

Creating a better world, beet by beet

2021 Sustainability Report



CONTENTS

Foreword	3
2021 Impact: Featured numbers	4
1. Overview of the Beetroot ecosystem	5
2. Our approach to sustainability	6
3. Beetroot & UN Sustainable Development Goals	9
• Contributing to inclusive and sustainable economic growth in Ukraine	10
• Supporting good health & well-being	15
• Promoting high-quality education and learning opportunities in the tech industry	17
• Helping improve equality in the tech industry	19
• Supporting climate action and responsible consumption	21
• Participating in the global partnership for sustainable development goals	23
Concluding remarks	27

FOREWORD FROM FOUNDERS

The year of 2021 feels ages away as we're all focused on bringing Ukraine's victory in the Russian terrorist war closer. However, 2021 was full of meaningful ideas and achievements that we want to share with you in this report.

In particular, the Beetroot ecosystem expanded to a total of 600 people on board. Before Russia destroyed Mariupol, killing thousands of civilians, the city became home to our ninth location in Europe and the first to house all units of the Beetroot ecosystem. In addition, we started a conversation with the Bulgarian tech company South Gate Tech about joining our team in early 2022.

Labeled "Back to offline," 2021 marked the comeback of the hybrid workplace model with more and more consultants returning to the Beetroot spaces. Keeping safety a top priority, we ensured to stay compliant with local public health requirements and organized on-premises vaccination for Beets and their close people.

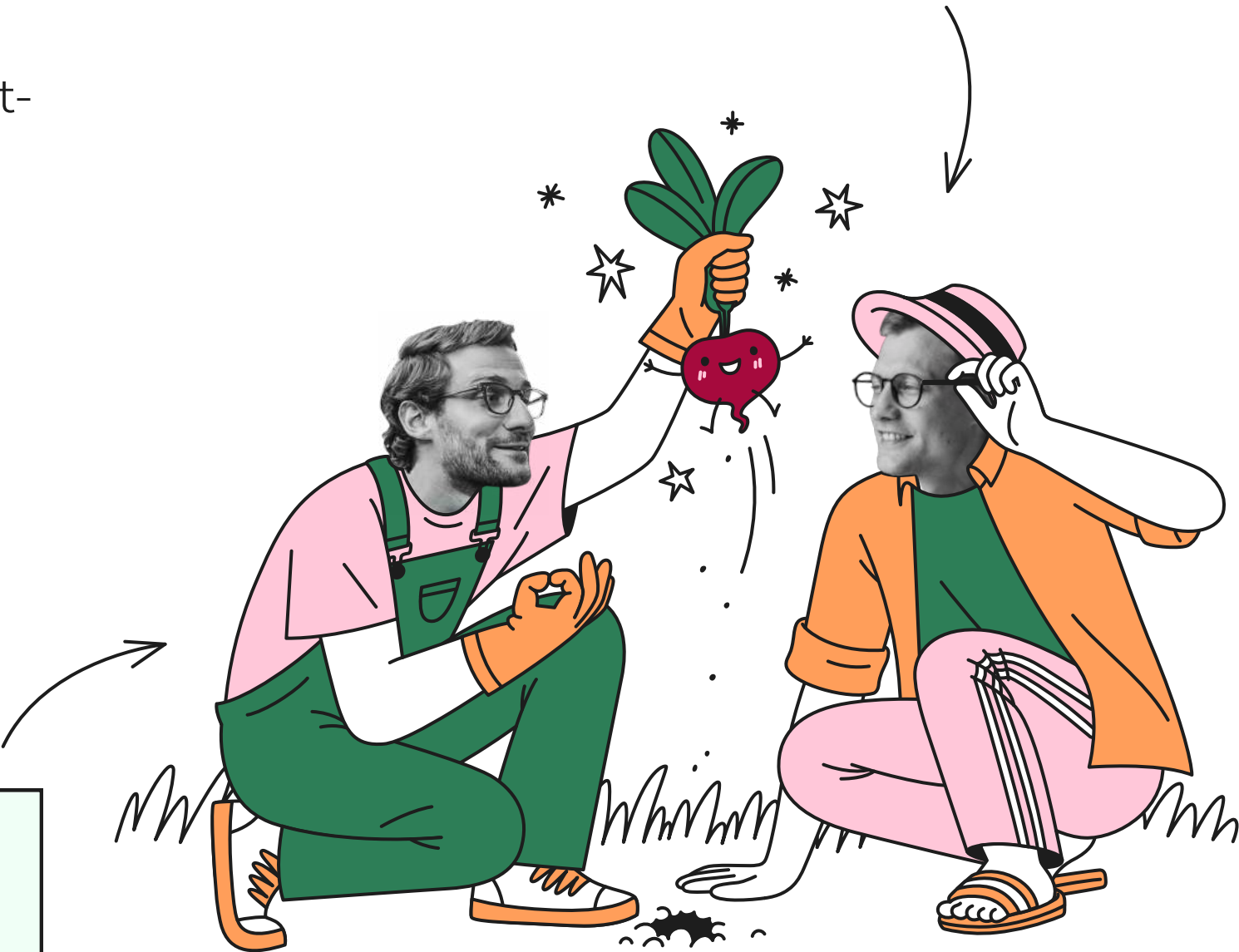
We're proud to be a tech partner for 200+ companies worldwide, building sustainable teams and expertly guiding impactful products towards success. The achievement of ISO/IEC 27001:2013 certification became a critical milestone proving our commitment to service excellence and bringing additional peace of mind to our stakeholders.

Our educational unit, Beetroot Academy, also reached new landmarks in 2021, providing about 5% of all new specialists in the Ukrainian tech industry. Becoming a member of the United Nations Global Compact Network has become another highlight of the year, opening new impact-building opportunities for our tech ecosystem.

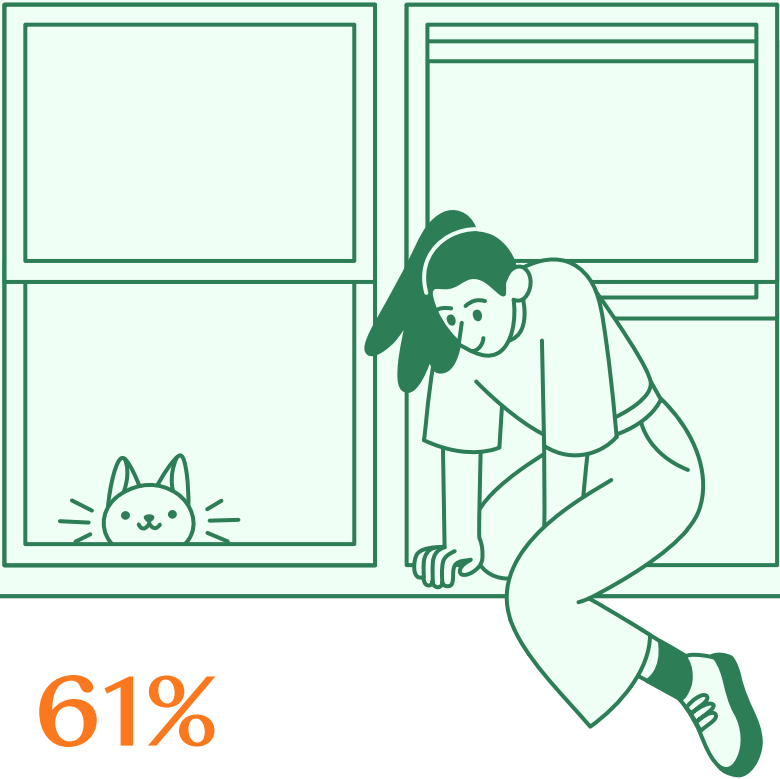
Summing it up, the focus on sustainability remains a primary source of resilience and growth for Beetroot. Traditionally, we want to thank our fantastic teammates, partners, and friends for making it possible. So let's keep creating a better tomorrow, beet by beet.

