100	18	8
Big Data & IBM Cloud (summer)	120	16	9
SAP Application Development (fall)	100	10	3
System multiplatform programming	160	13	5
Applied multiplatform programming	112	15	8
Development of data warehousing solutions	96	12	7
Java & React Development	96	22	8
ICDC Ruby Warriors	30	13	6
BI Lab powered by Qlik technologies	63	11	2
Basic Linux skills	20	12	0
Linux system programming	40	80	2
TOTAL	1217	271	79

IBA Group events for students in 2021

Event Name	# of Students	# of Hours
Internship fair for students of FAMI of BSU	90	8
Session on Data Science technologies at BSU	50	4
Hackathon on Data Science	18	16
Startup Heart project competition at FE of BSU	80	8
IT Ideaton workshop at FAMI BSU	5	48
IT Planeta project competition	6	8
World championship in programming ICPC, FAMI BSU	6	12
BIT CUP BSUIR Student Olympiad	9	8
TOTAL	264	112



Charity and Inclusivity

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

In 2021, IBA Group maintained its medical support program to help local healthcare institutions overcome the COVID-19 pandemic. The company allocated funds to the 6th Minsk Clinical Hospital and Minsk Regional Clinical Hospital to purchase medicines and medical equipment.

IBA Group conducted a series of the Donor Day events aimed at collecting blood for the Transfusiological Center of the 6th City Clinical Hospital. Safe blood is vital for both treatment and emergency medical care. More than 35 employees donated their blood for the benefit of the health and lives of other people.

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

In 2021, IBA Group organized fitness workouts for children with autism. A special program helps children cope with everyday challenges and reduce stress.



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

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



In 2021, IBA Group continued cooperation with UN agencies and began cooperation with the UNFPA on the Parent / Family Smart Company project.

Support of Children's Hospice

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

IBA Group has been supporting this organization for several years, assisting with construction, repairs, and medical and computer equipment and devices. The company took part in various programs, including *Dreams Must Come True* and *Young Adults*.

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

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

Aist Summer Camp Project for Children's Hospice

In 2021, IBA Group took part in the *Aist Summer Camp* project for residents of the Belarusian Children's Hospice. The company sponsored construction and repair works.

Aist is very similar to a regular children's camp, except for ramps, extended gazebos, and sport facilities adapted to specific needs of the kids. The camp has wooden houses, a garden, and a pond. Close to the camp, there is a pine forest and a lake with a pier. In the Aist Summer Camp, children can experience independent living, and become mature and autonomous.

On the Camp Open Day, the IBA Group employees involved in the Aist Project met with the camp residents. The children told how they spent the night in the open air, burned a fire, and organized discos. Each summer, five shifts of children with families and children who live on their own stay in the camp.

Anna Gorchakova, director of the Belarusian Children's Hospice, said, "The Aist Camp helps children with disabilities adapt to this world and make the world slightly adjusted for them. This is a two-way process."

Appendices



Appendix 1 About this Report

The IBA Group's 2021 Corporate Social Responsibility Report (Report) contains information about company's results for 2021 and plans for further development. In addition, the Report shows innovative approaches and practices the company applies in its operations. The company publishes reports annually (last report issued in November, 2021) and covers economic, social, and environmental performance and activities from January 1, 2021 to December 31.

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

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

The company is able to:

- Identify the stance of stakeholders to IBA activities
- Confirm that the company takes into account the perceptions of stakeholders and builds trust in the company
- Foster improvement of internal and external processes
- Build and maintain a sustainable reputation
- Increase competitiveness

The Report complies with the following standards:

- Global Reporting Initiative (GRI SRS, Core)
- 17 UN Sustainable Development Goals (SDGs)
- Ten Principles of the United Nations Global Compact
- International standards for stakeholder engagement
- AA1000 by the Institute of Social and Ethical Accountability

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

Report Structure

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

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

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

Boundaries

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

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

Reporting Principles

Principles for Defining Report Content

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

Essential Aspects

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

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

Principles for Defining Report Quality

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

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

Internal Procedures for Defining Report Quality and Reliability

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

The 2021 sustainability Report has not passed the public assurance process.

Appendix 2

Key Awards and Achievements of IBA Group in 2021



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



IT Europa selected IBA Group as a winner of the European IT & Software Excellence Awards 2020-2021 in the category Enterprise (on-premises/hybrid) Solution of the Year.



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



The European Business Services Association and CEE Business Media announced IBA Group as a winners of the 2021 North America - CEE Investment Summit & Awards. IBA Group became the winner in the category Top CEE-Based Digital Services Provider to N. American Companies.



