

Sustainability Report **2022**

Cytel





We are proud to present our inaugural Sustainability Report. Unless stated otherwise, content covers activities of Cytel Inc. and its subsidiaries (“Cytel”) from January 1, 2022, to December 31, 2022. We welcome your questions, comments, and feedback about this report on [our website](#).

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Message From the CEO

Dear stakeholders,

In the 35 years since Cytel's founding, we have remained steadfast in our goal of developing innovative treatments that help people live better lives by helping biopharmaceutical companies navigate uncertainty, prove value, and unlock the full potential of their data. And, the life sciences continue to experience rapid transformation. Challenges are more complex, trial designs and data sources are more sophisticated, and the life sciences industry is more global—and with all of this change comes heightened expectations for companies to take accountability for their environmental, social, and governance (ESG) impacts.

Drawing from our core values of accountability, innovation, and collaboration, we embrace these expectations as an opportunity to showcase our commitment to our employees, customers, and communities. Throughout 2022, Cytel made significant strides in formalizing our ESG strategy and implementation plan, which outlines long-term initiatives, short-term actions, and key performance indicators (KPIs) against which we will measure our progress.

The ESG efforts described in this report represent both our development as a strong and growing global life sciences leader, as well as our deep investment in our

people and our innovations. In cultivating a diverse, equitable, and inclusive culture, we strive for enhanced business relationships, growth that outpaces industry averages, greater innovation, increased productivity, and unmatched talent acquisition and retention.

We often use the phrase, "Together, we push boundaries," to describe Cytel's global work in reshaping the future of human health. By partnering with stakeholders throughout our value chain, Cytel is working with ESG leaders to push the boundaries of what is possible to achieve for our planet, people, and institutions.

I'm excited to share Cytel's inaugural Sustainability Report, which describes our ESG strategy, objectives, and current state. While we are proud of our work to date, we are only just beginning our journey. As in all we do, Cytel is ready to push boundaries of what we can achieve in sustainability—together.



Sincerely,

Joshua Schultz
Chief Executive Officer



About Cytel

Cytel is the largest provider of statistical software and advanced analytics for clinical trial design and execution. With more than 35 years of experience, Cytel provides biotechnology and pharmaceutical companies with scientific rigor and operational excellence, working together to navigate uncertainty, prove value, and unlock the full potential of data.

We are an international community of passionate and innovative collaborators, driven by the goal of using leading-edge technology and thought leadership to help our customers deliver life-changing medical solutions. Cytel's team of experts and product solutions deliver strong and reliable results to our customers, consisting of biotechnology companies, pharmaceutical companies, and regulatory bodies.

Our History & Purpose

Cytel was founded in 1987 by research scientists Cyrus Mehta and Nitin Patel with the idea of leveraging leading-edge software to expedite therapies for the world's most pressing diseases.

Cytel provides statistical software, advanced analytics, trial design solutions, implementation consulting and value evidence/market access insights. Cytel pioneered the East clinical design software suite, which remains the industry standard for advanced trial design. Our most recent software innovation is Solara, an award-winning software platform that synthesizes statistics and strategy.



Our Purpose

To improve human health by transforming intelligence into confident decisions.



Our Mission

To help life sciences leaders unlock the power of data, solve their toughest problems, and make evidence-driven decisions with confidence.



Our Values

We believe in applying **scientific rigor** to reveal the full promise inherent in data.

We nurture **intellectual curiosity** and encourage everyone to approach new challenges with enthusiasm and the desire for discovery.

We believe in **collaboration** and invite a diversity of perspectives, drawing on a variety of talents to create a wealth of possibilities.

We prize **innovation** and seek intelligent solutions using leading-edge technology.

We believe in practicing **accountability** to our customers and to our colleagues to provide strong results and quality deliverables.

Governance Structure

Cytel's Board of Directors ("Board") is comprised of nine directors with extensive experience in the life sciences and technology fields, including our CEO and representatives from our investors Astorg and Nordic Capital. The Board maintains two chartered committees: the Audit Committee and Remuneration Committee. Our Board meets quarterly and conducts special meetings as needed.



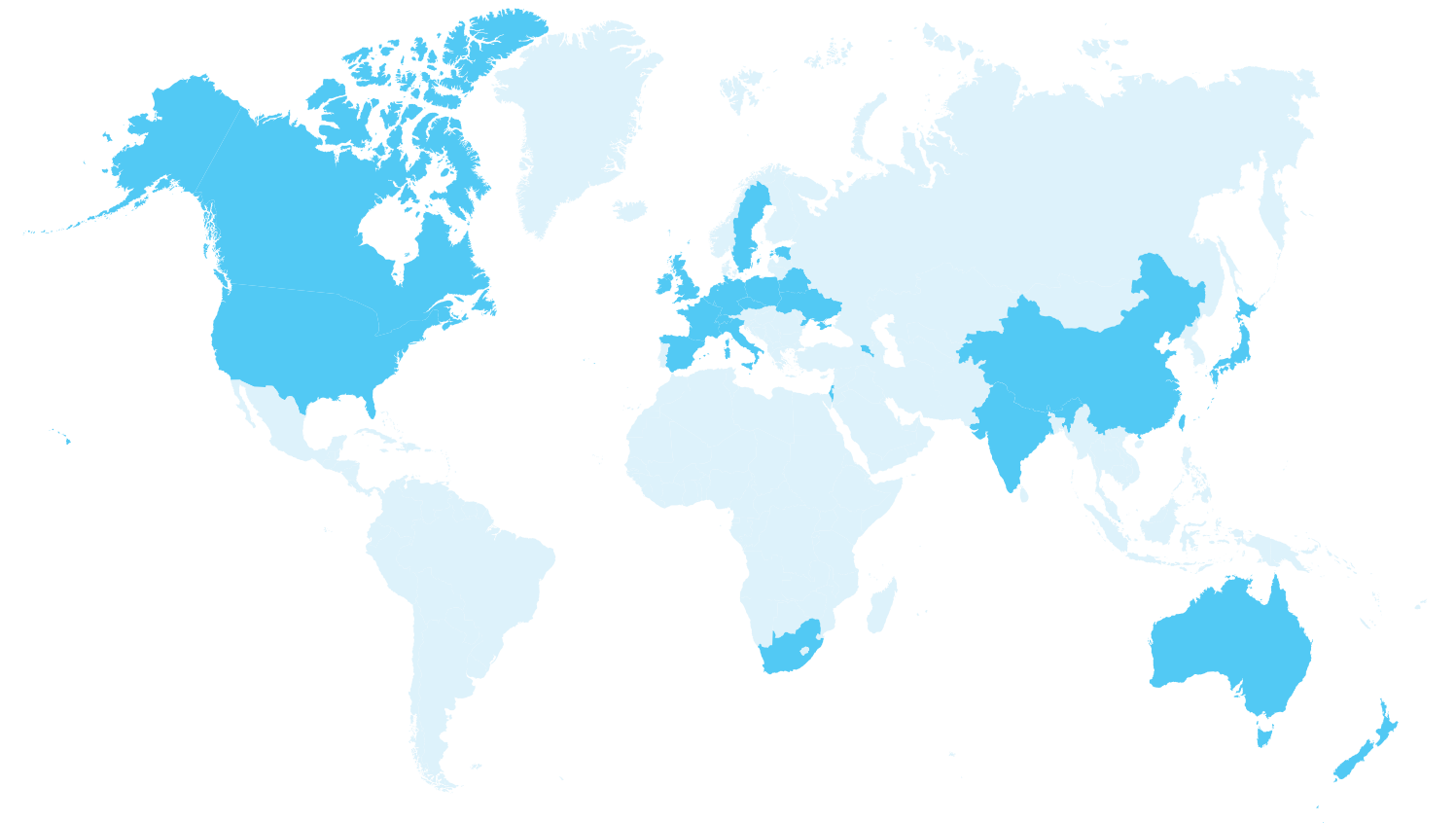
Cytel's ESG Executive Committee sets our ESG strategy. Comprised of our CEO, CFO, Chief Commercial Officer, the Head of our Analytics on Demand Business, General Counsel, and Director of Employee Communications and Engagement, DEI, and ESG, this group meets every two months to discuss our high level ESG strategy, goals, and stakeholder engagement. Annually, the ESG Executive Committee reports progress to the Board; in 2022, the Board presentation consisted of status updates on ESG initiatives, implementation plans for the following year, and EcoVadis engagement updates.