Andreas Flodström
Co-Founder and CEO of Beetroot AB

Gustav Henman
Co-Founder of Beetroot AB



2021 FEATURED NUMBERS

<div>\$47 million</div> <div>Total economic impact of the Beetroot ecosystem in Ukraine</div>	<div>222</div> <div>clients from 24 countries grow with us</div>	<div>4,300-4,900</div> <div>Total direct and indirect jobs created in Ukraine by the Beetroot Ecosystem</div>	<div>35+</div> <div>businesses launched during the ungDRIVE! camp at Beetroot Hub in Mariupol</div>	<div>170</div> <div>scholarships for women from marginalised communities</div>
<div>62%</div> <div>of Beetroot consultants are based in small and midsize cities</div>	<div>20%</div> <div>increase in new jobs</div>	<div>39%</div> <div>YoY revenue growth rate</div>	<div></div>	<div>5%</div> <div>of newcomers in Ukrainian Tech were educated by Beetroot Academy</div>
<div>22,000</div> <div>attendees to the Beetroot ecosystem's online events</div>	<div>60%</div> <div>of the Beetroot team coordinators are female consultants</div>	<div>33%</div> <div>of Beetroot's tech specialists are women</div>	<div>61%</div> <div>of the Beetroot Academy graduates are women</div>	<div>10,000</div> <div>trees to be planted in Ukraine on behalf of Beetroot</div>

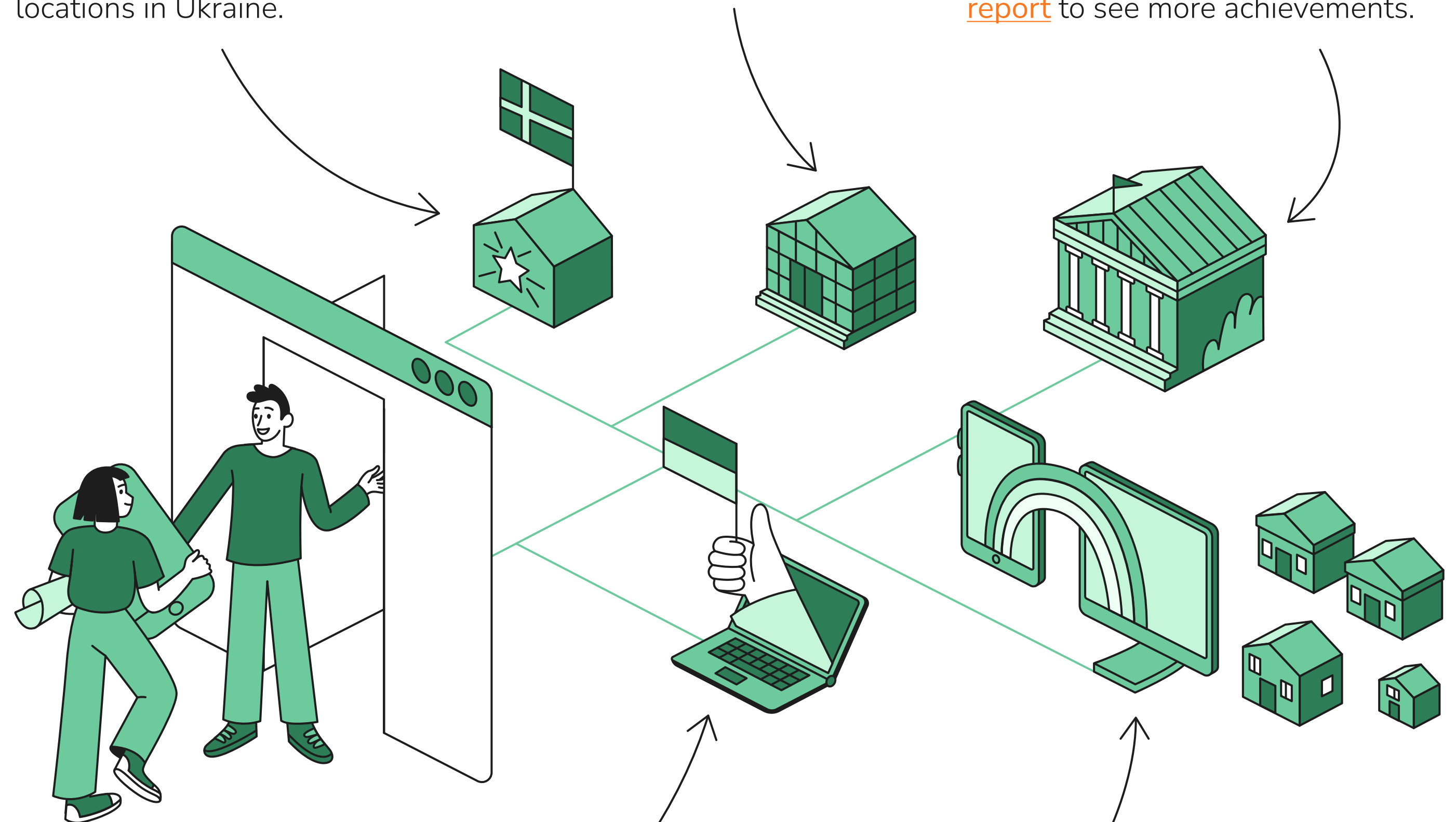
1. OVERVIEW OF THE BEETROOT ECOSYSTEM

Beetroot is first and foremost a social enterprise. Building a tech ecosystem is essential for us to implement our sustainability and social impact values. In 2021 Beetroot hit a new milestone on the journey to becoming a global tech ecosystem by engaging 600+ specialists in Ukraine and Sweden and setting sights on new R&D centers in the European Union.

Beetroot Sweden
Part of the team sits with a client or in our Stockholm office, part works from our locations in Ukraine.

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

Beetroot Academy
has educated almost 5% of Ukraine's new tech talent in 2021. Check the [academy's latest impact report](#) to see more achievements.



Beetroot Tech
Being the first cell of the Beetroot ecosystem, Beetroot Tech solves software and tech staffing needs for startups and established brands worldwide.

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

2. OUR APPROACH TO SUSTAINABILITY

Beetroot is on a mission to create sustainable social, economic, and environmental impact at scale as a tech ecosystem. The values we infuse into the world enable compound effect — ripples of positive change.



Our mission

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

Economy

- Building the local economy
- Fostering growth in midsize cities
- Facilitating the digital economy
- Connecting Ukraine with the global economy



Society

- Connecting lives with a global work culture
- Assisting people in their growth
- Bringing more women in tech
- Creating job security
- Proliferating Beetroot's values

