Corporate Social Responsibility
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Introduction

At Ciklum we believe that companies should have human values: ethics, integrity, loyalty, and compassion. We want to make Ciklum’s values clear to you. On this page, you’ll find an overview of Ciklum’s governing values and principles, and a guide to our activities as a socially responsible company.

Values

Ciklum stands for:

- **People.**
The people working for Ciklum are our main asset and a guarantee for the future of the company. We don’t view our employees as “labor”—they are our true capital.

- **Relations.**
We believe that close collaboration with our employees and customers produces better development.

- **Sustainability.**
As a business, we consider ourselves responsible for any impact our activities may have on the environment or the future of our children. By supporting sustainable development, we actively take part in the mission of restoring the environment.

- **Long-term thinking.**
Our goal is to build the company by focusing on gradual, conscious and responsible growth, rather than immediate profit.

- **Greater good.**
We should take a responsibility for as many vulnerable society members as possible.

Areas of Responsibility

In 2017, we are focused on the following main areas of social Responsibility:

- **Social security of employees**
We believe that the company is responsible for not only salaries and offices, but also for the well-being of our team members and their families on a larger scale.

- **Education and training**
Professional knowledge and skills open new horizons for individuals and gradually transform all of society. We are committed to supporting such initiatives.

- **Emergency response**
We make emergency and preparedness plans for all possible accidents and train our staff correspondingly.

- **Help to those in need**
We feel obliged to share our potential and take care of those members of society who are facing difficulties with their basic life conditions, or who are in dire circumstances.

- **Environmental responsibility**
The company considers sustainability issues when making decisions on both long-term business strategy and daily operational needs.
Implementation Strategy

We implement our corporate social responsibility policy based on the following principles:

- **Small steps under the strategic goal.**
  Daily activities in all areas of corporate social responsibility are linked to our general guidelines.

- **Local practices determined by global principles.**
  Locations of offices or differences between project teams or the line managers should not affect the implementation of our core values.

- **No compromises on ethical issues.**
  We make no exceptions if ethical or legal aspects of certain decisions or activities contradict some of our own short-term business interests. In such cases, we consistently emphasize transparency and responsibility.

- **Employee involvement.**
  Comprehensive implementation of the CSR policy is possible only when it is properly understood and supported by the majority of team members. Mutual trust and support are two important cornerstones of our social policy.

- **Reliability.**
  Employees should know that despite any possible risks or unexpected situations, the company will not forget their needs or abandon its obligations.

- **Transparency and open communication.**
  The Ciklum management team is always open to direct and unbiased dialog with our employees, and with mass media and representatives of the community.

- **Knowledge sharing.**
  We implement these principles by the creation and development of IT communities, profile events, and diverse publications.

- **Self-organization.**
  We encourage our employees to participate in socially significant projects and we support those who start their own initiatives, both inside and outside the company.
Building on the principles and approaches described above, in 2017 we implemented a number of major social responsibility initiatives.

Here is an overview of the results, grouped by activity area:

**Community Involvement and Development**

We believe that it is important for Ciklum to continue organizing and supporting activities with the aim to develop society, IT industry and IT community, as well as being the active player for developing IT ecosystem in the countries of our Development Centers. Ciklum has recently become a part of Lviv, Kharkiv and Odessa IT Clusters.

We actively supported the BrainBasket Foundation and its programs such as BrainTV and Technology Nation. In terms of the Technology Nation program we have equipped 5 of 22 learning hubs across Ukraine with workstations and keep supporting this initiative.

Since the beginning of 2017, Ciklum has conducted over 550 events.

On a regular basis Ciklum conducts free of charge educational and training events of different kind for all people. We also supported hundreds of events and initiatives aimed at the IT ecosystem integration in Ukraine. We will enhance such activities in Belarus, Poland, and Spain.

Our employees were the speakers at 20+ IT events around the world.

Our employees were invited to become a jury at 5+ technical and IT events.

We welcomed various groups of kids, parents and students to visit Ciklum offices and learn more about the IT industry and Ciklum as a leading company.

Since the beginning of 2017, over 28 Ciklum office tours and company presentations took place in Kyiv, Lviv, Dnipro, Kharkiv, Odessa, Vinnytsia for more than 596 people with the age range of 8 to 18.

