# CREATING A BETTER WORLD, BEET BY BEET

**2020 Sustainability Report**

beetroot.co

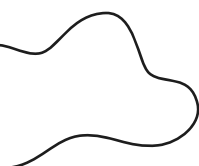# Contents:

# Foreword from founders

We sometimes laugh at how sustainability was on our minds long before it became mainstream. You know, it's easy to keep your business environment-friendly when your startup capital is a bunch of business cards and a pinch of entrepreneurial salt — precisely the story of Yours Truly, when we arrived in Ukraine back in 2012 to establish Beetroot.

Jokes aside, sustainability is hard-coded in everything we do as a tech ecosystem. Rather than being an add-on policy, it is central to how — and why — we do business. Our commitment to creating a positive impact underpins Beetroot's mission and organizational culture, driving the way we operate and interact with the world.

That's how it works for us Beets in nine cities across Ukraine, Sweden, and Kosovo. And that's the mindset we keep cultivating throughout the Beetroot Ecosystem and beyond to our growing network of clients, partners, vendors, peers, and friends.

2020 has been a year of change for the world. In the face of challenging times, it's clear that non-financial aspects of business operation are just as essential as monetary ones.

Staying true to our values and focusing on sustainability as one of them, we've managed to grow.

In 2020, the Beetroot ecosystem extended to new locations, totaling 500+ people on board and counting. In 2021, we remain fully compliant with local quarantine requirements and do everything possible to protect our teammates and their families while delivering service excellence to our clients.

**We feel strong, despite COVID-19, and our sights are set on more sustainable growth.**

It is important for us to have our sustainability goals aligned with the global standards and translate them into actions. As a tech ecosystem, we're committed to creating a positive impact through building sustainable teams where people think long-term in their work and truly take care of themselves, society, and the environment. This report reflects some of the highlights of our sustainability work in 2020/2021, as well as our plans.

**Doing things in a sustainable way today is how we ensure that we can continue creating impact tomorrow.**

Sustainability has always been at the heart of Beetroot, having grown from an enthusiastic idea of its founders to one of the company's core values. We want to thank our talented teammates and partners for making this possible. Together, we create a better tomorrow, beet by beet.

**Gustav Henman**
Co-Founder of Beetroot AB

**Andreas Flodström**
Co-Founder and CEO
of Beetroot AB

# 2020 Impact: Featured Numbers

**$24 million**
Total economic impact of the Beetroot Ecosystem on Ukraine's economy

**208**
clients from **23 countries** grow with us
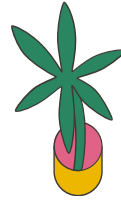
**2,000–2,500**
Total direct and indirect jobs created in Ukraine by the Beetroot Ecosystem
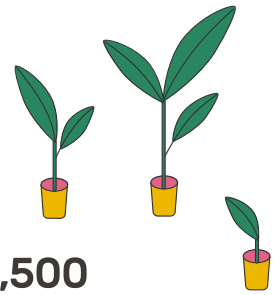
**73**
Beetroot's eNPS score

**2020 Top Employer**
Award by Ukrainian Corporate Equality Index

**70%**
of Beetroot consultants are based in small and midsize cities
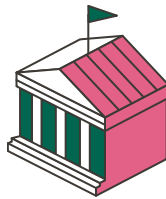
**25%**
increase in new jobs despite of pandemic challenges

**40%**
YoY growth rate despite the COVID-19 outbreak
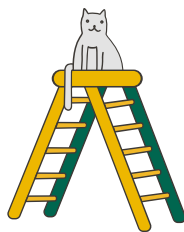
**4%**
of newcomers in Ukrainian Tech educated by Beetroot Academy

**40%**
of the Beetroot Academy students are women

**15 000**
attendees to Beetroot Ecosystem's online and offline events

**54%**
of the Beetroot team coordinators are female consultants

**31%**
of Beetroot's tech specialists are women

**1 900**
trees planted in Spain in terms of Beetroot's carbon offset program

# 1
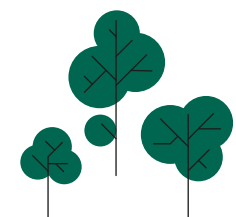
**CHAPTER**

# Overview of the Beetroot Ecosystem

Beetroot is first and foremost a social enterprise. Building a tech ecosystem is the essential means for us to implement our sustainability and social impact values. In eight years, the Beetroot Ecosystem has grown to engage 500+ specialists in Ukraine and Sweden.

**Beetroot Sweden**
Part of the team sits with you or in our Stockholm office, part works from our offices in Ukraine.

**Beetroot Hub**
An IT center that engages the local community with events, education and co-working.

**Beetroot Academy**
Transferred to work entirely online in 2020, the Academy has educated approximately 5.8% of Ukraine's new tech talent.



**Beetroot Tech: Dedicated Teams**
Teams of tech talent working out of our offices in Ukraine, joined with your in-house team as one unit.

**Beetroot Tech: Software Solutions**
Our specialized solution units can help you with anything from websites to mobile apps and complex server software.

**Development House Network**
An extensive network of pre-vetted Development Houses expanding our expertise in a wider range of tech domains.

# Geography of the Beetroot Ecosystem



Beetroot Location

Beetroot Academy

Beetroot Hub

KYIV

ZHYTOMYR

POLTAVA

KHARKIV

IVANO-FRANKIVSK

KREMENCHUK

STOCKHOLM

MARIUPOL

PRISTINA

ODESA
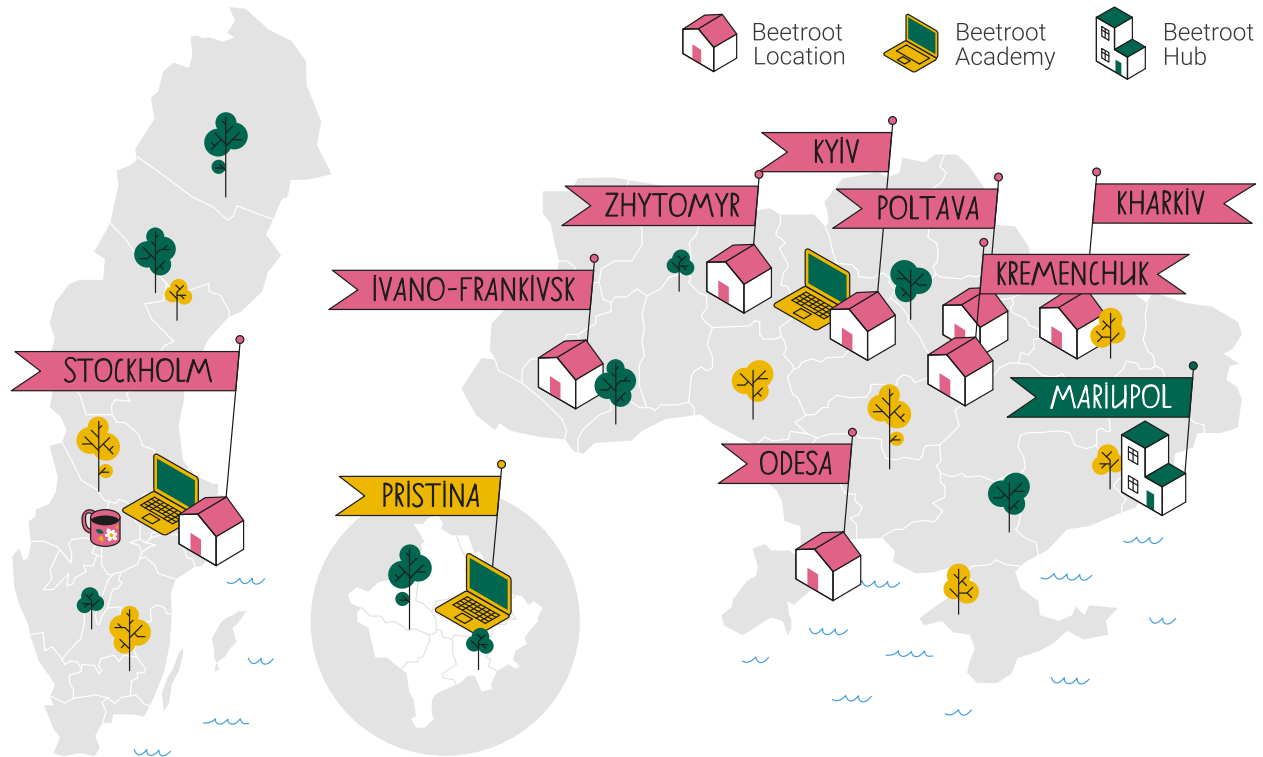
## Beetroot AB

Being the first cell of the Beetroot Ecosystem, Beetroot AB provides IT solutions and builds teams of tech experts in Ukraine to help clients around the world realize their technology visions.

## Key services:

### Dedicated Teams
Beetroot builds teams of nearly any competency that work full-time for specific clients. They are, essentially, a part of their respective client's in-house team but are based out of Beetroot's offices.

### Software Solutions
Many development units within varying specialization areas deliver a vast array of tech solutions to clients worldwide.

## Key expertise areas:

- Custom software development
- Mobile app development
- WordPress development
- DevOps
- Data management
- Art & Design

## Key Industries:

- Healthcare & MedTech
- EdTech
- GreenTech

# Development House Network

The Beetroot Ecosystem encompasses an extensive network of pre-vetted Development Houses. While not a part of Beetroot per se, they are closely connected, enabling us to maintain knowledge within a wide range of tech domains. Living up to our high standards on integrity, expertise, and approach to work, these teams constitute some of the best available tech professionals in Ukraine and surrounding countries.

