

# 2022 ESG Report



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# People, environment, responsibility

Ladies and Gentlemen,

[2-22] It is the third year in a row that I am pleased to present to you the ESG report. This is a special report for many reasons. Firstly, the company has taken further significant steps on its way to becoming a global player on the IT market. Secondly, the external situation related to the war in Ukraine gave our social commitment an unexpected direction. Finally, ESG reporting, understood as a report on activities in the Environmental, Social and Governance spheres, has been unified by the EU CSRD (Corporate Sustainability Reporting Directive) and our document has been prepared based thereon.

Reporting non-financial data will be mandatory for all companies only in 2025. Currently, only 17% of companies include ESG issues in their annual reports, while 63% of the largest Polish companies prepare a separate report on ESG issues. In my opinion, the publication of such a document, especially in the case of organizations with stock market ambitions, but also global ones, is an expression of care for transparency towards stakeholders, both at the level of strategy and specific actions.

When it comes to the strategy, I would like to mention that we have managed to develop a plan with a horizon of 2025, which we have set out in detail in this document. It will be extremely important for business partners, investors and employees to be able to monitor and

therefore hold us accountable for our environmental, social and governance ambitions and activities. We refer to them today as: TTMS Goes Green, TTMS for People, TTMS Responsible Organization.

It is impossible to list all key events for Transition Technologies MS in the cover letter. In 2022, we enjoyed: the opening of a new office in Poznan, meeting the highest ecological standards, the development of business in the Malaysian and Danish branches (included in the ESG report for the first time), but also extensive aid or ecological campaigns that really bring us closer to zero carbon emissions. I hope you will find our report sufficiently comprehensive on these issues.

Our company has always emphasised social and environmental responsibility, and the ESG report is one of the tools that help measure and evaluate progress in these areas. Awards such as the "Climate Partner" certificate, with which we were honoured at the 2022 Krynica Forum, certainly prove that progress has been made.

Thank you for your interest in the ESG report of Transition Technologies MS. Enjoy your reading.



**Yours faithfully, Sebastian Sokołowski**  
CEO of Transition Technologies MS S.A.

” Our company has always emphasised social and environmental responsibility, and the ESG report is one of the tools that help measure and evaluate progress in these areas. ”

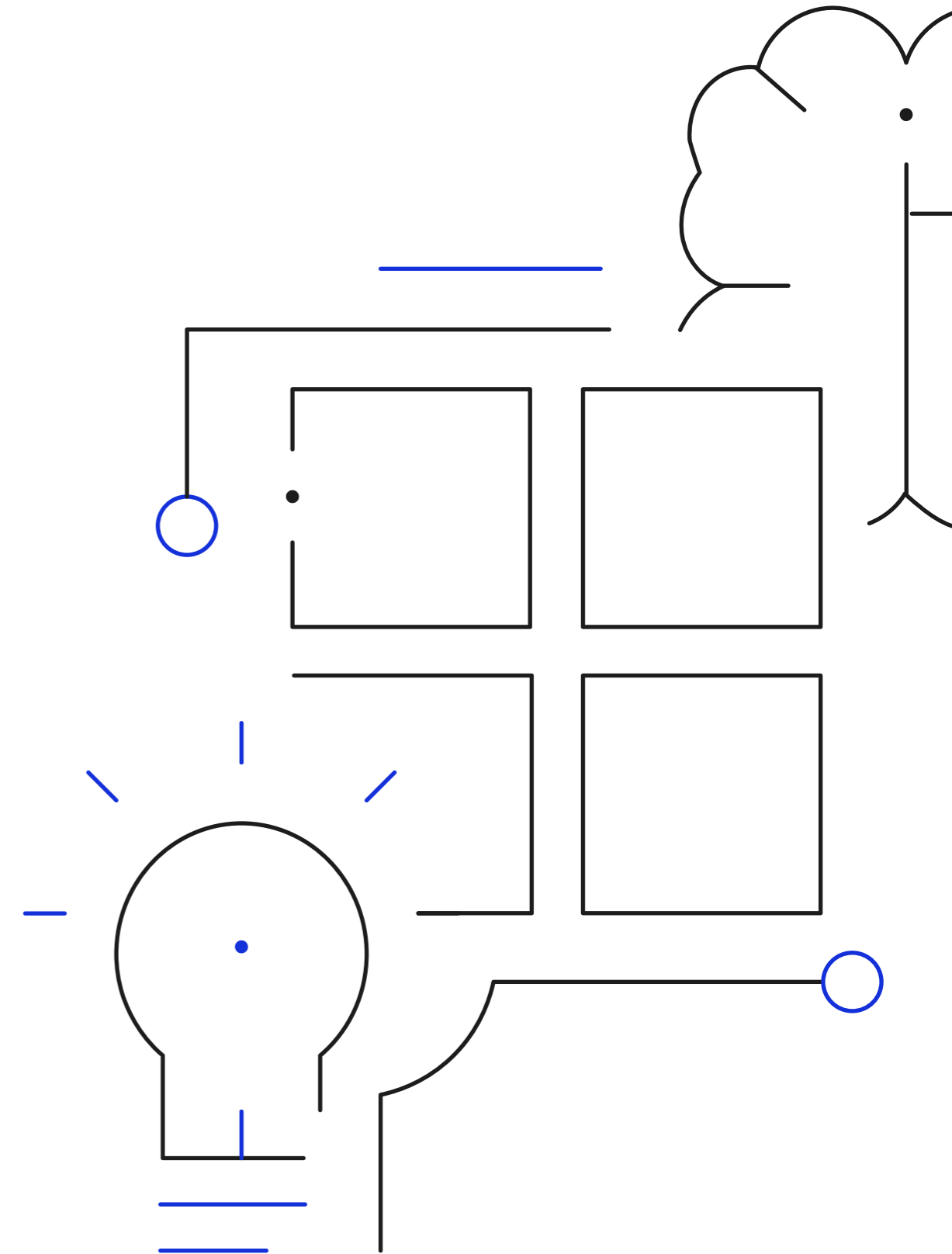
# 01 Introduction

## In this section:

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## About us

[2-6] We are a Polish company with an international reach. Our branches or sales representatives are present in Malaysia, Denmark, Great Britain, the United States, Australia and Singapore. We also plan to open offices in Africa, Romania and India. We have and 9 offices in Poland. In addition to our headquarters in Warsaw, our teams are also located in Bialystok, Koszalin, Cracow, Lublin, Lodz, Olsztyn, Wroclaw and Poznan.

Some of the locations were established on request and in cooperation with customers, while maintaining strict requirements concerning security or access rules. An example of such an office is the Offshore Development Centre in Warsaw, established in 2017, which serves a key customer being Roche.

At the same time, we are also part of Transition Technologies Capital Group, which has been active on the market for over 30 years. It is currently one of the largest groups operating in the IT industry in Poland.

It offers proprietary IT systems, technological solutions as well as IT and engineering services addressed mainly to large, global customers from the industrial, power and gas sectors, and to the medical and public sectors.

### TTMS in Figures:



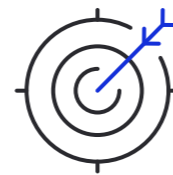
# 812

employees and associates, including  
**127** abroad



# 5

time zones on 3 continents



# 500+

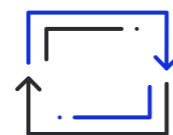
completed projects



# 9

offices in Poland, branches in Malaysia,  
Denmark and the UK

sales:



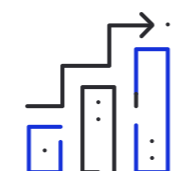
# PLN 183.4 million

net profit:



# PLN 25.2 million

balance sheet total:



# PLN 69.4 million

including equity: **PLN 23.8 million** and liabilities: **PLN 45.6 million**

### History of TTMS: Find out how we have changed



#### 2015

We are launching. Transition Technologies – Managed Services is created within the TT Capital Group.



#### 2016

We are accelerating! A new company in the UK is being established under the wing of TTMS – TT Managed Services Ltd. In Warsaw, we open a Service Centre for one of our strategic Customers.

#### 2017

We are setting sail on broad waters. We start operating in Palo Alto, California (USA) and we establish a new company in Kuala Lumpur, Malaysia

#### 2018

We are continuing our expansion. We operate in 7 locations in Poland; we are expanding in London and Kuala Lumpur; and we are establishing new contacts in Silicon Valley.

#### 2019

We are keeping up the pace. We already have 7 locations in Poland and new representative offices in the USA and Singapore.

#### 2020

We are breaking records. TTMS opens a new office in Kuala Lumpur and records a record profit for the company after 5 years of operations.

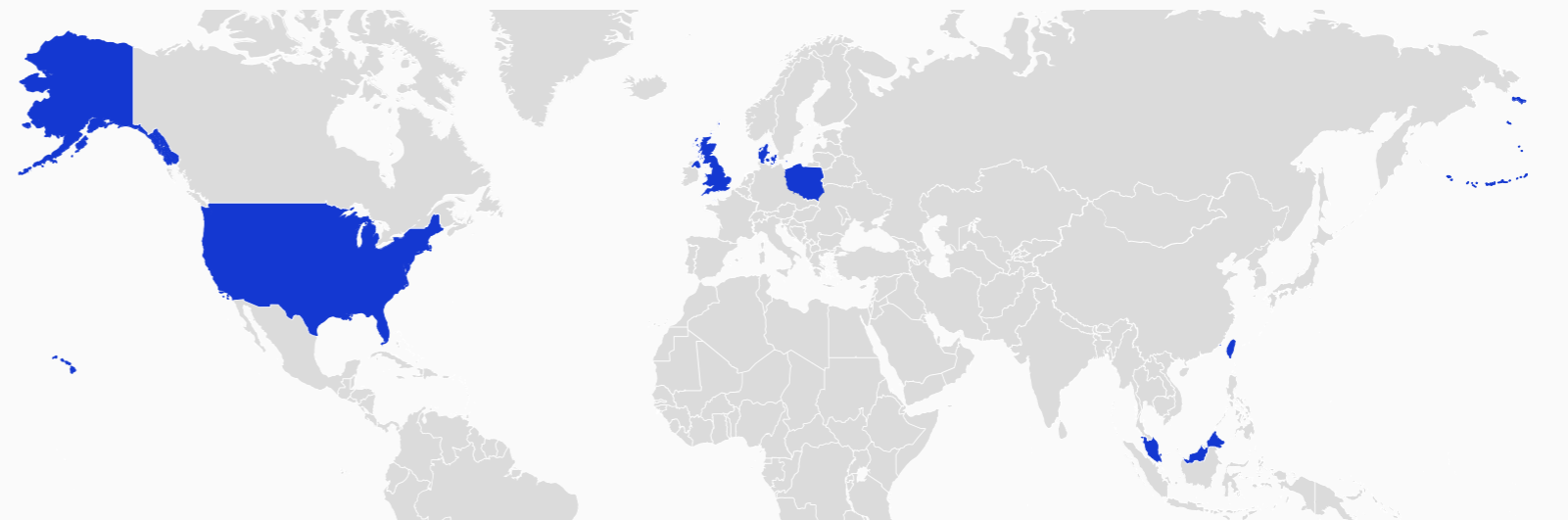
#### 2021

We are carrying out the first acquisition. The purchase of the Danish company ConCor helps us sail into Nordic waters! This is how TTMS Nordic is established! We are opening another office in Poland, this time in Poznan.



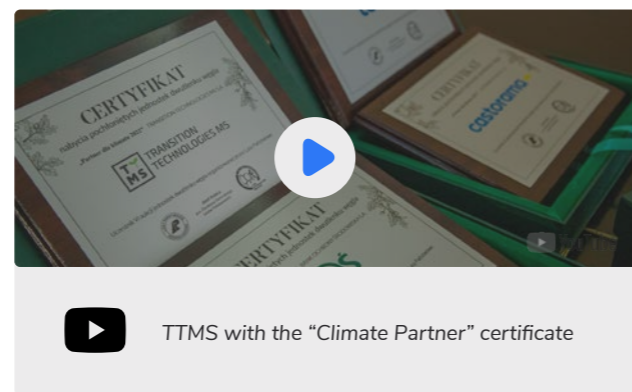
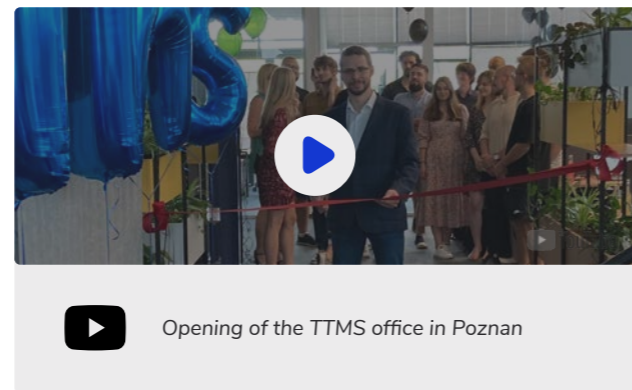
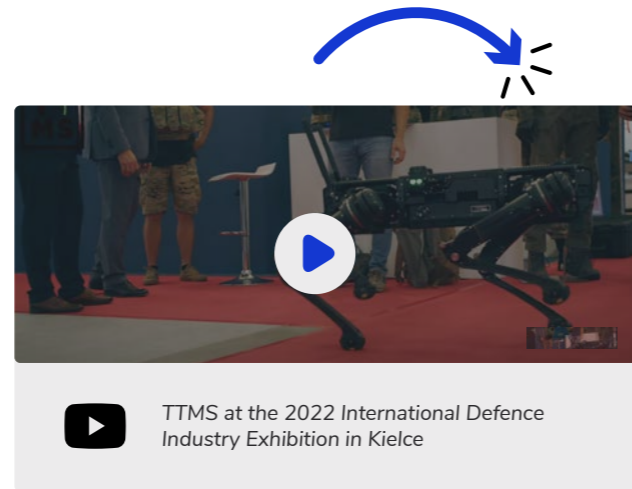
#### 2022

We are focusing on sustainable development. We are concentrating not only on business growth, but also on the community we have built and our care for environmental protection. Thanks to the increasing number of ecological campaigns, we are getting closer to achieving climate neutrality.



### Highlights of 2022

1. We were awarded in the „**Forbes Diamonds**” ranking
2. We became partners of **Snowlake and Webcon**
3. We were a silver partner at the **Microsoft Envision Poland** conference
4. We took part in the **MSPO Fair** – i.e., the International Defence Industry Exhibition. We were there at the stand together with **POLSA (Polish Space Agency)**.
5. We have established cooperation with the **State Forests**, which resulted in saving **2 peatlands** (restoring them to their natural features). This cooperation is long-term, it enables us to continuously act for the protection of the environment and climate.
6. During the Krynica Forum – an international event combining business, politics and the world of science, we received the title of **“Climate Partner 2022”** from the State Forests, which has become a symbol of our cooperation and respect for the surrounding nature.
7. **Opening of an office in Poznan**
8. We took part in the **NATO Cyber Edge Conference in MONS**



### Awards and partnerships



**Microsoft Partner**

- Gold Application Integration
- Gold Data Analytics
- Gold Project and Portfolio Management
- Gold Communications
- Gold Application Development
- Gold Cloud Platform
- Gold Windows and Devices



## Our competencies: the technologies we specialise in

[2-6] Salesforce, Adobe Experience Manager (AEM), Microsoft or e-learning design and development play a key role in our offerings today. We offer our customers services related to the development and maintenance of systems, quality management and outsourcing. We also offer IT consulting, audits of IT solutions and training.

