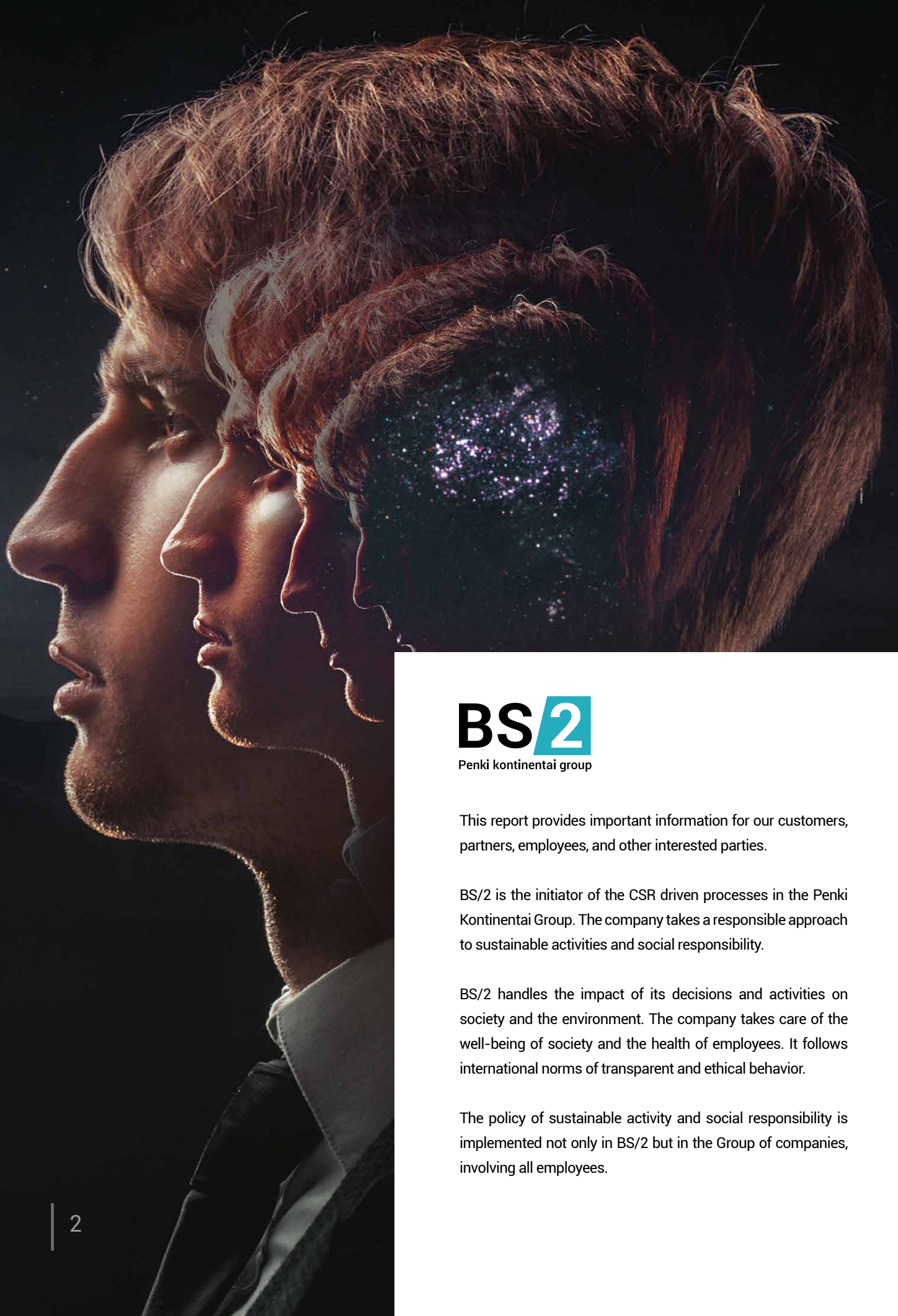




Penki kontinentai

Group of Companies

Corporate Social Responsibility Progress Report



Penki kontinentai group

This report provides important information for our customers, partners, employees, and other interested parties.

BS/2 is the initiator of the CSR driven processes in the Penki Kontinentai Group. The company takes a responsible approach to sustainable activities and social responsibility.

BS/2 handles the impact of its decisions and activities on society and the environment. The company takes care of the well-being of society and the health of employees. It follows international norms of transparent and ethical behavior.

The policy of sustainable activity and social responsibility is implemented not only in BS/2 but in the Group of companies, involving all employees.

About the report

This Progress Report summarizes the 2019-2020 Penki Kontinentai Group social responsibility activities carried out in the area of harmonious relationships with partners and customers, employees and the public, as well as environmental protection activities. The Report outlines strategic directions, actions and achievements in the field of social responsibility.

This Progress Report was prepared in accordance with the Global Compact principles and UN Global Reporting Initiative guidelines.

This is the second time this Report has been prepared as a separate document. In previous years, the company's activities in the field of social responsibility were announced as part of its annual reports.

The document is available in two languages: Lithuanian and English. It is published on the Group's website www.5ci.lt, on the websites of its companies www.bs2.lt and www.penki.lt, www.ashburn.eu. This report is not audited.

About Penki Kontinentai Group

Penki Kontinentai is one of the most advanced IT corporations in Lithuania, successfully operating not only in local but also in foreign markets.

Founded in 1992, now the Penki Kontinentai Group is one of the leading enterprises in field of banking and retail technologies, payment solutions development and installation, fiber optic Internet & IPTV services, and outsourcing. Its products and services are known and used in 80 countries. The Group actively represents Lithuania at local and international exhibitions, forums and seminars, where it demonstrates the Lithuanian information and banking technologies, as well as its own products.

Vision and mission

Mission

To create tomorrow's technology today improving the quality of everyday life.

Vision

To provide a diverse and reliable future for our customers by developing products with long-term benefits.

Strategic directions

- To ensure reliability, quality, individual approach and efficiency of the services provided.
- To improve financial performance and position in important markets.
- To improve solutions and services continuously.
- To develop a responsible corporate culture.

Values

We value the pursuit of knowledge and encourage the desire to share information. Equality, trust and mutual support unite us and motivate to achieve common goals.

Motto

We connect the continents.

We perceive business as

idea that inspires to improve skills and achieve goals;
philosophy that helps to develop business relations;
art that connects us with partners and customers.

Group structure

The main companies of the Group are Penki kontinentai, Penkių kontinentų bankinės technologijos (BS/2), Penkių kontinentų komunikacijų centras, ASHBURN International.

Penki Kontinentai Headquarters Address
Kareivių St.2, LT-08248, Vilnius, Lithuania



Penki kontinentai



Penkių kontinentų
bankinės technologijos (BS/2)



Penkių kontinentų
komunikacijų centras

Penkių
kontinentų
komunikacijų
centras



ASHBURN International





Message from the Chairperson of the Board

We established a company in Lithuania almost 30 years ago. Gradually, it expanded the boundaries of its activities. Today, the Penki Kontinentai Group unites highly qualified specialists from more than 10 countries. A multicultural environment provides an opportunity to get to know about different customs and traditions. Such experience helps us realize that despite our differences, we are all very similar. We are united by common goals and values.

I am glad that the Penki Kontinentai Group employs not only representatives of different cultures, but also of different generations. The age of the employees varies from 19 to 69 years. We employ the children of long-term employees, who have become part of our large family.

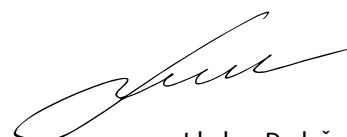
The Penki Kontinentai family is large, more than 500. Almost half of our team works outside Lithuania. These are colleagues and friends from seven subsidiaries in Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Uzbekistan, Latvia, and Estonia. Day by day we grow together, share experiences, take care of each other.

As Albert Einstein said, the future comes soon enough. It depends on us what will be the future, so our actions must be responsible and perceived.

We make sustainability an integral part of our business. Sincere dialogue with partners, improvement of everyday life quality, and benefit to society are the drivers of our growth. We strive to be open, honest, and partial to the public interest, take part in social projects.

We reduce adverse environmental impacts, promote rational resources use, and pay attention to waste sorting. Penki Kontinentai is involved in environmental programs and welcomes volunteer initiatives.

May our actions benefit society and the outer world. Let's take care of each other!



Idrakas Dadašovas,
Chairperson of the Penki Kontinentai Board



Penki kontinentai

Established on January 10, 1992.

Penki Kontinentai is the primary company of Penki Kontinentai Group, which manages the shares of all subsidiaries, administers their activities and plans investments. The company develops a common strategy for Penki Kontinentai Group, formulates its strategic goals, policy, and activities, and regulates its relationship with the internal and external environment.

ASHBURN International

Established on July 20, 1998.

ASHBURN International develops, implements and maintains software for transaction routing and POS network management.

ASHBURN International is an expert in the field of acquiring and payments. The company operates as Payment Service Provider in the Baltic States, provides outsourcing services for acquiring networks in different countries, as well as consults organizations engaged in acquiring activities.

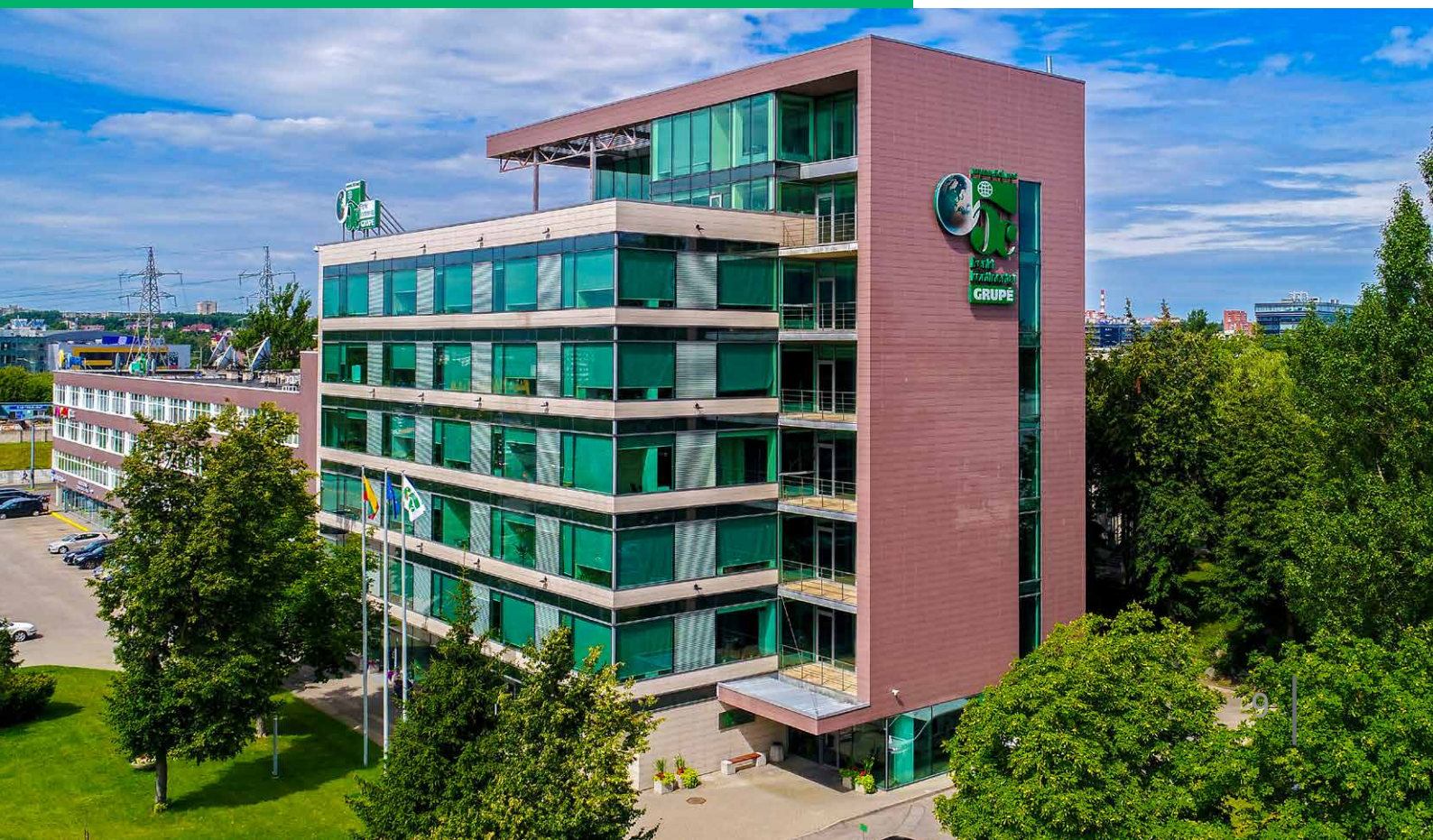
Products and services

ASHBURN International offers a unique software package for transaction processing and the management of terminal networks, TransLink.iQ, which is recognized worldwide. It helps banks and processing centers to manage and monitor the network of payment terminals, regardless of the size and complexity of the existing infrastructure. This is relevant given the increase in the number of cashless payments. Among Translink.iQ advantages is the ability to automate the payment system with one tool. Managing large-scale infrastructure does not require additional staff or administrative resources.

This solution allows making payments with cards of both local and international payment systems (VISA, Mastercard, American Express, UnionPay, Diners Club, etc.), and loyalty cards. TransLink.iQ is compatible with EFTPOS terminals of major international manufacturers (Ingenico, Verifone, PAX)



TransLink.iQ





Penkių
kontinentų
komunikacijų
centras

Penkių kontinentų komunikacijų centras

Established on October 28, 1998.

Penkių kontinentų komunikacijų centras (PKKC) made history by becoming the first fiber optic internet provider in Lithuania, and later – in 2006 – the first IPTV service provider. PKKC constantly invests in its fiber-optic network, to keep it up to date with the latest standards and extend the service availability area.

Apart from providing internet to its clients, the company actively invests in expanding its fiber-optic network (FTTH and FTTU).

PKKC was the first Lithuanian enterprise to offer to its clients 100 Mb/s internet in 2008, 1 Gb/s in 2012, and deploy 10 Gb/s internet in 2017.

Products and services

Penkių kontinentų komunikacijos centras provides various telecommunication and IT services. The company has two brands: Penki and Profit.



Profit

profit.5ci.lt

Profit is an assortment of outsourcing IT services for any business: fiber-optic and “Wi-Fi” internet, installation and management of IT infrastructure, IT workplace maintenance, cloud services, and many other IT services that can greatly improve business processes. Today, more than 1000 organizations use Profit services. A team of specialists ensures uninterrupted operation of IT systems 24/7.



Penki

www.penki.lt

Penki is a modern, reliable, and high-quality fiber-optic network (known as Skynet from 1998 to 2018). It provides high-speed internet, Smart TV, and IP telephony services to the public and various organizations. The network in the capital is being installed, expanded, and modernized using the most advanced equipment of the company's partner Cisco Systems, which ensures stable internet speed and high quality. Penki Smart TV is a combination of modern technologies and a wide range of TV services: more than 100 popular TV channels in Lithuanian, Russian, English, German, and other languages, HD channels, and many additional features such as YouTube, EPG, real-time broadcast control, etc.



Penkių kontinentų bankinės technologijos (BS/2)

Established on April 24, 2001, after the reorganization of the Penki kontinentai' banking technology department, which has been operating since 1992.

The company distributes banking and retail equipment, develops and implements specialized software solutions, provides comprehensive services for maintenance and repair of banking equipment, organizes training for banking specialists.

For over two decades, the company has been an exclusive partner of the banking and trade equipment world leader Diebold Nixdorf in 13 countries.

