

30% Club Poland: 10 questions about ESG to... Benefit Systems

1. What is the mission, vision, and values of Benefit Systems in the context of implementing the company's non-financial activities, including ESG factors?

Our mission is to create and deliver employee benefits in the area of active and healthy lifestyle as well as psychophysical wellbeing. In our offer, we combine unique and highly desirable products with the highest quality of service and friendly technology platforms dedicated to employees (users), HR directors/decision makers (B2B clients) and individual customers (B2C clients). We work for the development of people. We believe that greater physical activity and taking care of one's body and mind means more energy, health, wellbeing and, as a result, a better life for everyone. In cooperation, we always follow the win-win principle, and our business is based on long-term, transparent relationships with all stakeholders. Based on the above guidelines and goals centred around the mission, values, and DNA of our organisation as well as aspects related to B Corp certification, we plan and implement CSR/ESG activities. They are also directly and inextricably linked to our business strategy. All these aspects create a coherent vision that enables comprehensive activities of Benefit Systems in the area of corporate social responsibility.

2. For three years now Benefit Systems has been a member of the B Corp movement created by the international organisation called B Lab. What does this certification and joining the movement of the most socially engaged companies in the world mean?

For Benefit Systems B Corporation Certification and joining the B Corp movement, i.e. the group of socially responsible companies, is primarily a motivation and commitment to continuously develop in the field of non-financial activities of the company. As part of the certification, we constantly research and conduct activities in B Lab's all areas of interest, namely management and corporate governance, employees, customers, community, and the natural environment. We work, among others, on the proper management of the organisation in accordance with corporate governance, developing the wellbeing of our employees, acting for the benefit of local communities, supporting and responding to the needs of our clients

and partners, and the development of infrastructure related to our industry. The certification process was time-consuming and entailed many challenges, thanks to which we were able to examine the level of our company's advancement in the field of socially responsible activities thoroughly. Currently, the B Corp movement includes 4,000 companies from 77 countries. Benefit Systems was the first public company with Polish origins to be certified in 2018.

To remain in the group of socially responsible companies as well as to constantly develop and test its activities in this field, the company will begin B Corp recertification process in 2022.

3. "We are socially responsible" is the leitmotif of volunteering and philanthropic projects at Benefit Systems. What does this slogan mean and what is broadly defined CSR for us?

The "We are socially responsible" slogan means primarily that we focus our CSR activities on various groups of stakeholders. Not only those connected with our industry and services, although it is a very important part of reality for us, but also wherever we can educate, activate, and inspire one another. We operate with children, people with disabilities, the elderly and the excluded as well as animals in mind. From year to year, an increasingly important direction of our activities are also projects implemented with a view to the natural environment and minimising the negative impact of our business. We have been engaging our employees in these activities for many years as part of employee volunteering. Volunteering activities and social initiatives have penetrated so deeply into the culture of our organisation that it is often the employees themselves who initiate projects that they want to implement in the work environment.

As part of CSR activities, we look at our community and try to respond to its needs where we see the potential to use our knowledge and competences. We care for the sustainable development of all market participants. We also support and implement social initiatives of our employees, beneficiaries, and partners. In addition, in 2020, we started an analysis of the phenomena that had never been in our interest before. We have included issues related to safety and support of the surrounding market in our activities. We try to be attentive and make responsible decisions, thanks to which life will be better both for us and our surroundings.

4. What does diversity and inclusiveness mean for Benefit Systems? How are they promoted in the company?

An inherent element of both internal and external activities of Benefit Systems is paying attention to the aspect related to diversity. We want our employees to act with the awareness

of appreciating their uniqueness and respecting their views. We also want our products and services to be available to all social groups. We believe that a diverse team is more creative and respect for each person will result in a sense of acceptance and optimal, unrestricted action, thanks to which our business can develop. We view diversity in cooperation with other stakeholders, such as our clients, partners, or beneficiaries in a similar way. We know that respecting and perceiving diversity as an opportunity is indispensable in everyday cooperation and has a direct impact on its effectiveness.

In 2018, the company implemented the Diversity Policy, under which we undertake to treat all employees equally, regardless of gender, age, ethnic origin, religion, sexual orientation, or family status. We also have the BS_Way Code of Ethics in place. It contains ethical principles, including those related to tolerance, equality, and respect for dignity of others, with reference to procedures for employees related to violating these principles.

To promote diversity and equality we build diverse teams, we care for a friendly, respectful atmosphere, we follow the principles of equal opportunities, participation and expression, we apply transparent recruitment criteria, we care about the work-life balance of our employees, and we promote and support the development of their passions and interests. The created and implemented procedures and documents consider aspects related to diversity and anti-discrimination in such a way that they best serve our employees and are consistent with our values. As part of activities promoting diversity, we regularly invite employees to joint thematic integration events, workshops, and trainings as well as charity fund-raising events during which we support various social groups.

