



# 2019 Consolidated Non-financial Declaration

in accordance with Italian Legislative Decree 254/2016



future. perfect. simple.



## Contents

|  |           |
|--|-----------|
| <b>Methodological notes</b>  | <b>5</b>  |
| <b>1. An international group enabling digital transformation processes</b> | <b>8</b>  |
| <b>2. Materiality analysis in relation to the business</b>                 | <b>15</b> |
| <b>3. Organisation and management model</b>                                | <b>22</b> |
| <b>4. Human rights</b>   | <b>29</b> |
| <b>5. Work</b>   | <b>34</b> |
| <b>6. Environment, Health and Safety</b>                                   | <b>47</b> |
| <b>7. Fight against corruption</b>   | <b>51</b> |
| <b>8. Relationships with local areas</b>                                   | <b>54</b> |
| <b>GRI link table</b>  | <b>57</b> |
| <b>Report by the Independent Auditors</b>                                  | <b>59</b> |

Dear stakeholders,

during 2019, the Exprivia Group continued with and implemented its focus on issues of social and environmental sustainability, consolidating the results achieved during previous years and striving to reach other, more ambitious goals.

The Group's Code of Ethical Conduct, rules of conduct and new whistleblowing platform confirm our commitment towards ethical behaviour in all fields of action. The Group aims to stand out through the effectiveness of the measure implemented for securing levels of technical excellence and the highest standards of professionalism.

We have achieved remarkable results in both qualitative and quantitative terms, operating on a national and international scale, in the supply of products and services in the ICT area. We have displayed an outstanding level of technological expertise and speed in adopting the innovations proposed by the market.

Monitoring the supply chain, with regard to respecting human rights and the environment during production processes, is one of the strategic pillars of the Exprivia Group, which has brought about a territorial business ecosystem, leading to the creation and development of new IT enterprises in the Region.

We intend to continue our growth process by becoming a leading ICT player not only on a national scale but also internationally, focusing on greater speed in know-how acquisition and development and on our ability to support our customers' Digital Transformation processes.

The Group considers the development of its staff of paramount importance, setting human capital at the heart of the company's interest as an essential component for the development of the business. The focus on the needs of our people is also reflected in the high promotion of smart-working, achieving benefits not only in terms of productivity, but also in terms of lower emissions from staff travel.

It is our firm belief that a strong company economy inclines by its very nature towards more sustainable development.

Exprivia Group's sustainability strategy continues to focus on the technological innovation of the solutions we offer to customers, the environmental responsibility of our production processes, occupational safety and health, and personal growth. We are proud to state that our business has always been based on fairness, integrity and social responsibility. CSR, as adopted by the Group, is a set of good practices for respecting society, the environment and good governance both inside and outside the organisation.

The Exprivia Group also expresses its responsible commitment within the social sphere; we have strong links with the local areas in which we operate, supporting local communities through various projects and initiatives, especially in sectors such as education, training, research, culture and sport. Our passion for our local area is also expressed through an ongoing search for partnerships with universities and research centres.

In this context, the serious emergency linked to the COVID-19 epidemic constitutes an unavoidable challenge and an urgent test for our Group and for contemporary society.

Since the beginning of the emergency, at Exprivia we have taken every useful measure to align ourselves with the provisions of the Authorities to counter the spread of the epidemic, with the dual aim of safeguarding the value we create for our customers and the health of all our employees.

Even in this particular period our principles and values focus on key points that have always distinguished the way we work: transparency, fairness and reliability. We are convinced that businesses are responsible for generating a social impact and we are confident that we can make a contribution, albeit slight, to the sustainable growth of our planet, to the benefit of younger generations.

Domenico Favuzzi

Chairman and CEO

Exprivia SpA

### Exprivia S.p.A.

Company subject to the management and co-ordination of Abaco Innovazione S.p.A.

Registered Office in Via Adriano Olivetti 11, Molfetta

Company Share Capital Euro 26,979,658.16 fully paid-up

Tax Code and Bari Register of Companies Number 00721090298 - Economic and Administrative Index Number BA-481202

Company with shares listed on the MTA - Star segment of Borsa Italiana S.p.A.

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Exprivia conducts Management and Coordination activities, pursuant to articles 2497 et seq. of the Italian Civil Code, exclusively over the group companies wholly controlled by it, whether directly or indirectly.

To this end, on 04 December 2017, the Board of Directors of Exprivia approved a **Regulation on the exercising of Management and Coordination activities**, which governs the mechanisms used by the Holding Company to determine the procedures for managing the necessary infra-group information flows and to carry out its management and coordination activities over the companies subject to it.

With regard to the subsidiary of strategic importance, Italtel SpA, it is not among the companies over which Exprivia exercises Management and Coordination.

## Methodological notes

GRI indicators 102-1; 102-5; 102-45; 102-46; 102-50

This document is the “2019 consolidated non-financial declaration” of the **Exprivia Group** (hereinafter also “**the Group**”), a group of companies whose holding company is **Exprivia SpA** (hereinafter also “**Exprivia**”), a company listed in the STAR segment of Borsa Italiana, the Italian stock exchange, [XPR.MI]; it constitutes the third **Sustainability Report** drawn up in compliance with Italian Legislative Decree no. 254 of 30 December 2016 (hereinafter also “**Italian Legislative Decree no. 254/16**”), in “Implementation of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups”, which requires the submission of a non-financial declaration by public-interest entities (pursuant to article 16, paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010) and specifically in the capacity of a “company issuing securities admitted to trading on Italian and European Union regulated markets”.

The “2019 consolidated non-financial declaration” (hereinafter, by way of brevity, the “Non-financial Declaration” or “NFD”) is to be considered as supplementing and completing the Annual Financial Report and additional documentation pertaining to the 2019 Annual Financial Statements (1 Jan. 2019 - 31 Dec. 2018). The document has therefore been drawn up in compliance with the provisions of Italian Legislative Decree no. 254/16. With respect to the NFD from previous years, the Group drafted this year’s declaration by streamlining the information contained in this document, in accordance with the details shown on average in the benchmark sustainability reports in the sector.

The following criterion governs the reporting scope in the “Environment, Health and Safety” chapter: the company offices, both in Italy and overseas, are considered **significant**, and therefore included within the reporting scope of this Declaration, **if they have a number of workstations equal to or greater than 30**. It was decided to use the number of workstations rather than the number of employees, since consumption is directly linked to the staff working at the office rather than those recruited at an office but working on client premises.

The conversion factors used to convert the different energy quantities into GJ are taken from the Defra (UK Department for Environment, Food and Rural Affairs) database, indicating the conversion factors from Toe to GJ for various energy carriers updated to the period 2019-2020.

To convert the units of measurement of the various energy carriers used (e.g. LPG, diesel, etc.) into Toe, the conversion coefficients used were those updated periodically by the FIRE (Italian federation for the rational use of energy), taking into account the evolution of the legislative and market framework, as well as the Italian Ministry of Economic Development Circular of 18/12/2014.

The emission factors used to calculate the CO<sub>2</sub> emissions shown in the NFD are as follows:

- direct emissions (scope 1): Standard parameters inferred from the UNFCCC national inventory for conversion for methane and LPG; to convert litres of diesel into t CO<sub>2</sub>, the conversion factor used was that indicated in the Defra database updated to the period 2019-2020.
- indirect energy emissions (scope 2): for electricity acquired from the electricity grid, the conversion factor used was that calculated by ISPRA (Italian Institute for Environmental Protection and Research) in its report on greenhouse gas atmospheric emission factors in the Italian electricity sector and in the main European countries in 2019.

### Disclaimer

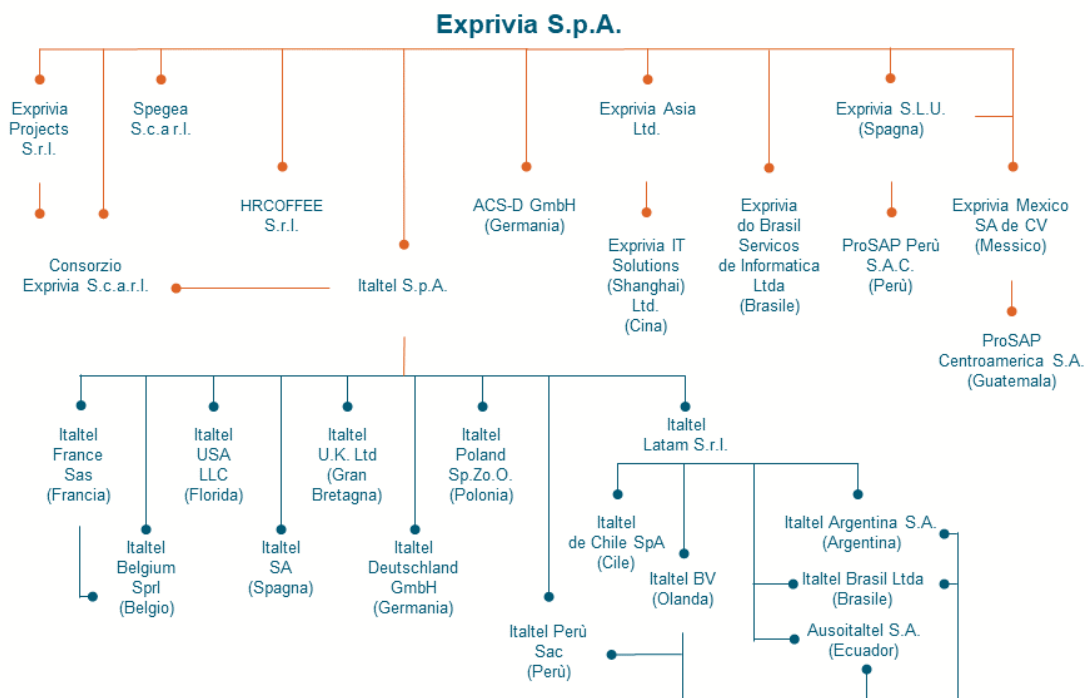
In view of the substantial change to the group scope, which occurred at the end of 2017 and involved the inclusion of the Italtel Group, the presentation of the figures and the information in this document is not, and cannot be, homogeneous.

The figures are presented in 'consolidated' form in relation to the group scope, as specified above, starting from reporting year 2018.

Where possible, 'information boxes' are available both for the two sub-groups (Exprivia and Italtel) and within the two, in relation to specific events of relevance to this document.

## Reporting scope

The analysis and reporting scope for the purposes of Italian Legislative Decree no. 254/16 includes for this year, except when otherwise specified, all the companies belonging to the Exprivia Group as illustrated below in the ownership chart:



## Reporting spheres

The NFD reports on aspects relating to the fight against active and passive corruption, the environment, HR management, social aspects and respect for human rights assessed as significant and material according to a specific and consolidated process, which takes into account the Group's specific activities, illustrated below in this document (see the 'Materiality analysis in relation to the business' section).

With regard to each topical reporting sphere, evidence is provided of the material nature of the aspect with respect to the Group's activities, the risks associated with it, the commitments and the results obtained and monitored by means of indicators capable of representing the operating results.

The data and information of this NFD are referable to events which occurred in 2019, deriving from the company's business activities, significant on the basis of the analysis of the materiality and in compliance with Italian Legislative Decree no. 254/16. They are gathered and consolidated by the various reference units, using extractions from the company information systems, with the coordination of a senior manager reporting directly to company management.

In this regard, it should be understood that the Group has adopted the indicators envisaged by the GRI Sustainability Reporting Standards (hereinafter the 'GRI Standards' or 'GRI') issued by the Global Reporting Initiative in 2016 according to the 'GRI-referenced' approach. Reference to the GRI indicators may be found in the 'GRI link table'.

This document has been subject to a compliance opinion by the independent auditors, **BDO Italia S.p.A.**, which issued the 'Report by the Independent Auditors'.

Exprivia's Board of Directors approved the NFD on 30 April 2021. The DNF is published in the 'Corporate Social Responsibility' section of the holding company's website ([www.exprivia.it](http://www.exprivia.it)).



# 1. An international group enabling digital transformation processes

The Exprivia Group is an international business group specialised in Information and Communication Technology. It uses digital technologies to steer its customers' business change drivers.

The Group stands out for its reliability in managing complex projects through the connection and integration of vertical and horizontal skills and the ability to create solutions that are easy to use and update, as they are based on continuous research and innovation.

Exprivia SpA has been listed on the Italian Stock Exchange since 2000, in the STAR MTA (XPR) segment.

## The founding concepts of our vision

### Future

The future is the point towards which we orient ourselves in defining scenarios, processes and goals for ourselves and our customers.

### Connection

This is what makes us innovators. It is the capacity to identify unexpected solutions by linking our skills.

It is the ability to imagine the future by directly combining what we know in the present: technology with customer needs, the world of research with that of business, the city with its residents.

### Perfect

Perfect is the level we strive to achieve in the planning of innovative and efficient IT solutions in each specific sector.

### Reliability

For us, this is a constant practice that leads us to seek out perfection in everything we do, to guarantee that we will always meet our commitments and to consider effectiveness and efficiency to be indispensable requirements of all the products and services we offer.





## Simple

Simple is the fundamental requirement of all of our systems, designed to improve people's lives through the availability and usability of information.

## Simplicity

For us, this means mobilising complex technologies to ensure a sleek user experience, making innovation and digital transformation accessible to businesses and the public through a process of extreme streamlining which strives for simple solutions.

# 1.1 The markets

GRI indicators 102-2; 102-6

Today, we are one of the main players in the digital transformation of businesses, and we owe this to the wide range of expertise and experience we have developed through many years of work in our various markets.



## Banking, Finance & Insurance

### Digital progress and financial technique: the duo of the future

The financial market is experiencing a radical transformation of its business model. The need to offer ever newer services that can be used at any time on any device requires the development of increasingly innovative and efficient IT solutions and services.

Thanks to the know-how accrued over more than 25 years of partnerships with the top credit and insurance institutions in Italy and abroad, we have the specialisation and experience to fully meet customer needs through tailor-made and omni-channel digital solutions: from creditworthiness assessments to monitoring, from capital markets to factoring management, from data value to customer experience.



## Telco & Media

### Skills and technologies for network virtualisation

In the Telco & Media market, technological innovation proceeds at the same pace as the need to expand the availability of value-added services while remaining competitive. We offer operators and manufacturers in the telecommunications sector extremely high-level technological expertise to allow them to manage digital transformation, reducing their operating costs through innovative solutions.

Exprivia is the ideal partner for service providers that find an agile, efficient and customer-centric solution in the virtualisation of networks and applications. Indeed, virtualisation meets every customer need with dedicated services commensurate with real business requirements, but especially supported by innovative technological know-how that satisfies the most recent standards.

The quality of the services provided enables the customer to transfer a better customer experience to its users, enabling individual needs to be satisfied, including through customer loyalty policies.



## Energy & Utilities

### Energy-optimising technology

The energy and utilities sector is rapidly evolving to adjust to infrastructure technological upgrading processes, the development of new services and the entry into force of new directives on safety, energy efficiency and environmental and consumer protection, which are having a considerable impact on both supply and demand.