# Beetroot Sweden

Beetroot Sweden AB is a self-sustained entity within the Beetroot Ecosystem intended to enhance the company's presence in Sweden, our home market, and bridge the distance with larger Ukrainian tech teams.

" **We are entering an exciting growth phase aligned with Beetroot's strategy and ambitions. Market demand for larger blended teams with combined delivery expertise from Sweden and Ukraine emphasizes the importance of a diverse organization and collaborative mindset to drive customer impact.**

**Rana Ersgard,**
CEO of Beetroot Sweden AB

# Beetroot Hub

The Beetroot Ecosystem includes a tech hub in the Eastern Ukrainian city of Mariupol — not far from the Donbas conflict zone. The Beetroot Tech Hub translates the company's goal to create social impact by growing local tech industries.

BEETROOT HUB

# Beetroot Academy

The purpose of Beetroot Academy is to set students up for a successful career in the technology sphere. Beetroot Academy has developed a full-fledged educational platform throughout the years, with 18 offline schools in Ukraine transitioned to online in 2020. It is currently one of the most extensive educational initiatives in Ukraine that is connected to a tech company.

The academy has educated approximately 4% of all specialists who joined the Ukrainian tech industry in 2020 and 2% of Ukraine's total tech talent pool. The Beetroot Academy alumni work at more than 220 partner tech companies.

**2014**
founded

**3900+**
graduates

**400**
scholarships granted by partners

**200+**
IT companies employed our students

**40%**
of graduates are female

**70%**
of graduates work in IT

**4%**
of all talents who joined the Ukrainian tech industry in 2020 educated by BA

**3%**
of all women in Ukrainian IT educated by BA



Ministry of Digital Transformation of Ukraine

Швеція Sverige

USAID FROM THE AMERICAN PEOPLE

ESTONIA DEVELOPMENT COOPERATION

UNDP

# 2

# Our approach to sustainability

We believe that the values we infuse in the world enable the compound social effect. We want to create a lasting impact that, in turn, can be reciprocated onto others. We want to create ripples instead of a splash.

## Mission and values

We are on a mission to create sustainable social, economic, and environmental impact at scale as a tech ecosystem.

| Sustainable impact | | |
|---|---|---|
| **Individual** | **Mind** | Connecting lives with a global work culture<br>Assisting people in their growth |
| **Collective** | **Society** | Building the local economy<br>Fostering growth in midsize cities |
| | **Economy** | Enabling new careers in tech<br>Promoting gender equality in tech<br>Playing taxes<br>Creating job security<br>Proliferating Beetroot's values<br>Connecting Ukraine with the global economy |
| **World** | **Environment** | Minimizing our carbon footprint<br>Spreading environmentally-conscious mindset |

**Values make our primary code.**
They define how we operate and interact with the world around us.
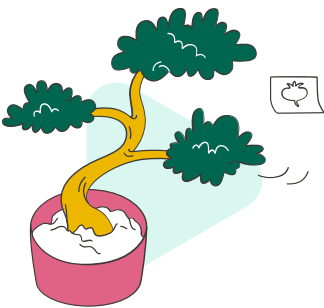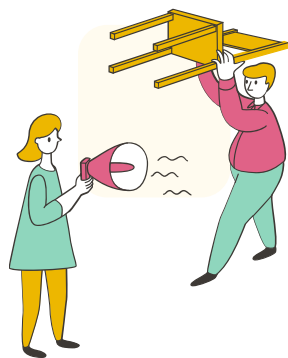
**Trust in the individual is at the heart of Beetroot's culture.** Therefore, self-management, communication, and integrity are the key aspects influencing our team-building philosophy.

# The Beetroot Values

**Trust** —
Trust each other
unconditionally

**Responsibility** —
Own your role
and take action
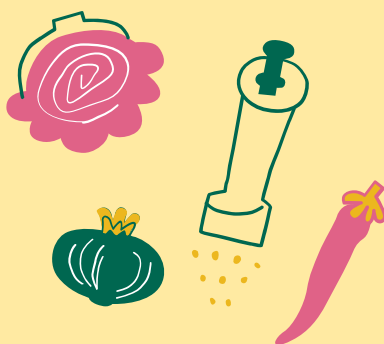
**Wholeness** —
Bring all of
yourself to work

**Equality** — Leave
your ego, be amigo

**Transparency** —
Share your wins
and fails

**Sustainability** —
Take care of
yourself, Beetroot
and the planet

# Beetroot Values Awards 2020

To reflect how Beetroot's code influences our day-to-day life, we held the first Values Awards in December 2020, with 55 consultants nominated in six categories corresponding to the company's core values. The company's executive team selected the winners based on the nomination survey results.

## 2020 Beetroot Values Award Winners



**Yura Vatsyk**
responsibility



**Hanna Kibiakova**
trust



**Ksiusha Malynoshevska**
wholeness



**Alina Fedko**
equality



**Nelia Olaresko**
transparency



**Galya Kundirenko**
sustainability

# b. Sustainability challenges & our strategy

The pandemic outbreak of 2020 and the related global economic turbulence have made it more evident than ever that sustainability is a primary source of resilience and strategic advantage for businesses in the post-COVID paradigm.

In 2020, we faced a few significant sustainability challenges that we expect will rise in urgency during the next several years.

**Increasing social impact through developing the tech industry.** The IT sector has been a progressively significant driver of Ukraine's economic growth in recent years, with the average tech salary almost six times higher than the national average. Moreover, in light of massive job losses during the pandemic crisis, the industry's role for the country's prosperity, on both micro and macro levels, is more critical than ever.

Engaging more people in tech, with labor practices targeted at improved equality and inclusion, remains one of Beetroot's top priorities.

**Promoting gender equality in tech.** While the Ukrainian tech industry profile has considerably improved towards gender balance in recent years, there's still a way to go to ensure equality and women's empowerment in Ukrainian Tech. Hence, providing more opportunities for women in tech remains one of Beetroot's strategic priorities with a corresponding goal of reaching 50/50 gender parity in our team by 2030.

**Contributing to solving the demographic problem in Ukraine.** According to the United Nations forecast, Ukraine may lose 19.5% of its population by 2050. Continuous effort for improving

the standard of living in the country is an obvious solution to the declining trend. By offering global job opportunities locally, Beetroot aims to be a part of the solution.

**Responding to accelerating digital transformation.** January 2021 has marked a record number of vacancies in Ukrainian IT, and this trend will be further escalating. The dynamically growing tech market is a saving harbor for people who've lost their jobs due to COVID-19.

Therefore, tech education and training are rising on the agenda for Beetroot with ambitious goals of Beetroot Academy to educate 3,000 people for a successful career in a new economy by 2022 and increase this number to 1,000,000 people by 2030.

At the same time, Beetroot is committed to eliminating digital exclusion in local communities, among senior citizens in particular. Continuing and extending Beetroot Academy's digital literacy programs is one of our steps in this direction.

**Enhancing Zero Waste efforts in the developing waste management market.** Despite Ukraine's moderate progress in the waste management area, Beetroot will maintain the recycling efforts on the

Ecosystem level, leveraging new partnerships and collaborative initiatives for increased impact.

**Bending the carbon emission curve.**
The significant emission drop during the economic shutdown in spring 2020 was not even close to achieving the goals of the Paris Agreement. Diminishing our carbon footprint and offsetting the harm we cannot avoid remains at the core of Beetroot's approach to operation.

**Staying on the lookout for green energy opportunities.** While the green energy opportunities in Ukraine are still limited, Beetroot will continue to look for available options and strive to contribute to the development of alternative energy sources in Ukraine.

**Fighting the low level of financial and civic literacy.**
Touching both the micro and macro levels, the main challenges for economic and civic literacy in Ukraine include the lack of basic financial knowledge and legal consciousness, lack of government initiatives, and relevant programs in the private education sector. In 2021, Beetroot is planning to increase our efforts in developing engaging ways to teach financial and legal literacy skills.

**Decentralizing the tech industry.** While most of Ukraine's tech population tends to concentrate on Kyiv, Kharkiv, and Lviv, Beetroot keeps up the effort to create more tech jobs in midsize and small Ukrainian towns. There, according to our observations, the social impact is the most significant.

**Building a sustainable cybersecurity plan.** Massive data breaches and cyberattacks pose one of the most dangerous challenges for the digitally-transforming world. Finalizing the ISO 27001 implementation is on top of Beetroot's agenda in the cybersecurity domain.

**Focusing on sustainable partnerships.**
At Beetroot, we choose to work with individuals and businesses that align with our values and share our commitment to positive difference. Our ambitious goal in this area is making companies from social impact-oriented industries (including but not limited to Greentech, Medtech, and Edtech) constitute at least 80% of our client base.

Developing a comprehensive partnership assessment process to enhance Beetroot's supply chain sustainability is another important step in this direction.