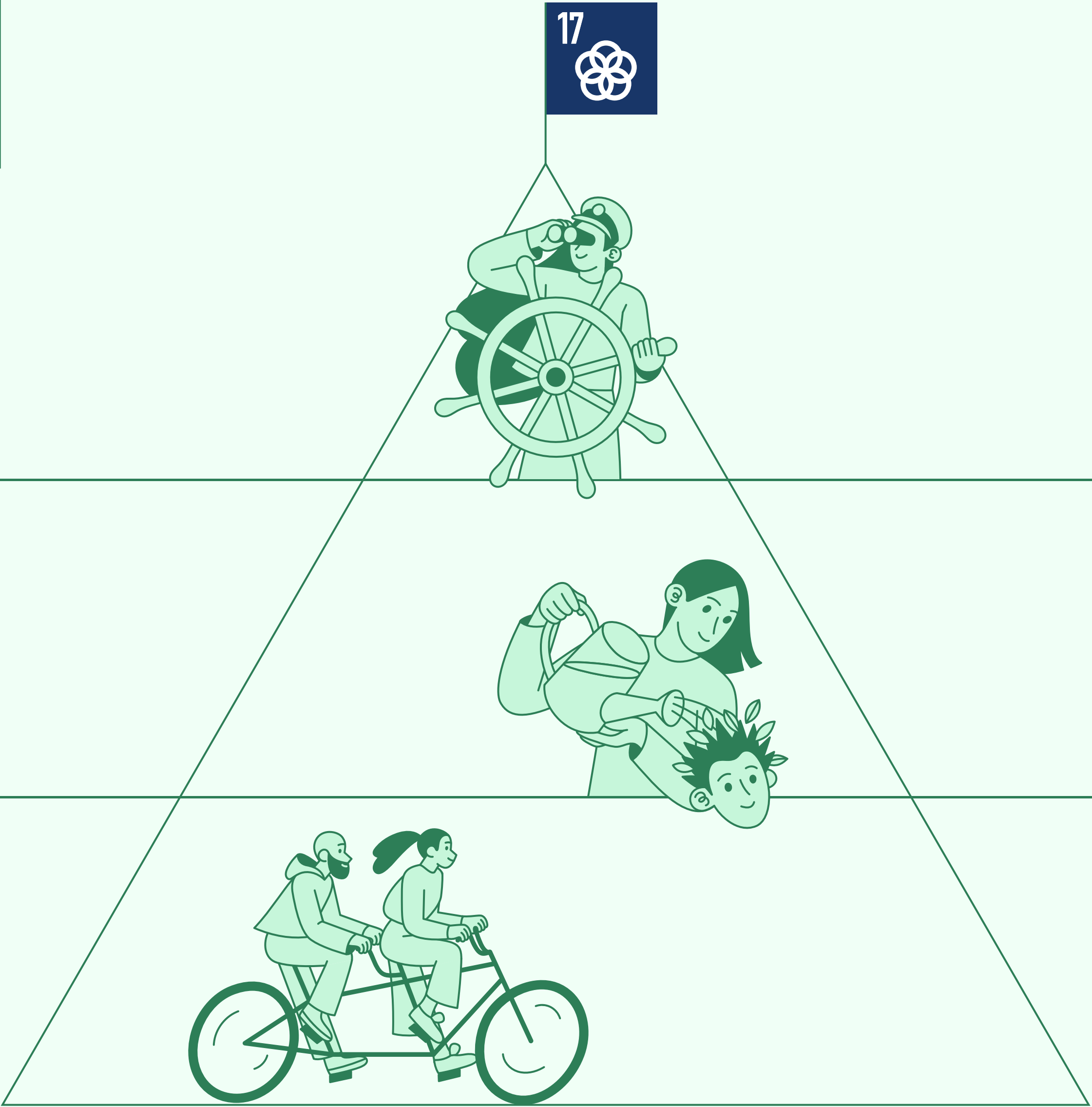


Biosphere

- Minimizing our carbon footprint
- Spreading environmentally-conscious mindset
- Offsetting unavoidable CO2 emissions



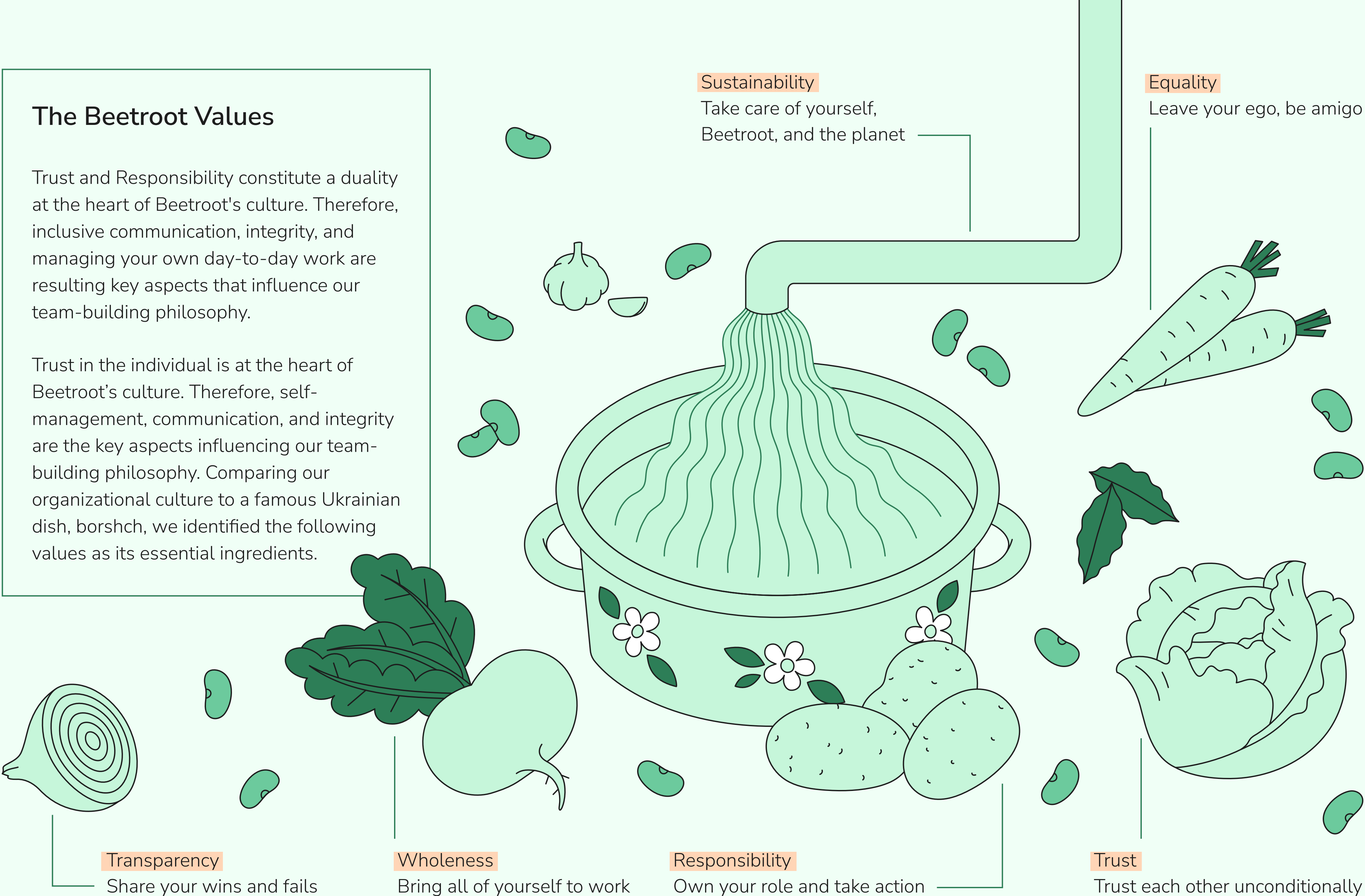
Sustainable impact



The Beetroot Values

Trust and Responsibility constitute a duality at the heart of Beetroot's culture. Therefore, inclusive communication, integrity, and managing your own day-to-day work are resulting key aspects that influence our team-building philosophy.

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. Comparing our organizational culture to a famous Ukrainian dish, borshch, we identified the following values as its essential ingredients.



Sustainability

Take care of yourself,
Beetroot, and the planet

Equality

Leave your ego, be amigo

Transparency

Share your wins and fails

Wholeness

Bring all of yourself to work

Responsibility

Own your role and take action

Trust

Trust each other unconditionally

3. BEETROOT & UN SDGS

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:

- No poverty
- Decent work and economic growth
- Good Health & Well-Being
- Responsible consumption and production
- Climate Action
- Quality education
- Gender equality
- Partnership for SDGs



Contributing to inclusive and sustainable economic growth in Ukraine

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 Ukrainian people to emigrate for better living.

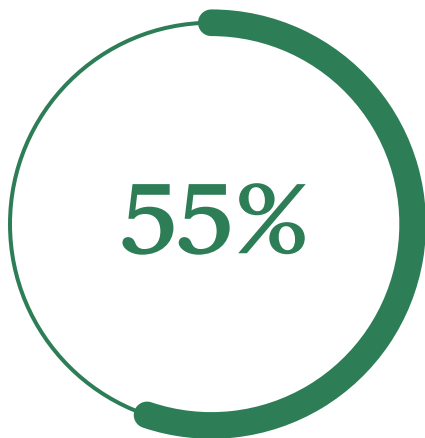
We remain active contributors to developing tech hubs throughout Ukraine aiming at the continual increase of the country’s overall average salary, which per January 2022 is 14,577 UAH (approx. \$498), according to the State Statistics Service.

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).

	2020	2021
Economic impact Total economic impact created by the Beetroot ecosystem	~\$24 million ¹	~\$47 million
Direct financial impact Direct financial impact created by the Beetroot Academy employed graduates	\$9.8 million ²	\$14 million
Number of jobs created Total number of jobs created by the Beetroot ecosystem in Ukraine, directly and indirectly	~4,300-4,900 jobs	
Direct jobs created	500	590
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. Calculated by multiplying the average entry-level tech specialist income (\$900/mo according to the DOU.UA report) by the total number of employed 2021 graduates (2,772).		

