



Statement of Asseco Poland S.A.
on non-financial information for 2020

ASSECO

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INTRODUCTION

Hereby we are presenting the Statement of Asseco Poland S.A. (hereinafter the "Company", the "Parent Company", "Asseco Poland") on non-financial information for the year 2020 (hereinafter "Report"), which includes non-financial information concerning the Company for the period from January 1, 2020 to December 31, 2020. The Report was prepared on the basis of our own principles, taking into account the provisions of the Accounting Act of September 29, 1994, the European Commission's guidelines on reporting non-financial information as well as the national standards on non-financial information (SIN) and international guidelines of the Global Reporting Initiative (GRI).

The selection and description of the policies, as well as the performance indicators presented in the Report, was based on the materiality criterion, taking into account the internal and external factors relating to the Company's operations. The main factors considered during the materiality assessment were:

- the sector in which the Company operates,
- its business profile and market environment,
- the extent of impact on the local community and environment,
- stakeholder expectations.

The data presented in the Report are reviewed and updated at annual reporting periods and published regularly with the reports for the following fiscal years.

DESCRIPTION OF THE COMPANY AND ITS BUSINESS MODEL

Asseco Poland S.A.

Asseco Poland is the leading Polish IT company listed on the Warsaw Stock Exchange (WSE) and the parent company of the international Asseco Group. Asseco Poland combines the competencies of a software and services company as well as a producer of technologically advanced software. Both the Parent Company and the Group cooperate with companies and institutions in the key sectors of the economy, including the power industry, banking, insurance, telecommunications, public administration and healthcare.

Asseco Poland has been certified to comply with the highest standards of corporate quality management, production safety and work organization:

- ISO 9001:2015 (management system by quality),
- ISO/IEC 27001:2013 (information security management system),
- ISO 22301:2012 (business continuity management system),
- ISO 14001:2015 (environmental management system),
- AQAP 2110:2009 (services for the sale, design, development, implementation, maintenance and servicing of software and the sale of computer hardware) and AQAP 2210:2015 (software development, reproduction, delivery and maintenance),
- WSK certificate (ability of the Company to legally trade in goods and services of strategic importance).

Development strategy

Thanks to its development strategy, focused on building expert competence and development of proprietary products, the Company has gained and maintained the position of the leader on the Polish IT market, and thanks to the Group's growth, it is also the largest provider of modern IT solutions in Central and Eastern Europe.

The Asseco Poland's strategy focuses on building long-term value for its stakeholders. It is based on two fundamental pillars: the development of proprietary software and services, and increasing the scale of business through acquisitions.

The organic growth strategy of Asseco Poland is focused on the provision of a broad range of proprietary IT solutions and services. The Company's operations are based on its sector technological and business competencies. Asseco Poland offers comprehensive solutions for whole sectors of the economy, and sells standardized products to smaller enterprises.

For many years Asseco Poland has pursued an effective acquisition policy at home and abroad. Since 2004 the Company has successfully completed over 100 acquisition transactions, thereby repeatedly increasing the scale of its operations and geographical reach.

In its acquisition activities, the Company focuses on increasing its competence in core business sectors, entering new geographical markets or reinforcing the position of the whole Asseco Group in countries where it has been already present.

Mission and vision

The mission of Asseco Poland is to improve the quality of life by providing solutions for people and technologies for business.

According to the vision:

- Asseco Poland wants to be reliable and fast, with the best products and services, to support customers around the world in achieving their objectives. Its employees form a competent and passionate team combining traditional values with modern operations,
- The company is building an international group of technology companies whose federation model allows it to take advantage of local entrepreneurship and market knowledge, while the company's affiliation with the group increases its execution capabilities and credibility with demanding clients.

Strategic objectives in key areas

Market:

- targeting the offer to financial, health, corporate and government sectors, at home and abroad,
- development and delivery of software-based solutions in areas of key importance to the Company's customers' business,
- striving to build repeatable solutions to achieve appropriate margin levels while maintaining competitive pricing levels,
- striving for a stable source of revenues from the maintenance and development of supplied software, by protecting copyrights to the solutions it develops and retaining them the Company,
- providing SaaS solutions based on proprietary software.

Organization

- business areas dedicated to serving different market sectors,
- great diversity, as a consequence of the different needs, specificities and development phases of each sector,
- supporting all initiatives to exchange knowledge and experience between areas,
- a catalog of shared values and a vision, mission, strategy that can be detailed by business areas,
- backoffice processes common to all areas to support business objectives,
- investment in research and development.

People

- viewing people as the organization's greatest asset,
- high level of expertise and utilization of team potential,
- investment in the development of high-level expert and sectoral competencies,
- accumulating knowledge and experience by maintaining a stable team,
- promoting initiative and innovative approaches.

Corporate social responsibility

- taking care of important community interests,
- support of Polish sport,
- supporting the ones in need,
- environmental protection activities.

The Company’s market position

Asseco Poland is the largest IT company in the country focused on the sale of proprietary software and services. When analyzed by sectors, Asseco Poland is the leader or one of the leading suppliers in the key segments of its business operations.

In the sector report on the Polish IT market Computerworld TOP200 (2020 edition), Asseco was ranked 1st place in 7 categories. Asseco Group, with revenues exceeding PLN 10 billion in 2019, was ranked 1st among the largest capital groups for another consecutive year. In addition, Asseco Poland maintained the 1st position in the list of companies with the highest net profit. The company is again the largest provider of IT solutions and services for the public administration and uniformed services, healthcare, and large companies and corporations. It also maintained its position of the largest provider of maintenance services. Asseco was also ranked 1st in the category of companies with largest expenditures for R&D. Owing to its continuing development and search for innovative solutions, the Company not only maintained its last year’s position in the category of largest providers of custom software, but also moved up the ranking of companies providing solutions and services to the banking sector and among providers of CRM systems.

Table 1. Asseco in the Computerworld TOP200 ranking

Category	Ranking position
The largest IT capital groups operating in Poland	1
IT companies with the highest net profit	1
Companies with the highest R&D spending	1
The largest providers of IT solutions and services to the healthcare sector	1
The largest providers of IT solutions and services to the public administration and uniformed services sector	1
The largest providers of IT solutions and services to large companies and corporations	1
Major servicing providers	1
Major custom software providers	2
The largest integration service providers	3
The largest suppliers of IT solutions and services to the banking sector	3
The largest providers of Customer Relationship Management (CRM) systems	3
The largest IT service providers	4
The largest providers of IT solutions and services to the energy sector	4
The largest providers of Business Intelligence, Big Data and Data Discovery systems	4

Source: Computerworld TOP200, Ranking of IT and Telecommunications Companies, Edition 2020, ranking by sales achieved for 2019.

Asseco Poland also became the leader in 6 categories of the ITwiz BEST100 ranking, which is the list of the largest IT companies in Poland. For yet another year running, the Company ranked first in the categories of companies

with the highest net profit, sales of maintenance services and sales to the public administration and uniformed services, healthcare sector, and large enterprises. Furthermore, the Asseco Group generated the highest revenues in the IT sector.