# 3

**CHAPTER**

# Beetroot & UN Sustainable Development Goals

The sustainability efforts across the Beetroot Ecosystem are aligned with the United Nations' 17 Sustainable Development Goals (SDGs) adopted by global leaders in 2015. The goals we identified as the most effective ways for us to contribute to the Agenda 2030 progress are the following:

**1 NO POVERTY**

**3 GOOD HEALTH AND WELL-BEING**

**4 QUALITY EDUCATION**

**5 GENDER EQUALITY**

**8 DECENT WORK AND ECONOMIC GROWTH**

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

**13 CLIMATE ACTION**

# Contributing to inclusive and sustainable economic growth in Ukraine

> **We're currently in the center of three vital transformations. First, the world is transitioning to a knowledge-based digital economy. The second change relates to workplace relationships with new approaches relying on visionary leadership and a sustainable mindset getting wider adoption. Finally, we observe the cultural shift in Ukraine towards a more progressive, inclusive, and cooperative society. For Beetroot, it's an exciting time to grow and make a difference!**

**Andreas Flodström**
Co-founder and CEO
of Beetroot

> **For us, economic sustainability is not just about income and profits. We try to build transparent, non-hierarchical financial systems that allow people to understand Beetroot's financial situation and make well-informed and sound financial decisions.**

**Yulia Gritsai**
Sustainability
Coordinator &
Financial Analyst
at Beetroot

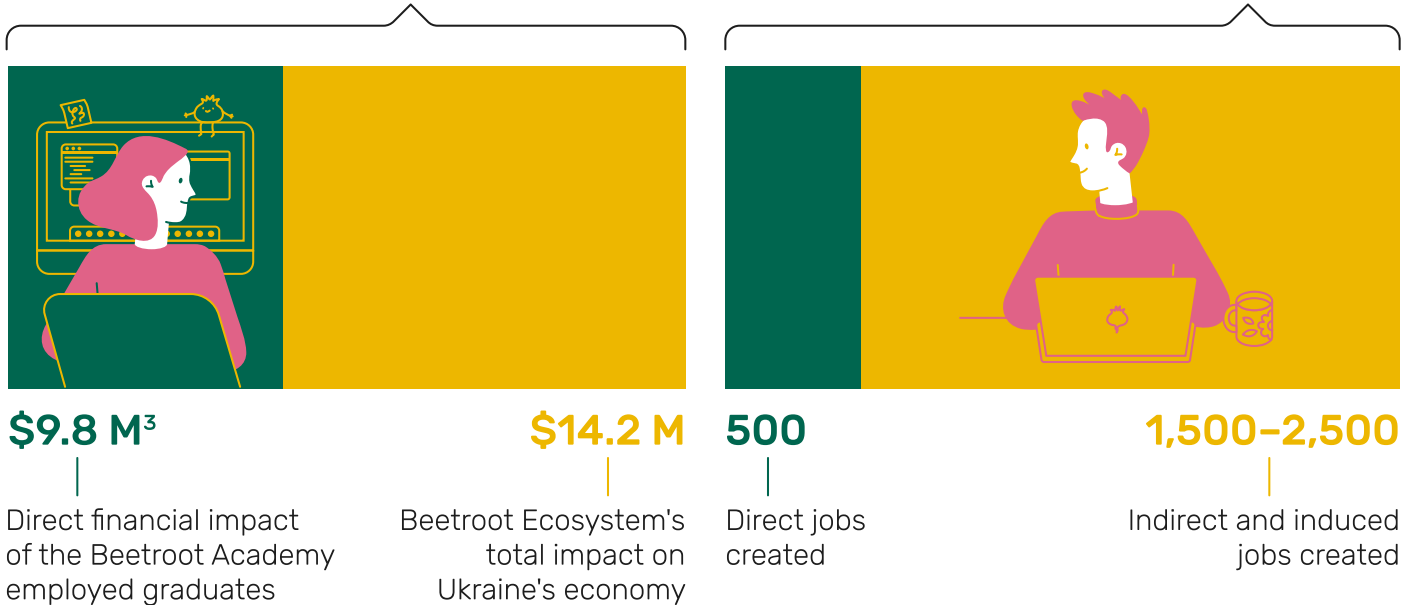**How this goal translates to practice:**

- Sustainable impact lays the foundation of Beetroot's mission and defines the Ecosystem's operation.

- By bringing a possibility for developers to work with international clients directly, Beetroot contributes to thriving local communities with no need for people to emigrate for better living.

- Beetroot Academy is a vigorous contributor to Ukraine's economic development both directly (enabling more people to join one of Ukraine's top industries and thus, expanding the middle class) and indirectly (building up new competencies for digital economy, supporting entrepreneurship, generating new market niches, etc., within and beyond the tech industry).

- Beetroot is dedicated to creating a positive impact on the development of midsize cities.

- Commitment to continuous maturity, operational excellence, and the principles of a learning organization is an essential part of Beetroot's long-term business strategy.

- Beetroot is operating in the tech industry, which is quickly gaining momentum to become one of Ukraine's top GDP contributors.

- Beetroot's self-managed organization provides for business flexibility and scalability, and contributes to civil society's development in Ukraine on a fundamental day-to-day level.

- The company's financial stability ensures a steady, stress-free environment for growth on all levels.

# 2020 Impact Stats

## Economic Impact of the Beetroot Ecosystem in Ukraine

Total economic impact — **$24 M**[1]

Total jobs created — **2,000–2,500**[2]

**$9.8 M**[3]

Direct financial impact
of the Beetroot Academy
employed graduates

**$14.2 M**

Beetroot Ecosystem's
total impact on
Ukraine's economy

**500**

Direct jobs
created

**1,500–2,500**

Indirect and induced
jobs created

**We use the Employee Net Promoter Score (eNPS) system to measure how consultants feel about Beetroot.**

This score can range anywhere from - 100 to 100. However, any score above zero is considered acceptable. While eNPS can vary by industry and geographical areas, a score within the bracket of 10 to 30 is generally considered good and a score of 50 is excellent.

In 2020, Beetroot's eNPS reached 73, an 18-point increase compared to 2019.

+18

**55**

**73**

2019

2020

**-100**

**100**

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[1] - Includes direct impact (calculated as Gross Value Added by Beetroot + Direct Financial Impact by Beetroot Academy) and indirect impact created in adjacent industries (calculated as Total number of jobs within the Beetroot Ecosystem in Ukraine X 3 (average number of jobs created in other industries by one tech job) X Average yearly salary in Ukraine).

[2] - According to the Ukraine IT Association, one job in the tech industry generates 3-4 jobs in other industries.

[3] - Calculated by multiplying the average entry-level tech specialist income ($700/mo according to the DOU.UA report) by the total number of employed 2020 graduates (1,168).

# Beetroot population vs City size (% of total number of consultants)

**22%** KYIV

**30%** POLTAVA

**8,7%** IVANO-FRANKIVSK

**18,1%** ODESA

**5,2%** KHARKIV

**3,5%** ZHYTOMYR

**3,7%** STOCKHOLM

**7,4%** KREMENCHUK

**1,5%** OTHER LOCATIONS
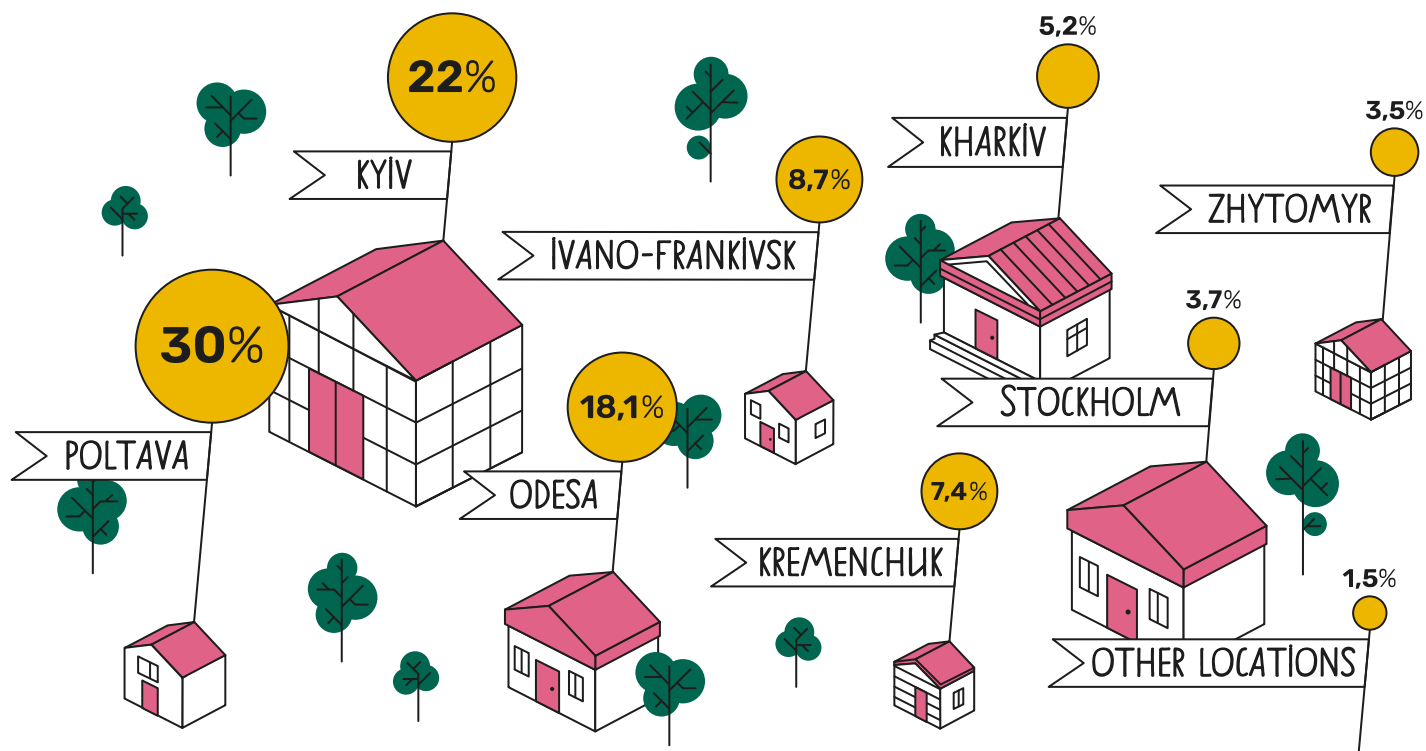
Almost 70% of Beetroot consultants are based outside the major tech hubs, in small and midsize cities.

