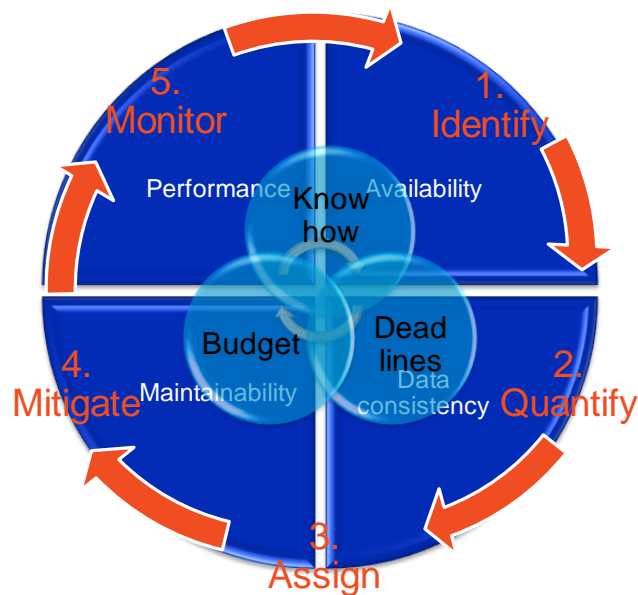


Dear Partners,

The Corona virus situation is requiring the attention of all of us and we would like to ensure you that we will keep you constantly informed about our commitment and ways of delivering the IT professional services to you.

Crystal is in a **favored situation** and is strongly guaranteeing to all of its customers the service availability and in the same time the service quality. **This is not by chance but because from the beginning Crystal System thought about how to reduce the risk for its customers.**

As part of our Risk Management policy we have always dedicated a special attention to the availability of our service and to the know-how related to the IT application that is entrusted to us.



Everything else is important (data consistency, performance of the IT applications, the maintainability) but the service availability and the preservation and improvement of the know-how were the most important criteria on Crystal's risk management strategy.

As a result of our strategy we are now in the situation of maintaining our working capacity and actually we are ready to increase it in order to keep delivering all the service and project milestones as agreed.

Our commitment is based on our strategic, stable and mature delivery model which consists in:

- Crystal's Distributed Business Model;
- Crystal's Distributed Service Delivery Model that is using state of the art distance delivery processes and procedures supported by a distributed and flexible delivery organization.

### Geographical distribution of Crystal's delivery units

Crystal System is using today **4 (four) offices** to deliver its services situated in **3 (three) different countries**.



Since we have opted for both a Distributed Business Model and a Distributed Service Delivery Model all our delivery locations are the projection of the same capabilities in terms of competences and skills. Moreover, they are autonomous from an operational management perspective, being driven by the customer needs and not necessarily by a centralized management. Because of this, each location is supporting and backing-up to the other offices.

Each service and/or project team working for a customer is distributed among the four offices and it is using a two-level back-up model:

- The know-how of each consultant belonging to a team is backed-up by other consultants from the same location, belonging to the team;
- The same know-how is backed-up by other consultants from different locations.

For each customer our delivery locations are used in a balanced way and at any time we can use one office more than another.