Responsibility for managing individual ESG topics and initiatives is delegated to the members of our ESG Working Group. Assigned based on applicability to their core functional and competency area, each member of the ESG Working Group assumes ownership over a set of our key initiatives and KPIs and is responsible for reporting progress back to the ESG Executive Committee. To incentivize progress towards our ESG goals, each year key ESG objectives or targets are included in our annual corporate strategic objectives plan which plan forms the basis for executive team bonuses.

Cytel conducted a third-party enterprise risk assessment in early 2023 to inform overall business strategy and ESG engagement, among other things. This multi-session project involved leadership from across the organization, who discussed the severity and likelihood of several compliance, financial, operational, and strategic risks—many of which intersect with or encompass the ESG topics discussed in this report. We are currently composing a more formalized enterprise risk management roadmap to address our top risks.

Our Global Footprint

Over the past 35 years, Cytel has expanded across the globe, both organically and through acquisitions. Our more than 1,900 personnel work in offices in the United States, Canada, Europe, India, and Asia and remotely in locations all around the globe:



Products & Services

Main Analytical Software Products

- **Solara® Platform:** Combines Cytel's advanced analytics legacy with the dynamic power of cloud computing to redefine clinical trial design and strategy.
- **East® Platform:** The leading statistical software tool for clinical trial design for over 30 years. Includes East Bayes, a web-based extension.
- **Xact:** A suite of statistical testing tools focusing on small, sparse, and missing data to enhance analysis and speed.

Services

- **Full Service Biometrics:** Cytel has a breadth and depth of experience in every aspect of biometrics, ranging from study planning and data management to biostatistics and programming.



- **Therapeutics Development Team:** Our team of specialized, multidisciplinary thought leaders guide the design of clinical development plans and drug trials leveraging quantitative decision-making methods, cutting-edge software, and integrated expertise.
- **Real-World & Advanced Analytics:** Cytel offers a range of advanced analytical solutions focused on value evidence use cases, including Health Economics and Outcomes Research, Real World Evidence, and Value Evidence Strategy. By leveraging innovative methods, data sources, local expertise, and proprietary software, Cytel helps companies create access to novel therapies for patients.
- **Analytics On Demand:** Cytel offers our clients access to global and local highly skilled scalable teams of professionals that can act as extensions of a sponsor's permanent staff, providing flexibility and cost efficiencies.
- **Axio® Independent Data Monitoring Committees (IDMC):** Axio, a Cytel company, offers independent evaluation of interim clinical data through IDMCs to safeguard patient safety and trial integrity. Our dedicated professionals are specifically trained to serve as independent statisticians.
- **Real-World Data Solutions:** Through the combination of real-world data expertise and innovative software, Cytel helps clients develop and implement a real world data strategy that ensures that the full range of costs and time-effective options are available to registrational or value evidence teams.

Product Value

As the world's largest provider of statistical software and full-service biometrics, Cytel is an industry leader in providing value to our customers through our consulting expertise, evidence-driven analytics, and award-winning software.

Innovation

Innovation begins with fostering creative thinking among a diverse group of experts and results in unlocking the right insights, analysis, and evidence for our customers, helping them to bring promising drugs to market. An innovative outlook is a core value that we look for in all prospective employees. Cytel also collaborates to support innovation across the industry by sharing publications and case studies on our findings.

The [Cytel Design Institute](#) hosts our collaborative innovation initiatives and thought leadership. The mission of the Cytel Design Institute is to programmatically capture, illustrate, and develop Cytel's thought leadership in the innovative application of science and analytics, known as design science. In so doing, we seek to accelerate the development of new therapeutics and improve clinical development success rates, cycle times, and cost return on investment efficiency. Ultimately, the Cytel Design Institute enables us to take stock of and effectively communicate over 35 years of expertise.

We utilize our innovative spirit for social benefit by applying our approaches to the most pressing public health concerns. In the early days of the COVID-19 pandemic, Cytel published several guidelines on how



to protect and rescue ongoing clinical trials. We also built and maintained a COVID-19 Trial Tracker to communicate rapid developments in vaccines and therapeutics in an accessible manner. One of the challenges in COVID-19 response was the typical multiyear timeframe it normally takes to secure scientific validity of clinical trial results. Using a design called a multi-arm adaptive platform trial, Cytel's statisticians shortened this time horizon from years to months without compromising on scientific integrity.

Notably, Cytel also designed the TOGETHER Trial for COVID-19 therapies. Designed to rapidly test cost-effective therapies in low- and middle-income countries, the TOGETHER Trial used advanced statistical expertise to accelerate testing of eleven interventions, along with the deployment of clinical research infrastructure, to help low-income communities find cost-effective therapies.

Customer Trust & Satisfaction

Our customers are our partners, united in our purpose to improve human health by transforming intelligence into confident decisions. To this end, Cytel is committed to upholding the trust and satisfaction of our pharmaceutical and biotechnology customers by achieving consistent quality and efficiency standards.

Each year, Cytel formulates an annual quality plan, reviewed and approved by our CEO, that directs our quality governance while integrating context and priorities specific to that year. To maintain consistent quality oversight, senior leaders in our quality assurance team meet monthly to review our quality performance dashboard and discuss any pressing quality issues. Significant findings, if any, are reported up to quarterly Quality Review Board meetings, a committee consisting of our CEO, CFO, business function leaders, and Senior Vice President of Information Technology.

At the product and service delivery level, all deliverables have a quality control step incorporated into the project plan guided by standard operating procedures. This stage references a formalized list of procedures that promote trust, such as secondary data review and verification, and statistical programming deliverable quality control.

Cytel measures customer trust and satisfaction using net promoter scores, which asks customers how likely they are to recommend our products and services. In 2021 and 2022, we maintained industry-leading net promoter scores for our company overall and for each service division that exceeded Cytel's goal.