# Distribution of the Beetroot Academy Students in Ukraine, %

**41%**

**59%**
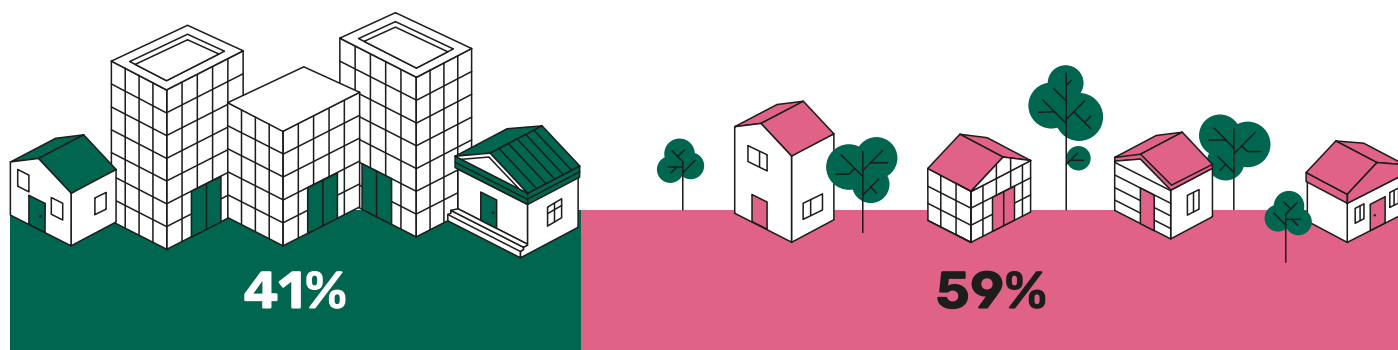
Tech hubs and larger cities

Midsize and small cities

- The average monthly compensation across the Beetroot Ecosystem in Ukraine has reached $2,000 in 2020. Considering that the majority of Beetroot consultants work in cities with a population under one million where salaries are lower than in large tech hubs, the company's average compensation stands competitive compared to the industry's country-wide average of $2,300.

  This way, Beetroot remains an active contributor to developing tech hubs throughout Ukraine. We aim at the continual increase of the country's overall average salary, which per January 2021 is $440, according to the Ministry  of Finance of Ukraine.

- Beetroot acquired 2 tech teams in Zhytomyr and Kremenchuk, with 45 tech specialists getting an opportunity to continue growing with increased capacity of the Beetroot Ecosystem in midsize cities.

" We had considered integrating with a larger IT company for some time. When we found out about Beetroot, it quickly became obvious that it was exactly the kind of company with which such a synergy would work. A lot of cultural factors clicked. I really believe that joining the Beetroot family will enable us to deliver even more cool, high-quality solutions to clients in the future.

" We firmly believe that ONLINICO's integration with Beetroot will not only open new opportunities for our team, but it will positively influence the Kremenchuk IT community and the city in general.

**Igor Bolshakov,**
founder of Oldmin Team,
Zhytomyr

**Andriy S'omak,**
founder of ONLINICO,
Kremenchuk

- Despite the challenges of the pandemic quarantine, Beetroot has preserved employment and even created 25% more new jobs than in 2019.

- We observed a 40% YoY growth despite the COVID-19 outbreak.

- We support local businesses: 90% of all furniture within Beetroot offices are produced in Ukraine; so are 60% of goods and 50% of chemicals for household care.



First online Beetroot birthday party

# Sustainable Software Development

In 2020, Beetroot's client network reached 208 companies from 23 countries. We're proud to work with companies sharing our vision for long-term success and doing constructive things for the world.

Beetroot's Top 10 markets by revenue
(% of total revenue)



62.5%

0.9% CANADA

6.6% US

3.4% NORWAY

SWEDEN

1.4% FINLAND

1.2% NETHERLANDS

3.2% MALTA

UK

3.1% SWITZERLAND

10.4% ISRAEL

4.4%
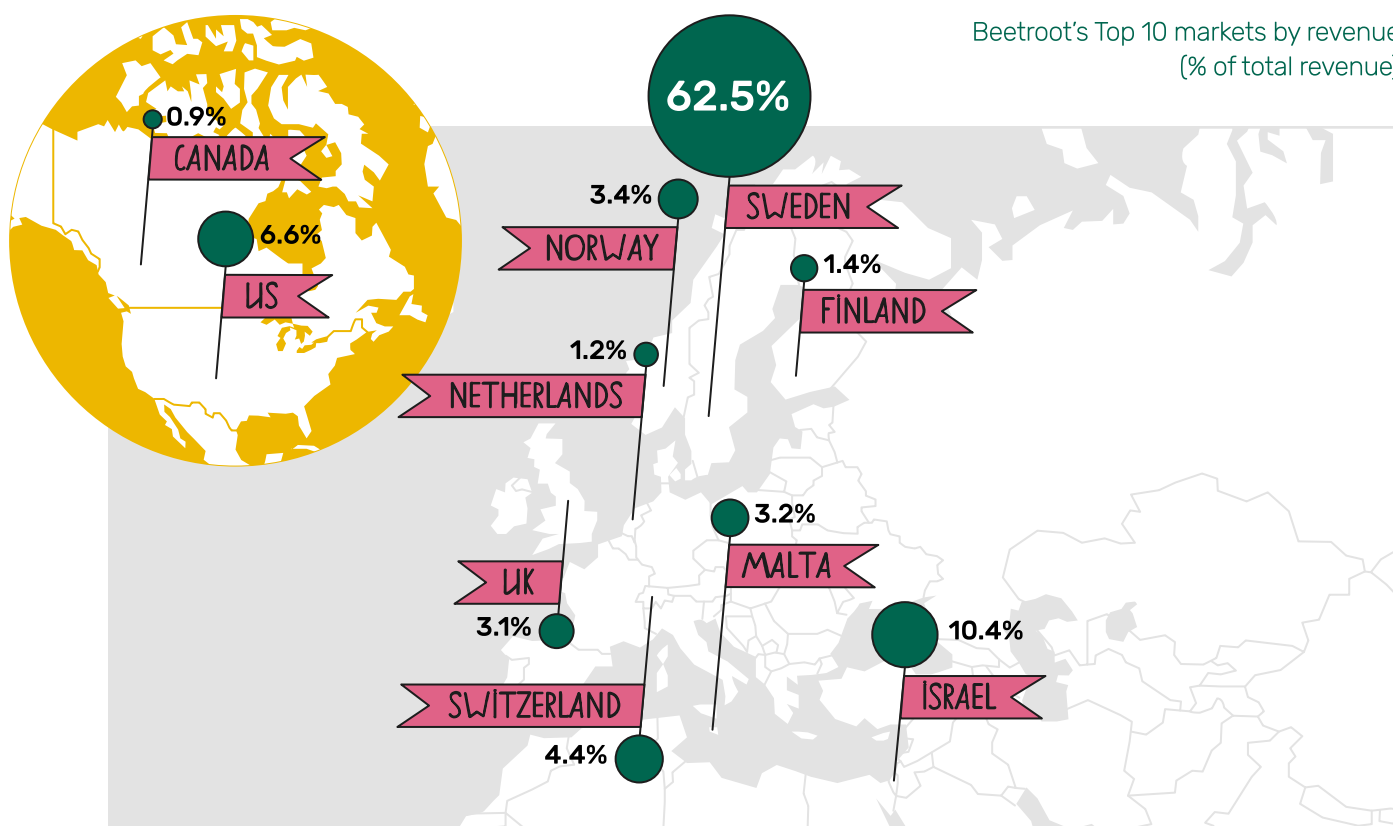
# Key partnerships



**IT Ukraine Association**

The largest professional association of Ukrainian service and product companies. The mission of the Association is to provide favorable conditions for sustainable development of information technology in the country. We represent the interests of 55,000+ IT specialists.



**Hope for Orphans**

Charity foundation to support orphan houses



**UkraineInvest**

The Ukrainian government's investment promotion office which was created in 2016 to attract foreign direct investment and assist existing investors to expand their businesses in Ukraine.
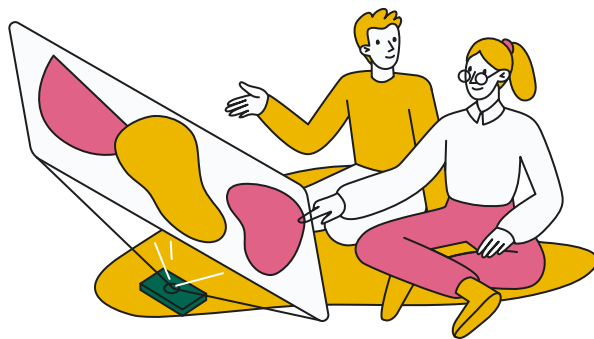


**Zhytteliub (Lifelover)**

Charitable foundation to support elderly people



**Kharkiv IT Cluster**

A non-profit public organization developing the environment for the technological business of the Kharkiv region and uniting the community of leading IT-companies, sphere of education, and local authorities.