Employee Net Promoter Score

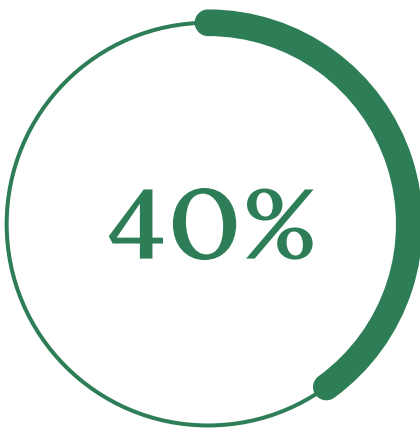
We use the Net Promoter Score (NPS) and Employee Net Promoter Score (eNPS) system to measure how stakeholders feel about Beetroot.



Beetroot's eNPS



Beetroot Academy's NPS



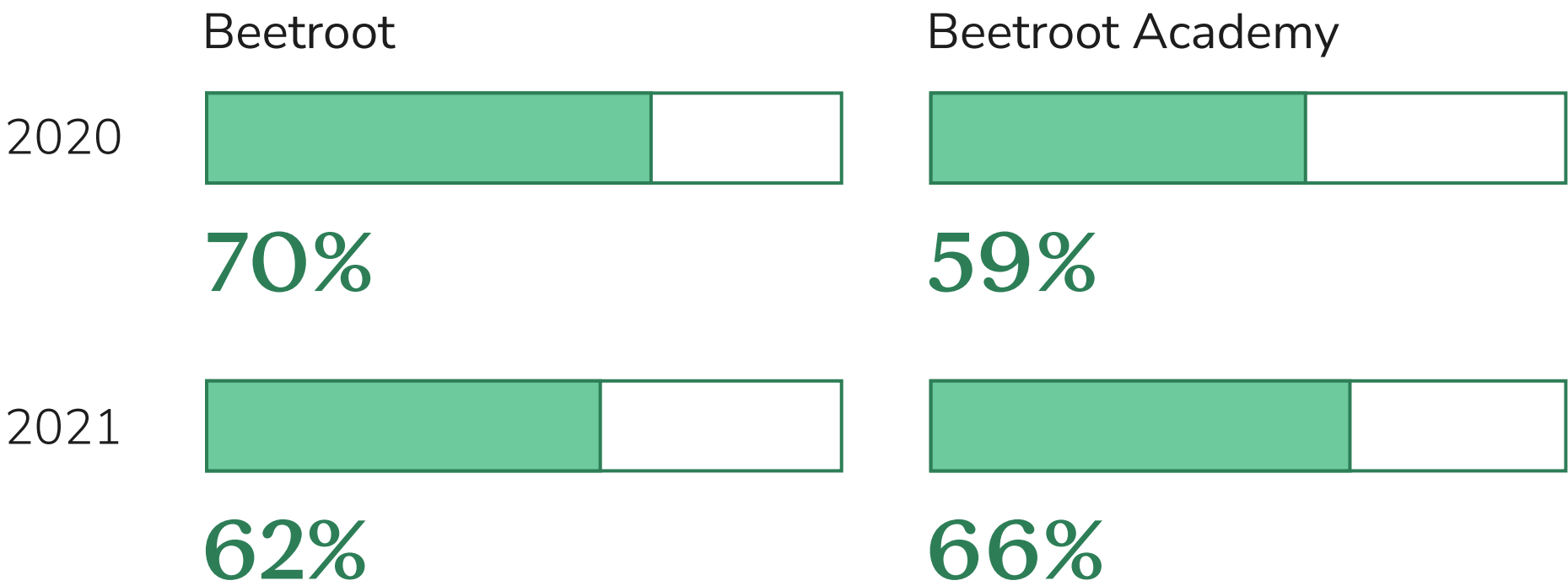
Beetroot's NPS

An NPS/eNPS score can range anywhere from -100 to 100. However, any score above zero is considered acceptable. While it can vary by industry and geographical area, a score within the bracket of 10 to 30 is generally regarded as good, and a score of 50 is excellent. Believing in transparency and honesty, our numbers, as provided, are unfiltered.



Beetroot achieved ISO/IEC 27001:2013 certification following a thorough independent external audit by the accredited certification body Bureau Veritas

Beetroot population in small and midsize cities

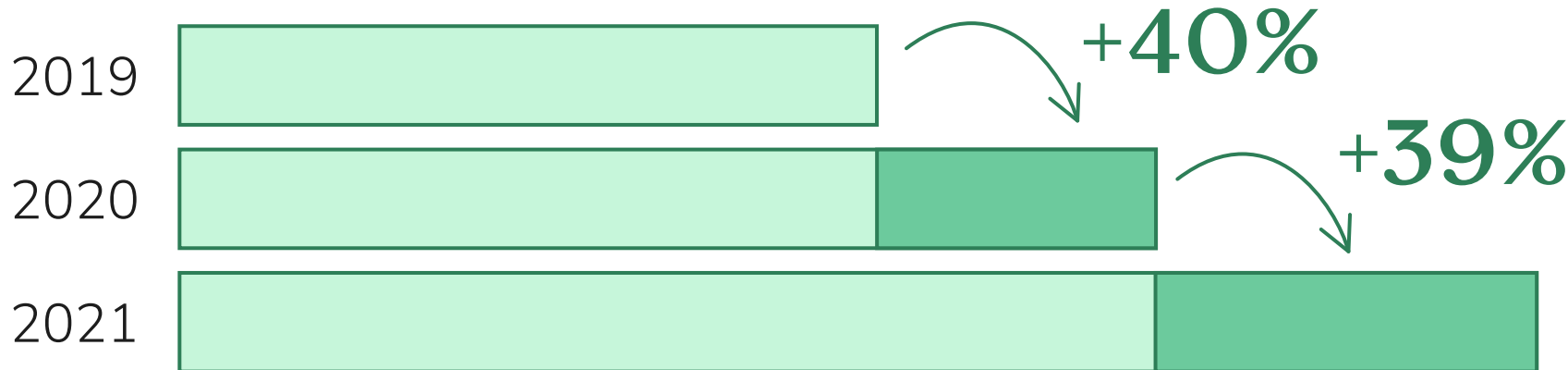


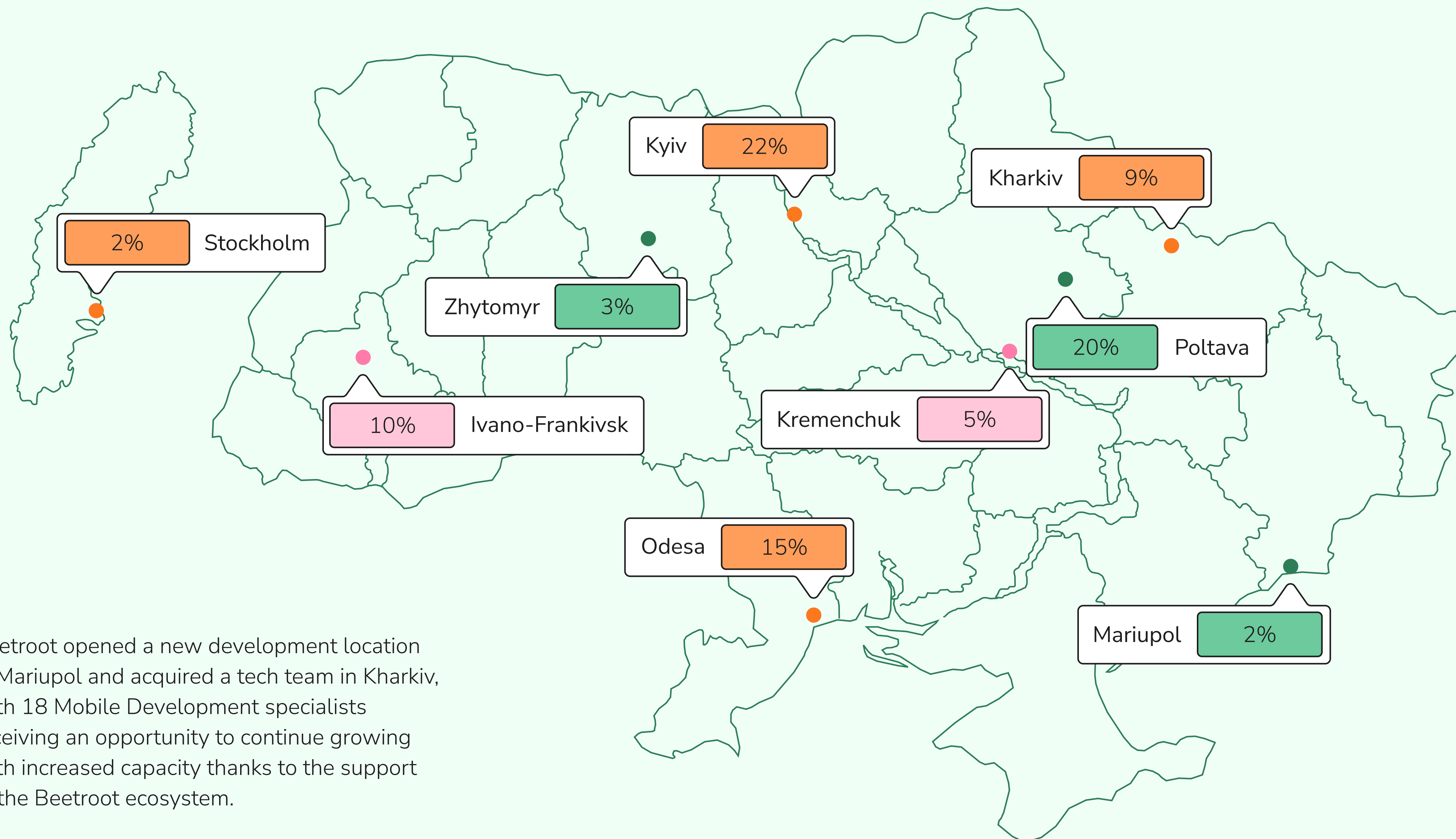
of Beetroot consultants and Beetroot Academy students are based outside the major tech hubs, in small and midsize cities.

