

Environmental, Social and Governance Report '24



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Rajaram Radhakrishnan, CFO

THE RIGHT CHOICES OF **ONE TEAM**

In an ever-evolving world, our commitment to Environmental, Social, and Governance (ESG) principles remains a cornerstone of how we create value — for our clients, our people, and the communities we serve. Throughout 2024, we embedded ESG deeper into our operations and partnerships, driving meaningful progress that aligns with our purpose and long-term vision.

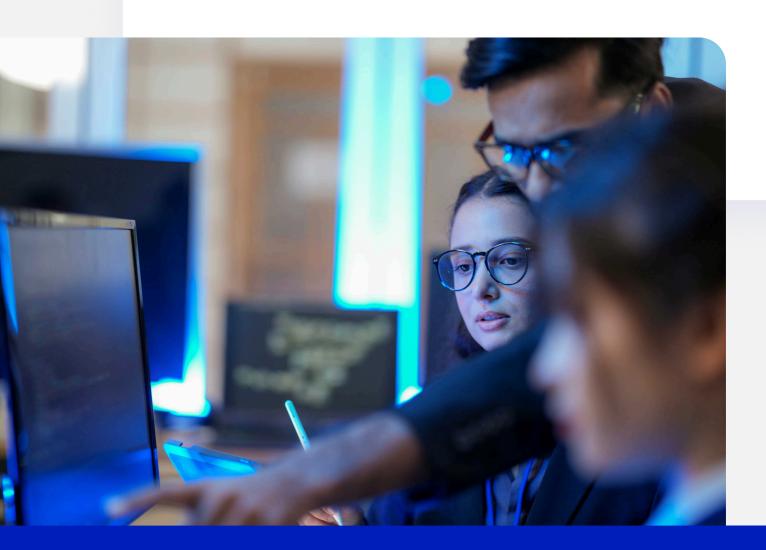
We advanced our environmental sustainability agenda, focusing on responsible resource management and smarter operational practices. At the same time, we prioritised the wellbeing and continuous development of our people — the driving force behind our success. Our governance framework remained robust, ensuring transparency, accountability, and ethical decision-making across every level of our organisation.

A highlight of this year has been our growing emphasis on Responsible AI, where we have championed ethical standards to guide the design and deployment of AI technologies — both within Ciklum and in collaboration with our clients. Together, we're enabling solutions that are not only innovative but also fair, transparent, and trustworthy.

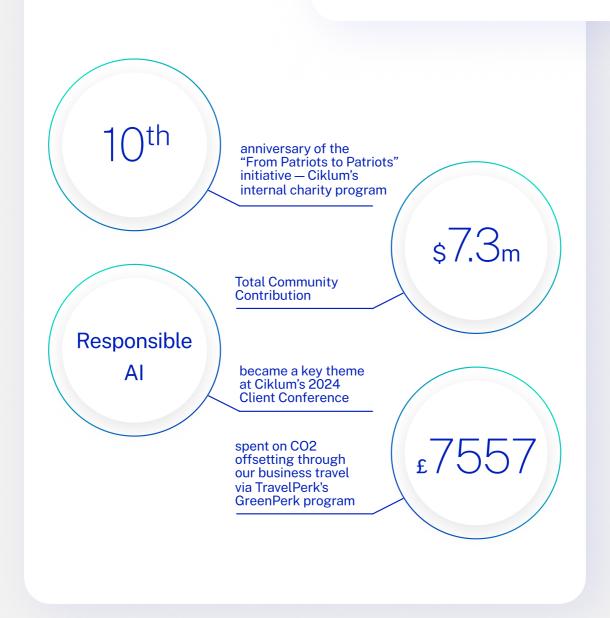
As we move forward, we will continue to harness innovation and strong partnerships to build a more sustainable, resilient future. At Ciklum, we believe that responsible growth is the foundation for lasting impact — and we are proud to be on this journey with our clients, people, and communities.

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.







Key Sustainability Themes

Ciklum integrates sustainability across its operations and strategies. We focus on environmental care, social inclusion, ethical governance, community support, and responsible innovation. These themes guide our efforts to create lasting value for our people, clients, and the planet as we build a sustainable future.