# Supporting good health & well-being

> **Lack of a sustainable approach to health and mental well-being leads to burnout, both on the individual and team levels. At Beetroot, we're devoted to creating a working environment where a warm, home-like atmosphere meets an adequate challenge contributing to personal growth — this is basic hygiene for us. Besides, Beetroot encourages well-being awareness by hosting regular online and offline events dedicated to sports, health, and an active lifestyle.**

**Svitlana Mandrychenko,**
Event Coordinator at Beetroot

A sustainable mindset is a core element of Beetroot's operation. People, whose life attitude involves long-term thinking and care for their own health, the community they live in, and the environment, make up sustainable teams and ensure positive impact sprawling.

**How this goal translates to practice:**

- Beetroot is dedicated to creating a secure and healthy work environment that enables every team member to bring their whole self to work, plan and take responsibility for their time and goals, and successfully maintain their work/personal life balance.

  We believe that it's the kind of workplace culture that encourages productivity, wholeness and a content state of mind.

  We deliver this through:

  - flexible working hours

  - self-management structure

  - acceptance of remote work (even prior to the COVID-19 outbreak)

  - continuous efforts to promote wellness (e.g., education, seminars, etc.)

  - social benefits (health insurance, monthly sports/health bonus, regular yoga class, etc.)

- The efforts to strengthen sustainability of the Beetroot teams are reflected in the company's strategy.

> I think that the whole Beetroot environment is friendly and suitable for building a healthy and happy workflow. The key is our culture and six core values: Trust, Responsibility, Equality, Sustainability, Wholeness, and Transparency. In actual practice, they give us freedom in setting up the most comfortable work schedule, equal opportunities to take ownership, the possibility to give and receive genuine feedback, etc. Therefore, everyone at Beetroot is the master of their being, in good sync with teammates. To enhance this cultural influence, we also cooperate with experts in mental health, leadership, coaching, and psychology to give our Beets the possibility to learn and improve their daily routine.
>
> In my opinion, the main challenge is to fine-tune our mindsets to benefit from the Beetroot environment to its fullest.

**Vova Vovk,**
People Partner
at Beetroot

## 2020 Impact Stats

- In 2020, the total amount of insurance payout grew by 30% compared to 2019, reaching $155,000.

- During the COVID-19 outbreak, all Beetroot locations switched to remote work within 2 days.

- To ensure the safety of our Beets, all development houses were equipped with extra hygiene supplies and COVID-19 protocols.

- The amount of monthly sports/health bonus payout has reached $130,000 in 2020, a 30% increase compared to 2019.

- We organized more than 10 open lectures in terms of the #beetrootoyourself project dedicated to mental health awareness topics.

- A collaborative podcast with Urban Space Radio about mental health engaged 22, 000+ listeners across Ukraine

- In the absence of live sports activities due to the quarantine, Beetroot supports online yoga sessions on a regular basis

- In addition to regular health insurance, we've activated an extra COVID-19 coverage for Beets who get sick

In 2020, Beetroot engaged in several charity projects across Ukraine. Whether it's a large-scale charity initiative or a local fundraiser to support a private cause, we're here to help.

# Sustainable software development

We're also proud to provide software development services to, collaborate with, and learn from some of the genuinely impactful companies in the healthcare industry.

**Life4me**
One of the main goals of Life4me+ is to prevent an increased number of HIV and other STIs, hepatitis C and tuberculosis infections. Life4me+ gives detailed information on HIV and other diseases like how to protect yourself and how to live life once infected.

**Genomics platform**
**(company name withheld due to NDA)**
An Israeli-American healthcare startup that interprets genetic maps using machine learning and various algorithms.

**Abilia** develops, manufactures and sells aids for individuals with disabilities in the areas of communication, cognition and environment control & alarm. The company has offices in Sweden, Norway, and the UK, and exports products to another 20 countries.

**Bluecall** is an e-health company that offers employers and insurance companies a holistic vision of building resilient people. Through the BlueCall app, employees and policyholders can anonymously call or chat with professional therapists and receive tools to create a more sustainable lifestyle.

**Healo** is the first ever service to systematise, and make available at all times, pain relief self-treatment in an app. Run by Empowered Applications AB, the app offers structured Self-diagnosis pain profiling and matching simple, elegant and accessible self-care exercise videos and individualised therapy support.

**Tegnellit.nu** is a social campaign by the Swedish marketing agency Strays geared at enhancing adherence to the quarantine recommendations in Sweden during the summer 2020. In collaboration with Strays, Beetroot created a website and a series of GIFs featuring Sweden's state epidemiologist, Anders Tegnell, on a pro bono basis.

# Key partnerships

**Uniqa**
A solid, innovative, and reliable insurance company operating in the Ukrainian market for more than 23 years.

**Ilya Bachurin**
Social psychologist, business coach for Fortune 500 companies with expertise in behavioral economics, organizational psychology, and resilience.

**Psikultura (Psyculture)**
A psychological agency that helps develop a culture of mental health and well-being in organizations.

# Promoting high-quality education and learning opportunities in the tech industry

" **Beetroot Academy originated as an in-house project at Beetroot, based on the idea that everyone should have access to high-quality, practical IT education – no matter who you are or where you are from. With this vision in mind, we leveraged Beetroot's expertise and network to build an education solution that helps people start a career in IT. In 2014, just after Euromaidan, we launched our first class of 14 students in Poltava. Today we are proud to have an alumni community of more than 4000 people, 70% of our graduates work in IT after graduation, and 40% of our students are women.**

**David Herdenberg,**
Project Manager at Beetroot Academy

**How this goal translates to practice:**

- Societal impact is laid in the foundation of the Beetroot Academy's strategy.

- EdTech is one of the key target markets for Beetroot AB.

- We focus on the high quality, affordability, and job-oriented nature of our tech courses.

- Beetroot Academy partners with many international organizations to provide scholarships for the representatives of vulnerable social groups.

- In collaboration with Stockholm-based Tuff Leadership Training, Beetroot provides free leadership training to coordination team members on a regular basis.

- Beetroot provides a yearly educational bonus to consultants who successfully completed probation. It is applicable to any kind of educational and personal development initiatives a Beetroot team member takes up.

- Beetroot provides partial compensation for any Beetroot Academy course that a team member signs up for.

Despite the challenges of the past year, Beetroot and Beetroot Academy managed to stay well on track with its mission to provide top-tier inclusive tech education. By now, our accumulated sustainability efforts in the field of education have translated to the following results.

# 2020 Impact Stats

- 1,669 people graduated from Beetroot Academy in 2020, comprising 4% of all talents who joined the Ukrainian tech industry last year.

- It took the Beetroot Academy team less than 30 days to complete the transition from the on-location classes held in 18 Ukrainian cities to online learning.

- The Income Sharing Agreement (ISA) system to support people unable for any reason (e.g., job loss due to COVID-19) to pay upfront  took only 9 days to be deployed.

- 4 new courses added (Entrepreneurship, HR for Transformation, HR Generalist, Machine Learning) to complete the total of 17 courses.

- 43 consultants completed the Tuff Leadership Training programs in coaching leadership and feedback culture, a 43% growth compared to 2019.

- We've initiated forming internal Centers of Excellence to facilitate knowledge exchange and communication between different parts of the Beetroot Ecosystem.

- Members of the Beetroot Ecosystem in Ukraine and Sweden hosted a combined total of more than 250 online and offline events that attracted over 15,000 attendees.

- Beetroot Academy has collaborated with ungDRIVE!, a well-known Swedish entrepreneurship school for children and young people, to bring the ungDRIVE! free summer camp to Mariupol in the summer of 2021. The initiative is funded by the Swedish Ministry of Foreign Affairs.

