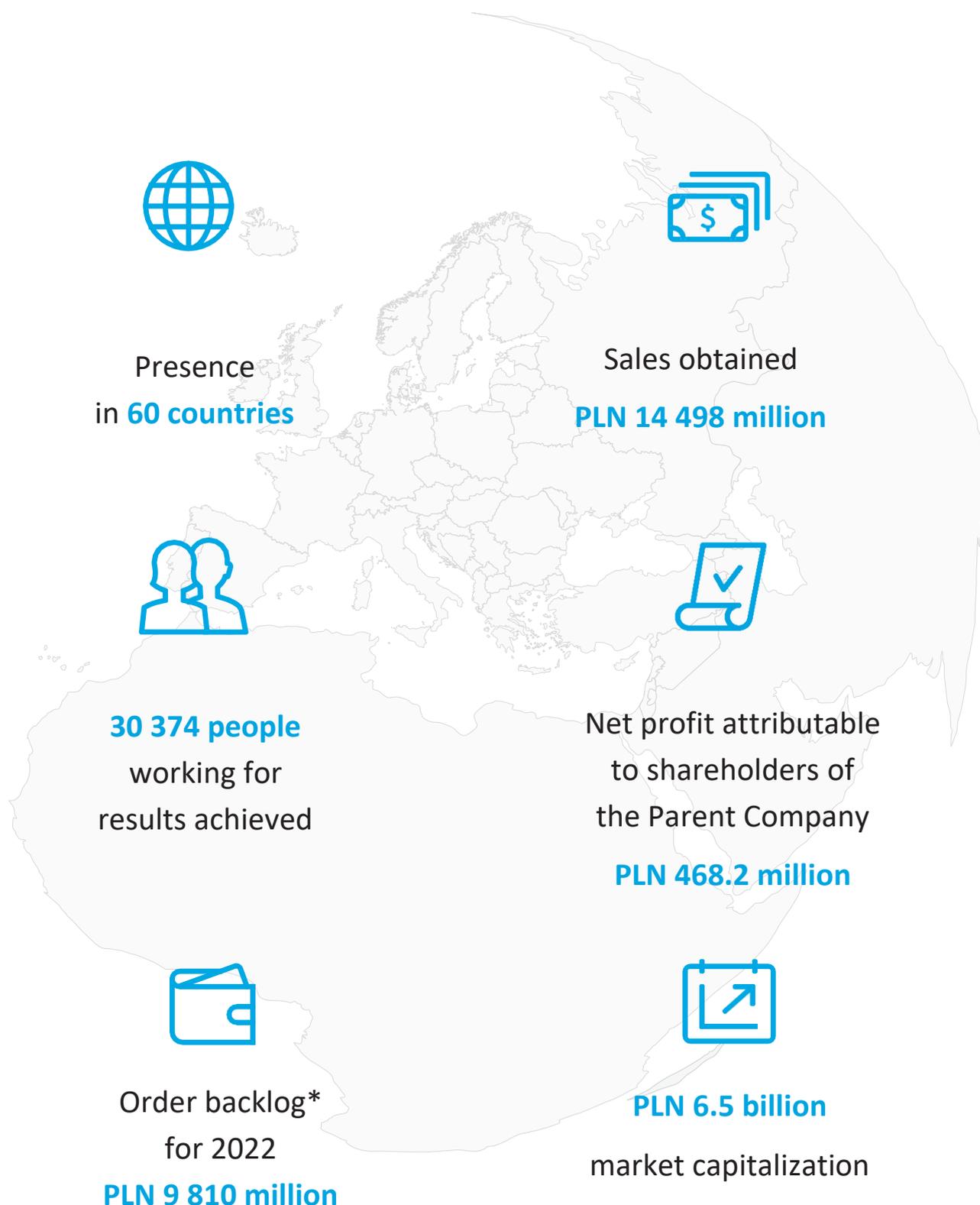




The Asseco Group's report
on non-financial information for 2021

ASSECO



* Applies to proprietary software and services

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INTRODUCTION

We are hereby presenting the Asseco Group's (hereinafter referred to as the "Group", the "Asseco Group") report on non-financial information for 2021 (hereinafter referred to as the "report") covering the Group's non-financial information for the period from January 1, 2021 to December 31, 2021. The report has been prepared 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 the 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 have been made on the basis of the materiality criterion, taking into account internal and external factors relating to the Group's operations. The main factors considered during the materiality assessment were:

- the industry in which the Group 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 subsequent fiscal years.

All policy descriptions and indicators in the report have been prepared taking into account data from the parent company and the subsidiaries identified later in the report.

When converting the amounts presented in the report into PLN, an average exchange rate announced by the National Bank of Poland (NBP) as at December 31, 2021 was adopted:

- EUR 1 = PLN 4.5994,
- GBP 1 = PLN 5.4846.

1. DESCRIPTION OF THE GROUP AND ITS BUSINESS MODEL

Asseco Group

The parent company of the Asseco Group is Asseco Poland S.A.

The Asseco Group is a federation of companies operating in 60 countries on 5 continents, which combine the competencies of a software and services company and a producer of technologically advanced software. The Group cooperates with companies and institutions from key sectors of the economy, including banking, energy, insurance, telecommunications, public administration and healthcare.

It is essential for the Asseco Group to be diversified in terms of products, sectors, and geography in order to avoid dependence on one or a few clients and suppliers. This approach allows us to significantly offset the impact of negative market factors on the Group's operations. Owing to such geographical diversification, the risk of adverse effects of local factors on the Group's operations is considerably reduced, while a wide range of products makes Asseco more resilient to potential downturns in individual market sectors.

The Group distinguishes three major operating segments: the Asseco Poland segment, the Formula Systems segment, and the Asseco International segment. The Group's companies operate primarily in the Polish, Israeli, Central European, Southeast European, and West European markets, as well as in the US and Portuguese-speaking African countries.