Environmental Stewardship

- Reducing carbon footprint through green technologies and sustainable workplace practices
- Promoting eco-awareness among employees and clients
- Supporting climate-conscious innovation and resource efficiency



Social Responsibility & Inclusion

- Fostering diversity, equity, and inclusion across the workforce
- Investing in education and skills development, especially within Ukraine's tech ecosystem
- Supporting community welfare, humanitarian aid, and employee volunteerism
- Ensuring employee wellbeing and engagement



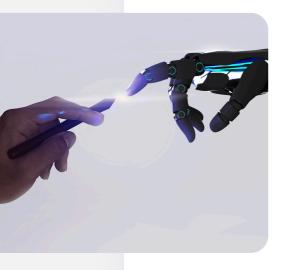
Ethical Governance & Compliance

- Upholding transparency, anti-corruption, and anti-slavery standards
- Maintaining robust risk management and supply chain integrity
- Promoting responsible AI practices and data ethics
- Encouraging accountability through whistleblowing and ethics training



Community Empowerment

- Long-term support for veterans and military families through initiatives like "From Patriots to Patriots"
- Partnering with educational foundations to nurture future tech talent
- Engaging in philanthropy and social impact projects globally



Innovation for Sustainable Growth

- Delivering client solutions that align with ESG goals
- Driving digital transformation with a focus on sustainability and ethical technology
- Preparing for evolving regulatory landscapes with forward-looking governance

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 reduce our pollution and waste, lower our energy footprint, and embed conscious living into everything we do.

Engineering the future together isn't reserved for special occasions — we follow this commitment every day.

Anjan Sur, COO/ CFO



Sustainability Objectives

Sustainability is more than an internal priority — it's a shared mission we pursue alongside our clients. In 2024, as part of our Environmental and Sustainability efforts, we focused on embedding responsible practices not only in how we operate but also in how we deliver solutions. We take pride in helping our clients advance their own ESG ambitions through innovative technologies, smarter processes, and more sustainable digital strategies.

Our commitment to reducing environmental impact extends across our value chain — from the way we manage resources to the partnerships we build. We believe that creating a more sustainable future is a collective effort, and I'm inspired by how our teams and clients are working together to make meaningful progress.

Greenhouse Gas Report for 2024 by Carbon Lens

4 794

tonnes CO2e

108.8 tonnes CO₂e

1 019 tonnes CO₂e

3 665.6

tonnes CO₂e

Total carbon footprint

Scope 1

Scope 2

Scope 3

Our Partnership with Carbon Lens

At Ciklum, we recognize that accurate measurement is the foundation of effective climate action. That is why we partnered with Carbon Lens, a trusted sustainability consultancy specializing in carbon accounting and greenhouse gas reporting.

Carbon Lens provides us with the expertise and advanced data tools needed to measure our full carbon footprint across Scope 1, Scope 2, and Scope 3 emissions. Their approach enables us to go beyond compliance and gain a transparent, science-based understanding of our environmental impact.

We chose Carbon Lens for three key reasons:

- **1.** Accuracy and credibility. Carbon Lens applies internationally recognized standards such as the GHG Protocol to ensure our reporting is robust and verifiable.
- 2. Comprehensive analysis. Their methodology captures not only our direct emissions but also the wider impact of our supply chain, helping us take responsibility for our entire value chain.
- **3. Strategic insight.** Beyond data, Carbon Lens supports us with actionable recommendations, enabling Ciklum to set meaningful reduction targets and progress toward our long-term sustainability goals.



Earth Day

In celebration of Earth Day 2024, Ciklum organised a global internal event encouraging employees to take eco-action — planting trees and seeds at offices, promoting sustainable transport, and showcasing small but impactful green practices.

ecovadis

Ciklum has collaborated with EcoVadis to assess and improve our sustainability performance, manage supply chain risks, and meet global ESG standards. The partnership aims to assess the sustainability credentials of our suppliers, enhancing the sustainability of the supply chain and boosting visibility of efforts in the eyes of clients and customers.

Sustainable Procurement

Ciklum integrates sustainable procurement into its broader ESG framework, emphasizing ethical practices, environmental responsibility, and social accountability throughout its supply chain.

Procurement Practices

Ciklum's procurement team adheres to policies that ensure transparency and sustainability, including:

- Conducting market reviews and bidding processes in line with procurement policies.
- Ensuring transparent selection and contracting processes.
- Maintaining accurate records and facilitating negotiations with suppliers.
- Adding a Sustainability and ESG section to the standard Ciklum Terms and Conditions in supplier agreements.
- Providing Sustainable procurement training and certification for key team members.