Increasingly, our customers expect us to participate in their ESG-related efforts. Currently, we field customer ESG questionnaires and requests on an ad hoc basis by providing our EcoVadis and CDP scores, participating in routine calls to discuss our strategy, action plans, and progress.

Other times, we field ESG questions during requests for proposals. Our ESG strategy establishes goals for formalizing our customer ESG engagement, which include publishing annual Sustainability Reports and participating in EcoVadis and CDP surveys annually.

2022 Performance Highlights, Awards, & Recognition

- At the 2022 Fierce Innovation Awards, Cytel won the Technology Innovation Award for the Solara® clinical trial technology platform. Since launching in 2021, Solara has been adopted by over 300 users at top biopharma companies. Users report saving 20x more time, generating 100x more models when compared to legacy tools and processes for trial design, and users routinely report reduced trial costs and/or duration by 10 to 20%.
- In 2022, Cytel designed the TOGETHER trial, a COVID-19 platform trial intended to find affordable therapies in low and middle-income nations. TOGETHER won the Best Trial Award from the Society of Clinical Trials.



This recognition by Fierce, a trusted leader in biopharma news, further validates Solara's ability to change how clinical trials are conceived and executed, ultimately accelerating patient access to new medicines.

Josh Schultz, Cytel CEO

Highlight Story

Health Economics Partnership for Social Impact

In March 2022, research scientists at [The Trevor Project](#), the world's largest suicide prevention and mental health organization for LGBTQIA+ young people, in partnership with Cytel's health economics outcomes research team, published a new peer-reviewed study in JAMA Pediatrics that found the practice of conversion therapy on LGBTQIA+ youth, and its associated harms, cost the United States an estimated \$9.23 billion annually. Conversion therapy, a range of practices intended to change one's sexual orientation or gender identity, has long been discredited and recognized for the harms it causes to LGBTQIA+ youth, such as substance abuse and negative mental health outcomes. This study is the first to use a comprehensive health economics model to quantify the cost of this damage in financial terms.

Materiality & Stakeholder Engagement

Materiality

In late 2021, Cytel conducted an ESG materiality exercise to identify the ESG topics associated with the greatest impact on and from the economy, society, and the environment and of the greatest interest to our stakeholders. The materiality exercise involved peer benchmarking, a media analysis, stakeholder mapping, stakeholder dialogue, a value chain analysis, operational assessment and business plan review, and United Nations (UN) Sustainable Development Goals (SDGs) mapping, and concluded with management review. Through this process, we prioritized SDGs most aligned with our purpose, impacts, and stakeholder interests.



Material SDGs

3 GOOD HEALTH AND WELL-BEING	SDG 3: Good Health and Wellbeing
4 QUALITY EDUCATION	SDG 4: Quality Education
5 GENDER EQUALITY	SDG 5: Gender Equality
8 DECENT WORK AND ECONOMIC GROWTH	SDG 8: Decent Work and Economic Growth
10 REDUCED INEQUALITIES	SDG 10: Reduced Inequalities
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	SDG 12: Responsible Consumption and Production
13 CLIMATE ACTION	SDG 13: Climate Change
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	SDG 16: Peace, Justice, and Strong Institutions






Stakeholder Engagement






Stakeholder Group	Means of Engagement	Key ESG Topics
Customers	EcoVadis; Customer-specific ESG engagement platforms and questionnaires; Meetings with customer ESG teams; ESG-related questions during proposals	Key sustainability risks and opportunities related to sustainability reporting; Environmental performance; Social performance
Current Employees	Employee satisfaction surveys; Pulse surveys; Town halls; Social media	Flex-work and work/life balance; Diversity, equity, inclusion, and belonging; Environmental sustainability; Pay equity
Future Employees	Website; Recruiting events	Diversity, equity, inclusion, and belonging; Environmental sustainability; Pay equity
Management	Management offsite meetings; ESG working meetings with the ESG Executive Committee	Employee engagement; Diversity, equity, and inclusion; SDG alignment
Shareholders	Meetings; ESG engagement requirements	Environmental performance; Social performance; Ethics; Responsible procurement; Commitments and targets; Assurance; Sustainability reporting

Cytel's ESG Strategy

Following the completion of our materiality assessment in 2022, Cytel made rapid progress in developing a formalized ESG strategy and implementation plan that outlines specific long-term initiatives, short-term actions, and KPIs by which we will demonstrate our ESG maturity over time. The strategy was developed after assigning each material topic to a functional group, defining organizational objectives, and determining what short- and long-term actions would have the greatest impact with the most achievable timelines. Each of the objectives listed below has multiple associated initiatives, short-term actions with responsible owners and target dates for completion, and KPIs to measure progress.

Cytel's ESG Vision & Objectives

Vision/Commitments	UN SDG Alignment	Objectives
Provide a diverse, equitable, ethical, and inclusive place to work		<p>Enable employees to develop and perform at their highest potential and evaluate and compensate their work on equal terms, with initial focus on gender equity</p>
		<p>Deepen a culture of inclusion: Ensure Cytel's deliverables are powered by a workplace that actively values diversity, equity, and inclusion</p>
		<p>Create and maintain a safe and healthy workplace for employees</p>
		<p>Create tiered opportunities for STEM education and learning</p>
		<p>Manage risks and opportunities surrounding the ethical conduct of business by developing and implementing a robust governance and ethics system and related training for employees</p>

Vision/Commitments	UN SDG Alignment	Objectives
Provide a diverse, equitable, ethical, and inclusive place to work		<p>Maintain a proactive commitment to information security</p>
Reduce CO₂ emissions, resource use, and waste		<p>Demonstrate Cytel as a responsible environmental steward by measuring and, where possible, reducing greenhouse gas (GHG) emissions. Use environmental data to inform the use, allocation, and optimization of global office space footprint</p>
		<p>Demonstrate Cytel as a responsible steward of natural resources by raising awareness of, and encouraging reduction of fossil fuels and other non-renewable energy (heating, cooling, electricity use)</p> <p>Demonstrate Cytel as a responsible steward of natural resources by reducing paper waste in offices and home offices</p>
Enhance sustainability performance as a supplier and throughout the supply chain		<p>Manage ESG risks in Cytel's supply chain by measuring and monitoring sustainability, ethical business practices, and human rights commitments from suppliers</p>
		<p>Enhance Cytel's reputation as a preferred partner to our customers in their ESG efforts and as a company that works to advance and uphold our own ESG commitments and performance</p>
Demonstrate transparency and accountability on ESG vision, performance, and plans		<p>Build and implement appropriate measurement, management, and reporting systems</p>



Social

Social impact is ingrained into our purpose and operations at Cytel. Every day, our employees contribute valuable insights that address the world's toughest health challenges. In 2022, we implemented and continued to develop more formalized social initiatives through our ESG strategy, which enables us to capture opportunities to enhance social impact for our employee, customer, and community stakeholders.

