



# Statement of Asseco Poland S.A. on non-financial information for the year 2019

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## INTRODUCTION

Below we are presenting a statement of Asseco Poland S.A. (hereinafter referred to as the "Company", the "Parent Company", "Asseco Poland") on non-financial information for the year 2019, which constitutes a separate part of the "Report of the Management Board of Asseco Poland S.A." and includes non-financial information regarding the Company from the period between January 1, 2019 and December 31, 2019. The Statement has been prepared on the basis of the Company's own rules, taking into account the provisions of the Accounting Act of September 29, 1994, the European Commission's guidelines on reporting of non-financial information and the National Non-Financial Information Standards (SIN) and the Global Reporting Initiative (GRI) international guidelines.

The selection and description of policies and performance indicators presented in the statement were made on the basis of a materiality criterion, taking into account internal and external factors related to the Company's operations. The main factors taken into account in the materiality assessment were the following:

- the industry the Company operates in
- its business profile and market environment
- the scope of impact on local community and environment
- stakeholders' expectations

The data presented in the Statement will be reviewed and updated in annual reporting periods and published regularly together with reports for subsequent financial years.

## DESCRIPTION OF COMPANY AND ITS BUSINESS MODEL

### Asseco Poland S.A.

Asseco Poland is a leading Polish IT company listed on the Warsaw Stock Exchange (WSE) and the parent company of the international Asseco Group. Asseco Poland combines the competences of a software and service company with those of a manufacturer of technologically advanced software. Both the Parent Company and the Group cooperate with companies and institutions from key sectors of the economy, such as energy, banking, insurance, telecommunication, public administration and healthcare.

Asseco Poland holds certificates which confirm the Company's compliance with the highest standards of quality management as well as production and work organization safety:

- ISO 9001:2015 (quality management system)
- 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 in the area of sales, design, production, implementation, maintenance and servicing of software as well as sales of hardware) and AQAP 2210:2015 (development, reproduction, supply and maintenance of software)
- WSK certificate (the Company's ability to legally trade in strategic goods and services).

Thanks to a development strategy aimed at building expert competence and developing proprietary products, the Company has gained and maintained a leading position in the IT market in Poland and, thanks to the Group's development, is also the largest provider of modern IT solutions in Central and Eastern Europe.

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

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

In line with its vision, the Company wants to be reliable and fast, offer the best products and services and support its customers around the world in achieving their goals. Its employees form a competent and passionate team combining traditional values with modern approach.

Asseco Poland's strategy

Market:

- directing the offer to the following sectors: financial, healthcare, general business and public administration in Poland and abroad
- development and provision of software-based solutions in the areas of key importance for the Company customers' business
- striving to build repeatable solutions to achieve the right margin level while maintaining competitive prices
- striving for a stable source of revenues from maintenance and development services linked with the delivered software, by retaining at the Company and protecting copyrights to developed solutions
- providing proprietary software-based solutions in the SaaS mode

Organization

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

People

- seeing people as the organization's greatest value
- high expert knowledge and use of team potential
- investments in the development of high expert and sectorial competences
- gathering knowledge and experience by maintaining a stable team
- promoting initiatives and innovative approaches

Corporate social responsibility

- taking care of important social interests
- supporting Polish sport
- helping those in need
- environmental protection measures

### Company's market position

Asseco Poland is one of the largest IT companies in Poland and the largest company in the country focused on the sales of proprietary software and services. By sectors, Asseco Poland is a leader or one of leading suppliers in key segments of its operations.

In the Computerworld TOP200 ranking of the Polish IT market (2019 edition), Asseco took 1st place in 8 categories. The Asseco Group, with revenues from the sales of IT products and services reaching PLN 9.33 billion in 2018, took the 1st position among the largest capital groups. Asseco also outperformed other IT companies in terms of the net profit generated in the previous year and the amount of CIT the company paid to the state budget. It also remained the largest provider of IT solutions and services for the public administration, healthcare, large companies and corporations. In addition, Asseco maintained its last year's position in the categories of the largest provider of maintenance and IT services.

The leading market position of Asseco Poland is reflected in the following comparison of sales by type of activity, where the Company holds the first place in the maintenance services and IT provider categories.

Ranking	Ranking position
Companies providing IT services	1
Companies providing maintenance services	1
Custom software manufacturers	2
Companies providing integration services	2

Source: Computerworld TOP200, Ranking of IT and telecommunication companies, Edition 2019, ranking according to the results recorded in 2018.