Table 2. Asseco in the ITwiz BEST100 ranking

Category	Ranking position
IT companies with the highest net profit in 2019	1
Revenues of the largest IT Groups and their subsidiaries in 2019	1
Companies with the largest revenues from servicing sales in Poland in 2019	1
IT companies with the highest sales to government and uniformed services in 2019	1
Companies with the highest sales to the healthcare sector in 2019	1
Companies with the highest sales to large companies in 2019	1
Companies with the highest sales of proprietary software in 2019	2
Companies with the largest revenues from custom software sales in Poland in 2019	2
Companies with the highest revenues from sales of integration services in Poland in 2019	2
Companies with the highest CRM software sales in 2019	2
Largest companies with Polish capital selling their proprietary products and services in 2019	2
IT companies with the highest sales to the banking sector in 2019	2
Companies with the largest sales of analytics and Big Data solutions in 2019	3
Companies with the largest IT services sales in Poland in 2019	3
Companies with the largest security solution sales in 2019	3
IT companies with the highest sales to the energy sector in 2019	4

Source: ITwiz BEST100, 2020 Edition, ranking by sales achieved for 2019.

The federation model

The Asseco Group operates on the basis of a unique cooperation model – the federation model.

Asseco Poland, as the Group’s leader, is the largest shareholder in the companies incorporated within the Group; however, it does not aspire to hold 100% of shares. The companies incorporated into the Asseco Group maintain a wide range of autonomy in their day-to-day operations; whereas, Asseco sets the strategic directions of their development, establishes the objectives and supervises their achievement.

The Company is primarily interested in profitable companies with specialized and committed staff. Furthermore, acquisitions by Asseco are aimed at improving its competence in the key sectors of business, entering new geographical markets, or reinforcing the Asseco Group's market position in countries where it has been already present.

Functioning in the federation model is based on mutual trust and clearly defined rules of cooperation between its participants and the Parent Company.

Such a model of cooperation creates a wide area for sales and cost synergies in the Group's operations. The Group's activities are focused on the long-term improvement of the effectiveness of its individual companies.

Management structure

The General Meeting of Shareholders is the Company's highest authority and operates in accordance with the principles set forth in generally applicable laws as well as in the Company's Articles of Association.

The detailed manner of functioning of the General Meeting is described in the Rules of Procedure of the General Meeting, adopted by the General Meeting of the Company on September 21, 2011. The Company's Articles of Association and Regulations of the General Meeting have been published on the Company's website.

The description of the Management Board's, Supervisory Board's and Audit Committee's operations, apart from the scope explicitly described in mandatory provisions of law, has been included in the Management Board Bylaws and in the Supervisory Board and Audit Committee Bylaws, for the Management Board and for the Supervisory Board respectively, which have been published on the Company's website.

Management

The composition of the Management Board along with the division of responsibilities in 2020 and as at the date of this Report is shown in the table below.

Table 3. Division of responsibilities among Members of the Management Board of Asseco Poland S.A.

Member of the Management Board	Responsibilities
Adam Góral President of the Management Board	Vision and development strategy of the Capital Group Internal Audit Department
Andrzej Dopierała Vice President of the Management Board	International Organizations and Security Solutions Division Agricultural Insurance Division Infrastructure Project Office ICT Department
Krzysztof Groyecki Vice President of the Management Board	Health Care Division
Rafał Kozłowski Vice President of the Management Board	Finance Division of Asseco Poland Finance Division of the Asseco Group
Marek Panek Vice President of the Management Board	Capital Group Development Division EU Projects Office
Paweł Piwowar Vice President of the Management Board	Energy and Gas Division Telecommunications and Media Division ERP Project Office
Zbigniew Pomianek Vice-President of the Management Board	Commercial Banks Division Cooperative Banks Division PKO BP Division Capital Market Division

	Business Intelligence Division
	Data Processing Center
	Asseco Innovation Hub
	Operations Service Center
	Social Insurance Division
Sławomir Szmytkowski Vice-President of the Management Board	Systems Maintenance Division
	Agriculture and Postal Service Division
	Government Administration Division
Artur Wiza Vice-President of the Management Board	Marketing Department
	PR and Investor Relations Department
Gabriela Żukowicz Vice-President of the Management Board	Legal and Organizational Department
	Human Resources Department
	Human Resources Administration Department
	Compliance & Process Management Department
	Internal Systems Maintenance and Development Department
	Purchasing Department
	Administration Department

During the period reported and until the date of publication of this Report, there were no changes in the composition of the Company's Management Board.

Supervisory Board

As at the end of the reporting period and as at the date of publication of this Report, the composition of the Supervisory Board was as follows:

- Jacek Duch – Chairman of the Supervisory Board,
- Adam Noga – Vice Chairman of the Supervisory Board,
- Izabela Albrycht – Member of the Supervisory Board,
- Piotr Augustyniak – Member of the Supervisory Board,
- Dariusz Brzeski – Member of the Supervisory Board,
- Artur Kucharski – Member of the Supervisory Board,
- Piotr Żak – Member of the Supervisory Board.

Following the registration of the amendment of the Articles of Association, the Resolution No. 26 of the Ordinary General Meeting of Shareholders of Asseco Poland dated May 27, 2020 on the appointment of Piotr Żak as the Member of the Company's Supervisory Board for the term of office running from 2017 to 2021 has become effective as of July 1, 2020.

Apart from the aforementioned change, there were no changes in the composition of the Company's Supervisory Board during the reporting period and until the date of publication of this report.

Audit Committee

During 2020 and as at the date of this Report, the Audit Committee was composed as follows:

- Artur Kucharski – Chairman of the Audit Committee,
- Jacek Duch – Member of the Audit Committee,
- Piotr Augustyniak – Member of the Audit Committee.

Acting pursuant to Article 129 of the Act on Statutory Auditors, Audit Firms and Public Supervision and §8 of the Regulations of the Supervisory Board, the Supervisory Board assessed whether the requirements for the Audit Committee are met. The criteria of independence are met by Piotr Augustyniak and Artur Kucharski, who both have knowledge and skills in financial reporting. Artur Kucharski's competence in financial reporting is confirmed by his professional career to date and the diploma awarded by the Association of Chartered Certified Accountants (ACCA).

Jacek Duch has knowledge of the industry in which the Company operates, which is confirmed by the course of his professional career.

Internal control, risk management and internal audit systems

Asseco Poland S.A. maintains a system of internal controls, which consists of organizational and hierarchical structure, internal policies, procedures with embedded control mechanisms, and instructions that support effectiveness of the Company's operations. Managers of organizational units are responsible for the efficiency and operational effectiveness of their subordinate teams, while senior managers are responsible for supervising the activities of their subordinate units and the results of the processes they own. The internal control system is complemented by separate teams responsible for preparing financial statements and ensuring compliance with laws and other regulations.

The Company has a risk management system that operates through three lines of defense:

- operational management of risks arising from the activities of the entities,
- risk management by designated roles or units,
- activities of the internal audit unit – the Internal Audit Department.

Working on the basis of international standards of professional auditing practice, the Internal Audit Department of Asseco Poland evaluates the effectiveness of the Company's control environment, risk management and organizational governance. It carries out scheduled audits, examining the control mechanisms of selected processes in order to verify whether they effectively mitigate risk. It also conducts ad-hoc audits, e.g. pre-implementation reviews – commissioned when major changes are planned in the Company's processes in order to properly organize the control systems prior to the implementation of a change, as well as – in special cases – explanatory proceedings. It independently informs the Management Board and the Audit Committee of the Supervisory Board on the state of the control environment and the risk exposure, effectively limiting the negative impact of risk factors and threats on the Company's operations.

All employees and associates of Asseco are obliged to comply with the internal rules and procedures, as well as to perform their duties in accordance with the provisions of law. The Company's informational activities enable them to properly understand the compliance principles and apply them in their daily work, both in their contacts with customers, suppliers, and in the mutual relations between employees.