Talent Strategy

Strong talent acquisition brings together some of the world's brightest minds to address the most pressing health challenges. Talent acquisition is also the key to achieving our objective to improve workplace diversity measures and is necessary for promoting business continuity in times of uncertainty. Since 2022, Cytel has made rapid progress towards developing a cohesive approach to sourcing, interviewing, and hiring diverse talent, particularly with regard to key biostatistics and statistical programming roles. Diversity, equity, and inclusion (DEI) are crucial to our talent strategy.

To promote an equitable interview process, we seek to train our interviewers to host structured conversations with standardized questions that mitigate bias through consistency. Similarly, we promote diverse interview panels that include individuals from a variety of racial, ethnic, gender, and professional backgrounds. We implemented blind resume review, which removes identifying characteristics from resumes during the initial screening phase, to address the risk of unconscious bias and focus solely on skills and experience. Currently, we are exploring software opportunities to streamline this step. Finally, we are formally integrating alignment with our values into our standard interview questions.

Implementing our talent strategy requires a persistent focus on DEI and integration with ongoing ESG initiatives throughout our business. As discussed in the Diversity, Equity, & Inclusion section, one of Cytel's immediate ESG goals is to establish our first people connection group (PCG).

Once established, we hope to utilize PCG leaders as partners in our recruitment and interview processes to provide diverse perspectives and insights. Additionally, we will develop and provide ongoing DEI training to our interviewers and hiring managers to enhance their understanding of bias, privilege, and inclusive hiring practices. Finally, we will explore opportunities to use data-driven insights into our hiring practices to pursue continuous adjustment, improvement, and accountability.

592 employees

hired by Cytel in 2022



Diversity, Equity, & Inclusion

Our unparalleled expertise and experience are only possible because of a diverse global employee community, empowered by equal opportunity and a culture of inclusion. Diversity in thought, expertise, and backgrounds fuel product and service innovation. Furthermore, rooting DEI into our culture has the potential to create impacts beyond our employee base. Research scientists must apply a critical lens to gender, ethnicity, race, and other characteristics in clinical trial design in order to minimize bias and influence safe and effective health interventions.

Our DEI strategy centers on two objectives:

1. Enable employees to develop and perform at their highest potential and evaluate and compensate their work on equal terms.
2. Deepen our culture of inclusion and ensure that Cytel's deliverables are powered by a workforce that actively values diversity, equity, and inclusion.

DEI is governed by our global Diversity, Equity, and Inclusion Policy, developed in 2022. The DEI policy outlines our values, expectations, policies, and tactics for recruiting and improving diversity and inclusivity at every level of our workforce.

The first step in implementing our DEI strategy will be to ensure we have uniform job and role-leveling scales in place before measuring a baseline of DEI outcomes and perceptions. Once in place, we intend to measure diversity by quantitating representation across career levels and positions. Finally, we will utilize employee surveys to capture attitudes associated with inclusion and belonging. Through 2024, we intend to strengthen our DEI data collection processes in order to establish aspirational targets and create plans to reduce gaps.

In 2022, we issued an employee engagement survey, through which roughly 80% of Cytel employees reported feeling engaged at work. This figure was generally consistent across geographies—a strong feat as we emerged from the turmoil of the COVID-19 pandemic.

Relevant and engaging DEI training informs the integration of inclusion into our culture. All employees are required to review and acknowledge acceptance of the principles outlined in our DEI Policy. When we released the DEI Policy in 2022, 96% of employees completed this task. Additionally, Cytel integrated unconscious bias training into onboarding plans for all employees. Moving forward, we intend to create a more comprehensive unconscious bias training course targeted towards recruiters, interviewers, and hiring managers.

Cytel is currently developing the governance structure for our first people connection group (PCG), a process which has evolved into a perfect example of the entrepreneurial and inclusive spirit of Cytel's employees. The goal to form a PCG originated among our employees. We held a town hall to garner leadership and membership interest, where employees asked thoughtful questions about what underrepresented employee group is most inclusive and relevant for our first PCG. In true Cytel fashion, a group of employees decided to take a data-driven approach and will be distributing a survey to garner employee feedback about the PCG focus. Moving forward, in collaboration with initial volunteer PCG leaders, we intend to craft a purpose and PCG charter, and develop a suite of activities oriented to our employees' needs and identities.



Cytel is the most diverse place I have ever worked. We have people from all over the world, with wide-ranging continuum of academic and practice expertise. This diversity is evident in every aspect of our organization; Our ability to view challenges from a multitude of perspectives allows us to arrive at solution sets that a homogenized team would never consider.

Corey Dunham, Senior Vice President, Functional Service Provision



Highlight Story

Celebrating Global Inclusivity Through Social Engagement

We gather together to celebrate the diversity present among our employees and learn about how to foster a more inclusive and engaging culture for all. At the global and local levels, Cytel hosts DEI programming throughout the year. For example, in March 2023, Cytel celebrated Women's History Month by hosting a panel of 15 women leaders from across the organization. The event garnered astonishing engagement, with over 50% of our global employee population attending. For Pride celebrations across the world, we support our local social committees in planning location-specific events that celebrate and honor the experiences of our LGBTQIA+ colleagues.

Our social committee structure promotes inclusivity and fosters connection in a local context, such as by organizing meaningful virtual-only events that connect employees in disparate geographies. We take a thoughtful approach to regional nuances, opportunities to focus on virtual colleagues, and offering scalable options for participation. In Montreal, for example, the local social committee organized a volunteer day and supper to celebrate the 2023 Pride Festival, while our EMEA social committee is planning a virtual wellbeing challenge.



Workplace Health & Safety

At Cytel, we prioritize employee wellbeing to foster a thriving company culture on a global scale. We take a long view on health and see it as a state of complete physical, mental, and social wellbeing that allows each of us to live and thrive at our fullest potential—at work, at home, and in our communities. The traditional health and safety risks managed by companies who deliver physical goods are not material to Cytel as a software and service provider. Therefore, in the workplace, wellbeing means providing our employees with a diverse, equitable, and inclusive environment, meaningful work, and rich relationships and connections. We recognize the significant challenges that stress and burnout can pose, and we want to promote and provide support to our employees in all aspects of health.

Based upon the success of remote work to date and the expressed preferences of our employees, we have supported health and wellbeing by embracing remote working as the predominant method of work at Cytel.

We will continue to evaluate outcomes and survey employees to ensure that our approach to remote working remains robust and evolves based upon Cytel-specific and industry-wide emerging understanding of the benefits and challenges of remote work.

In addition to supporting remote work through policies and provisioning of IT/other elements, Cytel facilitates employee health and wellbeing by distributing health and wellbeing newsletters to our entire global workforce. Each month, we share information via email and Cytel’s intranet regarding holistic wellbeing, upcoming observances, inspirational articles, and key resources. Health insurance and wellness benefits information by region is available on our intranet.

Community Involvement

Every year, we strive to grow our impact on the places we live and work in through community involvement initiatives. We partner with communities at the local level to focus on utilizing unique employee interests, skills, and connections. Our offices in India and our corporate headquarters in Massachusetts host our most established ongoing programs, while additional offices around the globe organize events to volunteer their time and resources.