### The most commonly used technological solutions:

[2-6] TTMS operations are focused on using the latest and most advanced information technology. We provide services using, among others:



#### Salesforce Platform

The most often associated with the world's best cloud-based solution for customer and audience relationship management, dedicated to supporting the sales and marketing areas of small, medium and largest enterprises, but also from lesser-known areas: the world's leading integration platform for SOA; the best communicator connecting people and systems;



#### Adobe Experience Manager (AEM)

A leading platform that enables building the largest, most complex, multilingual web portals, supported by solutions related to marketing automation, and providing personalization of experiences of potential companies' customers;



#### Enterprise-class Systems

The enterprise-class integration solutions, integration buses, systems that enable data flows and joint, integrated functioning of the most complex processes in organizations, based on multiple information systems, created at different times and in different technologies;



#### Artificial Intelligence / Data Science

The tools for modelling mathematical algorithms and building solutions based on mathematical models in the field of artificial intelligence, machine learning for solving and optimizing various types of issues of high complexity and requiring analysis of very large amounts of data;



#### Microsoft cloud solutions

The world's leading provider of cloud services, Microsoft Azure Cloud, enabling the construction of the most complex, efficient and secure infrastructures for enterprises of all classes, from the largest global corporations to small and medium-sized businesses. Based on Microsoft Azure, Microsoft Teams platform – a leader in the world of solutions for communication, collaboration in teams, organization of remote and on-line work in organizations;



#### Cloud Computing

The solutions based on cloud platforms, Microsoft Azure, AWS, Google Cloud and others, using both the capabilities of building distributed IT infrastructures and their providers' dedicated services, tools and libraries to increase the efficiency and power of the IT systems constructed on their basis;



#### Business Intelligence

The tools and platforms to perform complex analysis of very large amounts of data, build reports, dashboards and entire information systems to support decision-making, monitor business processes, provide all kinds of information to professionals and managers at all levels of management;



#### E-learning

The comprehensive, multi-channel solutions for on-line employee development. These trainings use a variety of innovative ways to communicate and engage users (e.g., gamification) to increase effectiveness, are deployed on dedicated platforms designed to be shared and maintained across entire organizations, including global ones, and are often used as early as the on-boarding stage.



**International development: where we are going**

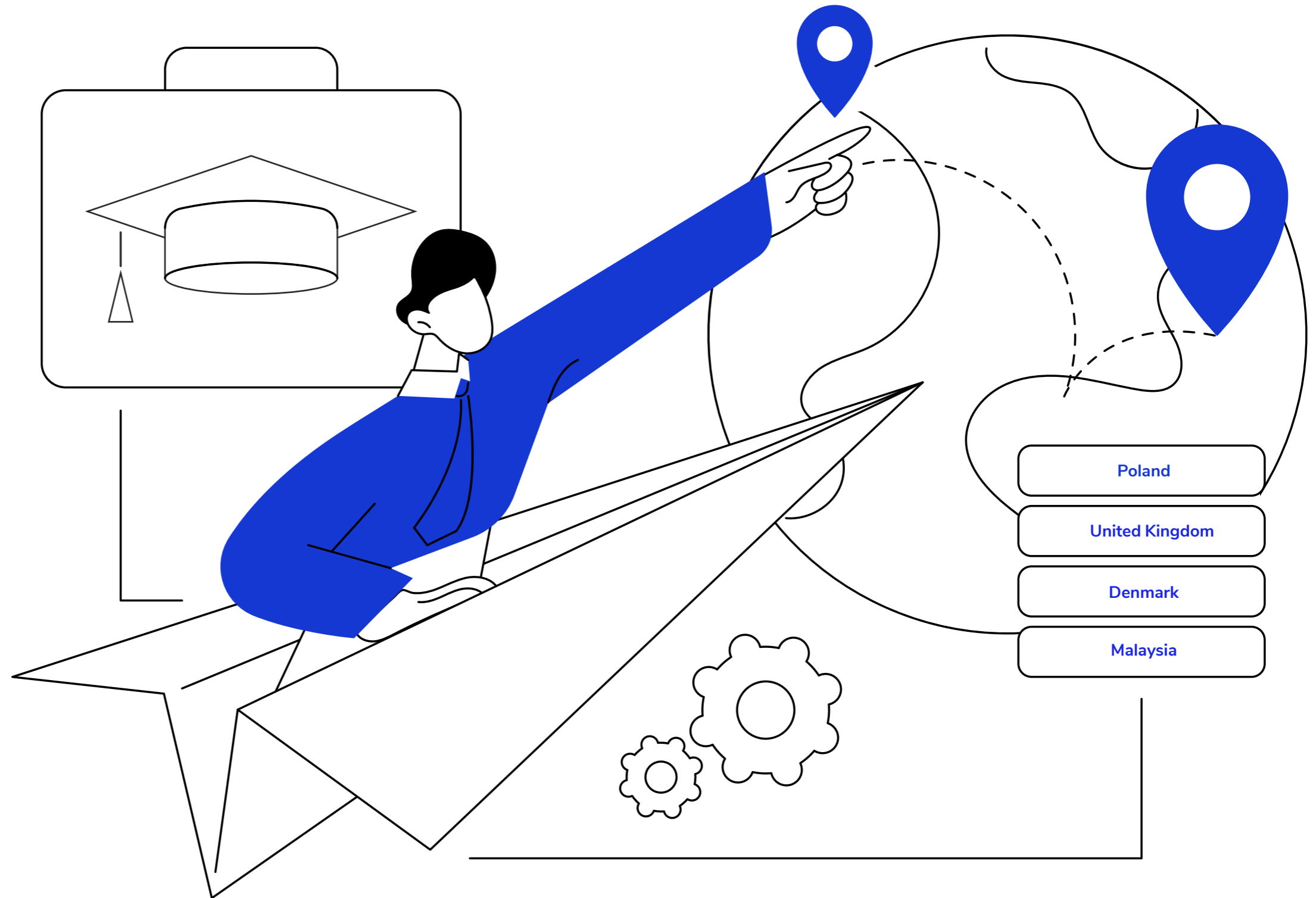
[2-6] Our customers are usually international or even global companies. Therefore, from the beginning of our activity, we assumed its internationalization in order to best respond to their expectations. Building a network of contacts, sales representatives, opening new offices and acquisitions allows us to offer our services in new regions of the world: in different time zones and cultural areas.

[2-1] The Group's geographical development strategy includes three macro-regions: Europe, Asia and Australia, as well as the US. In each of these three areas, the Board adopts a different development strategy, as appropriate to the region. The Group's growth in Europe is focused on three regions: DACH (Germany, Austria, Switzerland), the United Kingdom, and Scandinavian countries (especially Denmark and Sweden).

**[2-2] We have three subsidiaries operating overseas:**

- [Transition Technologies Managed Services LTD](#) based in London (the UK);
- [TTMS Software Malezja Sdn. Bhd](#), based in Klang Valley (Kuala Lumpur), Malaysia;
- [TTMS Nordic](#), based in Brøndby, Denmark (formerly ConCor A/S).

[2-6] Having legal personality allows, on the one hand, to participate in local tenders and win foreign contracts, which are then implemented by the Poland-based company, as is the case with the UK-based company. On the other hand, as the example of the investment in Malaysia shows: it allows not only to provide services on the Malaysian market, including servicing the local Roche centre, but also opens up prospects for expanding operations to other countries in the region. As a result, our company today successfully offers services to customers in Asia and Australia. Similarly, the Denmark-based TTMS Nordic makes it possible to appear not only on the Danish market, but also on the markets of other Scandinavian countries.



**Business model: what we work on and how**

**Services**

[2-6] We provide our customers with services related to:

- **development and maintenance of IT systems,**
- **quality management of IT systems,**
- **IT outsourcing.**

We also offer business customers IT consulting, audits of IT solutions and training. In particular, we specialise in solutions and areas such as: Adobe Experience Manager, Salesforce, Microsoft Azure, Microsoft 365 / Office, E-learning, Power-BI, Defence, Webcon BPS, Snowflake. We became a partner of the latter two in 2022.

**Development and maintenance of IT systems, IT outsourcing**

Although, depending on the needs and expectations of our customers, we can provide services in each of the following models, we specialise in the so-called managed services for large and medium enterprises. They are a dominant part of our business and we have based our business model on their provision.

Managed service, as opposed to typical forms of IT personnel leasing (body leasing or team leasing), requires, on one hand, the provider company to have much higher technological competence of its own and, on the other hand, has a long-term character and offers more attractive margins.

Managed service is a comprehensive, mature, and most advanced form of outsourcing. The specialisation and competence that enable it to be offered build our competitive advantage. The customer is provided with a complete team of experts who, thanks to their competences, cover all roles required to complete a project or maintain and develop the entire IT system. The team has

its own structure, work organization, and designated communicators. This makes them more effective, aware of its business goals, and the results of its work more accurately address customer’s needs.

The team takes full responsibility for the delivery of requirements in scope, which means that the customer does not need to be operationally involved in its work. In this way, financial and organizational savings are achieved, including a lack of necessity to hire technical people on its side to supervise the work.

A team built this way penetrates deeper into the customer’s organizational structure, making it more effective in collaborating with other teams. The managed service formula is more stable and long-term, and its benefits for the customer grow with time and the progressing knowledge of the company’s structures and specifics.

**Quality management of IT systems**

We provide the “four-dimensional” 4Q service, which allows our Customers to offer the highest quality products. We prepare and verify CSV products. We develop approaches, standards and procedures for existing and new infrastructure components. We provide documented results and verify that the systems operate according to the established parameters and quality requirements.

**Software development**

In parallel, and in addition to the basic business model, we also provide services in the form of a comprehensive software development process. It includes a detailed analysis of the customer’s needs, implementation of the prepared software, its testing and production start-up, as well as subsequent post-implementation care, maintenance and further development.

**Project management**

We can implement a project in accordance with basically any recognised project management methodology, i.e.: PMBok, Prince2, Lean, ITIL and Agile. However, we specialise in the latter, i.e. innovative Agile project management methodologies, which are more increasingly used in the implementation of IT projects, displacing

traditional but less effective approaches. The experts employed in our company not only have certificates confirming their knowledge and experience in this area, applying them in their projects, but also act as trainers, helping to effectively implement these methodologies in the teams and organizations of Transition Technologies Group’s customers.



**Managed Services**

We take full responsibility for the implementation and maintenance of IT services or systems. The customer retains full control of the business assumptions, we take care of the rest. We will provide specialists and coordinate their work from the moment of project planning, through implementation, to its maintenance.



**Team leasing**

In addition to the possibility of employing individual specialists, we offer a model in which we build dedicated project teams. The customer does not waste time on implementation and organization of work. It immediately replenishes its resources with a team that efficiently carries out the tasks assigned to it in the technologies that are key to your project.



**Body leasing**

We provide IT specialists with competences that meet the Customer’s expectations. It is the Customer that determines how many specialists it needs and which technologies they should have experience in. This allows the team to be quickly replenished with ready-to-work experts.



**Custom Projects Delivery**

We deliver IT custom projects in accordance with the predefined requirements of a Customer who does not have the resources, technology or knowledge on how to implement their ideas in their organization. We turn the Customer’s ideas into a finished product.



### Agile methodologies

assume working in short (several weeks) cycles, with continuous involvement of people from the customer's side and frequent verification of the effects of work progress. Detailed, specific customer requirements are delivered, verified and corrected on an ongoing basis, which eliminates unnecessary misunderstandings and prevents wasting time on corrections and significant modifications to the built solution.

A well-structured project that follows Agile best practices enables the work to be completed within the required time-frame, budget, and expected scope. These methodologies have long been displacing the traditional, much less effective "waterfall" approach to IT project delivery. In the "waterfall" model, the order

of work is cascading and seemingly intuitive. The process consists of requirements analysis, programming, testing and production start-up, with each of these stages ending with the customer's acceptance.

However, due to the high complexity of specific requirements, long delivery times of individual phases and imperfect interpersonal communication, this approach often leads to misunderstandings, increased costs, late deliveries and the resulting many problems and conflicts between the supplier and the customer. The above-mentioned reasons make the extremely effective Agile approach very popular in the delivery of programming works.



### Validation of computerised systems

Validation is a comprehensive consulting service and strategic supervision over projects quality activities for CSV/CSA (GAMP 5.0). We prepare, consult and critically analyse implementation models for quality processes in IT. We are also responsible for planning, rationalisation and reporting of the qualitative approach in projects, as well as the operational phase for IT systems, automated based on SaaS solutions.



### Secure IT and production processes

The main quality process for production, implemented on the basis of GMP (including infrastructure qualification) consists in ensuring the highest quality of operation of IT systems used by a given organization. During the qualification process, the general approaches, standards and procedures for both existing and new components are developed. To manage an effective IT organization, it is necessary to establish well-defined IT processes and the way in which the organization manages new parameters, e.g. performance, software versions or security. The general objective of the service is to build a technical, procedural and strategic framework consistent with compliance regulations: FDA, GDPR, SOX. This ensures legal and ethical integrity.



### Audits

The audits of ISO standards and active substance manufacturing processes (ISO 27001, ISO 14001, ISO 50001, ISO 9001, ISO 45000, ISO 13785, GAMP 5.0, GMP) are the main areas of competence of TTMS Quality's accredited auditors. Using many years of experience: we implement, prepare for accreditation audits and maintain the compliance of processes with the standards implemented in the organization.



### Qualification of equipment and processes

During the qualification, we provide documented evidence and demonstrate that the system operates according to the set parameters and quality requirements. Its task is to confirm that the equipment, installations, systems or premises have been designed and built and that they function in accordance with the design, the URS, specifications and applicable standards. It also confirms that they are suitable for the implementation of planned processes. This applies to production and laboratory equipment as well as IT hardware infrastructure. The qualification is a component of validation, or more precisely its first stage.

**Customer relations**

[3-3 (417); 417-2; 417-3] Our every project, every service we offer, even if based on the same technological solutions, is always tailor-made for a specific company.

We can understand these needs better than others because we specialise in specific industries. This way we know their characteristics. We also know our customers because we have been working with most of them for years.

When it comes to our services, especially managed services, understanding the specifics of the business, the resulting expectations and challenges faced by our customers is crucial. Our employees practically become members of customer's teams, which promotes good communication and has an invaluable impact on the success of ongoing projects. In the last

year, but in previous years, too, we have not recorded incidents relating to allegations of misinformation about a service, or more broadly, inappropriate service marketing communications.

The best proof of our integrity and honesty in our relations is that we have been working with the same customers since our existence as an independent legal entity.

What is more, not only do we continue to work together, but we are increasing the range of services we provide. The best example of this is the opening of an office in Malaysia, which allows us to take a more comprehensive approach to the needs of Roche, our key customer.

**A role in the economy**

[3-3 (203); 203-2] Our work, i.e. the work of our specialist teams at the Customer's premises, is usually inextricably intertwined with that of companies we work for. As a result, we have our indirect contribution to building social or environmental value by them.

Undeniably, however, the implemented technological solutions directly contribute to improving the efficiency of management of specific business areas, including ensuring the highest quality and predictability of processes, e.g. production or related to production.

No one needs to be convinced of the enormous importance of this matter in the pharmaceutical or defence industries. Just as it was impossible to overestimate the socio-economic role of the pharmaceutical industry

during the pandemic, it is impossible to overestimate the role of the cyber-security area in the era of cyber attacks from Russia during and in the period preceding the attack on Ukraine.

