[KRATT ESG COMMITMENTS 2025–2026]

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KRATT ESG Commitments – 2025 Edition

Our ESG Focus

As a fully digital company, KRATT's ESG priorities center on:

- Digital sustainability: footprint of our infrastructure and operations
- Ethical practices: transparency, privacy, and AI responsibility
- Stakeholder trust: building confidence among digital agencies and experts

KRATT digital by design. From day one, our business model has contributed to environmental sustainability by eliminating the need for offices, printed documentation, or on-premise hardware. This digital-first foundation enables us to reduce emissions across our entire value chain and support sustainable collaboration at scale. Minimizing ecological footprint is not an add-on, it is embedded in our DNA.

As part of our ESG approach, we selectively align with the SASB Internet Media & Services standard. Rather than adopt the full set, we currently focus on the most material topics relevant to our operations and stakeholder expectations. These are:

SASB Topic Area	KRATT Relevance & Actions Taken	
Environmental Footprint of Infrastructure	Platform hosted on 100% renewable energy with top- class PUE; remote-first model.	
Data Privacy & User Information Use	GDPR alignment underway, zero third-party data sales, secure local hosting.	
Data Security	ISO 27001-certified hosting provider; zero-trust philosophy in infrastructure.	
Al Governance (Ethical Automation)	Al under development follows explainable design, no profiling, human fallback.	
Employee Inclusion & Work Practices	Fully remote and flexible model with inclusive participation policies.	

Tabel 1 SASB Internet Media & Services relevant to our operations

Other SASB areas like Advertising Standards, Content Moderation, or Anti-competitive Behavior are currently not applicable but will be re-evaluated annually as our platform grows in complexity and scale.

We are not currently aligned with GRI, TCFD, or ISO 26000. However, as ESG reporting guidance for digital-native companies evolves, we will reassess alignment opportunities, with a target review in early 2026.

Environmental Commitments

Internally, KRATT is a fully remote-first organization, meaning:

- Zero office emissions or commute-related carbon output
- Globally distributed teams operate using digital collaboration tools
- Our clients avoid travel or relocation experts work remotely on projects

Green Infrastructure Powered by Zone & Greenergy

KRATT's application (app.kratt.io), public site (kratt.io), and development/testing environments (app-test.kratt.io) are 100% hosted within the infrastructure of Zone.ee, operating inside the Greenergy Data Centers' EN 50600-certified facility in Tallinn

This facility offers:

- 100% renewable electricity, backed by certificate-based sourcing
- Target PUE < 1.2, 25% better energy efficiency than industry average
- Zero-downtime performance with modular scaling and redundant systems for power, cooling, and connectivity
- Waste heat reuse that contributes to regional energy circularity

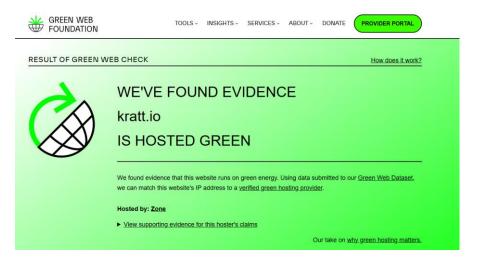


Figure 1 kratt.io green



WE'VE FOUND EVIDENCE app.kratt.io IS HOSTED GREEN

We found evidence that this website runs on green energy. Using data submitted to our <u>Green Web Dataset</u>, we can match this website's IP address to a <u>verified green hosting provider</u>.

Figure 2 app.kratt.io green

Remote-First Model

- We eliminate traditional office emissions: our entire team and operations are fully remote.
- Our clients work with experts through the platform, reducing global travel emissions through online collaboration.

Measurement Plan for 2025

We recognize that credible ESG commitments require measurable data. While KRATT is still in its early stages of impact tracking, we are committed to building out lightweight, reliable metrics over time.

In 2025, we will focus on foundational analytics and feasibility studies, aiming to establish a transparent baseline by the end of the year.