- Cytel operates five offices throughout India and is governed by the Companies Act 2013, which requires companies operating in India to contribute 2% of profits to Corporate Social Responsibility (CSR) causes. Cytel’s flagship CSR initiative in India is Fly High, an award-winning program that integrates health and education by providing scholarships to aspiring statisticians, nurses, and hospital technicians. Over the past two years,^[1] 858 students obtained scholarships following interviews with Cytel employees, who dedicated their free time to the cause. The CSR Committee, responsible for overseeing CSR programs in India, manages Fly High and reports progress annually.

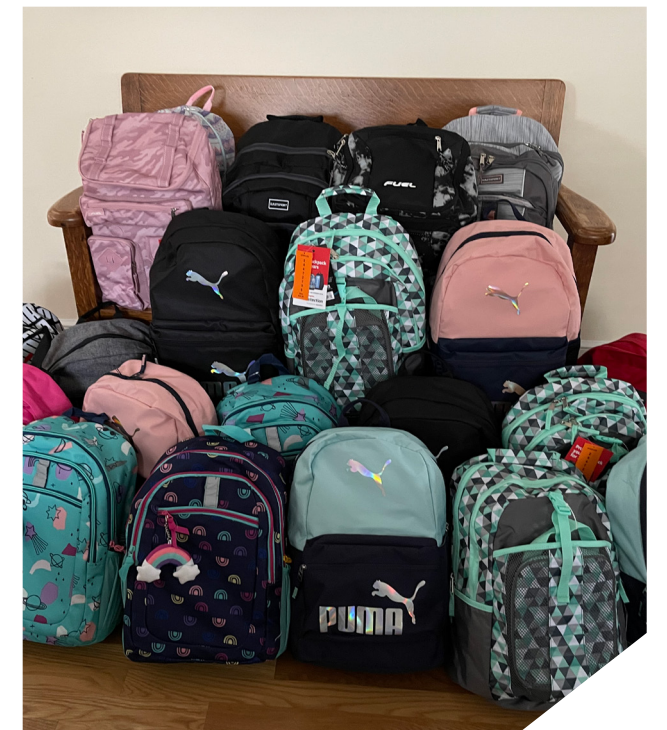
- In our Massachusetts headquarters, Cytel employees maintain a longstanding partnership with a local middle school by volunteering at backpack and Thanksgiving meal drives. During the back-to-school season, employee volunteers stuff backpacks full of essential school supplies, and on Thanksgiving, they take time during their holiday to distribute boxed meals to families experiencing food insecurity.

[1] Defined in accordance with the Indian financial calendar. FY2022 is April 2021 to March 2022, and FY2023 is April 2022 to March 2023.

Over the past

9 years

Cytel employees have packaged and donated hundreds of backpacks filled with school supplies to middle schoolers in Waltham, Massachusetts.





Sustainable Procurement

Cytel is committed to sourcing supplies and services using vendors who are committed to the same ethical, fair, and sustainable business practices that we are. Our [Supplier Sustainability Code of Conduct](#) (“Supplier Code”) communicates this expectation to suppliers, focusing on issues of ethics and compliance, fair treatment and human rights, health and safety, environmental impact, and effective management systems. The Supplier Code adheres to International Labor Organization standards of upholding human rights.

As one part of our vendor engagement and qualification process, we require material suppliers to complete a sustainability questionnaire, which our sustainable procurement personnel use to evaluate vendors’ sustainability efforts. The questionnaire also enables us to gather data on vendor diversity, including women-,

racial/ethnic minority-, LGBTQIA+- and veteran-owned businesses. Based on how well supplier ESG programs align to the expectations outlined in our Supplier Code, we generate a supplier score. If we identify a gap, we follow up with the vendor to communicate our expectations for their improvement. In 2022, we delivered the questionnaire to more than half of our top 100 suppliers by spend.

Cytel’s key vendors include data storage providers, IT services, consultants, and computer equipment suppliers. In addition to the baseline of ethics and compliance standards outlined in our Supplier Code, the most important ESG topics for our procurement process are data privacy and security. Cytel is exploring opportunities to use EcoVadis to augment our supplier procurement capabilities, in addition to using it as a key tool to communicate our own ESG performance to customers.

Governance

At Cytel, we value transparency and accountability. We design products and services that customers can trust to unveil findings about potentially life-changing drugs. We focus our governance practices on maintaining ethical business conduct in all the countries in which we operate and protecting our customers’ data. Our commitment to responsible business practices is a critical component of our ESG ambitions in order to continue to be a valued and trusted partner to our customers.



Business Ethics & Integrity

The foundation of our ethics programs is our Code of Business Conduct and Ethics (“Code”), designed to promote honest, ethical, lawful, and responsible conduct by all who represent Cytel. The Code describes expected business practices under a variety of circumstances, including anti-bribery and anti-corruption compliance, avoiding conflicts of interest, confidentiality obligations, and interactions with healthcare professionals and regulatory bodies. The Code is developed and implemented by our Compliance Team, consisting of our Chief Financial Officer, Chief Human Resources Officer, General Counsel, and Vice President of Quality Assurance.

Having a unified standard of ethics is especially important given our global workforce and customer base. Currently, our Code is available in English and French.

We require employees and contractors to review and acknowledge our Code on an annual basis, and the completion rate informs how we evaluate the success of our business ethics initiatives. In 2022, 96% of employees acknowledged completing review of our Code.

Violations of our Code may result in disciplinary action, up to and including termination. In June 2022, Cytel established our Ethics Hotline and Website with confidential, 24/7 services available to report violations of our Code, including harassment and discrimination. This service is monitored by a third party that reports any claims to our Compliance Team.

We also maintain an Employment of Relatives and Family Members policy to mitigate conflicts of interest.



Acting with integrity is more than just a matter of preserving Cytel’s reputation and avoiding legal issues; it’s about creating and sustaining a place where we are all proud to work.

Code of Business Conduct and Ethics

Business Continuity

The COVID-19 pandemic highlighted cross-industry business continuity risks through global supply chain shocks and challenges to attracting and retaining talent. Cytel’s approach to business continuity integrates ESG topics such as talent acquisition and human capital, information privacy and security, and sustainable procurement.

Cytel has developed an extensive library of detailed business continuity plans and standard operating procedures (SOPs) that promote efficient and standard responses to a host of routine and nonroutine circumstances.

SOPs apply to our global operations, and many, specifically those regarding product quality and data security, require training on an annual basis.

Business continuity is particularly salient in relation to customer data, access to our software products, and our information technology systems. To mitigate risks to our operations in the event of an unexpected disruption, Cytel’s maintains a Business Continuity Plan and Disaster Recovery Plan, with input from our quality assurance leadership. To evaluate the efficacy of these plans, Cytel conducts annual tests on each plan and integrates updates as needed.

Data Privacy & Cybersecurity

As a business, our edge is driven by two core advantages: our scientific expertise and our data analytics capabilities. To ensure that we can continue to provide advanced, data-driven solutions to our clients and harness powerful cloud computing technologies, we must safeguard our data, technology, and customer information.