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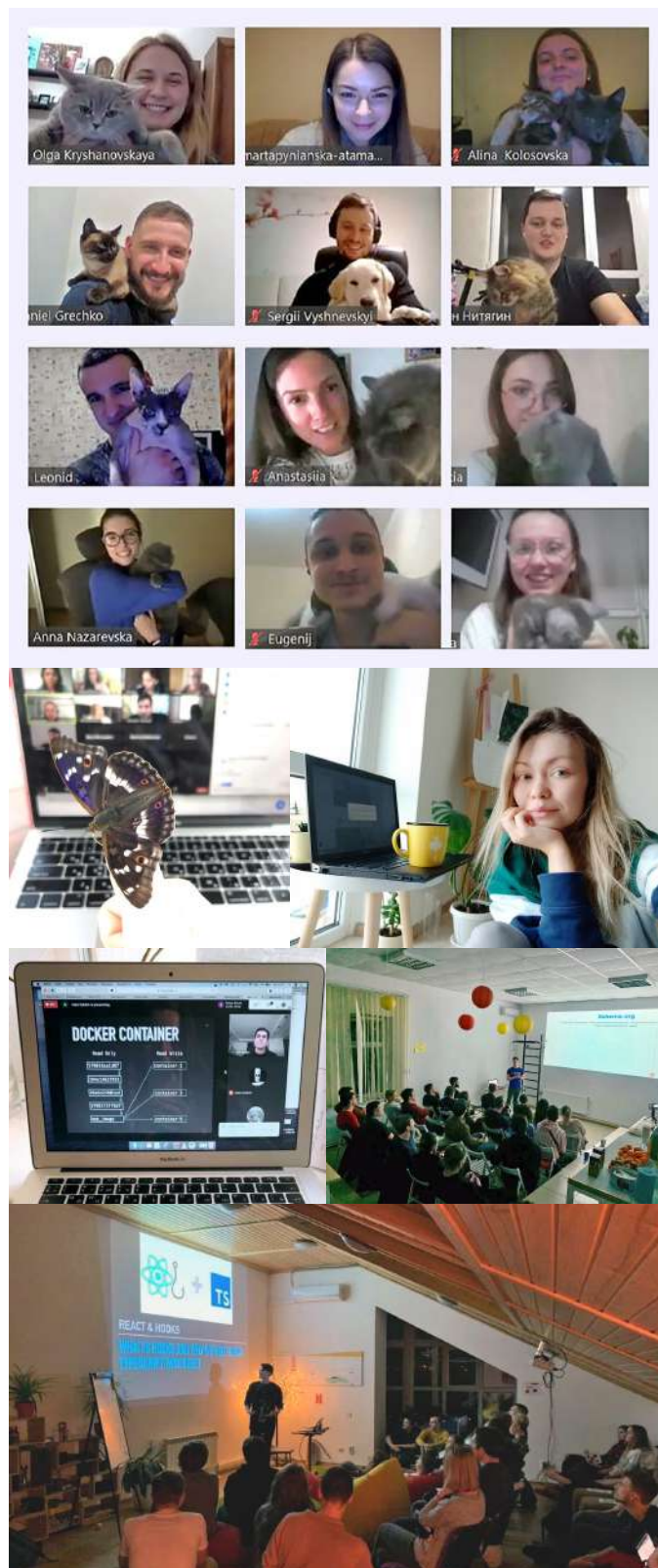
4 – According to DOU.UA, the Ukrainian tech talent pool has grown by 29,000 specialists in 2020.

# Success stories

" When I was finishing my Front-End course at Beetroot Academy in 2018, I came across a front-end developer vacancy at an e-commerce software company. I applied for the job but ended up taking a Project Manager position there instead. I consider the tech skills I obtained at the Academy really valuable, they enabled me to jump-start my career as an IT project manager, and still help me a lot in my new role of an SME business consultant. And I was more than happy to share my knowledge with students at Beetroot Academy's pilot course on Project Management in Mariupol.

**Yelizaveta
Levchenko,**
*Mariupol*

" Before taking up the UI/UX course at Beetroot Academy, I was a courier and also attended a Front-End class. I had some background knowledge in web design, that's why I got into the flow of my Academy learning quite easily. I found a job at a web studio before I even graduated, and some interesting offers kept coming after that. What I remember the most is the atmosphere at Beetroot Academy — it's a place where you feel truly at home. I still keep in touch with my classmates which I'm very happy about.

**Lera
Tonkoshtanova,**
*Poltava*

- In partnership with the Swedish Ministry of Foreign Affairs, Beetroot Academy provided scholarships to help local people in Mariupol become entrepreneurs by taking our Entrepreneurship course. In total, we trained 17 entrepreneurs in Mariupol, out of which 80% are women, and 65% are active entrepreneurs.

- In partnership with Ioco Arma Nostra, a Swedish charitable foundation, we provided 75 scholarships for individuals from Ukrainian families affected by the war to take a Beetroot Academy course and start a career in Tech.

- In 2020, Beetroot Academy became a partner of Promprylad, an innovation center on the premises of an old factory in Ivano-Frankivsk, Western Ukraine. Together with the other partners of Promprylad, Beetroot Academy will develop a center for informal education and entrepreneurship to support socio-economic sustainability in the region. We will provide resources and support for individuals and businesses to grow locally but compete globally.



The Swedish-Ukrainian IT school Beetroot Academy enters into a strategic partnership with the Promprylad.Renovation project.

- Our tech hub in Mariupol has launched a new project "Rankovi rozmovy pro vazhlyve" (Morning talks on things that matter), featuring some of the prominent leaders, entrepreneurs, and speakers in Ukraine.

- In collaboration with the Ministry of Digital Transformation of Ukraine, Beetroot implemented the Digital Literacy Project, which took place at Beetroot HUB and attracted more than 100 participants of the average age of 70 years old.

- IT schools for children, Byte and CodeClub, became residents of Beetroot HUB and co-organized many master-classes and workshops together with Beetroot Academy.

# Success stories

"I was a scholarship student of the Front-End Development course at Beetroot Academy. Once I graduated, I entered the WordPress Development course right away. What I loved most about both courses was the organization of the learning process, and fantastic trainers. I could contact them literally anytime with a question and I'd always get an answer. Beetroot Academy offers well-structured, dynamic learning plans which work just perfect as long as you're ready to invest your time and efforts in it. I got the first freelance assignment when I was still a student. A few more jobs followed, and eventually, I co-founded a web-development studio together with my brother-in-arms. In addition to development services, we help fellow vets start a career in IT.

**Oleksa Koba,**
Poltava

"I was working as a taxi driver when I had a stroke about 1,5 years ago. No longer able to drive, I had to figure out an alternate way to make a living. A friend of mine suggested that I learn to become a web developer. For someone who could barely use the computer for most of their life, that was rocket science. I found out about the Beetroot Academy scholarship from a friend's friend (six handshake rule in action) and decided to apply for it. To my great surprise, I was admitted to study Front-end Development. The learning process was very hard for me, but I successfully finished the course with the teacher's support and my strong motivation. I'm incredibly grateful to the academy's teachers, especially Viktor. Now I work part-time as a WordPress website administrator while building up my portfolio.

**Vitaly Diakin,**
Kyiv

# Sustainable software development

On the service level, Beetroot contributes to the development of education through the collaboration with the following EdTech companies:

**Admentum**
Founded in 2013, Admentum is a digital platform for school administration that desires to eliminate all paperwork while supporting teachers with clear assessments and visualizations of the student learning process. The company also developed a health platform, helping schools monitor students' mental health more efficiently.

**Promote**
Promote is an award-winning learning transfer platform enabling easy shift from classroom training to virtual training, design and re-design of training programs for online learning, and providing expert advice on helping learners to sustain behavioral change.

**Beetroot Academy**
As a member of Beetroot Ecosystem, it is no wonder that Beetroot Academy is a permanent source of EdTech mastery for software engineers as Beetroot AB. The development team has initially created the LMS for the Academy in 2014, updating it to a more powerful and responsive version in 2018.

**Inspera**
Inspera Assessment was created to provide test-takers with equal opportunities and to enable them to prove their skills in an authentic way. Inspera empower universities, awarding organisations, governments, municipalities, and schools to deliver secure, standardised tests, open and closed book exams, as well as formative and diagnostics tests.

# Key partnerships

**Ministry of Digital Transformation**
A government ministry in Ukraine that was established on 29 August 2019. Its current and first minister is Mykhailo Fedorov.

**Tuff Leadership Training**
A Swedish organization helping companies train managers and employees in the mindset and abilities needed to lead in more involving ways to support working climate shifts from dysfunctional to working.

