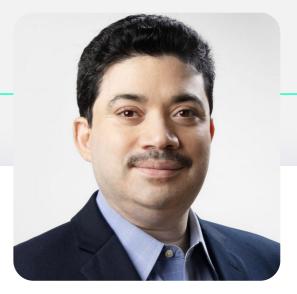


# Environmental, Social and Governance Report '23



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Rajaram Radhakrishnan, CEO

# THE RIGHT CHOICES OF **ONE TEAM**

In our long journey in business, our aim has always been clear: making the right choices. This means prioritizing our people, engineering top-notch solutions, and leaving a positive mark on the global IT community, all while ensuring our decisions benefit everyone involved.

The year 2023 brought multiple challenges and uncertainties, yet we stood strong together, showcasing resilience and integrity. Every day presented us with choices, and we consistently aimed to make decisions that extended beyond our organization, shaping a better world for all.

During this time, our 'One Team' culture emerged as vital to our success, fostering collaboration, empathy, and a shared purpose, guiding us to do what's right even when it wasn't easy.

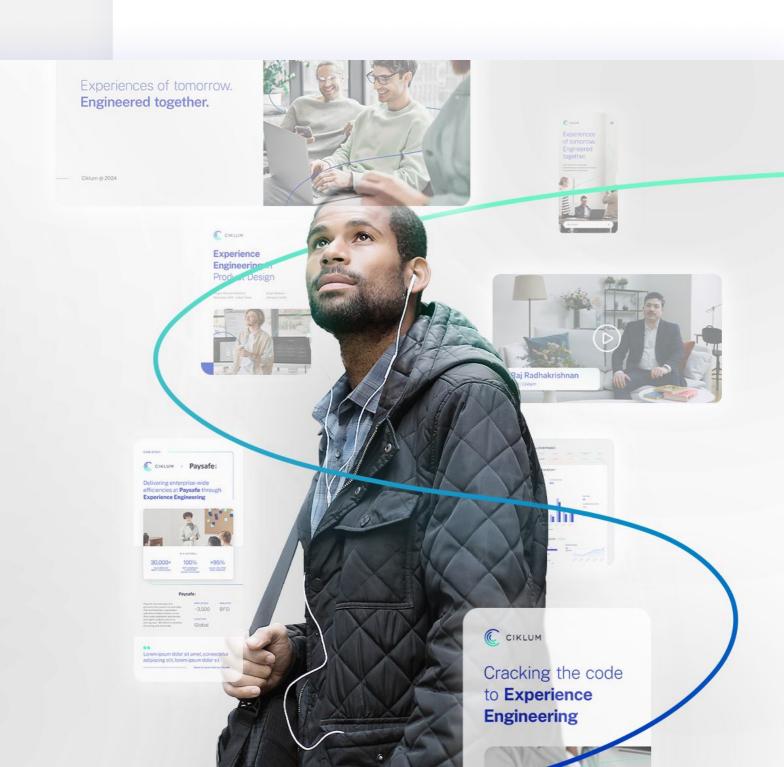
Within this report lies evidence of our collective efforts, demonstrating our commitment to making a positive impact on our community, environment, and stakeholders.

As you read through, you'll see the tangible outcomes of our dedication – from sustainable practices to meaningful community engagement. Each initiative reflects our principles and approaches, proving our dedication to responsible corporate citizenship.

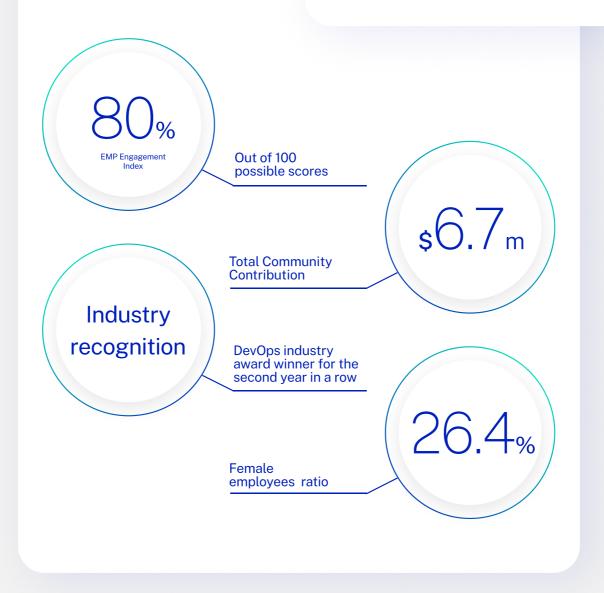
Looking ahead, let's draw strength from our unity. Together, we have the power to drive meaningful change and pave the way for a more sustainable future.