EMPLOYEE ISSUES

Personnel policy

Due to the specific nature of the IT sector and the fact that the success of a company in this environment depends primarily on the knowledge and practical skills of its employees, issues related to employment, employee development and the creation of an appropriate work environment are of key importance to the long-term sustainable development of the Company.

As at December 31, 2020, Asseco Poland employed 2 347 persons, while in the corresponding period it employed 2 324 persons. In the 12-month period ended December 31, 2020, average employment in salaried positions,

i.e. employment in full-time jobs adjusted (less) for jobs for which the Company does not pay remuneration (e.g. unpaid leave, maternity leave, other) amounted to 2 187, which is the same as in 2019.

Table 4. Employment by department as of December 31, 2020

Total employees	Production departments	Direct sales departments	Indirect sales departments	Administrative Departments	General management
2 347	1 912	85	16	324	10

The purpose of the Personnel Policy is to provide the Company with competent and committed employees and associates, to care for their motivation, so that they can successfully achieve the Company's business objectives, as well as to provide them with development opportunities and a sense of professional stability through clear and transparent rules of operation.

The Personnel Policy of Asseco Poland is implemented in compliance with the provisions of law as well as internally applied procedures and standards. The basic documents of Asseco Poland regulating the above issues are: Work Regulations, Remuneration Regulations, Regulations of Professional Appraisal and Development, Regulations of the Company Social Benefits Fund, Personnel Policy and Code of Ethics.

Table 5. Employment by gender as of December 31, 2020

Total employees	Women	Men
2 347	766	1 581

The recruitment process in Asseco Poland respects the principles of equal opportunities in terms of gender, origin, age, beliefs, and other factors concerning the diversity of candidates. Due to the sector specifics, in the recruitment process the greatest importance is attached to practical knowledge and qualifications of employees, which affects the selection of persons with competencies that best suit a given position. Clearly defined criteria and objective assessment of qualifications ensure equal opportunities for job candidates.

Table 6. Executive employment by gender as of December 31, 2020

Employees in management positions	Women	Men
329	81	248

Table 7. Employment by age as of December 31, 2020

Total employees	Up to 30 years	31-40 years	41-50 years	51-60 years	Over 60 years
2 347	329	674	916	342	86

The primary form of employment in Asseco Poland is based on an employment contract.

Table 8. Contract employment in 2020

Share of people employed under a contract of employment in 2020
81%

Asseco Poland provides an opportunity to perform work via electronic communication means and other means of remote individual communication. Considering the risk posed by the COVID-19 pandemic, Asseco Poland has

implemented solutions that involve a wide use of remote work. The principles of remote work have been specified in manuals and rules of procedure, taking into account the health and safety at work and continuity of operations. The Company is implementing measures to regulate in its internal documents the work in the hybrid model after the end of the coronavirus pandemic.

There are no trade unions in Asseco Poland.

Table 9: Trade unions

Total number of registered trade unions
0

Evaluation and employee development

Employees and co-workers of Asseco Poland are subject to regular evaluation process.

The first employee evaluation is performed during the probationary period and then regularly on a quarterly or semi-annual basis. Employee evaluation is conducted to determine the degree to which assigned tasks are completed. As part of the annual employee/co-worker evaluation, competencies are assessed, strengths and areas for development are identified, and a development plan is created.

The Company cares for the professional development of its employees by organizing and financing company-wide and individual development activities.

As part of the company-wide development activities, paths for specific competence groups are implemented, e.g. for managers. The developed employee competencies support the achievement of business objectives and implementation of new processes in the Company. In turn, individual development activities improve qualifications and competence levels of employees and include: substantive training, conferences, certifications, postgraduate and PhD studies, language courses and individual development sessions.

Development activities are delivered by external parties or internal trainers as required. Due to COVID-19, most of 2020 development activities were conducted remotely and through e-learning training.

Table 10. Development activities in 2020

Number of development activities carried out	Number of employees trained	2020 budget	Number of days of development activities per employee in 2020	Number of hours of development activities per employee in 2020
413	8 249*	PLN 8 333 674	3	21

* Asseco Poland employees could participate in more than one development activity.

Additional non-wage benefits

Apart from remuneration, the employees of Asseco Poland are entitled to extra benefits, including:

- an extensive medical care package, to which each employee and co-worker has the opportunity to subscribe, on very favorable terms, family members (spouse/partner, children, parents),
- a cafeteria program implemented using a benefit platform characterized by a wide range of offers and the possibility of flexible use of funds,
- a multisport card, which can be ordered on the benefit platform,
- the Employee Pension Plan (PPE) – a form of voluntary group pension saving, in which the employer finances the entire basic contribution (a certain percentage of the employee's salary) transferred to a specialized financial institution for management, and the employee pays only personal income tax

on it; optionally, the employee may decide to pay an additional contribution, which in the amount declared by him/her will be calculated and deducted from his/her salary,

- financial assistance to eligible persons in a particularly difficult life situation,
- cash or in-kind benefits granted in cases of emergency,
- physical recreation, including the purchase of entry packages for sporting events,
- Christmas vouchers and electronic restaurant cards,
- various social enterprises.

Engagement and satisfaction survey

Asseco Poland maintains a documented dialogue with employees in the form of the implementation of a cyclical engagement and satisfaction survey. The results of the survey conducted in 2019 referred to various areas of the organization's operations. To work with the survey results, so-called focus groups (for employees and managers) were established. The developed solutions were subject to management approval and were successively implemented in Asseco during 2020.

We focused primarily on:

- improving communication and information flow within the organization,
- process and tool optimization,
- creating additional spaces for knowledge sharing across organizational units.

Additionally:

- we have extended the benefits package for employees,
- we launched development tools to improve communication and effectiveness in teams,
- we organized the competency model and job descriptions across the whole structure.

OHS

The organization takes measures to protect the health and lives of employees and co-workers against threats occurring in the work environment. Asseco Poland conducts its business activities so as not to pose a threat of serious accidents at work to its employees and third parties, applying the provisions and guidelines of labor law and occupational health and safety. General assumptions of the OHS management system have been included in the Book of the OHS Management System. It describes the process of hazard identification and risk assessment, taking into account the risk related to the COVID-19 pandemic.

The organization of safe work is defined by the Company's instructions related to working conditions and work environment, as well as by the principles of safe workplaces described in the document entitled "Ergonomics of Sedentary Work". The Company also purchases ergonomic equipment.

In order to ensure compliance with legal requirements, inspections are carried out in the area of occupational health and safety and fire safety, concerning the use of buildings, premises, including technical premises, workplaces, including compliance with regulations by employees/co-workers and other persons carrying out activities on the Company's premises.

Post-accident investigations of reported accidents at work/on the way to/from work are carried out in accordance with legislation.

The Company ensures that employees are trained in occupational health and safety before they are allowed to work and conducts periodic training in this area, training in first aid and fire protection.

Table 11. Health and safety training in 2020

Number of people trained before starting work	Number of employees trained in periodic training
161	91

Significant risks identified in the area of employee issues

Risk of increased labor costs

Salaries and wages constitute the largest portion of costs related to the ongoing projects. With such high level of human resource input, an increase in salaries and wages may have a negative impact on the project margins, and consequently on the financial performance of Asseco Poland.

In order to manage the risk of higher cost of work, the Company applies measures which reduce the probability of negative effects associated with changes in salaries in the market. Asseco mitigates this risk by employing personnel in many geographical regions, continually monitoring the level of salaries in the market, and maintaining an appropriate structure – a pyramid of employment within particular levels of competence.

