



Global Impact Report

2023



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Introduction from our CEO



Our world continues to be a challenging place. Although the COVID-19 pandemic appears to be behind us, the resilience of our social fabric and of our planet continues to be tested by new and unexpected challenges. Whether it's cost-of-living crises, water scarcity, war or human rights abuses, it remains clear that businesses have a significant role to play and an obligation to our communities and our planet. Kinaxis takes this obligation seriously and, as one of five pillars of our strategy, remains committed to doing its part to create a sustainable and socially responsible future. We hope this report helps our communities understand our ongoing progress and the work ahead of us.

Acting with integrity

Previous work has seen us create a governance structure that ensures our opportunities and impacts around environmental and social considerations are both accountable at the highest level of our organization, the Kinaxis Board of Directors, and influenced at every level through an environmental, social, and governance (ESG) committee. We remain committed to the United Nations Global Compact and its ten principles, which address areas of human rights, labor, environment and anti-corruption, to advance broader societal goals and address the world's critical challenges.

Taking care of people

Creating an environment where our diverse team feels welcomed, safe and free to bring its talent and creativity is paramount to us as a software company.

We continue to prioritize diversity, equity and inclusion (DEI) in our business. We introduced DEI targets and objectives for the first time in 2021 which laid the foundation for our journey. In 2023 our targets will focus on driving gender equality, improving measurement and transparency, and driving DEI globally while implementing locally.

Our annual engagement survey continues to maintain strong participation from our team, with a better-than-benchmark overall engagement index score of 87%. Of key importance to our DEI plans, 94% of our participants feel that their manager respects and is committed to diversity and inclusion.

Protecting the planet

RapidResponse helps our customers reduce wasted supply components, avoid expired products, reduce excessive (and often discarded) end-product inventory, and ensure critical goods like pharmaceuticals are available when and where needed. Sustainability is a key part of our business model and remains integral to what we do.

At our annual customer community conference Kinexions, we unveiled new product innovations including, Sustainable Supply Chain – a new



solution that allows companies to embed emissions factors (including Scope 3 emissions) directly into RapidResponse to design scenarios that will estimate, and simulate supply chain-related CO₂e in real time.

With ever-increasing emission disclosure requirements coming into effect, we continue to anticipate and stay ahead of potential requirements. We continue to both enhance our disclosures under the Task Force on Climate-Related Financial Disclosures recommendations and publish our GHG emissions inventory. We are once again offsetting the full balance of our Scope 1, 2, and 3 emissions through EcoLogo certified Renewable Energy Certificates and third-party verified carbon offsets.

Building trust

As we handle and process data for many Fortune 500 global leaders and other major companies, building trust through the highest levels of innovation, data security, and privacy are foundational elements of our business. We are aligned to key global data privacy and security standards.

To protect our valuable intellectual property, as of December 31, 2022, we have been issued 26 patents globally and have over 100 patents pending in various jurisdictions. We also went live with Microsoft Azure and Google Cloud as part of our shift to a public cloud infrastructure.

Giving back

One of our core values recognizes that we are global citizens, so taking care of our own people alone isn't enough. Through a matching program, we let our global team guide significant aspects of our giving, but we also provide charitable contributions to organizations aligned with our values and when important opportunities present themselves.

Investing in supply chain talent remains critical to our industry and in ensuring that we leave our craft in better shape for future generations. In 2022, Kinaxis reached over 3,600 students at leading universities, globally and collaborated with academic leaders at Columbia University, Massachusetts Institute of Technology, the University of Toronto, National University of Singapore, Cambridge University, and University College Dublin, to name a few.

The work – and opportunities – ahead of us are monumental. We are committed, at the highest levels, to the safety, preservation and sustainability of our communities and our planet. We welcome feedback along the way and look forward to building a better future, together.



John Sicard, President and Chief Executive Officer, Kinaxis Inc.



Kinaxis' ESG performance is being recognized by key rating agencies.

Kinaxis has received top marks from several key ESG rating agencies, including our recent Triple A designation from MSCI, and our inclusion in Sustainalytics' 2023 Top-Rated ESG Companies list, in the software category.

A leader in supply chain planning

Everyday volatility and uncertainty demand quick action. Kinaxis® (TSX:KXS) delivers software-as-a-service (SaaS) solutions that enable the agility to make fast, confident decisions across integrated business planning and the digital supply chain. People can plan better, live better and change the world. Trusted by innovative brands, we combine human intelligence with AI and concurrent planning to help companies plan for any future, monitor risks and opportunities, and respond at the pace of change. Powered by an extensible cloud-based platform, Kinaxis delivers industry-proven applications so everyone can know sooner, act faster and remove waste.

About Kinaxis – Know sooner. Act faster. Remove waste.

Headquartered in Ottawa, Ontario, with over 1,750 employees working from offices and home offices around the world, Kinaxis is revolutionizing supply chain management. We deliver the agility companies need to make fast, confident decisions in an unpredictable world, driving end-to-end supply chain orchestration from planning through delivery. We combine human intelligence with AI and our unique concurrency technique so customers can plan better, live better, and change the world.

With RapidResponse, customers:

Know sooner.

Break down silos, eliminate redundancies, and cultivate trust with end-to-end visibility and transparency across a supply chain planning and execution network.

Act faster.

Embrace volatility, build resiliency, and seize opportunities with the agility to execute – no matter what comes along.

Remove waste.

Leverage AI, machine learning and prescriptive automation to maximize efficiency, boost productivity and drive sustainable decision-making.



We really are a leader in the supply chain management space and being a part of that journey as we grow as a company is very exciting. At Kinaxis, we have a philosophy of trying new things and I think that's what makes it really exciting for anyone in the tech space."

DILLON VERHAEGHE, SOFTWARE DEVELOPER 2, DEVELOPER FRAMEWORK, KINAXIS

Acting with integrity

Kinaxis has tightly integrated ESG into our governance structures and our corporate strategy. Corporate governance ultimately rests with the Kinaxis Board of Directors, the primary function of which is to supervise the management of the business and affairs of the company. The fundamental objectives of the Kinaxis Board are to enhance and preserve long-term shareholder value and to ensure that Kinaxis conducts business in an ethical, sustainable, and safe manner. In performing its functions, the board considers the legitimate interests that stakeholders, such as employees, customers, communities, and the environment, may have in our business. Management is responsible for the day-to-day conduct of the business. One of Kinaxis' five core strategic pillars relates to **committing to a sustainable, socially responsible future.**

Key resources

Our corporate governance is discussed comprehensively in several key documents, which include:

[Management Information Circular](#)

The primary document to inform shareholders about our governance practices so they can vote in an informed way at our annual shareholder meeting. Among other topics, it discusses our directors and their backgrounds, our board committee structure, Kinaxis' approach to governance, and executive compensation.

[Code of Conduct](#)

Sets out the high standards of ethical behavior we expect of everyone at Kinaxis. The code applies to directors, officers, and employees and is a core document to help the team apply our values to every business transaction and every business relationship to help Kinaxis grow rapidly in an ethical, sustainable, and safe manner.

Helping world-class customers help you



MillerKnoll



Honeywell

Raytheon



Our ESG governance structure

Nominating and governance committee of the board



Executive leadership team



Chief Legal Officer



Cross-functional ESG
steering committee

Anti-Bribery and Anti-Corruption Policy

Sets out Kinaxis' commitment to full compliance by its officers, directors, employees, consultants, contractors, agents, and third-party service providers with Canada's Corruption of Foreign Public Officials Act and any local anti-bribery or anti-corruption laws that may be applicable. The policy complements our Code of Conduct and Whistleblower Policy.

Whistleblower Policy

Outlines the procedures in the event of any complaints or concerns of employees regarding accounting and auditing matters, violations of Kinaxis' Code of Conduct, or any applicable law, rule, or regulation. Complaints or concerns can be made anonymously, if desired, and retaliation by the board, management, or any other person or group, directly or indirectly, is strictly prohibited.

Vendor Code of Conduct

Summarizes Kinaxis' expectations of third parties providing products or services to Kinaxis (including vendors, partners, consultants, and contractors) and reflects Kinaxis' concern for all individuals, including its vendors' workers. Local customs and laws vary by country, but the importance of human rights is universal, and this code is intended to reflect that importance.

Insider Trading Policy

Outlines the requirement for all directors, senior officers, employees, consultants, and others to follow all applicable laws, rules, and regulations pertaining to the purchase and sale of shares of Kinaxis, including those of Canadian securities legislation and the policies of the Toronto Stock Exchange. The policy discusses the significance of material information, trading blackout periods, insider filings, prohibition of tipping, and other critical information.

Kinaxis Health and Safety Policy

Establishes our interest in and responsibilities related to the health and safety of our employees.

In these key documents and policies, and others, we address important corporate governance matters and how to speak up when we think there may have been a violation of policy:

Respecting each other

- Diversity, equity, and inclusion
- Harassment and discrimination
- Health and safety

Doing what's right

- Anti-bribery and anti-corruption
- Relationships with suppliers
- Fair competition
- Gifts, entertainment, and hospitality

Protecting our company

- Privacy and confidential information
- Safeguarding physical and electronic assets
- Accurate recordkeeping
- Conflicts of interest
- Inside information and trading
- Responsible communications

Being good neighbors

- Human rights
- Community involvement and sustainability
- Political activities

At Kinaxis, we don't allow any form of retaliation (such as firing, salary reduction, or other negative job actions) by anyone against those who speak up in good faith.