**Byte**
A Mariupol-based IT school for children and teenagers.

**CodeClub**
The Mariupol branch of the Ukrainian coding club network.

# Helping improve equality in the tech industry

> **Beetroot strives to create an environment where it's important to have an open, curious mindset, a permanent drive for new knowledge, and commitment to professional ethic — not how you look like or identify yourself. We have people with all kinds of backgrounds, professions, and pasts in our offices, and you would never hear anyone's story being less valuable or important because of that.**
>
> **Unfortunately, the stereotype that girls and women do not belong in the STEM domain is still prevalent in too many countries worldwide, and Ukraine is no exception. It's not unusual to hear from girls that they were discouraged from taking math as their majors or pushed towards occupations society considers more feminine. That's why we actively support communities that promote girls joining tech schools and trying themselves out on the tech-related paths.**
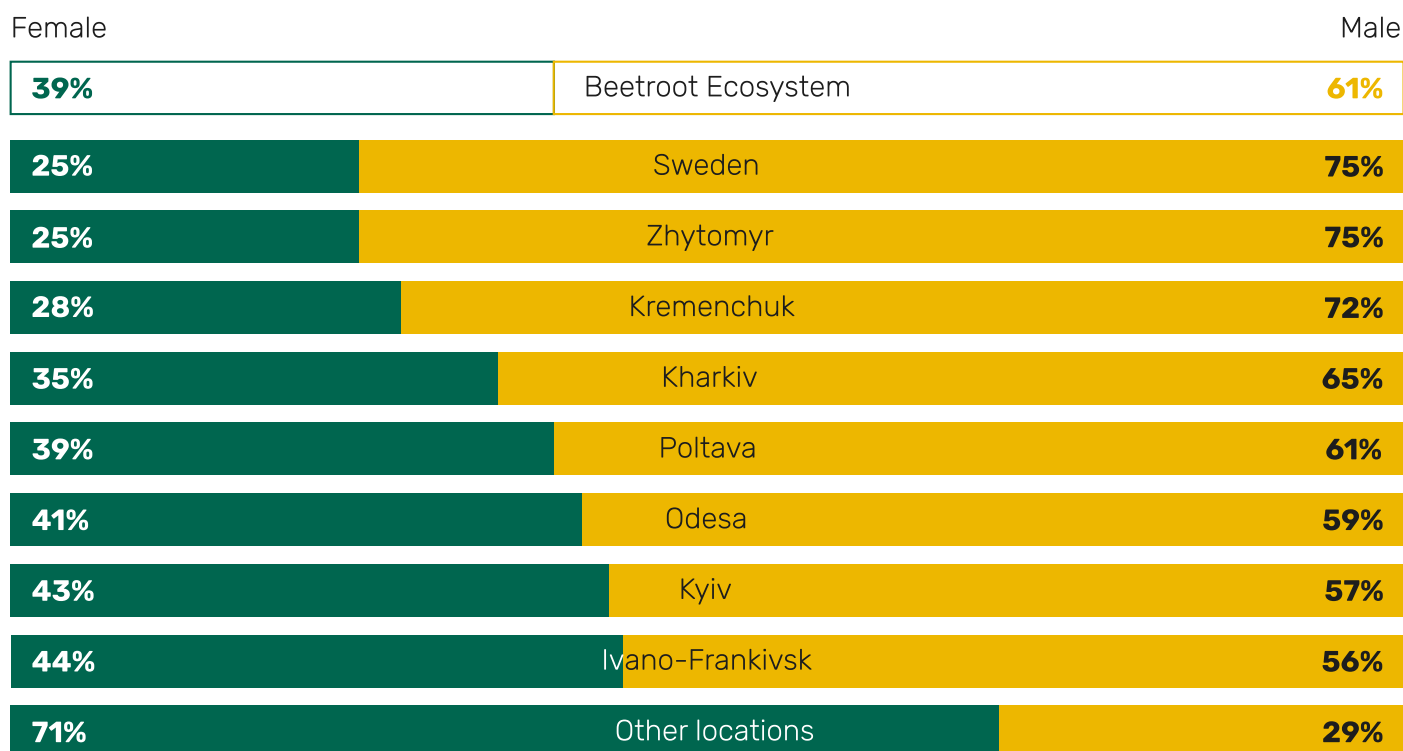
**Anastasia Khyzhniak**
COO at Beetroot AB

Our value code sets out our commitment to providing diversity in a broad sense and gender equality in particular. Among the major ways for us to deliver gender equality are the following:

- Non-hierarchical organization that creates more opportunities for professional growth, more open communication at all levels, and culture building

- Flexible working hours and acceptance of Work From Home (WFH) enabling more family-friendly work arrangements and helping improve the distribution of unpaid household work and childcare between men and women

- Ensuring diversity and inclusion within the Beetroot Ecosystem and actively promoting these principles externally

- Continuous efforts to close the overall gender pay gap in Ukraine through the "equal pay for equal work" approach, promotion of gender equality in the high-paying tech industry, support of the work-life balance, and a wide range of awareness-building initiatives

- Introduction of our values and organizational culture on early stages of new consultant orientation and onboarding process

- Collection and analysis of statistical data regarding the consultants' age and gender in order to manage and improve the state of diversity across the Beetroot Ecosystem

- Standardized recruitment process that prevents the possibility of implicit or explicit hiring bias and discriminating actions

# Gender distribution in the Beetroot Ecosystem, %

Female                                                                                          Male

| 39% | Beetroot Ecosystem | 61% |
|---|---|---|
| 25% | Sweden | 75% |
| 25% | Zhytomyr | 75% |
| 28% | Kremenchuk | 72% |
| 35% | Kharkiv | 65% |
| 39% | Poltava | 61% |
| 41% | Odesa | 59% |
| 43% | Kyiv | 57% |
| 44% | Ivano-Frankivsk | 56% |
| 71% | Other locations | 29% |

## 2020 Impact Stats

- Beetroot was awarded a 2020 Top Employer prize by the Ukrainian Corporate Equality Index.

- Beetroot Academy teamed up with a Swedish non-profit organization Pink Programming to launch #PinkWebDev in Malmö, Sweden. The April-June program brought together 20 female and non-binary students to learn web development skills.

- Beetroot Academy partnered with Acted and Pact to provide scholarships for women in Ukraine to study at Beetroot Academy and help them launch careers in IT. The scholarships are funded by Canada and will be launched throughout 2021.

- The share of female tech specialists at Beetroot reached 31%, a 2% increase compared to 2019 and 6% more than the industry's overall rate.

- Female consultants make up 54% of Beetroot's team coordinators and 40% of the company board.

- Women comprise 40% of the Beetroot Academy students.

- Beetroot organized 15 DEVCHATA online meetups since the end of 2020. Featuring prominent female tech industry experts from all over the world, the project has brought together a community of 500+ active members.

- Beetroot HUB in Mariupol hosted a 2020 WikiGap session to support a global initiative aiming to close the gender gap in Wikipedia. Together with the representatives from the Swedish Embassy to Ukraine and Wikimedia Ukraine, the event participants added 20 Wikipedia articles about female experts and role models in various fields.

# DEVCHATA

DEVCHATA is a series of online meetups aiming to become a creative space for people in tech to connect, share their experiences, and exchange ideas.

**DEVCHATA is an open community that has united more than 500 tech specialists across Ukraine. We're happy to deliver an unbiased and super-friendly platform for people engaged in the tech industry to connect and just, you know, talk about things that matter most to them. While promoting women on stage is one of our main goals, DEVCHATA is open for everyone regardless of their gender or any other attribute. We get together to face some of the challenging topics that typically collect dust in the back of our minds, discuss them in a warm atmosphere with peers, and leave with insights.**

**One of the main reasons why people struggle to transform their lives is toxic people around them. With DEVCHATA, we create a motivational environment that encourages learning, provides interesting challenges and unites people in their endeavours. I believe that everyone deserves to realise their potential and develop themselves, so DEVCHATA is a way for me to contribute in making the world a better place.**

**Tetiana Nityagina,**
PR & Event Coordinator
at Beetroot

**Kate Zakhovaiko,**
Frontend Developer
at Beetroot

# Sustainable software development

Beetroot is proud to work with the following clients driving the progress of the Gender Equality UN Goal.

**Ceretai** is the diversity partner for media and entertainment. The company provides insights on equality and diversity in audiovisual content through automated analysis, and supports media houses in monitoring, reporting on and setting goals for equality.

**GRB Project** promotes gender equality through the effective allocation of public funds. GRB brings together two practices that are not commonly associated with each other: gender equality efforts and public finance management.

**GoFrendly** is a Swedish impact startup that connects women who want to foster their social life and meet new friends. Available for both iPhone and Android, GoFrendly is the largest social networking app for female friendship in the Nordics and the fastest-growing friendship platform with traction in other major European locations. GoFrendly celebrates the diversity of the community and the individuality of each member alike. It's a space for different personalities to meet and connect around shared interests.

# Key partnerships

**Divchata STEM (Girls STEM)**
A community initiated by CSR Ukraine to bring together female tech specialists and women interested in STEM to connect and share knowledge.

**Pink Programming**
A non-profit organization with the goal to create an inspiring environment where women and non-binary people with an interest in development can have a good time and feel at home, while learning to code or evolving their pre-existing knowledge.

**STEM IS FEM**
An educational project that promotes STEM specialties among high school girls in Ukraine.

**CSR Ukraine**
A local branch of CSR Europe has been promoting corporate social responsibility and sustainability in Ukraine for over ten years.

# Supporting climate action and responsible consumption

Climate change is one of the most urgent problems of our time. At Beetroot we strongly believe that digital technologies have the incomparable potential to lead the global progress towards the 2030 Agenda. As a tech ecosystem, we're contributing to positive environmental value both on the level of workplace organization and services we provide.

**We include the climate change agenda in our operation in the following ways:**

- Strategic focus on the Green Tech sector as one of our primary target industries

- Remaining a CO2-neutral company with continuous efforts to reduce our carbon footprint and compensate for emissions we cannot avoid

- Adding the achievement of the CO2-negative status in our long-term development strategy

"Climate change is a global problem that affects all of us. There is a well-known concept of the art of small steps. Beetroot inspires us to make this world a better place, to take our little steps towards significant improvements: rational consumption, recycling, caring for the environment. One of the main achievements is people ready to change something and act right now. As they say, if you want to change the world, start with yourself.

**Yulia Mashoshyna,**
Administrative Coordinator at Beetroot

"We realize that as a global tech business, there will inevitably be energy consumption and traveling. CO2 compensation is one of the things we can do to help make things better. We are especially excited to do this in partnership with LandLife, a client we know well and currently support with software development

**Gustav Henman,**
Co-Founder of Beetroot

**Offsetting is neither a magic cure, nor a justification to pollute freely. Still, we believe that it is an essential tool for any business when it comes to becoming carbon-neutral as fast as possible. While new CO2-reduction technologies keep appearing, offsetting is an accessible way to move forward to the climate-neutral economy of the future. All in all, imperfect is better than nothing.**

- Supporting global environmental movements and building awareness for environmental issues in Ukraine

- Implementing measures to reduce carbon emissions through increasing environmental literacy and communicating the low-emission goals within all Beetroot Ecosystem offices

- Waste sorting in all Ukrainian locations (despite the absence of the state-level waste management infrastructure in Ukraine), including a possibility for consultants to bring their recyclable waste from home

- Avoiding single-use items and minimizing paper use (by utilizing e-document services) in all our locations

- Collaboration with and sponsorship of the local recycling organizations

- Sustainable approach to gifts and merchandise by choosing products with long-term utility and smaller-footprint (manufactured locally) capabilities

- Promoting the use of public transport for daily commuting; ground transportation for domestic and direct flights for international travels

- Efficient electricity usage through utilizing energy-saving bulbs and recommendations on the optimal office temperature and responsible consumption

- Green challenges: green quest in 2019 with daily tasks on how to become more eco-aware.