Risks associated with the possible loss of key employees

Asseco Poland's operations and development outlook depend to a large extent on the knowledge, experience and qualifications of its employees, who implement the IT projects. A substantial demand for IT specialists and the competitors' activities may result in the departure of key personnel, which makes it difficult to recruit new employees with suitable knowledge, experience and qualifications. There is a risk that loss of key personnel will have a negative impact on the execution of IT projects carried out by Asseco as well as on ensuring proper quality and range of services, which in turn might have a negative impact on the operations, financial position, financial performance and prospective development of Asseco Poland.

The Company manages the above-mentioned risk by monitoring the key positions from the perspective of its business operations and providing appropriate incentives to its employees. Apart from seeking financial motivation through a system of performance bonuses, Asseco Poland also provides its employees with broad access to trainings as well as to non-wage benefits such as social packages or other benefits provided by the Company's Social Benefits Fund.

Risks of personnel policy

The Company may incur costs in connection with justified or unjustified claims by its employees concerning discrimination, working conditions, occupational diseases, accidents at work, etc. Any of the above-mentioned circumstances might have an adverse impact on the Company's operations, financial position, financial results and future development outlook.

Asseco Poland manages risk by ensuring stable and attractive work conditions which comply with legal requirements, internal regulations concerning health and safety at work, and the principles of safe workplaces, while introducing and enforcing regulations which counteract such phenomena as bullying or discrimination.

SOCIAL ISSUES

Asseco Poland as a Polish IT company operates in the common interest based on economic patriotism, creating the added value for Polish economy. It undertakes initiatives to support Polish entrepreneurship and shape Poland's position on the international arena. It actively participates in official economic missions and supports activities that promote domestic companies and products. It also willingly participates in national initiatives and takes part in the public debate related to the promotion of Polish entrepreneurship. It is involved in the project of *Dziennik Gazeta Prawna* entitled "There is no freedom without entrepreneurship".

Asseco Poland also supports entrepreneurship at the local level. It is one of the founders of the Podkarpacki Business Club that has been promoting companies from this region for more than 20 years. Today, the Club brings together nearly 300 companies.

One of the principles adopted by Asseco Poland, stemming from the idea of economic patriotism, is to pay taxes in the place where revenues are generated. This means that Asseco Poland pays taxes in Poland, which is fair to the community and the country where the company sells its products and services.

In 2020, Asseco Poland paid an income tax of **PLN 32.8 million** to the state budget

Corporate social responsibility activities are firmly embedded in the Company's strategy. This activity began long before the coronavirus pandemic and will invariably continue after it ends.

In view of COVID-19, in 2020 Asseco undertook a number of aid projects, including the allocation of over PLN 1 million to support the healthcare sector; it also prepared a package of IT services for medical facilities called " #stayathome, patient", which facilitates remote contact with patients, and adapted the National Health Fund's systems to the epidemic situation. Furthermore, Asseco Poland created new eServices for cooperative banks, e.g. a mini-application "Applications" which makes it possible, without leaving home, to handle a dozen or so common issues submitted by customers to bank branches. Asseco Poland also supported cooperative banks in the processing of applications for assistance under the PFR Financial Shield program (in 2020 the PFR Financial Shield 1.0, and in 2021 also the PFR Financial Shield 2.0), as well as in handling of the Anti-Crisis Shield 4.0. The Company also carried out activities, crucial from the perspective of state support for citizens, related to the adaptation of the Social Insurance Institution's (ZUS) information systems to support the Anti-Crisis Shield program and the Polish Tourist Voucher.

Asseco Poland educates and employs Polish programmers. The company organizes substantive events for IT professionals and students – Techbreakfast by Asseco. In 2020, 3 online technology meetings were held, attended by a total of approximately 530 people. Among the elements of expert knowledge exchange, a technology blog is successfully developed. Materials published on the blog last year received nearly 16.5 thousand page views by over 14.5 thousand unique users. Asseco's experts also share their knowledge on technology podcasts published on the channels: Spotify, Apple Podcast, Google Podcast, Radio Public and Breaker. The 26 materials published in 2020 have been listened to approximately 3 000 times.

Asseco Poland regularly meets with students during job fairs and conferences organized by student organizations. Last year we were the main sponsor of the online event Warsaw Information Technology Days. Additionally, we took part in an event organized by students of Silesian University of Technology, where we served as a task partner during a hackathon. We also participated in a nationwide online event dedicated to professionals, IT Fair, and our experts took part in a lecture on cybersecurity during Hack Summit. In October 2020, the third edition of Hackathon by Asseco was held, in which, this time in the online version, 75 teams consisting of 177 people participated, of which 4 teams continue to cooperate with the Company under the Asseco Innovation Hub development program.

93% of the trainees of the 5th edition of the Asseco Starter program continue to work for Asseco Poland

The Company runs a proprietary internship and graduate program to identify young people with high potential during a nationwide campaign. The interns and graduates participate in rich development programs where they undergo specialized and soft training. The fifth edition of the program admitted 27 students for a 2-month internship and 26 people for a 9-month graduate program. In total, nearly 160 interns and over 70 graduates have participated in the program over the 5-year period.

The company supports Polish sport. It is the main sponsor of the volleyball team Asseco Resovia Rzeszów. Until June 2020, it also supported the basketball team Asseco Arka Gdynia.

Table 12: Amount spent on sports sponsorship

Funds allocated to the development of Polish sport in 2020
PLN 12.8 million

The Company promotes physical activity among its employees through Asseco Active Team. This initiative consists in subsidizing sports activities. The standard forms of support include entry fee and covering the cost of clothing. Additionally, in 2020, the Company organized a three-month Bike Challenge, during which over 250 employees from 16 Asseco locations cycled the total of 152 763 kilometers. Each kilometer was converted into charitable zlotys, thanks to which the employees supported a foundation for people with disabilities with the amount of over PLN 4 thousand.

Among the most important social projects conducted by Asseco Poland there is also the Christmas campaign "We help". Its purpose is to provide financial support to organizations and individuals bringing help to the most needy or carrying out ecological activities. Asseco Poland employees not only indicate the institutions that will receive help, but also devote their time and engage in charitable activities throughout the year. Each of the Company's employees may submit his or her idea of whom to help and what form such help should take. In 2020, funds in the amount of PLN 225 000 were donated for the implementation of 13 projects.

In addition, in 2020 Asseco Poland organized the "Milk for the Most in Need" campaign, under which more than 2.7 thousand liters of milk and over 1.9 thousand packages of sweets were donated to selected institutions (orphanages, children's hospices, care and educational institutions, social assistance centers, etc.).

On the initiative of Asseco Poland's employees, over 500 sweets were donated to homeless people and underprivileged children, which had been prepared in advance for various events and meetings in the Company's conference rooms and would not have been used due to the prolonged home office work.

The company held its first internal Christmas auction during the 2020 holiday season. Employees put up and auctioned, among others, home-made cakes and preserves, home decorations, photo sessions or meetings with a personal trainer. Owing to the auction, Asseco Poland collected over PLN 9 000 and donated all the money to a foundation supporting pediatric cardiac surgery.

To support employees during the pandemic period, an internal Asseco Together Remotely initiative was launched. From mid-April to the end of August, over 700 employees took part in various initiatives, including yoga exercises, shared culinary inspirations, film discussion groups, art classes, and English language learning for children. Additionally, dedicated webinars were prepared to support effective remote working, conducting online meetings and using remote communication tools. There were also webinars on wellbeing, namely "Let's talk about a healthy spine" and "Let's talk about stress". The webinars were attended by a total of over 2 900 employees.