In order to reduce social isolation, BS/2 has developed an ATM solution for the blind and visually impaired people, which has been successfully implemented in Georgian banks.

Universal BS/2 solutions are used in more than 80 countries and received awards from the ATM Industry Association (ATMIA) and Diebold Nixdorf.

Products and services

BS/2 has developed and continuously improves the ".iQ" product family. It is a complex of multifunction monitoring and business process management solutions. The platform is designed to collect and reflect the most critical information about processes and to optimize business processes.



ATMeye.iQ

ATMeye.iQ

www.atmeye.com



Cash Management.iQ

Cash Management.iQ

www.cashmanagementiq.com



Service Desk.iQ

Service Desk

BS/2 has subsidiaries in Azerbaijan, Georgia, Estonia, Kazakhstan, Kyrgyzstan, Latvia, Uzbekistan. The fields of activity are sale, installation, and maintenance of banking and retail equipment.



BS/2 in Azerbaijan
BSKOM, Ltd
Established on November 25, 1999, under the name "Penki kontinentai Baku". On July 20, 2011, renamed BSKOM.



BS/2 in Kyrgyzstan
BS/2 Bishkek
Established on February 19, 2009



BS/2 in Estonia
BS/2 Estonia
Established on April 21, 2006.



BS/2 in Latvia
Penki Kontinentai Riga
Established on April 4, 2000



BS/2 in Georgia
BS/2 Georgia
Established on March 5, 2009.



BS/2 in Uzbekistan
BS2 TASHKENT
Established on July 7, 2008



BS/2 in Kazakhstan
BS/2 Kazakhstan
Established on December 23, 2008.



SmartSafe.iQ

SmartSafe.iQ
www.smartsafe.lt



Cash-In Box.iQ

Cash-In Box.iQ



FCX.iQ

FCX.iQ
Currency Exchange on ATMs



FRN.iQ

Face recognition FRN.iQ



Payments.iQ

Payments.iQ

The description of BS/2 software solutions



ATMeye.iQ

ATMeye.iQ

www.atmeye.com

Fraud Prevention and Videomonitoring

ATMeye.iQ is an integrated hardware and software solution that provides additional safety and security for self-service devices and their users.



Cash Management.iQ

Cash Management.iQ

www.cashmanagementiq.com

Cash Flow Optimization

Cash Management.iQ is the .iQ family software solution that allows controlling cash flows in cashpoints such as: ATMs, ATS, payment kiosks, bank branches, vaults and others. The solution provides cash flow automation and increases the availability of cashpoints with optimal amount of cash. Using the system, banks and other organizations are able to reduce their daily expenses on cash flow support and increase efficiency of cash, personnel and other resources usage.



Service Desk.iQ

Service Desk

Service Management and Optimization

Service Desk.iQ provides the ability to monitor common workflow engines for effective technical support. It lets respond quickly and efficiently to any transaction equipment incident or other suspicious events.



SmartSafe.iQ

SmartSafe.iQ

www.smartsafe.it

Automated Teller Safe Management

SmartSafe.iQ is a cost-effective multi-vendor software solution for automated teller safes that helps to manage all cash operations from deposits and withdrawals to currency exchange. In order to provide the video surveillance function, the solution can be integrated with the ATMeye.iQ system that allows taking photos of the ATS zone triggered by various events (cash operations).



FCX.iQ

FCX.iQ

Currency Exchange on ATMs

FCX.iQ is an added functionality software solution that enables currency exchange at Diebold Nixdorf ATMs with recycling or cash-in technology.



Payments.iQ

Payments.iQ

Automated Payments Processing System

Payments.iQ is a full-featured software solution for arranging of receiving payments (for utilities, taxes, penalties), selling all kinds of electronic services (e.g. tickets, recharge codes, vouchers, utilities and so on.), retail banking automation, network management of information and payment terminals and ATMs.



Cash-In Box.iQ

Cash-In Box.iQ

Solution for Cash Deposit Optimization

The solution Cash-In Box.iQ comes in the form of a reliable deposit machine, integrated with the IT system of the bank serving the outlet. It comes equipped with effective and convenient tools for monitoring and controlling the operation of all connected self-service devices.



FRN.iQ

Face recognition FRN.iQ

Biometric technology for customer authentication and fraud prevention.



The development of BS/2 software solutions in 2019-2020

CashManagement.iQ product development

January 2019

Cash Management.iQ: new cash flow forecast mechanism

Cash Management.iQ incorporates an updated forecast mechanism. The new algorithm makes cash demand predictions for individual bank branches, retail outlets, and self-service devices 10-20% more accurate.

July 2019

New Cash Management.iQ feature: CIT bags inventory management

The automated inventory management of CIT bags and other types of cash containers helps to increase the efficiency of ATM cash collection management. It simplifies the ATM cash collection ordering significantly. Using this feature the system operator:

- knows the number of the equipped bags and the number of the cassettes and banknotes in the cash vault;
- gets data about the security seal number on each cassette and on the bag;
- can assign a separate bag for each cash order;
- tracks the transfer of each bag to CIT officers.

September 2019

Cash Management.iQ Mobile Application: new opportunity to control cash collection performance

Cash Management.iQ can help manage CIT personnel with real-time cash collector activity monitoring. Now banks can record each step taken by the armored service while collecting cash using a mobile device (mobile phone, portable or stationary QR code scanners).

April 2020

Cash Management.iQ and S&G's A-Series ATM Locks: manage CIT access to ATMs and other terminal devices

Automating the process of assigning tasks and providing relevant access to CIT personnel is one of the most useful ways in increasing the overall efficiency of the cash flow process. BS/2 implemented these features into its Cash Management.iQ system while finalizing the main phase of the integration process of Cash Management.iQ platform with the A-Series access control solution from Sargent&Greenleaf.

July 2020

3 new security-enhancing features of Cash Management.iQ

1. Updating the user actions logging system

To simplify the security officer's work during dispute analysis, the BS/2 team improved the display of the history of user actions in the system (administrators, operators, cashiers, CIT employees). Now, the administrator has access not only to information about changes made by users, but also receives details on several parameters.

- Date and time of change.
- The module in which the changes were made.
- Type of transaction.
- A specific object (items).
- Changed parameter.
- Previous and new parameter value.

In total, the system can track more than 80 different system parameters.

2. Authorization of critical changes by security service

Another innovation of Cash Management.iQ is the feature for IT security personnel to authorize the changes of system parameters. Note that it is possible with the most important parameters, the changes of which are linked with data security and system performance, for example, confirmation of changes in user access rights.

When the main operator of Cash Management.iQ sets new rights to the users of the system, they may need confirmation from the manager of the IT security department. The changes which are initiated by the operator are confirmed by an information security officer in the specifically dedicated console "Authorization of changes." Such authorization can improve access control efficiency and create several levels of security to ensure a high-security of sensitive data.

In addition, for additional convenience and simplification of the process, notification for confirmation of changes can be separately configured.

3. Integration with Active Directory/LDAP

Many companies use the Microsoft Active Directory service to securely access files, applications, and various software stored on the hard drive of an employee's work computer or on a closed network.

As part of the latest Cash Management.iQ update, the ability to provide access to this software platform through AD/LDAP has been implemented. This simplifies many processes, including the procedure for ensuring security during the operation of the Cash Management.iQ, which is especially important in increasing number of users of the system: connecting more cashiers, CIT employees and analysts both in the central operational department and in the regional offices of the organization.

Payments.iQ product development

August 2019

New Payments.iQ opportunities for monitoring the stream of transactions

BS/2 has released an update for the Payments.iQ software solution. The new version of the software introduces a fundamentally new approach to organizing workstations for different groups of users of the platform. The update not only makes managing the system easier and more convenient, but also optimizes monitoring and control of financial transactions.

Payments.iQ is a fully functional software platform for arranging payments (utilities, taxes, fines) and the sale of any type of electronic services (tickets, recharge codes, vouchers) through self-service terminal devices. The solution is easily integrated into terminal networks and with its help it is possible to receive payments both at kiosks and at ATMs. The platform also comes with a wide range of capabilities for monitoring and managing operations in real-time. As part of the solution, there are predefined roles (so-called workstations) of users performing various functions of monitoring operations and system maintenance: administrator, operator, technologist.

- The administrator's role is to create user groups, as well as to configure and monitor the operation of the terminal network.
- The operator's role is to view completed payments, monitor them and their statuses, to conduct reconciliations on payments and to generate reports.
- The technologist's role is to add services and to configure and administer payments received at the terminals.

Users from different groups can manage available functionality in real-time, as well as generate and receive reports from their personal accounts (workstations). Now access to them is possible through the web browser.

The main advantages of the web version:

- Software deployment on each work computer is no longer necessary, which saves time and company resources.
- The user can work on any OS using a web browser.
- An encrypted data transfer channel ensures data security.
- Support, updates and maintenance become immeasurably easier.
- Access to user workstations from anywhere (including from mobile devices) simplifies work processes.

The new version greatly simplifies operations, which in turn lets users of the platform get a wider range of capabilities for operation flow monitoring.



FCX.iQ product development

February 2020

FCX.iQ 2.0: new opportunities for currency exchange at ATMs

BS/2 has released updates for the FCX.iQ software solution, which is developed to provide a currency exchange function at ATMs. The new version provides additional options to manage exchange rates, administer terminal networks and identify ATM users.

1. Access rights differentiation by devices hierarchy

FCX.iQ allows you to combine ATMs into groups and subgroups, for each of which you can set different currency pairs and different exchange rates. ATMs can be grouped according to several criteria: bank affiliation, location, etc.

There are predefined roles of users performing various functions of exchange rates managing: administrator, operator, supervisor. Different roles have different levels of access to information. The latest FCX.iQ version rolls out additional functions for better user access segregation. Now the super-admin can create separate groups of ATMs and appoint specific group admins who will have access only to their appointed ATM groups.

Only the super-admin has access to the entirety of information about all terminals and currency exchange services/rates and can manage device groups and device group admins. This ensures the preservation of confidentiality of information in cases when multiple organizations use the system at once.

2. Automatic course setting

In the previous version, all currency pairs and exchange rates were entered into the system manually. In the new version, we developed a special module (API) to request exchange rates directly from external systems (for example, core banking) with a preset frequency and automatically update them on self-service devices.

This module allows you to simplify and automate the exchange rates management, avoid errors when entering data, and always show the current exchange rate at ATMs.

3. User identification

In some countries, the law requires to identify users exchanging currencies. The new version of FCX.iQ provides this option.

One of the ways to do it is to scan the personal ID document using a special scanner. The ID number is sent to the regulator's database, and after receiving confirmation, the self-service device allows the user to commence with the currency exchange. The data transfer uses high level security protocols to ensure the safety of personal user information and prevent theft.

ATMeye.iQ product development

December 2019

Face Detection: extra ATM PIN security

One of the modules of ATMeye.iQ – ATMeye.iQ Face Detection – helps determine if there is a person in front of an ATM during an operation.

ATMeye.iQ developers have added a new Multiple Face Detection function to the Face Detection module feature set. This function helps determine if they're more than one person in front of an ATM.

As soon as the user approaches the ATM and starts using it, the camera takes a picture and the Face Detection module with the Multiple Face Detection function using biometrics immediately determines how many people are currently in front of the terminal. If the system finds more than one person, it starts one of the predefined scenarios: a warning message appears on the terminal screen or security script is activated. All this reduces the risk of theft of the PIN code by outside parties.

The Face Detection module with the Multiple Face Detection function can be integrated with any ATMeye.iQ online system that is already in use without any additional hardware updating.

Business geography

The Group grows most dynamically in 13 countries.

Headquarter is located in Vilnius, Lithuania.

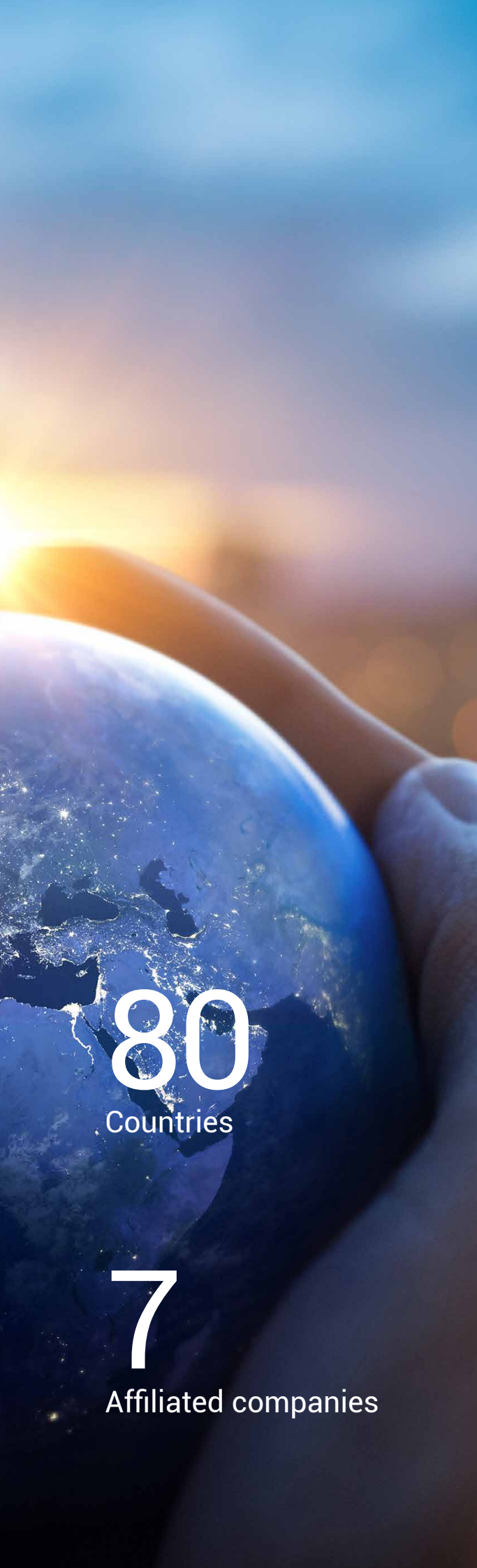
BS/2 subsidiary companies are based in Azerbaijan, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Uzbekistan. Moreover, we work in Armenia, Belarus, Moldova, Tajikistan, and Turkmenistan in cooperation with our partners. In these countries, BS/2 has exclusive rights as an authorized partner of Diebold Nixdorf.

We offer a wide range of services for companies and private clients in Lithuania, therefore focusing attention on the business sector abroad.

Products and services of the Group are popular among businesses and financial institutions in more than 80 countries worldwide.

Our customers are residents, state and business enterprises, large banks, and financial institutions.





80
Countries

7
Affiliated companies

Awards

„Diebold Nixdorf“

Special Achievement Banking 2019, 2017
Innovation SPIRIT banking 2018
Best Banking Solution 2016, 2013/2014
Best Banking Service 2013/2014, 2012/ 2013
Special Achievement Banking 2013/2014, 2007/2008

Lithuanian Confederation of Industrialists

Lithuanian Product of the Year 2018, 2017, 2008, 2007, 2006, 2005
Innovation Award 2016, 2007

Lithuanian Business Confederation

Service of the Year 2018
Export of the Year 2019

Vilnius city municipality

Blooming Vilnius contest 2018, 2017, 2016

EcoVadis

Silver CSR rating 2019, 2018, 2017

Green City

Best „NT EKO“ Real Estate Project 2014, 2012

Lithuanian Real Estate Development Association

Sustainable Development Award 2015

Certificates

Important to us:

Professionalism. We analyze every case individually to find specific solutions for each client.

Responsibility. Our company takes 100% responsibility for our solutions and services.

Flexibility. We work without prejudice and that is the key to find the best way to improve any situation.