Our formal information security management system (ISMS) governs our data privacy and cybersecurity programs. Policies integrated into the ISMS span network security, review procedures, vulnerability management, and other essential information security governance structures. Each policy references standard operating procedures and controls.

Data Privacy

Since we design and analyze data from clinical trials, our teams regularly have access to confidential customer data. Data privacy encompasses the governance and procedures we have in place to meet ethical and legal standards of managing confidential information.

Confidential and sensitive information that we process includes in-house research and development information, trial data and results, and private employee data. Notably, the clinical trial participants data we work with is anonymized or pseudonymized to protect personal privacy and trial integrity. It is integral that we maintain safeguards that protect confidential information to maintain the integrity of trial results and uphold customer trust; these include corporate data management SOPs, with oversight from our Vice President of Quality Assurance.

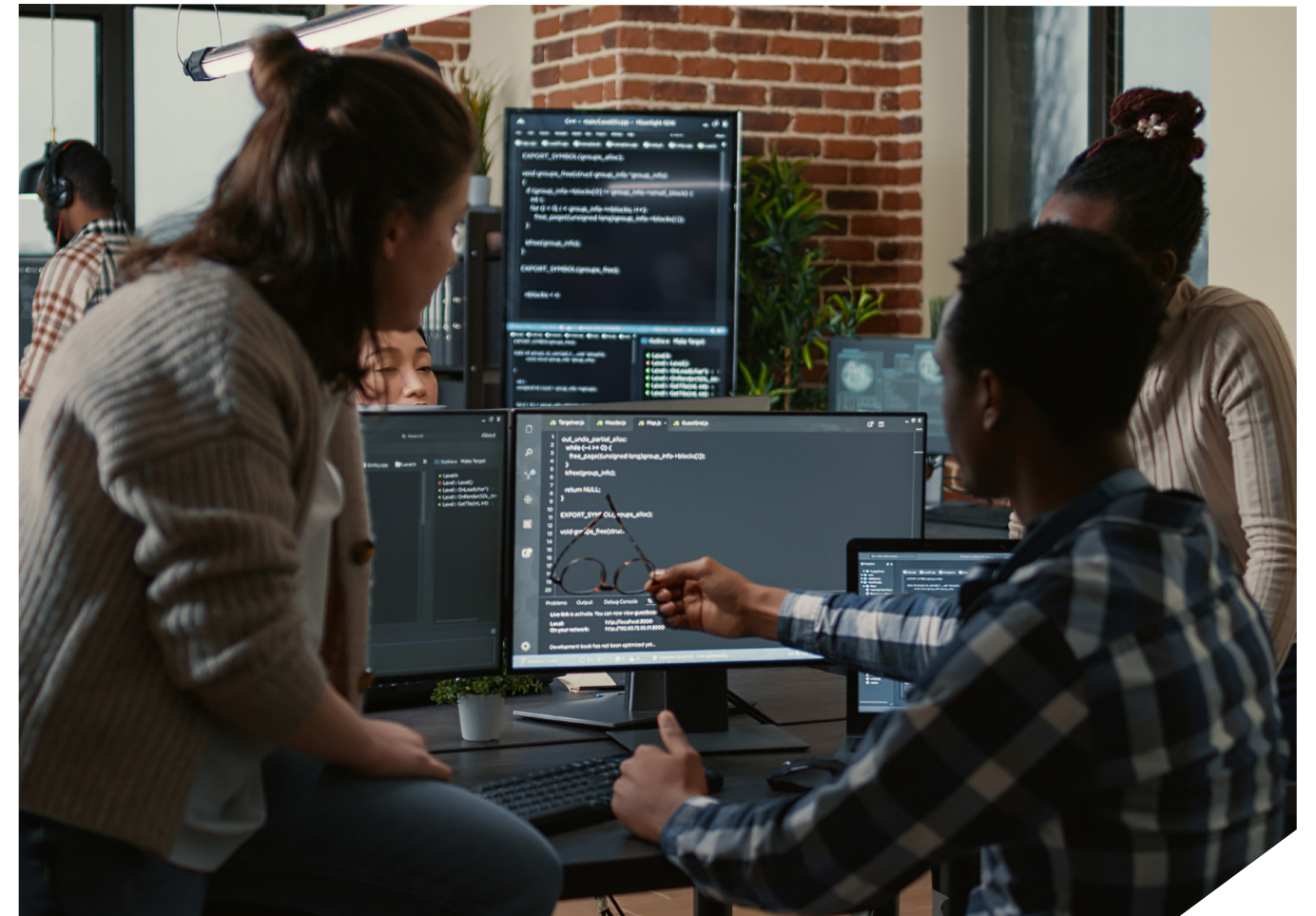
Cybersecurity

Our cybersecurity and information technology management encompasses the systems of controls and infrastructure to protect our digital processes. The Senior Vice President of Information Technology heads our cybersecurity program, with cross-functional oversight from the IT Security Steering Team. This team provides cybersecurity and data privacy updates to the Board at each quarterly meeting.

In December 2022, Cytel achieved ISO/IEC 27001:2013 certification across all global sites and cloud platforms. ISO/IEC 27001:2013 is the international standard for ISMS design, implementation, maintenance, and continuous improvement. This certification process required Stage 1 and 2 cybersecurity audits, which measure the implementation, documentation, and effectiveness of our organizational controls, people controls, physical controls, and technological controls. Neither audit produced non-conformances. To maintain our certification, we will utilize a third-party auditor to conduct annual surveillance audits on our ISMS. Additionally, we evaluate cybersecurity progress using the NIST Cybersecurity Framework and self-assessments on quarterly and annual bases.

We regularly conduct internal penetration testing to simulate threats and facilitate third-party penetration testing each quarter to identify improvement opportunities. Since our customers entrust Cytel with sensitive and proprietary information, customers regularly audit our IT controls.

We welcome this new insight and use the findings to enhance our programs. Finally, we spread awareness of online threats among our employees through phishing email tests, and those who fail undergo supplemental training.





Environment

As a services and software solutions company with a significant population of remote employees, Cytel does not have resource-intensive operations. However, to most effectively contribute to our downstream stakeholders' environmental ambitions, we are committed to being a responsible steward of the environment by minimizing our greenhouse gas (GHG) emissions, energy use, and waste footprint.

Climate Change, Energy, Emissions, & Waste

Cytel's Environmental Policy was developed in 2022 to reflect our commitment to managing the environmental impact of our global operations as part of our commitment to sustainable business practices.

Through our Environmental Policy, we pledge to:

- Develop and maintain environmental management programs to minimize adverse environmental impacts;
- Establish and measure progress towards environmental objectives and targets;
- Provide our employees with resources to implement our programs, whether in home offices or Cytel office buildings;

- Integrate our suppliers and vendors into our programs by promoting our Supplier Sustainability Code of Conduct and incorporating environmental assessments into our vendor qualification process; and
- Maintain compliance with applicable environmental laws and regulations in the locations where we operate.

Cytel's ESG Steering Committee annually reviews the Environmental Policy. Currently, it is available to all employees on our company intranet. We are in the process of communicating our expectations to our suppliers, customers, and other stakeholders.