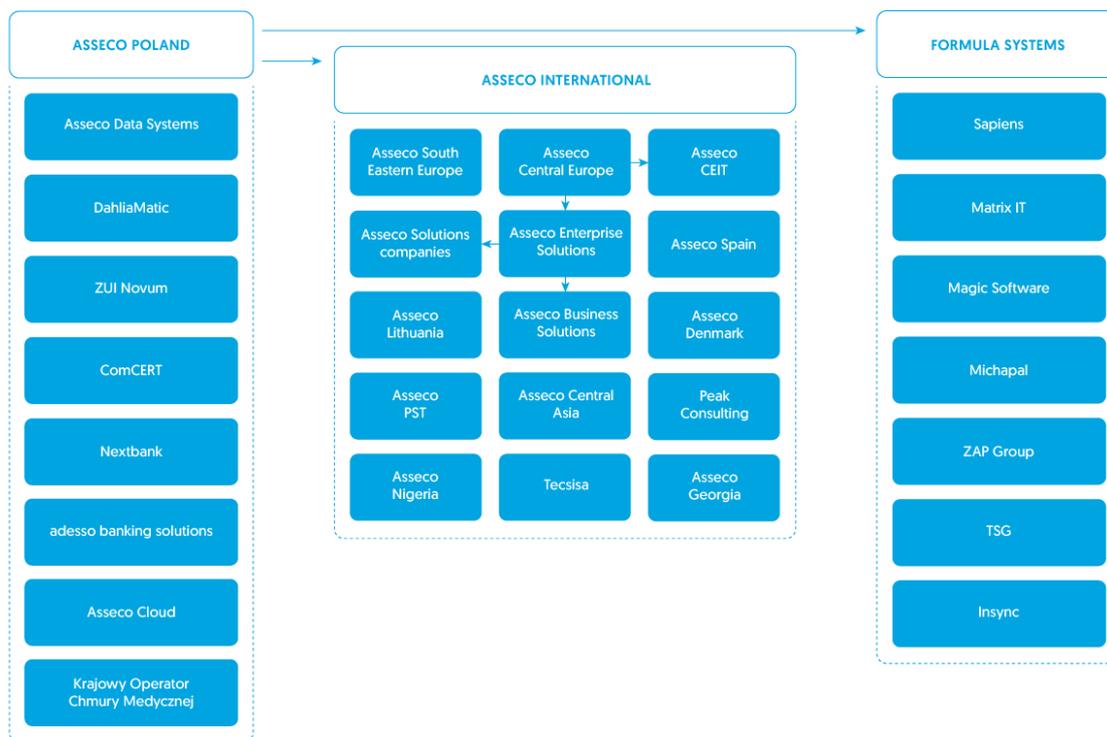


Figure 1. Simplified structure of the Asseco Group

The complete structure of the Group and a description of changes which took place therein during 2021 has been presented in explanatory note 3 to the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021".

Development strategy

The Asseco Group strategy focuses on creating long-term value for our stakeholders through organic growth and acquisitions.

The Asseco Group strategy of organic growth is focused on the production and sale of proprietary software and IT services to the global market. The Group's activities are based on sectoral technological and business competencies. Asseco offers comprehensive solutions for entire industries, and also sells standardized products for smaller entities.

For many years the Asseco Group has pursued an effective acquisition policy both at home and abroad. Since 2004, Asseco has successfully completed over 115 acquisitions, repeatedly increasing the scale of its operations and geographical reach.

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

Owing to our ongoing geographical expansion and enlargement of the portfolio of products and services offered, the Asseco Group has been increasing its revenues and operating profits for years.

The mission of Asseco Poland and the Asseco Group 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 product and service to support customers around the world in achieving their goals. Its employees form a competent, 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.

Market position of the Group

Asseco is one of the leading software producers in Europe.

In the industry report on the Polish IT market Computerworld TOP200 (edition 2021)¹⁾ Asseco Poland ranked 1st in five categories. The Asseco Group generated record revenues of over PLN 12 billion in 2020, up 14% year on year. This result once again ensured the Group first place in the category of the "Largest IT capital groups operating in Poland – Leaders of digitization in Poland". Asseco Poland is also invariably the largest provider of IT solutions and services for the public administration and uniformed services, as well as for large companies and enterprises. It also maintained its position as the largest provider of maintenance services. Its intensive development has also enabled it to be promoted to the 1st place as the largest custom software vendor, the 2nd place in the category of the largest providers of integration services and the 3rd place among the largest providers of IT services and solutions and IT services for the telecommunications sector. Asseco is also among the top companies with the highest net profit, R&D expenditures, as well as those providing integration services and cooperating with the healthcare sector.

High positions in the latest Computerworld TOP200 ranking were also occupied by other Asseco Group companies: Asseco Business Solutions remained at the 1st place in the category of the largest providers of Enterprise Resource Planning (ERP) systems and Asseco Data Systems ranked 2nd among the largest providers of training services.

Asseco Poland is also a leader in five categories of the ITwiz BEST100 ranking²⁾, which is a list of the largest IT companies in Poland. The Asseco Group achieved the highest revenues in the IT industry. In addition, for yet another year in a row, Asseco Poland ranked 1st in the categories of companies with the highest revenues from sales to government and uniformed services, large companies, as well as servicing and integration services.

Other Asseco Group companies also ranked high in the ITwiz BEST100 ranking. Asseco Business Solutions once again became the leader in the category of companies with the highest sales of ERP systems. In turn, Asseco Data Systems ranked 2nd among companies with the highest revenues from training in Poland, 3rd in the category of companies with the highest revenues from sales of application implementation services and 4th place among companies with the highest sales of ECM (Enterprise Content Management) class systems.

The Group's value creation is based on two pillars: development of proprietary software and services and increasing the scale of operations through acquisitions.

The Group's business model is based on building value by delivering proprietary software and IT services to business and public administration clients based on the best experience of the Group companies. Sales of proprietary software and services accounts for 78% of the Group's revenues.

The federation model

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

¹⁾ Computerworld TOP200, Ranking of IT and Telecommunications Companies, Edition 2021, ranking by achieved sales for 2020.

²⁾ ITwiz BEST100, Edition 2021, ranking by sales achieved for 2020.

Asseco Poland, as the Parent Company, is a majority shareholder in the companies incorporated within the Group, yet it does not seek to own 100% of shares and integration of their members.

Acquisition targets are primarily profitable entities with specialized and dedicated staff that will allow the Group to increase its competence in key business sectors, enter new geographic markets or strengthen its position in countries where it is already present.

The functioning of the Group in the federation model is based on mutual trust, people-based business and a set of clearly defined rules of cooperation between Group entities. Therefore, companies acquired by Asseco retain their local character and are often managed by the existing owners and management staff.

The benefits that the Group derives from this model of cooperation are:

- strengthening market position and customer confidence,
- access to interesting, locally well-known product solutions,
- knowledge of local markets, customers, business environment and unique considerations,
- access to local teams of native-speaking staff,
- responsible business conduct in relation to local stakeholders.

Companies that become part of the Asseco Group can count on:

- access to the products and experiences of other Group members,
- access to the Asseco Group sales network,
- financial empowerment,
- an international brand and a strong market position,
- access to global contracts with equipment suppliers.

Such a model of cooperation creates room for sales and cost synergies in the Group's operations. Its activities are geared towards the long-term improvement of the performance of its component companies.

2. EMPLOYEE ISSUES

Personnel policy

Due to the specific nature of the IT business and the fact that the success of a company in this industry is determined primarily by the knowledge and practical skills of its employees, the 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 Group.

The Asseco Group does not have a uniform policy in the area of labor and social issues, which results directly from the federation model of cooperation within the Group. The companies comprising the Asseco Group maintain a wide range of autonomy in their operations, and because they operate in different geographical locations and, consequently, in different legal, economic, and social conditions, the possibility of pursuing a uniform policy in this respect is significantly limited.

Owing to an international nature of the Group, the HR policy is implemented in compliance with the legal regulations applicable in the countries where individual Asseco Group companies operate as well as with the internal procedures and standards applied by these companies. Notwithstanding the above, the processes for attracting, retaining and developing employees are based on the company's competency model, which organizes employees' tasks and roles and supports the formation of a culture focused on customers, quality, performance, cooperation and professional development.

As at December 31, 2021, the Asseco Group employed 30 374 people, compared with 28 009 at the end of the previous reporting period. Average employment during the 12 months ended December 31, 2021, taking into account 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 29 256 versus 26 831

in the period of 12 months ended December 31, 2020. The calculation of these positions includes companies that joined the Group during the reporting period (in proportion to their period of consolidation) and excludes companies whose results are included in other operating activities or discontinued operations.