New jobs



Revenue YoY growth





Beetroot opened a new development location in Mariupol and acquired a tech team in Kharkiv, with 18 Mobile Development specialists receiving an opportunity to continue growing with increased capacity thanks to the support of the Beetroot ecosystem.

● Large cities ● Midsize cities ● Small cities

12% Other locations

Beetroot population vs. City size



In September, Beetroot organized the OpenAir IT Festival in Mariupol, introducing the local tech sector and providing a platform for local IT businesses, entrepreneurs, and the public to network.



Beetroot Academy conducted the second program dedicated to entrepreneurship in the digital economy on the premises of Beetroot Hub.

As a result, more than 80 Mariupol entrepreneurs have accomplished the course launched in 2019 in partnership with the Chalmers University of Technology.

Beetroot Tech Market Geography

In 2021, Beetroot's client network reached 222 companies from 24 countries. We're proud to work with companies sharing our vision for long-term success and doing constructive things for the world.

5.78% USA

Sweden 61.49%

Norway 5.68%

UK 5.21%

1.27% Netherlands

Germany 2.26%

Switzerland 3.53%

2.38% Ukraine

Malta 1.13%

7.41% Israel

Beetroot's Top 10 Markets by Revenue, 2021

Supporting good health & well-being

A sustainable mindset is a core element of our operation. Therefore, Beetroot is dedicated to creating a healthy work environment where every team member can bring their whole self to work, plan and take responsibility for their time and goals, and ensure a positive impact advancement.

We maintain this kind of workplace culture through flexible working hours, a focus on self-management and personal responsibility, longtime remote work acceptance, social benefits, and continuous efforts to promote wellness. The steps to strengthen the sustainability of the Beetroot teams are reflected in the company’s strategy.

			2020	2021
<div>Insurance payout</div> <div>Aligned with the overall increase of Beetroot's population, the total amount of insurance payout continued to grow in 2021.</div>			\$155,000	\$197,000
			+30%	+27%
<div>Sports / health bonus payout</div> <div>The amount of monthly sports/health allowance payout has increased as well.</div>			+30%	+23%
<div>Mental health</div> <div>In addition to regular online yoga and meditation sessions, we organized 4 events dedicated to mental health with a total of 100+ attendees.</div>			4 events	
			100+ attendees	
<div>Vaccination</div> <div>We successfully ran 2 vaccination campaigns, during which 437 Beets and their family members were vaccinated in Beetroot Spaces across Ukraine.</div>			—	437 beets



In 2021, Beetroot contributed to several awareness projects across Ukraine.



Fundraising for the nonprofits supporting individuals with Down syndrome in Zhytomyr and Kremenchuk



Cleaning streets and green areas in the historical district of Kyiv



Gathering plastic lids for the nonprofit “Henofond Maibutnioho” supporting child health in Odesa



Sponsoring a winter season event for children with disabilities in Kremenchuk

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

With societal impact laid in the foundation of Beetroot Academy’s strategy and EdTech being one of the key target markets for Beetroot Tech, we’re well on track with our mission to contribute to education development and learning opportunities.

The ecosystem-wide efforts in this direction include providing the Beetroot Academy scholarships for the representatives of vulnerable social groups, ensuring educational bonuses, and accessible leadership training for coordination team members. By now, our accumulated sustainability efforts in the field of education have translated to the following results.

		2020	2021
Beetroot Academy graduates:		1,669	2,772
• % of the Beetroot Academy students in Ukraine's new tech talent pool ³		~4%	~5%
• % of the Beetroot Academy students that successfully graduate		86%	
• % of the Beetroot Academy graduates that get successfully employed in Tech		70%	
Tuff Leadership Training 51 consultants completed the Tuff Leadership Training programs in 2021, a 19% increase from the previous year.		43	51
		+43%	+19%
Online events Members of the Beetroot ecosystem in Ukraine and Sweden hosted 130+ online events that attracted over 22,000 virtual attendees. Over 70 active members joined internal Tech Communities established in 2021 to create a platform for tech specialists to exchange knowledge and foster professional growth.			130+
			22,000
			70+
3. Based on the graduate employment rate and the latest Ukrainian tech talent pool stats on DOU.UA.			

Beetroot 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.

ungDRIVE! 2021 Highlights

80	2
participants	weeks of intensive training
20	35+
mentors from various expertise areas	businesses launched
10+	
businesses continued to operate/transformed after UngDRIVE!	



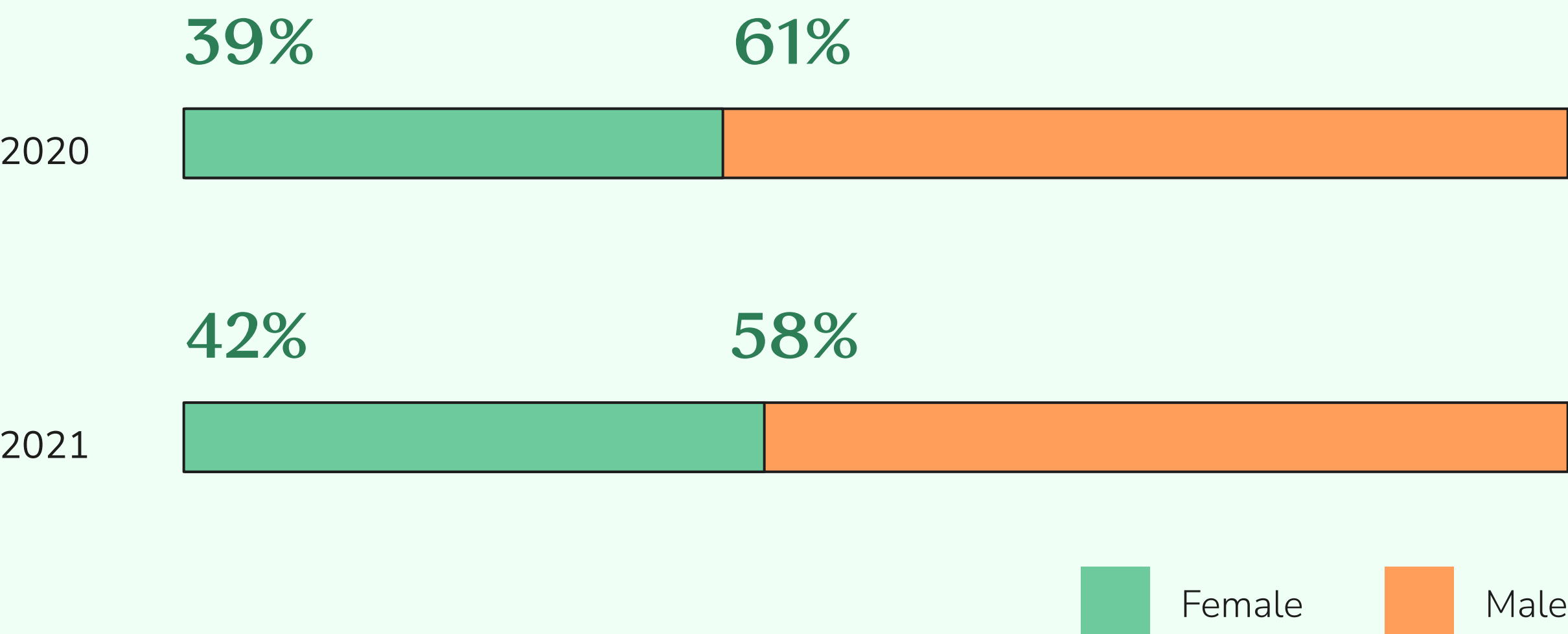
Helping improve gender equality in the tech industry

Our value code sets out our commitment to providing diversity in a broad sense and gender equality in particular. Beetroot’s non-hierarchical organization creates more opportunities for professional growth, open communication at all levels, and culture building.