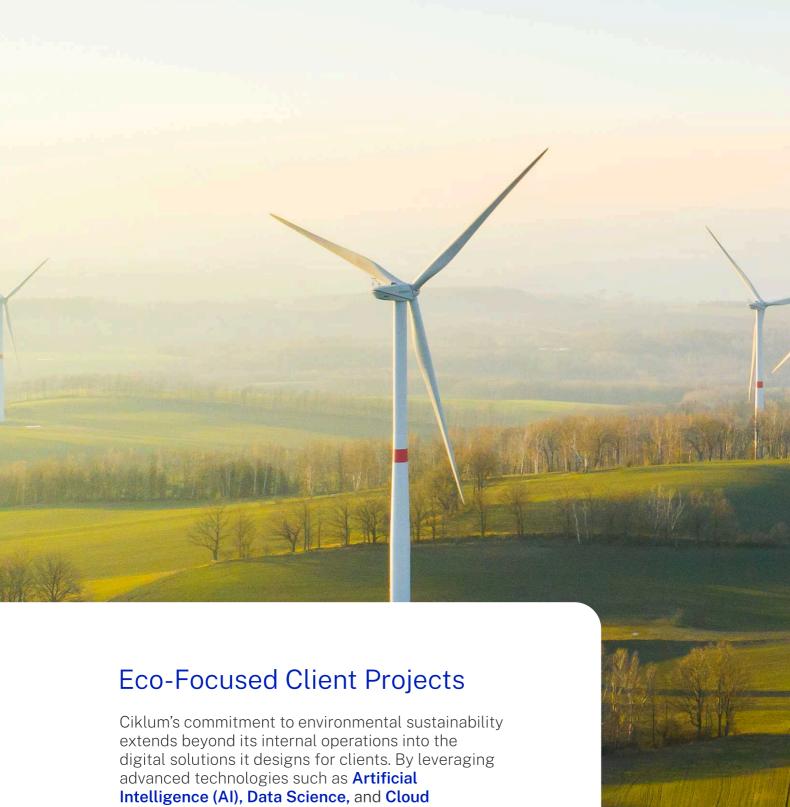


As part of its commitment to sustainability, Ciklum integrates a **Sustainable Procurement Supplier Questionnaire** into its vendor onboarding and review processes. This questionnaire assesses key areas such as:

- Environmental impact and resource use
- Human rights and labor practices
- · Health and safety compliance
- Anti-corruption measures
- Commitment to continuous improvement in ESG performance

The responses help Ciklum evaluate the sustainability maturity of potential and existing suppliers, identify risks within the supply chain, and encourage the adoption of best practices. Suppliers with high sustainability standards are prioritized, and those with identified gaps are supported with guidance and improvement plans. These practices support the company's commitment to ethical and sustainable procurement.





Computing, Ciklum actively collaborates with partners to reduce their environmental footprint and drive climate-conscious innovation.

Stena Line - Al-Driven Emissions Reduction

One of Ciklum's most notable eco-focused projects is its collaboration with Stena Line, one of Europe's largest ferry operators. In this partnership, Ciklum co-developed a cutting-edge AI solution to optimize fuel usage across Stena Line's fleet. The system uses real-time data and predictive analytics to adjust vessel operations for maximum fuel efficiency.



Environmental Impact:

The solution contributed to a 5% reduction in CO_2 emissions, translating to an estimated 70,000 tonnes of CO_2 saved annually — a substantial achievement in maritime sustainability.

Operational Efficiency:

In addition to environmental benefits, the AI system also reduced satellite communication costs by over 80%, demonstrating how digital innovation can deliver both ecological and economic value.

Scalability:

The model is scalable and adaptable across the global shipping industry, offering a blueprint for integrating AI to support net-zero strategies in traditionally high-emission sectors.

Sustainable Innovation as a Service

Ciklum is increasingly focused on helping clients transition toward greener operating models by:

- Designing energy-efficient software architectures,
- Implementing smart analytics for resource optimization,
- Supporting digital transformation projects that enable paperless operations and remote collaboration, reducing overall carbon impact.

This approach not only aligns with clients' ESG goals but also reinforces Ciklum's role as a responsible technology partner capable of creating sustainable digital ecosystems.