This makes us all the prouder that by becoming a member of NATO's Innovation Hub, we are directly involved in solving the problems of the defence sector, and thus enhancing Poland's security.



**Supply chain**

[2-6, 204-1] Our key suppliers and service providers are companies from the TT Group. Their presence allows, first and foremost, flexibility of action, i.e. the replenishment of competence resources. Just like us, we use teams from capital group companies or we can support them with our specialists.

A number of highly qualified experts participate in our projects and we cooperate with them on a long-term basis under B2B agreements. The latter come from local markets, although in individual cases we cooperate with experts from neighbouring countries providing services remotely.

At the same time, suppliers include a number of entities related to complementary functions, e.g. PR services or cleaning services, as well as energy suppliers, office

space lessees, etc. The nature of cooperation makes them local suppliers. The nature of the supply chain means that virtually all purchases of products and services are made within the group or in local markets. The exceptions to this are the aforementioned individual cases of experts sourced abroad, but also licence fees paid to global IT solution providers.

**Dissemination of knowledge**

[3-3 (203); 203-2] We are a company whose strength and advantage stem from the competence of professional teams. Our assets are not fixed assets, but knowledge and skills. They are also what we can contribute to socio-economic development.

We share them, mainly with professionals. We demonstrate the current possibilities offered by specific IT

solutions and technologies. The most important events in the last year in which we took part as experts included:

- **Microsoft Envision Poland (Microsoft) (May 2022),**
- **30th International Defence Industry Exhibition MSPO (September 2022),**
- **E-seminar: Salesforce as a foundation for growth. (Salesforce) (June 2022),**
- **How to solve 5 challenges of modern FinTech? (Salesforce) (June 2022),**
- **Salesforce Summer Club (Salesforce),**
- **Cracow IT Days (December 2022).**

Our specialists also participated in many events and conferences as speakers.



**TTMS MISSION AND VALUES**

**MISSION:** Providing the highest quality services, created on the basis of world and national scientific and technical know-how, while fully using their skills and experience to achieve innovation in information systems solutions.

**OUR VALUES:**



Long-lasting Customer relations



Customer success is our success



Creativity and innovation



Transparent communication and mutual understanding



Quality and the search for efficient solutions

# ESG strategy

[2-22] As Transition Technologies MS, we have developed and adopted an ESG strategy until 2025. It is based on six pillars, which are also the main goals:

- we want to offer **secure digital services of the highest quality**,
- we want to **attract outstanding people and work in a unique, non-corporate atmosphere**,
- we want to build **diverse teams** that respect people of different genders, cultures and religions,
- we want to **share our success** with others,
- we want to act in an **environmentally neutral way**,
- we want to ensure possibly the **highest management standards**.

Each of them consists of several to a dozen minor goals and actions. All of them, like the main goals, have been assigned measures and values that they should achieve in the following years. The issues related to the management of ESG topics are supervised by the Chief Administrative Officer.

Our activities, both business and non-business, will contribute to the implementation of the UN Sustainable Development Goals.

## Environmental



## Social Responsibility



## Corporate Governance



**UN Sustainable Development Goals, the achievement of which is in line with the TTMS activities**

**I. Environmental dimension (E – Environment): TTMS Goes Green**



**Goal 6. Ensure availability and sustainable management of water and sanitation for all**

- We have been involved in a pioneering wetland conservation programme, taking care of specific, naturally valuable peatlands



**Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all**

- we strive to use only clean, zero-emission electricity, thus promoting RES-generated electricity producers
- we optimise the energy intensity of our operations



**Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**

- by fostering the development of information technology applications, we are involved in the development of a reliable and resilient infrastructure (e.g. data security)



**Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable**

- we are actively involved in the fight against urban heat islands by supporting planting
- we have adopted a business model that reduces commuting, thereby indirectly reducing emissions
- we are optimising our car fleet, gradually switching to zero- and low-emission vehicles, which contributes to the protection of urban air



**Goal 12. Ensure sustainable consumption and production patterns**

- we are segregating waste in the offices
- we are making employees more aware of waste management and the prevention of food waste



**Goal 13. Take urgent action to combat climate change and its impacts**

- we are reducing our carbon footprint (switching to green energy, modernising our car fleet)
- we are involved in green projects that support carbon sequestration (urban planting, forest planting, revitalisation of marshes)



**Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss**

- we participate in the revitalisation and protection of valuable natural wetlands and peatlands
- we actively participate in forestation (new forest plantation)



**UN Sustainable Development Goals, the achievement of which is in line with the TTMS activities**

**II. Social dimension (S – Social): TTMS for People**



**Goal 1. End poverty in all its forms everywhere**

- by creating jobs in poorer countries, we increase their tax revenues, which contributes to the end of poverty
- we support war refugees who, having lost their livelihoods, face extreme poverty



**Goal 3. Ensure healthy lives and promote well-being for all at all ages**

- we provide private medical care to our employees and associates
- we offer the possibility of using the support of dieticians, psychotherapists and psychologists when facing diseases such as obesity or depression



**Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

- we support students of Polish universities in IT-related majors
- we invest in the development of our employees
- we are involved in educational projects of the industry, including our business partners



**Goal 5. Achieve gender equality and empower all women and girls**

- we do not accept any form of discrimination, including discrimination by gender, colour, race or religion, creating a very diverse team
- we offer equal opportunities for the development of both women and men, people of different races and religions



**Goal 10. Reduce inequality within and among countries**

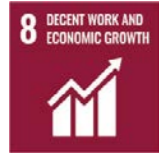
- we recruit employees, e.g. from Africa and we want to create jobs there, we contribute to the sustainable levelling of differences between the rich North and the poor South





UN Sustainable Development Goals, the achievement of which is in line with the TTMS activities

### III. Governance dimension (G – Governance): TTMS Responsible Organization



**Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

- through the IT solutions we implement, we help optimise the processes and effectiveness of companies and public institutions



**Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**

- we run our business in a transparent manner
- we counteract corruption and other unethical behaviour
- we explicitly condemn abuse and unethical behaviour



# 02 Environmental TTMS Goes Green

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- 24 Our commitment to sustainable development and biodiversity



## Environmental management in accordance with PN-ISO 14001

[3-3] The IT industry, although it has no apparent significant impact on the environment, is a globally significant consumer of electricity, which translates into its carbon footprint. More often, which is also true, it is associated with innovation, which can contribute to optimising the environmental impact, including the carbon footprint of other sectors. A number of IT solutions improve business processes or the functioning of machinery and equipment, which brings savings to both entrepreneurs and benefits to the environment.

**At TTMS, however, we try to look at the impact on the environment comprehensively, i.e. by supporting all activities that allow us to develop environmentally friendly IT solutions, we meticulously work on reducing our direct impact on the natural environment, including the climate.**

For several years now, we have been estimating the size of our Scope 1 and 2 carbon footprint, and from 2022 also on significant elements of Scope 3. This enables us to truly manage this area.

We analyse and improve our processes on an ongoing basis, so that the scale of our impact is not only under control, but also smaller. **We monitor the consumption of energy carriers, we look for savings and decarbonisation of business processes, as well as compensating the environment for our remaining GHG emissions.** Bearing in mind the importance of our impact on the environment, we have decided to implement an environmental management system in accordance with the PN-ISO 14001 standard.



### Case study: IT technology for the climate

We use our knowledge and skills to create IT solutions that work for the benefit of our planet. The solutions developed at Transition Technologies Group to optimise processes in power plants realistically reduce CO<sub>2</sub> and NO<sub>x</sub> emissions. **Transition Technologies' systems have optimised the largest heating network in Europe, which has translated into a reduction of emissions into the atmosphere by over 145,000 tonnes of CO<sub>2</sub>.**

To illustrate the size of the emissions avoided, it is important to realise that up to 32,945 hectares of forest and 23,068,181 trees would be needed to absorb them!



### ISO 14001

In April 2022, the compliance of our management approach to environmental issues was confirmed with the **certificate of the PN-ISO 14001 standard.**



### The 3 x C philosophy in climate impact management

Our management approach allows us to control the carbon footprint, cut back its size and compensate where further reduction is not yet possible:

- **Control.** We constantly measure the volume of CO<sub>2</sub> to which our activities contribute. We control fuel consumption and purchased energy, as well as, for example, the carbon footprint of courier parcels. We are constantly expanding this index to make it even more precise.
- **Cut back.** We are carrying out a number of activities to cut down the CO<sub>2</sub> level. We invest in green offices, support our green ambassadors and run a number of internal campaigns to promote green attitudes.
- **Compensate.** We know that it is impossible for an IT company operating globally to reduce its carbon footprint to zero. However, there are compensatory measures to help. Supporting organizations whose idea is to cut back emissions is just one of these ways

Our ambition, in accordance with the adopted strategy, is to act in a neutral way for the natural environment, and in particular to achieve climate neutrality in the very short term, i.e. a zero carbon footprint. **We want to reduce it by 50% by the end of 2023, and achieve 100% zero carbon emissions by 2025.**

## Modern offices with care for sustainable development

[305-1, 305-2]The space in which we work is people-friendly and is designed to promote focus and well-being. It is also supposed to be friendly in the broader sense of the word.

More and more administrators of the buildings in which we rent office spaces are providing us with certificates confirming the purchase of clean energy – as a result, **offices in Bialystok, Poznan, Warsaw and Wroclaw are already being powered by green energy.** In turn, in Lublin, 10% of the building's energy demand is covered by photovoltaic panels installed on the roof. Even in a building in Malaysia, where reducing the carbon footprint is not yet particularly popular, simple energy-saving methods have been implemented – among other things: the operation of air conditioners is limited during outside working hours. As a rule, our offices are located in modern office buildings with high sustainability requirements. The criterion for choosing the new Warsaw office, which

is also TTMS headquarters, was the building's **BREEM Outstanding certificate.** Our new Poznan office, on the other hand, can boast the **LEED certificate.** We wanted to work in a building whose construction and day-to-day operation is the least disruptive to the environment.



### Unique plants in our offices

For us, the friendliness of our offices means, among other things, **lots of daylight and plants.** We make sure that the air we breathe in the offices is clean, hence we are constantly **increasing the amount of specially selected species and varieties of plants, selecting those that stop some of the pollution.**

**There is a lot of daylight and plants in our offices, and there is a lot of wood among the finishing materials.** We also strive to ensure that the computers and office equipment we use are as energy-efficient as possible, and that the electricity we use is generated based on renewable energy sources (RES).



### New environmentally friendly office in Poznan

Malta House at Baraniaka 6 Street, where our new Poznan office is located, is **one of the most modern class A office buildings in Poznan**, situated in the vicinity of Malta Lake and Malta Shopping Centre. **It was the first in the city to receive the LEED green certificate at the highest “platinum” level.** The building is double LEED-certified and is characterised by the following environmentally friendly solutions:

- energy-efficient facade limiting sunlight,
- the shape of the side facades allows a view of the lake also from the wings of the building,
- water-saving toilets,
- rainwater used for household purposes,
- free-cooling system.

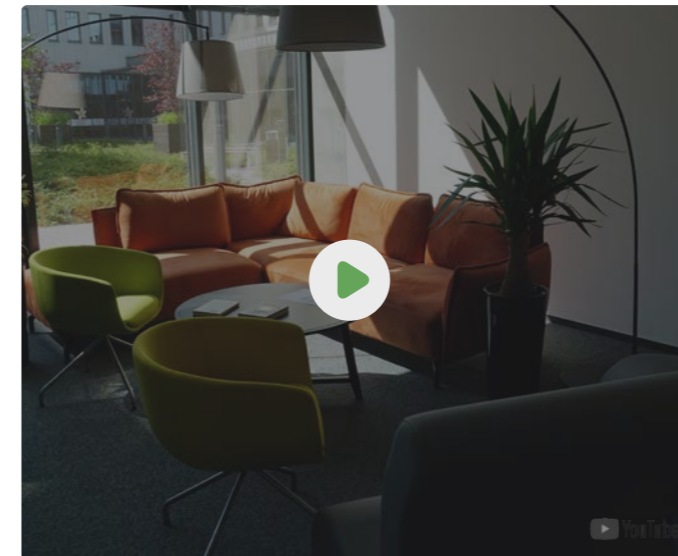
In addition, the building is distinguished by a wide range of services and recreation: on the ground floor of the building there is a canteen and a fitness club, while in the immediate vicinity of the building there is Malta Lake.

The building is cyclist-friendly, with racks, showers and a repair station at garage level. Malta House is also equipped with a public roof terrace with a view of Malta Lake.

**Malta House was awarded the “Building without barriers” certificate by the Integration Foundation.**

Source: based on information from Reino Partners ([www.reinopartners.com](http://www.reinopartners.com))

### See our office in Poznan



TTMS Poznan - our new AEM center

### Office in Malaysia: segregation of raw materials

In Malaysia, segregating waste and extracting fractions of raw materials are not yet particularly popular in either offices or homes. Although there are recycling companies, there is neither a legal requirement to segregate nor habits to do so. **However, in order to reduce our impact on the environment, we persuaded the administrator of the office building in Kuala Lumpur, where our office is located, to change the policy in this regard.** The administrator provided both collective containers and a company collecting the raw materials. We, in turn, purchased containers for segregated waste in the office. As a result, since December 2022, our waste has been properly managed and returned to the economic cycle. We expect other companies from our office building to join the initiative, which has become one of the few that offer such solutions.





### Good access to the transport infrastructure

Our employees most often decide to work in a **hybrid model**, i.e. they combine remote work from home with work in the office. Due to the convenience of employees who come to the office, but also due to the carbon footprint, **we strive to ensure that our offices are located in places that are easily accessible, especially by public transport**. In large cities, this is particularly important, because commuting to work takes a lot of time, generates costs, but also contributes to the so-called low emission, i.e. not only does it increase the pool of carbon dioxide emitted into the atmosphere, but also various pollutants, including particulate matter, which is the source of smog. The choice of office location, taking into account the limitation of commuting, has long-term consequences, which is why it is so important from the point of view of both the comfort of employees and the environment.



### Bicycle rooms

Since commuting to work for a large number of people involves a significant carbon footprint, in addition to the aforementioned optimisation of the choice of location, we encourage employees to come to the office by bicycle rather than by car.

The basic condition that allows to commute conveniently by bicycle is the provision of appropriate infrastructure. We made sure that in each of our 9 locations in Poland, **our employees can use the bicycle room and also have the opportunity to safely leave the bicycle, change clothes or freshen up**. This influences both the reduction of pollution and health of employees undertaking physical activity.



### Modernisation of the car fleet

We are consistently **replacing our small fleet of company cars with low- and zero-emission vehicles with alternative drive**. Although there are few vehicles, they are also important.

We are aware that there is a significant carbon footprint associated with the manufacture of a vehicle, which is why we take cars out of service and replace them with new ones only after they have depreciated. We are also aware that the electric vehicles gradually appearing in our fleet are controversial in terms of their actual carbon footprint, especially if they are powered by electricity produced by burning fossil fuels. However, we are convinced that the very possibility of reducing the so-called low emissions, and thus reducing the phenomenon of smog in large cities, is a benefit that makes it worth investing in new vehicles.

What's more, **we strive to purchase energy from RES, which cut down the carbon footprint of our vehicles, as long as they are charged in the parking spaces assigned to our offices**. We will also monitor the development of other alternative drives (e.g. hydrogen) and modernise the fleet to make its environmental impact ever smaller.