We believe that such cooperation with different educational institutions and initiatives will help children and students make decisions on their future talent development and career path.

On Developers’ Day, September 13, 2017, we have supported Join IT initiative, driven by the Association “Informational Technologies of Ukraine”, BrainBasket Foundation and supported by the Ministry of Education. Ciklumers went to 12 Ukrainian schools and made inspiring presentations for kids about IT profession and technologies.

Ciklum representative was a Jury member at the IoT Hackathon in one of the most innovative schools in Kyiv (NVK #141, which is known for being strong in IT). The teams created IoT prototypes, using Raspberry Pi3, Arduino UNO, various sensors etc.

**Labor Practices**

In Ciklum all people have equal rights and can make their input into the working environment, conditions, projects. For making it all convenient for Ciklumers we use “Jira system” tools – to track and respond in time to all the requests. Our goal is to develop a safe, friendly and comfortable environment for people. In order to ensure this we constantly monitor labor market, we take part in Hay Group salary surveys, acquire E&Y salary reports. Our working conditions generally correspond to the requirements specified in SA8000 standard, elements 1-8.

**Human Rights**

Ciklum Charity actions in 2017

In 2017, we have held 6 Charity Weeks in Gdansk, Kyiv, Odessa, Kharkiv and Vinnytsia.

Both Ciklum employees and the company raised 2,000 USD and tons of goods for kids in orphanages and villages, older people in hospice, homeless people and refugees.

We have cooperated with such charity foundations as “Blagomay”, “Hospicium Pomorze Dzieciom”, “Loving hearts”, “House Mom”, “Crisis Center”, “Station Kharkiv”, Okhmaded hospital for kids, “Elena Pinchuk AntiAIDS Foundation”, “Daryna Zholdak Foundation”, “Laska” and “Happy Paw”.

Four Ciklum development centers supervised child-care institutions in Ukraine and Belarus. We participated in the charity sport tournaments devoted to helping kids, engaging Ciklumers to represent a company as a team. In cooperation with “Blagomay” charity foundation we have helped the kids from Social rehabilitation center “Ark” at Puscha-Voditsa: Ciklum invested into outdoor playground building, bicycles, mats and sport equipment for the gym.
Free speech and independent journalism
We cooperated with media leaders such as DOU.ua, AIN.ua, Delo.ua, business.ua, mmr.ua, KyivPost, EastWest Digital News and TheNextWeb in order to promote independent coverage of issues.

Ciklum was named among TOP 10 Leading Companies to Work for in Ukraine

At the Kyiv Post Employment Fair on September 16, the Kyiv Post and EY auditing and consulting company awarded the TOP 10 employers – leaders of Ukraine’s market, based on a survey conducted among human resource specialists and CEOs of more than 190 companies.

Volunteering, emergencies and war conflicts.
In August 2014, we launched the program “From Patriots to Patriots. Ciklum 1.5% Contribution Program" as an opportunity for Ciklumers to contribute 1.5% from remuneration in support of the Ukrainian army. Every month people vote for 5 trusted volunteer organisations they would like to support. From the beginning of the program (August 2014) till 2016 we have collected more than 13 000 000 UAH. During this period, we collaborated with such volunteer initiatives as: Back Alive, Army SOS, ASAP rescue, CombatUA, Narodny Tyl.

Fair Operating Practices
Ciklum has developed a Code of Conduct to ensure that we meet our ethical standards and comply with applicable laws, regulations and contractual obligations in carrying out our everyday activities.

The obligations apply to our relationship with members, employer groups, affiliated physicians, subcontractors, independent contractors, vendors, consultants and one another.

As our corporate activity expands globally, we have developed a set of rules for compliance with the law and corporate ethics. We strive to promote fair operating practices in all our locations. We have a clear anti-corruption approach and policy governing any external contacts (both in commercial and official/public domains). The George Soros’ acquisition of stake at Ciklum was also monitored and supported by Aequo, an industry-focused law firm helping to make the acquisition process totally in compliance with the Ukrainian and industry laws.

Besides, we took an active part in open discussions hosted by various regional and national business associations with the participation of state officials, anti-corruption agencies, and international experts and advisors. According to the international consultants, Ciklum is capable of building programs and making fair business.

Environmental Impacts
Ciklum kept the annual “Ciklum goes green” program with its multiple directions:

Recycling
We collect paper and batteries for recycling. We use paper cups instead of plastic ones.