Table 1. Employment by department as at December 31, 2021

Total employees	Production departments	Sales department	Administrative departments	General management
30 374	26 335	1 662	2 143	234

The recruitment process in Group companies respects the principles of equality in terms of gender, origin, age, beliefs and other factors concerning the diversity of candidates. Due to the specificity of the industry, in the recruitment process the greatest importance is attached to the practical knowledge and qualifications of employees, which affects the selection of people with competencies best suited to a given position. Clear criteria are defined and an objective evaluation of qualifications ensures that job applicants have equal opportunities.

Table 2. Employment by gender as at December 31, 2021

Total employees	Women	Men
30 374	12 496	17 878

Table 3. Employment by age as at December 31, 2021

Total employees	Up to 30 years	31-40 years	41-50 years	51-60 years	Over 60 years
30 374	8 545	10 293	7 300	3 177	1 059

The Asseco Group provides an opportunity to perform work using electronic and other means of individual remote communications. Considering the risks associated with the COVID-19 pandemic, solutions have been put in place at Group companies that include extensive use of remote working.

The Asseco Group companies also conduct development programs for students and graduates in order to identify individuals with high potential. Participants in these programs have the opportunity to implement ambitious IT projects for companies in key sectors of the economies of individual countries. They also take part in numerous specialized and soft training courses.

Table 4. Number of participants in student and alumni development programs in 2021

Number of participants in internship and graduate programs
324

The Asseco Group has two trade unions: one in ZAP Group, which is a member of the Israeli trade union of companies operating in mobile/internet/hi-tech industries, and the other in Asseco Data Systems (Independent Self-Governing Trade Union "Solidarity").

Table 5. Number of trade unions

Total number of registered trade unions
2

Evaluation and employee development

Employees and co-workers of the Asseco Group companies are subject to regular evaluation processes.

Employee evaluation is performed in order to determine: the level of completion of assigned tasks, quality, timeliness and manner of their accomplishment as well as – which is essential – whether an employee's or co-worker's conduct is consistent with the values of individual Asseco Group companies. In addition, the following are assessed: fulfillment of individually set goals and development plans – using such tools as substantive training, conferences, certifications, postgraduate and doctoral studies, language courses and individual development sessions.

Training is provided by external entities or internal trainers as needed. Due to COVID-19, for most of 2021, development activities, as well as induction processes for new hires to fill positions and interns/trainees, were conducted remotely.

Some Group companies also place great emphasis on developing the language skills of their employees, including English, German and Spanish. Within the Asseco Group, language courses are financed or co-financed by: Asseco Poland, Asseco Business Solutions, Asseco Data Systems, and some of the Asseco Central Europe Group companies, Matrix IT and Asseco PST. Another area being developed is managerial competence. Training or coaching is offered, among others, by Asseco Poland, Asseco Business Solutions, Asseco Data Systems, Matrix IT, ZAP Group, Peak Consulting, and Asseco PST. Our employees are also developed through the implementation of mentoring programs conducted, for example, in the companies of Asseco Business Solutions and Asseco Central Europe.

Asseco Poland, as well as Asseco Central Europe operating in the markets of Slovakia and Czech Republic, have established a platform for employees to share their know-how and experience in order to improve their programming and database skills.

Peak Consulting has launched an internal e-learning platform, "Peak Academy", available to every employee, which offers a wide range of training courses conducted with different methods and tools in order to be most effective for every employee.

Asseco Data Systems, operating on the Polish market, every year carries out a number of employee development activities, including specialized and managerial trainings as well as executive coaching.

Asseco Lithuania has been implementing the project "Training of employees and improvement of their competencies" funded by the European Social Fund since 2019. Its purpose is to improve qualifications, expand knowledge and acquire specific skills for both existing and new employees. Additionally, once a year Asseco Lithuania organizes a meeting of all the company's employees to discuss the activities performed by individual departments, which supports the exchange of information within the company.

The main initiatives undertaken at Asseco South Eastern Europe Group (hereinafter "ASEE") in the area of training and development are focused on acquiring and expanding technical knowledge among programmers and engineers as well as on developing soft skills for the top management (leadership effectiveness). Dedicated training is also provided to all employees to acquire specific skills. Major areas in which employees were trained: technical skills, sales training, soft skills training, leadership training, financial management, software tools training, and on-the-job training.

Table 6. Development activities in 2021

Number of development activities carried out	Number of employees trained*
3 583	30 428*

* Employees may have participated in more than one development activity.

Additional non-wage benefits

The Asseco Group offers extra benefits to employees of individual companies. These vary from entity to entity and have not been standardized at the Group level. The most common non-wage benefits include:

- subsidizing medical care for employees and their relatives (e.g. Asseco Poland, Asseco Data Systems, Asseco South Eastern Europe, Asseco Central Europe, Asseco Business Solutions, Asseco Denmark, DahliaMatic, Magic Software, Matrix IT, Asseco Lithuania, ZAP Group),
- subsidizing subscriptions to sports facilities or sports events (e.g. Asseco Poland, Asseco South Eastern Europe, Peak Consulting, Asseco Business Solutions, Asseco Data Systems, DahliaMatic, Asseco Central Europe, Magic Software, Asseco Lithuania , Asseco Denmark, and Matrix IT),
- additional life or health insurance, retirement plans (e.g. Asseco Poland, Asseco South Eastern Europe, Asseco Data Systems, Asseco Denmark, Asseco Spain, DahliaMatic, Asseco Lithuania, Asseco PST, Magic Software, Peak Consulting),
- subsidizing access to cultural events (e.g. Asseco Data Systems, Asseco Central Europe, Asseco Lithuania, Formula Systems, Asseco PST, and Matrix IT),
- subsidies for recreation (e.g. Asseco Business Solutions, Asseco Data Systems, Matrix IT),
- subsidized meals (e.g. Asseco South Eastern Europe, Asseco Denmark),
- reimbursement or contribution to the cost of commuting to work (e.g. Asseco Lithuania, Peak Consulting, Asseco South Eastern Europe, and Asseco Central Europe
- additional support for the disadvantaged (e.g. Asseco Poland, Asseco Business Solutions),
- providing fresh fruit/healthy snacks (e.g. Asseco Poland, DahliaMatic, Asseco Denmark, Asseco Central Europe).

Apart from the above-mentioned benefits, there are also other benefits which are specific to individual companies of the Asseco Group, such as additional three days off in addition to the statutory holidays that may be used for relocation or taking care of a child during the first day of school (Asseco Central Europe), bonuses/allowances related to seniority (Asseco Central Europe, Asseco South Eastern Europe), use of company leased bicycles (Asseco Central Europe, ZAP Group), birthday gifts (Magic Software), grants for the purchase of computers (DahliaMatic), grants for the purchase of eye glasses (Asseco Poland, Asseco Data Systems), preferential fees for kindergarten (Asseco Spain), financial compensation in the event of a birth or loss of a close relative (Asseco South Eastern Europe), or support for the purchase of additional equipment for a remote workstation (Asseco Lithuania).