In terms of sectors, Asseco Poland is the leader or one of the leading suppliers in the key segments of its business. The positions in individual segments are presented below:

Ranking of providers of software and services to the sector of:	Ranking position
Public administration	1
Healthcare	1
Large companies and corporations	1
Educational and scientific research	2
Energy	3
Banking	4
Telecommunication	4

Source: Computerworld TOP200, Ranking of IT and telecommunication companies, Edition 2019, ranking according to the results recorded in 2018.

## Organic growth

Asseco Poland's organic growth strategy is focused on the production and sale of proprietary software and IT services. The Company's activity is based on sector-specific technological and business competences. Asseco Poland offers comprehensive solutions for entire sectors of the economy, and also sells standardized products for smaller companies.

## Growth through acquisitions

Asseco Poland has been pursuing an effective acquisition policy in Poland and abroad for many years. Since 2004, the Company has successfully completed over 80 acquisitions, gradually increasing the scale of its operations and geographical reach.

In its acquisition activities, the Company is focused primarily on increasing its competences in key business sectors, entering new geographical markets or strengthening its position in the countries where it already operates.

## Federation model

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

As the leading company in the Group, Asseco Poland is the largest shareholder in the companies that make up the Group, but it does not strive to hold 100% of their shares. The companies joining the Asseco Group maintain a wide range of autonomy in their day-to-day operations and the goal of the Company is to set out their strategic development directions and aims and supervise their achievement.

The Company is primarily interested in profitable entities with specialized and engaged staff. For Asseco, the goal of acquisitions is to enhance the Company's competences in the key business sectors, enter new geographical

markets, and strengthen the position of the entire Asseco Group in the countries where it has been already operating.

The functioning of the Group in the federation model is based on mutual trust and clearly defined principles 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. Its activities are aimed at the long-term improvement of the effectiveness of individual companies that are its members.

### Management structure

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

The manner of the operation of the General Meeting of Shareholders is described in detail in the Bylaws of the General Meeting of Shareholders, adopted by the Company's General Meeting of Shareholders on September 21, 2011. The Articles of Association and the Bylaws of the General Meeting of Shareholders have been published on the Company's website.

The description of the activities of the Management Board, Supervisory Board and Audit Committee, beyond the scope explicitly described in the mandatory provisions of law, has been included in the Regulations of the Management Board and the Supervisory Board and the Audit Committee respectively, which have been published on the Company's website.

### Management Board

The composition of the Management Board together with the division of competences as at the date of the publication of this report is presented in the table below:

Distribution of competences among the Members of the Management Board of Asseco Poland S.A.	
Adam Góral President of the Management	Internal Audit Division
Gabriela Żukowicz Vice-President of the Management Board	Organizational and Legal Division
	HR Division
	HR Administration Division
	Compliance and Process Management Division
	Back-office Systems Maintenance and Development Division
	Purchase Division
Andrzej Dopierała Vice-President of the Management Board	Administration Division
	International Organizations and Security Solutions Division
	Agricultural Insurance Division
	Infrastructure Project Office
Sławomir Szmytkowski Vice-President of the Management Board	ICT Division
	Social Insurance Division
	Systems Maintenance Division
	Agriculture and Postal Division
	Government Administration Division

Krzysztof Groyecki Vice-President of the Management Board	Healthcare Division
Rafał Kozłowski Vice-President of the Management Board	Asseco Poland Financial Division Asseco Group Financial Division
Marek Panek Vice-President of the Management Board	Capital Group Development Division EU Project Office
Paweł Piwowar Vice-President of the Management Board	Power and Gas Division Telecommunication & 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 Operating Services Centre
Artur Wiza Vice-President of the Management Board	Marketing Division PR and Investor Relations Division

In 2019 until the date of the publication of this report, the following changes in the composition of the Management Board of Asseco Poland S.A. took place:

- On March 25, 2019, the Company received Mr. Tadeusz Dyriga's letter of resignation from the position of the Vice President of the Management Board of Asseco Poland S.A., effective from July 1, 2019.
- At the meeting on March 25, 2019, the Supervisory Board appointed Sławomir Szmytkowski to the Company's Management Board to perform the function of the Vice President of the Management Board for a joint five-year term of office covering the years 2017-2021 with effect from July 1, 2019.