## **Customer driven delivery organization**

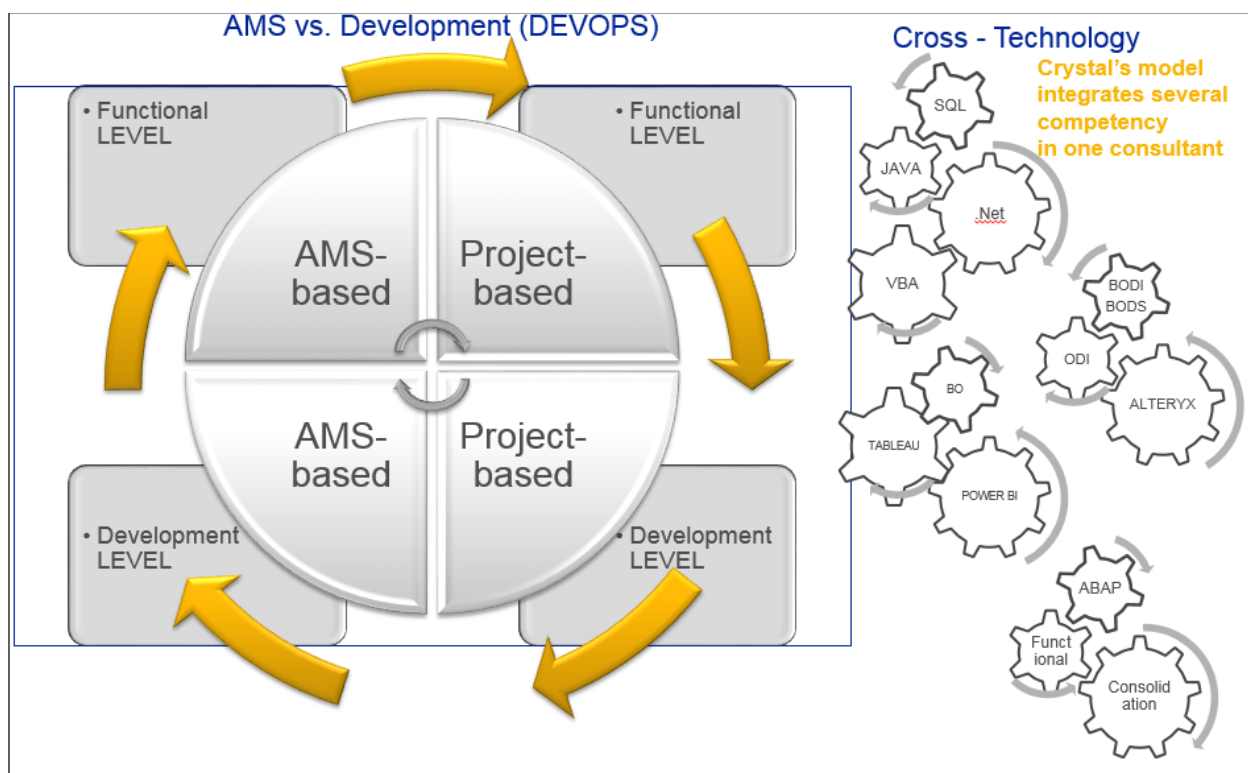
Crystal's delivery organization is customer-driven, which means that each team includes the role of Delivery Client Manager. The Delivery Client Manager is not depending on one office or another but is using all Crystal's offices to build the team, making sure the know-how is distributed and backed-up. This organization model is self-managed by the team itself and each Client Delivery Manager has a back-up (a second person in command, part of the team) so that all planning and coordination activities are at all time covered. We have put this model in place as the result of our need to deliver the activities remotely, and it is based on the segregation of duties. The coordination activities specific to one team are split into:

- Coordinator 1: accountable for the verification, clarification, adaptation of tasks with the purpose of initiating the task development.
- Coordinator 2: accountable for structuring the work, defining the approach, assigning and scheduling the work.

Each coordinator is both a project/ service manager as well as an active consultant (functional or technical person inside the team) so that there is no overhead inside the team while the coordinators are backing-up each other. The coordinators are normally belonging to different offices and in any given moment one coordinator can fully replace the second coordinator, if needed.

Moreover, Crystal has developed in time the multi-tenant Client Delivery Manager concept, meaning that one Coordinator can replace another Coordinator from a different team. This is also possible thanks to Crystal's Dynamic Allocation Concept.