Asseco Poland has established a Crisis Team to coordinate all the Company's decisions related to the pandemic and ensure their ongoing communication to employees. For this purpose, we have created a dedicated e-mail box and a tab on our internal intranet.

This year, Asseco Poland was joined by an experienced psychologist, psychotherapist and business coach, providing support to all employees who request it. In addition to individual work, the Company will also conduct workshops in the field of psychology.

Significant risks identified in the area of social issues

The risk of dissatisfaction with a reduction in the scope of actions carried out

The Company conducts numerous and extensive social and sponsorship activities. There is a risk that resignation from any of the currently conducted activities could lead to dissatisfaction on the part of employees and communities benefiting from a given activity and, consequently, damage to the Company's image.

The Company manages risk through ongoing monitoring of its activities, their scale and image effects.

CLIMATE AND ENVIRONMENTAL ISSUES

Asseco Poland conducts business operations in the areas which are not under special environmental protection, such as Natura 2000 sites, landscape parks, areas where protected species of plants and animals can be found, or flood plains. The Company's operations do not have a significant impact on the environment and do not pose a threat of a major environmental accident.

The directions of the Company's activities in the field of the natural environment are set out in the Environmental Policy. The Company implements its environmental policy through an implemented and continuously improved environmental management system. The effective implementation of the system was certified by the Environmental Management System Certificate according to ISO 14001:2015 standard issued for the first time in 2012. To confirm the status of compliance with the requirements, the System is audited annually in the form of internal and external audits. In 2020, the Company successfully passed an external recertification audit and in December was recommended by the accreditation body to use the certificate for the next 3 years.

The objective of the Company's environmental policy is to ensure sustainable development of the enterprise, including improvement of the environmental performance of its operations in such a way that its activities have a minimum negative impact on the environment and comply with the law and accepted standards of meeting environmental obligations. The policy particularly refers to:

- minimizing the generation of hazardous waste and its impact on the environment,
- minimizing electricity and fuel consumption, resulting in reduced greenhouse gas emissions.

The policy has been established and maintained by the Management Board, and its assumptions are communicated to external stakeholders through a publicly available website of Asseco Poland, as well as to the Company's employees through internal intranet portals where other information pertaining to the broadly understood environmental protection is also posted on a regular basis.

According to the assumptions of the System, the Company achieves environmental effects through:

- complying with legal requirements regarding environmental protection,
- identifying environmental objectives and implementing actions to achieve them,
- implementing corrective actions when non-compliance with environmental requirements is identified,
- raising employees' environmental awareness and taking initiatives to increase their involvement in environmental protection activities,
- making demands and promoting good attitudes in external customers.

Environmental laws and regulations

The Company identifies and implements, on an ongoing basis, legal requirements and other requirements resulting, inter alia, from agreements and own commitments. Compliance with the requirements is monitored

and periodically assessed. In order to document compliance, registers of legal requirements are maintained for individual places of business.

In 2020, as in previous years, no monetary penalties were imposed on the Company for non-compliance with environmental laws and regulations.

Table 13. Total monetary value and number of penalties for non-compliance with environmental laws and regulations

Year	Total value of environmental penalties [PLN]	Total number of environmental penalties [units]
2019	0	0
2020	0	0

Relevant stakeholders

The Company identifies internal and external stakeholders, their material needs, expectations and compliance obligations. The stakeholders are identified separately for each of the operating sites. The main stakeholders relevant to the environmental aspects and legal requirements of the Company's operations are presented in the table below.

Table 14: Identified stakeholders in the environmental area

Stakeholders	Commitments/expectations
Offices and institutions	in the field of carrying out statutory obligations
Recovery organizations	in the field of the implementation of statutory and contractual obligations related to equipment, batteries and accumulators, packaging and products
Recipients of non-municipal waste	in the field of waste other than municipal waste collection, including hazardous waste
Recipients of municipal waste	in the field of municipal waste collection and contractual obligations
Suppliers of water, electricity, gas, fuel	in the field of acting in accordance with contractual and statutory conditions
Customers	in the field of creating products and services tailored to customer needs and compliant with environmental requirements and raising environmental awareness
Neighbors	in the field of eliminating or minimizing the negative impact of activity on the environment and living conditions, in particular with respect to noise emissions, emissions of pollutants into the air and water
Employees	in the field of ensuring appropriate working conditions, resources and information to the extent necessary for the proper discharge of environmental responsibilities

Climate change and the impact on sustainable development

The Company identifies two types of environmental impacts:

- the impact of the Company's operations on the climate,
- the impact of climate change on the Company's operations.

Internal and external factors affecting the Company's sustainability are identified separately for each of the sites where business is conducted. A review of the sites, related environmental aspects, impacts and risks and opportunities is carried out at least once a year.

The Company's impact on climate change is primarily related to the consumption of electricity in its own and leased buildings, the combustion of liquid and gaseous fuels in equipment and installations, the emission of greenhouse gases into the atmosphere during the operation of equipment and installations and in emergency situations, as well as the consumption of water and the generation of municipal and post-consumer waste, mainly used electrical and electronic equipment.

Climate changes affecting the Company's operations are mainly the global warming processes observed, which translate into increased costs of doing business (including increased prices and lower availability of raw materials, increased prices of energy and waste management, numerous legislative changes).

All of the above environmental impacts along with how they are managed are discussed in detail later in the Report.

All the presented ratios expressed in this area were calculated on the basis of average employment in Asseco Poland in the analyzed periods in terms of salaried employees, i.e. in terms of salaried positions, less the number of salaried positions which were not paid to the Company (e.g. unpaid leave, maternity leave, etc.). Both in 2020 and in the comparable period, the average employment in the Company amounted to 2 187 employees.

The calculation of percentage changes for the indicators presented was based on the values of the indicators before rounding.

Fuels & Energy

Asseco Poland constantly monitors the consumption of electricity, heat and fuels in its operations. The following areas of consumption are monitored:

- electricity and gas used in owned and leased buildings,
- liquid fuels used to power the cars in the Company's fleet,
- diesel fuel in generator sets.

In 2017, an energy audit was conducted at the Company to identify modernization measures and outline other actions to improve energy efficiency. As a result, some actions were implemented, including the replacement of energy-intensive equipment with equipment of much higher energy efficiency. The Company has been gradually implementing the process of replacement of lighting in its buildings with LED lamps.

When purchasing equipment, we pay attention to the durability and energy efficiency of products – Asseco Poland has in place a document entitled "Rules for Purchasing Equipment for the Company", which sets out the criteria for purchasing equipment for employees, indicating the purchase of equipment with higher energy efficiency, among other things.

We are systematically modernizing our car fleet. Every year we invest in new vehicles which meet the requirements of higher EURO standards and we purchase hybrid vehicles. We monitor periodic inspections and perform technical tests and necessary repairs on due dates. We train fleet employees in eco-driving, which reduces the amount of fuel consumed by company vehicles and indirectly lowers greenhouse gas emissions into the atmosphere.

The main measures taken at the Company to minimize electricity and fuel consumption are:

- periodic replacement of LED lamps in the Company's own offices,
- replacement of vehicles with new ones that meet higher EURO standards and purchase of hybrid vehicles,
- purchase of higher efficiency equipment,
- installing timers at water dispensers in kitchens,
- installing inverters on the roof of a building in Warsaw in 2020.

Table 15. Energy and fuel consumption from non-renewable sources in the Company in 2020

Energy/Fuel*	Unit	Consumption
Electricity	MWh	8 560.07
Thermal energy	GJ	9 043.76
Gasoline	liters	31 4272.37
Diesel	liters	25 711.69
Natural gas	m ³	49 170.16

* Own compilation based on invoices and own records.