In this regard, we offer our customers specific solutions for the development and management of transversal and characteristic processes that aim to ensure greater operational efficiency, high performance and elevated customer service quality to energy, water, environmental and public utility sector businesses. Systems are employed based on technologies such as the cloud, XaaS, CRM, big data analytics and business intelligence, IoT, digital channels, social networking, e-mobility and enterprise application governance, which place users at the very heart of processes, providing them with increasing autonomy and awareness.



## Aerospace & Defence

### Military defence, civil safety and digital technology

Recent geopolitical events demand an immediate response from the civil and military aeronautical, naval and terrestrial sectors in the adoption of safety systems where the technological element plays an increasingly crucial role in guaranteeing the safety of people, places, machinery and information systems.

Even more urgent is IT support for taking strategic decisions in critical situations for the implementation of preventive measures based on scenario monitoring and controls. We offer the sector a genuine advantage by enabling analysis of complex heterogeneous information (images, videos, data, texts, symbols, voices, sounds, etc.) generated by a multitude of wearable, fixed and mobile sensors on flights, in navigation, in orbit, in vehicles and in drones. In particular, we develop systems for command and control, surveillance, cartographic representation, processing of geographical maps and rapid prototyping of land-based, naval and aerial consoles which, partly thanks to augmented reality techniques, the wealth of geo-referenced information and social cooperation, offer maximum interaction with scenarios that are increasingly faithful to reality.



## Manufacturing & Distribution

### Towards the new industrial revolution

The future of industrial processes is following a digital path. The common thread lies in the various enabling technologies that are changing how we design, create and distribute products by automatically organising and managing an enormous quantity of information in real time.

The fourth industrial revolution is in full swing and very soon we will see completely controlled, interconnected and automated production through technological evolution.

Industry 4.0 defines this change through a panorama that is still evolving, but already has precise lines of development coinciding with the knowledge and skills we possess: the use of data and connectivity, analytics and machine learning, human/machine interaction, and interaction between reality and the digital realm. We have seized this extraordinary opportunity by focusing on bringing new-found energy to the entire industrial process with our digital solutions and

completely automating the management of huge quantities of information in a simple, streamlined and efficient manner.



## Healthcare

### Innovative solutions for individual health and efficient administration

Building a healthcare system that combines savings and efficiency, takes care of people even before treating them, eliminates waste and reduces waiting times. With these main objectives, we represent the ideal partner for a healthcare system striving towards a future of excellence.

The technological solutions we apply to the healthcare system make it possible to connect all of the disparate pieces of the entire Italian Regional Healthcare System, from administrative and management centres to public and private hospitals within the entire supply chain, right down to individual professionals and online services for users, ensuring maximum optimisation of every single resource.

A team of 350 specialists, 30 years of presence in the IT sector and solutions and services in 500 healthcare facilities for 20 million patients confirm the effectiveness of our responses to the needs of the healthcare industry, which are fundamental for the economy and development of every region.



## Public Sector

### PA digitalisation: the first step towards a reinvigorated country

Some time ago, the Public Administration launched a modernisation process based on principles such as innovation, simplicity and reliability to support businesses, residents, public employees and the State itself. The streamlining of bureaucracy through the digitalised management of the Public Administration, together with organisational renewal measures, means we can now reconcile optimising expenditure with quality of service.

From this perspective, we have been able to draw on much of our experience in optimising processes for large private enterprises, which we have reconceptualised according to the needs of central and local governments and broken down into a range of areas, including:

- products and services for management;
- eGovernment and eProcurement solutions;
- storage and sharing of electronic documents;
- planning and control through business intelligence and business analytics platforms;
- performance measurement in PA processes;
- solutions to support administrative processes (SOA paradigm);
- single point of access for the exchange of information between entities, residents and businesses;
- system integration to ensure 24/7 operational continuity and automatic repairs.

## 1.2 Skills

| EXPERTISE                               | DESCRIPTION  |
|---|--|
| <b>Big Data &amp; Analytics</b>         | <p>We offer all of the very latest tools for supporting both decision-making processes and ordinary activities based on the possession of information. Our Big Data &amp; Analytics area is dedicated to developing projects, services and solutions aimed at the strategic use of big data for increasing business.</p>   |
| <b>Data Centre &amp; Virtualisation</b> | <p>We have the necessary skills to implement, manage and maintain the most modern Data Centre infrastructures, based on the concept of integration between the computing, storage, and networking layers.</p> <p>Our expertise extends to the ability to design and implement disaster recovery architectures that ensure business continuity, energy monitoring of data centre architectures, centralised automated provisioning, and the migration of IT applications.</p>   |
| <b>IP Network Infrastructure</b>        | <p>For Telco Operator networks, we have developed skills related to the convergence between IP networks and optical networks and on mobile operators' infrastructure components.</p> <p>For private networks, we have broad know-how in designing and implementing wired and wireless convergent solutions, Private LTE solutions, and services for refreshing corporate networks.</p> <p>We have experience in simulating and measuring Customer Experience, SDWAN technologies and Deep Packet Inspection (DPI) solutions.</p> |
| <b>Managed &amp; Advisory Service</b>   | <p>We have expertise in an exceptionally large number of technologies from different network device Vendors, for which we are able to offer Technical Assistance services that provide for the maintenance and repair of equipment for all the various technologies. Project management skills are also important, supported by a broad array of certifications (ITIL, Prince2 and PMP).</p>   |
| <b>UltraBroadBand Design</b>            | <p>Through Italtel, we have developed the skills necessary for executing the Ultra-Broadband passive network design contract, in the C&amp;D Clusters, within the Infratel tenders that were assigned to Open Fiber.</p> <p>Italtel is developing skills that are unparalleled within Italy on the civil and optical design of the passive fibre track and the wireless network in Fixed Wired Access (FWA) technology.</p>  |

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| <b>Cloud</b>                                     | Our cloud services are based on four fundamental models: Public Cloud, Private Cloud, Hybrid Cloud and Community Cloud.   |
| <b>IoT &amp; Contextual Communication</b>        | <p>The IoT is capable of having a positive effect on the very idea of business, work, study, health and life.</p> <p>The main areas in which we are developing know-how are: Industry 4.0, Digital Healthcare, Smart Cities and Smart Grid.</p>   |
| <b>IT Security</b>                               | Our skills include technologies for the protection of the company's perimeter (firewall), for the protection of content (emails, web), for mobility, for access control, for the protection of data centres, and for the protection of operator networks. Our offer catalogue also includes ethical hacking services and compliance with standards and laws.  |
| <b>Mobile</b>                                    | We offer companies and entities the possibility of reaping the maximum benefit from latest-generation mobile technologies by including them within a broader multi-channel strategy which encompasses Mobile Device Management for business devices, Mobile Payment in the various commerce and service sectors, Mobile Health and Mobile Application Development in the areas of health, finance and security.   |
| <b>SAP</b>                                       | With a strategic partnership that has lasted for more than 20 years, we are now one of the main reference players in the SAP world in Italy and abroad. Our main areas of intervention are: Administration, Finance and Control, Operation & Logistics, Business Analytics and Human Capital Management.  |
| <b>Business Process Outsourcing</b>              | We support and sustain company evolution by taking responsibility for the procedures of end user acquisition, management and retention. The offering ranges from back office outsourcing services relating to typically internal functions such as human resources, accounting and information technology, to front office outsourcing services such as customer care and customer service.   |
| <b>Network Transformation</b>                    | We are actively involved in the evolution of the peripheral elements of the network (interfaces between operators and between operators and client businesses), in centralised signalling and routing functions and in the deployment of cutting-edge IMS solutions. We have developed expertise on NFV (Network Function Virtualisation) and SDN (Software Defined Networking) technologies, which allow operator networks to become more dynamic and agile. |
| <b>Network Service &amp; Business Management</b> | By using NFV and SDN technologies, networks can operate with an automatic correlation between 'Assurance' and 'Fulfilment' procedures. Our skills enable scenarios in which measures and alarms detected on the network are immediately used to   |

reconfigure it and/or instantiate new functions. We have developed skills in Advanced Analytics solutions (including Data Science methods) that help improve Customer Experience and reduce churn rates.

**People Collaboration and Customer Relationship**

For several years, we have been operating successfully on architectures, including on-premises UC&C (Unified Communication and Collaboration) solutions (telephone switchboards enhanced with additional services that allow video conferencing, also on the web, and tools for service quality control), UC&C Cloud solutions provided by the telephone operator, as well as Contact Centre and Proximity Marketing solutions.

## 1.3 The Group worldwide

**GRI indicators 102-3; 102-4**

The Group is present abroad through its subsidiaries in Europe, Asia and America. Specifically, it has a presence in around 20 countries including Spain, Germany, Mexico, Peru, China and the United States. For more information on all the Group's offices, see the 'Location' section on the Exprivia website.





## 2. Materiality analysis in relation to the business

The Exprivia Group is constantly involved in carrying out its activities and achieving the business objectives it has set itself in full observance of the rights of individuals, fair competition, protection of the environment, and safeguarding of workplace health and safety.

The Group carries out a wide range of activities and initiatives that are directly or indirectly related to sustainability issues. They range from the improvement and innovation of its products and services, through intense research activities, to internal company initiatives through numerous participations in Consortia, Associations and National and International Organisations.

In relation to the seventeen sustainable development goals adopted by the United Nations, a coherence analysis was carried out aimed at identifying goals that can actually be pursued by Exprivia|Italtel, in relation to the Group's identity and the role it plays in the social and economic scenario.



In drawing up the Consolidated Non-financial Declaration, we started from the consolidation of the virtuous processes set up during the previous year. The analysis was conducted in accordance with GRI Standards instructions.

Considering the huge size of the Exprivia Group, in keeping with the methodology adopted a year ago, cross-sectional



work teams were created in two sub-groups, one for Exprivia and the other for Italtel.

The first activity consists in a benchmark evaluation and presentation of the analysis to top management.

Exprivia Group's 2019 materiality analysis included the phases reported below.

- Interviews to top management in order to select from among the 17 Sustainable Development Goals (SDG) those considered most significant in relation to the Group's business.
- Evaluation of topics resulting from the above goals chosen.
- Evaluation of the main trends in the reference sectors.
- Evaluation of stakeholders' specific interests through the Company's press consultants.
- Sector benchmark assessment: the sustainability reports published by the Group's main competitors were analysed.

### Social Impact Index: Exprivia's results

During 2019, the CDO Research Centre, in cooperation with the Department of Management at the Ca' Foscari University in Venice, conducted an empirical analysis of the social impact of companies as part of the Fabbrica per l'Eccellenza (FxE) initiative. The **Social Impact Index** (SI.index) measures social impacts, not only quantitative/monetary but also qualitative, through a series of KPIs that summarise how much an individual company's strategy is inspired by innovation and social progress. Measuring social impact should help in determining the strategic relevance, durability and scalability of a social action and in understanding latent social market opportunities to enable companies to explore new strategic redefinition avenues. The SI.index also assesses how virtuous companies are with regard to strategic conduct in ESG (Environmental, Social, Governance) matters, recognising how key a role they play in enabling and promoting a 'sustainable future' for their reference territory and their business ecosystem. One of the 10 most virtuous Fabbrica per l'Eccellenza companies, Exprivia was praised in the 'Social impact generated by the value proposition' area. There were two areas indicated where there is room for improvement: 'Social impact generated by economic and financial strategies' and 'Social impact generated at environmental level'.

The following sets forth the evaluations regarding the three different impacts:

|  |   |
|--|---|
| <p>Impact on the <b>Business Model</b></p>     | <p>Exprivia boasts a good level of strategic coherence. The key resources are our <u>human capital</u>, which is thoroughly developed through the recruitment of a significant number of new graduates, who receive dedicated professional growth training with the aim of securing a high retention rate. Monitoring the <u>supply chain</u>, with regard to respecting human rights and the environment during production processes, is one of the strategic pillars of Exprivia, which, through the good practices implemented, has brought about a territorial business ecosystem, leading to the creation and development of new IT enterprises in the Region.</p> |
| <p>Impact on the <b>Organisation Model</b></p> | <p>Processes of dissemination of the <u>company values</u> are emerging through (1) <u>codes of conduct</u> and (2) <u>continuous training</u> that is not purely technical in nature. <u>Recruiting</u> focuses mainly on finding new graduates with links to the surrounding area, seeking highly motivated candidates inspired by both personal growth and that of the company. This focus on the needs of the local community is also reflected in the significant promotion of <u>smart-working</u>, generating benefits not only as regards productivity, but also in terms of lower emissions from staff commuting.</p>  |



|                                   |  |
|-----------------------------------|--|
| Impact on the <b>Profit Model</b> | The degree of <u>productivity</u> has registered constant growth over the years thanks to the training activities on offer and the use of smart-working. Our passion for the local area is also expressed through an ongoing search for <u>partnerships</u> with universities and research centres, with a number of employees taking part in such projects. The company's values are also inspired by <u>Research and Development</u> , entirely in step with company strategies. In keeping with the company's values and strategies, <u>donations</u> are only given if there is a return for the company, not in economic terms but as regards the values and knowledge conveyed to our employees. |
|-----------------------------------|--|

### EcoVadis certificate

Since 2015, Italtel has subjected itself to an annual assessment of its compliance with the principles of Corporate Social Responsibility carried out by EcoVadis, an international organisation which has developed a collaborative platform for assessing the sustainability of suppliers operating within the sphere of global supply chains. Its analysis system is based on internationally acknowledged standards and is divided into four thematic areas: Environment, Work & Human Rights, Business Ethics and Sustainable Procurement.

In 2019, for the fourth year running, Italtel received **Silver Recognition** in these four areas, valid until 3 June 2020, with a score of 58 out of 100. Italtel has improved its score from year to year, and its overall score now ranks among the 18% best companies subject to assessment in its sector and among the 7% best companies in its sector for aspects linked to business ethics.