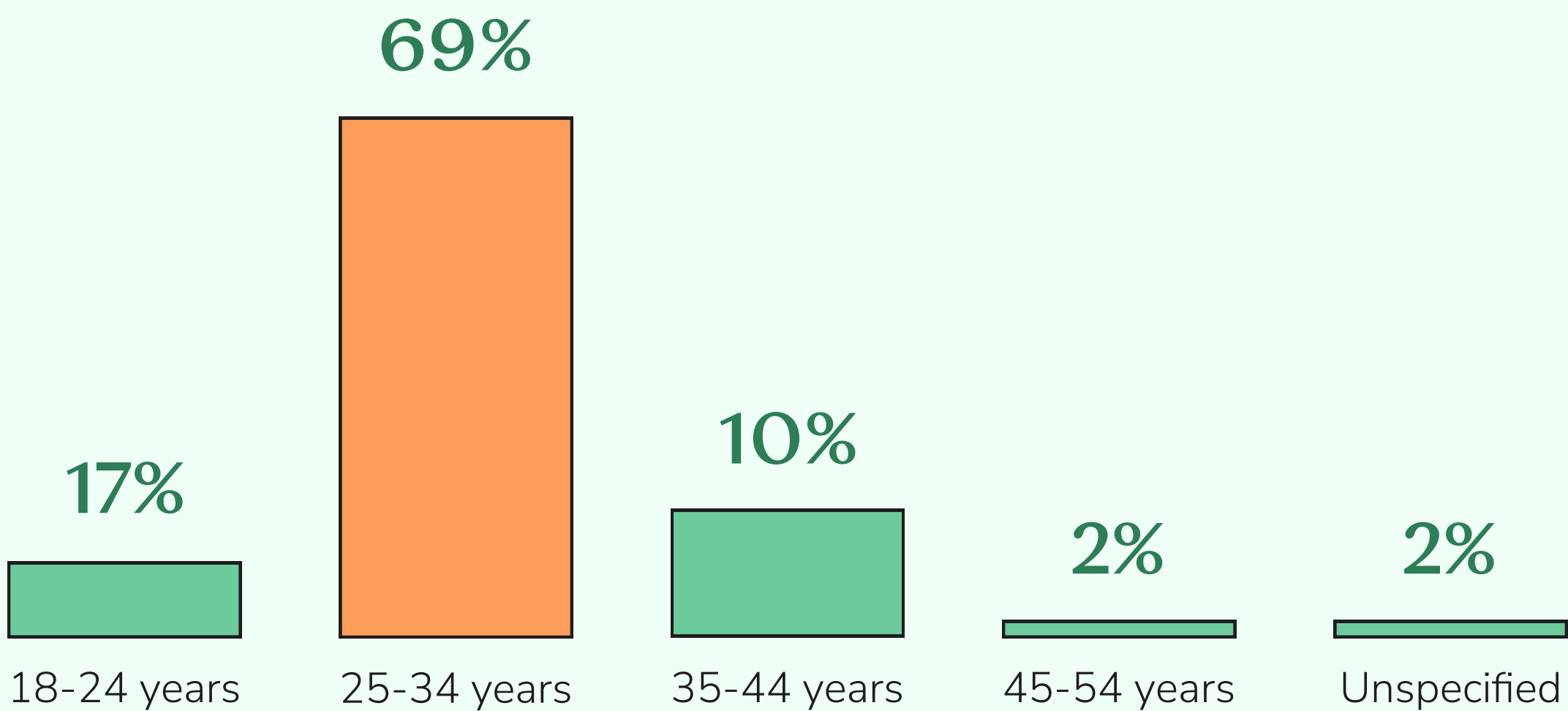
Among our additional ways to deliver equal opportunity are flexible working hours, ongoing efforts to close the overall gender pay gap in Ukraine through the "equal pay for equal work" approach, promotion of gender equality in the high-paying tech industry, and a wide range of gender equality awareness-building initiatives.

Strengthening diversity and inclusion are our strategic directions for the coming years.

Gender Distribution in the Beetroot ecosystem



Age Demographics in the Beetroot ecosystem



2020	2021	
Women in the Beetroot ecosystem		
31%	33%	of tech specialists at Beetroot are women
+2%	+2%	The share of female consultants at Beetroot has grown by 2% annually in the past two years. The 2021 rate is 8% higher than the industry par.
40%	61%	of the Beetroot Academy graduates are women
60%		of team coordinators at Beetroot are women
40%		of the company board are women
170 scholarships		In partnership with Acted and Pact, Beetroot Academy provided 170 scholarships for women from rural and marginalized communities in Ukraine to help them launch careers in IT.