Through our 2021 materiality assessment process, we determined emissions, energy use, and waste to be the most important environmental impacts of our business.

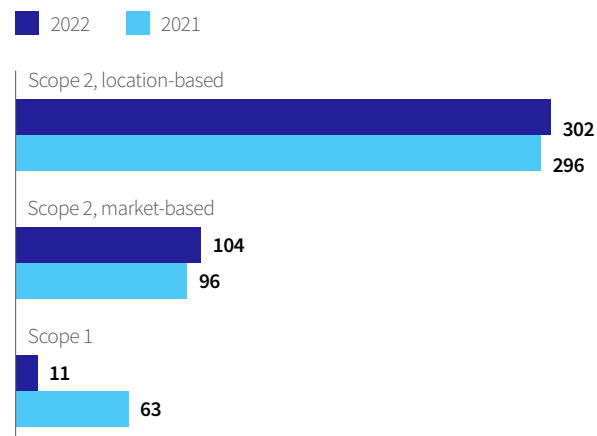


Climate Change & Emissions

As climate change becomes an increasingly present concern for our customers and employees, Cytel is committed to taking climate change seriously and acting as a responsible steward of natural resources.

As a software and professional services company, Cytel does not manufacture or distribute any physical products; therefore, the most significant source of GHG emissions in our own operations is energy used in our office spaces. Accordingly, our Scope 2 emissions consist mostly of purchased electricity. Our Scope 1 emissions consist of small amounts of diesel and fuel oil used for backup electricity generation in select office locations. Cytel decreased its nonrenewable fuel consumption by approximately 52% from 2021 to 2022, which was a large driver of the Scope 1 emissions decrease. To gain a more holistic view of our emissions impact, Cytel also calculates five Scope 3 emissions categories.

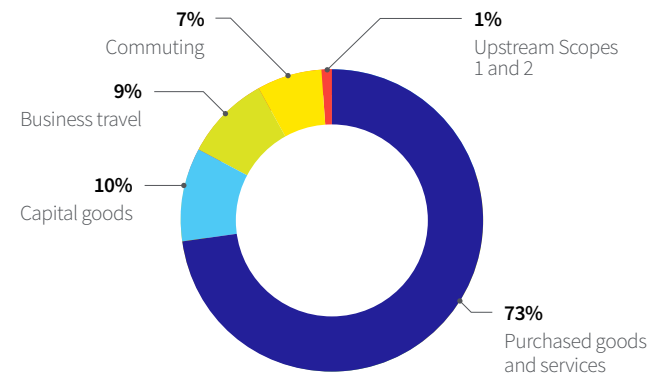
Scopes 1 & 2 Emissions, 2021–2022 (metric tons CO₂e)



In addition to reducing emissions generated in office spaces, Cytel provides guidance to employees working remotely on ways to reduce their carbon footprint at home. Cytel embraces remote work and collaboration across geographies. As much of the Cytel workforce works remotely, this significantly reduces commuting-related emissions. For employees that work in office sites, Cytel is identifying opportunities to encourage the use of public transportation and carpooling options. The COVID-19 pandemic also forced us to reevaluate the definition of essential business travel, and we are continuing to approach travel with a critical lens in order to reduce transportation emissions.

In recognition of the need to use data-driven approaches to address climate change, Cytel submitted a letter of commitment to the Science-Based Targets initiative (SBTi) in September 2022. Throughout 2023, we have been working to develop GHG emissions reduction targets that are aligned with the SBTi. We intend to submit Cytel’s reduction targets to SBTi before the end of 2023 and hope to gain validation of our emissions reduction targets by the organization in 2024.

Scope 3 Emissions in 2022



Energy

Energy use in our worldwide office locations and home offices is the most significant contributor to our Scopes 1 and 2 emissions. In recent years, Cytel has worked to develop a more comprehensive understanding of our energy consumption and makeup. We can manage our impact by reducing the use of non-renewable energy sources, increasing the use of renewable energy, and reducing our overall relative energy consumption company-wide.

At current office spaces, we are exploring opportunities to source a higher proportion of energy from renewable sources. For example, at our corporate headquarters, we engaged with building management to encourage a long-term contract to procure wind energy. We also improved data collection processes to better understand renewable energy procurement in our global facilities. From 2021 to 2022 alone, we increased the share of purchased electricity sources from renewables by 19%. The ability to utilize renewable energy is a consideration that we have integrated into our evaluation of new office location selection.

To facilitate access to renewable energy, Cytel registered for the Energize initiative in early 2023. Energize helps organizations in the pharmaceutical sector supply chain, who often have relatively limited in-house resources, identify opportunities to participate in power purchase agreements (PPAs).

Waste

The final component of our plan to reduce our environmental footprint is by properly managing our waste. Although Cytel produces relatively small amounts of paper, plastic, and electronic waste in our shared and home offices, it is essential that we do our part to reduce waste and promote proper disposal. We are working to establish baselines for waste production and diversion. After we gain an improved understanding of our waste footprint, we will identify opportunities to increase our diversion rate and procure more environmentally friendly materials.



Data Table

Metric	2021	2022
Company Overview		
EcoVadis score ^[1]	28	44
Number of offices worldwide	20	22
Total number of employees ^[2]	1,367	1,664
Environment		
Total electricity consumed (MWh)	774.92	894.04
Percentage of electricity consumed that is grid-sourced	42%	23%
Percentage of electricity consumed that is renewable	58%	77%
Scope 1 GHG emissions (metric tons CO ₂ e)	63.4	11.34
Scope 2 GHG emissions, location-based (metric tons CO ₂ e)	295.79	301.89
Scope 2 GHG emissions, market-based (metric tons CO ₂ e)	95.6	104.4
Total upstream Scope 3 GHG emissions (metric tons CO ₂ e)	1,814.22	6,317.78
Purchased goods and services (metric tons CO ₂ e) ^[3]	301.7	4,636.83
Capital goods (metric tons CO ₂ e)	546.3	618.38
Employee commuting (metric tons CO ₂ e) ^[4]	932.9	437.56

[1] Year survey was completed.

[2] Represents the head count of employees on December 31 of the reporting year. Excludes contractors.

[3] In 2022, Cytel expanded the boundary for emissions calculated under the Scope 3: Purchased Goods and Services category to include additional office supplies and service types. We also included 19 Cytel office locations, expanding from 13 in 2021.

[4] In 2022, we enhanced our data collection process to use actual employee commuting data, rather than an estimate based on commute averages.

Appendix

Metric	2021	2022
Business travel (metric tons CO ₂ e) ^[5]	—	578.9
Upstream Scopes 1 and 2 (metric tons CO ₂ e)	33.3	46.11
Total downstream Scope 3 GHG emissions (metric tons CO ₂ e) ^[6]	—	—
Talent Strategy		
Total number of new hires	701	592
Absentee rate for all workers	2.3%	2.3%
Percent of the total workforce across all locations who are covered by formal collective agreements concerning working conditions ^[7]	—	3.5%
Percent of the total workforce across all locations who are covered by formally elected employee representatives	—	0%
Percent of the total workforce across all locations who received regular performance and career development reviews	100%	100%
Percent of the total workforce across all locations who are provided access to career- or skills-related training	100%	100%
Percent of the total workforce across all locations who received training on diversity, discrimination, and/or harassment	—	96%
Employee engagement score as a percentage	78%	80%
Average hours of training completed ^[8]	12.6	11.8

[5] Cytel did not calculate Scope 3 emissions from the Business Travel category in 2021, as business travel was limited by the COVID-19 pandemic.