VISA re-appointed IBA Group as a Visa Ready Certified partner within the Transit and Tap to Phone partner programs. The IBA Fare Collection System, IBA Card Validator, and tapXphone received a seal of Visa approval. TapXphone was certified by PCI SSC for compliance with PCI CPoC requirements. The PCI Contactless Payments on COTS (CPoC) Solutions enable contactless payment acceptance on a merchant's consumer device using an embedded (near-field communications) NFC interface.

Stevie® Awards



IBA employees won in Stevie® Awards as part of the IBM team with the Time @IBM app intended for time claiming. The international award-winning team included IBM Slovakia and IBA, and the nomination was *Solutions & Implementations - Time and Expense Solution - Implementation*.

Appendix 3

Terms and Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix 4

GRI Standards Content Index

GRI Indicators	Business Theme	Report Section	SDG
GRI 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	
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	
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
GRI 102-17	Mechanisms for advice and concerns about ethics	Managing the Organization	16. Peace, Justice, and Strong Institutions
Corporate Governance			
GRI 102-18	Governance structure	Managing the Organization	
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	Managing the Organization	
GRI 102-21	Consulting stakeholders on economic, environmental, and social topics	Developing a Sustainable Business	16. Peace, Justice, and Strong Institutions
GRI 102-22	Composition of the highest governance body and its committees	Managing the Organization	5. Gender Equality 16. Peace, Justice, and Strong Institutions
GRI 102-23	Chair of the highest governance body	The Chairman of the Board of Directors is also an executive officer	16. Peace, Justice, and Strong Institutions

GRI Indicators	Business Theme	Report Section	SDG
Corporate Governance			
GRI 102-24	Nominating and selecting the highest governance body	Managing the Organization	5. Gender Equality 16. Peace, Justice, and Strong Institutions
GRI 102-25	Conflicts of interest	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 102-28	Evaluating the highest governance body's performance	Managing the Organization	
GRI 102-31	Review of economic, environmental and social topics	Managing the Organization	
GRI 102-33	Communicating critical concerns	Managing the Organization	
GRI 102-34	Nature and total number of critical concerns	Managing the Organization	
Stakeholder Engagement			
GRI 102-40	List of stakeholder groups	Developing Sustainable Business. Appendices	
GRI 102-41	Collective bargaining agreements	Percentage of employees covered by collective bargaining agreements - 100%	8. Decent Work and Economic Growth
GRI 102-43	Approach to stakeholder engagement	Developing Sustainable Business	
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 102-48	Restatements of information	Appendices	
GRI 102-49	Changes in reporting	Appendices	
GRI 102-50	Reporting period	Appendices	
GRI 102-51	Date of most recent report	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 102-56	External assurance	Appendices	

GRI Indicators	Business Theme	Report Section	SDG
GRI 200: Economic			
GRI 201: Economic Performance			
GRI 201-2	Financial implications and other risks and opportunities due to climate change	The Company does not conduct a financial assessment of the risks associated with climate change	13: Climate action
GRI 201-4	Financial assistance received from government	Taxes, fees, and duties granted in line with the Decree of the President of Belarus #12 of 22.09.2005, amounting to 8,500,000 BYN (~ US\$3,300,000)	1: No poverty
GRI 202: Market Presence			
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Employee remuneration and benefits are in line with relevant national laws. Remuneration exceeds legislated minimum country wage levels irrespective of gender. There are no structural disparities by gender in entry level wages	1: No poverty 5: Gender equality 8: Decent work and economic growth
GRI 205: Anti-corruption			
GRI 205-2	Communication and training about anti-corruption policies and procedures	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 205-3	Confirmed incidents of corruption and actions taken	Managing the Organization	16. Peace, Justice, and Strong Institutions
GRI 206: Anti-competitive Behavior			
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions during the reporting period	16. Peace, Justice, and Strong Institutions
GRI 207: Tax			
GRI 207-4	Country-by-country reporting	The indicator is not disclosed due to the confidential nature of information (this information is a trade secret of the Company)	1: No poverty 10: Reduced inequality 17: Partnership for the goals
GRI 300: Environment			
GRI 302: Energy			
GRI 103-1	External assurance	Making Responsible Decisions	
GRI 103-2	Management Approach	Making Responsible Decisions	
GRI 302-1	Energy consumption within the organization	Making Responsible Decisions	12. Responsible Production and Consumption