Significant risks identified in the area of employee issues

Risk of increased labor costs

The most significant portion of the costs associated with the projects are salary costs. With such high level of human resource input, an increase in salaries may adversely impact the margins realized on projects and consequently the results of the Asseco Group.

Management of the risk of an increase in labour costs by the Group companies consists in applying measures which reduce the probability of negative effects occurring when salaries change in particular markets. The Asseco Group mitigates this risk by constant monitoring of salaries and maintaining an appropriate structure of employment within particular levels of competence.

Risk of losing key employees

Operations of the Asseco Group companies and their development outlook depend to a large extent on the knowledge, experience and qualifications of employees, who implement the IT projects. High demand for IT specialists and the actions of competitors may lead to the departure of key personnel, as well as make it difficult to recruit new employees with the appropriate knowledge, experience and qualifications. There is a risk that resignation of key personnel will have a negative impact on the execution of IT projects carried out by the Group companies 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 the Asseco Group.

The Group manages the above risk by monitoring key positions – from the point of view of its operations – and ensuring appropriate motivation for employees. In addition to financial motivation based, among other things, on a performance-based bonus system, individual Group companies also provide employees with broad access to training and non-wage benefits.

3. SOCIAL ISSUES

Charitable activities and employee volunteering

In the Asseco Group, each company independently implements corporate social responsibility (CSR) activities based on its individual budget and the needs of the local community. The lack of centralized operations at the Group level is a direct result of the federation business model.

In 2021, Asseco Poland implemented the #AssecoForChildren charity campaign, which aimed to support the most needy students with access to knowledge. It provided 300 laptops along with mobile internet access. The total value of funds donated to this campaign was over PLN 730 000.

Other social projects carried out by the Group include the "We Bring Help" Christmas campaign organized by the employees of Asseco Poland and Asseco Data Systems. Its purpose is to provide financial support to organizations and individuals who provide assistance to those most in need or carry out environmental activities.

Asseco employees not only identify the institutions that will receive help, but also devote their time by engaging in charitable activities throughout the year. Each employee can submit an idea of who they want to help and in what form. In 2021, the value of support exceeded PLN 150 000.

Asseco Business Solutions, a company operating on the Polish market, has taken part in the "Szlachetna Paczka" project in 2021. As part of the campaign, employees of this company collected the amount of more than PLN 26 000 that was transferred to the Program beneficiaries. In addition, volunteers of this company participated in the tree planting action.

The companies of the Asseco Central Europe Group run the "Our City" program in their local offices. Volunteer activities are organized to help the local community. The companies support a single mother's club, a senior citizen's home, a children's cancer hospital, a school for autistic children and a hospital in Bratislava. In addition, local universities, museums, children from orphanages, seniors and people with disabilities received support. Companies in this group also provide material aid to families in difficulty, offer book-buying support to children, and donate a portion of their taxes to non-profit organizations. In addition, in 2021, the companies' employees decided to donate the Christmas gift budget to charitable foundations.

Asseco South Eastern Europe Group promotes and supports CSR activities and encourages its employees to get involved in social initiatives. Croatian employees were involved in helping to restore the high school's fence, which was damaged after a strong earthquake. In addition, they participated in the UNICEF charity run "The Milky Way race" to benefit children with disabilities. ASEE in Macedonia donated IT equipment to the Institute of Immunobiology and Human Genetics, while ASEE in Romania donated PLN 147 000 to UnitedWay's online education program for children and several other foundations, including "Daruieste Viata" which is involved

in building a hospital for children with cancer. Necomplus, an ASEE company, focused its efforts on online events promoting the integration and cultural diversity of its national workforce. In addition, an action called "NecomCare Day" was organized in October 2021, during which employees took part in an active morning promoting various sports activities. Donations raised at the event were given to local non-profit organizations to help women with breast cancer in their respective countries. ASEE Group company in Spain sponsored a calendar for APSA, an organization that helps people with disabilities, on the occasion of Christmas.

In November 2021, the male employees from Matrix IT participated in the global Movember campaign to raise awareness about men's mental health, prostate and testicular cancer. The amount raised was donated to a foundation that organizes research on male genital cancer.

Asseco PST, a provider of comprehensive solutions and software for the banking sector, operating in Portugal and Portuguese-speaking African countries, conducted relief operations for the Cabo Delegado Province in Mozambique. It also delivered food to children in Mozambique and Angola. It has supported families in financial distress in Madeira, including through food and book deliveries and donations to purchase essential household appliances. In 2021, the company supported a food collection campaign, as well as the Make-A-Wish non-profit foundation fulfilling the dreams of children struggling with serious illnesses. It has also purchased sleeping bags for homeless aid stations in Lisbon and Funchal. In addition, the company supported the Portuguese sports club Almada by providing the necessary sports equipment.

Asseco Lithuania supported scientific and cultural organizations and people in difficult economic situation by making donations to the disabled, sick children, children from orphanages or poor families, elderly and lonely people. Charity campaigns are long term and focused on building lasting relationships with beneficiaries. In 2021 Asseco Lithuania was a co-organizer of IT competitions and conferences, e.g. for mathematicians and computer scientists at Vilnius University. The company also supported the initiative of the Red Nose Doctors Clowns association, which organizes online entertainment sessions for children in hospitals, the Lithuanian Red Cross, and other initiatives such as the Public Library of the Year competition.

Asseco Spain continued to run the "Fundación Asseco" foundation established in 2020, which aims to provide health centers, hospitals and schools with tools to support the digitization of these institutions. Additionally, the company employs people with disabilities through the Goodjob Foundation.

ZAP Group has made donations to non-profit organizations in the form of digital advertising or website design. In addition, it provided Christmas gifts to those in need, conducted employee charity events, and provided regular flower deliveries to hospitals free of charge.

Other Asseco Group companies are also engaged in charitable initiatives, such as support for children, young people and families in difficult financial situations, people with disabilities, or shelters for homeless animals. The Group's employees also take part in sporting events, from which part of the proceeds is donated to charity.

The Group's employees participate in substantive events for IT professionals and students and graduates. For example, Asseco Poland is actively involved in the promotion and training of Polish programmers. The company's experts lecture at universities across the country, and the best students and graduates can join the Asseco team. With their development in mind, the proprietary Asseco Starter program has been created. The sixth edition of the program enrolled 28 students in a 3-month internship and 22 students in a 9-month graduate program.

In 2021, 70% of the trainees in the Asseco Starter program decided to continue their employment with Asseco Poland. In total, nearly 180 interns and nearly 100 graduate students have participated in the program over a 6-year period. Every year Asseco Lithuania actively supports the Faculty of Mathematics and Computer Science at the Vilnius University, whose graduates account for more than half of the company's current employees.