Digital Twins in Retail: **Driving Sustainable Innovation**

Ciklum leverages digital twins to drive sustainability in the retail sector. A digital twin is a virtual replica of physical systems like supply chains or warehouses, enabling businesses to simulate, analyze and optimize real-world operations in a digital environment with a focus on reducing environmental impact. Key benefits include:

- Carbon-neutral supply chain simulation: Testing energyefficient, low-carbon logistics and sourcing options.
- **Energy optimization:** Monitoring and simulating energy use in stores and warehouses to reduce consumption.
- Operational efficiency: Improving store layouts and inventory flows to minimize waste.

This innovative approach supports Ciklum's ESG commitment by helping retail clients reduce their carbon footprint while boosting efficiency and profitability.







Nadiia Chala, Vice President Human Resources

At Ciklum, we recognize that our greatest strength lies in our people. In 2024, we reinforced our commitment to social responsibility by fostering an environment where every Ciklumer feels valued, supported, and empowered throughout our ESG journey.

We've significantly invested in professional development because helping our people grow is key to our collective success. As a result, we provided access to Udemy licenses and expanded the availability of language courses, leadership programs, and internal workshops for our team.

Diversity, equity, and inclusion remain central to our culture. We encourage our employees to drive meaningful change in society by supporting global charities and community initiatives that align with our values.

Our focus on people isn't just a part of our ESG strategy. It defines who we are as a company.

The L&D initiatives are closely aligned with Ciklum's key HR projects for 2024, with a focus on enhancing skills and capabilities, creating clear professional growth pathways, and building a scalable, future-ready organization.

Key Challenges

How We Tackle Them

Align workforce capabilities with strategic goals through clear career paths, development, and performance management.

Introduced a Capability Matrix to define roles, skills, and success indicators, and launched Competency-based Learning with structured paths for skill and knowledge mastery.

Adapting to Generative AI by upskilling talent, integrating new technologies, and aligning with business strategy.

Launched the Gen AI program to train AI engineers and boost service growth.
Created 11 tailored learning paths to help all employees harness Gen AI's full potential.

Developing strong leaders to navigate growth and a dynamic business environment.

Launched a 2-level Manager Development Program, created the Manager's Mastery Wiki, and introduced tailored learning paths to support leadership growth.

Enabling flexible, continuous learning aligned with evolving business needs.

Provided 24/7 access to learning platforms, certifications, custom skill programs, and ongoing webinars to support continuous growth.

Learning Year Review

In 2024, more than **300 managers** accessed the newly launched 10-page Manager Wiki, and **130 leaders** took part in **6 streams** of the Managerial Program.

The GenAI Upskilling Program attracted **426 applicants**, resulting in **63 certified Practitioners** and **17 Engineers**.

The Pre-Sales Talent Development Program received **94 nominations**, including 23 from Product Engineering.



Across the company, Ciklumers actively embraced learning. They completed **4,017 Udemy courses**, explored over 50 new learning paths, and earned more than 100 cloud and professional certifications. In addition, **1,669 participants** attended 140 English Opened Classes, supporting language development across teams.

To expand learning opportunities further, we introduced two new programs: **GenAI and Pre-Sales.** We also enriched our digital content with seven episodes of the Impact Interviews podcast, along with two newly launched e-learning courses and five updated ones.



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 2024, during which we:

- explored the benefits of diverse teams in our webinar;
- reflected on unconscious bias through our thought-provoking quiz;
- listened to an inspiring talk on the journey of veterans;
- fostered connections and shared smiles during our Coffee Days and Hawaiian Luau;
- gained insights on bridging generations and interacting with people with disabilities.

















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.



Share your spot in the nature





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.

Emergency Response and charity

Heavy rains in central Europe caused severe flooding in the southern part of Poland, affecting many people and their homes. Ciklumers collected items to support those impacted at Gdańsk and Wrocław offices. We also participated in the nationwide fundraiser organized by Polski Czerwony Krzyż.



JOIN THE FLOOD RELIEF EFFORT



Being part of an impactful community

Ciklumers observed World Blood Donor Day. 31 colleagues and their loved ones **donated 13.95 liters of blood**, which means potentially **saving 93 lives**. Notably, the annual initiative sees participation from an increasing number of Ciklum's volunteers. This year, **turnout is 25% higher** than in 2023.





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.

WEmpower campaign 2024

Our strategic goal is promoting 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.

The program was carefully designed with an interactive format, combining external expertise and celebrating our female leaders by showcasing their successes and achievements.