## 2.1 Material topics

GRI indicator 102-47

Every year, the Exprivia Group defines and reports on relevant sustainability issues, with reference to the five areas of Italian Legislative Decree no. 254/2016, for the company and for stakeholders. The issues are defined on the basis of an identification and prioritisation process that includes the phases indicated in the previous paragraph.

| 254/16 Scope<br>art. 3 paragraph 1 | Material topics   | Risks   | Policies and risk management  |
|------------------------------------|---|---|---|
| Respect for human rights           | <p>Diversity, inclusion and equal opportunities</p> <p>Personal data protection</p> | Events that may jeopardise respect for human rights | <p>The Exprivia Group expresses its commitment to protecting human rights through the Code of Ethics, the Organisation Model pursuant to Italian Legislative Decree no. 231/2001, careful negotiations with social stakeholders and gradual enhancement of sustainability, by showing its ability to create value over time and promoting the economic and social development of the areas and communities in which it operates.</p> <p>The Group is committed to actively supporting the Universal Declaration of Human Rights. Internal Audit provides support in preventing and mitigating risk factors.</p> |

|   |  |   |   |
|---|--|---|---|
| <p><b>Work and personnel management</b></p> | <p><b>Workplace health and safety</b></p> <p><b>Attracting talents and developing human capital</b></p> <p><b>Decent working conditions</b></p> <p><b>Training</b></p> | <p><b>Risk connected with outgoing turnover</b></p>   | <p>The development of human capital, quality employment and engagement are the pillars of the personnel management policies. Individuals are a true strategic asset for the achievement of the company's plans and objectives. Human capital lies at the heart of company interests, furthering the potential of each individual resource and providing incentives for individual skills and capabilities.</p> <p>The Group adopts a stable employment policy for the workers, preferring permanent employment contracts and limiting the choice of temporary contracts solely to residual accessory term activities.</p>   |
| <p><b>Social aspects</b></p>                |  | <p><b>Reputational risk</b></p> <p><b>Operational risk in the carrying out of activities with the local areas</b></p> <p><b>Risks related to corruption</b></p> <p><b>Risks related to dependence on customers</b></p> <p><b>Risks associated with contractual commitments</b></p> <p><b>Risks related to internationalisation</b></p> <p><b>Risks related to competition</b></p> <p><b>Credit risk</b></p> | <p>Relations with the local areas</p> <p>One of the pillars of the Exprivia Group's Strategic Plan is certainly the relations it holds with communities based on principles of transparency, ethics, inclusiveness and respect for human rights. These principles are included in the Code of Ethics.</p> <p>The Group defines and carries out specific action plans on an annual basis. The aim is to increase brand reputation both locally and at national and international level. These plans include activities which range from participating in or sponsoring local initiatives, such as events, conferences or seminars, to taking part in projects for the development of the local area promoted by the local authorities and solidarity support initiatives in favour of bodies and associations active within the territory.</p> <p>Relations with customers</p> <p>Market competitiveness is conducted in strict compliance with competition regulations and with a view to social responsibility and environmental protection, to ensure correct and functional use of resources. In this regard, thanks to the whistleblowing tool, customers in business relations with the Group may report any unlawful conduct. Such conduct may concern possible infringements of, or requests or inducements to infringe, laws or regulations, the provisions of the Code or internal procedures, with reference to the activities and services that concern the Group.</p> <p>Welfare</p> <p>The welfare initiatives implemented tend to introduce new services each year with respect to the panel available to the company workforce. Exprivia People Care is the company welfare plan which enhances the total reward system by responding to an ever broader</p> |

|   |   |  |   |
|---|---|--|---|
|   |   |  | <p>range of worker expectations and needs, not only financial.</p> <p>Smart Working takes on the form of a new approach to company organisation, where the individual needs of the worker balance, in a complementary manner, those of the company. The Group has created a series of activities aimed at implementing this means of working.</p>   |
| <p><b>Environment, health and safety: use of energy resources, impact of emissions on the environment</b></p> | <p><b>Energy management</b></p> <p><b>Environmental protection and responsible use of resources</b></p> <p><b>Use of socially responsible suppliers committed to environmental protection</b></p> | <p><b>Environmental risks</b></p> <p><b>Risks associated with health and safety in the workplaces</b></p> <p><b>Risks related to information security</b></p> <p><b>Risks associated with the management of SW projects and IT services</b></p> <p><b>Risks related to the business context and to legislative/regulatory compliance</b></p> <p><b>Business risks at corporate level</b></p> | <p>In order to mitigate risks, the Group undertakes to:</p> <ul style="list-style-type: none"> <li>• Operate in compliance with all laws, regulations and standards applicable in the environmental sphere;</li> <li>• Constantly safeguard the environment from the execution of its production processes and from the use of the company's infrastructures and structures necessary for such processes;</li> <li>• Inform, train and update the company staff so as to promote environmental responsibility and awareness;</li> <li>• Monitor and assess the environmental impacts generated in the conducting of business activities, preventing environmental pollution and the potential environmental effects of new processes and/or variations;</li> <li>• Continuously improve the Environmental Management System to improve the company's environmental performance.</li> <li>• Seek and develop innovative solutions and technologies, such as easy access to health services for individuals, environmental protection and improvement, and continuous training at work;</li> <li>• Provide products and solutions that offer the best safeguards for the environment and the health and safety of their installers and users, until their disposal at the end of their useful life;</li> <li>• Reduce emissions of greenhouse gases (GHGs), including through the promotion of alternative ways of working that minimise commuting between home and the office (smart working) and business trips;</li> <li>• Reduce waste by encouraging recycling and safe and responsible disposal;</li> <li>• Give priority to suppliers and partners partly based on their compliance with the principles expressed in this policy.</li> </ul> |

|  |  |  |  |
|--|--|--|--|
| <p><b>Fight against corruption</b></p> | <p><b>Business management ethics</b></p> | <p><b>Risk of corruption that affects relations with the PA</b></p>  | <p>In order to mitigate risks, the Group is equipped with:</p> <ul style="list-style-type: none"> <li>• A Code of Ethics which prohibits practices of corruption, illegitimate favours, collusive conduct and solicitations of benefits (whether direct and/or through third parties).</li> <li>• The Internal Audit unit, which has assurance tasks with the purpose of assisting the organisation in the pursuit of its objectives.</li> <li>• The implementation, in accordance with Italian Legislative Decree no. 231/2001, of the internal Organisation Model, oversight of which is the responsibility of the Supervisory Body.</li> </ul>  |
|  | <p><b>Prevention of corruption</b></p>   | <p><b>Risk of corruption related to the processing of sensitive data and the confidential information of third parties</b></p> | <ul style="list-style-type: none"> <li>• The adoption of a Quality System which constitutes a structured compliance programme containing, inter alia, tools and policies useful for combating and preventing active and passive corruption.</li> <li>• The implementation of the guidelines to be used by the procurement unit for assessing the reputational reliability of the third parties with which Exprivia has business dealings, with the purpose of carrying out an integrity check and protecting Exprivia from possible negative repercussions due to monetary fines or disqualification (pursuant to Italian Legislative Decree no. 231/01) and from the reputational risks linked to any unlawful practices in business dealings.</li> </ul> |
|  | <p><b>Fair competition</b></p>           | <p><b>Risks of discrimination</b></p>  | <ul style="list-style-type: none"> <li>• The whistleblowing platform capable of ensuring the maximum levels of confidentiality for reports to the Supervisory Body on unlawful conduct significant for the purposes of the 231 Decree, based on precise and consistent factual elements and on the violations of the body's Organisation, Management and Control Model, which the intended audience has become aware of as a result of the functions performed.</li> </ul>   |
|  |  | <p><b>Risk of lack of ethics in business management</b></p>  |  |
|  |  | <p><b>Risk of unfair competition</b></p>   |  |
|  |  |  | <p>For the same purposes, Italtel adopts the following safeguards for itself and its subsidiaries:</p> <ul style="list-style-type: none"> <li>• Every year, it conducts scheduled auditing activities, through the Compliance Office, on the processes in the context of which there is a higher risk that corruption offences may be committed</li> <li>• It disseminates its Code of Ethics to its business partners and expressly requests compliance</li> <li>• Since 2002, Italtel S.p.A. has adopted an Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001</li> <li>• Since 2013, it has disseminated and ensured that all</li> </ul>  |

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subsidiaries adopt Prevention Principles and Behavioural Guidelines aimed at preventing the offences included in the same decree, in line with Italtel's 231 Model

- Prevention of active and passive corruption
  - Internal policies for the resolution of conflicts of interest
  - Privacy Regulation (GDPR)
-



## 3. Organisation and management model

### 3.1 Corporate Governance

GRI indicator 102-18

The corporate governance system of the Exprivia SpA holding company is developed according to the legislation in force and applicable to the sector, and respects the legal regime of a listed issuer as well as the indications of the Code of Self-governance promoted by Borsa Italiana with which the company complies. In its organisation, Exprivia also takes into account the best practices which can be obtained from discussions at international level. Exprivia conducts Management and Coordination activities, pursuant to articles 2497 et seq. of the Italian Civil Code, exclusively over the group companies wholly controlled by it, whether directly or indirectly. For this purpose, the Board of Directors of Exprivia approved a Regulation on the exercise of Management and Coordination activities on 4 December 2017, which governs the mechanisms used by the Holding Company to determine the procedures for managing the necessary infra-group information flows and to carry out its management and coordination activities over the companies subject to it. In any case, all the companies controlled by Exprivia, including those subject to its management and coordination, are legally independent and apply the principles of correct corporate and business management through a traditional administration and control system that assigns management tasks to the Board of Directors, monitoring legality to the Board of Statutory Auditors and statutory auditing to the independent auditing firm.

Therefore, the **main governance bodies** of Exprivia are: the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors and the Independent Auditing Firm. The Shareholders' Meeting is the corporate body that expresses the shareholders' will through its resolutions. Exprivia's Board of Directors operates through the chief executive officer and is assisted by Committees, established within the sphere of said Board, with proposal and advisory functions: the Control and Risks Committee and the Appointment and Remuneration Committee. Lastly, the Board of Directors appoints a Supervisory Body (SB) for a three-year period, which monitors the correct implementation of the Organisation, Management and Control Model pursuant to article 6 of Italian Legislative Decree 231/01 and which reports to the Board of Directors and the Control and Risks Committee. For further details on the composition of Exprivia's administration and control bodies, please refer to the document on Corporate Governance and Ownership Structure, which can be found in the Corporate > Corporate Governance > Corporate Information section of the Exprivia website.

In 2019, as in 2018, the management of Exprivia's **organisational and governance model** was headed by the chief executive officer and comprised the heads of the various company divisions, both production (DF) and business line (MIU) and STAFF. The Internal Audit unit helps the Board of Directors and management improve the control processes, by suggesting the implementation of any corrective actions to the Board of Directors, through the Control and Risks Committee. The manager who is responsible for the coordination of the activities in accordance with Italian Legislative





Decree no. 254/16 and the drafting of this document reports directly to the chief executive officer and expresses indications, sharing project aspects and monitoring the results achieved. In order to integrate sustainability more fully into the business, the manager in charge cooperates with the various Divisions in managing of the processes typical of the relevant areas, including thanks to the activation of the network which has contributed to the drawing up of the related policy. Furthermore, in order to monitor the independent compliance goals for correct corporate and business management, all the Italian companies controlled by Exprivia, Italtel S.p.A., Exprivia Projects S.r.l. and Spegea scarl have also adopted their own Organisation and Management Models pursuant to article 6 of Italian Legislative Decree no. 231/2001 and have entrusted the relevant Supervisory Bodies appointed by the respective Boards of Directors with the task of checking and controlling their implementation.

#### **Italtel**

Of particular note is the governance of Exprivia's strategic subsidiary, Italtel S.p.A., which is not subject to the holding company's management and coordination. The Non-financial Declaration was extended to it from the 2018 financial year. Italtel is equipped with a Board of Directors, the composition and functioning of which were determined by the Restructuring Agreement approved on 13 November 2017 and the Articles of Association in force, approved on 27 November 2017. In Italtel, the Board of Directors also operates through the Chairman and the chief executive officer, vested respectively with the powers conferred by the Board of Directors on 14 December 2017, and avails itself of the advisory functions of two Committees: the 'Related Parties Committee' and the 'Remuneration Committee'. On the same date of 14 December 2017, the Board of Directors of Italtel appointed the Supervisory Body pursuant to Italian Legislative Decree no. 231/01. The Supervisory Body of Italtel, with the support of the Compliance Office, which is a part of the same SB, continually checks the implementation of the 231 Model, its effectiveness and its compliance by the Italtel workforce. In 2019, as in 2018, the Supervisory Body of Italtel approved the Compliance Office's annual activity plan and the associated expenditure budget; it also checked the results of the information flows periodically received in keeping with the provisions of the 231 Protocols.

## **3.2 The internal control system and risk management**

GRI indicator 102-15

Since 2014, **Exprivia** has adopted its own Risk Model for itself and its single-member subsidiary Exprivia Projects and has developed a risk assessment method that focuses on risk areas that are of real concern and create added value for the organisation. The framework used is CoSO2, which analyses the main components of the internal control system. Based on exposure to the risks affecting the organisation and on the inputs from senior management and the BoD, the Internal Audit prepares its own audit plan. The main objectives of the audit are to provide assurance and information to senior management and to the BoD to achieve the organisation's goals, including an assessment by Management of the effectiveness of the risk management activities.

**Italtel** has implemented a corporate risk management system, and the Internal Audit & Compliance Office unit, based on the organisation's exposure to various risks, inputs from the company management and indications supplied by the Board of Directors, drafts an audit plan every year. The main objectives of the plan are to provide assurance as regards the effectiveness of the internal control system and also supply all company units with the necessary information aimed at improving the effectiveness of the risk management activities conducted by said units.

## **3.3 Prevention of active and passive corruption**

GRI indicators 102-16; 102-17; 102-30; 205-1; 205-2; 206-1

### **3.3.1 Significance for the Exprivia Group's activities**

Corruption represents a serious risk for the activities and the reputation of the Group; therefore, it has been identified as a material topic of great importance. For this purpose, the Group has tackled the occurrence of phenomena deriving from violation of the body of laws overseeing integrity, honesty and loyalty in every relationship, both internal and external, adopting a 'zero tolerance' approach towards any form of corruption, confirmed both in the Code of Ethics and in the Organisation, Management and Control Model adopted in accordance with Italian Legislative Decree no. 231/01 of both

companies, Exprivia and Italtel. This commitment is applied in Exprivia by means of an appropriate Disciplinary System vis-à-vis the employees, as well as vis-à-vis third parties with the provision of specific 'ethical' contractual clauses (GRI Indicator 205-1). In 2019, the Supervisory Bodies of the respective companies did not receive any reports, nor detect any episodes, of corruption.

Staff information activities regarding Italian Legislative Decree no. 231/2001, the Code of Ethics, and the Organisation, Management and Control Model continued, through the updating of the information content of the company intranet specifically dedicated to *Compliance Office* activities. As regards staff training, in 2019, at the same time as the release of the IT platform, all Italtel Group employees received training on the new whistleblowing procedure.

The audits conducted on sensitive processes for 2019 covered the activities carried out by the Company in the '*Receipt of public contributions in support of research and development*' risk area, included among those pertaining to crimes against the Public Administration (Special Part A of the Model).

#### **Italtel**

For some years, Italtel has had an internal system for reporting irregularities. The system is made available to employees and to whoever works for or on behalf of each Group company. This system is composed of dedicated telephone lines and an e-mail address for reporting any infringements of the Code of Ethics or, more generally, offences in the context of work activities of which a person becomes aware. In 2019, in order to ensure better protection of the identities of the persons involved, in line with the requirements of the General Data Protection Regulation (GDPR), the internal whistleblowing system was re-evaluated and a suitable IT platform released for the management of reports, which can be accessed both from the intranet and the company website.

In 2019, Italtel renewed its Legality Rating for the second time. It was first assigned this rating in 2015. The score assigned by the Antitrust Authority (AGCM) in 2017 was confirmed as the highest possible, i.e. three stars. This important result places Italtel among the companies most committed to adopting ethical principles in their own conduct and to operating in compliance with the law. The Legality Rating has a validity of two years.

## **3.3.2 Auditing activities and management results**

### **Internal auditing**

The Exprivia Group companies, each within its remit, conduct systematic internal auditing with regard to business ethics, corruption prevention, management of financial resources and the procurement system, environmental management, information security, protection of personal data (privacy) and Human Resources management, as well as those that focus more specifically on business and production: verification of the management of Projects, Services and Sales through the audits conducted by the competent Supervisory Bodies and the Integrated Management Systems responsible for guaranteeing the Quality Systems.