Table 16. Energy intensity index

Electricity consumption*	Unit	2019	2020	Change
The Company's total electricity consumption	MWh	8 957.97	8 560.07	-4.44%
KPI: Electricity consumption /employee	MWh/employee	4.10	3.91	

The values given take into account energy consumption for data processing centers operating in the Company (server rooms).

Reduced electricity consumption in 2020 is due to the pandemic and a reduction in the number of people working in the office.

Table 17. Vehicle fuel burn intensity index

Fuel type	Unit	2019	2020	Change
Diesel	liters	42 084.64	23 600.69	-43.92%
Gasoline	liters	560 340.99	314 272.37	-43.91%

The lower fuel consumption in 2020 is primarily due to reduced business travel due to the pandemic period.

Water and wastewater

The Company does not conduct production activity and does not use water for technological purposes. Water supplied by the waterworks is used only for domestic purposes. All our properties are covered by the municipal sewage system, water supplier and sewage recipient are water and sewage companies. We also do not directly draw surface water and do not discharge wastewater directly to water or land.

As part of the Environmental Management System, we monitor water usage in order to minimize its consumption. We implement a number of actions aimed at minimizing water consumption: we raise awareness among employees, increase efficiency in responding to emergencies, perform timely inspections and install flow limiters in bathrooms.

Table 18: Water intensity indicators

Water consumption*	Unit	2019	2020	Change
The Company's total water consumption	m ³	20 696.95	14 361.08	-30.61%
KPI: Water consumption/employee	m ³ /employee	9.46	6.57	

* Own compilation based on water supply invoices.

Lower water use in 2020 is due to pandemic and a reduction in the number of people working in the office.

As a direct result of water consumption, wastewater is discharged. We strive to reduce the impact of wastewater discharge on the environment by using environmentally friendly products (cleaning agents) that contain less chemicals. This is also one of the criteria for selecting suppliers and service providers. Before rainwater and snowmelt from parking areas is discharged into the sewage system, it is pre-treated in separators of oil-derivative substances and regularly tests the quality of discharged water, the results of which in 2020 and in previous years did not indicate any exceedance of permissible levels of measured parameters.

Greenhouse gas emissions

Greenhouse Gas Emissions in Scope 1 and 2

Greenhouse gas emissions generated by the Company's operations mostly (88%) belong to Scope 2 and come from the generation of purchased electricity and heat. Scope 1 emissions, from gas combustion for building heating, fuel consumption in vehicles and generators, and incidental emissions from air conditioning and firefighting equipment, generate 12% of emissions.

Scope 3 emissions are not included in this report due to the start in 2021 of a comprehensive aggregation process of data relevant to the correct calculation of the impact of this scope. In future reporting periods, emissions data will be supplemented to include this scope.

The most important actions taken by the Company to minimize greenhouse gas emissions are:

- periodic and timely inspections of air conditioning and firefighting equipment,
- replacement of vehicles with new ones that meet higher EURO standards and purchase of hybrid vehicles, performance of timely periodic inspections and technical tests and participation in eco-driving training,
- purchasing equipment with higher energy efficiency.

The direct and indirect greenhouse gas emissions emitted by the Company were summed to calculate the greenhouse gas emissions intensity.

Table 19: Scope 1 and 2 greenhouse gas emissions in 2020

	Unit	Emission volumes
Scope 1		
Emissions from fuel use in buildings and installations	Mg CO ₂ e	105.28
Emissions from fuel consumption in transport vehicles	Mg CO ₂ e	746.43
Emissions from accidental releases of HFCs into the atmosphere	Mg CO ₂ e	40.71
Total Scope 1 emissions	Mg CO₂e	892.42

Scope 2		
Emissions resulting from the purchase of electricity	Mg CO ₂	6 154.69
Emissions resulting from the purchase of thermal energy	Mg CO ₂	872.72
Total Scope 2 emissions	Mg CO₂	7 027.41
Emissions from 1+2		
Total emissions from 1+2	Mg CO₂e	7 919.83

Table 20: Emission intensity indicators in 2020

KPIS: Emissions	Unit	Value
CO ₂ emissions of electricity/employee	Mg CO ₂ /employee	2.81
CO ₂ emissions of thermal energy/employee	Mg CO ₂ /employee	0.40
CO ₂ emissions of water consumption/employee	Mg CO ₂ /employee	0.007

In addition to CO₂ emissions, CH₄ and N₂O gases are included in the 2020 calculation.

Table 21: Other greenhouse gas emissions in 2020

Greenhouse gas	Unit	Emissions
CH ₄	Mg CO ₂	2.31
N ₂ O	Mg CO ₂	2.73

Potential emergencies may also be sources of fugitive emissions. The Company's significant environmental emergencies include:

- fire or explosion,
- the aforementioned leaks of HFC refrigerants into the air from air conditioning equipment or from a fixed fire extinguishing unit,
- fuel leakage from vehicle fuel systems or from a generator set,
- gas leak.

The Company's handling of emergencies is described in the Regulations "Incident Management Policy" and the "Handling of Incidents" procedure.

Our activities are focused primarily on preventing the occurrence of a potential failure. The Company minimizes the risk by on-going monitoring of fuel consumption, timely inspections and maintenance of equipment, periodic exercises and raising awareness of employees, by which we increase the effectiveness of our response to the above mentioned situations, and we are equipped with means to prevent the spread of contamination, such as sorbents.

Other than isolated refrigerant loss from air conditioning equipment in 2020 and prior years, there were no other environmental failures at the Company.

Sources of data and indicators

To calculate direct greenhouse gas emissions, fuel consumption data (gasoline, diesel), as well as natural gas for buildings owned by the Company were used. Also included were fugitive emissions of HFCs from leaks in refrigeration and air conditioning systems.

Electricity and heat consumption data were used to calculate indirect GHG emissions.

Energy and fuel consumption data were derived from invoices and internal records. HFC gas emissions were determined from gas completions and a register generated from the Central Operator Register database.

The calculations were based on factors developed by the DEFRA (Greenhouse Gas Conversion Factor Repository), the National Centre for Balancing and Emission Management (KOBIZE) and the Energy Regulatory Office (URE). For HFCs, GWP100 factors were used, in accordance with the Intergovernmental Panel on Climate Change (IPCC) Report. Emission factors for electricity under the market-based approach are based on data averaged from the National Emission Centre website for 2020. Emission factors for heat under the market-based approach are based on data averaged from the URE website.

No biogenic greenhouse gas emissions were identified.

Raw materials and waste

At Asseco Poland, we strive to reduce the consumption of raw materials. For several years, we have been using electronic document workflows and electronic signatures, and we support our clients in the implementation of such solutions.

In 2020, together with our subsidiary Asseco Data Systems, we launched the "Paperless Business" initiative to conduct activities aimed at reducing paper consumption by promoting and supporting the development of digital services. Asseco also joined the activities of the Clean Poland Program Association, an initiative of the Polsat Group, which aims to educate the public and introduce the benefits of an eco-friendly lifestyle. In 2021, as part of the "Paperless Business" campaign, Asseco launched an educational and information website biznesbezpapieru.pl. It is the first portal of this kind entirely dedicated to digitization, where entrepreneurs and consumers will find expert advice and practical knowledge on its various aspects. They will learn: how to effectively transfer traditional business processes to the digital world and what benefits it brings, how to use digital tools in different areas of life and how important cyber security is. Educational activities are conducted through business media and social networks. Trainings for entrepreneurs are also organized in the form of webinars, as well as debates with the participation of experts.