What we commit to:

- Continue hosting all KRATT infrastructure within the Zone.ee / Greenergy ecosystem to ensure 100% renewable-powered operations
- Begin integrating Google Analytics across all public and application-facing platforms to monitor session-based usage patterns
- Consult with external specialists to evaluate tracking tools (e.g. GreenFrame, Cloud Carbon Footprint) suitable for our backend stack
- Publish our first sustainability metrics dashboard in Q4 2025, focused on proxy indicators

Proposed Environmental Metrics Table

Metric	Description	Current Status (May 2025)	Planned Milestone
Hosting Energy Source	% of KRATT platform hosted on renewable-powered infrastructure	100% (Zone.ee in Greenergy Data Center)	Ongoing – maintain
Power Usage Effectiveness (PUE)	Energy efficiency rating of hosting provider (Greenergy target < 1.2)	Verified by Greenergy	Annual validation (2025+)
Sessions per Month	User interaction tracking across platform via Google Analytics	Not yet enabled	Enable by Q3 2025
Estimated Energy per Session	Proxy calculation: analytics × energy-per- session estimates	Not measured	Exploratory phase in 2026
Estimated CO ₂ per Session	Derived from infrastructure energy mix (mostly renewable)	Assumed near- zero	Optional model in 2026
Uptime	Platform availability, based on hosting SLAs and observed uptime	100% to date	Track quarterly from Q3 2025
Data Transfer Volumes	Monthly traffic volume from hosting provider (if accessible)	Not tracked	Investigate access in 2026
Sustainability Dashboard	Central overview of KRATT's green infrastructure and proxy indicators	In concept only	Launch public beta in Q4 2026

Figure 3 Environmental Metrics Table 2025-2026

Social & Workforce Commitments

Ethical Labor Practices

As an EU-based company headquartered in Estonia, KRATT upholds the highest standards of labor ethics and human rights. Our commitments include:

- Zero tolerance for forced or child labor in any part of our operations, partnerships, or supply chains.
- Fair and transparent contracting with all contributors, ensuring clear terms and timely compensation.
- Compliance with EU labor laws, including working time directives, digital rights, and non-discrimination statutes.

Diversity, Equity & Inclusion (DEI)

While our internal team is currently small, we are committed to fostering an inclusive environment that reflects the diverse user base we serve. Our approach includes:

- Open collaboration: Welcoming contributors from all backgrounds, identities, and geographies.
- Inclusive platform design: Ensuring our services are accessible and considerate of diverse user needs.
- Continuous learning: Staying informed about best practices in DEI

Well-being & Work Culture

We prioritize the well-being of our team members by promoting:

- Flexible working arrangements: Supporting autonomy and work-life balance.
- Psychological safety: An environment where everyone feels respected and heard.
- Open communication: Encouraging feedback and dialogue to continuously improve our work culture.

DEI & Workforce Outlook (2025–2026)

Area	Current Status	What's Next
Inclusion	Already part of how we work	Keep it that way
Diversity	Everyone welcome	No changes planned
Well-being	Flexible and respectful	Continue as we grow
Ethical Practices	Core company value	Maintain as standard

Figure 4 DEI & Workforce Outlook

Governance & Digital Responsibility

Data Privacy & SASB Alignment (TC-IM-220a)

KRATT is built around responsible data handling and user trust. While we are still a small and growing digital company, our goal is to fully align with GDPR and selected SASB principles as we scale.

Current practices and commitments:

- User data is stored on Zone's secure infrastructure in Estonia, not locally.
- We do not sell or share personal data for advertising or third-party profiling.
- Users must accept our Terms of Service, which already reference privacy and cookie policies, and clarify age limits (16+).
- We currently collect minimal personal data and plan to implement opt-in data collection and transparency features in 2025.
- No local storage or offline backups of user data minimizes risk of data leakage or unauthorized access.
- As of now, we rely on our infrastructure provider's security measures (multi-factor access, encrypted storage), though we are planning deeper verification in 2026.
- Any legal incidents or privacy complaints will be transparently disclosed in future ESG reports.