### **External auditing**

**Exprivia**, in its capacity as a technological company which has partnerships with leading multinationals in the IT sector (SAP, Microsoft, Oracle, etc.) is normally subject to periodic audits carried out by the third parties with which it has business dealings. Exprivia is also subject to periodic audits carried out by public or private certification bodies. These audits also concern the compliance of the internal processes, the respect of intellectual property rights in the use of third-party software, the protection of information security and the handling of medical and EC-marked devices.

**Italtel** and its direct subsidiaries are subject to external audits carried out by third parties with which they have business dealings, typically Customers, at their request.

## **3.4 Relations with customer**



By means of a varied offer, the Group offers its solutions to private and public concerns of every size; together, they search for new business models imposed by the era of **Digital Transformation**:

- the radical change in the business scenarios with the fourth industrial revolution which will very soon see production completely controlled, interconnected and automated through technological evolution;
- new solutions for the virtualisation of the network systems;
- the innovative technologies that are changing the world of the utility companies in the production, distribution, transport and sales of primary sources (water, energy, etc.);
- the need for increasingly complex processing of quantities of data to analyse the phenomena of the environment and the earth;
- the transformations in the world of credit and finance in a rapidly-evolving sector;
- the health system which is changing, influenced by the growing attention to personal well-being and care, the progressive ageing of the population and the growing spread of chronic illnesses; in addition to these factors, there is the need to increasingly rationalise the progressive increase in health spending;
- the streamlining of bureaucracy, the organisational renewal, which permits optimisation of expenditure for the quality of rapid and efficient services, which bring the citizen closer to the public body.

Specifically, Italtel S.p.A. Group company delivers an annual evaluation questionnaire to a sample of 10/15 customers, chosen on the basis of their turnover/strategic importance for the company, operating in the Service Provider, Enterprise and Public Sector categories in order to check their satisfaction. The application of this method, combined with the search for continuous improvement (Plan Do Check Act cycle), has allowed Italtel to record high levels of customer satisfaction over the years (in 2016, 2017, 2018 and 2019, average satisfaction was 4.4, 4.3, 4.7 and 4.3 respectively, on a 1-5 scale) and to establish further dialogue with customers in order, on the one hand, to acknowledge their expectations and future needs and, on the other, to illustrate Italtel's viewpoint with respect to technological and market issues of main interest.

Piattaforma EXPRIVIA per la segnalazione di condotte illecite e di irregolarità nell'ambito dell'attività lavorativa

Sei un whistleblower?

[Invia una segnalazione](#)

Hai già effettuato una segnalazione? Inserisci la tua ricevuta.

XXXX XXXX XXXX XXXX

The Exprivia Whistleblowing Platform, where customers in business relations with the Group may submit reports.

Piattaforma ITALTEL per la segnalazione di condotte illecite e di irregolarità nell'ambito dell'attività lavorativa

Sei un whistleblower?

[Invia una segnalazione](#)

Hai già effettuato una segnalazione? Inserisci la tua ricevuta.

XXXX XXXX XXXX XXXX

The Italtel Whistleblowing Platform, where customers in business relations with the Group may submit reports.

This reporting channel can also be accessed from the Group's website. No reports of this kind were received during 2019. At the same time, in its work, the Group pays attention to the satisfaction of customers and/or colleagues, taking prompt and effective action.

## 3.5 Supplier network

GRI indicators 102-9; 414-1

One of the Group's assets is the closely-knit network of suppliers for the execution of its activities. In the majority of cases, this involves parties with which, over time, it has constructed clear relationships, capable of creating value over the long term.

With the exception of a few cases relating to the management of physical spaces (security, cleaning, etc.) or vertical functions (accounts auditors, administrative consultants, telephony, etc.), the Group operates with suppliers who work in the same sector as the company, i.e. Information and Communication Technology (ICT), handled according to high quality standards. The Group guarantees its suppliers fair remuneration for their activities and the respecting of payment times, in exchange for a commitment for ever increasing quality and efficiency.

### 3.5.1 Guidelines for supplier assessment and selection

All Exprivia suppliers are subject to a periodic evaluation and qualification process, according to the Quality Management System, with particular reference to the Procurement Procedure. The steps of the procedure are briefly shown here.

Exprivia procures goods and services from suppliers on the Qualified Suppliers List. The suppliers are divided into three classes: Approved suppliers, Suppliers approved with due reservation, Unapproved suppliers.

The activities for the qualification of suppliers involve an initial assessment for the purpose of introducing the new suppliers onto the List of Suppliers approved with due reservation, and a periodic assessment, within the first quarter of the year following that of reference, which makes it possible to establish whether or not the supplier should stay in one of the three classes that make up the Qualified Suppliers List.

When there is the need to introduce a new supplier, the Purchasing unit carries out an initial qualification, requesting all the documentation, for the purpose of noting the regularity thereof. The documentation required includes: Chamber of Commerce registration; Copy of the most recent financial statements to check the company's solvency and financial soundness; D.U.R.C. (contribution compliance certificate); DVR (Risk Assessment Document) and declaration of general safety-related costs, as per Italian Legislative Decree no. 81/08; Compliance self-certification; Copy of a PCL policy (Professional Civil Liability, drafting not mandatory but considered to be a preferential element); Declaration of general safety-related costs; ISO compliance.

In the event of 'special' supplies, such as those regarding services and supplies related to good and sound facility management, the above documentation is supplemented with further documents to check compliance with specific laws and/or special technical requirements.

It is not compulsory for suppliers to send us the above documentation, since only specific regulatory requirements are of a mandatory nature. With regard to Exprivia's procurement procedure, submission of all the documentation is necessary for qualification purposes, otherwise the Supplier could be excluded, unless submission is considered to be a preferential element.

A number is associated with each supplier which determines its ranking. Qualified suppliers are entered in a supplier register which is updated annually. All of the documentation produced and received during the qualification process is digitally stored in specific folders on the server. Suppliers that no longer meet the qualification requirements are suspended from the Register, blocked in the information system and included on a list of inactive suppliers, making it no longer possible to issue orders to them.

**Monitoring:** the Procurement unit observes the performance of the qualified suppliers and assesses over time whether they can still be included among the active suppliers. It can decide to cancel the previous qualification, making it impossible to issue orders and consequently eliminating the supplier from the Supplier Register. Furthermore, in order to keep suppliers aligned with the needs of Procurement as much as possible, it conducts an annual update of the assessment sheet of every single supplier.

## Italtel

In 2019, Italtel updated the Supplier Selection and Qualification Guidelines, as a follow-up to the new Italtel Group Purchasing Policy issued in 2016. The Policy defined the general criteria, responsibilities and operating procedures to ensure customers the supply of products and services which meet the demands of quality, cost, time and reliability, by working with suppliers that share the respect for people, environmental protection and the principles of honesty and integrity as set forth in Italtel's Code of Ethics.

Supplier selection and purchase transactions were therefore carried out by giving priority to companies meeting the following criteria: they comply with laws and regulations with a view to Corporate Social Responsibility (CSR) and focus on respect for human rights and environmental protection, their core business is related to the activities covered by the transaction, they have an organisation and tangible/intangible assets of an appropriate size and quality in relation to the type and size of the supply to be carried out and such as to guarantee suitable quality, prices and delivery time, they are able to guarantee the required quality levels each time, they are able to guarantee the stable and continuous supply of goods and/or services over time, including through formalised emergency plans, and be sufficiently flexible to respond rapidly to fluctuations in market demand/supply.

All Italtel suppliers are subject to a selection, qualification and periodic assessment process. The aim of the supplier selection, qualification and monitoring process is to identify and maintain suppliers capable of supplying products and services that meet company requirements on a continuous basis. This is achieved by checking, assessing and monitoring technical, organisational and management skills, reputational ethical reliability, economic and financial soundness, and compliance with the requirements relating to Environmental Management Systems, Information Security and Quality and a CSR commitment.

In view of the company's supply needs and requirements and of its need to purchase new products/services or to acquire new suppliers for projects currently being defined, the Procurement unit starts to look for new suppliers to be qualified, possibly as an alternative to those already used. First of all, it performs a preliminary check on the suppliers, where necessary availing itself of the support of the Finance & Administration department for any economic and financial aspects. The Procurement unit submits the suppliers who have successfully passed the preliminary check (potential suppliers) to the next assessment and qualification phase. These suppliers are asked to complete a qualification form and to send supporting documents (i.e. chamber of commerce certificate; most recent financial statements; quality, technical and sustainability certifications).

If the information contained in the supplier's summary sheet is sufficient to show that it is able to guarantee the supply of goods and/or services according to requirements, the supplier is qualified (indirect assessment method).

Assessment results are reached by evaluating the level of compliance with the following requirements: Environmental Management System, Quality Management System, Information Security Management System (required for repair, installation and TAC1 suppliers and, in general, for suppliers providing a service at the customer's premises or at Italtel), Financial Soundness, Supplier's Corporate and Administrative Information included in the Chamber of Commerce Certificate or equivalent document, Social Accountability.

A number is associated with each supplier which determines its ranking. "Qualified" suppliers are entered into a dedicated information system to allow orders to be issued to them. All of the documentation produced and received during the qualification process is digitally stored on a specific web portal, in a folder associated with the assessed supplier.

Suppliers that no longer meet the qualification requirements are suspended from the Register, blocked in the information system and included on a list of inactive suppliers, making it no longer possible to issue orders to them.

**Monitoring:** the Procurement unit observes the performance of the qualified suppliers and assesses over time whether they can still be included among the active suppliers. It can decide to cancel the previous qualification, making it impossible to issue orders and consequently eliminating the supplier from the Supplier Register.

Furthermore, to keep suppliers aligned with the needs of Procurement as much as possible, it regularly updates the assessment sheet of every single supplier (preferably every year and in any case never more than 3 years).

### 3.5.2 Supply indicators in accordance with sustainability

GRI indicators 204-1; 308-1

This document highlights some indicators with regard to the sustainability of the supplies carried out by Exprivia in 2019. Exprivia suppliers can be subdivided by category of purchase in 2019, as follows: 89% consultancy (51% in 2018), 34% hardware (40% in 2018), 2% software (4% in 2018), 11% other purchases (5% in 2018).

New suppliers evaluated according to social criteria:

| Base figure  | 2019 consolidated <sup>1</sup> | 2018 consolidated |
|--|--------------------------------|-------------------|
| Use of local suppliers by significant venue <sup>2</sup> | 91%                            | 72%               |
| New suppliers that have submitted a DVR                  | 76%                            | 61%               |
| Code of Ethics   | 76%                            | 87%               |

New suppliers evaluated according to environmental criteria:

| Base figure  | 2019 consolidated <sup>3</sup> | 2018 consolidated |
|--|--------------------------------|-------------------|
| New suppliers provided with environmental certifications | 25%                            | 17%               |

The figures shown refer to 19% of the total suppliers in 2019. These suppliers generated 89% of total annual orders.

<sup>1</sup> The figures refer to Exprivia and Italtel suppliers to which an order above Euro 100,000.00 was issued in 2019

<sup>2</sup> The suppliers taken into account have registered offices in the area where they operate

<sup>3</sup> The figures refer to Exprivia and Italtel suppliers to which an order above Euro 100,000.00 was issued in 2019





## 4. Human rights

GRI indicator 102-8

In the Exprivia Group, the selection, training, management and development of Human Resources are based on criteria of individual merit, skill and professionalism, while ensuring equal opportunities. Career paths and salary rises are based on these principles, while guaranteeing the transparency, reliability and fairness of the assessment methods applied.

The Group considers its people to be a primary asset for achieving its business and offer development targets thanks to active involvement in its proposals, by offering services that improve quality of life and guaranteeing a working environment based on a willingness to listen, trust and professional recognition.

In order to guarantee this, the Group promotes working conditions that protect individuals' psychological integrity and that foster creativity and personal initiative, the ability to work in a team and accountability.

Furthermore, the Exprivia Group undertakes to protect the moral integrity of its employees by protecting them from acts of psychological violence and by combating any form of discrimination or harm to individuals and their ideas.

The Group takes steps to ensure that Human Rights are recognised and observed in every form and type while performing its activities. Exprivia respects the fundamental rights of the people who work on its behalf, enhancing and protecting their moral integrity and ensuring equal opportunities. Placing people at the centre of the development plans means first and foremost protecting people's rights and making sure that they can work in an environment that fosters the professional development of all. To achieve this, it is essential for Exprivia to adopt the principles of equality and equal opportunity and to promote individual diversity as an added value, by actively supporting the Universal Declaration of Human Rights.

### 4.1 Exprivia staff: the significant numbers

The Exprivia Group has an employment trend with regard to staff which is growing continually and can count on highly professional management with managerial ability recognised throughout the market.

A number of aspects inherent to the workforce of the Group as of 31/12/2019 are presented below.

The quantitative information provided refers to the employees in terms of single individuals and is not expressed as full-time equivalents (FTE).

Furthermore, the information provided is considered to be sufficient for ensuring understanding of the human resources management carried out by the Group. Certain information associated with the reference GRI standards, if deemed

sensitive for business activities, has been omitted

## 4.1.1 Total workforce

Scope: Exprivia S.p.A., Exprivia Projects, Spegea, HRCOFFEE, Exprivia Asia, Exprivia SLU, Exprivia Do Brasil, ProSAP Perù, ACS Germania, Italtel S.p.a, Italtel France, Italtel USA, Italtel SA, Italtel Deutschland, Italtel Poland, Italtel Perù, Italtel Argentina, Italtel Brasil, Ausoitaltel.

| Total workforce      | 2019  | 2018  |
|----------------------|-------|-------|
| Total employees      | 4,036 | 3,969 |
| Of which BPO workers | 616   | 581   |

The Exprivia Group carries out important **Business Process Outsourcing (BPO)** activities, spread between its offices in Molfetta (BA) and Palermo, on behalf of large enterprises in the Italian industrial sector. Due to the specific dynamics of the sector, the employment agreements applied and the type of skills used, it was considered necessary to differentiate the analysis with respect to the predominant sector, i.e. **Information Technology (IT)**.

Therefore, due to the presence of the business component, BPO, the company population is distributed throughout Italy with a more significant presence in the south, where the registered and administrative offices of the Group are also located (in Molfetta); these offices employ the majority of the workers in the Staff units.

## 4.1.2 Geographical breakdown

| Geographic areas     | no. employees 2019 | % of area 2019 | no. employees 2018 | % of area 2018 |
|----------------------|--------------------|----------------|--------------------|----------------|
| Italy                | 3,464              | 85.83%         | 3,447              | 86.85%         |
| Abroad               | 572                | 14.17%         | 522                | 13.15%         |
| <b>Overall total</b> | <b>4,036</b>       | <b>100%</b>    | <b>3,969</b>       | <b>100%</b>    |

## 4.1.3 Breakdown in relation to qualification

GRI indicators 405-1; 202-2

The breakdown by qualification of the staff as at 31/12/2019 is around 85% professionals and 15% managers. Women represent around 32% of total employees.