Within the PSP activities in the Baltic States, ASHBURN International annually passes compliance requirements of the PCI DSS Level 1 international standards, as well as Visa PIN Security certification.

The TransLink.iQ software platform complies with the EMV (Europay-Mastercard-Visa) standard, and is PCI PA-DSS certified.

The company also performs Visa PIN Security certification.



Silver CSR rating from EcoVadis for the responsible attitude towards Corporate Social Responsibility and the implementation of the commitments.



Penki kontinentai group



ISO 20 000 certificate



ISO 27 001 certificate



PCI SECURITY STANDARD COUNCIL and PA-DSS (PAYMENT APPLICATION DATA SECURITY STANDARD)



Penkių
kontinentų
komunikacijų
centras



Green energy

The certificate confirms that the company uses electricity from renewable energy sources.

Partners

ASHBURN International



Equipment manufacturers

ASHBURN International supplies Ingenico POS terminal equipment. However, the TransLink.iQ software solution can work with terminal equipment of PAX, Verifone and other manufacturers.



Payment systems

TransLink.iQ solution is certified to work with various international and local payment systems.



Processing centre software developers

TransLink.iQ solution is compatible with most types of processing center software.



Cash register software developers

TransLink.iQ software solution supports integration with the most common cash register software. The xConnect module is used for simplified integration.

Processing centers

The TransLink.iQ solution is able to deliver transactions to different processing centers.



Customers

Our list of customers includes large banks, processing centers, retail chains, and other companies.

Partners

BS/2



Software distribution partners

| | | | |
|---------------------------|-------------------------------|--|--------------------------------|
| <p>Diebold Nixdorf</p> | <p>DBM Banktechnikai Kft.</p> | <p>BSI Technology Infrastructure Development</p> | <p>Sigma Hellas Technology</p> |
| <p>First Cambodia</p> | <p>TECHNO ASSOCIATES</p> | <p>CBM</p> | <p>ATM ALLIANCE</p> |
| <p>Tamer Group</p> | <p>Payten</p> | <p>CNS</p> | <p>A.MGR</p> |
| <p>Innovative Pvt Ltd</p> | <p>Analistim</p> | <p>QTEC</p> | <p>QuanTech</p> |
| | | | <p>Ombatero Technology</p> |

Hardware and Software distribution partners



TUSSON



DAAC SYSTEM
INTEGRATOR

DAAC System Integrator



IBA



Technoline



Farnell



Partners

BS/2



Technology partners



Q-nomy



Microsoft



Gemalto (SafeNet)



Cisco Systems



SEDCO



IBM



Hewlett-Packard



ARRIS (Motorola)



Sargent and Greenleaf



UNISYS



Gunnebo Gateway AB



Bizerba



SuperCom



Zebra



Datalogic



CCL Technology



Partners

Penkių kontinentų
komunikacijų centras



Penkių
kontinentų
komunikacijų
centras

Technology
partners

UNISYS

Bitdefender



Hewlett Packard
Enterprise



Lenovo



Responsible partnership



Penki kontinental group

The company actively started with a partnership renewal company. It is focused on resource market overview, analysis, and partner search, communication with partners.

BS/2 runs hundreds of projects worldwide for self-service banking optimization.

BS/2 offers software products and solutions for the banking industry and professional services around it. An official partnership is the best way to support and grow local business.

As the business environment becomes more complex (for example, new technologies emerge or innovation cycles get faster) such relationships make more sense. If the company starts cooperation, it becomes a partner and able to build entire portfolios of value-creating collaboration.

The goal to achieve is to find more trusted partners for the BS/2 company software products market.

Goal to achieve:

find more trusted partners for BS/2 company software products market

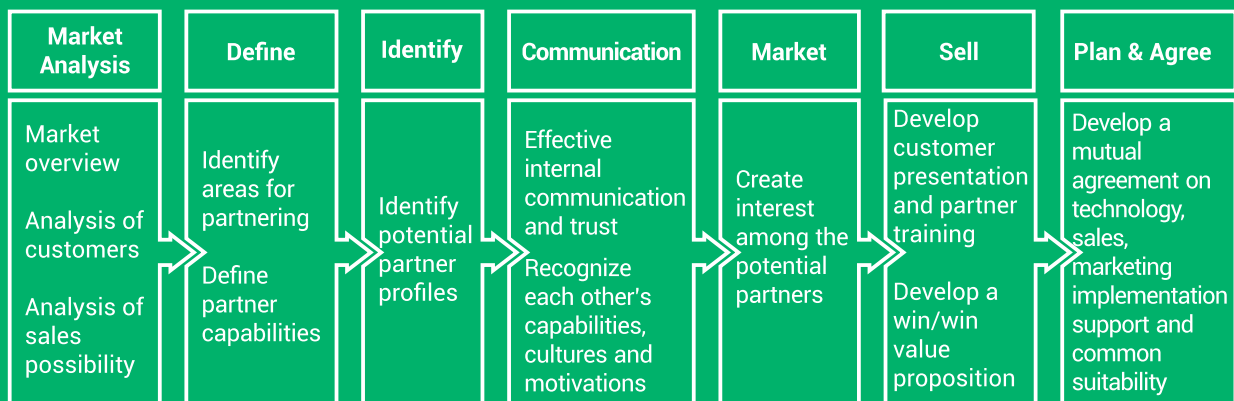
Partnership strategy:

- market overview and analysis;
- coordination of partnership goals;
- effective internal communication and trust;
- personal sales manager and personal marketing manager;
- consideration of each other's abilities, cultures, and motivations;
- investment in tools, processes, and personnel;
- emphasized accountability and metrics.

Benefits of cooperation with BS/2:

1. Official partner status.
2. Special pricing policy.
3. Dedicated account manager.
4. Marketing services.
5. Technical support training and certification.
6. Customers on-boarding and certification.
7. Access to the knowledge base.

Partnership strategy



A living process driven by a strategic agreement that is regulated by formalized daily operations

Partnership Strategy Map

Perspective

Financial

Increase number of partners and customers

Increase revenue

Increase revenue per customer

Increase profit

Decrease Costs

Partner

Increase partner satisfaction

Become a trusted brand

Sell new products

Significantly behind target

Slightly behind target

Meeting target or above target

Internal Process

Understand customer segments

Shift to digital channel

Decrease delivery time

Create new products

Learning & Growth

Improve employee qualification

Improve partner information

Create a partner-focused culture

Align the organization

Sustainability, ethics and transparency of business

Responsible partnership

We strive to cooperate with the companies that are also committed to environmentally friendly and sustainable business. The Group contributes, to raise awareness of environmental protection and sustainable consumption. Purchasing documents specify the principles of sustainable purchasing so that suppliers and contractors become aware of our environmental and social criteria from the early stages of the procurement process. Small businesses, volunteer and community organizations, social enterprises and ethnic minority businesses are considered members of our supply chain because they play an important role in the local economy.

Procurement transparency

We strive for sustainability through purchasing: identifying needs, evaluating options, design and specifications, choosing a supplier, evaluating offers, managing contracts, and developing relationships with suppliers. We take environmental and social factors into account when purchasing products and materials. The activities of the Group comply with applicable environmental requirements and laws. We strive for sustainability through purchasing: identifying needs, evaluating options, design and specifications, choosing a supplier, evaluating offers, managing contracts, and developing relationships with suppliers.

We take environmental and social factors into account when purchasing products and materials. The activities of the Group comply with applicable environmental requirements and laws. Being socially responsible, we prioritize products that are more environmentally friendly and /or environmentally friendly.

Responsibility in terms of environmental impact

When purchasing goods, the Group selects products with the lowest environmental impact locally and globally. Taking sustainability of the production and transport of resources into account as well as the consumption of energy and raw materials and the generation of waste, we seek to purchase products and services that meet environmental standards.

Anonymous informing

We uphold and follow a transparent business strategy and a policy of mutual respect and non-discrimination. Employees of the company can inform about the allegedly opaque behavior of other employees, suspected cases of fraud and corruption, violations of the balancing of public and private interests, various cases of harassment, discrimination, insults, violence by filling in an anonymous questionnaire. After evaluating the reports submitted shall be subject to investigation and appropriate action. The laws of Lithuania prohibit libel or false accusations against another person. Such acts are punishable by criminal liability.

An aerial photograph of a city, likely in Central Europe, showing a dense cluster of buildings with prominent red-tiled roofs. The city is set against a clear blue sky with a few wispy clouds. In the foreground, the rooftops of several large, light-colored buildings are visible. A solid green rectangular block is positioned on the left side of the page, partially obscuring the city view.

Corruption, ethics, and conflict of interest management policies

We follow corruption, ethics and conflict of interest management policies. The Group is required to avoid conflicts of interest.

The company maintains zero tolerance policy for bribery and corruption cases, insists on transparent conduct of business transactions and their full record. The supplier can not conduct or develop business relations with companies that engage in criminal activity, conduct unethical or operate in the underground economy. We do not maintain any legal relationship with countries that are banned from cooperating at the state level either or in blacklist according to the established practices of these countries.

The Group may request suppliers and contractors to provide documentation and information in accordance with the contractual relationship between the supplier or contractor.

Information related to clients or partners may be used and disclosed to any third party within or outside the Group, subject to permission. Confidentiality clauses are included in the Group's internal legislation and confidentiality obligations. Confidentiality requirements apply to all employees.

The employee may not discuss matters on behalf of the Group if he or she is suspected of having interests that may conflict with those of the Group or clients / partners.

Transactions concluded and executed by the employee shall not give rise to a conflict of interest. Where conflicts of interest cannot be avoided, the interests of clients and partners and the Group must prevail.

In case of the conflict of interest between two or more business units of the Group or a conflict of interest involving a customer and/or partner affecting two or more business units, the business units must take appropriate steps to ensure that this conflict of interest does not have a significant adverse effect on customer /partner interests.

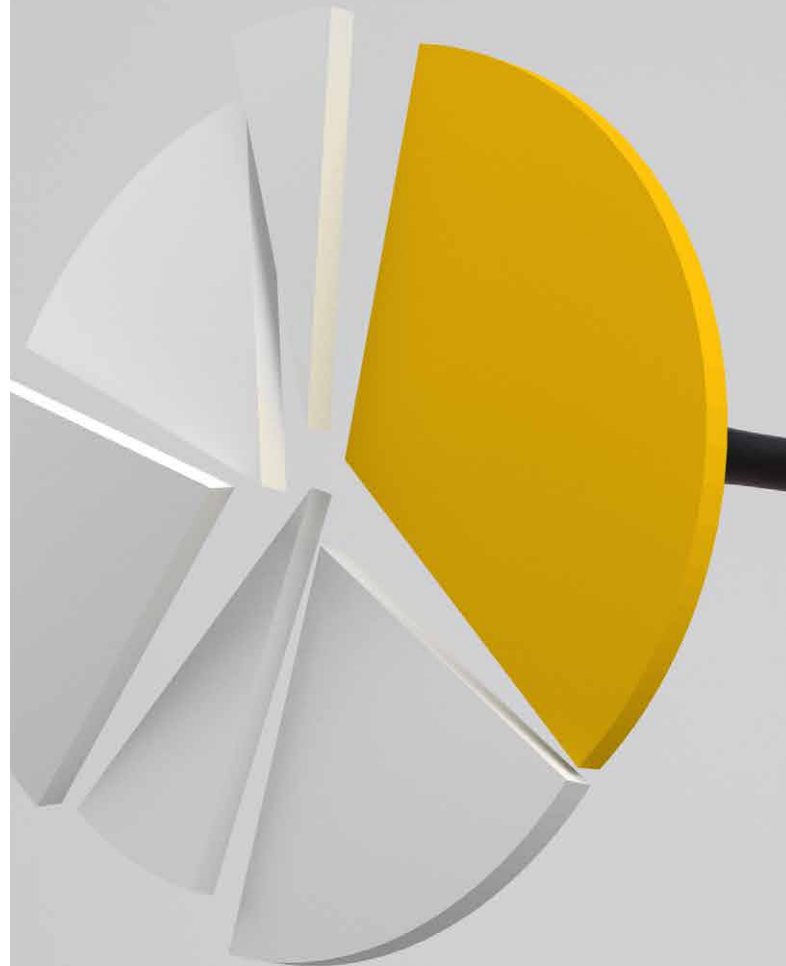
BS/2 markets and segments

BS/2 core market segment is financial institutions with a significant fleet of self-service (ATM/payment terminals) in Eastern Europe, Central Asia, and the Transcaucasian region.

We recognize 2 general groups across this segment:

1. Legacy ATM fleet owners – traditional financial institutions with a solid multi-vendor ATM fleet (50+).
2. Digital-transformed banks – innovative financial institutions with mobile/online banking priority to run these features on self-service terminals.

Out of these regions, other banks and independent ATM deployers may be recognized as one big segment as well.



Additional segments

1. Cash-in-Transit companies.
2. Retail companies.
3. ATM service providers.

For all segments and regional groups of customers BS/2 provides software, hardware, consulting, and other services by request.

Risk management Plan

The risk management method

Identify. Risks are identified on an ongoing basis, through formal risk identification workshops as well as during the day to day activities.

Assess. Once identified risk is assessed to establish the likelihood of it occurring and the impact it will have if it occurs.

Respond. There are several possible actions that can be taken to reduce the likelihood of a risk occurring or the impact of the risk, for example, transferring, avoiding, and mitigating. In this step, suitable responses are agreed upon, and the budget approved if needed.

Monitor. Progress of the risk responses needs to be monitored and controlled, with corrective action taken if needed. Typically, progress is assessed via project team meetings.

Risk Identification process

Risks may be identified via risk workshops, but also through many other routes:



Market and customers

Products and services of the Penki Kontinentai Group are known at the markets of information technologies and telecommunications, banking technologies and payment solutions. We offer a wide range of services for companies and private clients in Lithuania, therefore focusing attention on business sector abroad.

Penkių kontinentų bankinės technologijos (BS/2) company is widely recognized around the world. Its products and services are known in more than 80 countries worldwide.

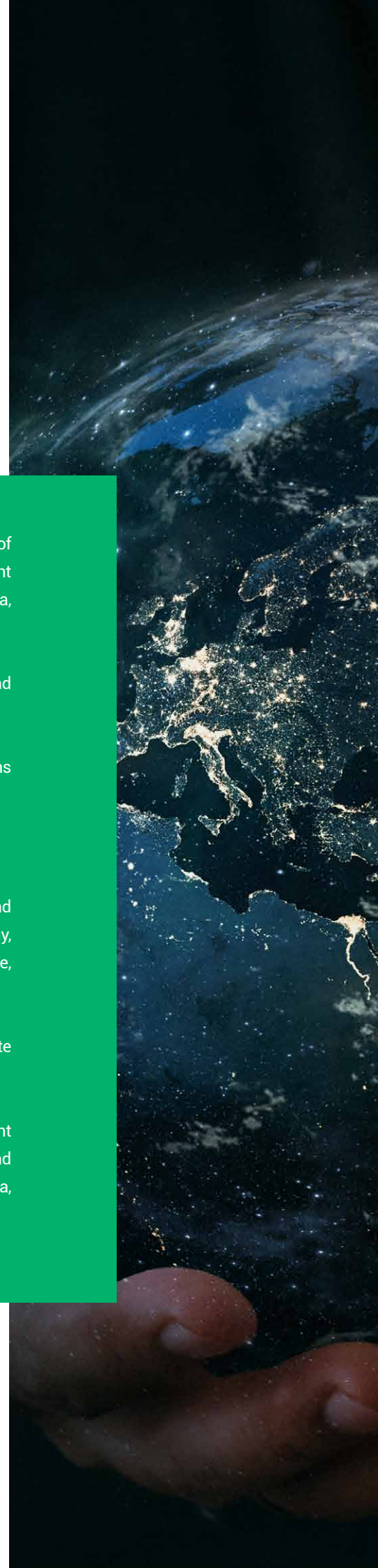
BS/2 distributes banking and retail equipment, develops specialized software solutions and provides comprehensive outsourcing services.