Sustainability and social responsibility embedded in corporate strategy

Our corporate strategy, which guides the objectives, decisions, and efforts of every Kinaxis team member, includes five core elements. One of those is committing to a sustainable and socially responsible future.



Kinaxis remains part of the UN Global Compact

With a network of more than 12,000 companies and 3,000 non-business signatories in over 160 countries, the United Nations Global Compact is the largest corporate sustainability initiative in the world. Its Ten Principles address areas of human rights, labor, environment, and anti-corruption and represent the fundamental values that businesses can and should embed in their daily strategies and operations to advance broader societal goals such as the UN Sustainable Development Goals and the 2030 Agenda to address the world's critical challenges.

ESG governance and risks

Governance structure

Our accountability structure for ESG starts with the Kinaxis Board and filters through every aspect of our organization. Led by our risk management leader, our cross-functional ESG steering committee reports to our Chief Legal Officer, who in turn brings ESG matters to the full executive team and regularly reports findings and recommendations back to the nominating and governance committee of the board.

Six of our seven independent directors self-assessed as having experience in, or understanding of, internal risk controls, risk assessment, risk management, and/or risk reporting, including risks related to environmental and social issues. The same number self-assessed as having experience in, or understanding of, sustainability and ESG matters.

ESG risks

ESG is fully integrated with and has its own distinct category within our comprehensive enterprise risk management (ERM) program, which harmonizes risk management procedures and practices across the organization. To date, we've focused on various aspects of enterprise risk, including risk identification, risk prioritization, risk assessment and treatment, risk monitoring, and reviewing our risk governance structure annually. Our ERM program establishes clear risk oversight, drives accountability, and integrates risk management into our day-to-day operations and decision-making. Working with the executive leadership team, our Chief Legal Officer is responsible for facilitating and overseeing the ERM program and reports regularly to the Audit Committee of the board as well as the full board.





As part of our ERM work, we have identified 12 specific ESG topics in our enterprise risk universe, which have been assessed against a materiality matrix and categorized as tier one through three based on our interpretation of their impact to our business and importance to our stakeholders. While all 12 are important and require some degree of monitoring and management, we deem only two of them as rising to the level of a key enterprise risk: (1) privacy and data security and (2) talent management. Under the ERM program, these two key enterprise risks are closely monitored and reported on quarterly by the risk management team. The remaining ten ESG risks are addressed through our ESG program.

ESG reporting standards

Disclosures in this report are informed by the Sustainability Accounting Standards Board (SASB) framework for software and IT services companies (see Appendix 1 for related metrics). Although we currently don't assess any climate-related issues as a key corporate risk, we have also initiated disclosures under the Task Force on Climate-Related Financials Disclosures framework, which can be found in Appendix 2.

Our GHG inventory calculations (see Protecting the planet section) were made with the assistance of our independent consultant, Carbonzero, and in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard, which is the leading corporate guide for emissions measurement and reporting. Carbonzero also advises on our purchases of third-party verified carbon offsets.

ESG commitments

We have made four core commitments that drive our ESG strategy:

1. **Protecting our planet by doing what we do best.** Creating a sustainable future is not only a key aspect of how we run our own business, but by combining human intelligence with AI and concurrent planning, we also empower our customers to make the best possible decisions for their businesses and the world.
2. **Taking care of people.** People matter here is the foundation of our culture. Our teams are spread across the world, and each one is just as important to us as the next. We take great care in cultivating a socially conscious culture where we are all empowered.
3. **Giving back.** We know we are all global citizens. We support our communities and the causes where we can make the most impact.
4. **Building trust through integrity.** We believe in our responsibility to build trust with all our internal and external stakeholders – through openness, transparency, and accountability, including the protection of all our stakeholders' data.

Consistent with these statements, Kinaxis has committed to focus on contributions towards six key United Nations Sustainable Development Goals.

3 GOOD HEALTH
AND WELL-BEING



5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Taking care of people

One thing that remains a constant at Kinaxis is that people matter here. These are the three words we use every day to describe our culture – and that will never change. It's in our DNA.

Key resources

We have codified our people-matter-here culture in a number of key, publicly available documents, including our [Code of Conduct](#), as described earlier. This important document clarifies our stand against human rights abuses, including forced labor, human trafficking, child labor, and many others, and also to recognize employees' right to freedom of association. Other critical policies also play an important role in determining how we show up.

Our [Positive Workplace Policy](#) lays out our commitment to treat every employee with dignity and respect and to have zero tolerance for discrimination, harassment, sexual harassment, and violence. It establishes our commitment to fair treatment of employees, upholding human rights, and paying fair wages. The policy lays out clear steps to follow should anyone be concerned about workplace behavior.

Our [Vendor Code of Conduct](#) summarizes Kinaxis' expectations of its vendors and reflects Kinaxis' concern for all individuals, including its vendors' workers. Local customs and laws vary by country, but consistent with our membership in the United Nations Global Compact, we support the importance of human rights as universal, and this code is intended to reflect that importance.

Our [Management Diversity Policy](#) sets out the importance of diversity by gender, age, disability, sexual orientation, geographic representation, Indigenous status and ethnicity, and executive leadership of Kinaxis takes these characteristics into consideration when hiring and promoting individuals to management.



At Kinaxis, 'People Matter Here' is not just a slogan. My managers see the full value in my contributions and they always support me to become more successful in my career."

**CLAIRE WU, SENIOR SOFTWARE DEVELOPER,
QUALITY ASSURANCE – FRONT END TECHNOLOGIES, KINAXIS**

Core values

As Kinaxis continues to experience rapid growth and global expansion, we work to ensure that our values are relevant today and will remain so into the future. At Kinaxis, we look for and celebrate six core values in our team: be real, be empowered, stronger together, laugh often, be customer centric, and be a global citizen.

To continue to attract and retain the very best people, we leverage our core values to make three fundamental promises to our team – our employee value proposition:

- **Challenging work.** Team members are encouraged to embrace and empower their own unique ingenuity and innovation and apply them to the very complex problems that Kinaxis solves. We offer opportunities for personal growth and learning, as well as for contributions to the growth and scale of Kinaxis.
- **Great people.** We are authentic and human, caring for and supporting one another, inside and outside work. This creates high trust within the team, approachable leaders, and the collaboration across functional boundaries that is a big part of delivering value to our customers.
- **Global impact.** We are a global team, spanning boundaries, locations, and languages, and are active in our myriad local communities. We are also a part of the larger global community that celebrates individual differences and diverse cultures.

Our core values



Be real

We are authentic and respectful, and we act with integrity.



Be empowered

We are an empowered group of problem-solvers, thinkers and doers.



Stronger together

We know the whole is greater than the sum of our parts.



Laugh often

We laugh, have fun and joke around – it's how we build meaningful relationships.



Be customer centric

We feel great pride in and a deep connection to our customers – both internal and external.



Be a global citizen

We are connected as a global team, active in our communities and here to make the world better.



There were a lot of great things that came with joining Kinaxis – like how great the team really interacts together and the collaboration that comes from our immediate team and our executives."

JENNIFER SUCKEY, RVP, NORTH AMERICA SALES WEST, KINAXIS

Our cross-functional, global Culture Ambassador Group plays an important role in bringing our culture to life within our teams. Our 20 culture ambassadors meet monthly to identify and plan ways to promote, drive, and shape culture throughout the organization. The group's goals include:

- Ensuring Kinaxis culture is strong across borders and functions
- Supporting business strategy and goals
- Increasing employee engagement and satisfaction
- Ensuring our culture is inclusive and reflects diversity

Diversity, equity, and inclusion (DEI)

Because people matter here, diversity, equity, and inclusion (DEI) are more than just words to us. They are the guiding principles for building a company culture that celebrates each other's differences, strives for equality, and recognizes that inclusion makes us stronger as individuals, as a company, and as global citizens. We are committed to removing barriers at all stages of both candidate and employee lifecycles.

Our annual company-wide engagement survey includes key questions related to DEI. With a strong response rate of 83%, the survey demonstrated positive sentiment with respect to the team's impressions about diversity, equity, and inclusion at Kinaxis. Overall, we received an impressive 87% favorable engagement index score, with some very encouraging results on key measures:

- 95% feel we treat each other with respect
- 95% feel they are an accepted member of their team
- 94% feel that their manager respects and is committed to inclusion and diversity

Workforce composition

In Appendix 1, we report on Sustainability Accounting Standards Board (SASB) metrics for software and IT services companies, including those relating to workforce composition. At a summary level, across the globe, 28% of our workforce identify as women and 3% as people with disabilities. In Canada, 40% of our employees identify as visible minorities and 1% as a member of an Indigenous group. Of our team in North America and Europe, 4% identify as LGBTQ+.

In 2022 we identified key roles (which included all management roles) and took additional steps to diversify our candidate pool with qualified candidates when recruiting for those roles. While overall workforce diversity has remained level, the proportion of women at the director level globally increased to 26% in 2022, up from 21% in 2021 and 17% in 2020.