In 2019, the analysis of the age of the company population revealed a clear predominance of the 30-50 years age bracket. The trend relating to the latest recruitment, however, is changing in favour of the under 30 bracket.

| Age bracket | Managers | Middle management | White-collar workers | Other <sup>4</sup> |
|-------------|----------|-------------------|----------------------|--------------------|
| <30         | -        | 2                 | 431                  | 1                  |
| 30-50       | 30       | 227               | 2,371                | 1                  |

<sup>4</sup> This category includes contract workers and/or interns/trainees.

|                      |           |            |              |          |
|----------------------|-----------|------------|--------------|----------|
| >50                  | 60        | 279        | 633          | 1        |
| <b>Overall total</b> | <b>90</b> | <b>508</b> | <b>3,435</b> | <b>3</b> |

| Category        | Men          | Women        |
|-----------------|--------------|--------------|
| Employees       | 2,247        | 1,188        |
| Middle managers | 419          | 89           |
| Managers        | 80           | 10           |
| Other           | 2            | 1            |
| <b>TOTAL</b>    | <b>2,748</b> | <b>1,288</b> |

99.8% of managers and middle managers resident in Italy are recruited at the Group's operating centres.

## 4.2 Workplace health and safety

In order to ensure increasingly greater protection of health and safety in the workplace, Exprivia and Italtel rely on a dedicated staff, employed in risk assessment, planning and implementation of training activities, active involvement of all the staff and performance of operational monitoring activities. Safety management is a concrete commitment to a shared culture, which concerns not only Exprivia and Italtel staff, but also suppliers, consultants and contractors, with the aim of involving the entire company community.

### Exprivia

In 2019, measures were implemented at Exprivia to protect workers' health and safety, in accordance with the legislation in force regarding prevention and safety. In addition to the mandatory measures, Exprivia has also introduced further actions. In particular, in order to protect disabled persons, teams have been established at the various company premises, tasked with assisting the disabled in the event of emergencies. Such teams have received appropriate preparation through special training and instruction courses organised by the fire brigade. In addition, a company cardioprotection programme has been launched and will continue in 2020, with company premises equipped with semi-automatic defibrillators and teams trained and instructed in BLS-D, to guarantee complete cardioprotection.

In **Italtel**, specific interventions were introduced in 2019 (training, PPE and additional medical examinations) for staff involved in activities concerning new sectors and technologies (e.g. ultra-wideband - UWB). In this context and for other topics concerning health and safety, in line with the company model based on a participatory rationale, the involvement of the Workers' Safety Representatives (WSR) and the Company Physician (CP) was significant. 2019 saw the completion of the training in using a defibrillator (BLS-D) for employees appointed to do so in the Rome office. The cardioprotection project, already operational since 2018 in the Castelletto (MI) and Carini (PA) offices, was successfully concluded for all the offices.

As regards training, initiatives to maintain and improve information and training courses continued for both companies.

## 4.2.1 Accident indices

GRI indicator 403-2

The analysis data collected confirm that the number of accidents occurring during 2019 should be considered low, with a severity and frequency index close to 0. Commuting accidents are the most frequent type (62% of the cases), i.e. travelling to home from work or vice versa and travelling to/from customers' premises.

This indicates that the risk associated with the mere work activities in which the employees are daily employed is extremely low and is due to unforeseeable accidents that can occur during the day (bruises, slipping), which are unrelated to the intellectual work they carry out.

The figure relating to the frequency index and the severity index is shown below.

Frequency index = no. of accidents x 1,000,000 / no. of hours worked

The frequency index in 2018 was **2.66** (including commuting accidents)

The frequency index in 2018 was **0.53** (EXCLUDING commuting accidents)

Severity index = no. of total accident days x 1,000 / no. of hours worked

The severity index in 2018 was **0.16** (including commuting accidents)

The severity index in 2018 was **0.02** (EXCLUDING commuting accidents)

Accident means any accident with regard to which all procedures have been completed and for which formal notification has been received from INAIL for the granting of compensation.

| Accidents at work (excluding commuting accidents) | 2019 | 2018 |
|---|------|------|
| Accidents suffered by Group employees             | 8    | 3    |
| Of which women                                    | 6    | 3    |
| Days lost due to accident                         | 199  | 111  |
| Of which women                                    | 176  | 111  |
| Cases of occupational disease                     | 0    | 0    |
| <b>Group accident frequency index</b>             | 1.31 | 0.53 |
| Female accident frequency index                   | 0.98 | 0.53 |
| <b>Group accident severity index</b>              | 0.03 | 0.02 |
| Female accident severity index                    | 0.03 | 0.02 |
| <b>Average Days Lost</b>                          | 25   | 37   |

Based on this analysis, we can see and confirm that the environment where Group employees work is extremely protected and safe, partly thanks to the particular attention which the Group pays to internal safety aspects. The analysis includes both the Italian and foreign workforces.

### Work-related fatal accidents



In 2019, the number of work-related fatal accidents in the various national and foreign offices of Exprivia and Italtel companies was zero.

This figure shows that the risk related to working activities and the environmental risks associated with the workplaces are irrelevant. The indicator result also shows that the work environment is safe and controlled, partly thanks to the special attention paid to safety and to the maintenance of company offices.

#### **Violations and sanctions associated with occupational health and safety**

In 2019, no events and incidents occurred at national and foreign offices which led to violations and sanctions associated with occupational health and safety. The figure shows the attention paid by the company to prevention as regards workers' health and safety and its ongoing commitment to ensure compliance with current legislative and regulatory provisions at all times.



## 5. Work

GRI indicator 102-8

Human resources constitute a strategic asset for the Group, are essential to the company's existence and represent a critical factor for competing successfully on the market. Honesty, loyalty, ability, professionalism, flexibility and expertise are some of the decisive factors for achieving the Group's objectives.

Through the course of the employment relationship, the Exprivia Group undertakes to create and maintain the necessary conditions in order for the culture, ability, knowledge and skills of everyone to develop and be recognised, by adopting a policy based on recognising merits and equal opportunities, making provision for specific continuous training programmes, professional updating and the acquisition of greater expertise. For this reason, the Group considers training a strategic element for the development of its staff, undertaking not only to constantly develop its training offer but also to adopt equally innovative methods for providing its courses. This certainty when it comes to professional development paves the way for joint company/employee evolution projects by improving the engagement levels of the staff. ICT companies depend greatly on the quality and level of engagement of the human resources working for them and on their flexibility to adapt to the opportunities arising from the transformation processes under way.

The second-level supplementary agreement applied to Exprivia and, therefore, to its more than 1,800 employees, represents the start of a process towards greater sharing of the company's goals with all employees.

Our goal is to establish the conditions for dynamic and flexible, but also happier, work, where everyone has opportunities and is stimulated in both personal and professional growth.

### 5.1 Significance for the Exprivia Group's activities

The evolution of the organisation and its alignment with market requirements are based on the topics of effective enhancement of human capital, a focus on quality and engagement.

Individuals are a true strategic asset for the achievement of the company's development plans and objectives. **Human capital** has always been at the heart of the company's interests, through the development of potential, improving individual expertise and abilities and promoting discussion between managers and staff, in line with the business objectives.

These objectives represent the cornerstones of the professional skills development project, in accordance with merit-based criteria.

## 5.2 Employment contracts applied

The Group adopts a stable employment policy for the workers, preferring permanent employment contracts and limiting the choice of temporary contracts solely to residual accessory term activities. Around 96% of the company population has a permanent employment contract; apprenticeship contracts are included among the permanent contracts.

| Contract type       |              |
|---------------------|--------------|
| Permanent contracts | 3,874        |
| Temporary contracts | 162          |
| <b>Total</b>        | <b>4,036</b> |

Type of employment relationship, broken down by gender and geographical area of origin/recruitment.

| Type of relationship by area | Women        | Men          | Overall total |
|------------------------------|--------------|--------------|---------------|
| Italy                        | 17           | 25           | 42            |
| Abroad                       | 26           | 94           | 120           |
| <b>Temporary contracts</b>   | <b>43</b>    | <b>119</b>   | <b>162</b>    |
| Italy                        | 1,156        | 2,266        | 3,422         |
| Abroad                       | 89           | 363          | 452           |
| <b>Permanent contracts</b>   | <b>1,245</b> | <b>2,629</b> | <b>3,874</b>  |
| <b>Overall total</b>         | <b>1,287</b> | <b>2,748</b> | <b>4,036</b>  |

Details of Full-Time and Part-Time employment relationships, divided by gender, are shown below.

| Type of working hours | Men          | Women        | Overall total |
|-----------------------|--------------|--------------|---------------|
| Full Time             | 2,574        | 786          | 3,360         |
| Part Time             | 174          | 502          | 676           |
| <b>Overall total</b>  | <b>2,748</b> | <b>1,288</b> | <b>4,036</b>  |

In relation to GRI indicator 402-1, the Group has taken steps to comply with the CCNLs (Italian National Collective Bargaining Agreement - hereinafter "NCBA") in force and applied (Mechanical Engineering and Telecommunications) and the legislation which governs contractual terms which affect the organisation of the work and said workers. Therefore, communications have always been handled in observance of the time scales envisaged by the aforementioned legislative sources.

## 5.3 Turnover

GRI indicator 401-1

The rate of recruitment and leavers is shown below, calculated on the total employees, by gender and by age bracket, at the end of the reporting period.

| RATE OF RECRUITMENT | ITALY  | ABROAD |
|---------------------|--------|--------|
| Men                 | 10.22% | 37.42% |
| Women               | 11.95% | 34.78% |
| <30 years of age    | 51.68% | 56.60% |
| Between 30 and 50   | 8.35%  | 35.25% |
| >50 years of age    | 2.10%  | 15.15% |

| RATE OF LEAVERS   | ITALY  | ABROAD |
|-------------------|--------|--------|
| Men               | 11.10% | 29.10% |
| Women             | 7.76%  | 26.09% |
| <30 years of age  | 27.83% | 35.85% |
| Between 30 and 50 | 10.01% | 27.50% |
| >50 years of age  | 3.42%  | 22.73% |

## 5.4 Motivation and engagement

In a context marked by great strides in technology and innovation, one of the many vital challenges to be addressed is the development of skills, new organisational solutions (e.g. agile approach) and new working methods, to be carried out within the broader paradigm shift represented by digital transformation. These challenges focus especially on professional retraining, ongoing training and innovation, applied to both technological skills and the corporate culture. In particular, digital innovation is accelerating and generating increasingly fierce competition. More and more, what counts is the ability to promote it. IoT, Cloud, Mobile Business, Security and other solutions are not only the key players on a growing market - they are factors of profound change, at the heart of the changing habits of users in the incredibly diverse contexts of entertainment and home, work and civic life, with significant impacts on business. Using the analysis of the reference context, our Group has outlined the cultural change (technological, organisational and connected with the new business models) necessary for success. In 2019, we launched an important programme to develop a widespread digital culture, through a process of storytelling, taking steps to ensure greater digital awareness and providing training to foster a new mindset and new ways of behaving.

The key focus on the quality of our human capital management processes, in order to improve existing business skills and talent development, is an additional component of an increasingly integrated HR management model on which the Group

is betting, to obtain qualified, motivated and engaged employees, and thus to be able to support the creation of value in the medium and long term.

## 5.5 Company Welfare

GRI indicator 401-2

In terms of welfare, the multiple initiatives implemented tend to introduce new services each year with respect to the panel available to the company workforce.

In most cases, they concern advantages granted to all employees on top of those established by law and/or the NCBA. A Group management system on this topic has not yet been activated; for this reason, the activities carried out by the two main Group companies are described below.

### Exprivia

Since 2016, a welfare initiative has been in place aimed at the entire workforce. Exprivia People Care is the company welfare plan which enhances the total reward system by responding to an ever broader range of worker expectations and needs, not only financial. This project was created due to the company's sensitivity towards initiatives and tools that can achieve work-life balance, as well as maintain the purchasing power of the workers.

#### The Exprivia People Care plan

Since 2017, the Mechanical Engineering NCBA has made it mandatory to introduce a **supplementary company health policy** for all employees entitled to it. Exprivia has chosen a policy that can be extended to the entire family unit (spouse and children **even if not dependent**). It includes both the reimbursement of hospital costs and those for advanced diagnostics, specialist visits and diagnostic check-ups, including dental care. In accordance with the provisions of the NCBA, it is provided without distinction to employees with either full-time or part-time permanent contracts. For staff hired on temporary contracts, this right accrues after 6 months.

**Ticket Restaurant** for all employees. Meal vouchers are in electronic format and the overall value is Euro 7.00 daily, net. Important affiliations have been implemented, during these years of operation, with large food sales chains, such as Coop and Lidl. No more useless waste of paper on paper vouchers and much easier to use. The measure is aimed at all permanent and temporary full-time personnel; for part-time workers, a minimum of 6 hours/day must be worked.

**Smartphones and SIMs** for permanent white-collar workers and middle management (full-time and part-time), apprentices and executives. The smartphones and SIMs provided permit unlimited phone calls and surfing. This is an important step towards improving our communication, both internal and with our customers.

**Flexible Benefit:** the company wished to supplement the amount of benefit envisaged by the Mechanical Engineering NCBA with an additional benefit, for an overall total made available to eligible individual employees of Euro 250 per annum. The additional part with respect to NCBA is reserved for permanent employees and is re-proportioned for part-time employees. The handling and spendability of the available benefit take place via a platform made available by Easy Welfare, a leading company in Italy in the management of company welfare. Employees have a wide range of services available to them, which is expanded annually. In 2019, the possibility of reimbursement of urban transport costs was introduced.

In 2019, Exprivia signed an agreement with **Corporate Benefits Italia** (a leading company in Europe in the sector of company affiliations), aimed at **enhancing the offer of affiliations dedicated to our employees**. The agreement provides for the creation of a portal through which our employees can benefit from an exclusive offer of company affiliations (over 180 partners, comprising prestigious brands and leading businesses) which entitle users to useful discounts from major

distribution chains.

## Italtel

### The Italtel Welfare plan

Initiatives to improve the work/life balance of employees: e.g. **smart working**, arrival and departure flexibility, part-time work, hourly holidays or to promote sustainable mobility: e.g. **company shuttle**, free reserved parking spaces, mixed-use company car or to improve the work/life experience: e.g. company canteen and **ticket restaurant**, affiliations and advantages, company common room.

In order to support smart working, the company ensures that almost all staff have a **laptop** available, **equipped with corporate communication tools** (e.g. video conferencing), with around 50% able to use a **company smartphone**.

A **flexible benefit** plan is in place for the entire workforce. In 2019, this totalled approximately Euro 428,000. The welfare credit made available allows employees to choose independently the types of services they can benefit from within the basket made available to the company, depending on their specific needs. It is worth highlighting the fact that, for non-executive staff, the company has made a voluntary commitment that has enabled the doubling of the amount of credit due under the contractual commitments.

In Italy and abroad, all employees **entitled to maternity or paternity leave** who submitted a request were able to use this leave and returned to work once it concluded. Employees entitled to use daily leave for **taking care of disabled family members** were also able to exercise this right within the deadlines laid down by national law.

## 5.5.1 Right to and protection of maternity

GRI indicator 401-3

All Group employees are entitled to use parental leave in accordance with the provisions of the law.