Recourses saving
We work on water and energy saving to save the nature. We have integrated Hibernation mode for electricity saving, as a mode of power-saving state.

Car-pooling program
The idea is to bring together Ciklum-drivers and Ciklum-passengers and help them find a great company to travel to the office. It helps to reduce carbon emissions.

Bike culture support
Donated to the office facilities to support the bike culture in the office and build more bike parking places. Ciklum Kyiv office was named among 10 best bike-friendly Kyiv offices.

Organizational Governance
Ciklum by its nature is a social impact oriented company. From the very start, we aimed to integrate Ukraine into the world, bridging opportunities to people by creating conditions of working in international teams.

Our unique model assumes direct working with clients, which gives the people a feel they are important, and matter. Ciklumers are members of smaller teams of particular clients and at the same time, they are a part of a big company.
What are our plans for 2018?

1. Conduct 500+ free educational IT and tech-related events in Ukraine, Belarus, Poland and Spain with the aim to develop society, IT industry and IT community, as well as being the active player for developing IT ecosystem in the countries of our Development Centers.

2. Develop and support 10+ new crowdfunding initiatives for projects both internal and external to Ciklum.

3. Develop and support the charity events in Ciklum and schools aimed at kids’ education such as excursions to offices, days dedicated to IT, hackathons for children etc.

4. Support the IT events in Ukraine with experts, speakers, moderators and jury members from Ciklum.

5. Further support and development of the BrainBasket Foundation’s activities. We are establishing new directions, courses, and trainers.

6. Keep all the “green” initiatives in Ciklum offices globally such as bike culture support and carpooling to reduce carbon emissions, recycling initiatives for paper and batteries, etc.
Questions and Answers

1.1. DOES THE COMPANY’S DECISION-MAKING PROCESSES INCLUDE CSR ISSUES?

Yes. Ciklum is a people-centric company, and the Ciklum administration team ensures that CSR issues are always considered, whenever appropriate.

1.2. DOES THE COMPANY HAVE A TESTED PROCEDURE FOR HEARING, PROCESSING, AND SETTLING INTERNAL AND EXTERNAL CONCERNS AND COMPLAINTS?

Yes, because such an approach is integral to our business culture. The procedure in general is controlled and facilitated by our Retention Department. All internal concerns and complaints are gathered and analyzed in order to make decisions or choose action points during personal development interviews. These interviews take place twice a year with each employee.

External requests are very rare, and therefore are handled on a case-by-case basis by responsible managers or team leads. If necessary, local or international communication groups (or even top managers) participate in the process, depending on the severity and urgency of the issue.

1.3. DOES THE COMPANY COMMUNICATE WITH STAKEHOLDERS ABOUT COMPANY-SPECIFIC CSR ISSUES?

Yes. The main channels include CEO mailings, communication with mass media on CSR-related issues, and regular presentations. Ciklum also pursues speaking opportunities at industry-specific exhibitions and public events across Europe and the USA. CSR issues are also addressed through daily contact between client service managers and existing customers.

1.4. DOES THE COMPANY SEEK TO AVOID INVOLVEMENT IN HUMAN RIGHTS ABUSES?

Yes. Issues related to serious human rights infringement are unusual in our industry, so we have not directly faced such situations. However, Ciklum is an equal opportunity employer, and all procedures related to HR management comply with national legislation, at all locations where the company has offices.

Moreover, our representatives actively participate in open discussions and public events dealing with sensitive issues. An example is the regular meetings with government representatives and civil society groups/activists organized by the European Business Association, AmCham, the British-Ukrainian Chamber of Commerce, and the Danish Embassy in Kyiv.

1.5. DOES THE COMPANY HAVE EMERGENCY PROCEDURES IN PLACE TO PREVENT AND ADDRESS ACCIDENTS AFFECTING THE ENVIRONMENT AND HUMAN HEALTH?

Yes. Ciklum carries on regular emergency training in all development centers (including evacuation, fire emergency, alarm procedures, and first aid). The company is also subject to periodic official check-ups, which identify areas for further improvement.

1.6. DOES THE COMPANY TAKE MEASURES TO PREVENT AND REDUCE THE PRODUCTION OF WASTE AND ENSURE RESPONSIBLE WASTE MANAGEMENT?