[6] Cytel has not yet calculated downstream Scope 3 emissions.

[7] Represents employees in France and Spain who are covered by collective bargaining agreements at the national level.

[8] In mid-2023, Cytel implemented a new learning program. Therefore, reporting data for future periods may not be comparable to the periods presented here.

Metric	2021	2022
Diversity, Equity, & Inclusion^[9]		
Total number of female employees	717	801
APAC	170	190
EMEA	161	185
North America	386	426
Total percentage of female employees	51.2%	52.2%
Board of Directors	12.5%	22%
Executives ^[10]	30%	30%
Management ^[11]	52.7%	53.5%
Staff	51.3%	52%
Percentage of Board of Directors members who self-identify as a minority race or ethnicity	—	11%
Percentage of executives who self-identify as a minority race or ethnicity	—	36%
Community Involvement		
Number of students rewarded scholarships through the Fly High program	421	447
Number of educational institutions that participated in the Fly High program	19	16

[9] As of December 31 of the reporting year. Excludes contractors.

[10] Executives are defined as CEO direct reports (excluding administrative support).

[11] Management is defined as the following job levels: Manager, Senior Manager, Associate Director, Director, Senior Director, Vice President, and Senior Vice President.

Metric	2021	2022
Business Ethics & Integrity		
Percentage of employees who have acknowledged Cytel's Code of Business Conduct and Ethics	N/A ^[12]	96%
Number of reports related to whistleblower procedure	N/A ^[13]	0
Percentage of all operational sites for which an internal audit/risk assessment concerning business ethics issues has been conducted ^[14]	—	—
Percentage of all operational sites with certified anti-corruption management system	0%	0%
Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery (\$)	\$0	\$0
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations (\$)	\$0	\$0
Business Continuity		
Number of performance issues	1	1
Number of service disruptions	1	1
Total customer downtime (license-days)	0	3.5

[12] Code of Business Conduct and Ethics was published in 2022.

[13] Cytel's Ethics Hotline and Website was launched in June 2022.

[14] Cytel manages risk through our enterprise risk management process, which integrates business ethics and integrity into certain risk definitions.

Metric	2021	2022
Cybersecurity & Data Privacy		
Percentage of all operational sites with an information security management system (ISMS) certified to ISO 27001	0%	100%
Number of substantiated data breaches involving customer sensitive data	0	0
Number of customers affected by data breaches	0	0
Number of substantiated data breaches involving employee sensitive data	0	1
Number of employees affected by data breaches	0	1
Total amount of monetary losses as a result of legal proceedings associated with user privacy	\$0	\$0
Supply Chain & Responsible Procurement		
Percent of eligible suppliers who completed the Supplier Sustainability Questionnaire	—	48% ^[15]

[15] Out of the 62 top 100 suppliers by spend who were sent the Supplier Sustainability Questionnaire, 30 responded.

2022 SASB Content Index

Cytel is advancing our quantitative sustainability disclosures by reporting in alignment with the Sustainability Accounting Standards Board (SASB) Standards for the first time. We selected Software & IT Services as our primary industry. Noting the industry-spanning nature of our services, we also chose to select indicators from the Biotechnology & Pharmaceuticals industry.

Content Index

SASB Indicator	Disclosure	Location or Response
Software & IT Services		
Environmental Footprint of Hardware Infrastructure		
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Data Table ; Climate Change, Energy, Emissions, & Waste
TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Cytel does not currently collect data on water withdrawal and consumption.
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Cytel does not currently track how environmental considerations are integrated into strategic planning for data center needs.
Data Privacy & Freedom of Expression		
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	This disclosure is not applicable to Cytel since we do not advertise directly to consumers.
TC-SI-220a.2	Number of users whose information is used for secondary purposes	Cytel does not use user information for secondary purposes.
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Data Table

SASB Indicator	Disclosure	Location or Response
TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Periodically, we receive Financial Industry Regulatory Authority (FINRA) requests regarding personnel that had access to material non-public information, in relation to inquiries into customer securities trading activities. Cytel complies with these requests in full, which do not require the disclosure of any customer information.
TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Cytel is not aware of any countries where our products and services are subject to government-required monitoring, blocking, content filtering, or censoring.
Data Security		
TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Data Table
TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Data Privacy & Cybersecurity
Recruiting & Managing a Global, Diverse & Skilled Workforce		
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Cytel does not view the percentage of employees that are foreign nationals or located offshore to be an applicable metric since we are a global business consisting largely of remote employees.
TC-SI-330a.2	Employee engagement as a percentage	Data Table ; Diversity, Equity, & Inclusion
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Data Table <i>Currently, Cytel discloses gender representation only.</i>
Intellectual Property Protection & Competitive Behavior		
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Data Table

SASB Indicator	Disclosure	Location or Response
Managing Systemic Risks From Technology Disruptions		
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Data Table
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Business Continuity ; Data Privacy & Cybersecurity
Biotechnology & Pharmaceuticals		
Safety of Clinical Trial Participants		
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Product Value
Access to Medicines		
HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Cytel's Real-World & Advanced Analytics function maintains a team of Global Health experts, who work with policymakers, philanthropists and other geopolitical stakeholders to ensure that low- and middle-income countries (LMICs) benefit from the scientific developments in global biopharma. For more information, please visit our website .
Ethical Marketing		
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	This disclosure is not applicable because Cytel does not directly develop, manufacture, or distribute pharmaceuticals or medical devices.
Employee Recruitment, Development, & Retention		
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Talent Strategy
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	Cytel does not publicly disclose this information.

SASB Indicator	Disclosure	Location or Response
Supply Chain Management		
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	Cytel does not collect this information.
Business Ethics		
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Data Table
HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	Business Ethics & Integrity

Omitted Indicators

The following SASB indicators are omitted from the Data Table. Indicators from the Biotechnology & Pharmaceuticals industry are omitted because they are not applicable as Cytel does not directly develop, manufacture, or distribute pharmaceuticals or medical devices. Where necessary, alternative reasons for omission are noted in the "Location or Response" column of the Content Index table below.

- HC-BP-210a.2
- HC-BP-210a.3
- HC-BP-240a.2
- HC-BP-240b.1
- HC-BP-240b.2
- HC-BP-240b.3
- HC-BP-250a.1
- HC-BP-250a.2
- HC-BP-250a.3
- HC-BP-250a.4
- HC-BP-250a.5
- HC-BP-260a.1
- HC-BP-260a.2
- HC-BP-260a.3
- HC-BP-270a.1
- HC-BP-000.A
- HC-BP-000.B
- TC-SI-000.A
- TC-SI-000.B
- TC-SI-000.C

Cytel