Table 7. Number of employees engaged in employee volunteerism in 2021

Number of employees involved in volunteering
1 905

Table 8. Amount allocated for donations and grants in 2021

Area	Amount [PLN]
Education	1 859 000
Social assistance	1 105 000
Health care	887 000
Sports	138 000
Other	69 000
Total	4 058 000

In connection with the war in Ukraine, the Group companies have provided assistance to the inhabitants of this country. As at the date of publication of this report, Asseco Poland has contributed nearly PLN 2.5 million for this purpose. The company has also established cooperation with non-governmental organizations (NGOs) and with the crisis staff of the Rzeszów City Hall and the City of Warsaw. In addition, Asseco Poland employees have become involved in helping refugees. A dedicated team supports the ongoing relief efforts. Other companies of the Group that decided to provide financial support to refugees include Asseco Business Solutions (PLN 300 000) and Asseco Central Europe (PLN 150 000). DahliaMatic, in turn, set up a “piggy bank” as part of a collection organized by the Siepomaga Foundation. The amount raised by March 4, 2022 was doubled by its management board, bringing the total to more than PLN 36 000 to the foundation. Additionally, many employees of Asseco Group companies organize a number of grassroots initiatives, such as collecting foodstuffs, clothes, toys, or organizing overnight stays.

Asseco Group vs COVID-19

Faced with COVID-19, the Asseco Group has undertaken a number of relief efforts since the beginning of the pandemic. Many of the activities launched in 2020 were continued in 2021.

Asseco South Eastern Europe successfully deployed its "Live" product at the information center of the Government of the Republic of North Macedonia, which was designed to support businesses and citizens with economic issues while coping with the crisis caused by the COVID-19 pandemic.

Asseco Central Europe also remains active in the healthcare sector. The Company is pursuing a number of development initiatives in this area. One of them is to create IT tools that will enable the development of telemedicine, for which Asseco Central Europe will allocate more than PLN 32 million, of which more than PLN 4.5 million will come from its own resources, while the remaining amount will be subsidized by the European Union. The project began in February 2021 and will run through June 2023. Asseco Central Europe, in cooperation with the Slovak University of Technology in Bratislava, the University Hospital in Martin, the Jessenius Faculty of Medicine in Martin and the Comenius University in Bratislava, has developed the MEDasistent application to help fight the pandemic. It allows patients to be monitored and evaluated remotely without hospitalization. Owing to it, the attending physician is able to check the patient's health status and catch the moment when their condition worsens. The application is intended to relieve the burden on medical staff, save hospital resources and increase the number of available beds for seriously ill patients. Through the MEDasistent app, the doctor has an overview of the patient's results and is therefore able to monitor the patient's current health status and determine further treatment quickly, efficiently and at regular intervals. The app resulted in 82 patients being treated in 3 months of 2021, 69 of whom were not hospitalized.

During the period reported Asseco Data Systems was engaged in intensive efforts to implement security and trust services, including electronic signature, in companies and institutions. The company participated in standardization work at the national and European level related to video-verification of identity, on the basis of which it is possible to issue qualified certificates for electronic signature and electronic seal. Asseco Data Systems developed a platform for the management of HR processes in business, as well as integrated IT solutions for the management of universities, teaching processes, and development of employee competence. Asseco Poland cooperates with more than 50 universities in Poland. Asseco Academy, which for years has been one of the leading providers of training courses in the Polish market, reacts dynamically to changing needs of its customers and adapts its offer to them. Its portfolio includes over 600 trainings. More than 65 000 have been completed to date, attended by over 500 000 people from 35 000 companies. The company also focused on activities related to the digitization of local government entities. Its solutions are used by more than 220 local governments. Activities focusing on the implementation and monitoring of smart city services (Smart City) were also implemented.

Asseco Business Solutions offered its clients the transfer of a portion of their sales processes to the so-called virtual reality. The purpose of this process was to enable them to start effective digital cooperation with retail chains and stores through the online platform Direct Portal by Asseco. Direct Portal by Asseco allows manufacturers to complement traditional in-store sales visits with remote cooperation and direct communication with retail chains and outlets. In addition, the system helps manufacturers maintain ongoing relationships with their contractors and supports their field sales forces in successfully achieving their goals. The company has also consistently expanded its range of products and services that enable commercial processes in e-commerce channels (B2C, B2B, D2C). A number of new functional capabilities were introduced to the solutions supporting this sales channel in 2021, and their scope of integration with external systems was increased. As far as ERP class solutions are concerned, a number of functionalities were implemented, allowing users to practically implement the idea of "paperless" digitization of key business processes. The systems of Softlab ERP, Macrologic ERP, and Wapro ERP offer solutions (HR Portal and Businesslink by Asseco) that enable electronic exchange of documents with customers and suppliers and, through a managerial and employee portal, with the employed staff, also with the use of electronic signature.

Sapiens, which operates in the Israeli market, organized a vaccination campaign against COVID-19 at the Sakra World Hospital in India in 2021. This campaign was designed to promote actions improving the overall situation, as well as safety and health.

Sponsorship

The Asseco Group works for the development of sports and supports local sports teams.

The Asseco Poland Group supports local sports teams – Asseco Poland is the main sponsor of Asseco Resovia Rzeszów volleyball team and Asseco Arka Gdynia basketball team, which is also supported by another Group company, Asseco Data Systems. Asseco Data Systems is also a sponsor of the volleyball team KS Pałac Bydgoszcz.

In addition, Sapiens sponsored the 2021 Virtual TINtech Conference, which covered topics including how technology supports and enables effective business and operating models and delivers efficiencies and transforms the customer experience, and a panel discussion, "Digital Underwriting To Drive Sensful Growth", where employees with years of experience could share their professional stories.

Table 9. Amount allocated to sponsorship in 2021

Area	Amount [PLN]
Sports	14 414 000
Conferences, hackathons	402 000
Total	14 816 000

Mental and physical well-being of the Asseco Group employees

The Asseco Group supports its employees' physical activity. It also provides psychological support, especially important during the coronavirus pandemic. Employees of the Group companies were able to take advantage of the online formats implemented in 2021:

- sports activities (e.g. yoga, pilates),
- webinars on work ergonomics,
- webinars on pandemic safety rules,
- webinars on various psychological aspects, including stress management, mindfulness or work-life balance,
- webinars on healthy lifestyles, including healthy eating,
- "virtual clinic" visits,
- activities for children (e.g. theater productions, art and music classes).

Table 10. Activities to promote healthy lifestyles in 2021

Number of programs	Number of employees participating in programs*
63	9 337*

* Employees were able to participate in more than one program promoting healthy lifestyles.

In addition, the Asseco Group companies fully control the presence of their employees in the offices, ensuring all protective measures. Employees are given the option of using office equipment at home to work remotely.

All team building events were completed online this past year, during which the employees, among other things, cooked together, visited virtual escape rooms or created wax products and Christmas decorations.

The Asseco Group also maintains a documented dialogue with employees in the form of surveys and studies of their involvement and satisfaction. This practice is followed, among others, by Asseco Lithuania, which regularly takes care of the mental health and well-being of its employees in the era of COVID-19.

Asseco Poland conducted another edition of employee satisfaction and engagement survey in 2021. It addressed various areas of organizational performance, including evaluating the effectiveness of remote work, internal communication, opportunities for growth during the COVID-19 pandemic, life-work balance, and workflow and customer orientation. Through the survey, the company has identified priorities for company-wide and local activities in individual business units.

Peak Consulting was named a "Great Place to Work" in 2021. As a consulting firm whose success depends on employee satisfaction, Peak Consulting is successfully committed to providing the best possible work environment and establishing and maintaining strong community relationships.