In-house, we delivered numerous lectures and sessions on the topic, such as "Exploring Uncertainty", "Empowering Women through Wellbeing", "Career Growth Hack for Woman in Tech", and "Inspiring Stories by Female Colleagues".

Global initiatives

Local events

Ciklumers engaged



Inspiration











Health Check-ups for Women -

All You Need to Know

#InspireInclusion #WEmpower



Collaborating with organizations to empower women

In 2024, we actively collaborated with both Women Who Code and Women in Tech Communities. Our female speakers gave presentations at multiple external events, supporting the female tech community in the countries we operate.

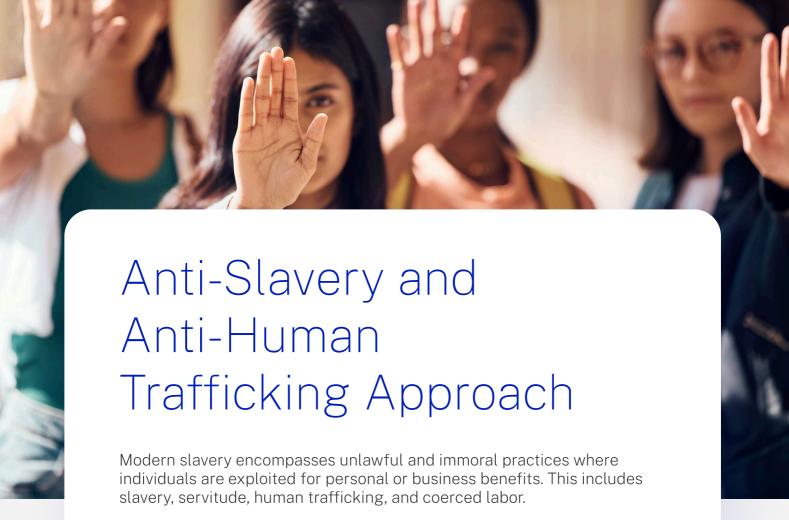












Ciklum firmly opposes all forms of modern slavery, applying this principle rigorously within its own operations and across its supply network.

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, resilience and responsibility guide how we identify, assess, and manage risk.

In 2024, we remain committed to strengthening our compliance culture and embedding robust risk management practices that safeguard our people, our clients, and our communities.

By integrating risk and compliance into every decision we make, we ensure transparency, accountability, and trust — cornerstones of sustainable growth and long-term value creation.

Olena Liebenstein, Head of Risk and Compliance

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.



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/IEC 27001:2022 Certification: 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.



James Lennon, VP of Product Engineering

Responsible Al

As our clients demand more AI, build with AI and we weave AI into every product, Responsible AI becomes increasingly important for us. Rooted in fairness, transparency and sustainability, it unites all three ESG pillars — environmental care, social inclusion and robust governance.

For Ciklumers this means clear guardrails, hands-on training and the freedom to experiment safely. Our AI Academy is open for all Ciklumers and includes dedicated modules on Responsible AI and our R&D team test and publish safe tooling & guidelines.

Our AI policy and guidelines ensure our clients have trusted, explainable solutions that guard data, protect users, support compliance and unlock new growth.

Al will be used in all areas of Ciklum and our clients, it is our duty to use it responsibly.



At Ciklum's 2024 Client Conference (Sept 9–10, Prague), "Responsible AI" was a key theme. Sessions highlighted AI ethics, transparency, bias avoidance, and regulatory compliance (including EU AI Act readiness) — a clear ESG-aligned effort in tech governance.

Ethical Design Principles

Ciklum shared its internal framework for building AI systems responsibly, prioritising fairness, explainability, and bias mitigation — ensuring that AI solutions do not reinforce social inequalities or cause unintended harm.

Regulatory Readiness (EU AI Act)

Presentations addressed the practical implications of the EU Artificial Intelligence Act, offering insights into how Ciklum and its clients can proactively align with upcoming compliance requirements. This aligns closely with good governance principles and forward-thinking risk management.

Data Privacy & Security

Sessions emphasised how
Responsible AI also involves
protecting user data, maintaining
transparency in model training,
and ensuring that personal
information is handled with the
highest level of integrity—
connecting directly to ESG
commitments around digital
ethics and trust.