As of November 8, 2022	Women	Visible minorities ¹	Employees with disabilities	Indigenous groups ²	LGBTQ+ ³
All employees	28%	40%	3%	1%	4%
Management (team lead or above)	36%	36%	2%	1%	1%
Senior management (directors and above)	26%	16%	1%	0%	5%
Executive team	25%	0%	0%	0%	0%

1 Canadian employees only

2 Canada only

3 North American and EU only



Diversity

Diversity is understanding, accepting, and valuing differences between people including, but not limited to, ethnicity, culture, birth sex, religion, and neurodiversity.



Equity

Equity is the guarantee of fair treatment, access, opportunity, and advancement for all while identifying and eliminating barriers that prevent full participation of underserved and underrepresented populations.



Inclusion

Inclusion is the creation of a collaborative, supportive, and respectful environment where all feel welcome, respected, and comfortable sharing their own perspectives.

DEI targets and goals

We introduced diversity, equity and inclusion (DEI) targets and objectives for the first time in 2021 which laid a key foundation for our DEI journey. We are continuing to build on this work and set the following targets and objectives for 2023:

Objective #1

Drive gender equality through:

- Enhancing maternal/parental leave management to better align to the United Nations Global Compact WEPs Gender Gap Analysis Tool
- Reducing bias in the performance management and promotion process and achieving improved scores around promotion/advancement opportunity topics on our Annual Engagement Survey
- Ensuring at least 30% of the Board of Directors are women
- Maintaining the DEI Sentiment Score¹ on our Annual Employee Engagement Survey above industry best-in-class benchmark (above 85%)
- Strengthening talent acquisition by focusing on diverse talent sourcing methods as well as recruitment marketing. We aim to maintain a candidate pass rate² difference by gender of under 5% by detecting and addressing any potential bias in hiring

Objective #2

- Improve measurement and transparency by achieving 85% completeness for DEI data (gender, sexual orientation, disabilities)

Objective #3

- Drive DEI globally and implement it locally, initially through engaging a local consultant in India to define diversity objectives and identify barriers to effective DEI in the region (Phase I) by the end of 2023

DEI targets and objectives apply to all members of the executive leadership team as of the beginning of 2022. They were initially set as priorities for the President and CEO and the Chief Human Resources Officer in 2021.

DEI pillars and key initiatives

We have several key DEI initiatives in place, structured across four key pillars that drive our work:

Promote employee training and awareness

DEI training. All new employees are enrolled in training courses for diversity and inclusion fundamentals and unconscious bias. We also offer a variety of learning opportunities throughout the year such as workshops, webinars and monthly DEI articles on Kinect – our internal communications platform.

¹ DEI Sentiment Score represents an average score based on response across nine DEI specific questions in the Annual Engagement Survey

² Pass rate represents the rate at which candidates from different groups advance from one step of the hiring process to the next

Give employees a voice

Employee resource groups (ERGs). Our employee-led groups provide a space for people who share an identity (for example: gender, lifestyle, ethnicity), or allies of these groups to support each other in personal growth and career development, and to foster and encourage a diverse and inclusive workplace. These resource groups strengthen employee engagement, provide networking opportunities among the workforce, and most importantly give us insights into employee needs. Our key employee resource groups include:

- **Women in Kinaxis (WIK).** The mission of WIK is to support women, promote our organization to prospective female candidates, promote STEM careers to girls and women and help provide an environment that enables women to be successful.
- **RainbowResponse.** The mission of RainbowResponse is to make LGBTQIA+ feel increasingly safe to be themselves at work.
- **Indigenous Allies.** Our Indigenous Allies group creates a safe space for Indigenous employees and their allies to discuss their issues of concern and bring positive change.
- **Women in India.** The mission of Women in India is to empower the women of Kinaxis in India and to promote a women-friendly culture and better work-life balance.
- **Parents.** The main purpose of the Parents ERG is to provide an informal group for community and support to parents at Kinaxis.

Employee-led events. We host or participate in employee-led events such as quarterly Women in Kinaxis Roundtables, TransTech, external speakers and Capital Pride Parade.



EXCELLENCE AT KINAXIS HIGHLIGHT

Emma Mohns

Emma Mohns is Senior Legal Counsel, Corporate at Kinaxis. Originally from Manitoulin Island, she is of mixed Ojibwe-settler heritage and is a proud member of Wiikwemkoong Unceded Territory. Emma was recognized this year as part of Ottawa's Top Forty Under 40 for her business accomplishments, professional experience, and community involvement. Outside of work, she's involved with not-for-profit organizations such as Trans Canada Trail and Sustainable Development Technology Canada.

Provide inclusive and equitable programs

Gender pay equity. We perform an annual gender pay equity analysis, which considers the compa-ratio (annual salary/range mid-point) between team members identifying as men and those identifying as women in the same job category and report results to the board. Globally in 2022, the gap was 1%, which was addressed on an individual basis, as appropriate.

Diversity, Equity, and Inclusion (DEI) Committee. The DEI Committee includes 32 members from different parts of the world, departments and marginalized groups that lend their perspectives to interview questions, talent assessment, and leadership and team training materials, as well as other key initiatives. Their mandate is to provide feedback and ensure our programs are aligned with the Kinaxis strategy and meet the needs of our diverse workforce.

Autism@Work. Our Autism@Work program has a target of ensuring 1% of our employee population is on the autism spectrum. The program has added diversity of thought and innovation to our R&D team, while also helping to build our competitive advantage.

Inclusive facilities. We offer inclusive facilities with multi-faith/multi-purpose rooms, gender neutral washrooms, a low sensory room and a lactation room.

Create meaningful partnerships

Indigenous Allies. Our understanding of Canada's troubling history with Indigenous peoples and the residential school system continues to deepen. The Truth and Reconciliation Commission's report lists 94 calls to action, including how Canadian business can support reconciliation, through building respectful relationships, providing equitable access to jobs, training, and education, and providing education on the history of Indigenous peoples to corporate management and staff. Our Indigenous Allies group creates a safe space for Indigenous employees and their allies to discuss their issues of concern and bring positive change. Members of this group have, led a land-acknowledgement ceremony at the opening of our new Headquarters



Indigenous
Peoples' Day
seed planting

in Ottawa, Ontario; led Robotics Workshops for Indigenous youth in partnership with IndigeSTEAM; facilitated our engagement with Indigenous consultants and experts; and organized events by Indigenous performers and educators.

Broad partnership network. We continue to partner with the Canadian Center for Diversity and Inclusion and remain a member of Indigenous Works' Leadership Circle. We participate in Target Gender Equality through UN Global Compact Network Canada. Through the Kinaxis Academic Program, we take part in events and podcasts aimed at encouraging women to participate in data science and the growing supply chain craft.

Developing our team

The challenging work we offer, the quality of people we hire, and our rapid growth drive the need for ongoing team training and development and result in a highly engaged team that is looking to make a difference.

Programs

Our structured onboarding process includes a digital curriculum that walks new team members through the information they need to become effective in their role as quickly as possible. We offer a number of ongoing learning and development opportunities to assist with each step on a career path.

Dedicated quarterly development time. Each quarter, employees in various departments are asked to dedicate time to prioritize their training and development using internal and external resources best suited to their needs. The goal is to proactively promote ongoing team development in a schedule that allows for significant flexibility.

Mentorship. All team members across the globe are invited to take part in our ever-growing mentorship program, which now includes over 318 participants, up more than 40% from last year. Anyone who feels they have something to offer can be a mentor, and anyone can ask for mentorship. Enrollment is open throughout the year. The program is designed to enhance networking, encourage knowledge sharing, support professional development, and foster guidance between colleagues across the business and around the world.



Kinaxis gives you a lot of opportunities to learn and grow in a professional career while also helping to solve exciting challenges in the supply chain industry."

PRASHANTH SANKAR, SOLUTIONS MANAGER, PROFESSIONAL SERVICES, KINAXIS

A great place to work!

We are proud to be recognized as a top employer and a great company. These accolades are a testament to the exceptional workplace we strive to create. In 2022 Kinaxis was named one of India's Great Mid-Size Workplaces. Great Place to Work® Institute's methodology assesses companies through two lenses – the quality of employee experience and the quality of people practices through the entire employee life cycle. Their methodology is considered the gold standard for defining great workplaces across business, academic and government organizations.

In 2023, Kinaxis was also recognized as one of the National Capital Regions Top Employers



Leadership training. Our constantly developing leadership program provides emerging and existing leaders guidance on enabling performance and being a role model coach to best support a highly productive team. Our program draws from leading independent consulting firms to deliver instructor-led and self-led learning experiences that allow leaders to guide their professional development. Our Manager Playbook is a fundamental learning tool for new managers and those new to managing at Kinaxis.

LinkedIn Learning. Team members have access to LinkedIn Learning, an online training platform that allows users to refine and develop professional skills, learn about new tools and technologies, and explore other areas of interest in support of individual growth through a highly personalized and engaging learning experience.

Professional development. We pay for memberships in professional associations and for fees related to relevant conferences and events to ensure our team stays at the forefront of their professions. In all, we budget 1.5% of our salaries to training and development, whether for professional development to develop or enhance new skills, or continuing education towards a new degree.

Compensation and benefits

We annually benchmark pay against four different salary surveys, globally and relevant to our industry. Using a third-party advisor, we benchmark our global benefits plans annually to ensure we are providing highly competitive regional coverage we can for our employees.