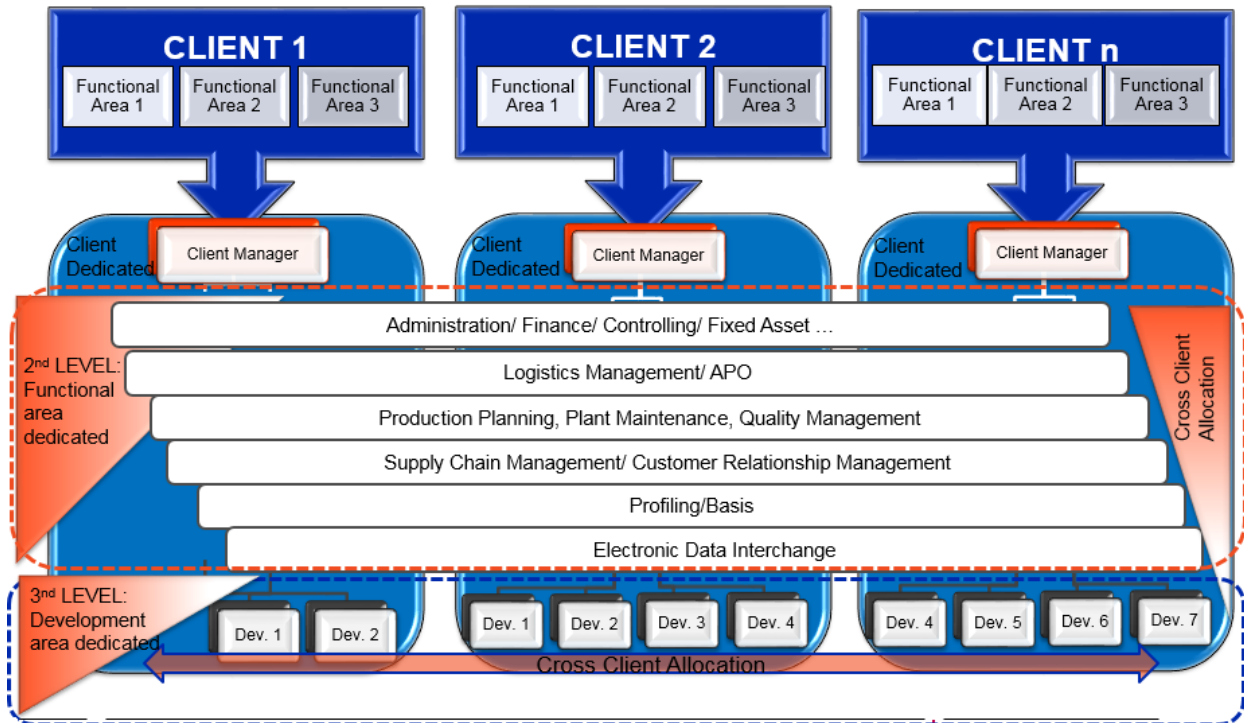
The Dynamic Allocation allows all consultants inside a team to change roles between technical and functional responsibilities as well as between Application Development and AMS activities. We have invented and implemented this model in order to ensure service continuity in any given situation.



Based on these capabilities Crystal can replace in real-time one team member with another, if needed.

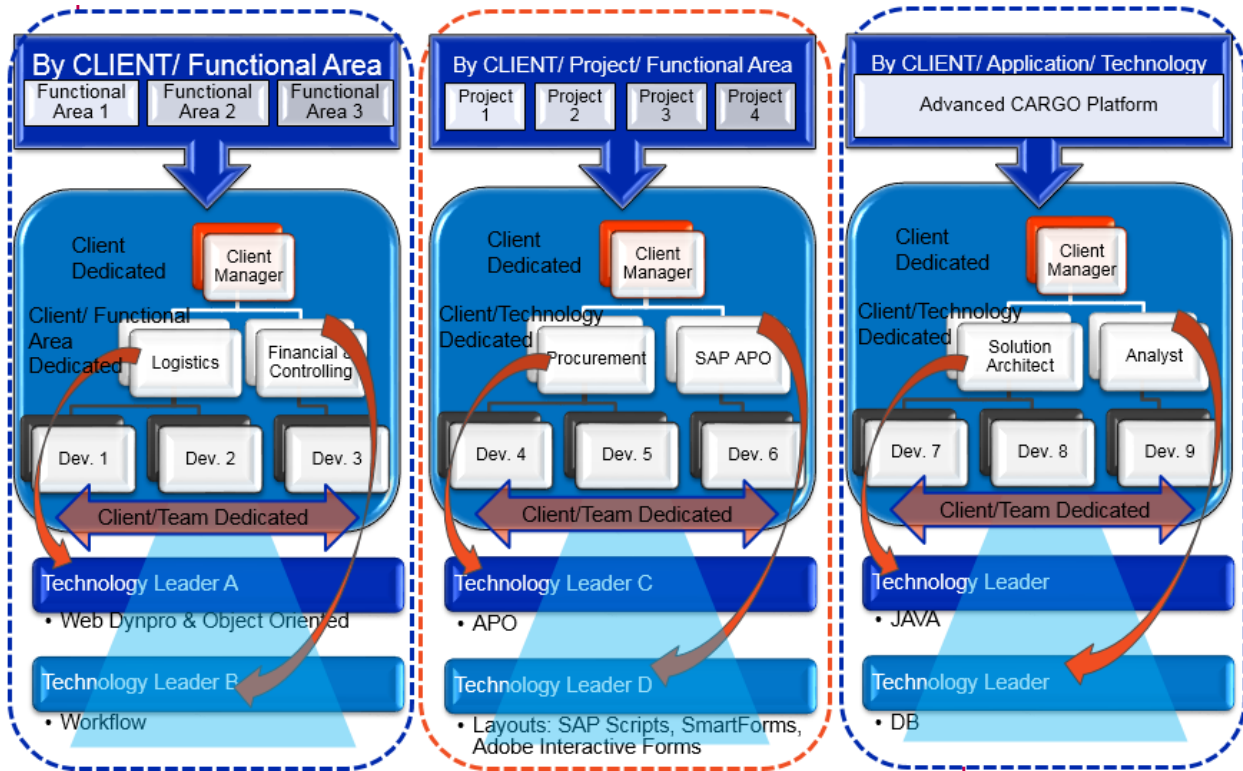
Moreover Crystal has developed and perfected two models of team structure for its customers which allowed in time to build flexibility and dynamicity.