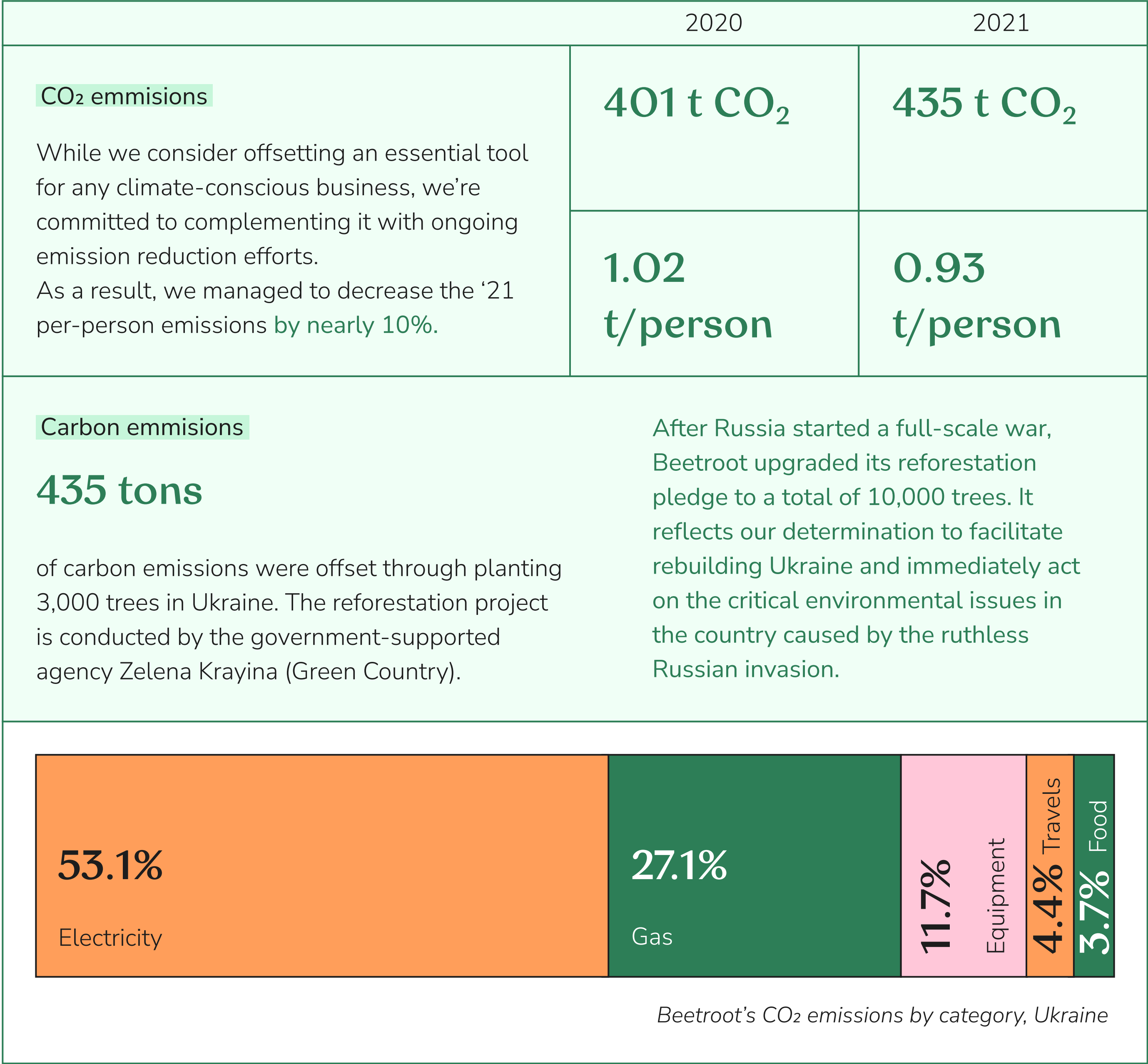
23 meetups500+ members

Beetroot organized 23 DEVCHATA online meetups in 2021. By featuring prominent female tech industry experts from all over the world, the project has brought together a community of 500+ active members.

Supporting climate action and responsible consumption

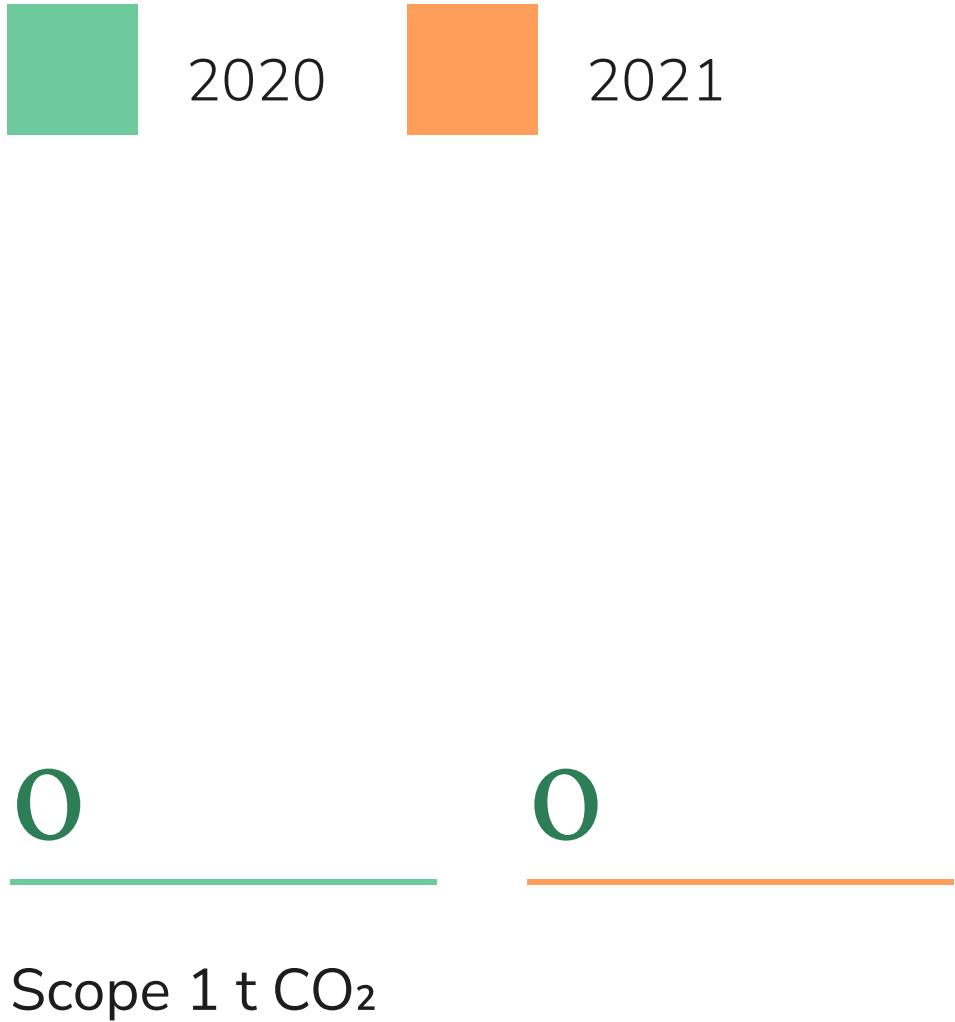
One can hardly argue that digital technologies have the incomparable potential to lead the global progress toward the UN SDGs. Beetroot includes the climate change agenda in operation by maintaining a CO₂-neutral status with continuous efforts to reduce our carbon footprint and compensate for emissions we cannot avoid.

In addition, we focus on the Green Tech sector as one of our primary target industries and contribute to building awareness for environmental issues across our ecosystem locations and globally.