### Waste management

**In offices, we provide containers that enable segregation of basic waste fractions**. The posters raise awareness among employees and help them segregate waste correctly. As a result, there is a greater chance that the recycled raw materials will be re-used and returned to the economic cycle.

An external entity provides appropriate, from both an environmental and a data security point of view, management of **used IT equipment**, including drives. The same company collects and **disposes of the used toners**. In turn, the administrators of the buildings where we work ensure the collection and **proper management of the used light sources** (fluorescent lamps and LEDs).

## Scope 3 GHG emissions: employees' commuting to work

[305-5] An element that is taken into account in the analysis of the carbon footprint, which is not the direct carbon footprint of the company but of others, and which is nevertheless related to its operations, is **the commuting of employees to and from work**. The size of this footprint is determined by factors such as:

- the possibility and degree of use of remote work, and thus the frequency with which the employee comes to the company's office,
- the distance the employee has to travel to get to work,
- the means of transport the employee uses to commute.

### Our policy

In the case of providing IT services, it is possible for many positions **to work remotely (from home)**. This **dramatically reduces the total distance travelled in a year by employees**. This is obviously not possible for all employees, e.g. employees of some support functions.

**We also attach great importance to the choice of office locations so as to provide employees with the best possible access from home, both in terms of distance and access to public transport and bicycle infrastructure.**

Although, of course, the choice of a particular office is always a compromise, thanks to the direct involvement of employees (surveys), it makes it possible, among other things, to optimise commuting, which means both cost savings for employees and a smaller carbon footprint.

**We are ready to incur even slightly higher costs for renting office space than to make apparent savings,** which would mean shifting costs onto the employees and affecting their monthly expenses, in addition to the burden on the environment.

Even seemingly insignificant differences in expenses and emissions per month will translate into significant amounts and quantities if we take into account the long-term horizon that location-specific decisions concern. **Our correspondingly lower carbon footprint is also influenced by the promotion of commuting by bicycles among employees.** It is obviously necessary to provide appropriate infrastructure, both in the city (i.e. network of cycle paths) and in the building where the office is located (bicycle rooms, lockers, possibility to freshen up and change).

### Our results

At the turn of 2022/2023, we conducted a survey among employees, which became the basis for estimates regarding the size of the current carbon footprint related to commuting to work. It shows, among other things, that:

- 40.5% of the respondents working remotely do not come to the office regularly at all,
- only 15.4% of the employees are present in the office throughout the week,
- nearly 20% of the employees, when going to the office, usually do it in a zero-emission way (on foot, by bike, scooter),
- 33% of the employees choose public transport (bus, tram, metro or train),
- 40% of the respondents declare that they still use a private car if they commute to work.

This choice of means of transport makes that the carbon footprint associated with commuting to work of an average employee is 329.6 kg eCO<sub>2</sub> / year.



### Sensitivity analysis

[305-5] Interestingly, if:

- all employees commuted to the office every day, then with the unchanged structure of the use of means of transport, this footprint would be as much as 87% higher and would amount to 615.2 kg eCO<sub>2</sub> / year.
- with the current use of remote working, everyone switched to cars, the carbon footprint would be 91% higher than today and would amount to 628.2 kg eCO<sub>2</sub> / year.
- the most unfavourable scenario, in which everyone commutes to work every day and chooses a car, would mean as much as 1152.7 kg eCO<sub>2</sub> / year, which would be 3.5 times higher than the current figure.

**The current carbon footprint represents only 29% of the footprint that our employees would leave in the most unfavourable, but nevertheless quite realistic scenario until recently.** This over 70% reduction is a measure of the success of the adopted solutions, without taking into account the optimal location. That's 823 kg eCO<sub>2</sub> less for every commuter using public transport! If it were not for public transport, every 1% increase in the average daily distance travelled would translate into a corresponding increase in emissions, not to mention the poorer accessibility of public transport, which would also have an additional impact on the emissions accompanying commuting.

Source: Estimates were based on the results of a survey in which 195 employees responded and on emissions conversion factors according to the "UK Government GHG Conversion Factors for Company Reporting" (version: 2.0; edition: 2022).



## Our commitment to sustainable development and biodiversity

[305-5] We are already **initiating long-term projects that will allow us to compensate the emissions we cannot avoid**. However, we try to look for projects that will not only contribute to the absorption of carbon dioxide, but will also bring other benefits. That is why, for example, **we actively support planting in the cities where we have offices, and we are also involved in the protection of peatlands and wetlands**.

**Both planting in cities and revitalised peatlands and wetlands undoubtedly play an important role in carbon sequestration**. The latter, in particular, are definitely an underestimated element of the natural and long-term system of carbon fixation by nature. Nevertheless, both

activities have benefits far beyond the simple absorption of carbon dioxide. Greenery in cities makes it possible to limit the very adverse phenomenon of the so-called urban heat islands and becomes a tool of adaptation to ongoing climate changes.

Wetlands, on the other hand, which have been deliberately drained over the years or degraded unintentionally as a result of human activity, in addition to absorbing carbon dioxide, play an invaluable role in rainwater and snowmelt retention and are usually valuable habitats. They are extremely rich in nature, and their protection is important from the point of view of preserving biodiversity.

In addition to larger actions, we also try to take care of the little things, especially if they involve human habits and behaviour. Changing these, even if they affect a limited number of people, can translate into tangible savings over the years. This is why, for example, **we have launched a channel on the company's internal platform on ecology and we have organized a webinar on food waste**.



### The “Climate Partner 2022” certificate!

[305-5] **In October 2022 – during the Krynica Forum, an international event combining business, politics and science – we were awarded the “Climate Partner 2022” certificate**. The certificate was awarded to us by the representatives of the State Forests, which organized the Carbon Dioxide Unit Auction. This is a great honour and at the same time a summary of our activities to date.

As part of our cooperation with the State Forests, we are supporting the revitalisation of two peatlands – one located in Spychow and the other in Przemkow. Thanks to activities such as preserving or restoring the retention capacity of peatlands, improving hydrographic conditions, taking care of the existing vegetation, peatlands regain their natural features and will be able to continue to play an important role for the environment.



### We plant shrubs as part of the “Green Fund for Warsaw”.

[305-5] As a partner of the “Green Fund for Warsaw” programme, in June 2022, **we planted nearly 100 m<sup>2</sup> of hydrangeas and weigela in Warsaw's Wola district**. Our employees planted them on Apfelbaum Square, from the side of Dzielna Street, i.e. directly in the vicinity of our Warsaw headquarters. The species planted not only bloom beautifully and attract pollinators, but also tolerate air pollution well and can therefore be successfully grown in cities.

*with enterprises that want to join the green transformation of Warsaw. The shrubs planted are particularly spectacular and bloom very intensively, which will attract lots of pollinators. This is extremely important, because thanks to such activities, we increase the biologically active space in the city, thus mitigating the effects of climate change – said Magdalena Młochowska, Director Coordinator for Green Warsaw in June.*

– This is another agreement under the Green Fund for Warsaw – a platform for cooperation

As a result, greenery has appeared in a highly urbanised and densely built-up area, which will please the eyes of the residents, but also of our employees.





### Plantings with Salesforce

[305-5] Our cooperation with Salesforce is not always limited to the technology dimension, but just as with business, we work together in the technology area to help achieve important goals. Our key technology partner, Salesforce, has set an extremely ambitious goal of planting **100 million trees** by 2023! As many as 1.5 million trees from this pool will

be planted in Poland in cooperation with the AERIS Futuro Foundation.

We joined the financing of the plantings, and our employees, together with volunteers, among others, from **Accenture, PWC, Cloobeas, Finally, SII, Mooza and Clorce**, helped with planting.



### Other environmental aspects

[2-27] Apart from the consumption of utilities in the offices (electricity, heat, water for household purposes) and the generation of small amounts of segregated waste, we do not have a significant direct impact on the environment. Our offices are not located in environmentally valuable areas or in their immediate vicinity. The conducted activity does not involve the risk of failure, which could re-

sult in environmental contamination. In 2022, nor ever before, there were no administrative proceedings against us for violations of environmental regulations, nor were penalties imposed for such violations. In 2022, nor ever before, there were no administrative proceedings against us for violations of environmental regulations, nor were penalties imposed for such violations.

# 03 Social responsibility TTMS for People

## In this section:

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## People-oriented approach

### Our business model and competitive advantages are based on **people and their competencies.**

[3-3 (401)] What is more, projects carried out by our Customers often require very specialised knowledge, skills related to specific languages and technologies, but also domain-specific knowledge necessary to prepare solutions reflecting the needs of specific market segments. We therefore want to attract outstanding people and build our success together with them. **Attracting, retaining and developing the best specialists is a**

**prerequisite for our further development.** At the same time, any potential loss of our key employees and the difficulty in finding people with appropriate competences on the labour market is a key business risk. However, we are convinced that despite the limited supply of IT employees, who additionally represent the right personal qualities, we manage to successfully counteract the risks associated with the existing limitations.

## Flexibility in HR management

[3-3 (404)] While on issues directly related to the quality of IT services and information security, we are uncompromising when it comes to procedures and adherence to them. At the same time, in areas such as human resources management, we avoid over-formalisation, maintaining flexibility and an individual approach. In turn, this translates into greater efficiency and better results.

**For example, we have not decided to introduce beaten career paths.** Our employees are not required to pass a specific exam nor certification after a certain amount of time with TTMS.

We are of the opinion that any fixed and rigorous model kills the individualism of team members and the diversity of its characteristics. One standard would be

inadequate and could lead to suboptimal decisions from the point of view of the organization and its competence development.

Certainly, we support our employees in their development, we finance specialised training and costs of certification of their competences, but this is done on a voluntary basis and at a pace decided on by the person concerned.

**Feeling under pressure is not conducive to well-being, and that is what matters most to us** i.e. highly skilled IT professionals. That is why we do not exert it. We are different and this is one example of respecting the differences that exist.



# Employment

[3-3 (202), 3-3 (204)] Among the employees recruited by us the most often are: **developers, systems architects, testers, project managers, as well as people involved in direct Customer support.** The most sought-after people on the market today are those who specialise in popular technologies. While providing our Customers with the highest quality services, we guarantee our employees

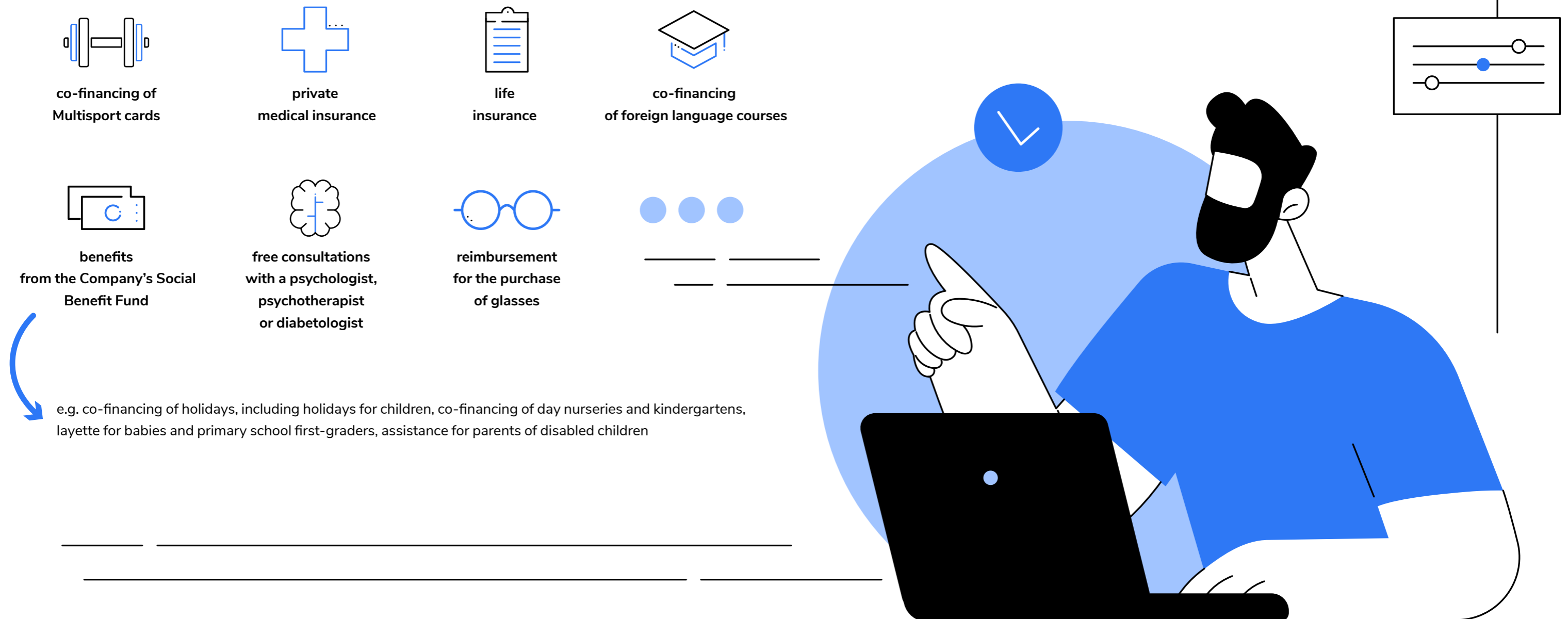
fair and competitive employment conditions, both in terms of wages or non-wage benefits.

**These benefits are available to any person employed under a contract of employment: regardless of length or full-time equivalent.**

In turn, in Malaysia, which is the second largest market after Poland in terms of the size of the team, the range of benefits is probably even wider, i.e. employees have access to free private health care, an allowance for glasses or lenses, an allowance for a dentist.

In addition, in the case of a small group of experts from India, employed in the Malaysian office, we assisted in relocation and its costs (e.g. we handled the formalities related to the work permit in Malaysia, paid the flight and accommodation costs in initial period).

## Benefits on the Polish market:



## Non-corporate atmosphere

What distinguishes us on the market and makes us an employer of choice is **our non-corporate nature, i.e. the absence of the schematic, dehumanised approach to people typical of large organizations**. We avoid “mechanically grouping” and categorising employees. We strive to eliminate mechanisms that foster unhealthy competition and the so-called “rat race”. Our ambition is, despite the dynamic development, to maintain as many characteristics as possible and the friendly atmosphere of the small company from which we grew up. We still maintain a flat management structure.

**The starting point is to recruit employees with the right personality profile.** Of course, this further narrows the

choice, but it pays off in the years to come. It fosters the preservation of the special character of the company we care so much about. This is a huge challenge, especially since with each new branch that opens, it will become more and more difficult to know each other. It will be increasingly difficult to maintain a situation in which a CEO associates with literally every employee of the company.

We do a lot to ensure that our employees, who in practice work in the structures of Customers’ organizations on a daily basis, feel like TTMS employees. This is also the purpose of joint outings to restaurants or team-building trips. We want and we feel like a team of people who like

each other. A team of people who want to go out and spend time together in the afternoon after work.

**In 2022, the gifts that employees received on the occasion of ... Children’s Day were very popular. These were – importantly for us, made in Poland – sweatshirts with the TTMS logo. Today they are often and willingly worn by them on various occasions. We celebrated Family Day in our Malaysian branch, and those who were willing also had fun together during Halloween.**

The more resilient among us represented TTMS in the **Runmageddon**. Our 12-person team participated in extreme runs in Cracow, Warsaw, Tri-City and Poznan.