The first team structure model is the *Cross Client Allocation* model that is using a pool of consultants to deliver the service. The pool is larger than the actual need of one customer but in the same time the pool is serving many customers being guided by the SLAs defined and by the priorities.



The Cross Client Allocation model was built in order to ensure fast response and resolution time in situations where the work load cannot be planned and it became a major asset of our delivery organization especially when facing unpredictable events. This means that your know-how is safe with us, either part of a current active team working for you, or standing-by for intervention, without costing you anything while “waiting”.

The second team structure model is called *Blue Room* and is based on a team dedicated at 100% exclusively to one customer. In this case the back-up mechanisms are those related to the geographical distribution of the team but this organization model can rely also on the standing-by competences belonging to other Cross Client Allocation teams.



## Dynamic and Just-In-Time Pipeline of consultants. Talent Generation Methodology

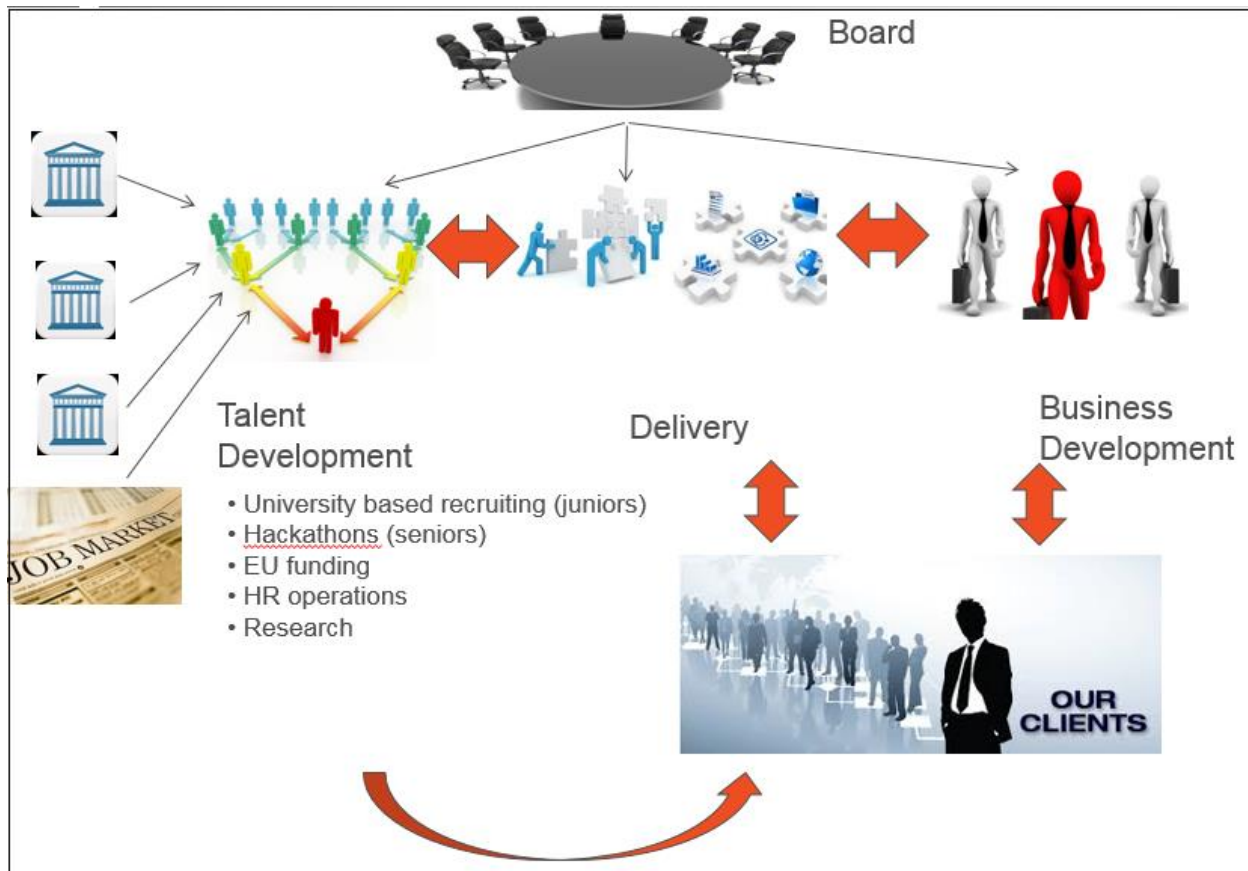
Related to business continuity scenarios one major element, part of Crystal's strategy, is the Dynamic and Just-In-Time pipeline of consultants, an outcome of our Talent Generation methodology.