# Experiences of tomorrow. Engineered together.

Ciklum is a global Experience Engineering firm that stands at the forefront of innovation, blending next-generation product engineering, exceptional customer experiences, and cutting-edge AI. The business revolutionizes the way people live by developing technologies that reimagine, reshape, and redefine the future.







### Environment

We are committed to change and work hard to make a positive impact on the environment and societies in which we operate. We follow strict environmental practices to ensure that we are reducing our pollution and waste, lowering our energy footprint, and layering conscious living into everything that we do.

**Anjan Sur, Chief Operating Officer** 



### Sustainability Objectives

Our purpose at Ciklum is **to make the world work better for everyone**. As part of that, we are committed to operating our business in an environmentally sustainable way.

Sustainability and environmental protection are more than just priorities; they are core to our vision and strategy. As a global organization, we understand that environmental responsibility starts within our operations and extends through services.

**Ciklum Environmental Policy** was introduced, marking a significant step further in our journey towards environmental and social responsibility.

Policy outlines our firm commitment to minimizing the environmental footprint and achieving sustainability across all facets of our operations. It's not just a set of rules; it mirrors our values and our dedication to running our business in a sustainable manner.

It encourages our global community of experts to collaborate and build a more sustainable future for everyone.



To compensate for our corporate travel impact on the environment, Ciklum has joined the GreenPerk program-a VERRA-certified carbon-neutral business travel solution.

This partnership allows us to calculate and offset  $CO_2$  emissions from our travel directly through the platform. In 2023, we emitted a total of 770,000 kg  $CO_2$  gasses through our corporate travel, whilst contributing over £7,100 towards green projects.

Offsetting happens per trip, helping Ciklum to reduce its business travel carbon footprint to zero.

Our team has joined reforestation and ecosystem restoration projects as part of the Ecologi initiative. 100 trees were planted for Ciklum, which equates to 2 tons of CO<sub>2</sub> avoidance.

We have joined projects that aim to combat deforestation in Indonesia, empower hydroelectricity in Turkey, and support China in using cleaner fuels.

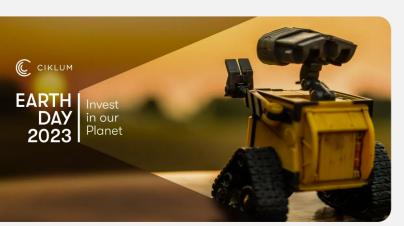


#### **Employee Engagement**

Ciklum has several initiatives that encourage employees to get involved in environmental activities.

Our Never Stand Still Challenge was one of these. On World Bicycle Day, we encouraged our colleagues to use green means of transport for work and leisure and to care for their physical and mental health.





Our annual celebration of the **Earth Day** helps emphasize the importance of each person's role in being a responsible ecofriendly citizen.

#### Looking forward

We are now looking to track and report our GHG emissions on an annual basis, as well as exploring more renewable energy sources, and looking for more ways to reduce our footprint. We will continue to implement initiatives in all of our locations around the world to engage our people in environmental activity and spread awareness about the effects of climate change.

#### Sustainable Procurement

At Ciklum, we believe that ethical business practices are the foundation of a sustainable and beneficial partnership. As part of our Sustainable Procurement Initiatives, we are proud to launch the Supplier Code of Conduct, a concise guide outlining our fundamental expectations for all suppliers.

The Supplier Code of Conduct aligns with our internal Code of Conduct and applies to all third-party representatives, including suppliers, vendors, contractors, ambassadors, partners, and their related entities. Suppliers must ensure their employees comply with this Code and are encouraged to extend these principles to their own suppliers. The Code provides ethical guidance while upholding existing contractual agreements.

Ciklum has launched its Sustainable Procurement Policy, reinforcing our commitment to sustainable development and responsible purchasing. This policy integrates environmental, social, and economic considerations into our procurement processes to support a sustainable future.







Grounded in our belief that progress stems from collective empowerment, in 2023, we continued to create inclusive and thriving environments for all stakeholders, ensuring they resonate deeply with the diverse communities we serve.

Through collaborative partnerships and forward-thinking strategies, we strive to set new benchmarks for social responsibility.