Company's clients include banks and other financial institutions, retail chains.

Penkių kontinentų komunikacijų centras occupies information technology, internet and IPTV markets in Lithuania. The company provides fiber-optic network, IPTV, IP telephony, IT infrastructure installation and administration, computer workstation maintenance, cloud solutions, virtual resource leasing, equipment licensing services.

Company's customers consist of more than 1000 Lithuanian business and state enterprises, non-governmental organizations and private clients.

The services of ASHBURN International are used by financial institutions, government organizations, retailers, service companies and all residents who pay for goods and services using bank cards. The company operates in the Baltic markets, Georgia, Azerbaijan, Turkmenistan and Uzbekistan.





Relevant aspects, effects and limitation of our actions

In order to meet the highest quality requirements and keep on the cutting edge, the Group makes use of advanced innovative technologies in compliance with ISO20000 and ISO27000 standards.

To meet customer and partner requirements and expectations, the Group ensures that only safe, high-quality, environmentally friendly products are developed and manufactured, and that all activities are conducted in strict accordance with national and international regulatory requirements. The aim is to ensure responsible behavior in the field of human rights, environmental protection, business ethics with suppliers and contractors, so that we can consistently pursue the principles of sustainability at every stage of our operations.

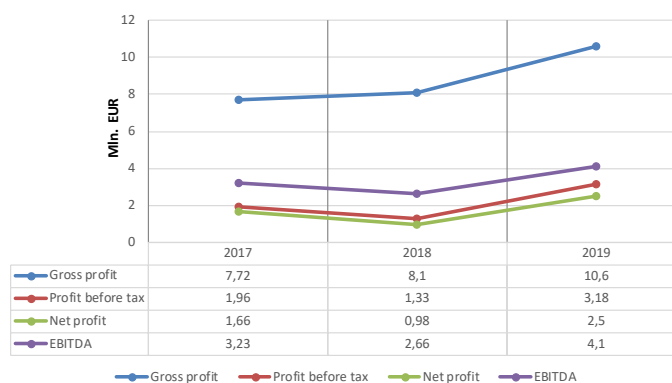
All our suppliers and contractors must undertake the requirements of national law, including European Union law, the International Labor Organization and the United Nations Conventions.

Financial indicators

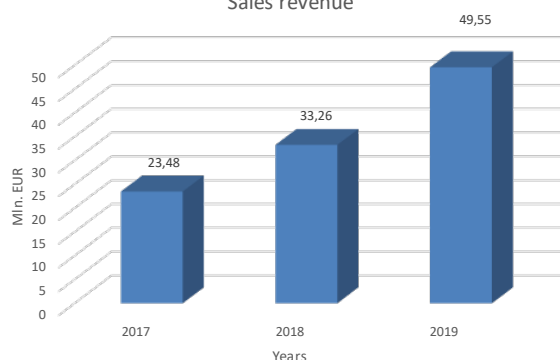
The turnover of the Penki Kontinentai Group has grown by more than 50 percent compared to 2018 and exceeded 70 million euros in 2019.

“The successful start of the year gave a powerful impetus to our future work. Financial indicators reflect the high level of team professionalism and consistent compliance with the development strategy in each of the countries where we offer our services. Active sales of equipment and software solutions, as well as a growing portfolio of outsourcing services in highly competitive markets, allowed us to diversify our business, which had a beneficial effect on the result,” said Idrakas Dadašovas, Chairperson of the Penki Kontinentai Board.

Profit and loss statement



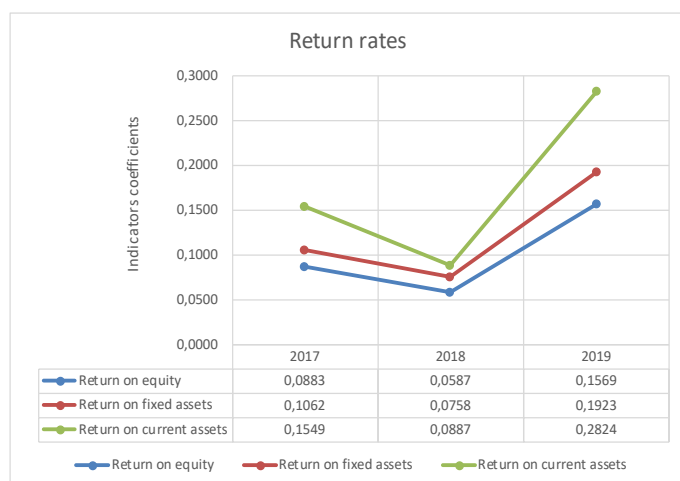
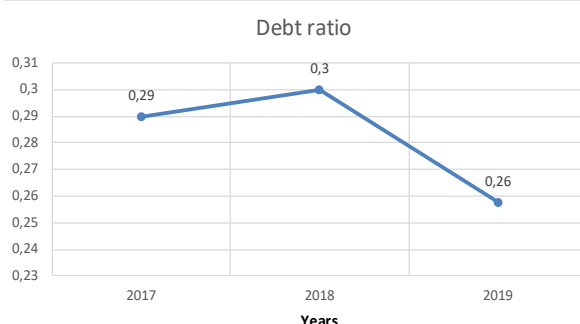
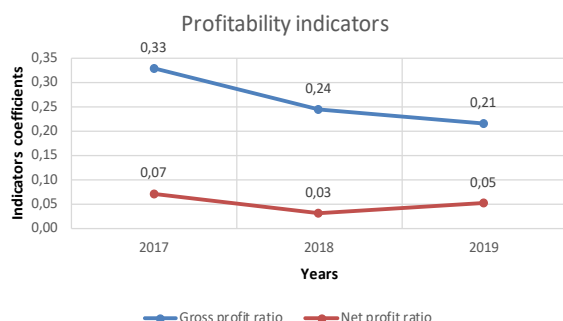
Sales revenue



According to him, Penkių kontinentų bankinės technologijos (BS/2), specializing in technological solutions for banks and retail, achieved the most significant results for the year. Compared to last year, sales rose from 26 to 39 million euros.

BS/2 subsidiaries also hit record highs, doubling their revenues. BS/2 Kazakhstan increased the turnover from 6 to 11 million euros by expanding the range of services and equipment sold. Due to the high quality of service and a large network of service centers, the company has taken a strong position in the competitive market.

BS/2 Georgia implemented several large projects as part of the outsourcing of acquiring networks for the largest financial institutions in the country, because of which the sales volume doubled to 6 million euros.



Uzbekistan remains a strategically important region for Penki Kontinentai. The country's attractiveness is growing thanks to progressive state reforms aimed at developing the investment climate, introducing and using innovative solutions. Highly qualified specialists of subsidiaries from Azerbaijan, Georgia, Kazakhstan and Latvia take an active part in creating the technological banking infrastructure in Uzbekistan. In 2019, the total cost of projects implemented in this country amounted to 14 million euros. Thus, the Penki Kontinentai Group carries out 8 percent of the total export from Lithuania to Uzbekistan.

According to Idrakas Dadašovas, an important trend of the past year was the growth of demand for software. The payment management system Payments.iQ, the currency exchange solution FCX.iQ, the monitoring and IT service management software for self-service systems Vdynamic View, which can be integrated with the video security solution ATMeye.iQ, as well as its new module for face detection are interesting for financial institutions. Over 6,000 ATMeye.iQ licenses were sold last year, bringing the total number of secure self-service devices in the world to more than 80,000.

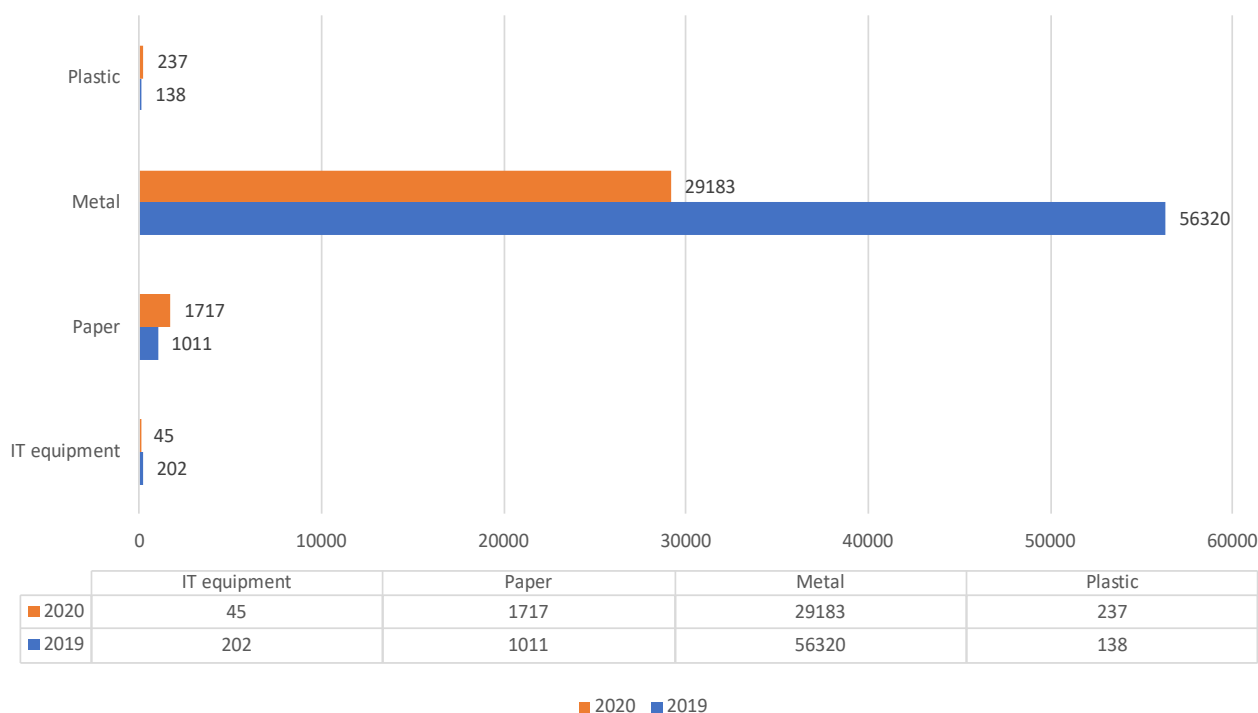
ASHBURN International, a member of the Penki Kontinentai Group, specializing in outsourcing of acquiring services, managing EFTPOS terminal networks and integrating cash systems, has begun active development in Azerbaijan and registered a growth in financial indicators of up to 2.9 million euros.

Penkių kontinentų komunikacijų centras, offering IPTV and Internet Penki, as well as Profit outsourcing IT services, recorded an increase in sales. Due to the development of the B2B direction, business segment income grew by 30 percent. The total annual turnover amounted to 4.2 million euros.

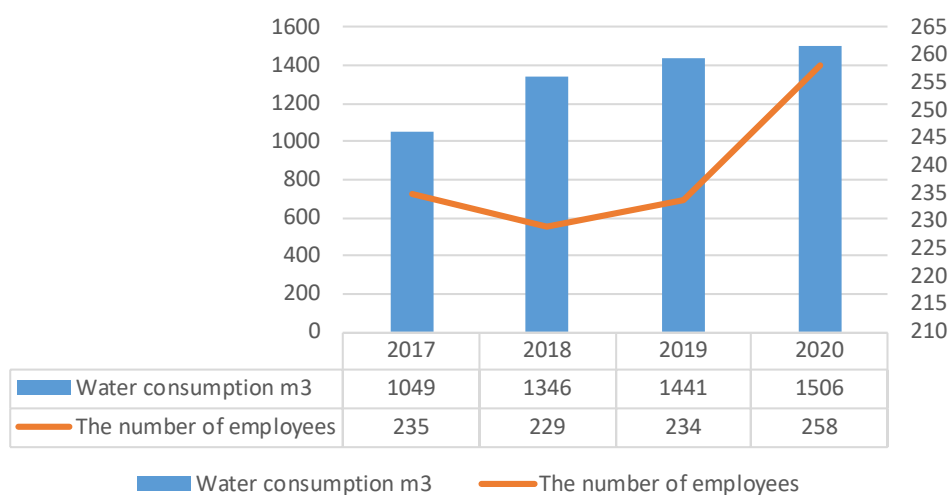
Non-financial indicators

Penki Kontinentai Group

Waste of an enterprise group 2019-2020, KG



Water consumption





Water consumption

| | 2017 | 2018 | 2019 | 2020 |
|-------------------------|------|------|------|------|
| Water consumption m3 | 1049 | 1346 | 1441 | 1506 |
| The number of employees | 235 | 229 | 234 | 258 |

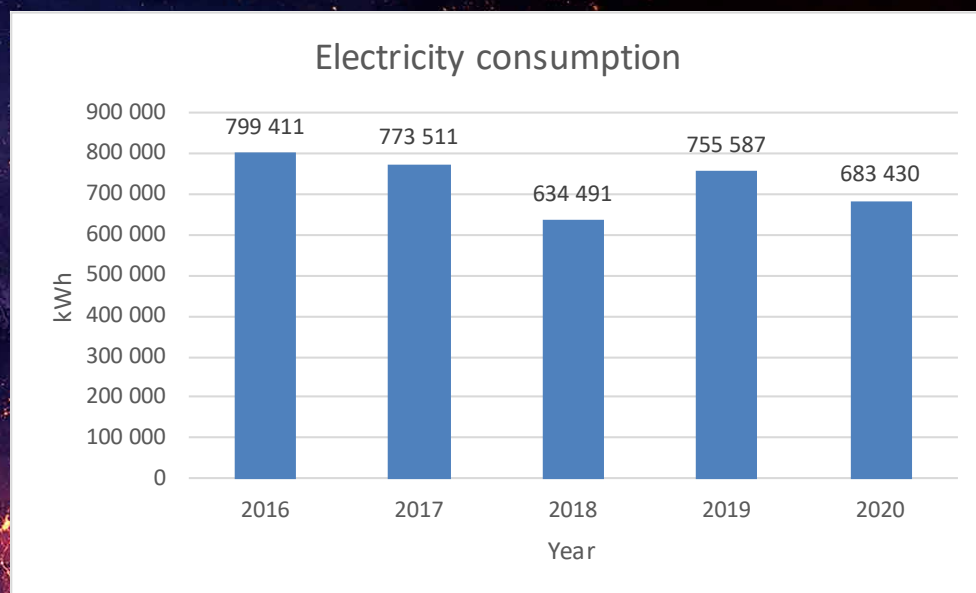
Non-financial indicators

Penki Kontinentai Group

Electricity Consumption

2016 2017 2018 2019 2020

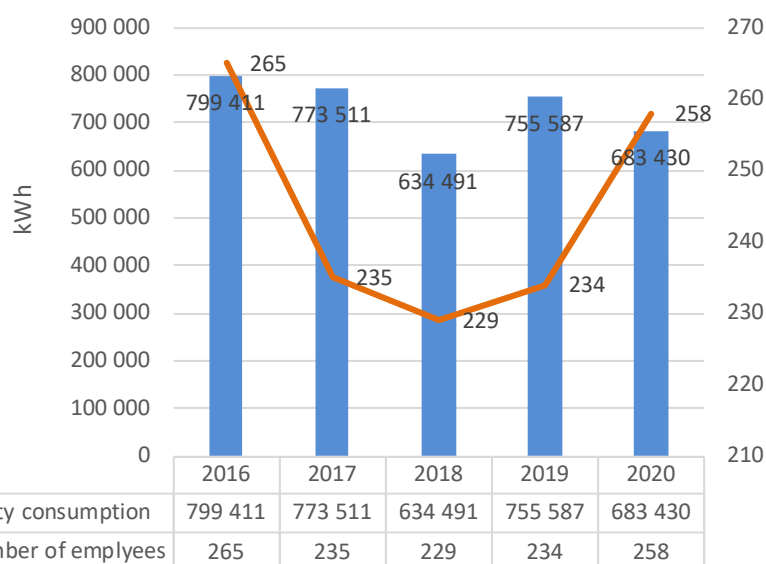
| | | | | | |
|-------------------------|---------|---------|---------|---------|---------|
| Electricity consumption | 799 411 | 773 511 | 634 491 | 755 587 | 683 430 |
|-------------------------|---------|---------|---------|---------|---------|



Electricity Consumption

2016 2017 2018 2019 2020

| | | | | | |
|-------------------------|---------|---------|---------|---------|---------|
| Electricity consumption | 799 411 | 773 511 | 634 491 | 755 587 | 683 430 |
| The number of employees | 265 | 235 | 229 | 234 | 258 |



Despite minor 2,18% increase in the number of employees in 2018-2019, electricity consumption increased by 19% due to an expansion of the premises.