GRI Indicators	Business Theme	Report Section	SDG
GRI 302: Energy			
GRI 302-2	Energy consumption outside of the organization	IBA Group does not report the energy consumed outside the organization	7: Affordable and clean energy 8: Decent work and economic growth 12: Responsible consumption and production 13: Climate action
GRI 302-4	Reduction of energy consumption	Making Responsible Decisions	8. Decent Work and Economic Growth 12. Responsible Production and Consumption
GRI 304: Biodiversity			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Company's operations do not impact the protected areas or areas with high biodiversity value.	6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-3	Habitats protected or restored		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		6: Clean water and sanitation 14: Life below water 15: Life on land
GRI 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 308: Supplier Environmental Assessment			
GRI 308-1	New suppliers that were screened using environmental criteria	During the reporting period, there were no suppliers that were screened using environmental criteria	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken		
GRI 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 Indicators	Business Theme	Report Section	SDG
GRI 401: Employment			
GRI 401-3	Parental leave	Making Responsible Decisions	5: Gender equality 8: Decent work and economic growth
GRI 402: Labor/Management Relations			
GRI 402-1	Minimum notice periods regarding operational changes	The minimum notice period for significant operational changes is in compliance with applicable laws in the countries of operation.	8: Decent work and economic growth
GRI 403: Occupational Health and Safety			
GRI 403-6	Promotion of worker health	Making Responsible Decisions	3. Good Health and Well-Being 8. Decent Work and Economic Growth
GRI 404: Training and Education			
GRI 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	Programs for upgrading employee skills and transition assistance programs	Making Responsible Decisions	8. Decent Work and Economic Growth
GRI 405: Diversity and Equal Opportunity			
GRI 405-1	Diversity of governance bodies and employees	Making Responsible Decisions	5. Gender Equality 8. Decent Work and Economic Growth
GRI 406: Non-Discrimination			
GRI 406-1	Incidents of discrimination and corrective actions taken	No cases of discrimination	5. Gender Equality 8. Decent Work and Economic Growth 16. Peace, Justice, and Strong Institutions
GRI 407: Freedom of Association and Collective Bargaining			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are no operations where the right to exercise freedom of association and collective bargaining is at significant risk. There were no violations of freedom of association and collective bargaining during the year	8. Decent Work and Economic Growth

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

GRI Indicators	Business Theme	Report Section	SDG
417: Marketing and Labeling			
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	The Company is committed to delivering quality products and services, responsible corporate citizenship and complying with relevant legislation. There were no incidents of non-compliance concerning product and service information and labeling during the reporting period.	16. Peace, Justice, and Strong Institutions
GRI 417-3	Incidents of non-compliance concerning marketing communications	The Company is committed to fair, honest, and open communication, responsible corporate citizenship and complying with relevant laws. There were no incidents of non-compliance concerning marketing communications during the reporting period.	16. Peace, Justice, and Strong Institutions
GRI 418: Customer Privacy			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	The Company is sensitive to security and use of personal information. We recognise and respect personal privacy. There were no breaches of customer privacy during the reporting period.	16. Peace, Justice, and Strong Institutions
GRI 419: Socioeconomic Compliance			
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	The Company is committed to complying with relevant laws and regulations. There were no incidents of non-compliance with laws and regulations during the reporting period.	16. Peace, Justice, and Strong Institutions

Appendix 5 Feedback Form

Dear reader,

You have just read the IBA Group's 2021 Corporate Social Responsibility Report. We strive for the most transparent and honest dialogue with all interested parties and will be grateful, if you can help improve the quality of company reporting by answering a few simple questions.

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

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

To which stakeholder group do you belong?

- | | |
|---|---|
| <input type="radio"/> Shareholder | <input type="radio"/> NGO / community member |
| <input type="radio"/> Investor | <input type="radio"/> Representative of an environmental organization |
| <input type="radio"/> Manager or employee | <input type="radio"/> Journalist |
| <input type="radio"/> Partner / Contractor / Supplier | <input type="radio"/> Employee family member |
| <input type="radio"/> Customer | <input type="radio"/> Scientist / expert |
| <input type="radio"/> Government official | <input type="radio"/> Other |

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

- Yes, completely
- Partly
- No
- Not sure

2. What information in the Report interested you most?

3. What was the least interesting for you?

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

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

	Excellent	Good	Poor	Very poor	N/A
Overall impression	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Completeness of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Credibility of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Clarity and availability of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Structure and search feature	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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

Your name and surname (optional)

Organization

Position

Email

Thanks for your feedback!

Appendix 6

Contact Information



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