We took part in the **Polish Independence Run**, and our team composed of as many as 30 people participated in the charity run **Poland Business Run 2022**. Our team also competed in the **IT Football Championships** in Lublin, of which we, as a company, were one of the sponsors, and which were held under the patronage of, among others, the Ministry of Sport and Tourism, the Voivode of Lublin and the Mayor of the City of Lublin. The latter event, like the Poland Business Run, is not only an opportunity for fun and integration. **Funds raised during the IT Championship contributed to the St. Brother Albert’s Fund** which supports the functioning of centres for children and young people run by the Happy Childhood Foundation.



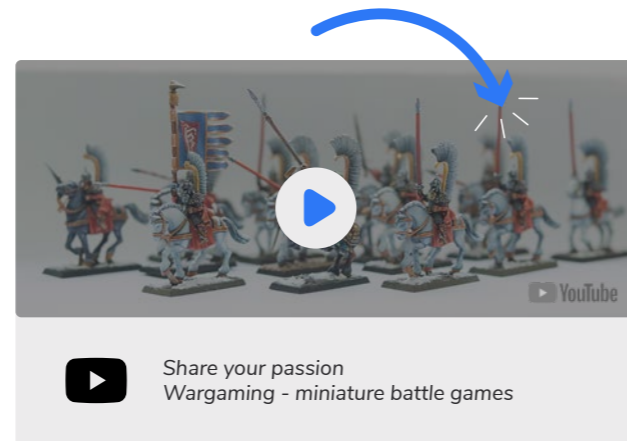
### We are moving kilometres!

More and more people got involved in the “Kilometres Move Us” (Polish: “Kilometry nas kręca”) campaign. **Employees, not only from Poland, run, walk and ride bicycles, recording the covered kilometres in the app.** At the same time, company runs were very popular. The TTMS Go challenge organized in Poland encouraged the activity of employees from outside Poland. As a result, in 2022, its second international edition was held, in which, apart from employees employed in Poland, employees from Denmark and Malaysia also took part.



### Share your passion

**These are cyclical, casual meetings with interesting people from our company with original passions.** They take place on an in-company platform and are not only an opportunity to listen to the often fascinating stories of passionate people, but also an opportunity to get to know co-workers and discover a different side of them.



## Amenities for those working in the office

An office is not only an attractively designed interior and equipment, but also an atmosphere and more or less formalised customs:



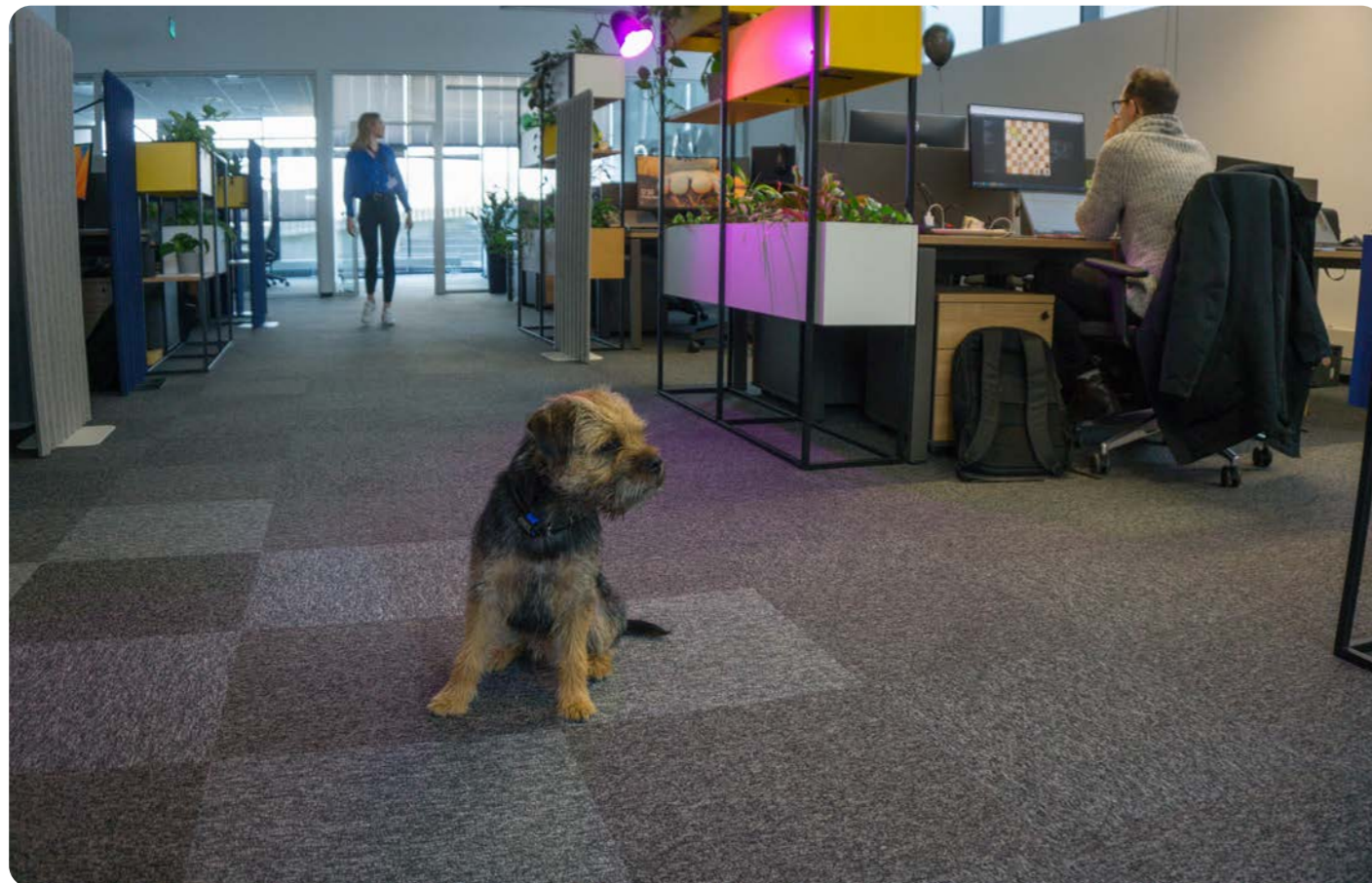
In addition to, for example, well-equipped kitchens where employees, both in Poland and Malaysia, can use the available products (coffee, tea, etc.) without restrictions, **Sweet Days** and fruit days when employees can enjoy sweet rolls or fresh seasonal fruit, have become something of a tradition.



Those who want to take a break from work for a while and de-stress can use the **relaxation area**. Their arrangement may vary from office to office, but they include comfortable sofas and pouffes, as well as table football and Xbox.



In order to meet the expectations of employees, we make it possible for them to **come to work with their beloved pet**. That is why we can sometimes find a sleeping dog under someone's desk.



## Openness to the team and friendly office space

**Our goal is to provide a good working atmosphere in the office.** Therefore, if there are grass-roots voices to make the time spent at work more pleasant, we meet them. **Employees have always been asked about the most convenient location of offices or the arrangement of their space. It is they who participate in its final shape.**

As a result, just like the working atmosphere, our offices do not resemble typical corporate offices. Our idea is to make it friendly and comfortable to work in. We are to feel good in it. The result is that even if, in the opinion of someone from the outside, the space in which we work looks different from the commonly accepted informal corporate standards, it is a space in which we feel good,

chosen by us, and which says a lot about us, our extraordinariness and uniqueness.

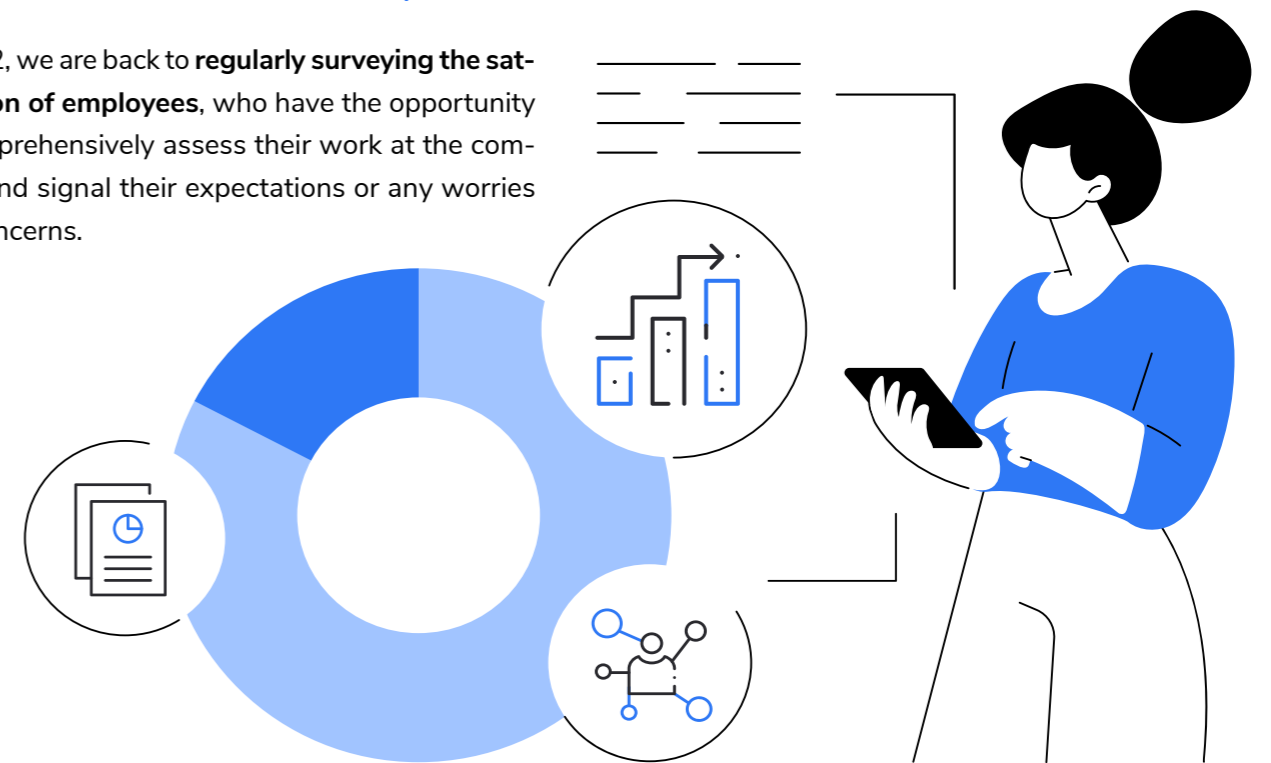
It is more than just fundamental work ergonomics. **It is also about organizing the workplace and the work itself in care of mental hygiene.**

Since 2022, people working in Poznan have enjoyed a new, ergonomic and friendly office. Soon, our Warsaw branch will also have a new place of work.



### Back to the satisfaction survey

In 2022, we are back to **regularly surveying the satisfaction of employees**, who have the opportunity to comprehensively assess their work at the company and signal their expectations or any worries and concerns.



## Diversity of genders, nationalities, cultures and religions

[3-3 (405)] The internationalisation of our business means that, as one of the few companies with Polish roots, **we are active on several continents and our team is made up of people of different nationalities, races and skin colours, not to mention different cultures and religions.**

We are an organization of great diversity – there are people of different races among us, both Catholics and Protestants, Muslims, Buddhists, representatives of Hindu religions, as well as non-religious people. At the same time, we work in an industry where there are still few women. It is about both the market of employees and IT graduates, among whom women are a definite minority.

From our point of view, it would be difficult to think of a friendly atmosphere between people without ensuring conditions in which no one feels “worse”, let alone

humiliated or discriminated against, whether due to their gender or, for example, due to their different skin colour, nationality, culture or religion. Hence our strong emphasis on mutual respect and cooperation, while not accepting any chauvinistic behaviour.

**The more multinational our team becomes, the more important the issue of respecting the multiculturalism and diversity of the team will become. We also want to draw on this value and make it our distinguishing feature in the industry.** Already, in the Malaysian office, which is the most diverse, we organize small but solemn events in the office to celebrate upcoming religious holidays, which are public holidays in Malaysia. These events are similar in nature to the company Christmas Eve celebrations held in offices in Poland. Similarly, Malaysia celebrates the New Year twice: on 1 January and on 15 January, which falls on the beginning of the Chinese New Year.

We put emphasis on development and the possibility of an interesting career path for everyone, regardless of gender or origin.

People employed today, regardless of gender, whether they come from Poland, Malaysia, Denmark or Africa, must be given the same opportunities to take up important positions in our organization.





## Locality of employment

[202-2] As a rule, **we focus on acquiring employees from home markets**, we primarily seek employees from Poland to work on the Polish market. Nevertheless, when we need highly qualified experts, we are open to cooperation with people from other countries, mainly Central Europe, but not only. Our team includes experts from the Czech Republic and Romania, among others, as well as Ukrainian and Belarusian citizens residing in Poland. Thinking ahead and actively counteracting the risk of a potential lack of employees, we also analyse the potential of non-European markets. In addition to Malaysia, where we have an office, we are already looking for experts in India and selected African countries. This continent is particularly promising, especially due to the satisfactory level of competence of the employees and their very good knowledge of English, in countries where it is the official language.

Also in the case of the company in Kuala Lumpur, we decided to rely on Malaysian specialists: as soon as we decided to enter the local market, we decided to appoint a person who would take care of recruiting local specialists, and as they were recruited, employees temporarily seconded from Poland were withdrawn to the country. **Hiring local employees is crucial not only from a corporate social responsibility perspective, but also pragmatically: cultural matching significantly facilitates communication with the community.**

For us, responsible management means not only the presence of people of different genders, but also different nationalities in the governing bodies of individual companies, with an emphasis on successively filling management positions with people from the local market.

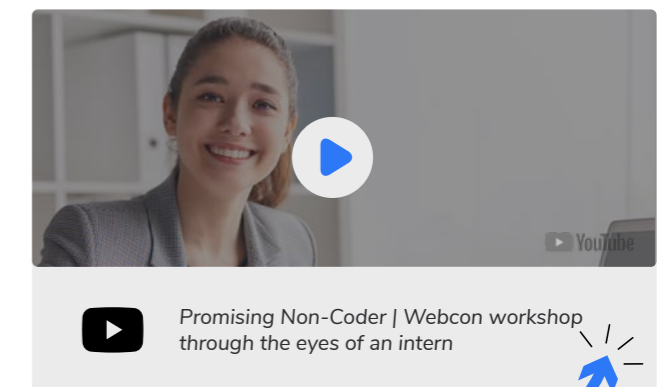
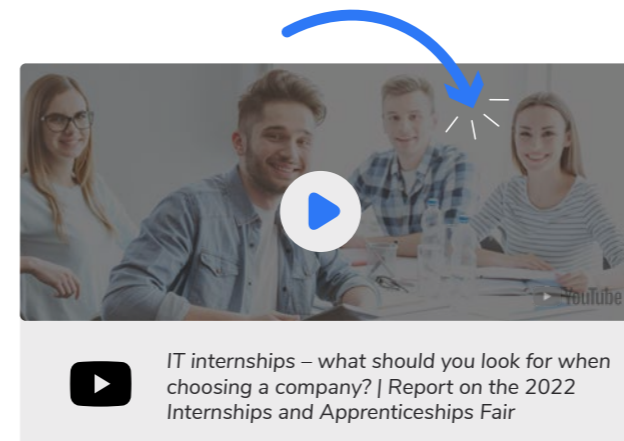


## Internships and apprenticeships

We are increasingly opening up to young people, in whose development we are investing. Our observations show that if they feel good in the company from the very beginning, they will stay with it for a long time. That is why **we are actively looking for the best IT students, offering internships and apprenticeships, and attractive employment terms and conditions for promising graduates. We work with universities, both through career offices and by reaching out to students through on-line portals or through events such as job fairs.**

In 2022, we wanted to attract future IT specialists to our company by implementing a billboard campaign promoting internships and apprenticeships at TTMS. Our billboards were visible near key universities, educating the experts we need. They were customised depending on the city and referred to linguistic regionalisms, characteristic of a given area of Poland. We were present at job fairs in Białystok, Lublin, Koszalin, Poznan and Cracow.