Nadiia Chala, Vice President Human Resources

#### Our People

Ciklum is its people, and this is no better reflected than in the past 12 months. We allow our people to prosper by supporting them in every aspect of their lives from career and progression opportunities to mental health and wellbeing support.



#### Training and professional development

We are committed to supporting the development of our people and providing them the opportunity to exceed their potential.

When individuals come into the company they are encouraged from day one to utilise our career development and deployment support, from internal tools and development plans, to L&D and certifications.

We have a number of learning and development platforms for our employees to use to develop their skills, knowledge and experience.

Through the use of an online learning platform Udemy, we are equipping Ciklumers with on demand educational materials, tools and courses on a huge range of topics. 28,674 hours of online courses have been watched by Ciklum Udemy for Business users in 2023 alone.

In addition, our internal training system helps Ciklumers to navigate a wide range of career paths and training materials, as well as track their sessions and achievements.

On a regular basis we also conduct a number of free of charge **personal development**, **educational and training events**, organised by Ciklum and hosted both online and in the Ciklum offices.

A total of 136 new certifications were achieved by our diligent professionals, showcasing their expertise and commitment to personal and professional development.

583 Ciklumers actively participated in various knowledge-sharing events throughout the year. These events were full of exchanging ideas, best practices, and innovative solutions, enriching the collective knowledge pool of the organization.

28,674

hours of online courses watched

1,715

participants



#### Employee wellbeing

We strive to create a workplace and culture that prioritizes the needs of our team members and allows them to be themselves.

We are committed to supporting our employees' health and wellness through numerous efforts including providing access to virtual and inperson wellbeing workshops, team building activities and events, health insurance, and mental health support.

One of such was our annual Wellbeing Month 2023, during which we:

- Cultivated our mental wellbeing with internal & external experts
- Explored effective communication
- Practiced various types of sports and discussed the importance of the proper nutrition.
- Collected generous donations and enjoyed quality time together during Ciklum Retreat

| /

Activities and events

18

Publications

850

Ciklumers engaged

1000

Kilometres covered together













#### Mental Health Support

Our talent's mental and physical health is our priority and is supported by a global Mental Health program in numerous countries as part of the benefits package.

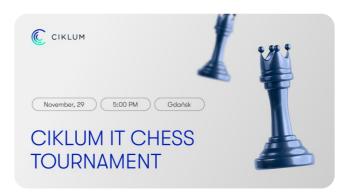


At the same time, we always strive to create additional value for our colleagues by inviting external experts to cover relevant topics, equipping our talents with the required knowledge to navigate life with maximum energy.



# Employee engagement activities

We continue to host company wide team building activities and socials, and will continue allowing time for everyone in our company to meet and connect.





#### Resilience Days at Ciklum

We consider resilience as a skill rather than a trait, much like a muscle that requires continuous strengthening and support. We've prepared some "fitness for your resilience" activities to enrich our employees resources and promote healthy coping strategies, including:

- Medical First Aid trainings
- Webinar with a psychologist
- · Charitable activities.

#### Charity run

Our employees participated in the 30th Kyiv Run under the Chestnuts. All collected funds were directed to support the Center of Children's Cardiology and Cardiac Surgery



# Emergency Response: Standing together for Ukraine

- Ciklum supported Ukraine in Russian unjustified war with over \$5.6 mln since February 2022
- Company provides a massive informational assist: regular BCP and evacuation updates, webinars on stress and resilience to support Ciklumers and their families
- Ciklum is among the TOP-30 companies in Ukraine with the strongest commitment to corporate social responsibility
- In August 2014, we have launched internal program "From Patriots to Patriots", aiming to support military and charity efforts. We have collected more than \$1.185 mln, \$241k our of which were collected in 2023.

#### Our initiatives



In response to the crisis, causes by the dam collapse in Nova Kakhovka, Ciklum has delivered more than 22 tons of bottled drinking water to the Kherson region.



Together with the charitable fund "Come Back Alive", we have launched the campaign "Holding You" & raised \$560,000 to deploy life-saving educational and training complexes for tactical medicine. Ciklum & its people have contributed with \$185,000.

#### **Emergency Response and charity**

To support Ciklumers in **India during floods** and demonstrate what #OneTeam means in action, Ciklum allocated 10,000 INR to each of our people.



#### Childhood Cancer Awareness Month: "Boxes of bravery" for kids with cancer

Kids undergo many painful procedures on their way to recovery. To reward them for bravery and patience, hospitals place so-called "Boxes of Bravery" filled with toys in treatment cabinets. Each child can then choose a present from the box as a reward for every small victory in their non-childish fight.