The Group has always striven to facilitate the work of its pregnant employees as much as possible; for example, at Exprivia's Molfetta headquarters, where there is an internal car park with a limited number of parking spaces, part of this has been allocated to pregnant employees, enabling them to enter the company site directly to make it easier to then enter the building.

The sense of belonging and well-being within the company can also be perceived from the fact that, in all cases of staff on maternity leave, more than 97% of the women returned to work after having been absent for use of mandatory and/or optional maternity leave; there were only 5 cases of employees who had resigned as at 31/12/2019.

### Maternity support - Contact Centre Perimeter

Speaking about maternity support for working women does not simply mean discussing the work/life balance, but first and foremost talking about women.

The topic of maternity support at work, especially in private companies, forms part of the more general issue of equal opportunities and its final goal is to reduce the gender gap which involves, or rather lies at the heart of, the company's organisation.

In June 2018, with the aim of promoting and supporting working mothers, Exprivia SpA introduced a significant right for all mothers with children under three years of age into the company's internal regulation for the Contact Centre perimeter (in force at the Molfetta offices since 20/04/2016 and at the Palermo offices since 06/03/2017). The company regulation governs the procedures for Contact Centre employees working on shifts to request exemption from certain time slots if



there are proven reasons for doing so (attending study courses, medical treatments prescribed at certain times, other part-time work).

## 5.5.2 Absenteeism

All Exprivia Group employees can enjoy social cover for cases of absence due to illness and hospitalisation.

The following table shows the % of absence due to illness and hospitalisation, divided by company and by gender.

| Rate of absenteeism <sup>5</sup> |              |              |              |
|----------------------------------|--------------|--------------|--------------|
| Company                          | Women        | Men          | Total        |
| Exprivia S.p.A.                  | 2.41%        | 1.76%        | 1.94%        |
| ITALTEL S.p.A.                   | 2.62%        | 1.66%        | 1.87%        |
|                                  | <b>2.47%</b> | <b>1.72%</b> | <b>1.91%</b> |

The rate is relatively low compared with the average in the sector and the final average takes account of certain higher rates caused by serious (non-professional) illness, which extended into 2019.

## 5.6 Training

GRI indicators 404-1; 404-2

Staff represent a true strategic asset for the Exprivia Group for consolidating and improving its competitive edge over time. In order to enhance its human capital, the Exprivia Group makes suitable tools and professional growth opportunities available, ensuring the quality and innovation objectives of the products and services provided to customers.

The Exprivia Group constantly encourages its workers to achieve levels of excellence, extending their technical and management skills while not neglecting motivation, a sense of belonging and responsibility. The high level of professionalism of the individuals who work within the Exprivia Group has enabled it to develop an excellent reputation in Italy and internationally. To this end, staff training courses are designed for the purpose of facilitating individuals in reaching increasingly challenging goals and achieving successful performances.

The significant growth of the Company has also involved the **training** area, which must guarantee the level of professional compliance of the personnel with the current and medium-/long-term potential markets.

Moreover, the training programmes envisage measures for developing organisational conduct and actions that increase technical knowledge and skills in support of technological innovation and development programmes. The training programmes are planned in close association with the needs of the market and innovation investment.

In this regard, the Company has made major investments both in continuous training, aimed at reskilling and upskilling programmes, and in cultural development and the basic skills connected with digital transformation.

As regards cultural development, digital innovation is accelerating and generating increasingly fierce competition. Therefore, in line with the growing diffusion of plans for innovation and digitalisation, starting from the analysis of the reference context in which the Exprivia Group operates, we outlined our cultural changes (technological, organisational and connected with the new business models) by focusing on new digital learning initiatives based on the paradigm of storytelling. This process, initiated in 2019 and developed throughout the year, was entitled "Digital Journey". The process involves the entire workforce within the Italian perimeter of the company's core business, with training interventions that analyse 5 thematic areas (Digital Culture, Digital Technologies, Digital Business Models, Innovation Methodologies and

<sup>5</sup> The coefficient is obtained from the formula: no. annual working hours / no. hours of absence for illness / hospitalisation %.

Digital Soft Skills), with a total of 12 courses. It consists in a metaphorical self-learning voyage through the themes of Digital Transformation, using e-learning, and attempts to provide learning that is both cognitive and experiential.

Training within the Exprivia Group is also planned with the support of the **Corporate Business School Spegea**, an accredited Italian management school. Its presence within the Exprivia group makes it possible to:

- continuously renew the wealth of abilities and skills of the human resources as a strategic asset;
- adopt increasingly innovative training methods and models, thanks to the Corporate School's unstinting focus on innovations within the reference market.

The 2019 training programmes covered the development of:

- **TECHNICAL AND SPECIALISED SKILLS:** measures that increase technical knowledge and skills to support technological innovation and development programmes, through specialised training activities also aimed at obtaining certification. These specialised interventions were fully disseminated, in the belief that working on skills means increasing the value of people and, therefore, the organisation's competitive advantage.
- **MANAGEMENT SKILLS:** aimed at improving organisational conduct for the development of professional skills, project management and the development of conduct that contributes to determining a precise leadership style for handling working teams, in order to improve management effectiveness.
- **LANGUAGE SKILLS:** training activities were carried out to increase the staff's language skills, with particular attention paid to flexible training (e-learning, Skype lessons and phone lessons).

With regard to **REGULATORY COMPLIANCE**, training covered:

- the development of knowledge and the awareness of behavioural rules connected with ethical values (pursuant to Italian Legislative Decree 231/01) in the foreign sites in Spain and Brazil.
- training aimed at enabling and spreading smart working in the company: all project members took part in a classroom training session that included risk assessment issues, compliance with safety laws, behavioural principles to be observed with due diligence when working away from the offices, and rules for processing company data and information;
- the fundamental management processes of the Group's integrated Quality Management System: in particular, as part of the sales process integration project, a course was provided on the new costs and income planning tool (integrated ACR), and the supporting application (CRM) was presented.

Within the context of **MANDATORY TRAINING**, training activities focused on the following topics:

- Protection of health and safety at work (pursuant to Italian Legislative Decree 81/08).
- GDPR (General Data Protection Regulation) - Privacy Regulation (EU 2016/679).

Training delivered in 2019 totalled 81,799 hours (3,246 of which in foreign offices), involving 34,330 participants. 75% of the total number of training hours were delivered online. We noticed a rise of around 24% in hours compared with the previous year thanks to the adoption of an e-Learning platform, which has enabled more extensive and effective use.

Particular attention is paid to the aspect of training costs: all the possible sources of funding are used, thereby guaranteeing the sustainability of the investments. Around 30% of the 2019 training costs benefited from access to financing (Fondimpresa).

The key figures about the training delivered and details of the average hours of training by gender and by category are shown here:



| 2019                       | Gender    |           | Category |                 |           |               |
|----------------------------|-----------|-----------|----------|-----------------|-----------|---------------|
|                            | Women     | Men       | Seniors  | Middle managers | Employees | Total         |
| Hours                      | 27.342    | 54.457    | 852      | 11.457          | 69,490    | <b>81.799</b> |
| Personnel (Italy + abroad) | 1.288     | 2.747     | 90       | 508             | 3.437     | <b>4.035</b>  |
| Average training hours     | <b>21</b> | <b>20</b> | <b>9</b> | <b>23</b>       | <b>20</b> | <b>20</b>     |

| 2018                       | Gender    |           | Category  |                 |           |               |
|----------------------------|-----------|-----------|-----------|-----------------|-----------|---------------|
|                            | Women     | Men       | Seniors   | Middle Managers | Employees | Total         |
| Hours                      | 25.910    | 40.396    | 2.070     | 5.364           | 58.872    | <b>66.306</b> |
| Personnel (Italy + abroad) | 1.232     | 2.736     | 88        | 521             | 3.359     | <b>3.968</b>  |
| Average training hours     | <b>21</b> | <b>15</b> | <b>24</b> | <b>10</b>       | <b>18</b> | <b>17</b>     |

The numbers shown below consider mandatory training only:

| 2019                       | Gender   |          | Category |                 |           |               |
|----------------------------|----------|----------|----------|-----------------|-----------|---------------|
|                            | Women    | Men      | Seniors  | Middle Managers | Employees | Total         |
| Hours                      | 3.501    | 10.682   | 221      | 2.122           | 11.839    | <b>14.182</b> |
| Personnel (Italy + abroad) | 1.288    | 2.747    | 90       | 508             | 3.437     | <b>4.035</b>  |
| Average training hours     | <b>3</b> | <b>4</b> | <b>2</b> | <b>4</b>        | <b>3</b>  | <b>4</b>      |

| 2018                       | Gender   |          | Category  |                 |           |               |
|----------------------------|----------|----------|-----------|-----------------|-----------|---------------|
|                            | Women    | Men      | Seniors   | Middle Managers | Employees | Total         |
| Hours                      | 3.010    | 8.181    | 841       | 1.153           | 9.197     | <b>11.191</b> |
| Personnel (Italy + abroad) | 1.232    | 2.736    | 88        | 521             | 3.359     | <b>3.968</b>  |
| Average training hours     | <b>2</b> | <b>3</b> | <b>10</b> | <b>2</b>        | <b>3</b>  | <b>3</b>      |

## 5.7 Professional certifications

Certifications make it possible for each business unit to have a wealth of objective and measurable professional skills, ensuring their customers certification of the technical abilities of the individuals involved in the projects. Furthermore, for the purposes of participation in tender calls, it is indispensable to be able to employ and rapidly handle all company and individual certifications. In 2019, 141 certifications and specialisations/accreditations were achieved/renewed, with an increased number in innovative areas to support investments connected with the business plan and targeting a percentage of certified resources, amounting to around 21% of the workforce.

## 5.8 Connection with the education and training system

The Group, which has been committed for some years to supporting schooling through **Work/Study Programmes**, continued to organise these projects in 2019.

Work/study programmes are characterised by apprenticeships, planned jointly with the Group companies and the Educational Establishment involved and aimed at students in technical institutions or secondary schools.

In 2019, 37 students were welcomed from 5 institutions in Lombardy, Apulia and Sicily, with a total of 2,600 hours of projects carried out.

In particular, 24 students from the ITIS Jannuzzi in Andria tried work/study programmes at Exprivia|Italtel, enjoying a highly formative experience, where they played a key role in activities conducted directly for customers. In particular, a group of students operated in the #Digitalhealth sector to develop programmes that manage the registration of data concerning medical analyses and diagnostic examinations.

As regards relations with **Universities and Polytechnics**, Exprivia and Italtel have funded PhD programmes and advanced training apprenticeships for the purpose of combining research within the sphere of innovative offers to markets. Cooperation with these bodies was also enhanced by the active participation of certain Exprivia and Italtel managers in the educational activities of degree courses, at a range of establishments, including polytechnics and universities, especially in Pavia, Milan, Trento, Bari and Lecce, with targeted interventions on the technological themes of digital transformation.

Internationally, we work with La Salle University and the Polytechnic University of Madrid, especially in order to select young SAP candidates to join the workforce and develop in technical and functional areas.

Once again, in keeping with the activities launched during the last two years, Exprivia and Italtel continue to believe and invest in twin-track training, through cooperation with **ITS (higher technical colleges)**, highly-specialised technological schools, developed according to the organisational model of the Foundation, with the participation of companies, universities/scientific and technological research centres, which operate from a permanent learning perspective, prioritising experiential education through a training offer able to promote skills enabling the use of advanced technological and organisational innovation tools, mainly connected with the Impresa 4.0 national plan.

Late 2019 saw the launch, at the Molfetta, Foggia, Lecce and Palermo sites, in addition to the course started the previous year, of four new two-year training courses, in close cooperation between the ITS Foundations and Exprivia|Italtel. For these courses, we have committed to the direct delivery of professional training in the classroom and the hosting of all the learners concerned at the various company sites, in order to reinforce learning and complete the training path, through significant on-the-job training.

## 5.9 Performance evaluation

GRI indicator 404-3

Performance Evaluation is a process that assigns personal quantitative goals which, together with an assessment of most relevant organisational behaviour, helps to improve individual, and thus company, performance.

The Performance Evaluation process is conceived as an opportunity for all (managers and employees) to have in-depth and constructive exchanges of views aimed at defining the activities and commitments against which they must measure themselves during the year.

More particularly, the assessment of performance (the model is currently being revised in HCM) is expressed on several fronts: a) assessment of the objectives for developing the professional skills of the individual; b) evaluation of qualitative organisational behaviour objectives; c) assessment of budget objectives, with particular reference to core roles for the development of the organisation. The rewarding system is connected with the results of the quantitative evaluations concerning economic sustainability.

For the management of these key processes, a new Human Capital Management platform is used, even if the processes

are not yet stable and are currently being revised and developed.

The Performance Appraisal table shows the number of staff intended for the qualitative/quantitative evaluation programme, which is not linked to the rewarding system. The MBO table shows the number of staff intended for the quantitative evaluation programme (active for Italy and abroad), linked to the rewarding system. Since the start of 2019, Exprivia and Italtel have been planning the alignment of the processes with a view to their harmonisation and integration.

The tables indicated below do not show a comparison with previous years because of: the non-uniform nature of the processes between the two Group companies (currently being revised); the choice taken to contextualise, in 2019, the Performance Evaluation figures solely to the scope related to the Group's core business. For this reason, the % calculated are with respect to the Italian workforce, excluding the Group companies: HR Coffee, Exprivia Projects, Spegea Scarl.

#### Tables – Performance Management

| Employees covered by annual review - Performance appraisal – ITALY | 2019       | 2018       |
|--|------------|------------|
| <b>% of total workforce Italy</b>                                  | <b>35%</b> | <b>28%</b> |
| of which Executives  | 21%        | 46%        |
| of which Middle management   | 45%        | 47%        |
| of which White-collar workers                                      | 33%        | 25%        |
| of which Men   | 38%        | 33%        |
| of which Women   | 26%        | 18%        |

| Employees covered by Performance Evaluation - MBO | ITALY 2019 | ITALY 2018 | ABROAD 2019 | ABROAD 2018 | ITALY + ABROAD 2019 | ITALY + ABROAD 2018 |
|---|------------|------------|-------------|-------------|---------------------|---------------------|
| <b>% of total workforce</b>                       | <b>5%</b>  | <b>5%</b>  | <b>38%</b>  | <b>35%</b>  | <b>11%</b>          | <b>9%</b>           |
| of which Executives                               | 28%        | 19%        | 60%         | 100%        | 33%                 | 27%                 |
| of which Middle management                        | 15%        | 14%        | 58%         | 61%         | 20%                 | 19%                 |
| of which White-collar workers                     | 2%         | 3%         | 35%         | 31%         | 8%                  | 7%                  |
| of which Men                                      | 6%         | 6%         | 40%         | 37%         | 12%                 | 10%                 |
| of which Women                                    | 4%         | 3%         | 33%         | 28%         | 8%                  | 5%                  |

The tables show that the MBO system is particularly used at the foreign sites, since the compensation policies in Latin America and Spain require the variable component to have a significant weight within the framework of the total remuneration package.

In the tables, the numbers represented for the differences in gender are consistent with those indicated in the rest of the report.