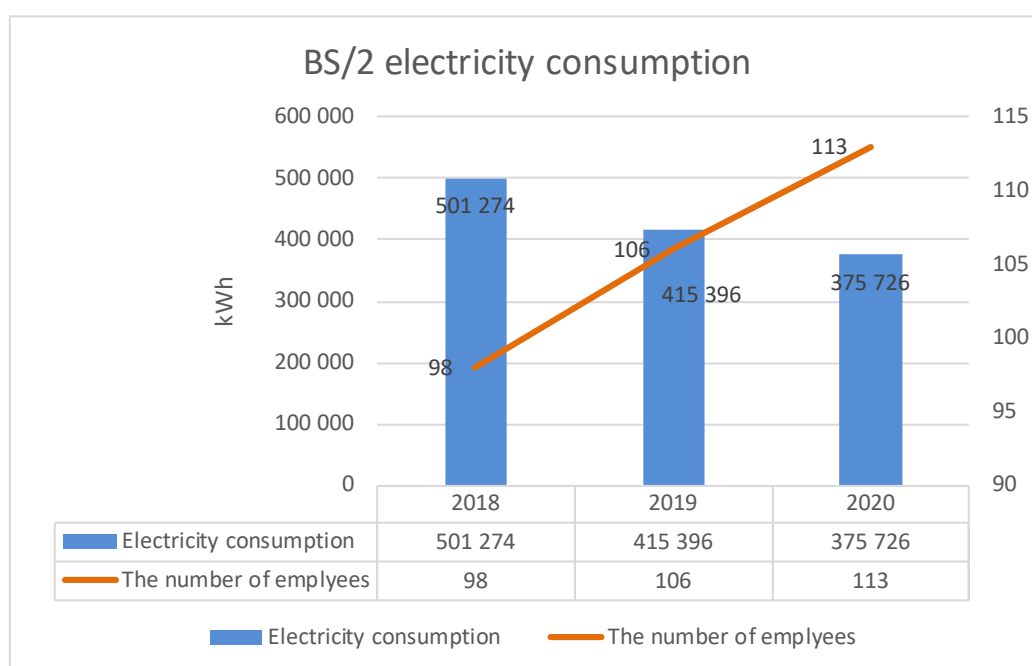
In 2019-2020, with a 10,25% increase in the number of employees, electricity consumption decreased by 9.55%. This was induced by the part-time or remote work of some employees during the Covid-19 pandemic.

Non-financial indicators

BS/2

BS/2 Electricity Consumption 2018 2019 2020

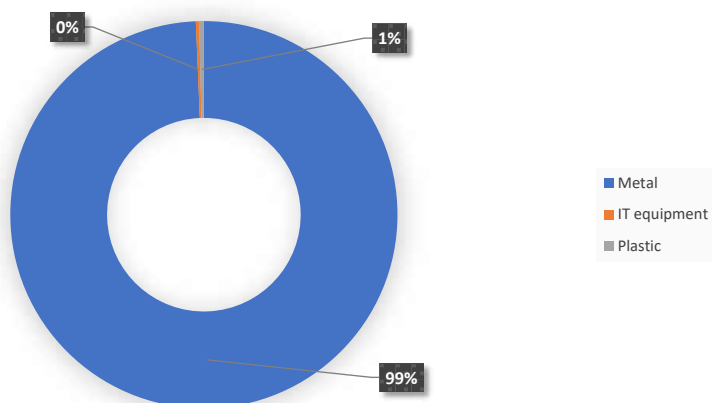
| | | | |
|-------------------------|---------|---------|---------|
| Electricity consumption | 501 273 | 415 395 | 375 725 |
| The number of employees | 98 | 106 | 113 |



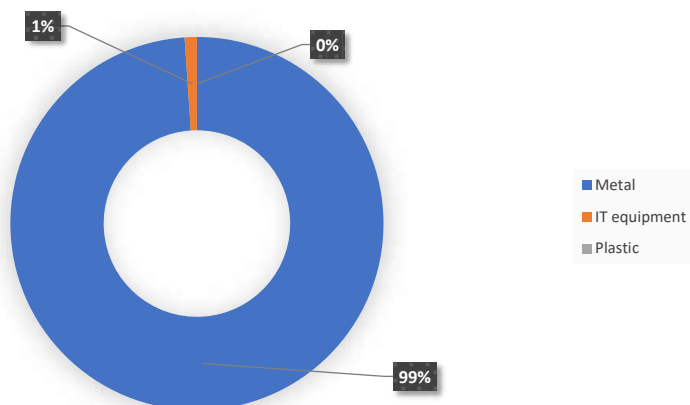
2018-2019 increase in the number of employees by 8,16% has not affected electricity consumption, which decreased by 17.13%.

2019-2020 electricity consumption decrease by 9.55% induced by remote work of some employees during the Covid-19 pandemic, in spite of increase in the number of employees by 6,6%.

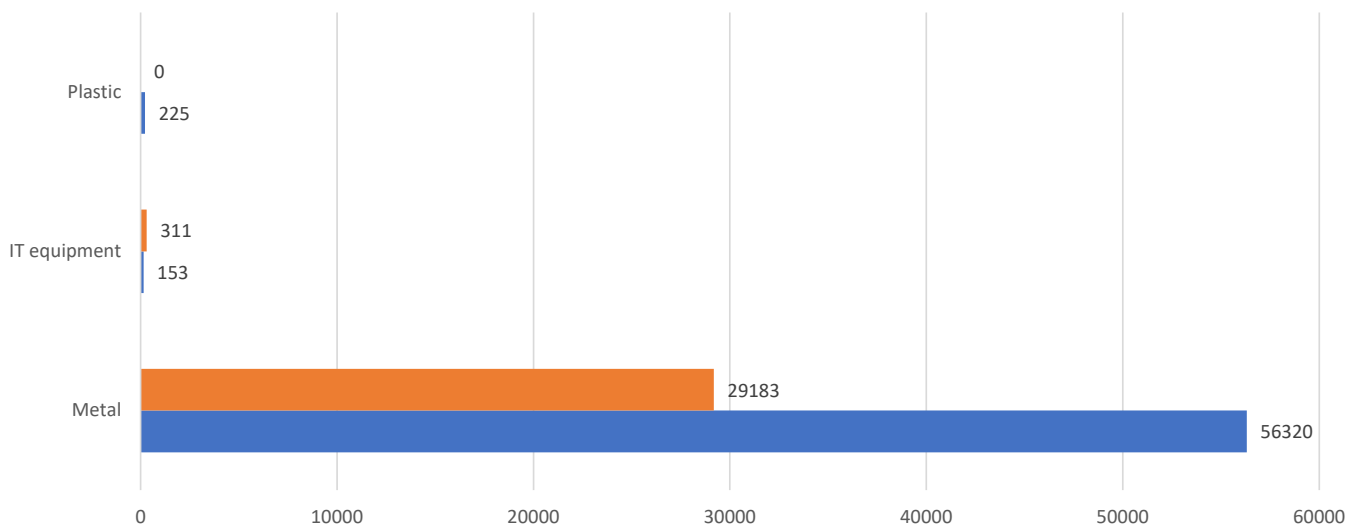
BS/2 waste by type 2019



BS/2 waste by type 2020



BS/2 waste 2019-2020, KG



| | Metal | IT equipment | Plastic |
|------|-------|--------------|---------|
| 2020 | 29183 | 311 | 0 |
| 2019 | 56320 | 153 | 225 |

2020 2019



Penki kontinentai group

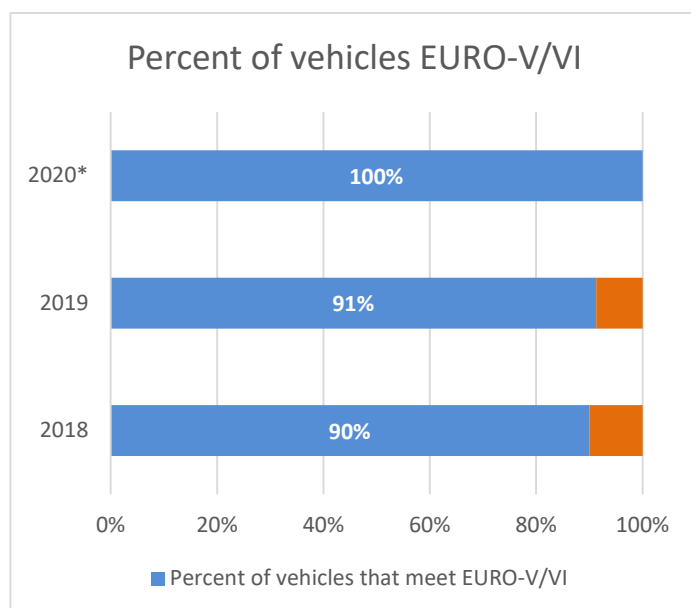
Non-financial indicators

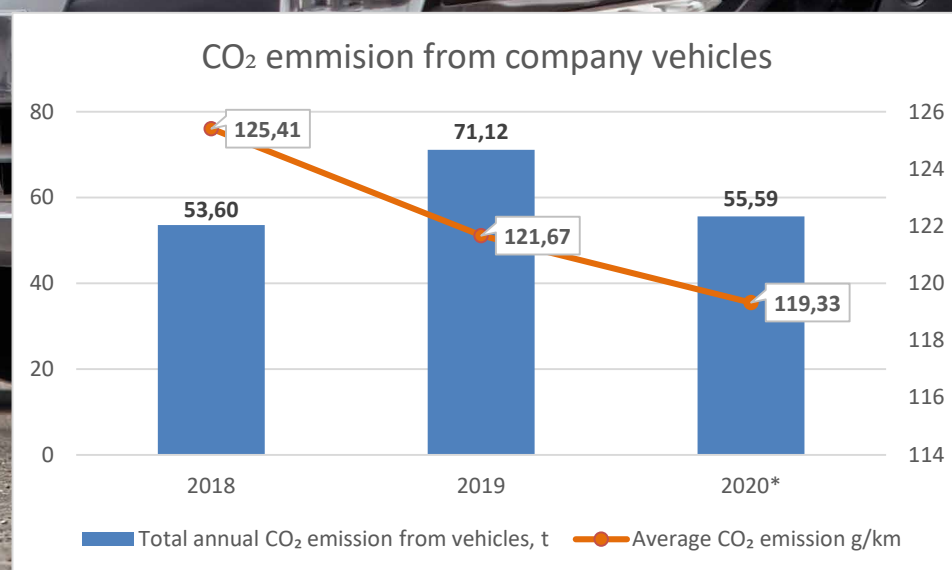
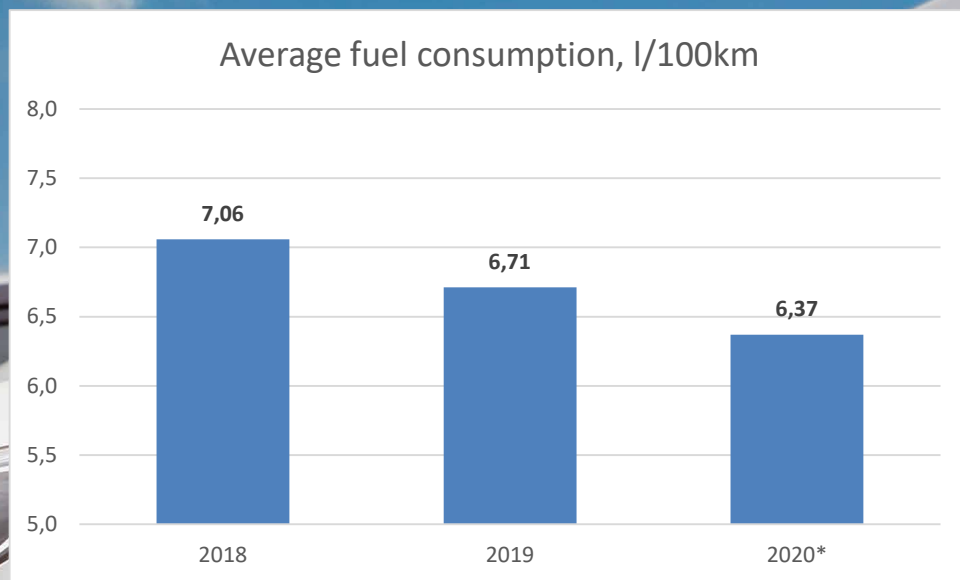
BS/2

BS/2 Carbon footprint

| | 2018 | 2019 | 2020* |
|--|------|------|-------|
| Percent of vehicles that meet EURO-V/VI | 90% | 91% | 100% |
| Total annual CO ₂ emission from vehicles, t | 53,6 | 71,1 | 55,6 |
| Average CO ₂ emission g/km | 125 | 122 | 119 |
| CO ₂ emission reduction year-to-year progress | | 3,0% | 1,9% |
| Average fuel consumption, l/100km | 7,06 | 6,71 | 6,37 |

* 2020 data available for 1-11 months





Contribution to sustainability

By being in harmony with society and the environment, we contribute to building a sustainable future.

1. Products, Services, and Solutions

By collaborating with customers and partners from around the world to create a sustainable future for society, developing solutions and technologies to solve social and environmental problems, we contribute to improving the quality of life worldwide.

2. Workplace

We create an ongoing dialogue with employees, creating a comfortable work environment and a place for growth for all of our employees who share our business philosophy.

We respect different cultures, nations, traditions, and values.

3. Supply Chain

We understand the impact of our business on the environment and society. So we work with our suppliers to promote socially responsible purchasing.

4. Cooperation

In cooperation with society, employees, customers, partners, consumers, we participate in initiatives and offer our own.