### Supervisory Board

In 2019 and as at the date of publication of this Report, the Supervisory Board was composed as follows:

- Jacek Duch - Chairman of the Supervisory Board,
- Adam Noga - Deputy 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.

### Audit Committee

In 2019 and as at the date of publication 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.

### Internal control, risk management and internal audit systems

Asseco Poland S.A. uses an internal control system consisting of an organizational and hierarchical structure, internal policies, procedures with built-in control mechanisms as well as instructions supporting the efficiency of the Company's operations. Heads of organizational units are responsible for the efficiency and effectiveness of their subordinate teams; whereas, senior managers are responsible for the supervision over the operations of their subordinate units and results of the processes they are responsible for. The internal control system is supplemented by separate teams responsible for preparing financial statements and ensuring compliance with the law and other regulations (compliance).

The Company has introduced a risk management system operating on the basis of three lines of defence:

- operational management of the risk arising in connection with the activities carried out by the units
- risk management by designated roles or units
- activities of the unit responsible for internal audit - the Internal Audit Division

Based on the international standards of professional internal audit practice, the Internal Audit Division of Asseco Poland assesses the effectiveness of the Company's control environment, risk management and organizational governance. It conducts planned audits, examining the control mechanisms of selected processes in order to verify whether they effectively limit the risk. It also conducts ad-hoc audits, e.g. pre-implementation reviews - commissioned when major changes in the Company's processes are planned, 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 about the condition of the control environment and 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 standards and procedures as well as to perform their duties in accordance with the provisions of law. The Company's information activities enable them to properly understand the principles of compliance and apply them on a daily basis, both in contacts with clients, suppliers and in mutual relations between employees.

## EMPLOYEE ISSUES

### Personnel policy

Due to a specific nature of the IT business and the fact that the success of the company in this industry is determined mainly by the knowledge and practical skills of its employees, employment issues, employee development and the creation of an appropriate working environment are crucial for the long-term sustainable development of the Company.

**Table 1: Employment by departments as at December 31, 2019**

Total number of employees	Production departments	Direct sales departments	Indirect sales departments	Administrative departments	General management
2 324	1 879	80	18	337	10

The goal of the Personnel Policy is to provide the Company with competent and committed employees and co-workers, to take care of their motivation, so that they can successfully implement the business objectives



of the Company, as well as to provide them with the opportunity for development and a sense of professional stability, through clear and transparent rules of operation.

The personnel policy of Asseco Poland is implemented in compliance with regulations as well as with the internal procedures and standards in force. The key documents governing the above matters are: the Personnel Policy, the Employment Regulations, the Remuneration Regulations, the Evaluation and Professional Development Regulations, the Regulations of the Company Social Benefits Fund and the Code of Ethics. The processes of employee acquisition, retention and development are based on the Company's competence model, which organizes tasks and roles of employees and supports the development of a customer-oriented culture, quality, achievement of results, cooperation and professional development.

**Table 2. Employment by gender (as at December 31, 2019)**

Total number of employees	Women	Men
2 324	770	1 554

The recruitment process in Asseco Poland is based on the respect for the principles of gender equality, origin, age, beliefs and other factors relating to the diversity of candidates. Due to a specific nature of the industry, in the recruitment process the greatest importance is attached to practical knowledge and qualifications of employees, which translates into the selection of persons with competences best suited to a given position. Clearly defined criteria and an objective assessment of qualifications guarantee candidates equal chances to successfully complete the recruitment process.

**Table 3. Employment in management positions by gender (as at December 31, 2019)**

Total number of employees	Women	Men
334	81	253

**Table 4. Employment by age (as at December 31, 2019)**

Total number of employees	Up to 30 years of age	31-40 years of age	41-50 years of age	51-60 years of age	Over 60 years of age
2 324	385	729	866	290	54

In Asseco Poland the main form of employment is an employment contract.

Asseco Poland also provides the opportunity to work with the use of electronic communication means and other means of individual remote communication. In certain cases, employees may, in consultation with their superior, agree to work under telecommuting conditions.

### Staff evaluation and development

The employees and associates of Asseco Poland are subject to a cyclical review process.

The first assessment is made during a trial period and regularly thereafter on a quarterly or semi-annual basis. The employee evaluation is conducted in order to determine the degree of the accomplishment of the entrusted tasks. As part of the annual assessment of the employee/coworker, competences are assessed, strengths and areas for development are identified and a development is drawn up.