We have always believed that expanding **qualified education** is the only feasible way to generate **long-term economic growth**, which is why a strong and coherent emphasis on education is central to the success of Crystal.

Crystal has emphasized the importance of **cognitive skills**, or **knowledge capital**, in **driving economic growth**.

Over time, the knowledge capital of Crystal improves, as better-educated youth enter the labor force. A more skilled workforce leads to increased economic growth. Almost all our consultants

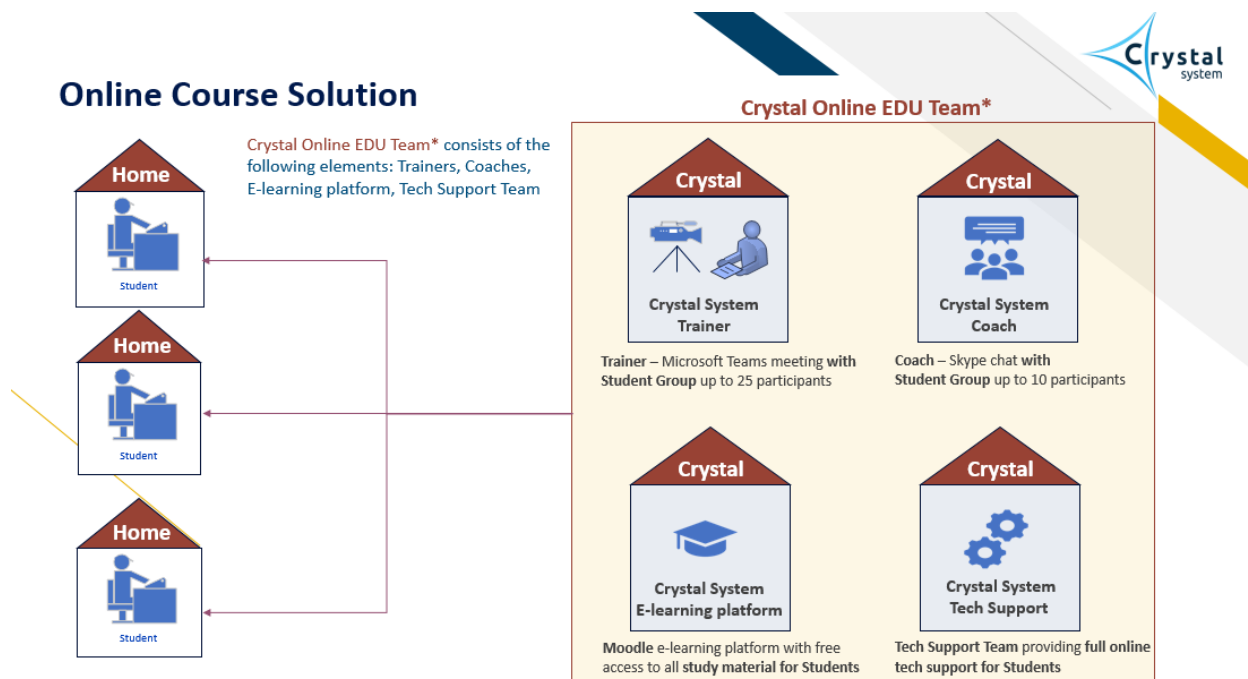
are the result of our strategic collaboration with the Universities (at least one major University in each delivery center we have opened). So, we do not rely on the labor market to find our specialists but we actually attract them from the Universities, we train and select them to be part of our team. Since this is our delivery model, at any time Crystal has an active team of employees being trained and coached by the existing delivery teams, ready to start working for you. We designed and perfected this model in order to ensure our constant growth in our strategic collaboration with clients and it definitely represents a major asset also in front of unpredictable situations such as the current one.