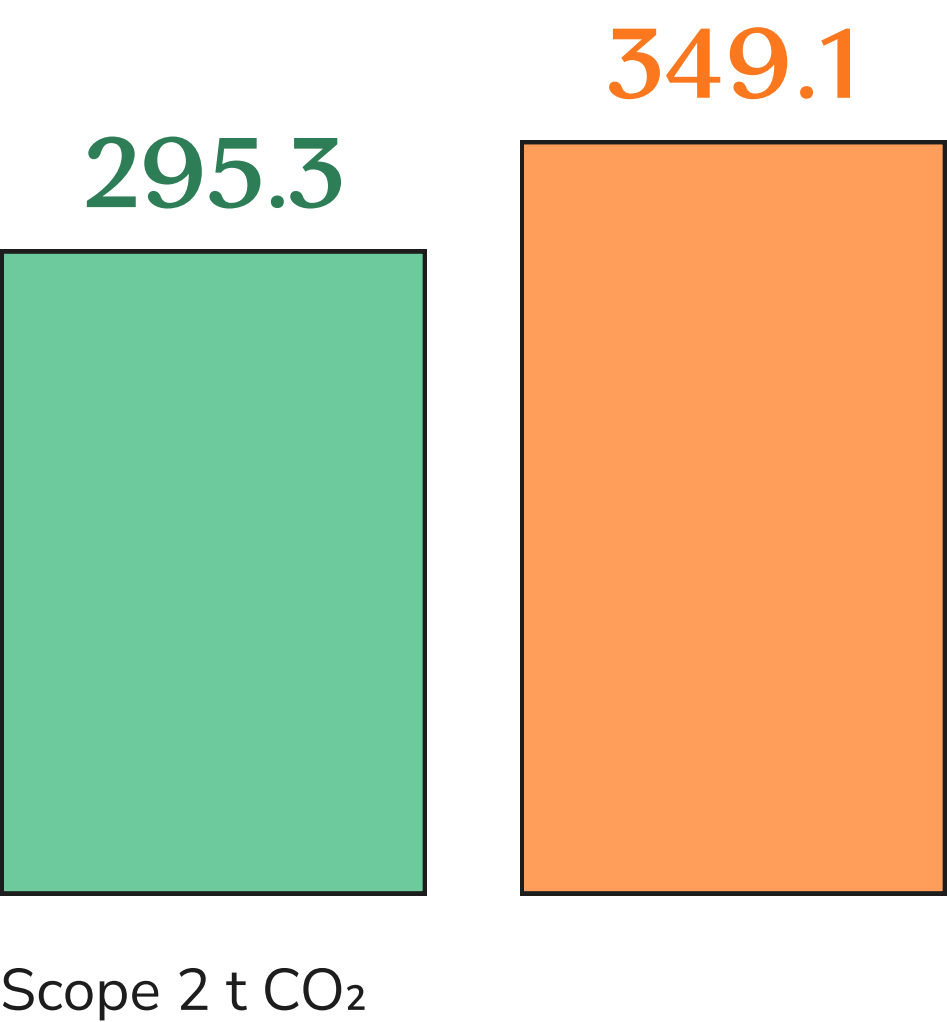
Scope 1

company facilities,
company vehicles



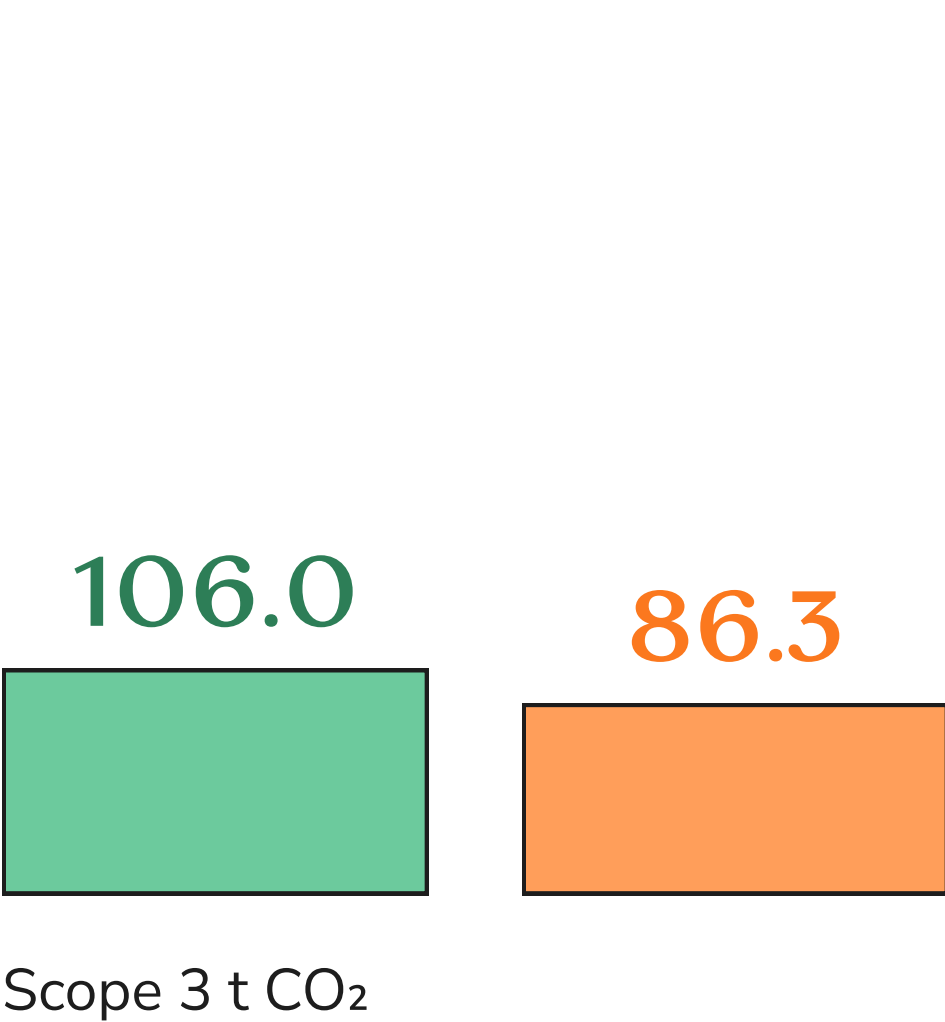
Scope 2

purchased electricity, heating
& cooling for own use



Scope 3

purchased goods and services,
transportation, business travel



We support local businesses:



90%

of all furniture within Beetroot
offices is produced in Ukraine



60%

of supplies we use are produced
in Ukraine



50%

of chemicals for household care
are produced in Ukraine

Participating in the global partnership for Sustainable Development Goals

We firmly believe that a united effort is a priori more effective than an isolated action. Hence, we choose to collaborate with individuals, organizations, and businesses that align with our values and share our commitment to positive impact.

One of our ambitious goals in this area is making companies from social impact-oriented industries (including but not limited to GreenTech, HealthTech, and EdTech) constitute at least 80% of our client base.

Impact areas of our clients

HealthTech – 9 companies

- Health data analysis
- Speeding up drugs & treatment development
- Genomics diagnostics
- Cell morphology analysis
- Telehealth monitoring
- Aids for people with disabilities
- Digital transformation in healthcare
- Healthcare matching digital platform for women
- Mental wellbeing
- Computational photography

EdTech – 3 companies

- Learning management system
- Digital platform for schools
- Online assessment
- Interactive lessons
- Virtual teacher assistant
- Digital skills training
- Adaptive learning
- Student health monitoring

GreenTech – 4 companies

- Digital platform for grassroots charity
- Environmental project crowdfunding
- Green energy
- Air purifying solutions
- Energy digitalization
- Smart sensors for energy efficiency
- Environmental control
- Smart buildings & spaces
- Alarm control

Partnerships for Sustainability

Below you can find some of the organizations we actively collaborated with during 2021.



Global Compact Network Ukraine

The official local platform of the United Nations Global Compact facilitates dialogue between the private sector, investors, civil society organizations, and the government. The organization cooperates with many local and global organizations, including GIZ, USAID, UNICEF, the Ministry of Digital Transformation of Ukraine, and the UN Resident Coordinator Office, to name a few.



Young Entrepreneurs of Sweden

Founded in 2008, YEoS is committed to providing the most powerful platform for young entrepreneurs in the 18-35 age range. The organization continuously creates a rewarding context for its members, organizes events, and promotes knowledge exchange and networking.



Kharkiv IT Cluster

A nonprofit public organization developing the environment for the technological business of the Kharkiv region and uniting the community of leading IT companies, educational institutions, and local authorities.



IT Ukraine Association

The most prominent professional league of Ukrainian service and product companies. The mission of the Association is to provide favorable conditions for the sustainable development of information technology in the country.

In 2021, Beetroot Academy became a finalist for the Partnership for Global Compact's Sustainability Award 2021, with its educational program for women from rural and marginalized communities.



Psikultura (Psyculture)

A psychological agency that helps develop a culture of mental health and well-being in organizations.



STEM IS FEM

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



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.



CSR Ukraine

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



Зелена Країна

Zelena Krayina (Green Country)

An environmental program launched by the President of Ukraine in 2021 to increase the area of forests by one million hectares in 10 years.



Waste Management Center

Waste Management Center implements a comprehensive waste management service by exporting and disposing of recyclables and hazardous waste, as well as helping businesses implement the Green Office program.



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.



RE:laboratory

An educational eco-oriented center and a waste sorting station on the premises of the PROMPRYLAD.RENOVATION tech hub in Ivano-Frankivsk, Ukraine.



SortStation Odesa

An organization providing waste sorting services in Odesa.



UngDRIVE!

Sweden's most popular entrepreneurship training program for children and youth.



Uniqa

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



Ukrainian Coworking Association

The organization is committed to uniting all coworking centers and flex office spaces in Ukraine and fostering the industry's growth.



Promprylad

Based on the territory of an old factory, Promprylad works on the intersection of four main directions of regional development: new economy, urbanism, modern art, and education.

Sotsialny Harderob (Social Closet)

A Kremenchuk-based clothing reuse/charity store.



Ivano-Frankivsk IT Cluster

A nonprofit organization committed to boosting the local IT sector and promoting the synergy of education, science, and business.



Mariupol IT Cluster

An NGO that aims to raise the level of IT education, boost the development of IT entrepreneurship, and increase the flow of IT specialists in the region.

Ilya Bachurin

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

Concluding remarks 2022 edition

We planned to release this report in early 2022, but Russia's ruthless invasion of Ukraine has changed our course. It didn't ruin it, though. Moreover, it made our stand as an impact-oriented organization even firmer.

Our team prepared this report during wartime, working from shelters, maintaining excellent service for our clients, and helping others to reach safer places. Therefore, while our '21 impact is significant, we keep the report brief to focus on our current efforts. We have already started working on the 2022 sustainability report, which will reflect our contingency measures and give a picture of Beetroot's operation during the hard times.

Meanwhile, we encourage you to [donate to the Aid for Ukraine fund](#), which Beetroot has co-established with loca Arma Nostra. Your contribution will expand our mark in helping Ukrainians affected by the Russian war.



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
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We want to thank our team members who
prepared this report:

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Anna Boiko,
Illustrator

We'd also like to thank our fellow Beets from
various units of the Beetroot ecosystem for
sourcing information for this report and active
support in putting it together.

Let's keep cooking great Borshch together!

beetroot.co