Yes. As an IT company, Ciklum does not create much production-related waste. Nevertheless, we constantly seek ways to improve our performance. On the basic level, waste management is carried out by the operators of the business centers where our offices are located. As a rule, these are A-class buildings: most of them are already designed to use the latest environmentally sound technologies.

Additionally, Ciklum constantly introduces new internal procedures, including separate sorting of different types of waste, battery disposal boxes, and movement sensors for automatic optimization of light and energy.

We also try to ensure optimization of our software products so that they use minimal amounts of energy (both on the server and client sides), thus reducing electromagnetic pollution. One of our key activities areas in this area is collaboration with Intel on the Intel Software Partner Program, which Ciklum joined in August 2014.

1.7. DOES THE COMPANY TAKE A CLEAR STAND AGAINST CORRUPTION?

Yes. Ciklum has a clear anti-corruption approach and policy governing any external contacts (both in commercial and official/public domains). Additionally, we take an active part in open discussions hosted by various regional and national business associations with the participation of state officials, anti-corruption agencies, and international experts and advisors.
1.8. DOES THE COMPANY’S ANTI-CORRUPTION INITIATIVE COVER AGENTS, INTERMEDIARIES, AND CONSULTANTS?

Yes. All our suppliers and subsidiaries are legally obliged to follow Ciklum’s internal policies, including anti-corruption policies. Partnership contracts also usually include clear commitments for transparency and accountability of all transactions.

1.9. DOES THE COMPANY JOIN WITH OTHERS TO ENGAGE IN AND PROMOTE ANTI-CORRUPTION INITIATIVES?

Yes. We are collaborating with a number of companies and NGOs that are involved with the anti-corruption committees of ACC, the British-American Chamber of Commerce, the European Business Association, BundesverbandDigitaleWirtschaft (BVDW of Germany), Verband der Wirtschaftsinformatik in Switzerland, and others. Ciklum also supports and sponsors a number of other anti-corruption initiatives such as the Ukrainian Digital University Project, a main goal of which is to fight corruption in higher education.

1.10. HAS CIKLUM APPOINTED A PERSON WITH OVERALL RESPONSIBILITY FOR CSR IN THE COMPANY, INCLUDING THE MANAGEMENT OF ACTIVITIES AND RESOURCES AND THE DELEGATION OF TASKS?

Yes. The chief responsibility for all CSR-related issues at the top-management level lies with Marina Vyshegorodskikh, our VP of Culture & Communication. She plans all CSR-related activities and is fully authorized to allocate the resources required for the implementation of our CSR policy. CSR is also the responsibility of our International Communication Manager, who is responsible for investor/analyst relations.

1.11. HAS CIKLUM ESTABLISHED A FORMALIZED SYSTEM TO APPROVE AND IMPLEMENT CSR?

Yes. Our decision-making process is transparent and short. Depending on the nature of the issue, it is discussed with the relevant specialist in a specific department (HR, administrative, or a specific customer’s team). Recommendations are submitted for approval to a single top manager, who is responsible for the final decision. In exceptional cases, the issue may require escalation to the level of the Company’s Founder/CEO or a separate discussion during regular Board of Directors meetings.

After the decision is made, the initiator becomes responsible for its implementation and the decision-maker automatically gets a supervisory role.

1.12. DOES CIKLUM INCLUDE CSR ISSUES IN INTERACTIONS WITH SUPPLIERS AND BUSINESS PARTNERS?

Yes, on a constant basis. First, we consider CSR issues even during the selection and negotiation stages. There are cases when the company has declined collaboration because of concerns directly connected with social responsibility.

Later, we monitor media responses, our business connections, and other sources to ensure that the attitude and market behavior of our partners still corresponds to ethical values.

In general, if Ciklum has several comparable options to choose from when searching for a new supplier or partnership, we strive to select partners who address sustainability and responsibility aspects in their business development strategy and practices. We are convinced that such an approach pays off in both the short and the long term.
Ciklum is a top-five global trusted technology and software engineering partner to Fortune 500 and other fast-growing organizations alike around the world. For over 15 years, our 3000+ developers located in the Delivery Centres across the globe have provided our clients with a range of services including extended software development teams, quality assurance, R&D, IoT, big data, product development, and engineering consulting.

For more information visit www.ciklum.com