To help ensure fair, non-discriminatory pay, our job accountability framework requires job descriptions for all roles and that each role be assigned to a job category associated with a pay level. We perform annual gender pay equity analysis, as described above.

Our compensation packages can include the following components:

- **Short- and long-term incentives.** Annual bonuses, tied to individual and corporate performance, all tied to high-level strategic objectives, and long-term equity-based incentives, including performance share units, restricted share units, deferred share units, and stock options.
- **Retirement.** For our North American and Indian employees, a matching, capped contribution to retirement savings plans.
- **Share purchase plan.** Employees can voluntarily direct up to 10% of their base salary to purchase shares, and Kinaxis will match 20% of employee contributions.
- **Maternity/parental leave top-up.** Pays all new biological and adoptive parents for 12 weeks to top up their base salary to 100%.
- **Comprehensive insurance.** Covers disability, life, accident, and health insurance, including gender affirmation coverage and expanded mental health coverage.
- **Flexible vacation policy.** No fixed limit on annual vacation.
- **Kinaxis Days.** The last Friday of every month is a day off for all employees, globally, to take a shared mental health break.
- **Health and well-being.** Our global Employee Assistance Program provides access to various health and financial wellness resources. The team also enjoys access to events and programs that feed the mind, body, and soul. Our own internal fitness and nutrition programs offer options that support everyone's health and well-being. Activities include meditation exercises, nutrition advice, injury prevention, learn-to-run webinars, fitness challenges, virtual races, and weekly yoga classes. We run annual, company-wide hackathons to allow team members to think outside of their own corporate box and employee showcases to let our people demonstrate their own unique skills and interests.

As pandemic restrictions started to ease in 2022, we returned to offices using a hybrid approach. Today, all team members located near one of our primary offices continue to have the opportunity to work part of their week from home. This flexibility is core to our people-matter-here culture.



There is a real commitment to fitness and activity unlike anything I have ever seen. We have events, trackers and goals and the community participation and encouragement is really quite astonishing!"

ZACH SIDWELL, ACCOUNT EXECUTIVE, NORTH AMERICA EAST, KINAXIS

Engagement

Our annual engagement survey for 2022, which is fully anonymous and implemented by an independent third party, continues to demonstrate a highly engaged team, despite the continued effects of unprecedented challenges in the labor market brought on by the 2020 pandemic.

The survey looks at several aspects of working at Kinaxis: our culture, work environment, leadership, career growth, learning and development opportunities, teamwork, and more. The results are benchmarked against 170 technology and professional services facilities around the world and 215,000 individual survey responses. Our overall engagement index score remained exceptionally high at 87%, no change from the previous year, and higher than the industry benchmark. Encouragingly, there were no significant differences in this overall score across gender, age, tenure, and generations. We also continue to score extremely well against key criteria, including:

- 89% would recommend Kinaxis to a good friend
- 96% feel that they are an accepted member of their team

This high level of employee engagement has translated to better-than-market retention. While average employee turnover in the software business is typically high at around 10% – 15%, in recent years and due primarily to the impacts of COVID-19, industry turnover rates have ballooned to 20% – 25%. Kinaxis typically experiences turnover between 10% and 12%. In 2022, we and saw turnover of approximately 12% despite ongoing unusual circumstances in the labor market.

Executive compensation

We compare our executive compensation to that of a group of 17 similar public companies. At our 2023 annual meeting of shareholders, Kinaxis held its latest advisory “say on pay” vote, wherein shareholders voted over 96% in favor of our approach to executive compensation. Full details on the approach to management and board compensation can be found in our [Management Information Circular](#).



Protecting the planet

Kinaxis recognizes the urgency of the global climate change crisis and is committed to improving our management practices around climate risks and opportunities. We have integrated our climate risk analysis with our existing enterprise risk management program to build a more holistic approach to our processes. Climate change is a systemic and accelerating challenge requiring a concerted global effort, and while Kinaxis does not currently deem any immediate climate-related risks to be material to the company, we have identified several that could impact our business over time. We will continue to actively manage and monitor the most significant risks and opportunities and support the aims of the Task Force on Climate-Related Financial Disclosures (TCFD) to bring transparency around climate risks into corporate reporting.

Key resources

See Appendix 2 to this report for our current disclosures under the TCFD framework.

GHG emissions

Since 2019 and with the help of independent consultants Carbonzero, Kinaxis measures and discloses its impact on the environment by identifying our direct and indirect greenhouse gas sources, covering Scopes 1, 2 and 3 activities. Direct and energy indirect emissions (Scopes 1 and 2) make up 8% of our total emissions, while other indirect emissions (Scope 3) comprise 92%. In Scope 3, our main sources of emissions, by far, are business travel (by air) and electricity usage from our data servers. With the pandemic winding down throughout 2022, our travel patterns have begun to normalize. Further, due to access to higher quality and quantity of data for 2022 compared to prior periods and changes to vendor reporting methodologies in Scope 3, we've made updates to our 2022 GHG figures – details are provided below.

Emissions-generating activities	Tonnes CO ₂ -equivalent (tCO ₂ e)					
	2022	2021	2020	% of 2022 tCO ₂ e	2022 v 2021	2022 v 2020
Scope 1 GHG Emissions – Direct GHG Emissions¹	247.00	37.00	12.11	4%	569%	1944%
Stationary combustion – natural gas	247.00	37.00	12.11	4%	569%	1944%
Scope 2 GHG Emissions – Energy Indirect GHG Emissions¹	255.49	44.62	46.88	4%	473%	445%
Purchased electricity (market-based)	255.49	44.62	46.88	4%	473%	445%
Scope 3 GHG Emissions – Other Indirect GHG Emissions	5,405.24	3,700.14	3,869.25	92%	46%	40%
Leased assets	58.48	50.98	39.39	1%	15%	48%
Data servers	728.97	3,226.22	2,396.66	12%	-77%	-70%
Business travel – air	3,997.89	191.63	1,182.42	68%	1986%	238%
Business travel – hotel stays	211.99	45.54	7.78	4%	366%	2623%
Business travel - vehicle mileage & car rentals	124.94	43.11	45.33	2%	190%	176%
Business travel – rail	10.63	3.05	0.03	0%	248%	37532%
Remote work	272.33	139.61	197.64	5%	95%	38%
GHG Inventory Total	5,908.17	3,781.77	3,928.24	100%	56%	50%

¹ Significant increases to the company's Scope 1 and 2 emissions are directly related to a.) the opening of Ottawa HQ, our new, significantly larger head office in Ottawa, Ontario, which we occupied in 2022, and its related natural gas use and b.) transitioning Kinaxis' India-based offices into the Scope 1 & 2 control boundary, which significantly increased Scope 1 and 2 emissions.

Kinaxis acquired MPO in August 2022. While MPO's GHG emissions are reported in Kinaxis' 2022 GHG Inventory, data was not available for 2019 to 2021 and related emissions are not included in those years.

Notable Scope 1 and 2 and GHG-generating activities

Operationally controlled real estate. Our largest offices include our headquarters in Ottawa and offices in Chennai, Toronto, and Tokyo. Kinaxis is deemed to have operational control over the utilities at the Ottawa, Toronto and Chennai offices. As a notable change from prior year, utility metering improvements in 2022 have allowed for Kinaxis' three offices in India to be moved into the Scope 1 & 2 boundary by way of having Kinaxis-metered data from January 1, 2022 onwards (Note that these offices utilities are reported in Scope 3 - Leased Assets for 2019 - 2021, and only brought into the Scope 1 & 2 control boundary for 2022, which is when metered data specific to Kinaxis became available.).

Kinaxis purchases EcoLogo certified Renewable Energy Certificates (RECs) to match 100% of grid electricity consumption at Ottawa HQ. In the absence of this program, Scope 2 electricity emissions at Ottawa HQ would have amounted to 41.81 tCO₂e, while total Scope 2 GHG emissions in 2022 would have amounted to 297.30 tCO₂e, under the location-based accounting method.

Notable Scope 3 GHG-generating activities

Data centers. We deliver RapidResponse as a software as a service (SaaS) offering from our servers, which are primarily hosted at global colocation facilities operated by Equinix, a company broadly recognized for its ESG initiatives. As a first step in its climate change reduction strategy, Equinix established a 100% renewable energy target in 2015. It has since achieved 95%. In 2021, it expanded the scope of its commitments to include both a science-based target and climate neutrality, furthering its alignment with the aims of the 2015 Paris Climate Agreement.





tree-nation

tree-nation.com/profile/kinaxis



25975

Trees planted



21.48

Hectares reforested



7608.53

Tonnes CO₂ captured

Equinix purchased renewable energy certificates (RECs) for 100% of the estimated 2,023 MWh of electricity used to support Kinaxis' business across all its colocation facilities in 2022 – in the United States, Japan, and the Netherlands. We report related GHG emissions in the purchased goods and services Scope 3 category using location-based emission factors, prior to the application of Equinix's purchased RECs, though we don't offset for those amounts as the RECs already accomplish that goal.

In 2022, Equinix has changed its methodology regarding how server electricity use and related GHG emissions are calculated which has produced a significant GHG reduction in 2022 for purchased server-related services. The change in methodology results in more accurate energy and related GHG emissions data being provided by producing actual metered electricity consumption results, as opposed to estimated consumption amounts based on a maximum potential demand. GHG emissions totals using the new methodology are only available for 2022, and historical periods have not been re-stated due to the data not being available at the time of report publication.