**As a result, we managed to find a record number of young people for apprenticeships and internships, who were particularly valuable in the opinion of our recruiters.** Among the approximately 80 people who have completed an internship or apprenticeship, around 60 have been finally employed by us. Many times, after their internship and in-house projects, their competences were high enough for them to be integrated into teams, carrying out commercial projects. It is also worth mentioning that in 2022, the first interns and apprentices joined the team in Kuala Lumpur. Investing in the education of young people is one of our priorities. Thus, we have created a dedicated website for them [www.praktykiwit.pl](http://www.praktykiwit.pl).





## Recruitment

The recruitment process usually consists of 2–3 stages, in which, apart from the recruiter, a technical person takes part, and in the case of some positions also a Customer’s representative. We try to carry out the whole process as quickly and efficiently as possible so as not to delay the feedback to the person concerned. **Regardless of the outcome of the recruitment process, i.e. also in a situation when we do not decide to start cooperation, we try to provide feedback. As a result, we hear that the recruitment process was nice and friendly from the point of view of the candidate.** What is important, people who used to work for us and decided to leave the company often re-apply for jobs with us. Our unwritten policy does not preclude returns, especially since those who risked changing jobs and were alienated by a new

employer will potentially be more loyal employees. The returns, by the way, are the best proof that people feel comfortable in our team.

When looking for employees and associates we are flexible and, depending on the preferences of candidates, we are able to offer both employment contract and business cooperation with persons conducting business activity (B2B). It should be made clear here, however, that TTMS not only does not pressure the specialists it wants to work with to work with us in a B2B relationship, but offers, as a preference, an employment contract. However, given the limited supply of skilled employees and the fact that some prefer a freelance position, TTMS is not opposed to another form if a particular specialist offers it.



### Handbook for new employees

In 2022, we created a handbook that is a “guideline” for new employees, which is part of the on-boarding process. It reduces the number of subsequent questions and doubts, facilitating faster adaptation in the company.



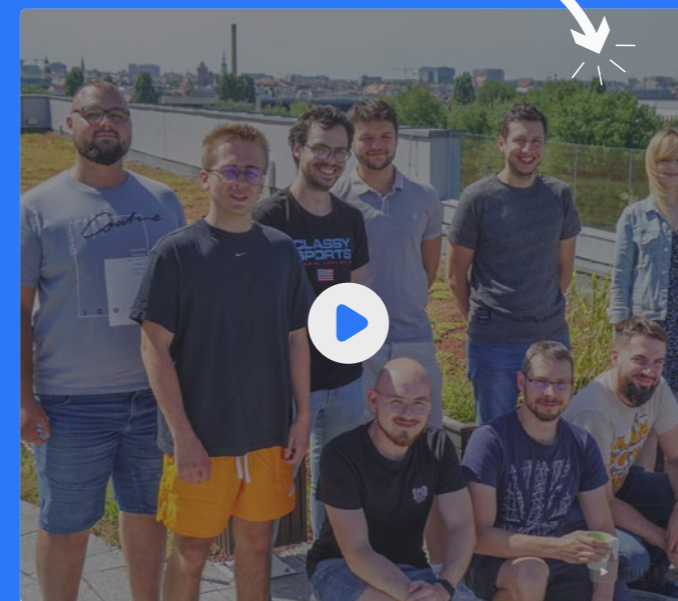
## Training and development

Employees, including often those freshly recruited or even interns or apprentices, and tying their future to TTMS, have the chance to develop their competencies during the proprietary so-called **TTMS Academies (Quality Academy, AEM Academy, Salesforce Academy)**. These programmes allow people to gain sought-after skills and knowledge about technologies that are not taught at universities. Such multi-week training is the first step to specialising and working in a particular area. First and the most often – on internal projects, and then – at external Customers.

Employees employed in Poland, but also, for example, in Malaysia, also acquire new skills during external expert trainings. These are mainly technical trainings, often ending with an exam and related to certification.

**A management development programme (Management Academy) was created in 2022 and is designed to be flexibly extended to additional teams.** It will complement the range of technical trainings and build a unified foundation of competencies among those in managerial positions.

In the last year, the rules of participation in trainings have been streamlined and access to them has been increased. This was in response to the expectations of employees who, in a satisfaction survey, communicated that they did not know or understand the rules and mechanisms related to reporting their participation in trainings.



We are visiting internships and the AEM Academy in TTMS Poznan



Power BI Academy 2022

## Occupational health and safety

[3-3 (403), 403-2, 403-3, 403-5, 403-6, 403-9, 403-10] Office work is not associated with a high risk of accidents at work. The risk of such events is low, and although it will never be possible to fully eliminate the risk of, for example, a traffic accident, there has never been an event in our entire history that would qualify as an accident at work or an occupational disease. At the same time, for us, occupational hygiene is precisely its ergonomics and such organization of the place of work that makes it friendly and healthy.

On the one hand, this is healthy for the spine or eyes, but on the other hand, it helps to reduce mental fatigue. Hence, on the one hand, the care for appropriate furniture, lighting of workstations, or even air quality, on the other hand, the care for places of rest, the possibility to relax, for example with an Xbox console, but also plenty of greenery, or the considered possibility of psychological support. For this reason, we regularly remind employees in internal communications of the need for mental hygiene.



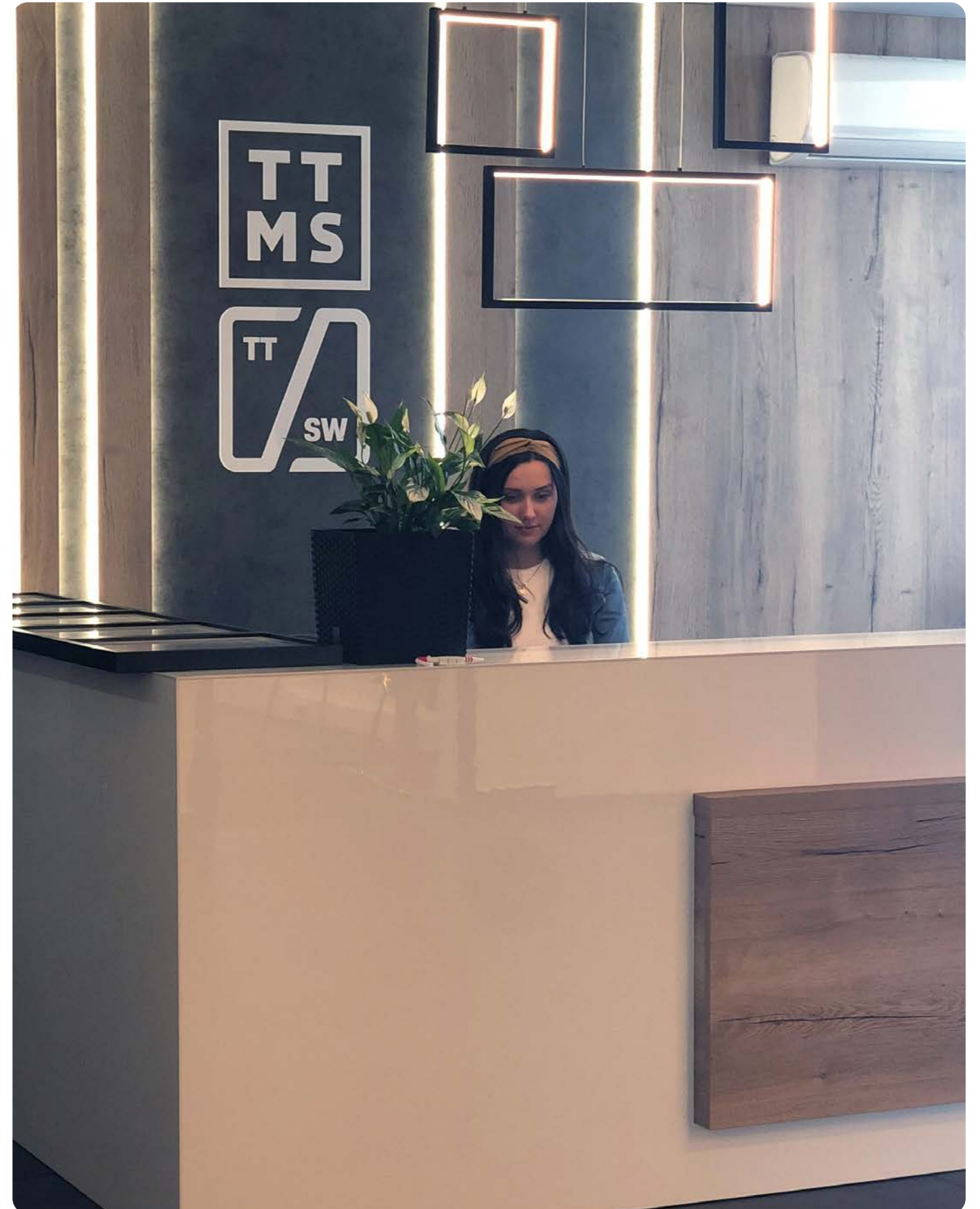
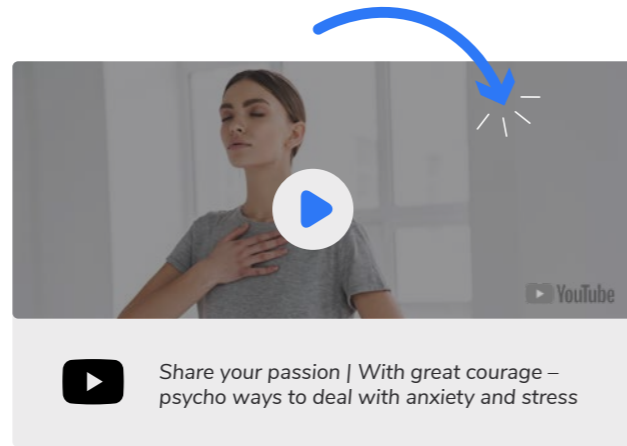
### Ergonomics: desks that enable standing work

In many of our offices in Poland, we offer **optional electrically adjustable desks (hotdesks) that enable standing work**. The individual adjustment of the height allows work to be performed very comfortably. Avoiding spending all day working in a sitting position helps to reduce a factor that contributes to many ailments, including, for example, back and neck pain.



### On-line psychological clinic

All employees in Poland can use the services of the on-line counselling centre, i.e. **on-line consultations with a psychologist, psychotherapist, nutritionist or lawyer**. Consultations can be provided not only in Polish, but also in English or Ukrainian.



## Social commitment of the team

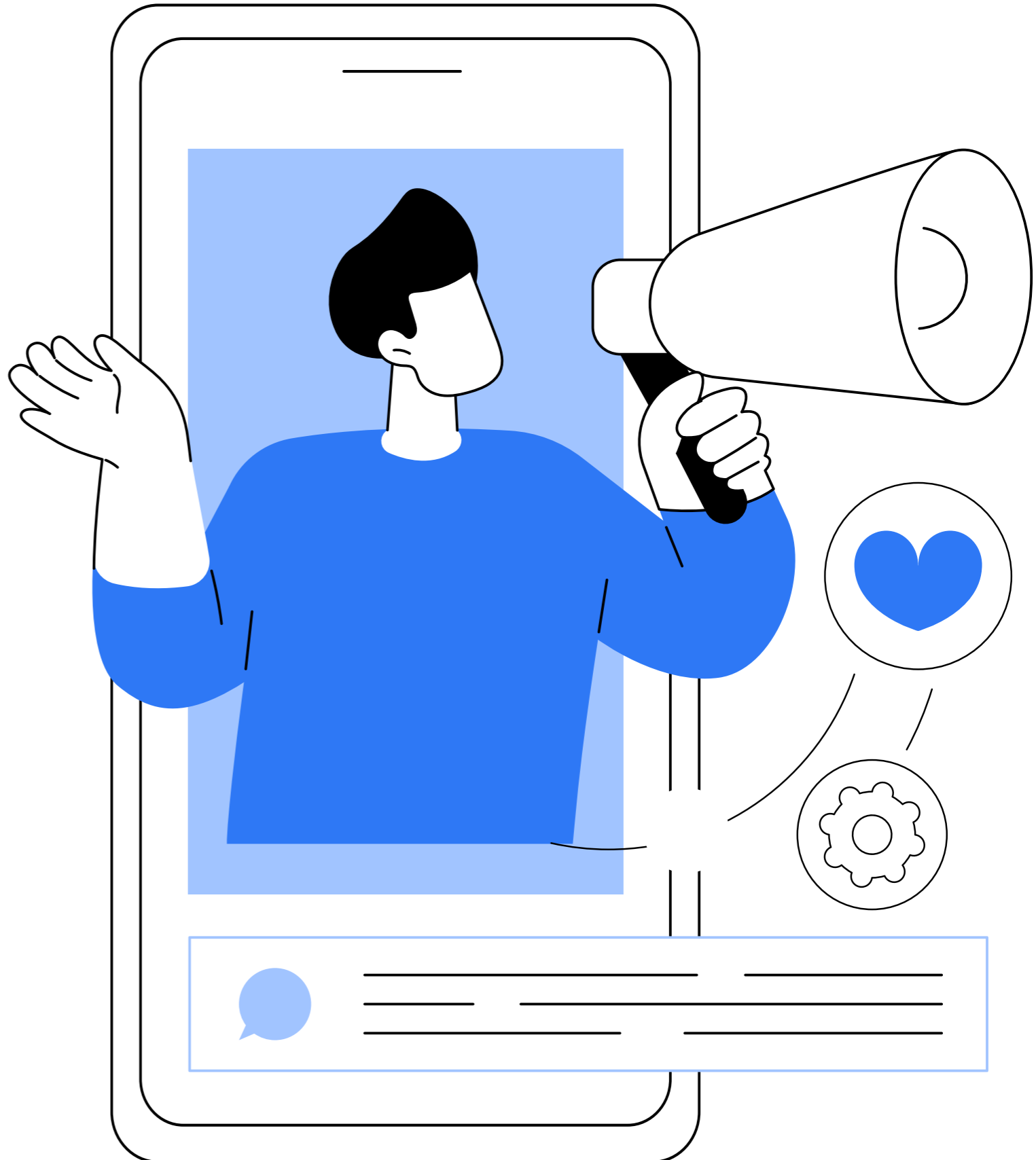
[3-3 (416)], 416-1] We want to share our success, in particular with the societies and communities thanks to which we achieve this success. **Therefore, our ambition is to increase spending on social activities at least proportionally to increasing profits. As a result, we also encourage our employees to joint activities, including joint activities for the benefit of the communities in which we operate as a company and as residents.** Social activities, apart from their helpful nature, can also be those that allow us to do something together, spend time together, share goals and values. Being aware of this, we are keen to involve employees in activities that go beyond their typical tasks.