5. Human Resources and Innovation

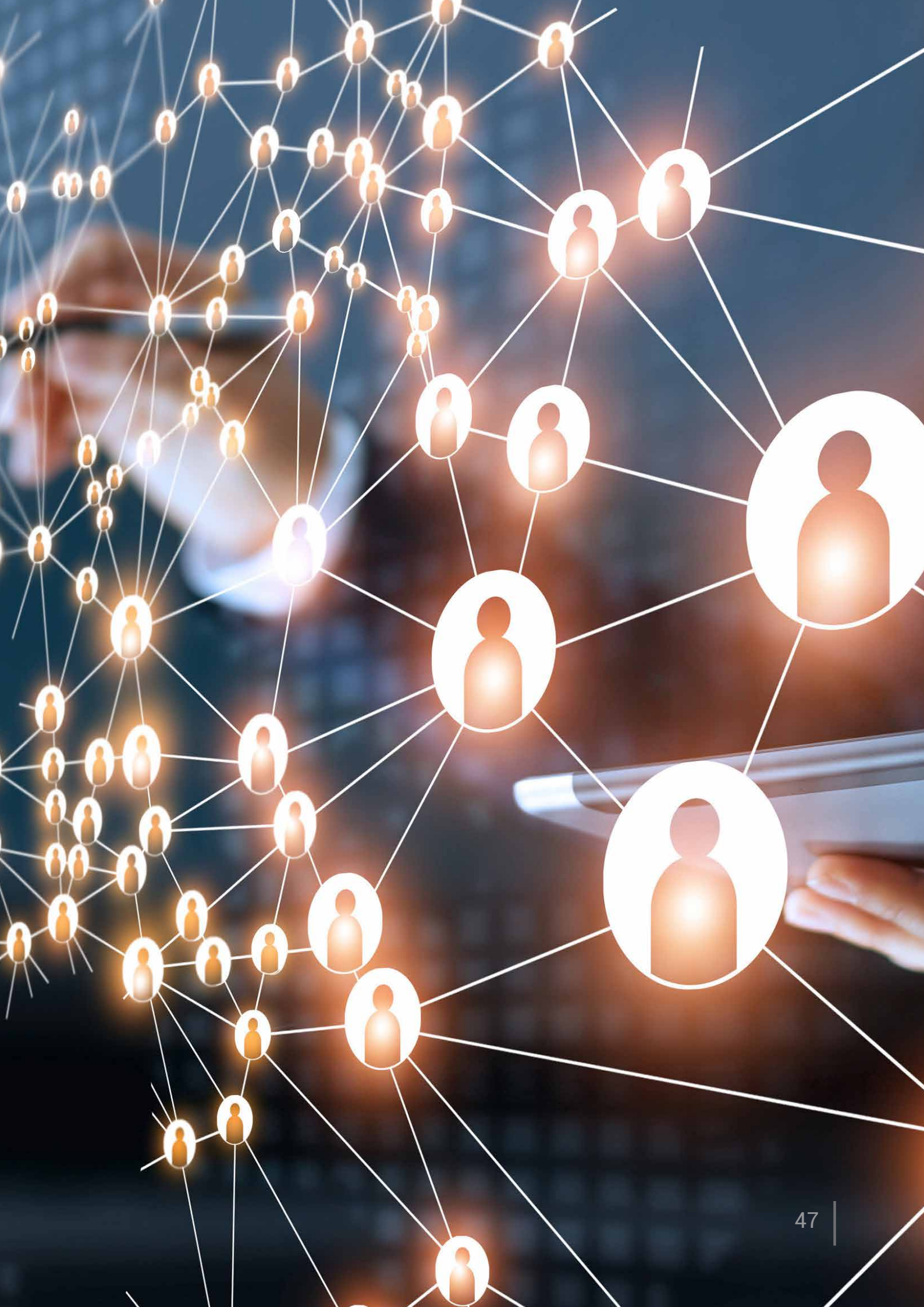
We develop a culture of collaboration to exchange the experience and enhance the skills of all employees. We offer career opportunities for professionals who create innovative solutions.

6. Environment

Striving towards the sustainable development of society, we develop our business and create environmental values.

We support and implement environmental initiatives in the work environment and society.





Corporate Social Responsibility Policy

in the protection of the environment and employee care

Our companies are looking for solutions to reduce paper consumption in the offices, implementing a social responsibility policy for conserving natural resources, as well as streamlining HR document management processes. On October 25, 2020, the Penki Kontinentai Group launched the human resources management platform "Vikarina self-service".

Main benefits:

- automation and unification of human resource (HR) management processes throughout the Group of companies;
- faster submission, approval and processing of employee requests;
- ability to manage personnel documents remotely;
- reducing paper use, conserving natural resources;
- saving time on receiving and submitting personal and personnel data;
- improving the quality and speed of HR services, minimizing errors.



Employees and their value for the Group

Each employee contributes to the creation of value for the Group. It depends on the employee's personal characteristics, knowledge, and skills. The Group invests in employee motivation and education, the quality of the work environment, and the creation of a common work climate.

The Group employs people of all ages, professions, and hobbies. Such diversity is useful because the older generation can convey the experience to young people, and the younger bolder generation brings in innovative ideas.

The Group appreciates all employees and makes sure that everyone feels safe and comfortable. Employee motivation is created by:

- ensuring safety and comfort at work;
- creating a cozy, artistic environment;
- ensuring the health of employees (a sports area has been installed at the workplace);
- providing opportunities to expand their knowledge (we order special literature, organize courses for employees);
- creating active communication between employees, exchange of knowledge, constant feedback between managers and subordinates.
- creating conditions to change employees' work activities - to climb the vertical or horizontal career ladder;
- organizing informal leisure for employees.

Friendly colleagues and understanding leaders motivate employees. The artistic environment inspires the work. The building is rich in works of art from different countries. There is an Art Gallery next to the Penki Kontinentai. Our employees can invite business partners there.

Social responsibility in relations with employees

We do implement innovative management and reward systems so that every employee can develop personal, professional, and general competencies. We respect human rights and make sure that personnel is safe in the workplace. Constructive and ethical relationships are our goal. We avoid discrimination, harassment, abuse, or any other disrespectful and humiliating acts. Health protection, prevention of occupational disease, and promotion of physical activity are our priorities.

Each employee also contributes to the creation of value for the Group. It depends on the employee's personal characteristics, knowledge, and skills. The Group invests in employee motivation and education, the quality of the work environment, and the creation of a common work climate.

The company employs people of all ages, professions, and hobbies. Such diversity is useful because the older generation can convey the experience to young people, and the younger bolder generation brings in innovative ideas.

Our employees speak more than 10 languages. We are a multicultural Group.

We hear Lithuanian, English, Russian, Belarusian in our office in Vilnius, and our subsidiaries in other countries speak Latvian, Estonian, Uzbek, Turkmen, Kyrgyz, Georgian, Azerbaijani, or Kazakh.

Most of our employees speak several foreign languages, so the linguistic diversity in our offices is really wide.

The Group cooperates with Lithuanian educational institutions. We create conditions for university and college students to apply in practice the theoretical knowledge acquired in a scientific institution.

In 2020, 12 students took part in one-day excursions. They were introduced to the specification of different jobs and acquainted with the various technologies: fiber optic network, servers, features of modern ATMs and payment terminals, etc.

The internship pays off for both parties. We have many cases when interns started working for us.





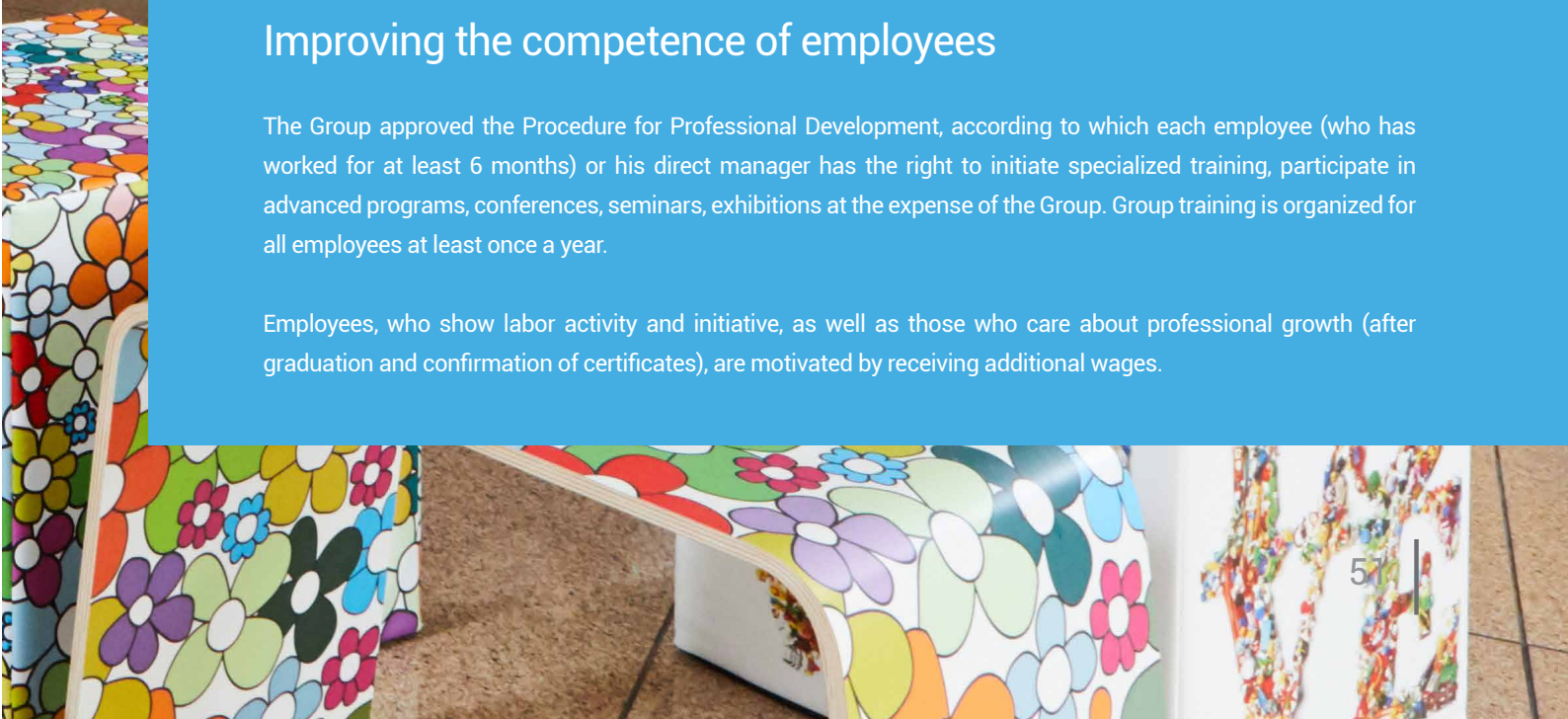
Professional and personal development

Our Group promotes professional and personal development of the employees. Library, where you can find professional, psychological and fiction literature, is open for almost 30 years. Its resources are constantly updated with new books to meet the needs of staff.

Improving the competence of employees

The Group approved the Procedure for Professional Development, according to which each employee (who has worked for at least 6 months) or his direct manager has the right to initiate specialized training, participate in advanced programs, conferences, seminars, exhibitions at the expense of the Group. Group training is organized for all employees at least once a year.

Employees, who show labor activity and initiative, as well as those who care about professional growth (after graduation and confirmation of certificates), are motivated by receiving additional wages.



Employees

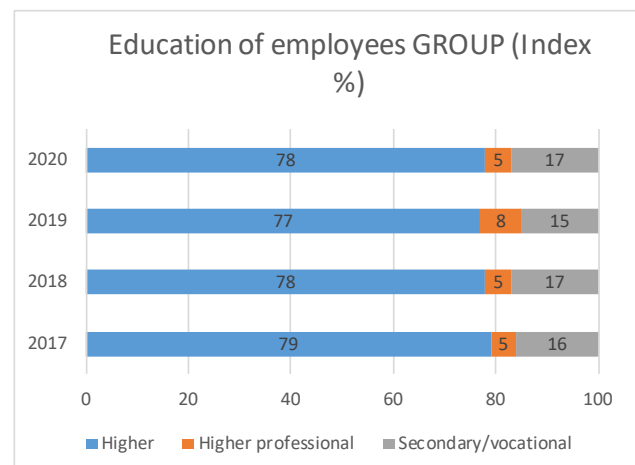
Integration of new team members

All relevant information about the Group, its structure, activities, management, brands, work organization, and others are being published and constantly updated on the internal network (INTRANET). New employees receive company booklet where all needed facts are presented in a simple, short, clear, and visual manner.

Also, several times a month, office excursions are organized for newcomers. Employees are introduced to the work of the Group. Leisure and sport spaces, library, canteen are shown to them also.

250+
employees of
Penki Kontinentai Group
work in Lithuania

worldwide
500+





Employees

Labor and Human Rights

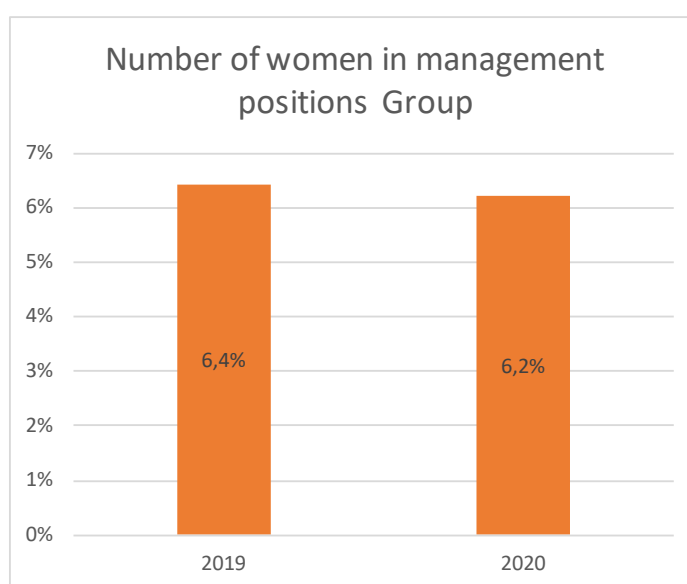
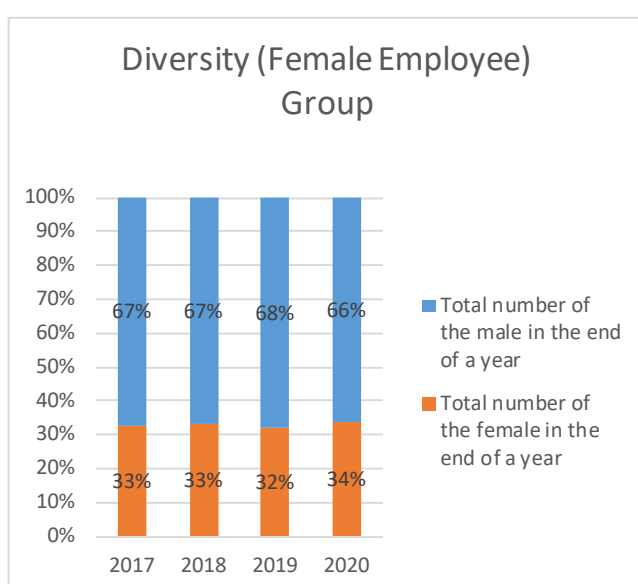
The Group complies with all laws of the Republic of Lithuania that ensure the protection of employees' rights. In 2019, Penki kontinentai and Penkių kontinentų komunikacijų centras have established Labor Councils, which represent the interests of employees.

The Group promotes gender equality by ensuring equal rights and opportunities for women and men. Equal distribution of responsibilities, access to resources, benefits, services, and equal participation in all processes and areas.