For other data center needs, we also use Vantage Data Centers in the province of Quebec, which uses nearly 100% renewable hydroelectricity, and a separate data center operator for our internal IT requirements. Across 2022 and 2023, we have gone live on both Microsoft Azure and Google Cloud to deliver RapidResponse in a public cloud environment – the public cloud impact on our GHG emissions will be reported in our next Global Impact Report.

Business travel. With the COVID-19 pandemic easing in 2022, certain business travel activities have resumed. We are working on strategies to maintain business travel emissions per employee below pre-COVID levels.

Carbon neutrality

While Kinaxis' focus ahead is to identify GHG reduction opportunities across the organization and decarbonize where possible, we have also committed to achieving carbon neutrality for our remaining GHG emissions. To accomplish that, with the help of Carbonzero, we invest in high-quality third-party verified carbon offsets sourced through reputable providers from Canadian and International projects.

To offset our remaining FY 2022 GHG emissions of 5,206 tCO₂e (5,935 tCO₂e total, less 729 tCO₂e already mitigated by Equinix through its REC purchases), we invested in the following third-party verified projects:

Newfoundland Climate and Ecosystems Conservancy Project, Canada. The project, a greenhouse gas mitigation initiative through engineered wetland systems for wastewater treatment, represents the first carbon offsets ever generated in the province of Newfoundland and Labrador. The objective of this project is to treat wastewater and sludge from municipalities in an effective manner to eliminate the environmental impacts of discharging raw wastewater into watercourses and sea. The implemented wastewater treatment solution consumes much less energy and emits less GHG than typical wastewater treatment systems.

Renew Solar Power Generation Project, India. The main purpose of this project is to generate clean electricity through renewable solar energy sources. The solar power installation has a total capacity of 927 MW and has been implemented in the Gujarat, Karnataka, Madhya Pradesh, Rajasthan, and Telangana states of India. The project replaces anthropogenic GHG emissions at about 1.7 million tCO₂e per year.

Prairie Winds Emissions Reduction Project, USA. Prairie Winds Emissions Reduction Project, which was completed in 2009, was the largest undertaking by an electric power cooperative in the US at the time. The project consists of 77 1.5 megawatt turbines. Providing access to affordable, reliable, sustainable, and efficient energy solutions, Prairie Winds generates 300,000 MWh of clean energy every year. Emissions reductions are generated by displacing grid-connected electricity from traditional fossil fuel electricity sources, reducing our reliance on higher carbon intensive fuels such as coal and natural gas. As well as benefiting the environment, the project created new jobs during construction and has maintained permanent employment for the community since becoming a working facility.

Additionally, Kinaxis further partnered with Carbonzero to measure and offset the carbon footprint of Kinexions 2022, our user conference in San Diego, California, through the purchase of third-party verified carbon offsets. Carbonzero worked closely with event organizers to determine the greenhouse gas emissions from all attendee travel, venue utilities, hotel stays, and event-related landfill waste.

Approach to carbon offsets

A carbon offset is a verified reduction of greenhouse gas emissions, developed to compensate or “offset” an equivalent greenhouse gas emission from another source that cannot be easily eliminated. As a result, climate change is mitigated by providing financial incentives for pollution reduction and investment in new technologies and ecological processes.

For our carbon offset investments to have the most environmental and social impact, we consider projects that meet the following criteria:



Quantifiable

The tonnes of CO₂ equivalent emissions reduced, removed, or avoided by the project must be measured precisely.



Additional

Projects must go beyond “business as usual” to generate offsets.



Permanent

The beneficial action of an offset to the atmosphere must be durable and lasting.



Verifiable

Projects must be audited by accredited third parties.



Social

Our goal is to maximize value associated with socially responsible projects that can directly benefit local communities.



Local

We seek to align our investments within the geography of our emissions-producing activities.



UN SDGs

Our investments in carbon offsets to date support several United Nation Sustainable Development Goals, including two of the six we have chosen to focus on: SDG 8, Decent work and economic growth, and SDG 13, Climate action.



Our office programs

Our largest offices, in order of size, are in Ottawa – where we took occupancy of our new headquarters in January 2022 – Chennai, Toronto, Rotterdam and Tokyo. In Chennai, we moved into a new LEED-certified building in late 2022. All offices are included in our GHG inventory and our carbon offsetting program and feature other environmentally friendly programs.

Renewable Energy Certificates. Kinaxis purchases EcoLogo certified Renewable Energy Certificates (RECs) to match 100% of grid electricity consumption at Ottawa HQ.

Lighting and HVAC. LED lighting is used in our Ottawa, Toronto and Chennai offices. In our new HQ, blinds and shades are on sensors, to harvest daylight and optimize lighting; the building HVAC system is turned off at night, when the building is typically unoccupied; and we run a high-efficiency HVAC.

Furniture. When available, older furniture is auctioned to employees, with funds going to various charities, and any remaining pieces are sent for recycling. New furniture, such as workstations, laminate tops, and chairs, is built from low volatile organic compounds, which have little or no off-gassing and meet LEED certification. We reused 100% of workstations from our old HQ.

Recycling. We have four-stream recycling programs throughout our Canadian offices, Chennai and in Tokyo. Recycling consists of organics, plastics, metals and glass, and paper/cardboard, and we provide battery recycling containers throughout the building. We no longer print and mail materials for our Annual General Meeting, relying on digital distribution, as permitted by the relevant securities administrators

IT asset recycling. To maximize our IT asset life, we replace laptops and workstations on a break-fix model, where hardware is replaced only as truly warranted, rather than using a fixed replacement cycle. Older hardware that has been found to no longer be usable in our corporate environment is donated and re-purposed. Any remaining or unusable computers are dismantled for parts or are picked up by an electronics company and recycled responsibly.

Paying it forward with RapidResponse

While we are always looking for ways to improve our own ESG practices, RapidResponse also makes significant contributions to helping our customers reduce waste in its many forms every day.

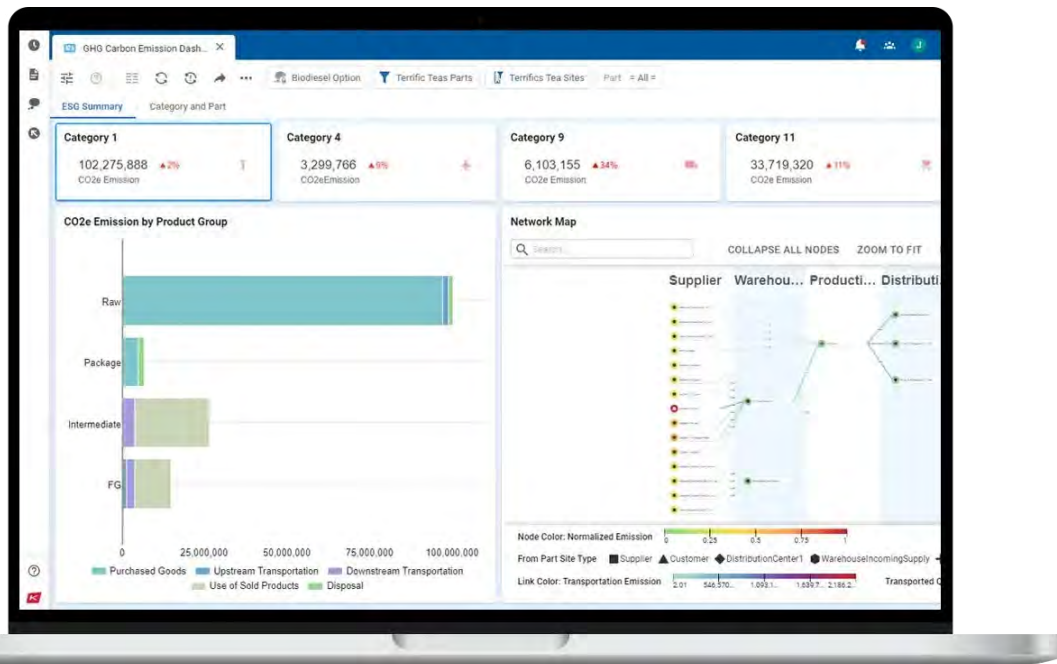
Sustainable Supply Chain application

At our annual customer community conference Kinexions, we unveiled new product innovations spanning the end-to-end supply chain that empower businesses with the transparency, control, and agility they need to navigate today's volatile business landscape.

One of the new innovations, [Sustainable Supply Chain](#), is a solution that allows companies to embed emissions data (including Scope 3 emissions) directly into RapidResponse to design scenarios that will estimate, project and simulate supply chain related CO₂e in real time. Not only does Sustainable Supply Chain create visibility into emissions data, but it also empowers planners to understand its impact in seconds.

Scope 3 emissions account for more than 90% of a company's carbon footprint, so failure to understand the environmental impact of supply chain decisions is a major barrier to a more sustainable future.

Planners can now seamlessly blend timely and accurate emissions data to weigh environmental factors alongside economic and service indicators to optimally balance the triple bottom line.



Sustainable Supply Chain application



Other RapidResponse sustainability benefits

Beyond the capabilities of the Sustainable Supply Chain, RapidResponse helps customers mitigate their environmental footprint and reduce waste in its many forms every day.