The Company cares for the professional development of its employees by organizing and financing training courses. Asseco Poland offers central and company-wide trainings as well as individual development activities.

The central training courses are provided for managers, salesmen and PMs. They develop the competences of employees and support the achievement of business objectives. The company-wide trainings support the implementation of new processes in the Company, while individual development activities increase the qualifications and competence level of employees. Individual development activities include: substantive training, post-graduate and doctoral studies, language courses and conferences.

The training courses are conducted depending on the needs and on the initiative of the organizational units. They can be conducted in the form of e-learning, stationary or with the use of external entities.

**Table 5. Training courses in 2019**

Number of training topics completed	Number of trained employees	Budget in 2019	Number of training days per employee in 2019	Number of training hours per employee in 2019
680	5 464*	PLN 7 613 217	4	32

\* Asseco Poland's employees had an opportunity to participate in more than one training.

### Additional non-wage benefits

In addition to remuneration, the employees of Asseco Poland are also entitled to additional non-wage benefits. The most important non-wage benefits covered by the Company's Social Benefits Fund include:

- financial assistance for beneficiaries in a particularly difficult life situation,
- cash or in-kind assistance granted in random cases,
- physical recreation, including the purchase of participation packages for sports events,
- various types of social projects.

In addition, the Company has launched the "Employer 3.0" project, which includes activities aimed at employees such as: the organization of common areas and chillout rooms, the modernization of conference rooms in the main locations, as well as weekly delivery of fresh fruits to all locations belonging to Asseco Poland.

### Commitment and satisfaction survey

Asseco Poland S.A. maintains a documented dialogue with its employees in the form of a cyclical survey of their commitment and satisfaction. The results of the survey conducted in 2019 referred to various areas of the organization's operations, such as remuneration system, remote work, development opportunities, working conditions in buildings, information and communication flow, and processes and procedures. The so-called focus groups (for employees and managers) were established to work with the results of the survey. The solutions developed were subject to approval of the management staff and are implemented by Asseco on an ongoing basis.

### Safety and health

The organization carries out its activities while protecting the health and life of its employees and co-workers from the hazards present in the working environment. Asseco Poland S.A. conducts business activities which do not pose the risk of serious accidents at work for its employees and external persons, and applies the principles and regulations of the labour law as well as occupational health and safety. The general assumptions of the occupational health and safety management system are presented in the Health and Safety Management System Book. It describes the process of hazard identification and risk assessment.

The organization of safe work is determined by the Company's instructions related to occupational safety and health, as well as the principles of safe workstation described in the document "Ergonomics of sedentary work". The Company also purchases ergonomic equipment.

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

Post-accident procedures of reported accidents at work/while travelling to/from work are carried out in accordance with the legislation.

The Company provides training for employees in occupational health and safety before they are admitted to work and conducts periodic training courses in this area. In addition, it provides training in first aid and fire protection.

**Table 6. Health and safety training courses in 2019**

Number of persons trained before starting work	Number of employees trained under periodic training courses
239	282

### Risks identified in the area of labor issues

#### *Risk of increased labor costs*

Salaries account for a significant share of the project implementation costs. Taking into account such high human resource requirements, an increase in salaries would squeeze the margins achieved on projects, and consequently have an unfavorable impact on the financial results of Asseco Poland.

In order to manage the risk of higher cost of work, the Company takes a number of measures which can help reduce potential negative effects of rising salaries. Among other things, Asseco employs people in many geographical regions to diversify that risk, continually monitors the level of salaries in the market, and tries to maintain an appropriate structure of employment within particular levels of competence.

#### *Risk related to losing the key personnel*

Asseco Poland's operations and development outlook depend to a large extent on the knowledge, experience and professional qualifications of its employees, who implement the IT projects. A substantial demand for IT specialists and the competitors' activities may induce the key personnel to leave our organization, and also make it quite difficult to recruit new employees with suitable knowledge, experience and professional qualifications. Still there is a risk that resignation by the key personnel would have a negative impact on the execution of IT contracts conducted by Asseco, as well as on ensuring the required quality and range of services provided. This in turn might have a significant adverse impact on the operations, financial position, financial results and prospective development of Asseco Poland.