SASB Internet Media & Services Standard (TC-IM-220a)

We selectively align with the following privacy-related topics:

- 220a.1: Disclose data collection and use practices (planned for 2025)
- 220a.2: Commit to user consent and opt-in models (ongoing integration)
- 220a.3: Report material privacy-related incidents (if any arise)

Al & Automation Governance

As we develop AI-powered features such as smart search, chatbots, and CV builders, we commit to a proactive, built-in AI governance model:

From Day 1 of AI deployment, we aim:

- No automated decisions that affect hiring, payments, or legal access.
- Transparent Al logic: suggestions are based on clearly explainable rules (e.g., keyword or skill match).
- Bias testing to minimize risks related to language, geography, or demographic profiles.
- Always a human fallback option where needed, particularly for disputes or sensitive decisions.

Security & Resilience

KRATT does not operate its own servers and relies entirely on Zone.ee + Greenergy, which enforce:

- Physical security controls (multi-level access, Al-driven surveillance)
- Certified infrastructure (EN 50600, ISO 27001, PCI DSS, ISO 9001)

However, as we do not yet have full access or auditing capacity for backend systems, we acknowledge that:

- Our understanding of current hosting security is based on vendor claims
- We aim to verify and document our infrastructure security setup in 2026
- We are aware of the need for data access control policies, breach response plans, and user-side permissions and these are on our roadmap.

Compliance Timeline: Privacy, Security, and AI (2025–2026)

Topic	Current Status (May 2025)	Planned Milestone
Data Hosting Location	Fully on encrypted Zone/Greenergy servers	Maintain status
GDPR Alignment	Partial (terms cover basics, no opt- in UI)	Full compliance goal by Q4 2025
Privacy Policy	Referenced in Terms, not yet standalone	Publish public policy Q3 2025
Cookie Notice	Mentioned in onboarding; not user- configurable	Add front-end module Q3 2025
AI Ethics Policy	Principles defined, implementation ongoing	Publish compact policy Q4 2025
Data Breach Plan	Not yet formalized	Draft and review in 2026
Security Verification	Based on provider claims	Independent audit goal in 2026

Figure 5 Privacy, Security, and Al Milestones

Material Topics & Stakeholder Priorities

At this early stage, our material ESG focus reflects what matters most to our users (experts and agencies), and what we can realistically influence as a small team:

Impact on KRATT	ESG Topic	Stakeholder Relevance
High	Data Privacy & Security	High (Agencies, Experts)
High	Green Hosting	Medium (Public, Clients)
Medium	Al Ethics & Transparency	Medium (Users, Regulators)
Medium	Remote Work Culture	Low (Public, Internal Team)
Low	Formal Governance Structures	Low (All, for now)

Figure 6 Material Topics & Stakeholder Priorities

Our current priorities are shaped by our platform users - agencies and digital experts - who expect ethical practices, secure data, and smooth digital collaboration.

Communication & Transparency

We keep things open but simple.

- Updates will be shared via articles, social media, and a section on our platform landing page.
- Formal ESG reports may come in 2026+, depending on team bandwidth and external demand.
- For now, we focus on doing good work transparently—without buzzwords or unrealistic promises.

ESG Integration – Future Intentions

As KRATT scales, we aim to:

- Continue using green hosting and minimizing operational emissions
- Maintain high privacy standards and ethical AI development
- Share best practices with users and clients, where relevant
- Consider recognition for sustainable and ethical platform partners

Resources & Implementation

- We don't have an ESG department—and we don't need one right now
- Our main resource is the time and care of the core team
- ESG is embedded in how we work, not a separate track
- We revisit our ESG needs quarterly, based on platform activity and user feedback

• As ESG Lead, Evi is responsible for maintaining this document and guiding integration efforts over time