Reducing wasted product

By enhancing end-to-end supply chain planning, RapidResponse very typically helps our customers lower their physical inventory levels. Excess inventory may never find a home and, instead, can find its way into landfills. Some inventory has firm expiry dates beyond which product is entirely wasted, never finding its way to customers in need and creating a disposal problem. Our customers frequently report reductions in finished goods inventory of more than 30%.

Delivering critical goods

Many of our customers offer products that are critical to society and must always be available – stockouts simply can't happen.

Life sciences and pharmaceutical companies represent one of our largest markets. One major customer in this market, which offers life-saving oncology drugs, has a corporate mission to never stockout. That same customer has credited Kinaxis as a significant contributor to achieving that goal, while simultaneously reducing days-in-inventory by 20 days.

Consumer products is a large and rapidly growing market for Kinaxis, and we help companies ensure that their critical products are available during emergencies. A [Forbes article](#) discusses how our customer, Procter & Gamble, managed their supply chain to move critical goods out of the path of Hurricane Irma to ensure that they could supply consumers with what they needed most during the emergency. Throughout COVID-19, our consumer products customers used Kinaxis to keep a steady flow of vital products on retailers' shelves, under very challenging circumstances.

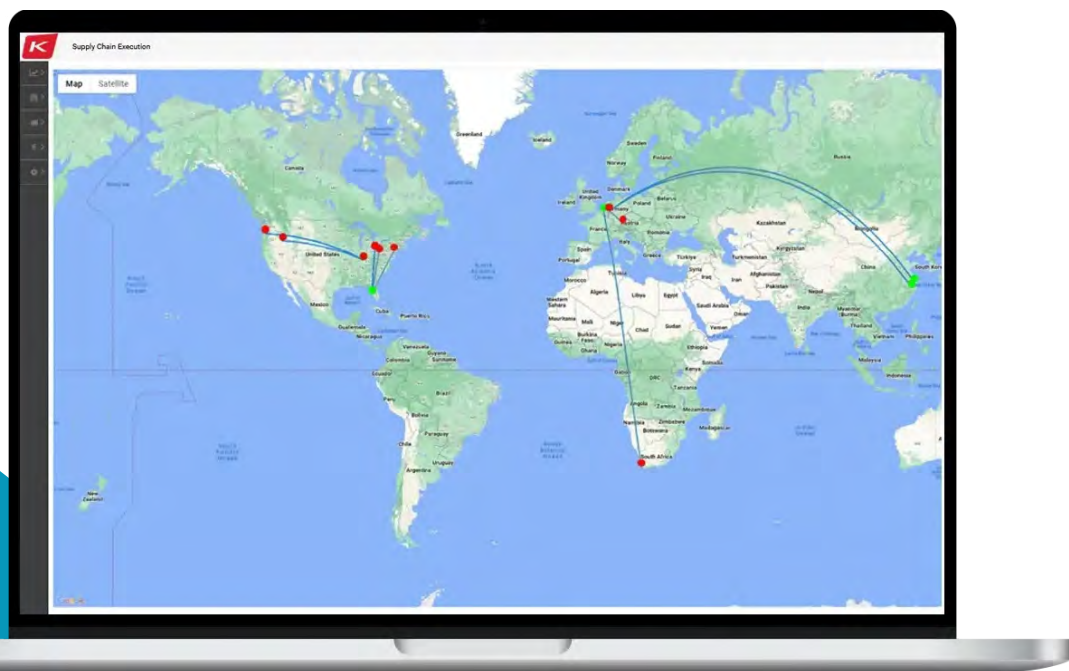
Reducing carbon output

Poor planning frequently leads to expensive, wasteful last-minute expediting of goods within global supply chain networks. Frequently, the goods are expedited via high-carbon-footprint air courier. Kinaxis customers have experienced 80% decreases, or more, in expediting activity – all through better planning. Kinaxis has also helped a car manufacturer plan its portfolio of vehicle packages so that they met tougher emissions requirements in the European Union and avoided costly penalties.

Our [Supply Chain Execution](#) product capabilities offer customers advanced transportation management and load optimization capabilities. These solutions help optimize shipping plans and freight spend and increase capacity utilization by creating fuller, more efficient loads, resulting in significantly reduced CO₂ emissions for greater sustainability.

Enabling recycling and the circular economy

With our partner, Ocyo Consulting, Kinaxis offers solutions that directly help companies plan and monitor recycling flows of incoming and outgoing products, internally and across a partner network, to improve supply chain efficiency, sustainability, and compliance.



Supply Chain Execution

Building trust

RapidResponse processes the supply chain data of globally recognized, Fortune Global 500 leaders and other major companies, so we have established several key processes to earn and keep the trust of these market leaders, including intellectual property protection and world-class data security and privacy features. While protection of all data is critical, the most material impact to our business relates to how we manage data security and privacy for customers using our RapidResponse SaaS offering.

RapidResponse is a cloud-based SaaS offering delivered under a single tenant data store model. For colocation of our infrastructure, we rely on enterprise-grade third-party data center facilities located in advanced, stable democracies globally, limiting exposure to government-mandated monitoring, blocking, content filtering, or censoring. Each data center facility implements best-in-class physical and environmental security, with certifications/audits that include ISO 9001, 14001, 22301, 27001, SOC 1 Type II, & SOC 2 Type II and BSI-C5 Type II.

We are also increasingly taking advantage of delivering RapidResponse via public cloud providers that offer best-in-class security measures. In March 2022, we went live with Microsoft Azure as part of our shift to the public cloud. In addition to Microsoft, we have established a strategic partnership with Google to help us extend our hosted offerings. We went live on Google Cloud in 2023. RapidResponse is available on both the Azure and Google Cloud Marketplace as of May 2023.

Cyber security leadership. Our leadership team includes key roles related to data security and privacy. Our Chief Legal Officer is also our Data Protection Officer for purposes of Europe's General Data Protection Regulation (GDPR). Reporting to our Chief Legal Officer, our Vice President, Security, Strategy and Compliance sets related strategies, policies, and approaches for Kinaxis to follow. Our Chief Information Officer and Chief Technology Officer operationalize those strategies to safeguard the data we process for all internal and external Kinaxis stakeholders.

Key security features

- SOC 1 Type II audited
- SOC 2 Type II audited
- BSI C5:2020 Type II audited
- Single-tenant SaaS model
- 100% AES256-bit "in-transit" and "at-rest" encryption
- Disaster recovery time objective and recovery point objective of no more than 24 hours
- Advanced security operations center (SOC) monitoring 24x7x365
- Industry-best practices for physical security

Colocated in secure locations globally



Global privacy standards compliance

Kinaxis ensures compliance with applicable data privacy laws, including:

- General Data Protection Regulation (GDPR) 2016/679
- Canadian Personal Information Protection and Electronic Documents Act 2000 (PIPEDA)
- U.S. Federal Trade Commission Privacy Act 1974
- Japan Act on the Protection of Personal Information Law. No.57/2003
- Australian Federal Privacy Act 1988
- All other regional, federal, or state data privacy laws that apply to our operations

Key resources

A comprehensive review of our data security and privacy practices can be found in our [data security brochure](#) and [privacy policy](#). Our [GDPR with RapidResponse](#) brochure describes how RapidResponse can be used to comply with GDPR requests and individual rights. Page 16 and 17 of our 2023 [Annual Information Form](#) describes our approach to intellectual property protection in detail and includes details of our issued patents.

Intellectual property

In accordance with industry practice, we protect our proprietary products and technology through a combination of patents, copyrights, trademarks, trade secrets and contractual provisions, with customers, partners, employees and others. In total, as of August 31, 2023, we have been issued 32 patents globally pertaining to key, differentiating aspects of the RapidResponse platform, and currently have over 130 patents pending worldwide.

Data security in our private cloud environments

We pride ourselves on using the most highly advanced technologies available to keep supply chain data safe, secure, and accessible to only those who legitimately need it. We adhere to global standards and best practices and acquire third-party verification of our processes to ensure compliance.

We work around the clock to keep data safe with routine performance and security monitoring coupled with 24/7/365 customer support and emergency response. From physical security measures to in-depth application security controls and vulnerability scans, we take every precaution to safeguard supply chain data so our customers can rest assured that their data is in good hands.

User access management. Our customers select and know who can see their data, with end-user permissions to access specific information and application functionality.

Compliance with security standards and frameworks. We engage globally recognized independent auditors to perform annual SOC 1 Type II, SOC 2 Type II and BSI-C5 Type II audits of our service.

We also routinely conduct internal and external assessments – following documented enterprise-wide processes that include management oversight to ensure the confidentiality, integrity, and availability of customer data.

Security monitoring framework. To ensure data always remains safe, we've implemented a comprehensive network security monitoring system with fully automated intrusion prevention systems. We perform scheduled and ad hoc security scans using advanced security tools.

Data privacy

At Kinaxis, we recognize the importance of protecting user privacy and personal data and are committed to it.

Privacy policy

Kinaxis is committed to protecting the privacy of its employees' and customers' data. Our [privacy policy](#) applies to personal information and other information collected by Kinaxis or its service providers from or about (i) visitors to, or users of, its websites, (ii) prospective and current customers using Kinaxis services, (iii) service providers and business partners, (iv) prospective and current employees, and (v) other third parties it interacts with.