The Company manages the risk by monitoring key positions from the point of view of its operations and ensuring appropriate motivation for its employees. In addition to the financial motivation based on the performance-based bonus system, among others, Asseco Poland also provides its employees with extensive access to training and non-wage benefits, such as a social package or other benefits from the Social Benefits Fund.

#### *Personnel policy risk*

Asseco Poland may incur costs in connection with legitimate or illegitimate claims filed by its employees on the grounds of discrimination, working conditions, etc. Such circumstances might have a significant adverse impact on the operations, financial position, financial results and prospective development of the Company.

Asseco Poland manages risk by ensuring stable and attractive working conditions - compliant with legal requirements, internal regulations related to health and safety at work, principles of a safe workplace - while introducing and enforcing regulations against such conduct as mobbing and discrimination.

## SOCIAL ISSUES

Asseco Poland operates in the categories of common interest, based on economic patriotism. The Company undertakes initiatives supporting Polish entrepreneurship, thus shaping the position of Poland on the international arena. An example of such activities is an active participation in official economic missions, as well as the support for initiatives that promote domestic companies and products.

The Company also undertakes similar actions in Poland. It willingly engages in nationwide initiatives and debates related to the promotion of entrepreneurship. Among others, the Company has participated in Puls Biznesu's campaign entitled "Management in Polish style" and in Dziennik Gazeta Prawna's project entitled "There is no freedom without entrepreneurship".

Asseco Poland also supports entrepreneurship at the local level. It is one of the founders of Podkarpacki Business Club, which has been supporting and promoting companies from this region for 19 years. Today, the Club gathers almost 300 companies. In October 2019, the Company was again present at the 590 Congress, actively promoting the Podkarpackie region.

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

In 2019, Asseco Poland paid **PLN 29.5 million** in income tax to the state budget

Asseco Poland educates and employs Polish programmers. The company organizes expert events for IT professionals - Techbreakfast by Asseco. In 2019, 7 technological breakfasts were held, attended by a total of about 650 people. Asseco Poland regularly meets with students as part of Job Fairs and conferences organized by student organizations. Last year the Company took part in about 4 events of this kind in 4 cities, at the largest technical universities. In October 2019, the second hackathon - codeplay by Asseco - was held, attended by over 100 people, out of which 4 teams continue their cooperation with the Company as part of the Asseco Innovation Hub innovation development program.

**80%** of interns of the fourth edition of Asseco Starter have continued their employment in Asseco Poland

The Company runs a proprietary internship and graduate program aimed at identifying, during a nationwide campaign, young people with high potential. Interns and graduates take part in extensive development programs, which include specialist and soft training courses. In 2019, the fourth edition of the Asseco Starter Program was held, under which 27 students were admitted to a 3-month internship program and 12 students to a 9-month Graduate Program. A total of nearly 130 interns and almost 60 graduates took part

in the program over a period of 4 years.

The company supports Polish sport. It is the main sponsor of a local volleyball team - Asseco Resovia Rzeszów - and a basketball team - Asseco Arka Gdynia.

**Table 7. Amount allocated to sports sponsorship**

Funds allocated to the development of the Polish sport in 2019
PLN 16.1 million

In order to support physical activity of its employees, Asseco Poland has established the Asseco Active Team initiative. Its goal is to co-finance sports activities of employees. Standard forms of support include: covering

registration fee and other fees for the participation in sports activities, as well as providing clothing and sports equipment. Additionally, in 2019 the Company organized two events under the Cycling Challenge initiative, during which 285 employees from 16 Asseco locations cycled a total of 173 902 km. In the autumn edition of the event, the participants took part in long-distance races, during which 121 employees covered a total of 5 603 km.

**Table 8. Number of Bike Challenge participants**

Number of employees who participated in the Bike Challenge initiative	
Bike Challenge	Runs
285	121

Among the most important social projects implemented by Asseco Poland is the Christmas charity campaign "We Bring Help", co-organized with the employees of Asseco Data Systems. Its purpose is to provide financial support to organizations and people who are most in need. Asseco's employees not only identify the institutions that will receive assistance, but also devote their time and commitment throughout the year. Each of Asseco's employees can share their ideas on how and whom to help. Each year the amount reaching PLN 200 000 is spent on the charity campaign. Up until now, over 1 900 employees have been personally involved in the campaign, having spent the total of 6 000 hours and having helped 125 families.