Our current delivery capabilities are therefore not limited to the consultants you are working with daily but they extend to the capabilities of our entire business model which relies on the just-in-time pipeline of consultants.

Since the Talent Generation methodology is a key asset of Crystal's organization and since our delivery teams are functioning perfectly in this period, with no impact of COVID-19 in our organization, we focused a lot these days reviewing our current University programs that are

providing us the needed talents. Since we have already 301 last-year students registered to our April classes and those students are now at home, we decided not to freeze our next courses but to use distance-learning methodologies.



We have informed the students about the new learning framework and we are proud and happy to let you know all of them will attend our lessons remotely.

## WIKI: from tacit to explicit knowledge

In Crystal we have cultivated the concept of *sharing is power*, more than knowing is power. This is important since the knowledge we are building for you is more valuable if we share it within our teams so that we can grow when having the opportunity, or we can support you when critical and unpredictable situations occur.

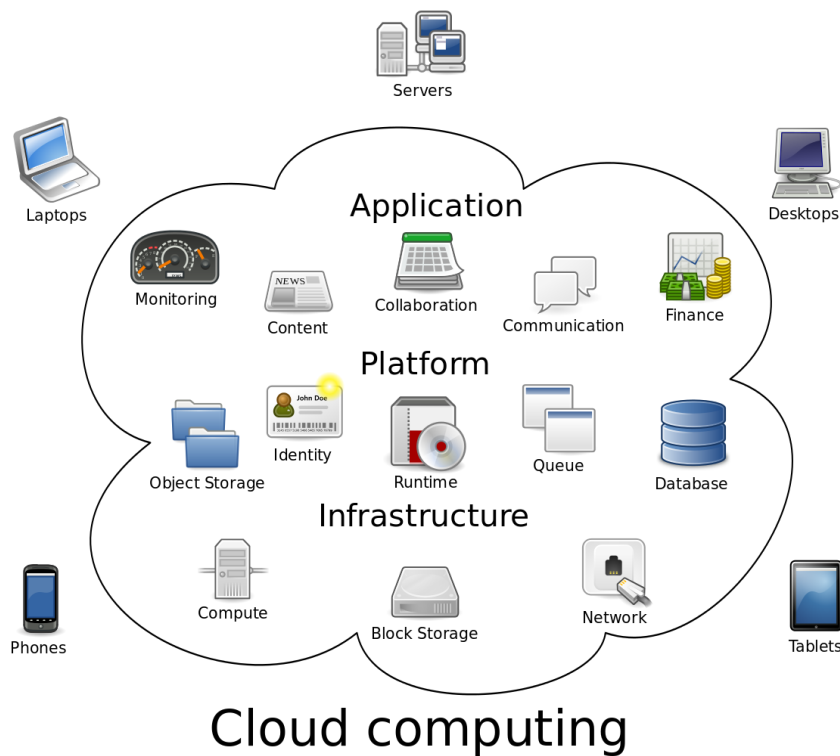
Since all our philosophy is about attracting, training and hiring new talents and since these talents need to be ready to deliver IT projects and IT services for you, we are using WIKI and collaboration

platforms to convert the tacit knowledge into explicit knowledge so that newcomers can access it. The knowledge we have on your IT systems is safe and shared (using protected and controlled environments) so that we do not have critical know how isolated into critical persons.