We have cooperated with the fund that takes care of children with oncology and collected such "Boxes of Bravery" together with our colleagues.



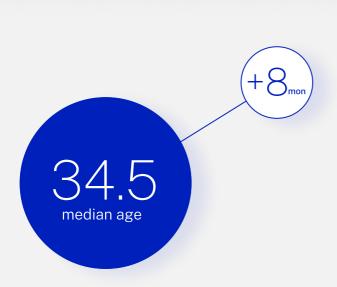


# Inclusion

We value inclusivity and celebrate the power that comes with diversity within our global organization and across our wider network.

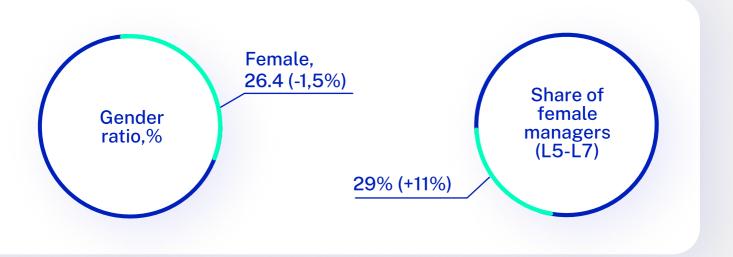
We continue to improve the diversity of our workforce by creating a culture which empowers all of our people to feel that they are able to bring innovation and creativity.

Our established Diversity and Inclusion committee constantly advises and manages our plans and progress.





We provide our leaders and managers with inclusion training, and have created a workplace group 'Diversity Ciklum' which regularly promotes publications supporting D&I in various angles including age, gender, culture, religion and LGBTQ.



A key part of our drive to greater diversity and equality in the workplace is our commitment to delivering on gender and racial equality. On a regular basis we sponsor and host tech communities to empower women to join the IT industry. Among the initiatives we support are Girls STEM, Women Who Code, Django Girls, and Women Techmakers.











# WEmpower campaign 2023

**Strategic Goal** Promote values of Diversity and Inclusion in Ciklum by celebrating women in technology and business.

The campaign was dedicated to International Women's Day, celebrated on March 8.

It was prepared comprehensively and had an **interactive format** including external knowledge (quiz & talk by an external expert) and celebrating our female leaders by sharing their success stories and achievements.





### Collaborating with organizations to empower women

#### Global:

Collaborating with organization Women Who Code

Contributing with speakers and co-organizing events for promoting and supporting the female tech community in the countries we operate.

#### Pakistan:

Female students from **University students** regularly visit our office, meet our female engineers, learn from their experiences and how they excel in a career in a global tech company.







## March, 30, 18:00

### HOW TO BUILD A SUCCESSFUL GO-TO-MARKET STRATEGY



Iryna Vasylenko **Product Management** Lead at Ciklum

# Integrating the military veterans

The war initiated by Russia has touched almost every family of Ciklumers in Ukraine and led to many company employees joining the Armed Forces to protect their country.

War experience leaves an indelible mark on every military and leads to an important matter-their further integration back into civil life.

To support our colleagues, we:

- Keep the company benefits: access to medical insurance & mental health programs is available for our colleagues who serve in the army and their families
- Developed a welcome kit for the veterans returning from the army- to smoothen their reintegration into the company processes with a warm welcome.
- Create veteran-friendly processes in recruitment and integration, equipping the broad Ciklum population with knowledge about ecological communication with veterans in corporate and everyday life.

VeteranHub, a reputable veteran community, has recognized our efforts in building a veteran-friendly environment with a special recognition award in 2023.

Ciklum in Ukraine has been featured on Forbes' list of top employers for veterans. They evaluated 125 businesses and selected us among the best 25 companies recognized for their practices.





Ciklum firmly opposes all forms of modern slavery, applying this principle rigorously within its own operations and across its supply network.

The Company, along with its subsidiaries, is dedicated to establishing robust systems and controls to prevent modern slavery. We are committed to ensuring that such practices do not occur within our business activities or within our supply chain.

Human rights, particularly in labor practices, are a top priority in our global operations.

We ensure that every employee, regardless of location, receives fair wages and works hours in compliance with local legislation. Discrimination of any sort is strictly prohibited in our workplaces.

We staunchly oppose the use of child labor (defined as employing individuals below the legally permissible age) and forced labor (including forced prison, indentured, bonded, military, or slave labor), and we do not condone any form of human trafficking. We strictly avoid partnering with any third parties involved in such practices.