**Table 9. "We Bring Help" charity's statistics – 2019**

Total amount of financial support	Number of applications received	Number of employees involved in the project	Number of children who took advantage of the project	Number of families who took advantage of the project
200 000	13	196	717	5

### Risks identified in the area of social issues

#### *Risk of dissatisfaction with the limited scope of conducted activities*

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

The Company manages the risk through ongoing monitoring of its activities, their scale and the effects on its image. Currently the Company is not planning to resign from its social and sponsorship activities.

## CLIMATE AND ENVIRONMENTAL ISSUES

Asseco Poland S.A. conducts business activities in the areas not under special protection due to environmental conditions, i.e. Nature 2000 areas, landscape parks, areas of protected plant and animal species, floodplains. The Company's operations do not have any significant impact on the environment and do not pose the threat of a serious environmental accident.

Asseco Poland S.A. attaches great importance to environmental protection. The goal of the Company's environmental policy is to ensure its sustainable development, including improvement of its environmental performance, in such a manner as to ensure that its operations have a minimal negative impact on the natural

environment and comply with the law and adopted standards of fulfilling environmental obligations. The policy specifically addresses the minimization of hazardous waste generation and its impact on the environment and the minimization of electricity and fuel consumption, resulting in reduced greenhouse gas emissions. It has been established and maintained by the Management Board, and its assumptions are communicated to external stakeholders on the public website of Asseco Poland S.A. as well as to the Company's employees on internal intranet portals, where other information concerning the broadly understood environmental protection is also published on a regular basis.

The Company pursues its environmental policy through the implemented and continuously improved environmental management system. In line with its assumptions, Asseco conducts activities aimed at minimizing the negative impact on the environment and achieves environmental goals through:

- compliance with legal requirements for environmental protection
- the definition of environmental objectives and the implementation of measures to achieve them
- the implementation of corrective actions when non-compliance with environmental requirements is identified
- raising environmental awareness of employees (e.g. through training and educational materials) and taking initiatives to increase their involvement in environmental protection activities

Asseco Poland S.A. holds a certificate confirming compliance of its environmental management system with the ISO 14001:2015 standard, granted by Alcumus ISOQAR in 2017, an entity accredited by UKAS. The certificate is valid until March 2, 2021.

In its every day activity, the Company pays attention to the issue of saving electricity, as well as minimizing the amount of generated waste and its negative impact on the environment.

**Table 10. Electricity consumption \***

Electricity consumption in 2019	Electricity consumption in 2018	Change (%)
8 957.97 MWh	9 770.23 MWh	-8.31%

*\* Energy consumption is shown on the basis of energy invoices. It applies to all Asseco Poland's facilities where the company is a party to an energy sale agreement or where it is re-invoiced based on a meter or sub-meter. There is also consumption impossible to estimate based on invoices due to the flat-rate energy consumption charge, but it accounts for a marginal part of invoices.*

The Company's electricity consumption is minimized by, among other things, cyclical replacement of fluorescent lamps with LED lamps in its own offices, purchase of equipment with higher energy efficiency or installation of working time programmers for water distributors located in kitchen annexes.

The Company's operations generate waste, mainly as a result of wear and tear of workstation equipment and room equipment. The waste generated includes mainly electrical and electronic equipment, packaging waste, filters from ventilation systems, batteries and accumulators, and municipal waste. Waste is collected separately and transferred to specialized entities for recovery and recycling.

**Table 11. Waste transferred for recycling**

Waste generated in 2019	Waste transferred for recycling	(%)
22 312 kg	22 387 kg	100.34%*

*\* The amount of waste delivered for reprocessing takes into account the weight of waste generated in 2018 and delivered to the recipients of waste in 2019.*

The Company aims to minimize the amount of waste generated by extending the product life cycle. Working equipment, after the planned period of its use, is resold to employees for further use, which extends its useful life and indirectly reduces the amount of generated waste, which in turn reduces the demand for raw materials necessary to manufacture new computer components. It is also worth noting that 100% of paper used in all printers in Asseco comes from the Fair Trade certified sources.

The Company aims to minimize the emission of greenhouse gas to the atmosphere mainly through regular, timely inspections of air-conditioning and fire-fighting equipment as well as through investing in newer car fleet. The replacement of company cars with new ones that meet the higher EURO standards for emissions from vehicle engines as well as the purchase of hybrid vehicles reduce the amount of fuel they consume, which in turn contributes to the reduction of gas and dusts emitted into the air.