In addition, last year Asseco joined the Digital Poland Association, a non-profit industry organization bringing together the largest consumer electronics and IT companies operating in Poland. The organizations wish to jointly promote digital solutions and build awareness of the opportunities offered by modern technologies in business.

Table 22: Paper consumption in the Company

	Unit	2019	2020	Change
Number of reams of paper used	pcs.	3 813	2 024	
KPI: Paper consumption /employee	pcs/employee	1.74	0.93	-46.92%
CO ₂ emissions of producing the material	Mg CO ₂ e	13.32	7.07	
KPI: CO ₂ emissions of material production/employee	Mg CO ₂ e/employee	0.0061	0.0032	

In 2020, we reduced CO₂ emissions resulting from the production of the base material (paper) by 47%.

All types of waste generated by Asseco Poland are separately collected.

Municipal waste is collected in the manner specified in local regulations on maintaining cleanliness and order, and is taken back by communes on the basis of submitted declarations or by an entrepreneur entered in the register of regulated activities in a given locality on the basis of a civil-law agreement signed.

In order to make it easier for employees to segregate waste properly, all locations have been equipped with appropriate containers for waste segregation, in each kitchen we have placed detailed instructions on how to deal with the selected waste fraction, and the garbage cans are marked with appropriate signs.

Non-municipal waste is stored in properly labeled storage areas and transferred to recipients who hold permits required by law for waste collection or processing and an entry in the BDO register for waste transport. Handing over is based on signed contracts or on one-off orders.

The company is registered in the BDO register under number 000004848. Waste records are kept on an ongoing basis and reports on the generated waste are prepared in due time.

The largest amount of waste generated at the Company is waste electrical and electronic equipment.

Waste equipment is sent to waste electrical and electronic equipment handling/processing plants for recovery and recycling.

Table 23: Non-municipal waste management

Weight of waste [Mg].	2019	Year 2020	Change
Weight of waste generated	22.31	15.23	-31.73%
Weight of waste handed over to recipients*	22.39	17.26	-22.91%
Weight of electrical and electronic equipment sent for recycling*	10.05	10.57	5.17%

* The amount of waste transferred includes the weight of waste generated in 2019 and transferred to waste recipients in 2020.

The lower amount of waste generated in 2020 is due to the pandemic period and the reduced number of purchasing processes conducted at the Company, as well as more equipment being sent for resale to employees and institutions. The higher weight of transferred equipment in 2020 is due to the inclusion in the calculation of the weight of waste generated that was not transferred in the previous calendar year.

In 2020, the weight of resold equipment accounted for 24% of all equipment that was handed over.

Asseco Poland does not carry out its own collection, recovery and recycling of waste electrical and electronic equipment, batteries, accumulators, or packaging.

The aforementioned statutory obligations are performed by Recovery Organizations with which the Company has concluded agreements.

Key actions taken at the Company to minimize the amount of waste generated are the following:

- working devices (laptops, computers, phones), after their scheduled period of use in the Company, are resold to employees for further use, which extends their useful life and indirectly reduces the amount of waste generated and the need for raw materials necessary to manufacture new ones,
- joining the "Paperless Business" campaign – conducting activities aimed at reducing paper consumption both within the organization and among its customers.

There are internal regulations in force at the Company defining the proper management of waste, e.g. the Procedure for management of waste other than municipal waste, detailed instructions for storing and handling the generated waste.

Materials, publications and detailed information on waste management are available on the Company's internal website. Employees are also able to use the materials provided for their job duties and have access to thematic training courses. All information is available to every employee and is updated on a regular basis.

Subcontractors performing work on the Company's premises are informed about the requirements related to proper waste management, and relevant environmental provisions are included in contracts and orders.

Environmental education

Asseco Poland has consistently undertaken measures to raise environmental awareness among its employees, co-workers, and external customers.

Internal training courses for employees are successively implemented. The Company's internal website, EKO BASE, is also updated on an ongoing basis. In 2020:

- in order to reduce the level of risk of non-compliance with legal requirements and local waste management regulations due to the timing of the pandemic, an educational campaign on proper handling of municipal waste, including that generated in connection with SARS-CoV-2, was organized for employees and others and information in the ECO BASE was updated,
- in terms of responsibilities related to the purchase of equipment in the Company, the training course "Responsibility for the product placed on the market" was completed and its content was made available to all employees in the ECO BASE,
- in the scope of environmental obligations concerning placing packaged products on the market, two training courses were held for selected departments in the Company and their content was made available to all employees in the ECO BASE,
- in the area of cooperation with suppliers, the Company's environmental requirements for suppliers were placed on the Asseco Poland homepage, a document entitled "Environmental Requirements for Suppliers of Products/Services with Environmental Aspects" was updated, drafts of the environmental clauses to be included in contracts/requests for tenders were prepared, and the Supplier Assessment Criteria were put on the Company's publicly available internal website,
- introduced palm oil-free refreshments and recycled organic products as part of the purchasing standard.

The company has also joined the Clean Poland Programme with the "Business without paper" action and the Cyfrowa Polska Association.

Suppliers

The primary environmental criterion for selection of a service/product provider is the possession of legally required permits and registrations appropriate to the scope of its business, including registration in the Database of Products and Packaging and Waste Management (BDO) to the extent required, the submission of appropriate declarations, and the possession of qualification of persons, if required.

We communicate the environmental terms and conditions of cooperation to external customers on the Company's publicly available website, we set environmental requirements for suppliers and subject them to periodic assessment. We incorporate environmental provisions into contracts and requests for quotations, and provide necessary answers and explanations.

The terms of cooperation with suppliers are described in the following documents: Environmental Requirements for Suppliers of Products/Services with Environmental Aspects, Terms and Conditions for Purchasing for Own Use, and Terms and Conditions for Purchasing for Contracts.

Significant risks identified in the area of environmental and climate issues

Risk of non-compliance with regulatory requirements

The most significant environmental risk identified in the Company is the risk of non-compliance with legal requirements. Numerous and frequent legislative changes, including short *vacatio legis* and the need to meet statutory deadlines and ensure continuous compliance makes this aspect significant for the Company.

The risk level is minimized by ensuring that the competence of risk managers is raised, legal and other requirements are identified on an ongoing basis, compliance is monitored and corrective, corrective and improvement actions are taken. From 2020, the Company has had a document "Register of corrective and improvement actions", which is subject to internal and external audit reviews.

Risk of significant increase in electricity prices

The main work tools of Asseco Poland's employees are electronic devices which require electricity from external suppliers. Globally observed global warming processes may cause an increase in electricity prices, which will eventually lead to higher costs of business operations.

The Company manages risk through ongoing analysis of its energy needs and implementation of measures to minimize energy consumption, e.g. through gradual replacement of old energy-consuming equipment with energy-efficient equipment. In addition, the Company has in place a document entitled "Principles of Purchasing Equipment for the Company", which sets out pro-environmental guidelines and criteria to be followed when purchasing equipment for employees.

Risk of poor waste management

Due to the nature of its business, the Company does not generate production waste. The main types of waste generated by Asseco Poland are municipal waste and electrical and electronic equipment. Regardless of the scale of the generated waste, there is a risk of its improper disposal.