As in the case of many other enterprises, also in ours, the nature of this year's social commitment in 2022 changed Russia's attack on Ukraine. During the first phase of the war, when the largest wave of war refugees flowed into Poland, our volunteers went to the border and supported the collection of necessities. **We financed the purchase of water at the West Railway Station in Warsaw, we helped cover the costs of renting an apartment for a Ukrainian family of one of the employees, as well as the renovation of an orphanage in Poland, where children from a Ukrainian orphanage found a temporary home.** As a company, we also supported **language courses and Polish language learning for war refugees, as well as English language learning for Ukrainian children.**

We offered psychological support to the family of a colleague from Ukraine. **However, the greatest support was given to Ukrainians fighting at the front, who, with the help of our employees, received the necessary things, such as gloves, backpacks, underwear, medical supplies or drones.** We are also aware that we can help most effectively by using our competences. That is why TTMS developers have developed, using Microsoft PowerBI, a dashboard collecting information on housing, legal aid, health care, work and leisure for our Ukrainian neighbours who are staying in Poland.

Last year, as usual, we were involved in the annual **"Noble Gift"** (Polish: "Szlachetna Paczka") campaign, preparing gifts for families in need. We also had our e-collection box of the **Great Orchestra of Christmas Charity** (Polish: Wielka Orkiestra Świątecznej Pomocy). We have also traditionally organized donations for **animal shelters**. In Malaysia, on the other hand, we initiated and financed the organization of a blood donation event in the building where our offices are located, inviting employees of other companies with which we are neighbours on a daily basis to participate as well.

Last year also saw the traditional participation in charitable initiatives which, thanks to physical activity, helped those in need (We are moving kilometres, the charity Poland Business Run 2022, or the IT Football Championships in Lublin).



### Charity auctions

We auctioned **Robert Lewandowski's captain's armband** and **Justyna Kowalczyk's skis** for the **SOS Children's Villages Foundation**. Thanks to this support, the fate of Ukrainian children under the foundation's care will be easier, and we will be extremely proud to be able to expand our "charity collection".

# 04 Corporate Governance TTMS Responsible Organization

## In this section:

37 Management structure

38 Data security

38 Business ethics



## Management structure

[2-9, 2-11, 2-17, 405-1]

The Management Board, representing the company and managing its day-to-day affairs, consisted of **four persons** at the end of 2022. Its composition did not change during the year.



**Sebastian Sokołowski – CEO of Transition Technologies MS S.A.**

has held the position since the Company's establishment in 2015. He was previously involved in the development of the SSC (Software Solution Centre) department responsible for IT outsourcing at Transition Technologies Group, which he has been involved with since 2001.

From 2006 to 2015, managing director of the SSC department. He boasts more than 20 years of experience in the IT industry. Master of Science in Computer Science. A graduate of Cybernetics Department at the Military University of Technology and Executive MBA at the University of Warsaw and the University of Illinois.

From 2001 to 2004, employed at the Air Force and Air Defence Meteorology Centre as a programmer.



**Lena Rożak – Member of the Management Board and Chief Financial Officer of Transition Technologies MS S.A.**

She is responsible for shaping and implementing the company's financial strategy, planning and supervising the company's costs, and co-creating and optimising processes.

She obtained her master's degree in Economics at the University of Lodz, where she also completed postgraduate studies in Accounting for Small and Medium-sized Enterprises.



**Krzysztof Zapała – Member of the Management Board and Operational Director of Transition Technologies MS S.A.**

Since the beginning of TTMS S.A., he has served as the Operational Director. Since 2017, he has also been the CEO in the subsidiary TTMS Malaysia, developing the Asian business.

He has more than 15 years of professional experience with the software development process, IT service delivery and resource management in this field. He is a graduate of the Faculty of Electrical Engineering and Computer Science at the Lublin University of Technology.



**Adam Kaczmarczyk – Member of the Management Board and Operational Director Transition Technologies MS S.A.**

He is responsible for the company's operational processes and the implementation of its international development strategy. He obtained a master's degree in computer science at the Bialystok University of Technology.

Since 2007, he has been continuously involved professionally with the IT industry, starting his career as a programmer, then developing as a solutions architect.

[2-9] According to the Polish Commercial Companies Law, the most important bodies of Transition Technologies MS S.A. are: Management Board, Supervisory Board and Annual General Meeting. Their functioning is defined by the Polish Code of Commercial Companies and Partnerships, the company's articles of association and internal regulations.

In turn, the supervisory board, which exercised constant supervision over the company's activities, including overseeing its proper management, consisted of five persons. At the end of 2021, it was composed of the following members:

- **Konrad Świrski** – Chairperson of the Supervisory Board,
- **Tomasz Gilarski** – Vice-Chairperson of the Supervisory Board, Member of the Audit Committee,
- **Grażyna Sokołowska** – Member of the Supervisory Board,
- **Karol Słoma** – Member of the Supervisory Board, Member of the Audit Committee,
- **Konrad Romanowski** – Member of the Supervisory Board, Chairperson of the Audit Committee.

In addition to the Chief Operating Officer (COO) and Chief Financial Officer (CFO), the company's key managers include the HR Manager, the Sales Officer and the Chief Administrative Officer.

The latter is not only responsible for a number of aspects related to sustainable development, but also coordinates the management of the entire issue.

## Data security

[3-3 (418)] The above-average measures for information security are critical, especially when working with the economic sectors for which we provide services.

The management solutions in this area form an integrated management system that consists, in addition to the general system, of solutions specific to the sectors we work with:

- Information Security Management System **ISO/IEC 27001**,
- **Polish Ministry of Internal Affairs and Administration (MSWiA) Concession:** defines standards for work in software development projects for the police and military, addressing standards: ISO 9001, ISO 27001, ISO 20000, ISO 45000,
- **Pharmaceutical Supply Chain Initiative (PSCI) Standards:** set out the principles for responsible supply chain management and management principles for ethics, labour, health and safety, environment and related management systems for the pharmaceutical industry.

This maintains not only the confidentiality of the data, but also its integrity, availability, accountability, authenticity, non-repudiation and reliability. We periodically undergo audits that confirm the high quality of data security management.

Regardless of the general policies and procedures related to information security management described in the PN-ISO/IEC 27002 management system, due to the industry specialisation, we have implemented procedures specific to particular sectors and expected by them.

Because we work for companies in the pharmaceutical industry, sometimes referred to as the Bio-Tech-Farm industry (e.g. Roche, Polpharma Biologics), we periodically undergo audits, thanks to which we are accredited.

[418-1] We also carried out an internal audit on information security in 2022. Two incidents were identified that could indicate a risk. The recommendations indicated by the auditors were implemented.

## Business ethics

Since 2015, our company has had a code of ethics (Code of Conduct) in place, clearly defining what types of behaviour are unacceptable. We wanted to help employees resolve all sorts of dilemmas. We do not want anyone to be helpless with their doubts as to which direction to choose, especially when it comes to:

- potential conflict of interest
- giving and receiving gifts

- issues of the so-called insider trading
- discrimination, harassment and mobbing, but also unjustified favouritism
- adverse actions related to addiction
- apolitical nature of our organization.

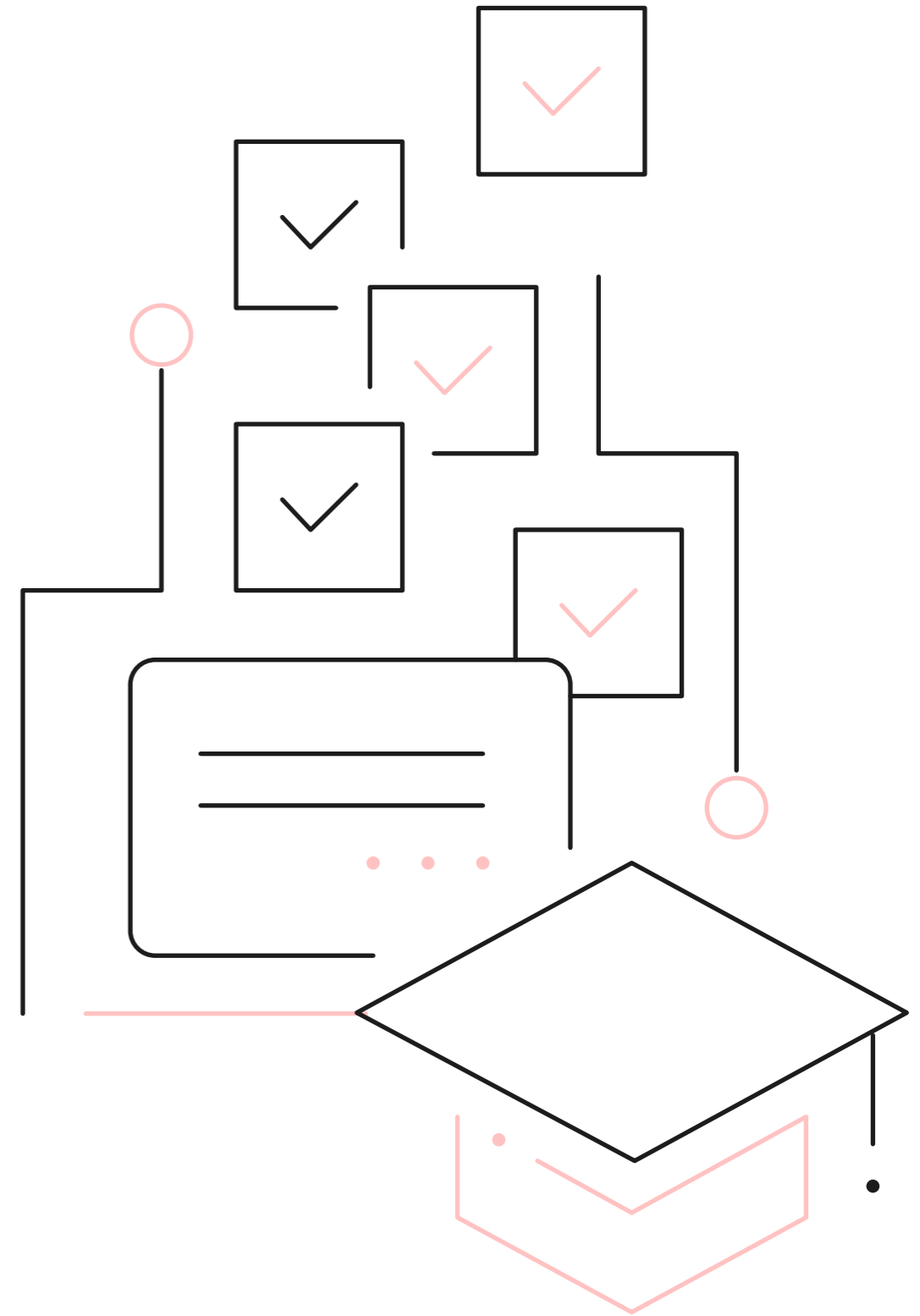
Each such case will be treated with utmost care and confidentiality.



# 05 About the Report

**In this section:**

47 GRI Index



[2-1, 2-2, 2-3, 2-4-2-5]

The presented report is the third non-financial (ESG) report prepared and published by Transition Technologies MS S.A. together with its subsidiaries. This year, the report included the following companies:

- Transition Technologies Managed Services LTD (United Kingdom),
- TTMS Software Malaysia Sdn. Bhd (Malaysia),
- TTMS Nordic A/S (Denmark) (formerly ConCor A/S).

It was developed using the indices (“with reference”) to the GRI Standards 2021. It covers the year 2022, i.e. the period from 01 January 2022 to 31 December 2022. It has not been subject to external auditor verification.

[3-1, 3-2] The scope of the report was defined based on the results of a survey conducted for the previous report. And although the final results are not significantly different from the earlier ones, this year’s materiality assessment process was modified and implemented on the basis of the four steps defined in GRI Standards (GRI 3: Material Topics 2021). An internal analysis of the business model in the context of specific aspects of

sustainable development, including, among others, the issue of the supply chain, labour market challenges in the IT industry or geopolitical trends and phenomena that will shape the IT services market. Such a view allowed to capture not only the current impact of the company on the surrounding, but also to better understand and take into account long-term challenges that will raise both concerns and expectations of stakeholders, and which the TTMS Group will have to face.

The various aspects of responsibility, were assessed in terms of their materiality for the organization itself, as well as for its surrounding. The scale of impact on stakeholders and the (economic, social and environmental) surrounding, but also the potential financial impact on the company’s results, which in itself was a reference to the principle of double materiality envisaged in the future EU non-financial reporting standard.

**Surrounding and groups of stakeholders**

[2-29] **As TTMS, we interact with a variety of stakeholders, among which the following groups should be mentioned:**

| Group of stakeholders  | Typical forms of contact   |
|--|--|
| <p><b>Employees</b><br/>(full-time employees, associates under civil law and B2B contracts, potential employees and associates, apprentices and students, former employees and associates, employees of sub-suppliers)</p>   | <ul style="list-style-type: none"> <li>• day-to-day informal talks</li> <li>• department meetings</li> <li>• satisfaction surveys</li> <li>• team-building trips and events, joint sports or social initiatives</li> </ul>   |
| <p><b>Administration, regulators, industry organizations</b><br/>(Personal Data Protection Office (UODO), Office of Competition and Consumer Protection (UOKiK), Office of Electronic Communications (UKE), National Labour Inspectorate (PIP) and similar offices in other countries)</p> | <ul style="list-style-type: none"> <li>• formalised meetings with transparency</li> <li>• exchange of correspondence and communication</li> <li>• as part of administrative proceedings</li> <li>• expression of common, agreed opinions and positions of the industry through industry organizations</li> <li>• industry events, speeches of speakers (fairs, conferences)</li> </ul> |
| <p><b>Local community and society</b><br/>legislators and governments, community residents adjacent to company offices, non-governmental organizations (e.g., charities), educational institutions and universities, media)</p>  | <ul style="list-style-type: none"> <li>• press room</li> <li>• social media and website</li> <li>• industry events, speeches of speakers (fairs, conferences)</li> <li>• direct contacts with universities or non-governmental organizations</li> </ul>  |
| <p><b>Market and customers</b><br/>(customers, competitors, hardware and software suppliers, hardware and software vendors, other contractors and subcontractors)</p>  | <ul style="list-style-type: none"> <li>• direct business meetings and ongoing correspondence</li> <li>• industry events, speeches of speakers (fairs, conferences)</li> <li>• joint educational initiatives with solution suppliers and vendors</li> </ul>   |
| <p><b>Capital market</b><br/>(strategic shareholders, other shareholders, stock analysts, Warsaw Stock Exchange, auditors),</p>  | <ul style="list-style-type: none"> <li>• publication of reports</li> <li>• Annual General Meeting</li> <li>• direct contacts with representatives of financial institutions</li> </ul>   |
| <p><b>Natural environment</b><br/>(local administration, State Forests, environmental organizations)</p>   | <ul style="list-style-type: none"> <li>• implementation of pro-environmental projects with the local government administration and the State Forests</li> </ul>  |



In our opinion, the adopted approach meets the expectations of the materiality principle (materiality) of the GRI Standards 2021, but also of maintaining the context of sustainable development.

The approach to data collection, supplemented by individual interviews with departmental representatives, and the approach to data presentation also allowed for the highest degree of diligence in the context of the principles of balance, comparability, accuracy, timeliness, transparency and reliability.