## 5.10 Smart working

Smart working at Exprivia takes the form of a new approach to company organisation, where the individual needs of the worker balance, in a complementary manner, those of the company. This new way of executing the employment relationship is characterised by a lack of working hours or spatial restrictions and by work organisation that reconciles the personal and professional requirements of the employees. In order to implement this innovative vision of the organisation of work, a culture characterised by the following is fundamental: sharing of values and principles of trust and transparency; widespread communication, cooperation, accountability and decision-making autonomy, as well as a growing focus on results.

The New Smart Working phase was launched in June 2018 with a Regulation reviewed on the basis of information collected during the experimental phase and of the new rules introduced by the Italian Legislative Decree of 2017. During 2019, some amendments were made to the Regulation, including the provision for those entitled to the Programme to also benefit from the possibility of a permanent smart-working agreement. The Regulation envisages a maximum percentage of participation in the programme of 20% of the company population.

| Organisation policy   | Reduction of CO2 emissions   |
|---|--|
| Place of work other than the venue of employment (residence or domicile of the worker or another public or private location identified by the employee which ensures the protection of security, confidentiality and compatibility with the service carried out)  | At <b>Exprivia</b> , as a result of the smart working days used, 235,000 km and 4,000 hours (equal to around 500 business days) were saved during 2019, with a decrease in CO2 emissions of around 100,000 kg.   |
| Usable: - for 2 days a month, no more than 1 day a week and never consecutive (e.g. Friday - Monday). - for 1 day a week for workers living farther than 50 km from their place of work Working hours: work must be carried out, within the time limit of normal daily and weekly working hours, between 8 am and 7 pm, unless otherwise expressed due to service requirements. | At <b>Italtel</b> , a total of 16,000 smart working days were used in 2019, resulting in an estimated reduction of around 891,000 km and 24,000 hours (equal to around 3,200 working days) in terms of commuting, together with a reduction in CO2 emissions of around 189,000 kg. |

The Group guarantees training and information that include risk assessment issues, compliance with safety laws, behavioural principles to be observed with due diligence when working away from the office and rules for processing company data and information.

## 5.11 Industrial Relations

The Group has always maintained open and transparent relations with trade unions and workers' representatives. It believes that it is possible to provide solutions that are better balanced with the needs of all stakeholders only through continuous and constructive dialogue. The activities under way with trade unions and workers' representatives in the Group's two main companies are shown below.

### Exprivia

Exprivia is involved in ongoing negotiations with workers' organisations at national and local level. For this purpose, the Group has established a specific unit within the Human Resources Division. 2019 was characterised by the

monitoring/execution of the supplementary agreement signed in 2018. Therefore, meetings were held connected with establishing the Performance Bonus, during which the trade unions were provided with the results achieved in 2018 and set as a target for the awarding of the performance bonus. We wish to point out that, based on the stipulations in the 2018 agreement, a per capita amount (as chosen by the employee) was disbursed in the form of welfare services and stock grants. At these meetings, trade union representatives also received the 2019 targets, which, if reached, will trigger the awarding of the bonus in 2020. Other aspects were also shared, such as collective closures and funded training courses.

During 2019, under the auspices of Exprivia Projects, various meetings were held with the trade union representatives and territorial secretariats with the aim of resolving a number of organisational/operational problems affecting the staff operating at the Molfetta and Palermo sites. In the majority of cases, solutions were found which helped improve the organisation of the work at the sites and restored well-being to the workers. Agreements were signed with the trade union representatives in Palermo to consolidate the working hours of a portion of the workforce at the site.

### Italtel

On 21 December 2018, the Company informed the trade union that it had cancelled a series of second-level supplementary contracts. Some of these dated back to the mid-1970s and were therefore excessively expensive and no longer sustainable in the current market and business situation. The cancellation concerned the company supplementary agreements.

Following this cancellation, on 7 March 2019, the trade unions FIOM CGIL, FIM CISL and UILM filed an appeal pursuant to art. 28 of Law no. 300 of 20 May 1970 at the Court of Milan, challenging the company's decision on the grounds that it was anti-trade union.

Italtel appeared before the court in these proceedings, demonstrating that the cancellation was entirely legitimate and that, therefore, the benefits in question had duly ceased, effective from 1 January 2019. The trade union appeal was rejected by the labour court, through a Decree dated 26 April 2019 with the force of *res judicata* (art. 2909 of the Italian Civil Code), on the grounds of a failure to object by the trade union organisations.

The court judged the accusations, as put forward in the appeal, that the cancellation of the second-level contracts was anti-trade union to be groundless. Following the rejection of the appeal pursuant to art. 28 of Law no. 300 of 20 May 1970, a group of employees from the Settimo Milanese, Rome and Palermo-Carini offices filed appeals before the Court of Milan on 12 October, using the same lawyers as the trade union organisations that had challenged the cancellation pursuant to art. 28. The first cases were heard in November. The Court of Milan, having ascertained both the subjective connection, since the proceedings had been brought by against the same respondent and with the aid of the same defence lawyers, and the objective connection, with the appeals addressing the same facts and legal issues, ruled that the 12 cases be combined in a single proceeding, with the first hearing scheduled for the end of March 2020. There are no other significant facts to report.

## 5.12 Management Systems and Certifications

We believe that sustainability is an indispensable value for the Exprivia Group, which is reflected in respecting people, the environment and society as a whole.

| Certifications                        | Object   |
|---------------------------------------|--|
| ISO 9001, ISO/IEC 27001 and ISO 14001 | The Quality Management Systems are certified in accordance with the ISO 9001 standard to define, maintain and improve the company processes by gradually identifying new objectives consistent with those of the highest levels defined in the Quality Policy. |
| ISO/IEC 20000-1, ISO 13485, ISO 22301 | They make it possible to adopt the best practices in the sector and ensure ever greater satisfaction of the needs of stakeholders, while minimising the environmental impact of the production activities.   |



Both organisations seek to extend the processes and best practices used in Italy at international level, by appropriately adjusting them to the relevant national context, so that others may gain from the improvement actions identified over years of experience.

The management systems are periodically subject to audit, both internal and external, aimed at periodically checking the state of application of the system and its compliance with the reference norms and with applicable legislation.





## 6. Environment, Health and Safety

GRI indicator 102-29

The Exprivia Group, in the firm belief that the quality of the environment affects the quality of life and economic development, has decided to comply voluntarily with the UNI EN ISO 14001 standard, by defining and implementing Environmental Management Systems compliant with the requirements of said standard.

Two Environmental Management Systems (EMS) have been implemented and are active, ensuring a systemic approach to the ongoing improvement of environmental performance and, indirectly, the reduction of the applicable risks.

In 2007, Exprivia obtained EMS certification for its Molfetta premises in accordance with the ISO 14001 standard, which is still valid now. Similarly, in Italtel's Carini Industrial District, certification of the Environmental Management System was confirmed in accordance with the ISO 14001 standard (held since 2001).

In 2019, both Exprivia and Italtel submitted to the ENEA (the national authority for new technologies, energy and the environment) the Energy Audits for the Exprivia sites in Molfetta and Rome (Bufalotta) and the Italtel sites in Castelletto and Carini, which had previously been conducted in 2015, pursuant to Italian Legislative Decree no. 102/2014 "Energy Efficiency", envisaging Energy Efficiency Programmes for the four-year period of validity of the audit.

In compliance with the provisions as per Italian Legislative Decree No. 81 dated 2008 and any other relevant legislative provision, Exprivia and Italtel undertake to protect the workplace health and safety of the individuals, adopting all necessary and appropriate measures for ensuring full compliance of the workplaces with the highest standards regarding safety and hygiene.

### 6.1 Significance for the Exprivia Group's activities

Exprivia and Italtel are IT/TLC services companies, whose production processes involve human intensive features where the human production factor prevails rather than the machinery. Their sensitivity with respect to health and safety in the workplace aspects and environmental matters, and in particular the problems posed by climate change at global level is nonetheless high.

## 6.2 Management activities and results

With regard to the EMS, the main improvement actions for the environmental performances carried out over the last few years by Exprivia and Italtel were:

- Containing the consumption and waste and optimum running of the systems in relation to the season;
- Technological innovation by means of the virtualisation of IT equipment in the areas for CED/Testplant use, free-cooling procedures and the use of energy-efficient UPS and power stations;
- Monitoring of consumption (i-Energy Service Centre) and implementation of performance indicators;
- Adoption of policies to raise awareness of consumption and of campaigns for the removal of redundant loads;
- Technological investments with activities for the revamping of air-conditioning systems and installations of new, more efficient thermal plants; Elimination of inefficient systems with impact also on lower volumes of water used;
- Rational use of space through industrial concentration activities or change of facilities, aimed at optimising areas used and air-conditioned volumes;
- Attention to water, paper and toner consumption;
- Use of flow reducers for wash basin taps in the restrooms;
- Preferential use of trains instead of planes for business trips within the country (lower emissions).

## 6.3 Environment, surveys and trend in consumption

GRI indicator 302-1

The data provided are aggregated and refer to 2019.

The following shows the breakdown of energy consumption expressed in GJ (gigajoules) per type of energy carrier used, for the years 2019 and 2018.

| Energy consumption by type in GJ | 2019       | 2018       |
|----------------------------------|------------|------------|
| Electricity                      | 108,453.72 | 111,958.80 |
| Methane                          | 8,661.94   | 7,977.53   |
| Fuels/Diesel                     | 3,902.67   | 2,022.64   |
| LPG                              | 3,389.59   | 5,389.25   |

Electricity was the primary energy carrier for 2019, with a share of 87%, corresponding to 108,453.72 GJ, followed by fuels - Methane (8,661.94 GJ), Motor Fuels/Diesel (3,902.67 GJ) and lastly LPG (3,389.59 GJ). Electricity consumption in 2019 totalled 124,407.92 GJ, compared with 127,348.11 GJ in 2018, a percentage reduction of 2.36.

### 6.3.1 Greenhouse gas emissions

The following tables show total GJ<sup>6</sup> and t CO<sub>2</sub>eq referring to direct and indirect emissions by type of vector used (GRI

<sup>6</sup> The following aspects are highlighted:

For Exprivia's Milan offices (Via Valtorta), it was not possible to obtain the consumption of the centralised air conditioning system. Therefore, electricity consumption only refers to the energy consumed by the offices;

indicator 302-1).

### Scope 1 (Direct GHG emissions - GRI indicator 305-1)

The indicator measures the direct emissions of the organisation (e.g. fuels, chemical processes, process emissions, oxidations, fuel for heating), including those related to energy carriers used other than electricity.

The values for 2019 direct emissions are shown in the following table, together with deviations compared with the values from previous years.

| DIRECT EMISSIONS (SCOPE 1)                | Italy 2019 | Abroad 2019 | 2019    | 2018    |
|---|------------|-------------|---------|---------|
| TOTAL CO <sub>2</sub> eq EMITTED (tonnes) | 1,412.9    | 166.4       | 3,207,1 | 1,556.4 |
| % change                                  |            |             | 106,06% | n.a.    |
| Cumulative % change                       |            |             | 106,06% | n.a.    |
| CO <sub>2</sub> eq METHANE (tonnes)       | 484.7      | 0.00        | 484.7   | 446.4   |
| CO <sub>2</sub> eq LPG (tonnes)           | 222.5      | 0.00        | 222.6   | 348.7   |
| CO <sub>2</sub> eq FUEL (tonnes)          | 91.4       | 166.39      | 257.7   | 133.7   |
| CO <sub>2</sub> eq from F-GAS             | 614.16     | 0.00        | 2.242,1 | 627.6   |

The percentage change is influenced by the increased emissions of CO<sub>2</sub>eq with regard to Fuels and F-GAS by Italtel (see specific section for details).

### Scope 2 (Indirect GHG emissions - GRI indicator 305-2)

The indicator measures the indirect emissions from energy consumption (e.g. heat, electricity, steam purchased from third parties).

The following table shows the value of indirect emissions measured for 2019 and the changes compared with the values from the previous years.

| INDIRECT EMISSIONS                      | Italy 2019 | Abroad 2019 | 2019  | 2018  |
|---|------------|-------------|-------|-------|
| CO <sub>2</sub> eq ELECTRICITY (tonnes) | 5,704      | 318         | 5,704 | 6,383 |
| % change                                |            |             | -10.6 | n.a.  |
| Cumulative % change                     |            |             | -10.6 | n.a.  |

Exprivia and Italtel pursue the reduction of journeys by encouraging employees to use remote means of communication and work. Despite this, specific business needs force the staff to make business trips in Italy and abroad, so that the correlated emissions of CO<sub>2</sub> in 2019 came to around 1,983 tonnes of CO<sub>2</sub> (GRI indicator 305-3), with a percentage reduction of 20% compared with the value measured in 2018, representing around 23% of all the direct and indirect emissions associated with the company's activities.

The greatest portion of CO<sub>2</sub> emitted in relation to business trips is due to flights and represents 49% of the total. The intensity of the GHG emissions in relation to company staff (GRI indicator 305-4) comes to 0.632t CO<sub>2</sub>/FTE in 2019,

For Exprivia's Rome office (Via del Tintoretto), it was not possible to obtain the consumption of the centralised air conditioning system used to provide cooling. Therefore, consumption only refers to the electricity consumed by the offices and the Methane used for the centralised air conditioning system;

For Exprivia's Rome office (Via della Bufalotta), it was not possible to obtain the electricity and methane consumption from the management of the condominium (the data will be available from April 2020). Therefore, the consumptions measured in 2018 were used.

compared with the 0.641 in 2018, a variation of -1.4%.

## 6.4 Sewage and Waste

The only sewage produced is that from the waste water sewers from the bathrooms.

The estimated quantity of litres of waste water sent to the sewers (GRI indicator 306-1) came to 44,087.69 cubic metres in 2019. This figure is based on an average consumption of drinking water - per employee - for the toilets of a production site, excluding Italtel's Italian offices which have specific discharge meters. A small quantity of industrial water effluent in Carini (1,250 cubic metres) is attributable to the treatment of water for desalination.

In 2018, the quantity of litres of waste water released into the sewers totalled 52,476.02 cubic metres. Thus, the 2019 figure shows a change of -16%.

The special hazardous waste produced is mainly waste from electrical and electronic appliances deriving from the use of IT equipment (e.g. monitors, laptops, etc.), electrical and electronic equipment (e.g. UPS) and from company structures/infrastructures (e.g. neon for lighting). These types of waste were handed to authorised disposal suppliers.

Ordinary waste is disposed of by specialised companies and the amounts shown in the sheets are then noted on the Environmental Declaration Forms.