Significant risks identified in the area of social issues

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

The Group conducts numerous and extensive social and sponsorship activities. There is a risk that the abandonment of any of the current activities could lead to dissatisfaction on the part of employees and the communities benefiting from the activity, with a consequent negative impact on the Group's image.

The Group manages risk through ongoing monitoring of its activities, their image scale.

4. CLIMATE AND ENVIRONMENTAL ISSUES

The IT industry in which the Asseco Group operates is characterized by a relatively low impact on the natural environment. These activities do not produce significant emissions, generate significant amounts of waste, or consume environmentally important raw materials. The scale of the environmental impact is related to the scale of operations and waste generated by the employees and the electricity consumption and car use per employee.

The Asseco Group does not have a uniform policy on environmental issues, which results directly from the federation model of cooperation within the Group. Owing to their geographical dispersion, companies comprising the Asseco Group are subject to various legal regimes and, consequently, to different environmental protection requirements.

Despite the lack of a uniform environmental policy, companies of the Asseco Group act in compliance with the requirements of applicable legal acts. They strive to make the company sustainable by minimizing the negative impact on the environment. In their day-to-day operations, the companies pay particular attention to the issue of electricity consumption, as well as to their obligations to recycle electrical and electronic equipment, which is the primary working tool of the Group's employees. Other types of waste, other than municipal waste, typical for the Asseco Group companies are: used filters from ventilation systems, batteries and accumulators, packaging waste (cardboard, glass, and wood packaging, as well as packaging contaminated with or containing residues of hazardous substances or mixtures used to maintain cleanliness and hygiene of sanitary facilities or rooms). This type of waste is transferred to waste treatment plants with appropriate permits for transport, collection and processing in accordance with the legal regime of the country in which the company operates.

The Asseco Group companies take active measures to improve their energy efficiency, which translates into both environmental benefits and lower costs of our operations. For example, in the long term, ZAP Group is planning to implement greenhouse commissioning to use alternative energy. In turn, ASEE Group verified the source of energy with their suppliers in each country in 2021 and noted that 11% of the energy was generated by renewable energy sources. The remaining 89% is referred to as "non-renewable". ASEE Group has declared its willingness to analyze the possibility of increasing the acquisition of used energy from renewable sources. In turn, Asseco Poland strives to minimize electricity consumption by implementing such solutions as replacing LED lamps in offices, purchasing energy-efficient equipment, replacing cars from the fleet with more fuel-efficient ones, or installing timers at water dispensers and motion sensors in toilets.

Furthermore, depending on specific legal requirements in a given country, companies are obliged to record other data related to environmental impact, e.g. the Polish companies of the Asseco Group are obliged, among others, to record their fuel consumption and incidental emissions of fluorinated greenhouse gases for the purposes of reporting.

In October 2021, another Group company, Asseco Lithuania, obtained ISO 14001:2015 Environmental Management System certification. According to it, procedures have been introduced in the organization to manage environmental aspects and to prepare for accidents and response actions. Among the most important of these are:

- use of natural resources and materials such as water, paper, etc. and selection of suppliers,
- use of energy resources,
- atmospheric and water pollution,
- generation of hazardous and non-hazardous waste,
- disturbances such as electromagnetic radiation, ergonomic factors, noise,
- aspects of products and services such as electronic equipment waste etc.,
- fire and its negative impact on the environment: atmospheric pollution, soil contamination,
- oil spill and its negative impact on the environment: soil contamination,
- accident (injury or death) and their possible impact.

Designated employees of the company are required once a year to review and evaluate such aspects in terms of their impact on the environment and related parties, legal requirements, requirements of related parties, accidents or the possibility of their occurrence, the importance of the aspect, etc. After defining and evaluating them, goals and tasks for environmental protection are established: environmental monitoring, responsible waste management by transferring waste to specialized entities, instruction and training of employees. In turn, the list of threats is reviewed and updated as necessary. Risks are tracked as part of an accident prevention and response plan, and employees are instructed on how to handle extreme situations.

Other examples of initiatives implemented by the Asseco Group companies with the objective to minimize their negative impact on the natural environment and climate include

- replacing vehicles with new ones that meet higher environmental standards and purchasing hybrid and plug-in vehicles,
- monitoring the use of company vehicles,
- purchasing higher efficiency equipment,
- monitoring water use to minimize water consumption, installing timers at water dispensers,
- periodic and timely inspections of air conditioning and firefighting equipment,
- installing controls to automatically stop operation of air conditioners after business hours,
- using energy-efficient lighting,
- using green cleaning products that contain fewer chemicals,
- reducing the use of disposable dishes and plastic bottles,
- provision of appropriate containers for waste segregation in company offices together with instructions for handling the selected waste fraction,
- resale of functioning equipment (laptops, computers, telephones) to employees, after the planned period of use, 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,
- introduction of digitization, electronic circulation of documents, invoices, use of electronic signatures to reduce paper consumption,
- taking action to increase the environmental awareness of employees, co-workers and external customers (e.g. training, own programs/actions on the benefits of using digital tools in different areas of life, participation in external programs/associations promoting digitalization processes).

In 2021, ASEE Group implemented the Environmental Policy to reduce greenhouse gas emissions. In addition, the Sustainability Team has been formed to support the policy's introduction.

As stated in this policy, ASEE Group aims to:

- reduce consumption of energy and natural resources,
- contribute to managing the climate crisis by reducing greenhouse gas emissions,
- increase the proportion of energy consumed from renewable sources,
- protect the local environment.

As a result of this new policy, each local ASEE Group company has designated a "Sustainable Development Specialist" responsible for the local implementation of the environmental policy.

In 2021, the Asseco Group companies were not penalized for violating environmental regulations.

Table 11. Number of penalties for non-compliance with environmental laws and regulations in 2021

Total number of environmental penalties
0

EU taxonomy

The EU taxonomy is a classification system for environmentally sustainable economic activities.

According to:

- Article 8 of the Regulation 2020/852 of the European Parliament and of the Council of June 19, 2020 on establishing a framework to facilitate sustainable investment (Regulation 2020/852),
- EU Commission Delegated Regulation 2021/2139 of June 4, 2021 establishing technical eligibility criteria for determining the conditions under which an economic activity qualifies as making a significant contribution to climate change mitigation or adaptation, and whether that economic activity does not cause serious harm to any other environmental objective (Technical Eligibility Criteria),
- EU Commission Delegated Regulation 2021/2178 of July 6, 2021, supplementing Regulation 2020/852 by clarifying the content of the presentation of information on environmentally sustainable business activities to be disclosed by companies subject to Article 19a or 29a of Directive 2013/34/EU, and specifying the method to comply with this disclosure obligation (Disclosure Regulation),

the parent company of the Asseco Group, Asseco Poland, has analyzed the business activities conducted by the Group in 2021 with respect to the Taxonomy, and presented below its key ratios for the proportion of turnover, capital expenditures, and operating expenses related to the activities qualified for the Taxonomy and those not qualified for the Taxonomy.

Analysis of Taxonomy Eligible Activities

Asseco Poland has analyzed all of the Group's business activities in relation to those identified in the Taxonomy for the first two environmental objectives to determine which of them may contribute significantly to climate change mitigation or adaptation.