Our Dignity and Respect Policy and Human Rights Policy underscores our dedication to protecting human rights globally and is available for public viewing on our website.





At Ciklum, integrity is our guiding principle that shapes every decision and action we take.

In 2023, we remain unwavering in our commitment to setting the highest standards of ethics and compliance across our organization.

By embedding integrity into our operations, we uphold our reputation and inspire confidence in our partners, clients, and stakeholders worldwide.

Anna Ryzhova, General Counsel

### Introduction to Governance at Ciklum

Ciklum places effective governance at the core of our sustainability strategy. We believe in making decisions that are not only ethical but also considerate of environmental and social impacts.

Our approach to governance focuses on transparency and responsibility, essential for fostering trust, managing risks, and setting the foundation for a sustainable future.



# Key ESG Policies

**ESG Policy:** created to exhibit Ciklum's dedication to achieving and maintaining the highest standards in environmental care, social responsibility, and corporate governance. It highlights our ESG principles, risk management, and the responsibility of our stakeholders to ensure accountability, transparency, and ethical practices across all of our organizations.

Environmental Policy: To implement the Environmental Policy, Ciklum is committed to compliance, pollution prevention, resource efficiency, reducing carbon emissions, proper waste management, respective practices in stakeholder engagement, and communication and education with employees.



### Core Ethical Practices

Ethics and integrity are pillars of our business philosophy. Here's how we operationalize these values

Code of Conduct: Our guide to doing business right, emphasizes honesty, respect, and responsibility.

Compliance Policy: This outlines our commitment to legal and ethical standards, covering anti-corruption, anti-money laundering, and more, steering Ciklum towards growth that's both sustainable and secure.

Whistleblower Policy: Ensuring a safe channel for reporting misconduct, this policy protects those who speak up.

Dedicated Compliance Team: A specialized team ensures adherence to our ethical standards, mitigates risks and fosters an ethical culture.

Regular Communication: We keep ethics at the forefront through constant dialogue, education, and updates on ethical standards and practices.



# Accountability and Performance Monitoring

At Ciklum, monitoring and evaluating governance practices to achieve Environmental, Social, and Governance (ESG) goals involves several key systems:

- Periodic assessments to ensure compliance with our ESG standards and to identify any areas of potential non-compliance.
- Engaging with stakeholders, including employees, customers, investors, and the community, to gather feedback on governance practices and ESG performance.
- Implementing a clear ESG policy that outlines our commitment to environmental sustainability, social responsibility, and good governance practices.
- Providing ongoing training and awareness initiatives for all Ciklumers to reinforce the importance of ESG compliance and ethical behavior.

- Regular ESG risk assessments allow for early detection and management of potential compliance risks.
- Engaging with external auditors or specialized ESG rating agencies such as Ecovadis, to assess governance practices and their impact on ESG performance. These assessments can provide valuable insights and benchmarks for improvement.
- By integrating these systems, we can effectively monitor and evaluate governance practices to drive progress toward achieving our ESG goals while fostering transparency and accountability in our operations.



Ciklum recognizes the importance of compliance and certifications as benchmarks for global business operations. We're committed to excellence in our Compliance function, supported by seasoned professionals. Noteworthy achievements include:

- ISO 27001 Certification (2017): Affirming our dedication to information security.
- Business Continuity: Our alignment with ISO 22301 demonstrates our commitment to operational resilience and safety.
- Quality Management System for Delivery Processes: We certify our delivery process according to ISO 9001 standards to ensure top-quality service for our clients and seamless internal operations.



# Closing Statement

Year after year, Ciklum meticulously approaches the ESG domain, recognizing it as the core of business accountability, stability, and the drive to excel in the market.

Our commitment to setting new standards for excellence in corporate sustainability remains steadfast as we continue to grow.

### About Ciklum

Ciklum is a global Experience Engineering firm that stands at the forefront of innovation, blending next-generation product engineering, exceptional customer experiences, and cutting-edge AI. The business revolutionizes the way people live by developing technologies that reimagine, reshape, and redefine the future.

For over 20 years, Ciklum has been a trusted partner to global enterprises and digital disruptors, spearheading the creation of digital solutions that tackle complex corporate challenges while propelling businesses toward accelerated growth and success.

Its global team of over 4,000 highly skilled engineers, experience design specialists and consultants joins forces to engineer technology that paves the way for the future of your business.



For more information visit **ciklum.com**