**Table 12. CO<sub>2</sub> equivalent for 2019**

Fuel consumption of vehicles - petrol	Fuel consumption of vehicles - diesel	Combustion of fuel in generators, of natural gas in heating boilers and refrigerant and extinguishing agent losses in air conditioning and firefighting equipment
423.06 Mg	35.35 Mg	262.35 Mg

In addition, Asseco Poland S.A. oversees processes which may result in incidental emissions of greenhouse gases to the air and takes actions to reduce the risk of environmental accidents.

During an inspection of compliance with environmental protection regulations carried out by the Voivodship Inspectorate for Environmental Protection (WIOŚ) in 2018, no non-compliance with legal requirements was found. In 2019, the Company once again successfully passed two periodic environmental audits, an internal and external one, confirming its operations in accordance with the requirements of ISO 14001:2015. In the reporting period, there were no penalties for breaching environmental protection regulations.

**Table 13. Fines for infringement of the environmental protection regulations**

Total number of environmental fines	Total number of environmental fines
0	0

### Risks identified in the area of climate and environmental issues

The Company has introduced regulations on risk management and non-compliance risk management.

In the documentation of the environmental management system for each place of conducting business activity, an analysis of factors affecting the system is made, including the analysis of identified risks and opportunities and their assessment.

#### *Risk of lack of compliance with legal requirements*

The most significant risk identified in the environmental management system is the risk of non-compliance with legal requirements.

The level of risk is minimized by ensuring that the competence of risk managers is raised, identifying legal and other requirements, monitoring compliance and taking corrective actions.

#### *The risk of a significant increase in electricity prices*

The Asseco Poland's employees use electronic devices, which require electricity from external suppliers in order to operate. A significant increase in electricity prices may result in a proportional increase in the Company's operating costs.

The Company manages risk by analyzing its energy demand on an ongoing basis and reducing its consumption, thanks to the gradual replacement of old energy-intensive appliances with energy-efficient ones.

*Risk of poor waste management*

Due to a specific nature of its operations, the Company does not generate a large amount of production waste. Asseco Poland's primary waste is municipal waste as well as electrical and electronic equipment. Regardless of the scale of production, there is a risk of improper waste management.

The Company minimizes the above risk by strictly applying and enforcing internal regulations and legal requirements in this area and cooperating with operators with appropriate permits for waste treatment.

**HUMAN RIGHTS ISSUES**

Human rights are vested in every person, and their source is human dignity.

All organizations, including capital companies, as employers, producers and contractors are obliged to respect human rights in an absolute manner. Wherever these rights could be violated, however, companies should take appropriate steps to change this situation and avoid taking advantage of the failure to respect them.

A general rule binding throughout Asseco Poland is observance and respect for human rights, including the right to freedom of association, the right to a safe working environment, non-discrimination, prohibition of child labor and the prohibition of forced labor. The violation of any of the aforementioned principles would not only constitute a violation of law, but also of the Company's core values.

The human rights policy of Asseco Poland is based on the following internal documents: the Code of Ethics, the Compliance Policy, the Work Regulations, the Purchase Policy, and the General Purchase Conditions applied by the Company.

In the Code of Ethics, the Company included rules 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., which form the basis for the conduct of the Company and its employees. The Code also explicitly refers to the obligation to respect human rights and labor law, as well as the principles of equal treatment and non-discrimination.

**Asseco Poland's values**

**Commitment**

We are fully committed to each and every project and the success of our Clients is our greatest satisfaction

**Respect**

We require trust, honesty and mutual respect both from ourselves and from others

**Quality**

We always maintain high quality standards in all of our activities

**Professionalism**

We continually upgrade our qualifications and are willing to share experience

**Effectiveness**

We are ambitious and consistent in striving to achieve our goals

**Responsibility**

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



In the area of effective implementation of human rights principles, the Code of Ethics is developed by the provisions of the Labor Regulations implementing and regulating, among others, the system of reporting complaints related to equality or human rights violations, which operates within the framework of HR services and incident management process.