User consent. Prior to collecting personal information, Kinaxis obtains users' consent. At any point in time, users can revoke their consent, and we will cease using and processing the personal information immediately. Kinaxis does not sell or otherwise disclose the personal information it holds to third parties, except for the limited, legitimate circumstances described in the privacy policy.

Customer data

Limited data processing. Kinaxis processes customer data solely for the purpose of providing our RapidResponse SaaS solution and only in accordance with the terms and conditions of contracts between Kinaxis and its customers, as well as other unique customer instructions.

Customer control. Our customers keep full control over the type of data – e.g., demographic, behavioral, personally identifiable information (PII), etc. – that is processed as well as the exact purpose for which Kinaxis processes such data. Customers can access and extract their data at all times, as well as modify or delete it as it may be required for them to meet their obligations under applicable data privacy laws, such as to respond to data subject requests.

No data sold. No customer data is sold, distributed, or used for advertising. Customer data is shared with third parties only with customers' consent, and to the extent we are required to do so for the provision of our services, and only after agreements with third parties are in place to ensure they will abide by all applicable data security and privacy obligations.

Technical alignment

Kinaxis' policies and practices include organizational, technical, and operational measures to ensure the confidentiality, integrity, and availability of customer data, aligned with recognized industry standards:

- ISO 27000 family of standards
- CSA Cloud Controls Matrix (CCM) Level 2
- NIST 800 Special Publications and others

Data protection impact assessments. We conduct data protection impact assessments (DPIAs) at least annually, and as necessary to evaluate privacy concerns in new systems or services or existing ones that are undergoing major modifications.

Potential data requests and privacy breaches. Should Kinaxis ever be required to provide customer data in connection with a legally binding request for disclosure by a law enforcement or supervisory authority, Kinaxis would promptly notify the customer, as permitted. Unless legally required to do so, Kinaxis does not respond to such requests directly or without the customer's consent and involvement.

Should Kinaxis ever experience a data privacy breach, we would notify affected customers without undue delay and support them in complying with any legal or regulatory notification requirement and any subsequent investigations for root cause.

Giving back

One of our corporate values recognizes that we are all global citizens. As part of that commitment, Kinaxis makes corporate donations to several worthy causes and offers our expertise to students and academics in the supply chain field, to help continue to move the practice forward for generations ahead.

Key resources

Our community involvement guidelines direct us in our support of charitable events and causes, including providing clarity on the types of organizations to which Kinaxis will not donate. For example, donations will not be made to any organizations that discriminate against any protected group under the UN's Universal Declaration of Human Rights. Also, we will not fund organizations for the purpose of promoting particular religious beliefs or organizations operated primarily for the purposes of directly or indirectly influencing the outcome of any political process

Corporate giving

In 2022, Kinaxis' giving program included two main direct-giving streams:

- Kinaxis-led charitable giving, which we support through direct cash contributions, donations-in-kind (e.g., IT equipment, furniture, meeting spaces, etc.), paid time off for volunteering, and corporate sponsorships
- Employee-led charitable matching, which we support through cash donations per hour volunteered by team members, matching employee donations, and matching fundraising for employee events



Volunteering at Christie Lake Kids Camp

In May 2023, approximately 60 members of Kinaxis' Corporate IT team spent the workday at Christie Lake Kids Camp, assisting with the spring clean up.

Music at Kinaxis

Creating community through music and the arts

The Kinaxis culture is anchored by the simple words “people matter here”, which extends to the communities where we live, work and play, including the world of music. Its unique ability to bring people together makes music an important part of our workplace culture. We have a strong connection to the music industry as a unifier for humanity, and for our company culture.



River Christie-White



Mikhail Laxton



Angeliqe Francis

Kinaxis InConcert



In partnership with the Ottawa Music Industry Coalition (OMIC), we host 'Kinaxis InConcert: Live from the Hive', a concert series where local, touring, and emerging artists from a wide variety of genres perform at Kinaxis' HQ in Ottawa.



The Bayash Sisters featuring Yarro and Emma Bayash (left) and Avery Raquel (right) perform at Billy Bishop Airport

Catapult



The next generation of musicians is on the come up, and we want to be there to support them on their journey to stardom. We've partnered with The Catapult Collaboration, a new music initiative managed by ArtHaus and designed to propel emerging artists. The Catapult Collaboration supports emerging musicians by pairing them with established artists for unique live, paid performance opportunities.

We also provide additional charitable contributions when important opportunities present themselves and are consistent with our core values.

To ensure our Corporate Giving program remains effective at supporting causes that align with our corporate values, we undertook a redesign of the program in 2023 and will report on the full scope of the new program in our next Global Impact Report.

Kinaxis Academic Program

Through the Kinaxis Academic Program in 2022, Kinaxis reached over 3,600 students at leading universities, globally. Kinaxis recognizes the critical role that higher education plays in ensuring we have the ideas, innovation, and skills necessary to propel the modern supply chain forward. Under this program, launched in 2020, we partner with supply chain, business, analytics, and engineering programs at leading academic institutions to inspire the next generation through initiatives such as: guest lectures, case studies, and certifications that invite students to engage on a continuous learning journey.

We also reach younger minds, through our sponsorship of Shad, the summer enrichment program focused on STEAM for high-achieving Canadian high school students. Among other activities, we challenged students to play the “Kinaxis Cookie Game,” a live simulation that demonstrates the complexities and challenges facing supply chain planners today.



Reaching over 3,600 students

We reached over 3,600 students at leading universities, globally, through academic outreach that included more than 50 guest lectures.

We have collaborated with academic leaders at:

- Columbia University
- Massachusetts Institute of Technology
- University of Toronto,
- National University of Singapore
- Cambridge University
- University College Dublin

Appendix 1 – SASB Metrics

Topic	FY2022	FY2021	SASB Metric
Environmental Footprint of Hardware Infrastructure			
Total Energy Consumed (gigajoules)	15,345.51	7,031.19	TC-SI-130a.1
Percentage grid electricity	68.86%	89.84%	TC-SI-130a.1
Percentage renewable	34.46%	0%	TC-SI-130a.1
Total water withdrawn	Deemed immaterial to operations		TC-SI-130a.2
Total water consumed, percentage of each in regions with high or extremely high baseline water stress	Deemed immaterial to operations		TC-SI-130a.2
Discussion of the integration of environmental considerations into strategic planning for data center needs	See Strategy Commentary in Appendix 2 – Alignment with Task Force on Climate-Related Financial Disclosures		TC-SI-130a.2
Data Privacy & Freedom of Expression			
Description of policies and practices relating to behavioural advertising and user privacy	Do not engage in behavioural advertising		TC-SI-220a.1
Number of users whose information is used for secondary purposes	0	0	TC-SI-220a.2
Total amount of monetary losses as a result of legal proceedings associated with user privacy	\$0	\$0	TC-SI-220a.3
Number of law enforcement requests for user information	0	0	TC-SI-220a.4
Number of users whose information was requested	0	0	TC-SI-220a.4
Percentage resulting in disclosure	0	0	TC-SI-220a.4
List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	None		TC-SI-220a.5

Data Security

Number of data breaches	No breaches requiring customer/user notification have occurred		TC-SI-230a.1
Percentage involving personally identifiable information (PII)	N/A		TC-SI-230a.1
Number of users affected	N/A		TC-SI-230a.1
Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	See pages 33-34 herein		TC-SI-230a.2

Recruiting & Managing a Global, Diverse & Skilled Workforce

Foreign nationals (in Canada)	13%	3%	TC-SI-330a.1
Located in Canada	50%	53%	TC-SI-330a.1
Located in North America	66%	71%	TC-SI-330a.1
Located offshore	50%	29%	TC-SI-330a.1
Employee engagement as a percentage	87%	87%	TC-SI-330a.2

Gender identity, total employees

Man	64%	66%	TC-SI-330a.3
Woman	28%	27%	TC-SI-330a.3
Non-binary, other, and prefer not to say	7%	7%	TC-SI-330a.3

Gender identity, technical employees (Canada)

Man	64%	65%	TC-SI-330a.3
Woman	24%	26%	TC-SI-330a.3
Non-binary, other, and prefer not to say	12%	9%	TC-SI-330a.3

Gender identity, exec. Team/director+/people manager/contributor

Man	67%/60%/57%/65%	73%/75%/55%/66%	TC-SI-330a.3
Woman	25%/26%/36%/28%	18%/21%/37%/27%	TC-SI-330a.3
Non-binary, other, and prefer not to say	8%/14%/8%/7%	9%/4%/8%/7%	TC-SI-330a.3

Racial/ethnic identity, total employees (Canada)

Indigenous	1%	<1%	TC-SI-330a.3
Arab	2%	2%	TC-SI-330a.3
Asian	28%	27%	TC-SI-330a.3
Black	2%	2%	TC-SI-330a.3
Latin American	2%	2%	TC-SI-330a.3
White	45%	51%	TC-SI-330a.3
Two or more races, other, and prefer not to say	20%	16%	TC-SI-330a.3

Racial/ethnic identity, technical employees (Canada)

Indigenous	<1%	<1%	
Arab	4%	3%	TC-SI-330a.3
Asian	31%	31%	TC-SI-330a.3
Black	1%	1%	TC-SI-330a.3
Latin American	2%	1%	TC-SI-330a.3
White	36%	43%	TC-SI-330a.3
Two or more races, other, and prefer not to say	26%	19%	TC-SI-330a.3