The analysis was based on the descriptions of eligible activities contained in the Technical Eligibility Criteria, following a comprehensive review of the Group companies' operations, with participation of experts in ESG, controlling and reporting areas of Asseco Poland.

Values of key indicators

Asseco Poland calculated the key indicators for the Group in accordance with the Disclosure Regulation based on its processes, existing reporting systems and the adopted assumptions.

To calculate the portion of revenues, capital expenditures and operating expenses that qualify for the Taxonomy, the Company used the methodology described in Appendices 1 and 2 of the Disclosure Regulation. Activities qualified based on the Technical Eligibility Criteria but not material in 2021 in terms of revenues, capital expenditures or operating expenditures are not included in the indicators.

Key performance indicators related to turnover

Table 12. Percentage of turnover qualifying for the Taxonomy

Business	Turnover [PLN thousand]	Share in turnover [%]
A. ACTIVITIES ELIGIBLE FOR SYSTEMATICS	10 662 595	74%
8.1. Data processing; web site management (hosting) and related activities.		
8.2. Activities related to software, computer consultancy and related activities.		
B. ACTIVITIES THAT DO NOT QUALIFY FOR SYSTEMATICS	3 835 455	26%
Total (A+B)	14 498 050	100%

The ratio of the proportion of revenues related to the activities qualified for the Taxonomy was calculated by dividing the total revenues from the activities qualified for the Taxonomy by the operating revenues as defined in Note 5.1 of the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021".

Due to the transitional nature of the disclosures for 2021, including the lack of a comparative period and the lack of reporting on the alignment of activities with the Taxonomy, the following qualitative information has not been disclosed:

- a quantitative breakdown of the numerator to illustrate key drivers of change in KPIs during the reporting period, such as contract revenue, rental revenue, or other revenue sources,
- amounts related to business activities consistent with the Taxonomy conducted for the Group companies' own purposes,
- qualitative explanations of the key elements of the changes in KPIs in relation to turnover during the reporting period.

Key performance indicators related to capital expenditures

Table 13. Percentage of capital expenditures (CapEx) eligible for the Taxonomy

Business	CapEx [PLN thousand]	CapEx share [%]
A. ACTIVITIES ELIGIBLE FOR SYSTEMATICS	589 761	89%
8.1. Data processing; website management (hosting) and related activities.		
8.2. Activities related to software, computer consultancy and related activities.		
B. ACTIVITIES THAT DO NOT QUALIFY FOR SYSTEMATICS	74 584	11%
Total (A+B)	664 345	100%

The ratio of the Asseco Group's capital expenditures related to the activities classified in the Taxonomy was calculated by dividing the total capital expenditures related to the activities classified in the Taxonomy by the total capital expenditures recognized in the "Consolidated Financial Statements of the Asseco Group for the Year Ended December 31, 2021", calculated according to the definition of the Taxonomy, according to which the total investments include an increase in:

- property, plant and equipment ("Property, plant and equipment" – Note 6.1 to the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021"),
- expenditures for research and development projects ("Software and licenses generated internally" – explanatory note 6.2 to the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021",
- expenditures for other intangible assets (other 'Intangible assets') – explanatory note 6.2 to the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021"),
- right-of-use assets ("Right-of-use assets" – explanatory note 6.3 to the "Consolidated Financial Statements of the Asseco Group for the year ended December 31, 2021").

Due to the transitional nature of the disclosures for 2021, including the lack of a comparison period and the lack of reporting on the alignment of activities with the Taxonomy, the following qualitative information has not been disclosed:

- significant changes that occurred during the reporting period with respect to the implementation of capital expenditure plans,

- the quantitative breakdown at the aggregate level of economic activity of the amounts included in the numerator,
- a qualitative explanation of the key elements of the changes in capital expenditure KPIs during the reporting period.

Key performance indicators related to operating expenses

Table 14. Percentage of Operating Expenses (OpEx) eligible for Taxonomy

Business	OpEx [PLN thousand]	OpEx share [%].
A. ACTIVITIES ELIGIBLE FOR SYSTEMATICS	439 239	85%
8.1. Data processing; web site management (hosting) and related activities.		
8.2. Activities related to software, computer consultancy and related activities.		
B. ACTIVITIES THAT DO NOT QUALIFY FOR SYSTEMATICS	76 515	15%
Total (A+B)	515 745	100%

As defined in the Disclosure Regulation, operating expenses considered for the purpose of calculating the Group's operating expense ratio related to eligible activities, defined as eligible operating expenses in the numerator of the ratio and total operating expenses in the denominator, include:

- non-capitalized costs related to research and development,
- building repair work,
- short-term rentals,
- maintenance and repair,
- any other direct expenses related to the day-to-day operation of fixed assets by the business or a third party contracted to perform activities necessary to ensure the continued and efficient operation of those assets.

As defined by the Disclosure Regulation, expenses for energy, among others, have not been taken into account as they are not direct expenses related to the day-to-day operation of property, plant and equipment.

The ratio of the Asseco Group's operating expenses related to qualifying activities was calculated by dividing the operating expenses related to qualifying activities described in the business analysis by the sum of operating expenses corresponding to the above definition.

Due to the transitional nature of the disclosures for 2021, including the lack of a comparative period and the lack of reporting on the alignment of activities with the Taxonomy, the following qualitative information has not been disclosed:

- a quantitative breakdown of the numerator to illustrate the key drivers of change in KPIs for operating expenses during the reporting period,
- qualitative explanations of the key elements of the changes in KPIs for operating expenditures during the reporting period,
- other expenses related to the day-to-day operation of property, plant and equipment, which are included in the calculation of operating expenses in both the denominator and numerator.

Significant risks identified in the area of environmental issues

Risk of non-compliance with regulatory requirements

The most significant environmental risk identified in the Group companies is the risk of non-compliance with legal requirements applicable in the territory. Numerous and frequent legislative changes in individual countries where the Asseco Group is present make this aspect of its operations very important.

The level of risk is minimized by identifying legal and other requirements on an ongoing basis, monitoring implementation, compliance and taking corrective and improvement actions.

Risk of significant increase in electricity prices

The Asseco Group employees work primarily with electronic devices that require electricity from external suppliers. A significant increase in electricity prices in the countries in which the Group's companies operate may result in a commensurate increase in the cost of doing business for those companies.

The Group companies manage the risk by analyzing their energy needs on an ongoing basis and possibly reducing energy consumption by gradually replacing old energy-consuming equipment with energy-saving devices, as well as by signing long-term contracts with electricity suppliers, which guarantees stable energy prices in the long term.

Risk of poor waste management

Due to the nature of its operations, the Group does not generate a large amount of production waste. The main types of waste generated by the Asseco Group are municipal waste and electrical and electronic equipment. Regardless of the scale of generation, there is a risk of mismanagement.

The Group minimizes the above risk by strictly applying and enforcing internal regulations and legal requirements in this respect, as well as by cooperating with operators holding the relevant permits for waste processing.

5. ISSUES CONCERNING RESPECT FOR HUMAN RIGHTS

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

As employers, producers and contractors, all organizations, including capital companies, are required to respect human rights without exception. Wherever these rights may be violated, however, companies should take appropriate steps to change the situation and avoid profiting from disregard of these rights.