In 2021, we started updating the Diversity Policy in line with the recommendations of the Best Practices of WSE Listed Companies as well as with the needs and opportunities we see in the organisation, especially in the context of developing and promoting diversity. The employees themselves will be involved in the process of updating the policy so that the new document is in line with their values. As part of the implementation of the new version of the policy we will also invite employees to internal events that will allow us to consolidate and make the team fully identified with the values that are most important to us.

For Benefit Systems inclusiveness is one of the pillars of activities directly related to diversity. It is important for us that each stakeholder feels good in working with us, is accepted and respected. Therefore, in addition to all the above-mentioned activities related to the promotion of diversity, we also conduct activities involving and inviting individual entities we cooperate with, wanting to take care of their comfort to the highest degree and listen to the needs of each

of these groups. As part of these activities, we implement social and product campaigns, for example for the MultiSport Senior Card, in which we educated seniors in the field of physical activity and encouraged them to undertake it regularly, "Pump up your immunity" for Zdrofit, promoting the diversity of our clients and users, increasing knowledge in the field of health and strengthening immunity thanks to cyclical physical activity or the MultiSport campaign called "Move. It's easy!" showing that sport is for everyone, one just needs to try and take the first step. Additionally, as part of activities related to an inclusive approach to stakeholders, we constantly develop our products and services as well as the infrastructure of our clubs to enable every person interested in physical activity to join communities that care about health and wellbeing. The same principle applies to the implementation of strictly CSR projects in the company. We pay attention to various groups of beneficiaries, including socially excluded groups, wanting to include them in the local community. We also want to sensitise our employees, users, and clients to their problems, bearing in mind the aspects related to the social responsibility of our business and the values that relate to it. We write more about this in the answer to question 6.

5. What does joining the 30% Club mean for Benefit Systems?

Benefit Systems joining the international 30% Club initiative community is closely related to the company's values. First of all, we want to support increasing the representation of women in the boards of listed companies. We believe that a more diverse management board and supervisory board help to increase the scope of experience, knowledge, and competences, which results in more effective decision-making and also helps in building a high corporate culture. Diverse authorities support the organisation in achieving its full business potential and in creating value for all stakeholders. We are sensitive to gender diversity in our company. It plays an important role for us in building a socially responsible business as well as in a global context – a fairer and more sustainable economy.

As a company, we want to support one of the most important postulates of 30% Club Poland, i.e. achieving at least 30% representation of women on management boards and supervisory boards (counted in total) in 140 largest Polish listed companies by 2030 as well as take all actions to promote and spread the idea of this initiative.

6. What advice would you give to companies starting their diversity and inclusiveness activities within an organisation?

In our activities, the most important thing is respect for our stakeholders. We want every

person working and cooperating with Benefit Systems to feel at ease, have a sense of acceptance and autonomy. It is also important that all cooperation and development of our business be guided by the principles that are important to us: a win-win approach, equal opportunities, and openness to the stakeholders' perspective. We are constantly discovering this area and we want to respond to the needs of our environment on an ongoing basis, which for ourselves, as an organisation, means constant development. Therefore, we would advise organisations that begin the process of implementing issues related to diversity and inclusiveness to listen to the needs of the environment, to see differences as opportunities – especially for development – and to appreciate the opportunities offered by stakeholders by presenting their perspective. We believe that awareness, empathy, and openness are important factors here. These values are a strong foundation for all activities, ensuring a sense of happiness among employees of the organisation and a significant impact on business development.

7. What CSR projects, including environmental ones, have been implemented in the company in the last three years?

As part of CSR activities, we conducted many volunteering and philanthropic projects, including "Dobry MultiUczynek" for employees and MultiSport card users as part of the MultiSport Summer Game. These projects consisted in activating, volunteering, and engaging our stakeholders in the implementation of projects for selected beneficiaries. These projects were regularly financed from Benefit Systems' own funds. As part of Dobry MultiUczynek, we support various social groups as well as animals and projects related to environmental protection. In addition, we regularly run smaller charity and ecological projects such as the collection of used clothes, personal care products, food, IT and household equipment, used batteries, corks and other items, which, thanks to our commitment, we can give a second life to.

For the last three years, Benefit Systems has also carried out activities related to the promotion of the B Corp movement in Poland, consisting in participation in all events related to B Corp in the country. As part of these activities, representatives of Benefit Systems presented the certification path and shared their experiences related to this process. They also inspired organisations interested in certification, explaining why it is so important for the B Corp movement to constantly develop and engage various entities to jointly work for better future.

An important aspect of CSR activities is also the MultiSport Index survey which has been conducted for three years now. It is the first comprehensive survey of Poles' physical and

sports activity in Poland, enriched with data on individual provinces or age groups. The aim of the survey is to analyse the level of physical activity of Poles as well as to examine their motivation to practise sports. The results of the MultiSport Index survey are useful for many entities operating in the industry related to physical activity and health as well as educational institutions. They are also used in the creation of publications on this subject.