Areas of expertise, where work female

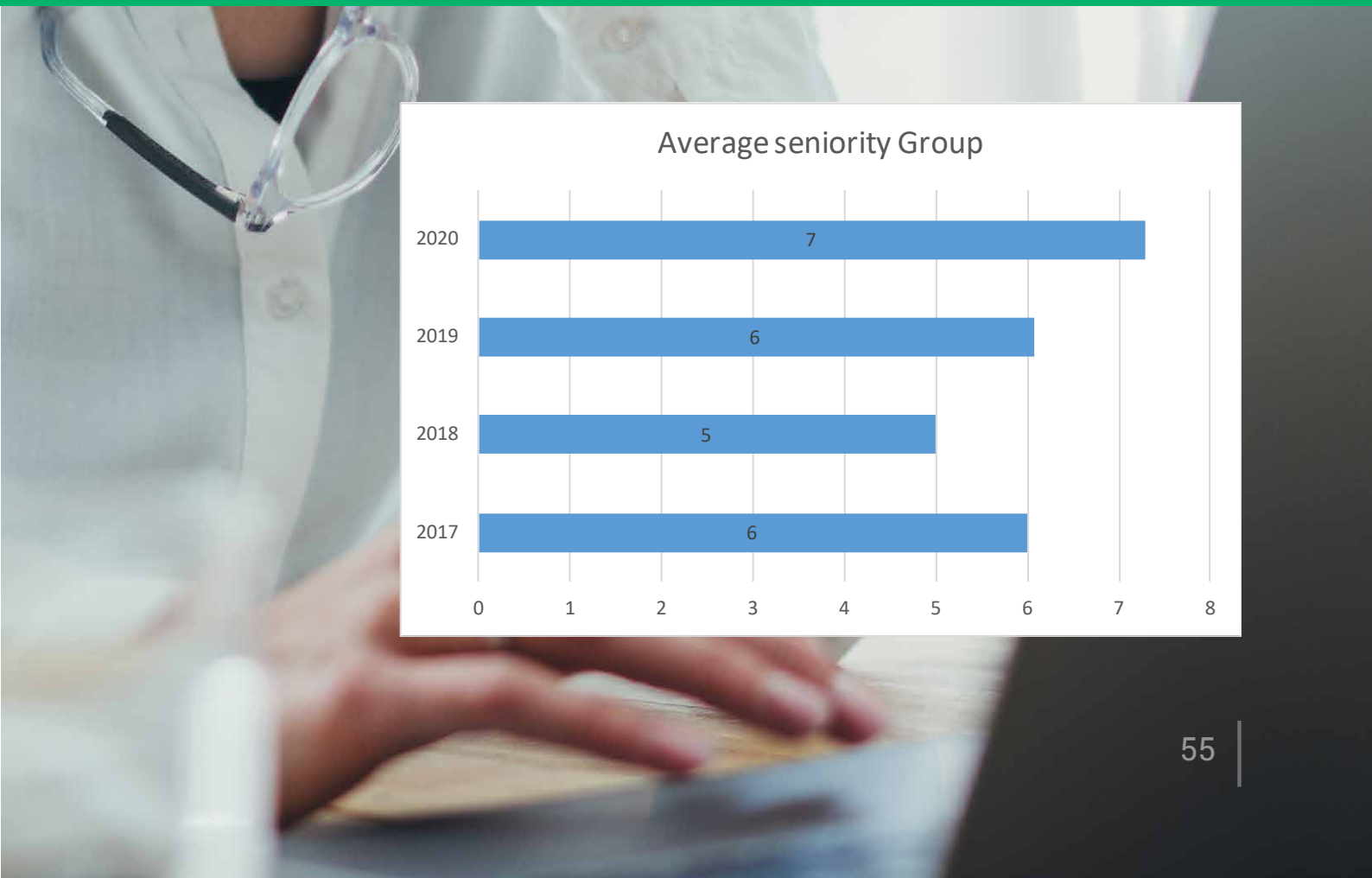
| Diversity Gender | IT product development | HR management | Customer service | Finance, Accounting | Logistic | Warehouse management | Office service | Change management | Project management |
|------------------|------------------------|---------------|------------------|---------------------|----------|----------------------|----------------|-------------------|--------------------|
| Male | YES | | YES | YES | YES | YES | | YES | YES |
| Female | YES | YES | YES | YES | YES | YES | YES | YES | YES |

At least 6% of women in management positions





| Communication management | Sales Management | Marketing | Legal affairs Compliance | IT systems maintenance | IT service maintenance | Network service | Business development | Corporate management |
|--------------------------|------------------|-----------|--------------------------|------------------------|------------------------|-----------------|----------------------|----------------------|
| YES | YES | YES | YES | YES | YES | YES | YES | YES |
| YES | YES | YES | YES | | | | | |

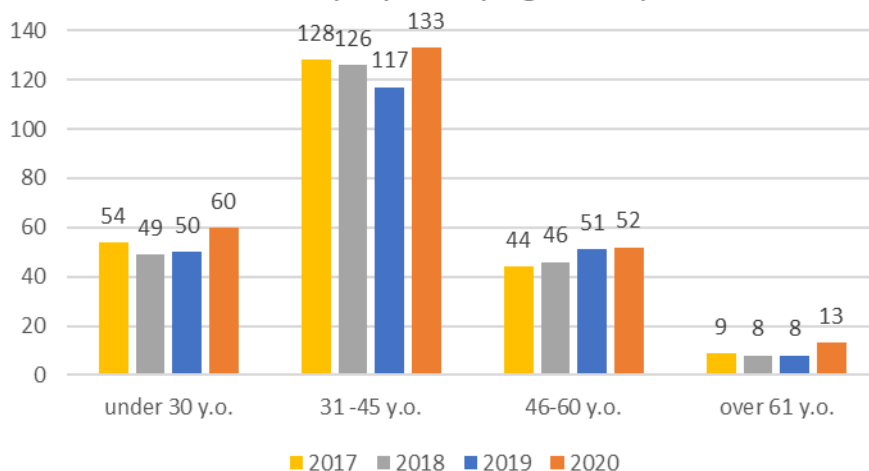


Employee Indicators in Lithuania

Penki Kontinentai Group employees

| | 2019 | 2020 |
|---|---------------------|---------------------|
| | Quantitative figure | Quantitative figure |
| Total number of employees at the end of the year | 234 | 258 |
| Total number of female employees at the end of the year | 73 | 87 |
| Total number of male employees at the end of the year | 153 | 174 |
| Number of women in management positions | 15 | 16 |
| Average age of employees | 40 | 39 |
| Average seniority | 6 | 7 |
| Employees completed self-development training | 58 | 63 |
| Total hours worked | 384172 | 402922 |
| Average hour of training | 536 | 427 |

Number of employees by age Group



Number of employees by age groups

| | 2019 | 2020 |
|---------------|-------------------|-------------------|
| | Quantitative fig. | Quantitative fig. |
| Under 30 y.o. | 50 | 60 |
| 31-45 y.o. | 117 | 133 |
| 46-60 y.o. | 51 | 52 |
| Over 61 y.o. | 8 | 13 |

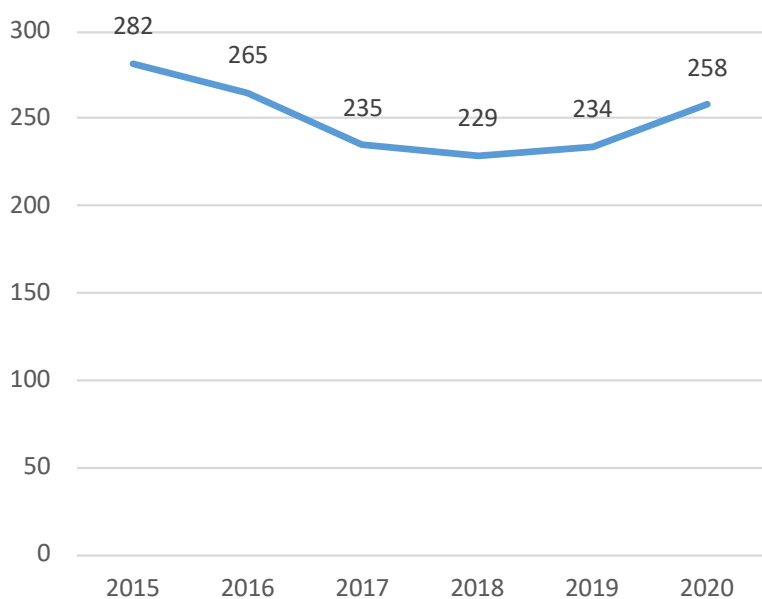
Education of employees

| | 2019 | 2020 |
|----------------------|---------|---------|
| | Index % | Index % |
| Higher | 76 | 78 |
| Higher professional | 8 | 5 |
| Secondary/vocational | 15 | 17 |

Number of employees by district

| | 2019 | 2020 |
|--------------------|---------------------|---------------------|
| | Quantitative figure | Quantitative figure |
| Šiauliai district | 2 | 4 |
| Panevėžys district | 3 | 3 |
| Klaipėda district | 2 | 4 |
| Kaunas district | 4 | 5 |
| Vilnius district | 223 | 242 |

Number of employees GROUP



Employee Indicators

BS/2

Employees of BS2

| | 2019 Quantitative figure | 2020 Quantitative figure |
|---|-----------------------------|-----------------------------|
| Total number of employees at the end of the year | 106 | 113 |
| Total number of female employees at the end of the year | 27 | 32 |
| Total number of male employees at the end of the year | 79 | 81 |
| Number of women in management positions | 9 | 9 |
| Average age of employees | 40 | 40 |
| Average seniority | 7 | 7 |
| Employees completed self-development training | 26 | 29 |
| Total hours worked | 177094 | 190349 |
| Average hour of training | 220 | 150 |

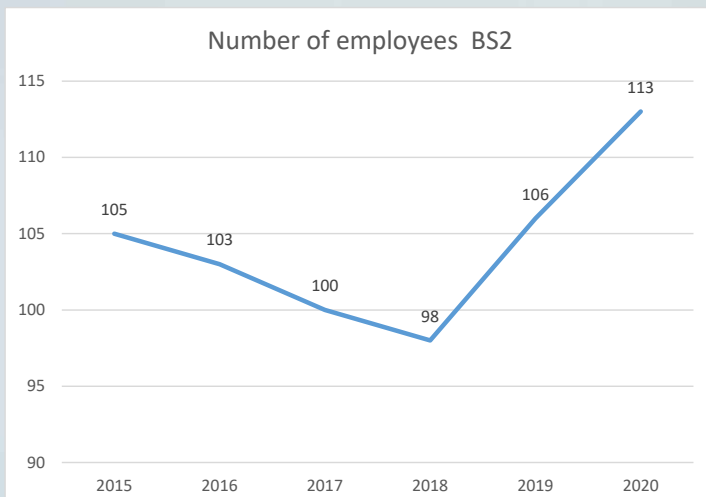
Number of BS/2 employees by age groups

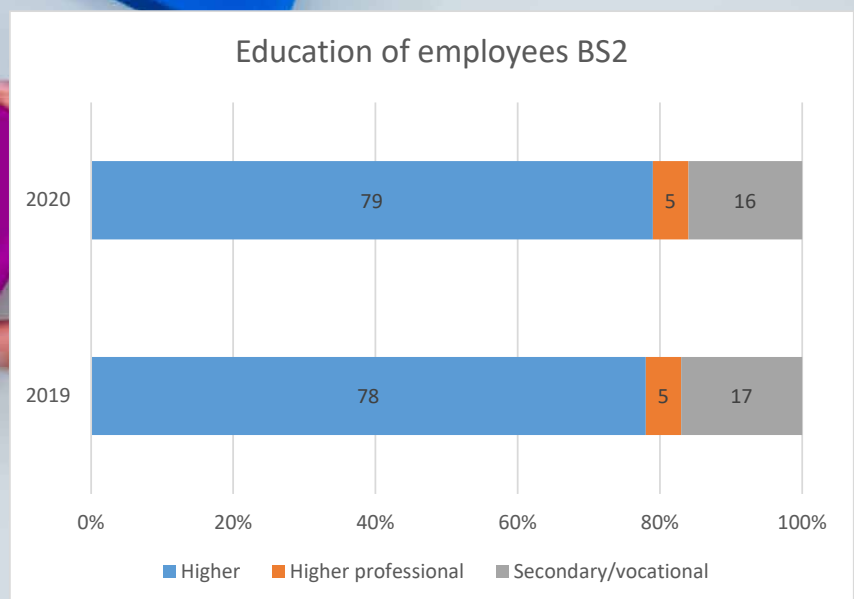
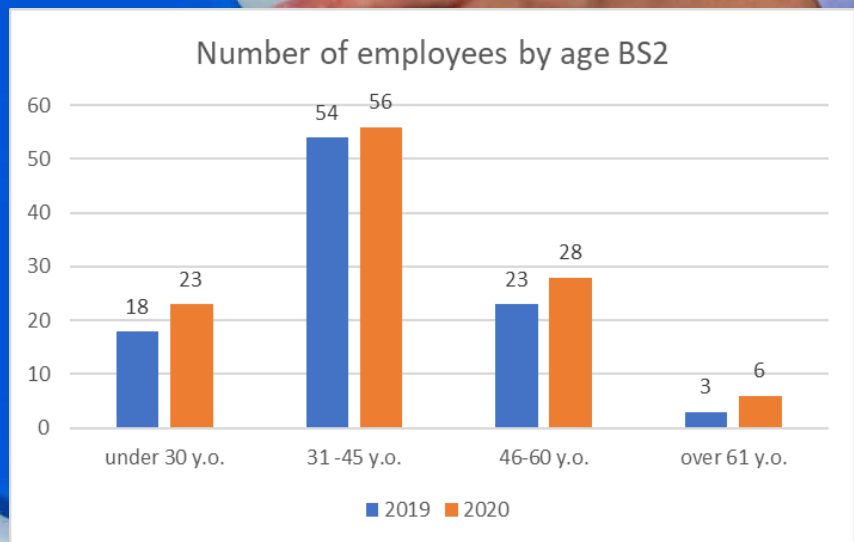
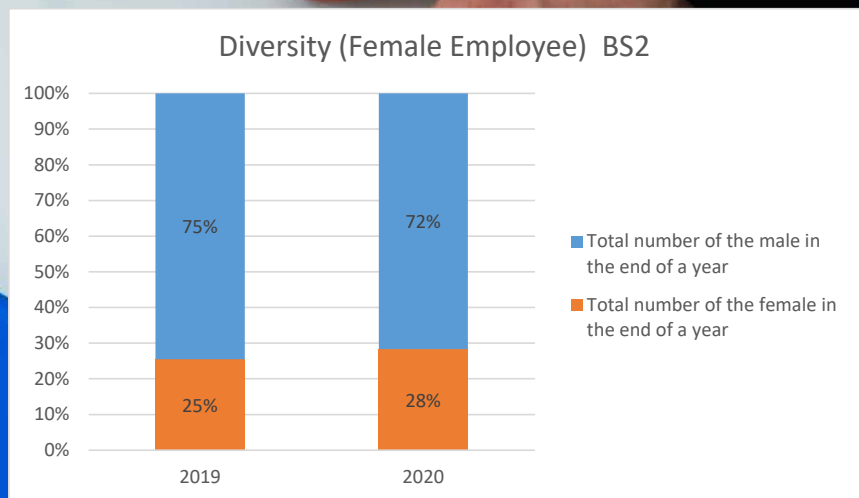
| | 2019 Quantitative fig. | 2020 Quantitative fig. |
|---------------|---------------------------|---------------------------|
| Under 30 y.o. | 18 | 23 |
| 31-45 y.o. | 54 | 56 |
| 46-60 y.o. | 23 | 28 |
| Over 61 y.o. | 3 | 6 |

Education of employees

| | 2019 Index % | 2020 Index % |
|----------------------|-----------------|-----------------|
| Higher | 77 | 78 |
| Higher professional | 8 | 5 |
| Secondary/vocational | 15 | 17 |

Number of employees BS2





Response to the coronavirus pandemic

Our goal is to respond as quickly as possible to protect all employees and avoid becoming a hotbed of COVID-19.