ESG Actions & Milestones (2025–2026)

Task	Owner	Status
Add ESG section to landing page	СТО	Planned Q3 2025
Write and publish privacy policy	COO	In progress
Start Google Analytics integration	CEO	Planned Q3 2025
Draft short DEI statement for ESG	COO	Done
Explore energy/session tracking options	COO	Start in 2026
Prepare basic ESG presentation for clients	COO	Planned Q4 2025
Evaluate if external ESG reporting is needed	COO	Revisit in 2026

Figure 7 What We're Working On (ESG 2025–2026)

References and Relevance

1. SASB – Sustainability Accounting Standards Board

Now maintained by the ISSB (International Sustainability Standards Board)

- Focus: Industry-specific ESG disclosure standards for investors
- Relevance: KRATT selectively aligns with the SASB Internet Media & Services standard
- Topics it covers: Data privacy, energy use of data centers, AI ethics, diversity, competitive behavior
- Why it's good for KRATT: Focused, quantitative, and tailored to tech/digital industries
- Website: sasb.org

2. GRI - Global Reporting Initiative

- Focus: Broad sustainability disclosures for various stakeholder groups (not just investors)
- Relevance: Covers economic, environmental, and social impact categories
- Topics it covers: Emissions, human rights, governance, social impact
- Why it's less relevant right now: More complex and suited to mature or physical-goods-heavy companies
- Website: globalreporting.org

3. TCFD - Task Force on Climate-related Financial Disclosures

- Focus: Climate-related financial risks and transparency
- Relevance: Designed for public firms and financial institutions exposed to climate risks
- Why it's not urgent for KRATT: KRATT has minimal physical assets and climate exposure
- Website: fsb-tcfd.org

4. ISO 26000 - Social Responsibility Guidance Standard

- Focus: Voluntary guidance for organizations on social responsibility
- Topics it covers: Human rights, labor, environment, fair practices, consumer rights
- Why it's optional for KRATT: General-purpose and not certifiable; helpful for shaping values
- Website: iso.org/iso-26000-social-responsibility.html

5. TÜV NORD – EN 50600 Certification (Greenergy Data Center)

- Focus: Independent certification for secure, sustainable data centers
- Standard: EN 50600 EU standard for data center efficiency and security
- Relevance: Validates KRATT's hosting partner's infrastructure meets the highest standards
- Why it matters for KRATT: Confirms zero-downtime, low-emission, high-security

claims

• Certificate (PDF): tuev-nord.de

6. Zone.ee – Green Hosting Initiative

- Focus: Transition to eco-efficient server infrastructure with Greenergy
- What it covers: Full migration of KRATT services to Estonia's most sustainable data center
- Relevance: All KRATT systems (app, web, test) are hosted on green, local infrastructure
- Why it matters for KRATT: Demonstrates total commitment to reducing digital carbon impact
- Website: zone.ee/et/rohemajutus

7. Greenergy Data Centers - Sustainability & Infrastructure Blog

- Focus: High-efficiency, modular architecture with advanced security and energy systems
- Certifications: EN 50600, ISO 27001, PCI DSS, ISO 9001
- Relevance: Confirms technical and ESG alignment with KRATT's sustainability and resilience needs
- Why it matters for KRATT: Supports long-term uptime, secure data handling, and low carbon ops
- Website: greenergydatacenters.com

8. The Green Web Foundation - Hosting Verification

- Focus: External validation of green hosting
- What it covers: Confirms KRATT's platform (kratt.io) is hosted on renewable-powered infrastructure
- Why it matters for KRATT: Adds transparency and third-party credibility to sustainability claims
- Website: greenweb.org

GDPR - General Data Protection Regulation (EU)

- Focus: Data privacy, user consent, and security for processing personal data in the EU
- Relevance: Directly governs how KRATT collects, stores, and uses any user data
- Why it matters for KRATT: Core compliance goal for 2025, especially with platform AI features
- Website: gdpr.eu