## Methodologies

Our centers are based on tried and tested cloud computing methodologies and technologies. This provides robustness to our business and ensures that service delivery delays and downtimes are kept at minimum levels across a broad range of disruptive events. It also enables us to be flexible and versatile in meeting our customers' needs in this ever more competitive and demanding market.

All this is supported by a dedicated, proactive and customer-oriented management team that has fostered a culture of growth and excellence within our company.





Using these collaborative methodologies and technologies we can:

- Perform your project work where the work is most optimally performed;
- Be Cost effective;
- Be ready to scale-up or face unpredictable situations.

In the same time our staff is focused heavily on quality and continuous process improvement. The solution centers operate at high levels of efficiency, predictability and reliability. This ensures minimum error rate and rework. We have formulated tested processes based on international methodologies like ISO 20000 and ITIL 3 and 4 that enable us to deliver high quality services to our customers in any circumstances.

For project management we embraced an agile philosophy based on the SCRUM methodology to ensure the timely and quality delivery for high client satisfaction. We have met the challenges that our customers put forth due to our processes of fast solution iteration, testing and integration, getting feedback and implementing fixes. This allows us to meet the ever-increasing constraints on development time imposed by the market.

We place a lot of emphasis on cybersecurity and personal data protection, we are ISO 27001 certified and follow the GDPR regulation so our customers’ data is always stored, processed, transferred and deleted in a secure way to ensure confidentiality, availability and portability.

## **Business Impact Analysis of the Distributed Delivery Model from the perspective of Business Continuity**

<b>Table 1 – General BIA of the Distributed Delivery Model</b>		
<b>Strengths</b>	<b>Weaknesses</b>	<b>Impact</b>
Ability to work from home (the primary alternate location) for prolonged periods of time with no disruption to service delivery.	Team communication (within the company) may be disrupted as face to face communication within the same office is more efficient than remote communication.	Minimum impact for service delivery.  Minimum impact on service quality.
For the following reasons, the switch from usual office working to working	A loss to company culture is expected if the causes that	Minimum impact to the company since the team is customer-centric and used to

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<p>from alternate sites or from home can be done on the fly, with no obstructions, the downtime is the commute time from the office to the employees' homes:</p> <ul style="list-style-type: none"> <li>• All employees have laptops.</li> <li>• All employees have reliable and fast-speed internet at home, and we provide mobile internet devices for back-up.</li> <li>• All laptops have VPN connection capabilities that allow all personnel to connect in a secure and safe way (certified) to Crystal's local area network.</li> <li>• All the information that the employees need to deliver the services is on the company cloud.</li> <li>• The tools necessary for development, testing, integration and deployment in the customer infrastructure are accessed through the customer gateway.</li> <li>• All communication tools are available both within the company and with the customers: phone, email, skype, MS Teams</li> <li>• All Crystal System sites use the same service</li> </ul>	<p>led to the work from home situation persist.</p>	<p>work remotely, serving the customer.</p> <p>Minimum impact on information security.</p>
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<p>delivery methodology and processes</p> <p>Ability to measure results and KPIs is preserved in the alternate sites.</p>		
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Crystal System’s Distributed Delivery Model had significant advantages over a centralized model when it comes to managing risks. Our Business Continuity Plan is designed first of all to prevent crisis but if such situations occur, the crisis is quickly identified, evaluated and the proper Business Continuity Scenario is being activated to ensure the restoration and continuation of activities in real time. This ability to manage risk offers our company robustness against unforeseen events and builds customer trust.