Projects related to ecological issues implemented in the company in the last few years mainly include the introduction of waste segregation into five fractions at the company's headquarters, new communication of the "We play fair with nature" campaign promoting an ecological attitude in the workplace and private life, environmental education workshops for employees, promoting a healthy and ecological lifestyle by activating employees as part of one-day campaigns such as No Elevator Day or Sports Day, exploring opportunities related to energy saving, and document printing in the company (including switching to e-invoice with clients, partners and suppliers). In 2020, we also implemented the largest and most important environmental project at Benefit Systems. We measured the Capital Group's carbon footprint, which amounted to 26,305 tons of CO₂e, for the first time.

One of our key CSR and educational projects dedicated to children was the Active MultiSport Schools programme implemented together with the V4 Sport Foundation in 2018-2019. The program was created with physical activation of children in mind and its aim was to restore the joy of exercise among primary school students as well as to increase the level of their physical activity. The first stage of the programme was a workshop on the importance of physical activity and healthy nutrition of the youngest for children, parents, teachers, and local government representatives. During the meetings, ideas for activities increasing the daily activity of children (e.g.: active breaks, lessons in motion or a sports path to school) were developed and then implemented. So far, nearly 15,000 students from 35 Lower Silesian and 20 Masovian primary schools have participated in the initiative. During the pandemic the project was suspended for budgetary and security reasons, but we hope that this or a similar initiative will return in the future. During the pandemic, however, we took numerous activities related to the promotion of physical activity among children, developing our products and services, such as classes for children on the Yes2Move online platform or VanityStyle Online Zone. We also implemented smaller CSR projects dedicated to children, such as the Benefit Systems Fitness Unit with the Legia Foundation, consisting in the organisation of free sports activities in safe conditions, in which a total of 500 people took part: 250 children and 250 guardians.

In 2020, the company also started working on the project of creating a CSR questionnaire for suppliers. The document was to be made for the verification and responsible selection of suppliers who will potentially cooperate with Benefit Systems. Filling in the questionnaire

aims at examining the partner in terms of broadly understood activities in the field of social responsibility and ESG factors. The questionnaire has just been put into circulation at Benefit Systems S.A. It will be an important complement to the purchasing procedure in the context of sustainable supplier selection.

8. What CSR projects, including environmental ones, will be implemented in the company within the next three years?

In the coming years we intend to continue most of the projects that are currently underway. We constantly want to involve our employees in volunteering and philanthropic projects, implement Dobry MultiUczynek programme (for employees and users) and organise numerous charity and ecological fund-raising events. In addition, we intend to continue activities related to observing the society and responding to the needs of our stakeholders, developing our services, activating our users, supporting our partners, or skilfully selecting our beneficiaries.

We also plan to conduct further research on Polish society in the context of physical activity and motivation related to practising sports. In the coming years we will also conduct pro-ecological activities aimed at continuous reduction of the carbon footprint as well as engaging and educating employees in the field of pro-ecological attitudes.

The most important CSR projects for Benefit Systems in the coming years will be the B Corp recertification process, updating and implementing a new version of the Diversity Policy in the company, and then in individual companies within the group, measuring the carbon footprint and creating a climate strategy as well as annual non-financial reports for the Capital Group.

9. Which Sustainable Development Goals under the UN's 2030 Agenda is Benefit Systems pursuing?

As part of the corporate social responsibility strategy and its business activities, Benefit Systems actively, directly and indirectly, contributes to the implementation of the following UN Sustainable Development Goals:

GOAL 3 – GOOD HEALTH AND WELLBEING -

We care about good health and quality of life through our services and products dedicated to B2B clients, B2C clients and users. We constantly research and monitor the physical activity of Poles as well as promote and create good practices related to our industry.

GOAL 8 – DECENT WORK AND ECONOMIC GROWTH -

We contribute to the creation of good-quality jobs, both at our B2B clients and within the BS Capital Group, where we ensure pay and working conditions that enable employees to live in dignity. We are constantly confronted with the growing requirements of corporate social responsibility and we try to meet them.

GOAL 10 – REDUCED INEQUALITIES -

We strive to eliminate social inequalities by promoting diversity in all stakeholder groups, constantly developing the offer and access to the service for all as well as building partner network in an ethical manner. We care about equal access of women and men to job positions in our organisation.

GOAL 17 – PARTNERSHIP FOR THE GOALS -

We actively work in partnerships for the SDG goals by participating in dedicated events, training and activities related to the implementation of 17 Goals as well as building a network of substantive partners specialising in this area.

10. What is Benefit Systems' ESG/CSR strategy and what are its goals?

Benefit Systems has had an ESG/CSR strategy for the Capital Group for several years now. In 2020, we began working on its update related to the needs of continuous development of non-financial activities in relation to the changing world, changes in the market situation (including the pandemic) as well as the needs and guidelines for listed companies. The goals of the strategy include activating and caring for the health of the society, helping clients, supporting partners, listening to users, taking care of the team, creating infrastructure, maintaining the highest standards, engaging in helping and respecting the environment and climate. Benefit Systems' ESG/CSR strategy is complementary to the group's business strategy, presenting the full range of non-financial activities of the organisation.