During 2022, as well as in the first months of 2023, preceding the publication of the report, there were no significant internal changes, including the implemented business model, that would affect the nature of the

organization's social or environmental impact. The acquisition of the Danish company ConCor A/S, which subsequently changed its name to TTMS Nordic A/S, due to the similar nature of its operations and moderate share in the capital group's turnover, also did not affect the aforementioned nature of the impact. A potential threat to operations in the IT area may be hostile attacks in cyberspace, including destabilizing activities carried out by Russia after the attack on Ukraine.

However, it has not been reported that threats have significantly increased for the projects and entities for which services are currently provided. Thus, there has been no change in the areas of responsibility identified as key.

**Finally, the ESG report focused on the following aspects:**

| Economic, social or environmental aspect   | GRI Standards  | Materiality |
|--|--|-------------|
| Information security, including privacy  | GRI 418: Customer Privacy (418-1)  | high        |
| Remuneration policy, employment terms and conditions, occupational health and safety | GRI 401: Employment (401-1, 401-2, 401-3)<br>GRI 403: Occupational Health and Safety (403-2, 403-3, 403-5, 403-6, 403-9, 403-10) | high        |
| Role in the economy (impact on socio-economic development)                           | GRI 203: Indirect Economic Impacts (203-2)   | high        |
| Development and training   | GRI 404: Training and Education (404-1, 404-3)   | high        |
| Ethical marketing communications   | GRI 417: Marketing and Labelling (417-2; 417-3)  | average     |
| Countering corrupt behaviour and bribery   | GRI 205: Anti-corruption (205-3)   | average     |
| Suppliers and employees from local markets   | GRI 202: Market Presence (202-1, 202-2)<br>GRI 204: Procurement Practices (204-1)  | average     |
| Ethics management  |  | average     |
| Fuels and energy consumption   | GRI 302: Energy 2016 (302-1)   | low         |
| Emissions  | GRI 305: Emissions (305-1, 305-2, 305-3, 305-5)  | low         |

**[2-7] Employment at year-end**

|   | 2022       |            |            | 2021       |            |            | 2020       |            |            |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|   | Women      | Men        | Total      | Women      | Men        | Total      | Women      | Men        | Total      |
| Unspecified time  | 93         | 89         | 182        | 66         | 74         | 140        | 39         | 47         | 86         |
| Specified time  | 71         | 95         | 166        | 93         | 96         | 189        | 72         | 77         | 149        |
| On probation period   | 10         | 6          | 16         | 2          | 4          | 6          | 6          | 5          | 11         |
| On replacement  | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Full-time   | 164        | 179        | 343        | 150        | 163        | 313        | 111        | 123        | 234        |
| Part-time   | 10         | 11         | 21         | 11         | 11         | 22         | 6          | 6          | 12         |
| <b>By age</b>   |            |            |            |            |            |            |            |            |            |
| aged under 30   | 59         | 65         | 124        | 50         | 61         | 111        | 43         | 41         | 84         |
| aged 30–50  | 111        | 116        | 227        | 109        | 110        | 219        | 73         | 82         | 155        |
| aged over 50  | 5          | 8          | 13         | 2          | 3          | 5          | 1          | 6          | 7          |
| <b>By region</b>  |            |            |            |            |            |            |            |            |            |
| Europe (Poland, United Kingdom)   | 147        | 145        | 292        | 125        | 137        | 262        | 101        | 98         | 199        |
| Asia (Malaysia)   | 28         | 44         | 72         | 36         | 37         | 73         | 16         | 31         | 47         |
| <b>Total</b>  | <b>175</b> | <b>189</b> | <b>364</b> | <b>161</b> | <b>174</b> | <b>335</b> | <b>117</b> | <b>129</b> | <b>246</b> |
| Associates under civil law contracts, self-employment, including field advisers, etc. (persons on appointment are not included) | 66         | 382        | 448        | 36         | 299        | 335        | 30         | 252        | 281        |



**[2-7] Employment at year-end**

|                                 | 2022             |                |                     |                | 2021             |                |                     |                | 2020             |                |                     |                |
|---------------------------------|------------------|----------------|---------------------|----------------|------------------|----------------|---------------------|----------------|------------------|----------------|---------------------|----------------|
|                                 | unspecified time | specified time | on probation period | on replacement | unspecified time | specified time | on probation period | on replacement | unspecified time | specified time | on probation period | on replacement |
| Europe (Poland, United Kingdom) | 146              | 130            | 16                  | 0              | 115              | 141            | 6                   | 0              | 77               | 111            | 11                  | 0              |
| Asia (Malaysia)                 | 36               | 36             | 0                   | 0              | 25               | 48             | 0                   | 0              | 9                | 38             | 0                   | 0              |
| <b>Total</b>                    | <b>182</b>       | <b>166</b>     | <b>16</b>           | <b>0</b>       | <b>140</b>       | <b>189</b>     | <b>6</b>            | <b>0</b>       | <b>86</b>        | <b>149</b>     | <b>11</b>           | <b>0</b>       |

**[102-8] ] New employees admission**

|                                 | 2022      |           |            | 2021      |           |            | 2020      |           |           |
|---------------------------------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|-----------|
|                                 | Women     | Men       | Total      | Women     | Men       | Total      | Women     | Men       | Total     |
| <b>By age</b>                   |           |           |            |           |           |            |           |           |           |
| aged under 30                   | 31        | 33        | 64         | 24        | 36        | 60         | 12        | 13        | 25        |
| aged 30–50                      | 27        | 29        | 56         | 42        | 49        | 91         | 14        | 12        | 26        |
| aged over 50                    | 1         | 1         | 2          | 1         | 1         | 2          | 0         | 5         | 5         |
| <b>By region</b>                |           |           |            |           |           |            |           |           |           |
| Europe (Poland, United Kingdom) | 49        | 49        | 98         | 41        | 62        | 103        | 20        | 21        | 41        |
| Asia (Malaysia)                 | 10        | 14        | 24         | 26        | 24        | 50         | 6         | 9         | 15        |
| <b>Total</b>                    | <b>59</b> | <b>63</b> | <b>122</b> | <b>67</b> | <b>86</b> | <b>153</b> | <b>26</b> | <b>30</b> | <b>56</b> |
| %                               | 33,7%     | 33,3%     | 33,5%      | 41,6%     | 49,4%     | 45,7%      | 22,2%     | 23,3%     | 22,8%     |

**[401-1] Employee departures**

|                                 | 2022      |           |           | 2021      |           |           | 2020     |           |           |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|
|                                 | Women     | Men       | Total     | Women     | Men       | Total     | Women    | Men       | Total     |
| <b>By age</b>                   |           |           |           |           |           |           |          |           |           |
| aged under 30                   | 6         | 17        | 23        | 9         | 12        | 21        | 4        | 10        | 14        |
| aged 30–50                      | 35        | 35        | 70        | 15        | 21        | 36        | 4        | 12        | 16        |
| aged over 50                    | 0         | 0         | 0         | 0         | 3         | 3         | 0        | 0         | 0         |
| <b>By region</b>                |           |           |           |           |           |           |          |           |           |
| Europe (Poland, United Kingdom) | 26        | 42        | 68        | 21        | 25        | 46        | 7        | 16        | 23        |
| Asia (Malaysia)                 | 15        | 10        | 25        | 3         | 11        | 14        | 1        | 6         | 7         |
| <b>Total</b>                    | <b>41</b> | <b>52</b> | <b>93</b> | <b>24</b> | <b>36</b> | <b>60</b> | <b>8</b> | <b>22</b> | <b>30</b> |
| %                               | 23,4%     | 27,5%     | 25,5%     | 14,9%     | 20,7%     | 17,9%     | 6,8%     | 17,1%     | 12,2%     |

**[401-3] Return to work and job retention ratios after maternity/paternity leave by gender**

|  | 2022  |     |       | 2021  |     |       | 2020  |     |       |
|--|-------|-----|-------|-------|-----|-------|-------|-----|-------|
|  | Women | Men | Total | Women | Men | Total | Women | Men | Total |
| Number of employees who were entitled to and used maternity/paternity leave in the year in which their children were born  | 10    | 4   | 14    | 14    | 5   | 19    | 7     | 3   | 10    |
| Did not use the entitlement in the year their children were born   | 36    | 45  | 81    | 0     | 3   | 3     | 0     | 1   | 1     |
| Number of persons with whom the contract was terminated during maternity/paternity leave (contract terminated at the end of the period for which it was concluded) | 0     | 0   | 0     | 0     | 0   | 0     | 1     | 0   | 1     |

**[404-1] Average hours of training per year per employee by gender and by employee category Employees (for sample positions)\***

|  | 2022  |      |       |
|--|-------|------|-------|
|  | Women | Men  | Total |
| <b>total hours of training</b>         |       |      |       |
| IT positions                           | 165   | 655  | 820   |
| non-IT positions                       | 345   | 25   | 370   |
| ITIL                                   | 0     | 10   | 10    |
| <b>average hours of training</b>       |       |      |       |
| average hours of training per employee | 3,04  | 3,80 | 3,43  |

\* does not include operations in Denmark.

**[405-2] Ratio of average woman to man remuneration in the given category (for sample positions)**

|   | 2022          | 2021   |
|---|---------------|--------|
| <b>by position held:</b>                          | <b>Poland</b> |        |
| Junior Programmer                                 | 106,3%        | 104,8% |
| Quality Team Leader                               | 100%          | 83,2%  |
| Validation Specialist                             | 94,2%         | 85%    |
| <b>by age</b>                                     |               |        |
| employees aged under 30 classified as programmers | 101,8%        | 95,1%  |
| employees aged 30 or over classified as testers   | 93,8%         | 90,7%  |
| <b>by position held:</b>                          | <b>Asia</b>   |        |
| Application Supporter (aged 30-50)                | 96,5%         | 97,6%  |
| Tester (aged under 30)                            | 103,5%        | 98,8%  |
| Programmer  | 101,8%        | 112,4% |

**[202-1] Ratio of the remuneration to the minimum wage of entry-level employees by gender**

| market: Europe* | 12.2022 | 12.2021 | 12.2020 |
|-----------------|---------|---------|---------|
| Women           | 210%    | 191,1%  | 153,9%  |
| Men             | 206%    | 179%    | 191,8%  |

| market: Asia | 12.2022 | 12.2021 | 12.2020 |
|--------------|---------|---------|---------|
| Women        | 240%    | 151,6%  | 165%    |
| Men          | 233%    | 185,8%  | 180%    |

\* Data for the Polish market (in other countries, due to the small number of employees, such comparisons are pointless)

**[302-1] Fuels and energy consumption\***

| Consumption (Europe)                                  | unit          | 2022                   | 2021                   | 2020                  |
|---|---------------|------------------------|------------------------|-----------------------|
| Diesel (ON)   | GJ<br>(litre) | 331,85<br>(9065,17)    | 271,75<br>(7423,24)    | 297,43<br>(8124,72)   |
| petrol  | GJ<br>(litre) | 253,38<br>(7643,91)    | 92,01<br>(2775,77)     | 55,58<br>(1676,86)    |
| electricity   | GJ<br>(MWh)   | 585,47<br>(162,63 MWh) | 810,00<br>(225,00 MWh) | 735,13<br>(204,2 MWh) |
| of which % energy from renewable energy sources (RES) | %<br>(MWh)    | 49,1%<br>(79,84 MWh)   | n.d.                   | n.d.                  |
| Total   | GJ            | 1 170,70               | 1 173,76               | 1 088,14              |

\*only Poland

**[305-4] Reduction and offset of eCO<sub>2</sub> emissions**

| Estimated emissions  | unit         | 2022          |
|--|--------------|---------------|
| <b>Reduction of eCO<sub>2</sub> emissions (avoided emissions)</b>  |              |               |
| Scope 2: use of electricity from RES: purchase of green energy and local generation sources (PV panels on buildings where offices are located) (calculated as the difference between the baseline scenario in which energy with an average carbon footprint of energy available in country (market-based) is purchased and the carbon footprint of energy actually purchased by TTMS (location-based)) | tonne        | 8,56          |
| Scope 3: use of hybrid work and the choice of less-emission means of transport used by employees (calculated as the difference between the carbon footprint of commuting to work in the baseline scenario, in which all employees commute to work by car every day, and the actual carbon footprint)   | tonne        | 78,34         |
| Category 3: extraction, production and transportation of fuels used in vehicles (petrol, ON)   | tonne        | 10,22         |
| <b>Avoided emissions:</b>  | <b>tonne</b> | <b>99,01</b>  |
| <b>Offset of eCO<sub>2</sub> emissions</b>   |              |               |
| Purchase of Carbon Dioxide Units (JDW) from the State Forests (Forest Carbon Farms Project: <a href="https://projekty-rozwojowe.lasy.gov.pl/o-aukcji">https://projekty-rozwojowe.lasy.gov.pl/o-aukcji</a> )  | tonne        | 818,00        |
| Own planting of trees and shrubs   | tonne        | 0,20          |
| Offset:  | tonne        | <b>818,20</b> |

**[305-1, 305-2] Estimated eCO<sub>2</sub> emissions**

| Estimated emissions                    | unit         | 2022         | 2021         | 2020         |
|--|--------------|--------------|--------------|--------------|
| <b>Scope 1</b>                         |              |              |              |              |
| petrol                                 | tonne        | 16,52        | 6,46         | 3,64         |
| diesel                                 | tonne        | 23,19        | 19,81        | 20,69        |
| <b>total</b>                           | <b>tonne</b> | <b>39,71</b> | <b>26,26</b> | <b>24,32</b> |
| <b>Scope 2</b>                         |              |              |              |              |
| Electricity (method: market - based)   | tonne        | 136,17       | 188,39       | 169,82       |
| Electricity (method: location - based) |              | 92,49        | n.d.         | n.d.         |
| <b>Scope 1+2</b>                       |              |              |              |              |
| Total (method: market - based)         | tonne        | 175,88       | 214,65       | 194,14       |
| Total (method: location - based)       | tonne        | 132,20       | n.d.         | n.d.         |

**eCO<sub>2</sub> Emission Methodology:** the calculation of emissions from diesel and petrol combustion was based on actual fuel consumption and the UK Government GHG Conversion Factors for Company Reporting. At the same time, the data has been adjusted to base the calculation on ratios for fuels blended with biocomponents.

For emissions resulting from the consumption of purchased electricity, the results are presented in two variants. The estimates were based on estimated consumption and emission factors:

- average for Poland, published by the National Centre for Emissions Management (KOBiZE) for the Polish market (method: market-based)
- the average for a given energy supplier at each location, adjusted for purchases of zero-emission energy and electricity from RES (photovoltaic panels) produced at a given location (method: location- based).

Since 2022, not only carbon dioxide but also nitrogen oxides have been included in the carbon footprint calculation, presenting the data as eCO<sub>2</sub> equivalent. Appropriate re-estimates were also made for 2020 and 2021 in order to include the aforementioned impact of nitrogen oxides in the emissions, as well as more up-to-date emission data (according to the KOBiZE).

# GRI Index

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| <b>Statement on the use of the standard</b> | <b>Transition Technologies MS SA and its subsidiaries</b> reported the following information <b>for 2022</b> with reference to GRI standards. |
| <b>GRI 1 standard used</b>                  | GRI 1: Foundation 2021  |

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| GRI 401: Employment 2016                | 401-1: Total number and rate of new employee hires and employee turnover by age group, gender and region. | 43                              |
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### Contact

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