## 2020 Impact Stats

### Goal-related stats for 2020

The equivalent of 525 tons of carbon emissions has been invested in the reforestation project in Spain conducted by the Dutch company LandLife.  **(7,875 EUR)**

### Beetroot's CO2 emissions by category, Ukraine

**50%**
Electricity

**26%**
Gas

**18%**
Equipment

Travels
**4%**

Food
**2%**
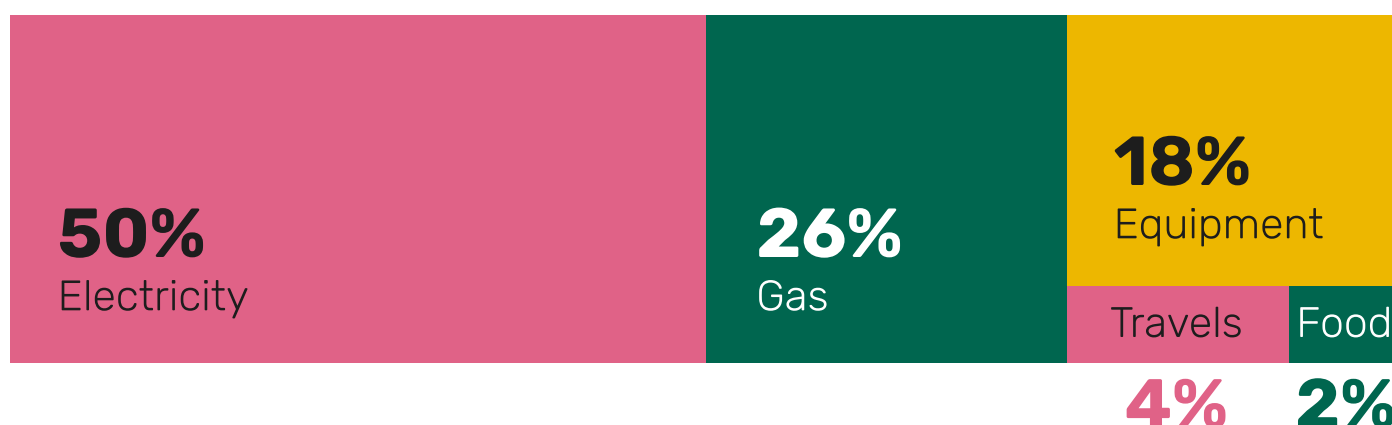
The compensation was initially based on the estimated amount of carbon emissions. However, the actual volume of Beetroot's carbon footprint totaled 441 tons in 2020. Therefore, sticking to our principle of continuous emission reduction and rational offsetting, we will use the 19% surplus as a deposit for the subsequent compensation.

**Land Life Company** is on a mission to contribute to the restoration of the world's 2 billion hectares of degraded land.

With reforestation projects in **25 countries** all over the world, the company is committed to its data-driven, high-tech approach to tree planting and uses it for every step of the way: from initial climate and terrain analysis to mechanically speeding up the planting by means of specialized machines to then monitoring growth with their patented terrestrial monitoring app and drones.
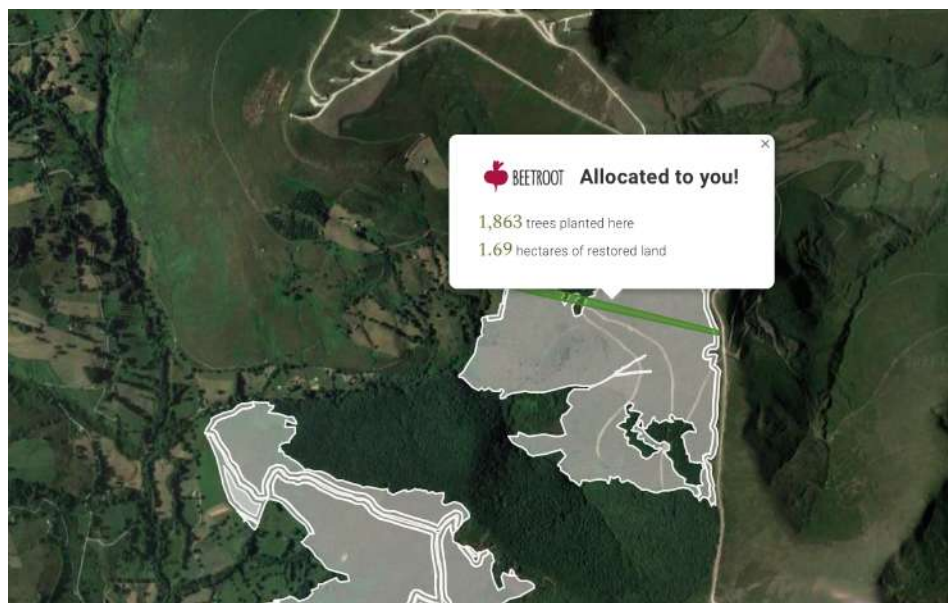




In **2020**, Beetroot started a carbon offset program with Land Life Company, supporting a reforestation project in Castillo y León, Spain. With over **10 million hectares** of land degraded due to climate change, urban migration, aging rural demography and damaging wildfires, this area is one of the fastest-growing deserts in Europe.

Beetroot's current impact in reforestation translates into about **1,900 trees** planted and **1.69 hectares** of restored land in the Espinosa region of Castillo y León.

The biodiverse species selected for planting include European mountain ash, durmast oak, sweet cherry, black poplar, sycamore, and beech, to name a few. Thanks to Land Life Company's cutting-edge technologies, the survival rate of **planted seedlings is 98%.**

# Sustainable software development

Beetroot's contribution to reversing the trajectory of climate change finds way in collaboration with the following Green Tech companies and environmentally sound projects:

**Land Life Company** is an Amsterdam-based company that has been running reforestation projects in 25 countries since 2013. By using various technologies, they made reforestation more affordable and efficient enabling companies around the world to offset their carbon footprint.

**Normative** assists companies in measuring, analyzing, and mitigating their carbon footprint. The company is represented in 10 countries with the headquarters in Stockholm, Sweden. Since its launch in 2014, Normative has helped its clients to reduce over 500,000 tons of CO2. That's equivalent to the total yearly emissions of Gambia.

**Milkywire** is a platform through which users can connect and support people who fight with climate change, preserve wildlife, clean our oceans, and many more.

**Svea Solar** is one of the leading solar providers in Europe that offers a complete energy solution to consumers, including solar systems, batteries, car charging, and clean electricity contracts. Since 2014 when the company was founded, its goal is to make renewable energy simple, affordable and a good investment for the customer, all while reducing CO2 emissions.

**WWF-Ukraine.** One of the projects by the Ukrainian office of WWF is a mobile app designed to make tourism more eco-aware and help users find out how they can support the perseverance of rare species inhabiting popular tourist sites in Ukraine. Beetroot was engaged at the project's initial stage by providing consulting services on a pro-bono basis.

# Key partnerships

**Land Life Company**
A reforestation company headquartered in Amsterdam, Netherlands.

**SortStation Odesa**
An organization providing waste sorting services in Odesa.

**No Waste Ukraine**
An eco community whose main activities are promotion and implementation of real waste sorting methods in Ukraine, as well as building awareness for the environmental problems.
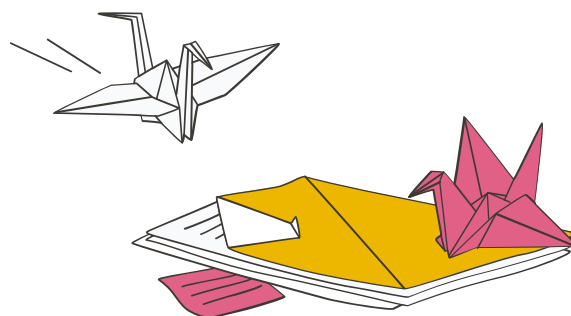
**Sortsmart**
A real waste sorting station based in Ivano-Frankivsk.

**Sotsialny Harderob (Social Closet)**
A Kremenchuk-based clothing reuse/charity store.

**Laska**
A Kyiv-based social project and a charity store selling donated clothes and using the profit to support charitable initiatives.

**IaSortuiu (I sort)**
A Kharkiv-based waste sorting station.

# Concluding remarks

We believe the world is now at a point when advocating for change is not enough. That's why we strive to be the change we all need so much, and inspire everyone around to move forward in the same direction.

Individual and societal growth, equality in the tech industry, environmental protection, and access to quality tech education continue to underpin Beetroot's sustainability strategy and business goals.

We made great progress in 2020, staying resilient to the pandemic challenges and going carbon-neutral. Taking a bigger-and-bolder approach to our sustainability activities as we scale up is our next big challenge.

# Thank you for reading our sustainability report to the end :)

For any questions, comments, or suggestions regarding this report, please reach out to us at **marketing@beetroot.se**

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**Let's keep cooking great Borsch together!**