Racial/ethnic identity, exec. Team/director+/people manager/contributor (Canada)

Indigenous	0%/0%/1%/1%	0%/0%/2%/<1%	TC-SI-330a.3
Arab	0%/0%/2%/2%	0%/2%/2%/2%	TC-SI-330a.3
Asian	0%/12%/26%/31%	13%/11%/17%/30%	TC-SI-330a.3
Black	0%/0%/1%/2%	0%/0%/0%/2%	TC-SI-330a.3
Latin American	0%/0%/1%/2%	0%/0%/2%/2%	TC-SI-330a.3
White	89%/67%/52%/41%	75%/75%/64%/46%	TC-SI-330a.3
Two or more races, other, and prefer not to say	11%/21%/17%/21%	13%/11%/14%/17%	TC-SI-330a.3

Intellectual Property Protection & Competitive Behavior

Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	\$0	\$0	TC-SI-520a.1
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Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Exceeded or achieved our target of a minimum 99.5% uptime	TCOSI-550a.1
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Description of business continuity risks related to disruptions of operations	See pages 30-45 of our Annual Information Form, most notably pages 38-42 for operational risks	See pages 27-41 of our Annual Information Form, most notably pages 35-40 for operational risks	TCOSI-550a.2
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Appendix 2 – Alignment with Task Force on Climate-Related Financial Disclosures

Kinaxis recognizes the urgency of the global climate change crisis and is committed to improving and elevating our climate risk management practices. In 2021, we initiated a risk analysis aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and integrated it with our existing enterprise risk management program to build a more holistic approach to our processes. Our initial identification and assessment activities indicate that climate-related risks and opportunities are not currently financially material to our business. However, we believe climate change is a systemic and accelerating challenge requiring a concerted global effort. Therefore, we will continue to actively manage and monitor our most significant climate-related risks and opportunities. Kinaxis supports the aims of the TCFD to bring transparency around climate-risks into financial reporting, and we intend to continue to build out our strategy and reporting under this framework

Disclosure

Response

Governance

Describe the board's oversight of climate-related risks and opportunities

Board of Directors

Kinaxis' Board of Directors has ultimate oversight responsibility for risk management activities and programs and ensures that adequate systems are in place to identify, manage, monitor, and report on principal risks affecting corporate objectives. Through their oversight role, the board members satisfy themselves that:

- risk management policies and procedures are aligned with the overall business strategy
- these policies and procedures are operating as intended; and
- a strong risk culture is maintained across the business.

Nominating and Governance Committee

The nominating and governance committee has been delegated primary oversight responsibility for all ESG matters, including strategies, policies, performance and reporting of climate-related risks and opportunities. On a semi-annual basis, the Chief Legal Officer and risk and sustainability lead submit to the nominating and governance committee a climate-risk report, which includes:

- a summary risk dashboard, including a description of prioritized climate-related risks and semi-annual trends;
- the status of ongoing and completed mitigation strategies for prioritized climate-related risks and overdue items; and
- additional monitoring metrics and/or other information, as necessary.

Describe management's role in assessing and managing climate-related risks and opportunities

Kinaxis recognizes that management of climate-related matters requires broad collaboration and cross-functional involvement. Accordingly, we have established an integrated approach and accountability structure for identifying, assessing, and managing climate-related risks and opportunities, which engages our Chief Legal Officer, full executive team, cross-functional ESG Steering Committee, and other relevant stakeholders, as needed.

Our Chief Legal Officer is the executive sponsor of both risk and sustainability related matters and is accountable for delegated oversight of processes surrounding ESG matters, including climate-related risks and opportunities. Priority ESG matters are brought to the full executive team, and findings and recommendations are regularly reported back to the nominating and governance committee of the board.

Led by our risk and sustainability leader, the ESG steering committee reports to our Chief Legal Officer and was established to support the executive team and nominating and governance committee of the board in overseeing Kinaxis' ongoing commitment to ESG matters. The duties and responsibilities of the ESG steering committee include helping to manage, measure, and assess ESG factors that present the most significant risks and opportunities to the business. Such factors may or may not be deemed material to the business for external reporting purposes.

Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Kinaxis identifies, prioritizes and assesses climate-related risks and opportunities across a range of time horizons (short-term: before 2030; medium-term: 2030–2050; long-term: beyond 2050) and potential impacts to the business, including financial, legal, operational, reputational, and safety considerations. In our assessments, we consider both acute and chronic physical risks, such as increases in the frequency and severity of extreme weather events, as well as risks associated with the transition to a low-carbon economy, including current and emerging regulation, market risks, and new technology.

In addition to risks, we also considered that although our own global carbon footprint is minimal given the nature of our industry as a SaaS service provider, our greatest opportunity to combat climate change is to enable our customers on their journeys towards net reduction efforts throughout their supply chains with the application of RapidResponse.

Although not currently deemed to be material, we recognize that these climate-related risks and opportunities could impact our business in future and will continue to monitor and report on them within our enterprise risk program as a distinct climate-risk profile:

Risk Category	Description	Time Frame
Physical and Transition Risks		
Physical – Acute	Increase in frequency and/or severity of extreme weather events, such as wildfires, floods or tornados, which may result in the disruption of our operations or in the loss or damage of our assets.	Medium to Long
Transition – Legal & Policy	Rapidly evolving global regulatory landscape in relation to mandatory climate disclosures which may result in increased administrative costs or penalties in the event of non-compliance, as well as adverse reputational impact.	Short to Medium
Transition – Technology, Market	Uncertainty around changes to customer preferences in their shift towards low-carbon operations and the technological innovations to support the transition to a circular economy.	Medium
Transition – Reputation	Uncertain and changing expectations and perceptions of Kinaxis’ contribution and commitment to the transition to a low-carbon economy.	Short to Medium
Opportunities		
Products & Services	The shift of customer preferences towards RapidResponse due to its capabilities in enabling net reductions across scope 3 emissions and in enhancing overall supply chain resiliency.	Short to Medium

Operations

- Energy usage in our data centres and business travel are our primary sources of carbon emissions. As a result of climate change, emerging regulations related to greenhouse gas emissions in the form of taxes or fees could increase Kinaxis operational costs.
- As part of our strategy to mitigate the impact of energy costs, we are shifting towards a public cloud infrastructure and are now live on both Microsoft Azure and Google Cloud- the public cloud impact on our carbon emissions will be reported beginning in our next Global Impact Report.

Further details on the impacts of climate change to our financial planning will be provided in our next report.

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2-degree Celsius or lower scenario.

Kinaxis has not yet introduced climate-related scenario analysis into its business strategy due to various reasons, including the nature of our business and rapid global growth over the past several years. In 2024, we will initiate the first phase of climate-related scenario analysis work to model and evaluate risks and opportunities.

Risk Management

Describe the organization's processes for identifying and assessing climate-related risks

While business units are accountable for the identification and management of risks across the organization, the risk management function is accountable to set, oversee, and facilitate the coordination of ERM processes – including providing guidance on the management of risks across the business, working with the executive team, ESG steering committee and risk owners to provide effective challenge and ensure that key decisions are made with consideration of the risks involved.

To continuously identify new, emerging, and changing risks that may impact achievement of corporate objectives, the risk management team employs an iterative process, including interviews and/or workshops to engage stakeholders at all levels across the business to identify and document Kinaxis' comprehensive risk universe. ESG is fully integrated with and has its own distinct category within our risk universe.

The risk management team prioritizes climate-related risks and opportunities with the ESG Steering Committee and presents and validates the outputs with the executive team and the nominating and governance committee of the board. Each of the most significant climate-related risks and opportunities is assigned a risk owner, who is designated with primary responsibility of the management of that risk to ensure effective strategies for mitigation are in place and to make recommendations to further manage risks.

Describe the organization's processes for managing climate-related risks.

Following the identification and prioritization of climate-related risks and opportunities, the risk owner is responsible for performing a detailed risk assessment, with input and guidance from the risk management team. The risk owner is also responsible to ensure that appropriate mitigation/treatment strategies are in place and that mitigation actions are identified to bring risks to an acceptable level.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

ESG is fully integrated with and has its own distinct category within our comprehensive risk management program, which harmonizes risk management practices and procedures across the business. Both the ESG and ERM process follow a five-step cycle, from identification to monitoring and reporting of material risks or ESG matters, including climate-related risks and opportunities.

Strategic, ESG, financial, regulatory, and operational risks are assessed at the enterprise level through the ERM process. The ERM process includes an annual refresh cycle of risk identification through workshops and/or interviews, in-depth risk assessments of top risks including the evaluation of risk mitigation capabilities, and then periodic monitoring and reporting back to the Board of Directors.

Finally, as part of the annual ERM refresh, management and the board review the appropriateness of the overall risk governance structure, defined roles and responsibilities, and oversight responsibilities.

Metrics and targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

We have not yet defined metrics to assess climate-related risks and opportunities. In 2023, we have initiated the first phase of defining metrics in line with our strategy and risk management processes.

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks

GHG emissions are disclosed in the Protecting the planet section of this report.

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

We have not yet defined targets to manage climate-related risks and opportunities. In 2023, we have initiated the first phase of defining targets and our performance against those targets.



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