**Table 14. Cases of discrimination**

Total number of confirmed cases of discrimination (in the workplace) in 2019
0

In addition to ensuring that human rights are respected within the Company, the Company also takes care to ensure that they are respected by its suppliers. Before entering into an agreement, Asseco Poland obtains statements from its suppliers, including (but not limited to) a statement on respect for human rights. Any violation of applicable law and best practice regarding human rights is tantamount to not engaging in or dissolving cooperation and adding the supplier to the list of suppliers of prohibited cooperation.

The Company applies due diligence procedures regarding the issue of respect for human rights among its suppliers. The Company monitors compliance with the above rule by collecting statements from its suppliers.

### Risks identified in the area of human rights issues

#### *Risk of human rights violation in the Company*

As in any large organization, there is a certain risk of human rights violation in Asseco Poland, especially to the extent that such violation could be caused not by the organization itself but by its employees. Such a risk may materialize by violating dignity or discrimination. Human rights violations within the Company would have a negative reputational impact both inside and outside the Company.

The Company manages that risk by ensuring clear and transparent rules of conduct towards its employees and introducing regulations aimed at preventing possible violations of human rights. The Company verifies personnel and compliance management processes on an ongoing basis and maintains the highest level of organizational culture. The Personnel Department and the Ethics Committee carry out continuous anti-discrimination and anti-mobbing monitoring.

#### *Risk of human rights violation by the Company's suppliers*

Although internal regulations are in place to ensure respect for human rights in the Company, there is a risk of suppliers violating these principles. Using the services of entities abusing human rights would have a negative impact on the Company's reputation and could also affect the morale of its employees.

The Company manages the risk by obliging its contractors to sign a statement of compliance with the human rights principles. Any information that a contractor violates human rights may result in a termination of mutual cooperation.

## ANTI-CORRUPTION ISSUES

The anti-corruption policy of Asseco Poland is regulated by the Supervisory Board Regulations, the Management Board Regulations, the Code of Ethics, the Compliance Policy, the Responsibilities of a Listed Company, as well as the Purchase Policy and the General Purchase Conditions applied by the Company.

Anti-corruption prevention and control measures are implemented at different levels in the organization and are essential to ensure its proper functioning. In accordance with the Code of Ethics, the Company does not

tolerate the acceptance or granting of illegal financial benefits, any form of extortion or corruption, consideration payments or "money laundering".

**Table 15. Cases of corruption**

Total number of confirmed cases of corruption in 2019
0

In addition, Asseco Poland prevents the occurrence of any forms of abuse, including using the Company in engagement in unfair market practices or acts of unfair competition. For this purpose, the Company conducts its operations in compliance with the standards set forth in the Code of Ethics and the Work Regulations and applies the consequences provided for by law in relation to people whose actions have caused or led to the occurrence of such abuses.

Asseco Poland takes care of observing the rules of ethics by its employees, practically from the moment they are hired. The Company conducts training in this area during an adaptation block for newly hired employees and co-workers.

**Table 16. Employees trained in the field of anti-corruption issues**

Share of employees trained in the field of anti-corruption issues within the adaptation block (%)
100%

In addition to initial training, cyclical training is also provided to Sales Department employees and Purchasing Coordinators due to the particular risk of corruption in these positions. The Company also conducts cyclical dedicated training courses for managers.

The Company also takes care of observing the principles of counteracting corruption by its suppliers. In accordance with the Company's General Purchase Conditions, both the Company and its suppliers warrant to each other that they are not aware of such practices by the other party or any third parties, and that they comply with all applicable laws, regulations, instructions and rules regarding bribery and corruption.

### Risks identified in the area of anti-corruption issues

#### *Risk of corruption cases occurring*

Operating within an extensive organizational structure with a relatively broad range of competences of individual organizational units carries the risk of incidental occurrence of corrupt events. The employees of the purchasing and sales departments are particularly vulnerable to events within the scope because they have direct contact with representatives of external entities, which may achieve a specific material advantage thanks to cooperation with the Company. The occurrence of such an event could have negative image effects on the Company, hinder future trade contacts and result in direct economic loss in the case of concluding a contract on non-market terms.

Asseco Poland manages the risk through appropriate selection of employees for individual positions, as well as through appropriate monitoring activities of the internal services responsible for this area.

**Signatures of Members of the Management Board to Asseco Poland's Report on non-financial data for 2019:**

Adam Góral	President of the Management Board
Andrzej Dopierala	Vice President of the Management Board
Krzysztof Groyecki	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

# Solutions for demanding business.

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