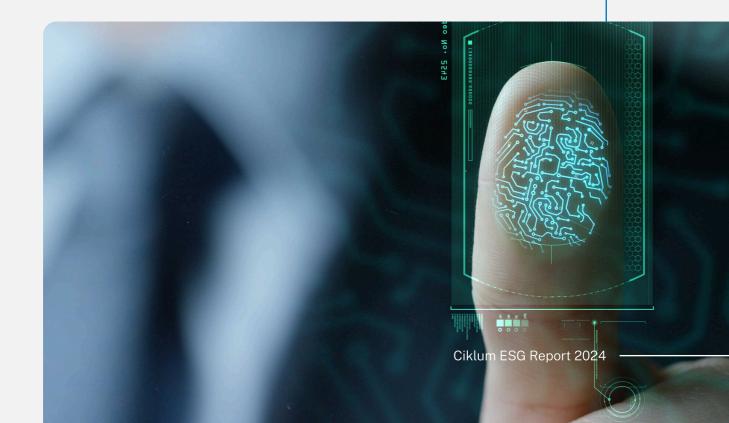
Sustainable AI

In an emerging area of ESG, Ciklum also discussed the carbon footprint of AI models and strategies to reduce compute-related emissions. This included the adoption of cloud-native solutions and green data center partnerships.

Strategic Alignment

By making Responsible AI a core topic of its 2024 Client Conference, Ciklum not only positioned itself as a leader in tech ethics but also reinforced its broader ESG vision—one where innovation and accountability evolve together.

This initiative supports clients, partners, and internal teams in adopting AI solutions that are not just intelligent, but also safe, fair, and future-ready.





As artificial intelligence becomes increasingly embedded in financial services, Ciklum is helping clients navigate this transformation responsibly. Our approach to Responsible AI ensures that innovation aligns with business integrity, regulatory compliance, and customer trust.

Ethical AI Development

Ciklum ensures that AI algorithms are designed to avoid biases and discrimination, promoting equitable outcomes for all users. This includes rigorous testing and validation processes to detect and mitigate unintended consequences.

Transparency and Explainability

Recognizing that AI decisions can significantly affect customers, Ciklum advocates for transparent AI models that stakeholders can understand. This helps build confidence and ensures compliance with emerging regulations like the EU AI Act.

Regulatory Compliance

Ciklum proactively aligns AI solutions with relevant legal frameworks and industry standards, ensuring data privacy, security, and ethical use of information. This is crucial in highly regulated financial environments.

Enhanced User Experience

By integrating responsible AI, Ciklum helps financial institutions deliver smarter, fairer, and more personalized services, improving customer satisfaction while minimizing risks.

Collaboration and Education

Ciklum actively engages with clients, industry partners, and regulatory bodies to stay ahead of best practices in Al governance. They also invest in training teams on Al ethics and responsible use.

Through these efforts, Ciklum demonstrates leadership in advancing AI technologies that contribute positively to society, uphold ethical standards, and drive sustainable growth in the financial sector.





Closing Statement

In 2024, Ciklum continued to demonstrate its unwavering commitment to sustainable growth, responsible innovation, and inclusive development. Through targeted environmental initiatives, strengthened governance frameworks, and meaningful investments in our people and communities, we have made significant strides toward aligning our operations with global ESG standards.

Our progress this year reflects the collective efforts of our teams, partners, and clients who share our vision of a more responsible and resilient digital future. As we look ahead, Ciklum remains focused on embedding sustainability deeper into our core strategy, driving long-term value creation while contributing positively to the world around us.

We are proud of the foundation we have built in 2024 and are committed to accelerating our ESG journey in the years to come.

About Ciklum

Ciklum is a global digital solutions company that engineers technology to elevate businesses worldwide. Founded in 2002, Ciklum combines cutting-edge software development with deep industry expertise to deliver innovative, scalable, and high-quality digital products and platforms.

Headquartered in London, with delivery centres and offices across Europe, the Middle East, and Asia, Ciklum serves a diverse portfolio of clients ranging from high-growth startups to Fortune 500 enterprises.

With a strong emphasis on agile delivery, transparency, and collaboration, Ciklum empowers organizations to accelerate their digital transformation journeys. The company's integrated services span product engineering, intelligent automation, cloud adoption, data and analytics, and cybersecurity, all underpinned by a global talent network and a people-first culture.

At the heart of Ciklum's mission is a commitment to creating long-term value — for clients, employees, communities, and the environment — through technology that drives sustainable and inclusive growth.



For more information visit **ciklum.com**