Our actions:

1. We have formed a management group that initiates and advises in all cases related to the coronavirus situation.
2. We have approved safety regulations and purchased protective equipment.
3. We made sure that not only employees but also their family members are provided with masks.
4. We have communicated and explained to all staff about the changed work schedule and work procedures. We have created a separate section on the intranet so that all employees can quickly receive all information about the behavior of the Group as well as the necessary information about government decisions.
5. A device with an automatic hand sanitizer dispenser, a thermal imager, and a biometric identification system is installed in the lobby of the Penki Kontinentai office. Following the video instructions, employees can sanitize their hands and measure the temperature.
6. Meetings and communication are held only in compliance with all safety requirements.
7. We have switched to remote work, which forced everyone to learn a new form of communication and reporting. All employees who can work remotely carry out their duties safely at home.
8. The Group (at its own expense) conducts additional preventive testing of employees for the possibility of infection with COVID-19.
9. The Penki Kontinentai Group has supplied Santaros Clinic, Vilnius University Clinic, Antakalnis Clinic, Center Clinic, Vilnius District Clinic, and Kaunas Medical University Clinical Hospital with non-contact hand sanitizer dispensers.
10. During the COVID-19 Pandemic the Group of companies allocated almost 30 thousand euros to various Lithuanian funds for the purchase of medical equipment:

- The COVID-19 Mitigation Fund, supervised by President Dalia Grybauskaite;
- Medical Institutions Support Fund, founded by President Valdas Adamkus, businesspersons and public figures;
- The Fund of Andrius Tapinas;
- The Lithuanian Medical Association Fund;
- Vilnius City Government to fight the pandemic.

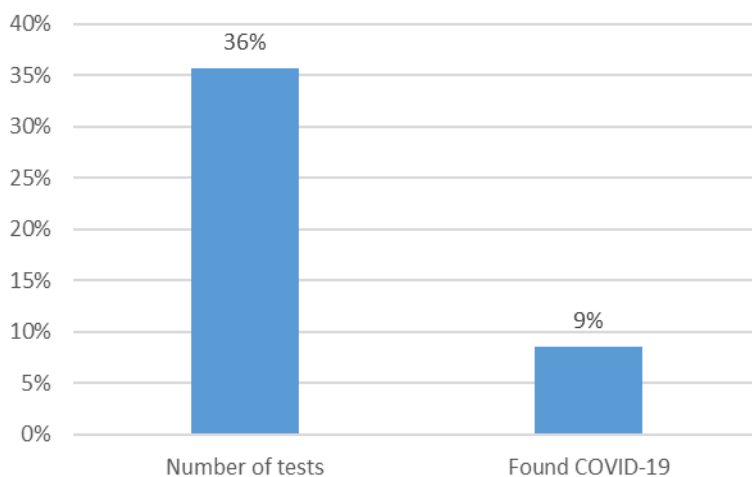
11. During the quarantine period, 120 Lithuanian companies that use the services of ASHBURN International were released from financial obligations to pay for payment services. Most of them are educational institutions, museums, art galleries, and sports clubs, which were forced to suspend their activities because of the COVID-19 pandemic.

12. The Group provided customers over 65 years of age with one-hundred-percent compensation for telecommunication services (Internet and Penki TV).

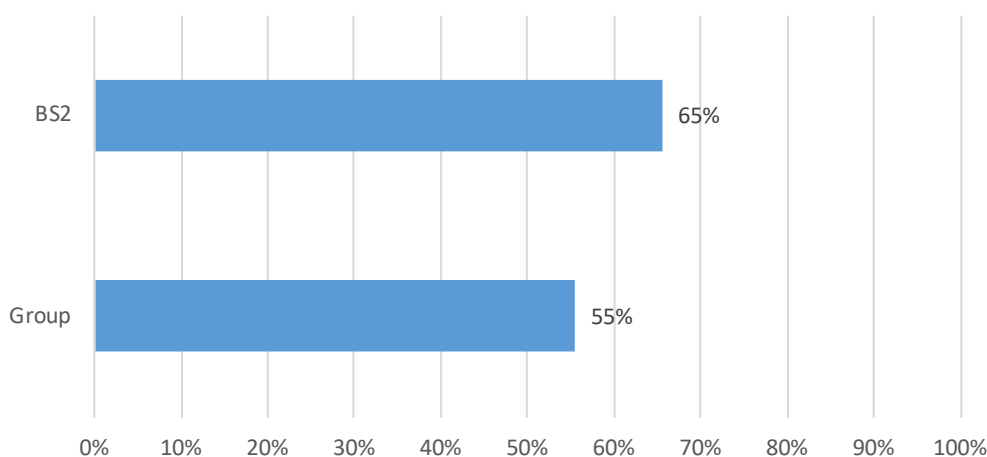


Response to the Coronavirus Pandemic

Percent of employees tested in 2020



Employees on remote work in 2020





Residents of Vilnius, when visiting the Unified Customer Service Center of the municipality, can evaluate the benefits of a new device offered by the Penki Kontinentai Group. The stationary temperature detection terminal is installed in the reception room of the municipality. Penkių kontinentų bankinės technologijos (BS/2), a member of the Penki Kontinentai Group, represents on the Lithuanian market the body temperature detection terminal. A complete inspection is done in seconds, without physical contact with high accuracy and in privacy.



Health and safety at work

Group encourages its employees to lead healthy lifestyle and do sports.

In 2018, significant investments were made for the equipment and design of sports and leisure spaces in the workplace.

Workplace was equipped with:

- Gym with a treadmill, trainers, lift weights and other sport equipment.
- Sport space where employees can spend their free time (on breaks or after the work) while playing table tennis, airhockey or darts. Several times per week crossfit and callanetics workouts lead by a professional trainer Simona Daumantienė take place there.
- Changing room and shower.
- Computer gaming room with a large screen, game console and computer games collection which is constantly added up.

The design of leisure facilities is focused on quality, comfort and convenience. Bright, moody colors were chosen for the walls for the spaces decorated with paintings, sculptures and other contemporary works of art.

Mass participation in sports events

Our employees are encouraged to take part in mass sports events by paying event registration fees for them. The Penki Kontinentai team for the second time became the largest walking team "Walmark" in 2019. Moreover, company's staff took part in Vilnius marathon and „We run Vilnius“ running competition.

The active lifestyle is also promoted at our events: kayaking, bowling tournaments, summer corporate meetings when various sports activities are organized.



Healthy lifestyle seminars

Bodyweight examination as well as a lecture on healthy nutrition at work were organized in the company in cooperation with Vilnius city municipality in 2018. What is more, public enterprise „Kvėpuok gyvenimą LT“ conducted breathwork training for stress management led by a professional coach. These exercises help not only to cope with a stressful situation but also to maintain good health and to reveal the potential.







Social initiatives

Social Relations and Support

We constantly support the Lithuanian Welfare Society for People with Intellectual Disability **Viltis** ("Hope"), which is located near the central office of the Penki Kontinentai Group in Vilnius. In 2019, as every year, we participated in the neighborhood celebration called "Bridges of Friendship", organized by Viltis. Employees enjoyed the performance as well as attended the community fair held during the celebration, where various wares were purchased. We also supported this organization financially.

In 2020, the Penki Kontinentai Group invited everybody to take part in the "Smile Gives Hope" campaign. The terms were simple: post photos on Instagram with the hashtag #dovanokvilti, and for each smile, we donated € 1 to the Viltis community.

"A smile is a gift that can be given to everyone. It enriches those who receive it, not impoverishing those who smile. Our goal is to draw attention to the isolation of people with intellectual disabilities and change the social attitude towards them," said Vaida Praciuvienė, Head of Internal Communication and Social Responsibility Projects, at the traditional good-neighborliness festival.

We have invested in the **Loft Town** residential loft project and continue to support its community during the summer and Christmas holidays.

Every year, employees actively participate in the "**Darom**" campaign, during which outdoor spaces are cleaned out of rubbish. We seek to be responsible, constantly contributing to the creation of a sustainable society.

We work with the nearby **University of Applied Social Sciences and the University of Białystok**. We organize excursions for their students around the workplace, introduce them to different professions, and accept internships. Students of other Lithuanian universities also do internships in our company.

Charity

We support an animal shelter called Lesė, where the employees of the Group are volunteers. Free fiber-optic internet Penki has been introduced into Lesė veterinary clinic.

Since 2018 we support Vilnius football club Viltis therefore encouraging young people from an early age to choose healthy lifestyle and meaningful leisure time.

Work environment

Actions we take to reduce the environmental impact of products and services.

All workplace hygiene facilities are equipped with automatic light motion sensors to reduce electricity costs. Company grows constantly, but electricity consumption remains the same.

Employees are encouraged to arrive at the workplace using environmentally friendly means of transport - bicycles, scooters. Special parking stands are installed.

Every year, we take part in the International Car Free Day when employees are encouraged to commute by public transport or other means of transport. Those who have joined the campaign receive small gifts.

We recycle and sort household waste. Used batteries are collected and then recycled as improperly thrown out batteries can be harmful not only for the environment but also for human health.

We seek to cut paper consumption by reducing the font size of the text and printing on both sides of the paper. Before printing documents, employees are encouraged to consider whether it is really necessary. A reminder is also included at the end of the email letter:

Think about nature protection before printing this letter



At the end of the work, we turn off all devices. Hygiene rooms are equipped with automatic light sensors.

Work safety

The Group follows the General fire safety rules approved by the Fire and Rescue Department under the Ministry of the Interior Affairs.

Blooming Vilnius

The Group strives to create a beautiful environment not only in the workplace, but also around the company building. Environmental engineer maintains perennial trees, shrubs, flowers, creates various compositions, festive bouquets. For the third year in a row, the Group has been highly appreciated in the contest Vilnius Municipal Competition "Žydintis Vilnius" (Blooming Vilnius) for decorating the territory of the office.

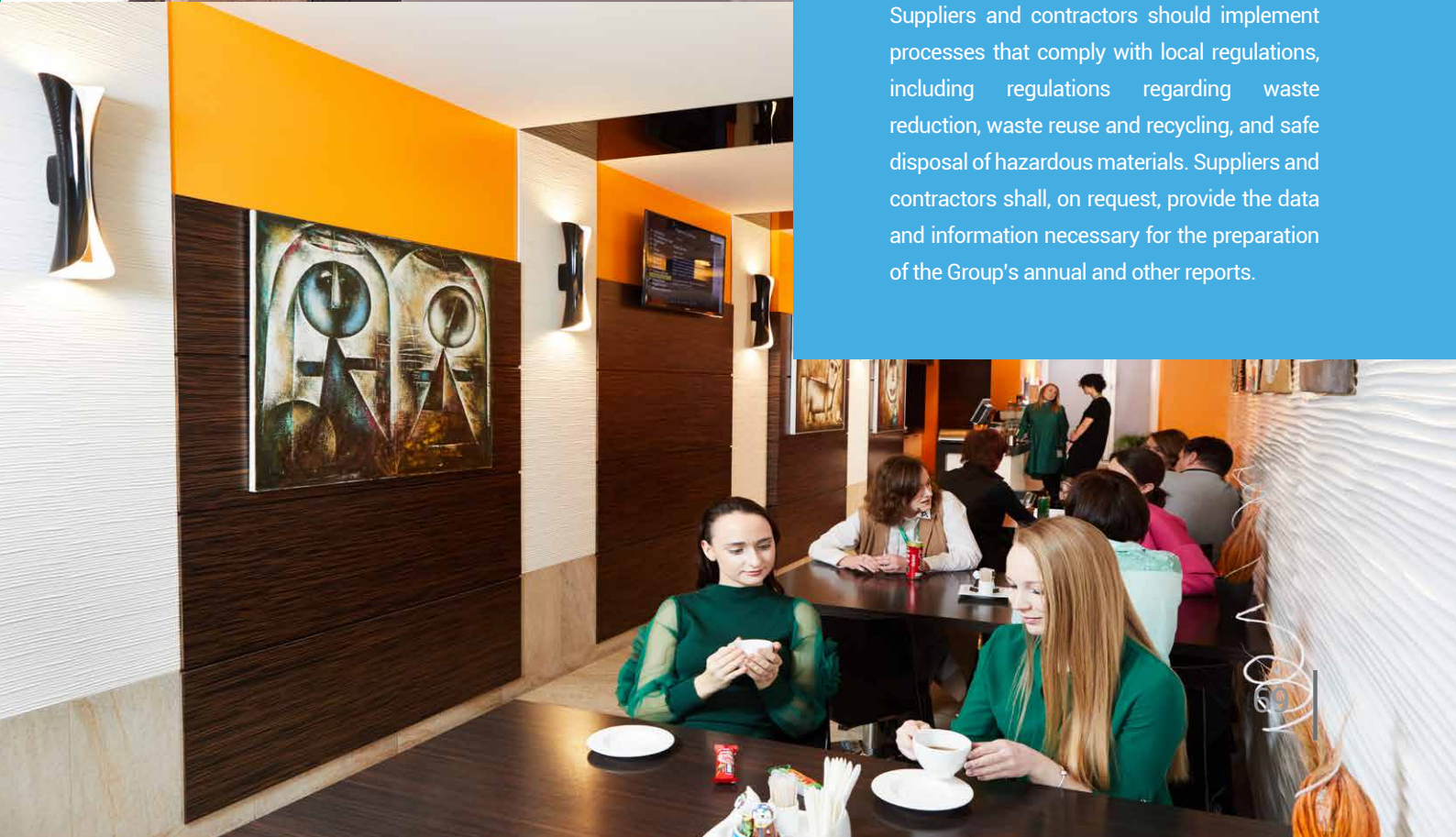


Environmental protection

Suppliers and contractors seek to comply with effective environmental policies at all levels of the Group and conduct actions in order to protect the environment and reduce pollution. Priority is given compliant goods, products, materials that do not contain prohibited substances and which do not exceed the permitted levels of legal substances.

It is required to comply with all environmental laws, regulations, and local laws that pertain to the environmental aspects of the organization.

Suppliers and contractors should implement processes that comply with local regulations, including regulations regarding waste reduction, waste reuse and recycling, and safe disposal of hazardous materials. Suppliers and contractors shall, on request, provide the data and information necessary for the preparation of the Group's annual and other reports.



Content of report and aspects of limits

The content of the report is presented taking into account the long-term business strategy of the Penki Kontinentai Group, its current policies, and various key aspects.

Environmental protection indoors

| Important aspects | Coverage | | |
|---|-----------|---------|-----------------------|
| | Employers | Society | Authorities in charge |
| Electricity and water saving | + | + | + |
| Waste sorting and recycling | + | + | + |
| Operational efficiency and transparency | + | + | + |
| Operative informing and problem solving | + | + | + |
| Fire safety at work | + | + | + |

Social domain

| Key aspects | Coverage | Group impacted |
|------------------------------|--------------------|--|
| Economic efficiency | Within and outside | Possessor |
| Market | Outside | Customers, partners |
| Products and services | Within and outside | Employees, customers, partners |
| Education and training | Within and outside | Employees, customers, partners, society |
| Non-discrimination | Within and outside | Employees, customers, governors, partners, society |
| Health promotion | Within and outside | Employees, customers |
| Partnerships in CSR projects | Within and outside | Employees, customers, society |

Stakeholder engagement

The Group aims to communicate and collaborate closely with all its stakeholders in order to identify their needs and expectations, and to develop future technologies together.

Groups of directly cooperating individuals

| Groups of directly cooperating individuals | Society | Regulatory authorities |
|--|--|---|
| | | |
| Private clients | Educational institutions | Government of the Republic of Lithuania |
| Business clients | Students | Police of the Republic of Lithuania |
| Partners | Vilnius city municipality | State Tax Inspectorate |
| | Non-governmental organizations | Public Procurement Office |
| | Communities of people with special needs | ATMIA |
| | | Lithuanian Business Confederation |



Reporting period

The report provides the Group data for 2019-2020, as well as previous information that the Group manages and operates.

Reporting frequency

The report is drawn up, reviewed and supplemented each year.