The Asseco Group has not adopted a uniform policy on respect for human rights, which results from its federation model of cooperation giving the Group companies considerable autonomy in adopting internal regulations. Furthermore, due to the territorial dispersion of the Asseco Group companies, they are subject to various legal regimes with specific and territory-specific solutions to address human rights issues.

It is a general principle of the Asseco Group to respect and observe human rights, including 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 by the Asseco Group companies would not only violate the law, but would also violate the basic values by which the Group is guided.

In 2021, no human rights violations were reported at the Asseco Group.

Table 15. Cases of discrimination in 2021

Total number of confirmed cases of workplace discrimination
0

Significant risks identified in the area of respect for human rights

Risk of violation of human rights in the Group

As in any large organization, also in the Asseco Group there is a certain risk of violation of human rights, especially to the extent such violation could be caused not by the organization itself, but by its employees. Such risks can materialize through violations of dignity or manifestations of discrimination. A situation of human rights violation within the Group would have negative reputational effects, both inside and outside the organization.

The Group manages risk by ensuring clear and transparent rules of conduct for its employees and introducing regulations to counter possible human rights violations.

Risk of human rights violations among the Group's suppliers

Despite the assurance of internal regulations guaranteeing respect for human rights in the individual companies comprising the Group, there is a risk of violations of these principles among suppliers. The use of human rights abusers would have a negative reputational impact on the Group and could also affect the morale of its employees.

6. ANTI-CORRUPTION ISSUES

The Asseco Group does not have a uniform policy on corruption prevention, which results from the federation model of cooperation within the Group. Due to territorial dispersion – companies of the Asseco Group operate in various legal, social, and cultural environments – no central anti-corruption policies have been established at the Group level.

Companies have their own practices in this area, which is the most efficient solution. Preventive and control activities in the field of anti-corruption are implemented at various levels of the organization and are necessary to ensure the proper functioning of companies. Examples include adoption and implementation of codes of ethics, policies anti-corruption, fair competition or conflict of interest policies, as well as promoting high market and ethical standards in business operations, conducting training for newly hired employees, cyclical training for employees from sales and purchasing departments and dedicated training for managers. In companies with internal audit departments, cyclical audits are also conducted with regard to the correctness of the agreements concluded by the companies.

For example, at Asseco Poland the anti-corruption policy is regulated by the: Bylaws of the Supervisory Board, Bylaws of the Management Board, Code of Ethics and Business Conduct, Compliance Policy, Vademecum on Counteracting Corruption and Conflict of Interest, Bylaws of Obligations of a Listed Company, and Purchasing Policy. Anti-corruption prevention and control activities are implemented at various levels of the organization as necessary to ensure its proper functioning. According to the Code of Ethics and Business Conduct, Asseco Poland does not accept taking or granting illicit benefits, any form of extortion or corruption, or illegal trading in money. Care is also taken to ensure that ethical standards are met by employees from the moment they are hired. Training is provided in this area during the adaptation block for newly hired employees and associates. Asseco Poland has also implemented communication channels dedicated to reporting violations, including those related to corruption and conflict of interest. The implemented anonymous whistleblowing channel provides full protection of the reporting person from negative consequences of the report and can be used by all employees, colleagues and third parties. The procurement process was designed to ensure transparency in supplier selection. Documents defining the rules of cooperation with suppliers have been implemented, including, among others, principles of purchase ethics and rules of supplier qualification, as well as General Terms and Conditions of Purchase. According to them, suppliers commit to act in accordance with the principles of fair competition and observe good business practices.

An example of a group of companies within the Asseco Group that has an extensive and implemented anti-corruption policy is the Formula Systems Group. It has a group-wide adopted code of ethics, an insider trading policy, and other policies and procedures to adequately monitor and prevent corruption. The Formula

Group's activities in this area include distribution and dissemination of anti-corruption regulations, confirmed by a statement that each employee has read them, internal whistleblowing procedures, as well as other activities in this area.

Sapiens updated its code of ethics and anti-corruption policy in 2021, and specific training on these topics is planned for 2022. In addition, the Company has implemented a whistleblower procedure and appointed a contact person to clarify any concerns related to the Code of Ethics.

In turn, in Asseco Central Europe, emphasis is placed on compliance with the principles of the Code of Ethics, which thoroughly explains the issues related to fair competition, fair business practices, anti-trust regulations, corruption and bribery. The Code also systematizes procedures for whistleblowing and protection from retaliation. Familiarization with the code of ethics is part of a new employee's induction package.

Another example of implementing anti-corruption procedures is the Asseco South Eastern Europe Group. It is governed by an anti-corruption policy that applies to all companies that make up the ASEE Group and includes a broad definition of employees (including consultants, contractors, agents). Bribery and corruption are broadly defined and also include issues of unauthorized gifts and expressions of hospitality. Permitted gifts and gratuities must meet criteria related to value, purpose and prior approval of the authorized person. Accepting cash in any amount (or its equivalent in the form of coupons) is prohibited. Information on gifts/invitations offered or accepted by an employee is provided to the unit's Finance Director, who maintains a record of all invitations or gifts and reports it quarterly to the Group Finance Director. Employee participation in annual anti-corruption training is mandatory and includes new employees as part of the onboarding process. In addition to the anti-corruption procedures, there is also a conflict of interest policy that requires all employees of local companies to report information about potential conflicts of interest. For local unit directors, this issue is also addressed in the articles of incorporation and management board service agreements. The Group also has a fair competition policy, which includes provisions on preventing activities that may be considered unfair competition.

In one of the ASEE Group companies, in the Romanian branch, a case of corrupt activities was identified in 2021. The notice was filed with the Anti-Fraud Office in Bucharest. Disciplinary proceedings were initiated to confirm the validity of the corruption allegations. After conducting it, it was determined that between 2015 and 2019, certain unauthorized gift certificates were sent by a third party directly to a company employee. As a result of the disciplinary proceedings, the violation was ordered to be punished in accordance with the provisions of the Internal Regulations, the Company Collective Agreement and taking into account the provisions of the Anti-Corruption Policy.

Table 16. Cases of corruption in 2021

Total number of confirmed corruption cases
1

Significant risks identified in the area of counteracting corruption

Corruption risks

Operating within an extensive organizational structure with a relatively wide range of competencies of individual organizational units carries the risk of incidental occurrence of corrupt events. Employees of purchasing and sales departments are particularly exposed to incidents in this area, as they are in direct contact with representatives of external entities, who may achieve certain material benefits through cooperation with the Group. Such an occurrence could have a negative impact on the Group's image and may hinder future business relations, as well as result in a direct economic loss if the Group concludes a contract on non-market terms.

The Asseco Group manages the risk by appropriate selection of employees working in various positions, as well as by appropriate monitoring activities performed by the internal departments responsible for this area in individual companies. All employees receive regular anti-corruption training. Particular attention is paid to issues of prevention of bribery, as well as rules of conduct in case of occurrence or suspicion of such a situation.

The Management Board Members' signatures to the Asseco Group's report on non-financial information for 2021:

Adam Góral
President of the Management Board

Andrzej Dopierała
Vice President of the Management Board

Krzysztof Groyecki
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

Karolina Rzońca-Bajorek
Vice President of the Management Board

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Vice President of the Management Board

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Technology for business, solutions for people.

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