The Company minimizes this risk by strictly applying and enforcing legal requirements in this area and setting specific requirements for suppliers. The rights of waste recipients are monitored on an ongoing basis and the requirements concerning proper waste handling are communicated to subcontractors and service providers. Numerous educational campaigns are conducted within the Company – thematic trainings are implemented and numerous articles and downloadable materials are posted on the internal website. In addition, the Company minimizes the amount of waste generated through the conscious and controlled purchase of the required range and extending the life cycle of products by reselling equipment to employees or donating it to those in need. In 2020, 106 monitors, 610 notebooks and 254 computers were sold to employees.

ISSUES CONCERNING RESPECT FOR HUMAN RIGHTS

Human rights belong to every person, and their source is inherent human dignity.

All organizations, including corporations, as employers, producers and contractors, are required to respect human rights. Wherever these rights may be violated, companies should take appropriate steps to remedy the situation and avoid profiting from their disregard.

It is a general principle of Asseco Poland to respect and observe human rights, inclusive of such issues as the right to freedom of association, right to safe working environment, prohibition of discrimination, prohibition of child labor, and prohibition of forced labor. Violation of any of the above-mentioned principles would constitute a violation of the law and of the Company's fundamental values.

The policy related to respect for human rights at Asseco Poland is comprised of the following internal documents: the Code of Ethics, the Compliance Policy, the Workplace Regulations, the Procurement Policy, and the Company's General Procurement Conditions.

The Company's Code of Ethics includes principles and standards of conduct and values concerning interpersonal and business relations as well as protection of the Company's image. Its main assumptions are based on the common values of Asseco Poland S.A. that constitute the foundation of the Company's and its employees' conduct. The Code also refers explicitly to the obligation to respect human rights and labor law, as well as the principles of equal treatment and non-discrimination.

Values of Asseco Poland

Commitment

We are fully committed to every project, and the success of our customers gives us the greatest satisfaction.

Respect

We expect mutual respect from each other.

Quality

We set the bar high for the quality of everything we do.

Professionalism

We are constantly improving our qualifications and are happy to share our experience.

Effectiveness

We are ambitious and consistent in achieving our goal.

Responsibility

We take responsibility for our work and the environment in which we operate.

An extension of the Code of Ethics in terms of effective implementation of the principles of respect for human rights are the provisions of the Labour Regulations implementing and regulating, among other things, a system for reporting complaints related to equality or human rights violations, which operates as part of the HR service and compliance risk management processes.

Table 24: Instances of discrimination

Total number of confirmed cases of discrimination (in the workplace) in 2020
0

Table 25: Wage differentials

Wage gap – women's wages as % of men's wages in 2020*
96%

* Based on the ratio of average salaries at each job level in each competency group.

Apart from taking care of human rights observance within the Company, the Company takes care to observe them also among its suppliers. Asseco Poland obtains statements from its suppliers, which include, among others, a statement on respect for human rights. Any violation of the applicable laws and best practices in the area of human rights shall be tantamount to refraining from or terminating cooperation and placing a supplier on the list of prohibited suppliers.

The Company applies due diligence procedures with respect to human rights among its suppliers. The Company monitors compliance with this principle by collecting statements from suppliers.

Significant risks identified in the area of respect for human rights

Risk of violation of human rights in the Company

As in any large organization, also in Asseco Poland there exists a certain risk of human rights violations, especially to the extent such violations might be caused not by the organization itself, but by its employees. Such risk may materialize through violation of dignity or discrimination. A situation of human rights abuse within the Company would have a negative impact on the reputation both inside and outside of the organization.

The Company manages the risk by ensuring clear and transparent rules of conduct towards its employees and introducing regulations aimed at preventing potential violations of human rights. The Company continuously reviews its personnel management and compliance processes and maintains its organizational culture at the highest level. The Human Resources Department and the Ethics Committee conduct continuous monitoring of anti-discrimination and anti-bullying activities.

Risk of human rights violations among the Company's suppliers

Although the Company ensures internal regulations guaranteeing respect for human rights, there is a risk of human rights violations among suppliers. The use of entities that commit human rights violations would have a negative reputational impact on the Company and could also affect the morale of its employees.

The Company manages this risk by collecting declarations of respect for human rights from its business partners. Any information about violation of human rights by a supplier may be sanctioned by the Company with termination of cooperation.

ANTI-CORRUPTION ISSUES

The anti-corruption policy at Asseco Poland is regulated by the: Bylaws of the Supervisory Board, Bylaws of the Management Board, Code of Ethics, Compliance Policy, Bylaws of Obligations of a Listed Company, and Procurement Policy.

Preventive and control measures against corruption are implemented at various levels of the organization and are necessary to ensure its proper functioning. In accordance with the Code of Ethics, the Company does not tolerate accepting or giving unauthorized financial benefits, any form of extortion or corruption, small gratifications, or "money laundering". We work based on the principle of "zero tolerance for corruption".

Table 26: Cases of corruption

Total number of confirmed corruption cases in 2020
0

Furthermore, Asseco Poland prevents any forms of abuse, including using the Company for unfair market practices or acts of unfair competition. For this purpose the Company shall conduct its business activities in compliance with the standards set forth in the Code of Ethics and the Company's Bylaws, and shall apply the consequences provided for by law against persons whose actions have caused or led to such abuse.

Asseco Poland cares for compliance with the principles of ethics among its employees practically from the moment they are hired. The Company provides trainings in this area during the induction period for newly hired employees and co-workers.

Table 27. Employees trained in anti-corruption

Share of employees who received anti-corruption training as part of the adaptation block
100%

Apart from initial training, cyclical training is also conducted for employees of Sales Departments and Purchasing Coordinators, due to the fact that these positions are particularly exposed to the risk of corruption. The Company also conducts cyclical dedicated training sessions for managers.

The Company's procurement process is designed to ensure that its suppliers comply with the principles of anti-corruption. Asseco Poland has in place documents defining the principles for cooperation with its suppliers, including the principles of purchase ethics, principles of loyalty and conflict of interest, rules of communication and information confidentiality. According to them, suppliers undertake that they are not aware of corrupt practices of the other party or third parties, as well as declare that they comply with all applicable laws, regulations, orders, and rules on bribery and corruption. As of 2019, the purchasing function at Asseco Poland is centralized and performed by the Purchasing Department, which consists of the Procurement Office and the Logistics Office. This department sets the rules for purchasing across the Company, including for contracts, so that the selection of suppliers is transparent.

Significant risks identified in the area of counteracting corruption

Corruption risks

Operating within an extensive organizational structure with a relatively wide range of competence of individual organizational units carries a risk of incidental corruption events. Employees of purchase and commerce departments are particularly exposed to such incidents, as they are in direct contact with representatives of external entities, who may gain certain material benefits by cooperating with the Company. Such an occurrence could have a negative impact on the Company's image and may hinder future business contacts as well as result in a direct economic loss in case of concluding a contract on non-market terms.

Asseco Poland manages the above-mentioned risk through appropriate selection of employees working in various positions, as well as through appropriate monitoring activities performed by the internal departments responsible for that area.

Signatures of the Members of the Management Board to the Statement of Asseco Poland S.A. on non-financial information for 2020:

Adam Góral	President of the Management Board
Andrzej Dopierala	Vice President of the Management Board
Krzysztof Groyceki	Vice President of the Management Board
Rafał Kozłowski	Vice President of the Management Board
Marek Panek	Vice President of the Management Board
Paweł Piwowar	Vice President of the Management Board
Zbigniew Pomianek	Vice President of the Management Board
Sławomir Szmytkowski	Vice President of the Management Board
Artur Wiza	Vice President of the Management Board
Gabriela Żukowicz	Vice President of the Management Board

Technology for business, solutions for people.

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