<b>Table 2 – Risks and Service Delivery Disruption in Disaster Scenarios</b>					
	<b>Event</b>	<b>Impact (1-5)</b>	<b>Frequency (1-5)</b>	<b>Risk (1-25)</b>	<b>Reasons</b>
1	Work from alternate sites	1	1	1	<p>Due to Crystal System’s distributed business model and presence in several countries the probability of a disaster hitting multiple locations at once is very low.</p> <p>Moreover, the switch from one site to the other can be done within hours, due to the common infrastructure, processes and methodology in all sites. The impact on Service Delivery when switching from the main site to the alternate sites is the same as switching to work from home.</p> <p>Table 1 – General BIA of the Distributed Delivery Model -&gt; Strengths</p>

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2	Work from home	1	1	1	<p>The work from home Business Continuity scenario operates in the same way as the work from alternate sites scenario. See point 1 of this table.</p>
3	Customer activates a Business Continuity plan and changes location (work from alternate sites or from home)	2	1	1	<p>If the customer switches its activity to new sites, the Service Delivery is minimally affected for Crystal System as our employees work mostly remotely.</p> <p>For the cases where Crystal System employees work on site, this can lead to small delays in Service Delivery if the remote work option is not available due to customer information security policies or the nature of personal data processing activities.</p> <p>Of course, this scenario assumes that the customer will maintain secure access to its infrastructure so that Crystal System employees can perform the tasks.</p>
4	Computer terminal malfunction on alternate sites or work from home scenarios	1	1	1	<p>Same impact as in the case of working from the main office, all alternate sites are equipped with back-up terminals.</p> <p>If terminal malfunction manifests while teams are working from home, the delay to Service Delivery is minimal, usually equal to the commute time.</p>
5	Server infrastructure malfunction	1	1	1	<p>Crystal System relies on strategic partnerships with cloud service providers that offer double and triple redundancies on all critical</p>



					<p>systems and gateways for accessing those resources securely over the internet.</p> <p>The switch from the main servers to the redundancy servers is done within minutes regardless of the Business Continuity scenario activated, so our Customers experience minimum downtime in Service Delivery.</p>
6	Loss of power	1	1	1	All Crystal System Service Delivery sites are equipped with back-up generators that start automatically when a loss of power is detected and UPSs.
7	Loss of internet connection	1	1	1	All Crystal System Service Delivery sites have a redundant internet connection from a different provider to ensure continuity.
8	Discontinue business trips to affected areas	1	3	3	<p>The management team has frequent meetings with the Customer, but they will be held online.</p> <p>The development and operations teams don't require trips to the Customer to maintain Service Delivery.</p>
9	Person in isolation in case of exposure (see COVID-19)	1	1	1	<p>Low probability of exposure, and in case of exposure the isolation is done at home, employees have all the tools to continue the delivery of services, see point 1. of this table.</p> <p>In order to reduce the risk of exposure, Crystal System encourages work from home and discourages from frequenting crowded places; during the COVID-</p>

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					19 epidemic we are reimbursing the cost of private transportation to employees that regularly use public transportation.
10	Inadequate internet connection to alternate sites or home	1	1	1	Employees have 4G connection provided by Crystal System. The personal home connection is the redundancy system.
11	Partners and freelancers	1	3	3	Partners and freelancers work with the same tools as Crystal System employees, they can follow the same BCP.
12	Printing services unavailable at alternate locations	2	1	2	Employees, partners and freelancers don't use paper for Service Delivery, only for administrative tasks.
13	No face-to-face meetings and training (see COVID-19)	2	2	4	<p>Minor delays in communication are to be expected due to the lack of the face-to-face option. The SCRUM methodology we use is agnostic to communication channels and as such communication and planning between customers and Crystal System will be unaffected.</p> <p>Training sessions won't be affected as they can be held online with no loss of quality.</p>
14	Person incapacitated or needing health assistance	1	2	2	<p>For each person in Development and Operations (testing, integration and deployment) there is a designated back-up that can pick up the tasks.</p> <p>As the recent COVID-19 epidemic shows, a distributed business model that offers to the employees multiple options in terms of work</p>



					location reduces the risk of exposure.
<b>Legend</b> Risk is obtained by multiplying the Impact with Frequency. This methodology is defined in the ISO standards and Crystal System's documentation. Risk categories: <span style="background-color: green;">Low 1 – 4</span> , <span style="background-color: yellow;">Medium 5 – 9</span> , <span style="background-color: red;">High 10 – 25</span> .					

Sincerely,

**Crystal's management team**