Waste produced by foreign offices was not taken into account, since it is not very significant compared to the total produced.

| WASTE (kg)                       | Exprivia Italy 2019 | Italtel Italy 2019 | Total Italy |
|----------------------------------|---------------------|--------------------|-------------|
| Non-hazardous waste              | 13,533              | 67,480             | 81,013      |
| Hazardous waste                  | 632                 | 0                  | 632         |
| Total waste                      | 14,165              | 67,480             | 81,645      |
| Non-hazardous waste for disposal | 2,040               | 67,480             | 69,520      |
| Non-hazardous waste for recovery | 11,493              | 0                  | 11,493      |
| Hazardous waste for disposal     | 0                   | 0                  | 0           |
| Hazardous waste for recovery     | 632                 | 0                  | 632         |

## 6.5 Compliance with legislation in force

GRI indicators 307-1; 417-1

With regard to the products developed by the Italtel SpA Group company, those distributed in all the Italian and foreign offices are certified according to safety and EMC standards and are built according to criteria designed to minimise environmental impact (e.g.: RoHS (*Restrictions of certain Hazardous Substances*) Directives). In this regard, Italtel S.p.A., which is enrolled on the Register of Producers of Electrical and Electronic Equipment, ensures compliance with European Union requirements (WEEE - *Waste Electrical and Electronic Equipment*), implemented in Italy by way of Italian Legislative Decree 49/2014, entitled the "RAEE" (Waste from Electrical and Electronic Equipment) Decree, on the disposal of products at the end of their life cycle. Italtel S.p.A. reports on a quarterly basis the amounts of wood, plastic, paper and steel making up the packaging it places on the Italian market, and pays the Environmental Fee to the CONAI (National Packaging Association) companies pursuant to Italian Legislative Decree 152/06. With reference to European Regulation no.1906/2007 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"), Italtel checks the compliance of its suppliers, requesting proof of the percentage concentrations of highly hazardous substances and of the relevant Authorisation for Use issued by the European Chemicals Agency (ECHA).





## 7. Fight against corruption

The Group undertakes to prevent any discrimination related to age, gender, health conditions, race, political opinions and religious beliefs in the company's processes (such as personnel selection, supplier selection, personnel management). Ensuring the utmost loyalty in every relationship, whether internal or outside the company, keeping our word, and delivering on promises and agreements, even in the absence of written proof, are key values for the Group. The Exprivia Group bases the performance of its activities on principles of transparency and clarity of information. The group believes in fair competition as an essential tool for protecting consumers. To this end, it undertakes to operate with the utmost fairness and ensure full respect of its competitors, and not to engage in any conduct that could lead to taking advantage of any dominant positions.

### 7.1 Loyalty, trust and conflicts of interest

In 2019, in order to ensure better protection of the identities of the parties involved, in line with the requirements of the European privacy regulation (GDPR), the Group released its own computer platform for managing reports, which can be accessed both from the company intranet and from the websites of the respective companies and is able to guarantee the highest levels of confidentiality and privacy for the reporting of irregularities in work activities (whistleblowing). This system is managed by the Internal Audit units at Exprivia and by the Compliance Office at Italtel, respectively. In 2019, as in 2018, there were **no** reports of violation of the Code of Ethics at Italtel, nor were any offences reported. **No** conflict of interest was found in 2019.

### 7.2 Fair competition and respect for legality

The Group operates with a number of parties (customers, suppliers, partners, etc.), maintaining relationships characterised by the utmost transparency and loyalty.

In 2019, as in 2018, no Group company received any complaints concerning non-compliance with laws and regulations on social or economic matters, nor were any sanctions imposed against them due to infringements of regulations on product safety, industrial and intellectual property, misleading advertising, regarding information on products in communications and, in general, in marketing activities, nor for anti-competition conduct.

In 2019, as in 2018, there were no complaints from customers nor other parties concerned by matters of privacy. However, a request for erasure was received from a data subject (former candidate to selection for recruitment) pursuant to art. 17 of the GDPR. This was handled correctly in accordance with the regulatory provisions and time frames.



In 2019, there were two information security incidents, classifiable as data breaches, where the data controllers (Exprivia clients) assessed that there were no risks for the rights and freedoms of natural persons and therefore decided not to notify the Privacy Watchdog, pursuant to art. 33 of the GDPR. In no cases did a data breach entail a loss of data, but rather a temporary unavailability of information.

In 2019, as in 2018, no Group company received any complaints for non-compliance with laws and regulations on the protection of personal data, nor were any sanctions imposed against them for infringements of such rules. As in the two previous years, no non-compliance with environmental laws or regulations was recorded. **No sanction** for the infringement of regulations, misleading advertising or anti-competitive behaviour was imposed in 2019.

## 7.3 Training on business ethics

GRI indicator 205-2

### Exprivia

The training programme entitled “Exprivia Etica”, aimed at fostering knowledge and awareness of the Code of Ethics and 231 Model adopted by Exprivia, which saw 27 editions issued in 2018 for the entire Exprivia workforce and involved a total of 1,700 employees, was suspended in 2019 to enable an amended update to be released in 2020.

In 2019, as in 2018, Exprivia carried out training activities in the field of business ethics which involved over 50 per cent of the workforce. The activities focused on the protection of occupational health and safety (pursuant to Italian Legislative Decree 81/08) and on privacy on the introduction of the GDPR (General Data Protection Regulation) as a complement to the 2018 programme, with the aim of achieving full compliance with the obligations set by the new Privacy Regulation. The details of these activities are shown in the Training paragraph of the Work chapter.

Since 2018, 100% of the employees of **Italtel SA** (Spain) have received training on business ethics.

At Italtel, in 2019, training on business ethics was provided to 12 senior executives, representing 92% of those with corporate offices in at least one of the Group’s foreign companies. Meanwhile, also in 2019, 100% of the staff of the Italtel Group received training on whistleblowing.

The results of the intense training activities were very satisfactory and are confirmed by the following percentages: 91% of the workforce answered 7 questions out of 11 correctly. The results of the satisfaction survey were 10% excellent, 60% good and 30% average.

## 7.4 Internal controls

GRI indicator 205-3

### Events which have given rise to disciplinary measures for corruption vis-à-vis the workers

In 2019, there were no events which gave rise to disciplinary measures, nor were there any reports of episodes of corruption (not even potential) caused by the conduct of workers, compared with the 2 reports received in 2018.

## 7.5 Relations with the Public Administration

GRI indicator 201-4

Exprivia and Italtel maintain close relationships with the Public Administration. This is demonstrated by significant allocations received by the companies to support internal research and development activities, in the form of grants and subsidised loans. In 2019, Exprivia received (i) grants totalling Euro 3.6 million (compared with the Euro 567,000 received in 2018) and (ii) subsidised loans of Euro 791,000 (compared with the Euro 156,000 received in 2018).



**Exprivia** 61 Entries in the Supplier Registers of Public Bodies.

In 2019, **Italtel** received (i) grants totalling Euro 4.7 million (compared with the Euro 2.8 million received in 2018) and (ii) no subsidised loans (compared with the Euro 5.2 million received in 2018).

In 2019, 39% of Exprivia's turnover regarded contracts performed directly or in the interest of Public Bodies; the figure is consistent with the 40% recorded in 2018. **Italtel**: 64 Entries in the Supplier Registers of Public Bodies.

**Spegea** Scarl, as in 2018, was included on some Supplier Registers of Public Bodies and maintains relations with the Public Administration. In 2019, 47% of turnover concerned training provided with public funds (including the European Social Fund), compared with 30% of turnover in 2018. Moreover, in 2019, the training provided directly to the PA totalled 1.4%; no figure was recorded for 2018.



## 8. Relationships with local areas

GRI indicators 102-12; 102-29

The Exprivia Group considers maintaining relations with the countries and areas in which it has important premises in terms of size and heritage as paramount for its activities. The Exprivia Group strives to contribute to the economic and social development of the communities to which it belongs, by communicating on a daily basis with a wide range of stakeholders. In particular, this is achieved by means of correct communication and marketing practices with a view to increasing relationships and shared value with local institutional, cultural and social communities, by reinforcing cooperation with local schools, associations and universities. The Group is aware that, due to its size and the quality of its customers and employees, it plays a leading role in the community in which it is located.

### **Donate differently: internal and local impact.**

As part of the empirical analysis of the social impact of companies that are part of **Fabbrica per l'Eccellenza**, under the aegis of the **CDO Research Centre**, in conjunction with the Department of Management at the Ca' Foscari University in Venice, an evaluation was conducted of the Group's policy for donations and investments in the local area.

Exprivia, an Italian joint-stock company that handles the design and development of innovative software technologies and the provision of IT services for the banking, medical, industrial, telecommunications and Public Administration market, is coordinated by its top management, which draws up a budget annually to be used for donations. The rules of this budget change annually based on the strategic options enabled by its use. Each beneficiary activity is only financed if connected with the interests of the employees, with a continuous tension between the development of expertise and the exploration of soft skills. Exprivia thus enables an experiential stimulus, transforming charity actions into investments, without altering their form and positive effects for the beneficiaries. Exprivia scored 82.86% of the points available for the Social Impact Index. This means that the company has a particular impact from a social perspective: all employees are encouraged to feel part of a broader project which seeks to help us stand out clearly from our competitors and create positive externalities for the local area.<sup>7</sup>

<sup>7</sup> Measuring social impact, coordinated by Fabbricare per l'Eccellenza, the Ca' Foscari University in Venice and the CDO Research Centre.

## 8.1 Management activities and results

### The network of participation

Attention towards the communities and local areas takes the form of dialogue and partnerships with all stakeholders and with national and local organisations. Many Group senior managers are involved in representation activities in bodies and organisations of public interest.

The Exprivia Group is part of the Italian industrial confederation system, and specifically it is involved in the governance and policy bodies of Confindustria Nazionale, Assinform and Confindustria Bari-BAT, with the aim (besides the statutory one of belonging to a union of enterprises) of furthering projects and initiatives which have positive impacts, including in terms of sustainability, throughout the area of influence.

The Group is a member of networks of businesses and universities, permanent consortia and temporary joint ventures of various interest for the area, generally aimed at the performance of research and development activities, fostering of young entrepreneurs and business innovation.

### Project or convention-related activities, structured by area of interest and by business sector.

The Exprivia Group is constantly committed to supporting corporate and business initiatives of international standing. During 2019, the Group supported numerous project or convention-related activities, structured by area of interest and by business sector.

| Events by proposing division | 2019       | 2018       |
|------------------------------|------------|------------|
| Staff                        | 107        | 63         |
| Markets                      | 68         | 37         |
| <b>Total</b>                 | <b>175</b> | <b>100</b> |

| Events by type  | 2019       | 2018       |
|-----------------|------------|------------|
| Corporate brand | 94         | 65         |
| Business        | 81         | 35         |
| <b>Total</b>    | <b>175</b> | <b>100</b> |

The figures show a strong preference for initiatives that help spread the brand, in order to reinforce its visibility and prestige. Then come business events aimed at informing the market of new features in terms of innovative solutions, skills and services, with the objective of increasing business in the reference sector.

During the year, the Exprivia Group confirmed its support to **cultural initiatives**, reiterating the importance of culture as a fundamental asset for humanity, even for a technological company. It is only through greater social responsibility that better social, environmental and economic conditions can be attained. Our identity lies in culture, considered as knowledge, education and awareness, and in its protection and enhancement.

**Culture, knowledge and sport activities** foster innovation and vice versa. It is therefore the Exprivia Group's conviction that each company has a duty to imagine and plan the future and, when possible, anticipate it, including through the development of cultural initiatives.

The Group supports numerous cultural and sporting events of local, national and international importance. It is also the sponsor of initiatives aimed at developing the culture of agents and employees as well as the citizens in the areas in which it operates.

The following list shows the most significant cultural initiatives that the Group supported during 2019:

- **“Il Libro Possibile” Festival**, 3-6 July 2019, Polignano a Mare (BA);
- **Conversazioni dal Mare (Conversations from the Sea)**, the open-air showcase of the current cultural scene, 2 September 2019, Molfetta (BA);
- **“La Responsabilità” (“Responsibility”) at the Dialoghi di Trani Festival**, 17-22 September 2019 (18th edition) - Bari and surrounding area;
- **Lezioni di Economia (Economy Lessons)**, 4-5 October 2019, Petruzzelli Theatre in Bari;
- **“Lezioni di Storia” (“History Lessons”) cycle of events**, 20 October-22 December 2019, Petruzzelli Theatre in Bari.

In addition, in 2019, the Group (specifically Italtel) continued its social responsibility activities, participating in certain **solidarity events**. As in previous years, the rationale behind most of the contributions was contributing to the development of the local areas in which the Italian and foreign offices are located. The following list shows the most significant initiatives supported:

- **ELIS school/company system**, 5 November 2019, Palermo;
- **Cleaning our beaches**, 3 October 2019 in Valencia and Barcelona, in conjunction with Cisco and SeoBirdLife;
- **Race 4 the Cure**, May 2019, group initiative in Bari and Rome.

## GRI link table

GRI indicator 102-55

| General Standard Disclosure  | Disclosure         | Description of the indicator   | Pages |
|------------------------------|--------------------|--|-------|
| <b>General Disclosures</b>   | GRI 102-1          | Name of the organization   | 5     |
|                              | GRI 102-2          | Activities, brands, products, and services                               | 9     |
|                              | GRI 102-3          | Location of headquarters   | 14    |
|                              | GRI 102-4          | Location of operations   | 14    |
|                              | GRI 102-5          | Ownership and legal form   | 5     |
|                              | GRI 102-6          | Markets served   | 9     |
|                              | GRI 102-8          | Information on employees and other workers                               | 34-46 |
|                              | GRI 102-9          | Supply chain   | 25    |
|                              | GRI 102-12         | External initiatives   | 54    |
|                              | GRI 102-15         | Key impacts, risks, and opportunities                                    | 24    |
|                              | GRI 102-16         | Values, principles, standards, and norms of behavior                     | 24    |
|                              | GRI 102-17         | Mechanisms for advice and concerns about ethics                          | 23    |
|                              | GRI 102-18         | Governance structure   | 23    |
|                              | GRI 102-29         | Identifying and managing economic, environmental, and social impacts     | 47-54 |
|                              | GRI 102-30         | Effectiveness of risk management processes                               | 23    |
|                              | GRI 102-45         | Entities included in the consolidated financial statements               | 5     |
|                              | GRI 102-46         | Defining report content and topic boundaries                             | 5     |
|                              | GRI 102-47         | List of material topics  | 17    |
|                              | GRI 102-50         | Reporting period   | 5     |
|                              | GRI 102-55         | GRI content index  | 56    |
| GRI 102-56                   | External assurance | 58   |       |
| <b>Economic Performance</b>  | GRI 201-4          | Financial assistance received from government                            | 51    |
| <b>Market Presence</b>       | GRI 202-2          | Proportion of senior management hired from the local community           | 29    |
| <b>Procurement Practices</b> | GRI 204-1          | Proportion of spending on local suppliers                                | 27    |
| <b>Anti-corruption</b>       | GRI 205-2          | Communication and training about anti-corruption policies and procedures | 24-52 |
|                              | GRI 205-3          | Confirmed incidents of corruption and actions taken                      | 52    |

|  |                        |   |    |
|--|------------------------|---|----|
| <b>Anti-competitive Behaviour</b>        | GRI 206-1              | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices  | 23 |
| <b>Energy</b>                            | GRI 302-1              | Energy consumption within the organization  | 48 |
| <b>Emissions</b>                         | GRI 305-1              | Direct (Scope 1) GHG emissions  | 48 |
|  | GRI 305-2              | Energy indirect (Scope 2) GHG emissions   | 48 |
|  | GRI 305-3              | Other indirect (Scope 3) GHG emissions  | 49 |
|  | GRI 305-4              | GHG emissions intensity   | 49 |
| <b>Effluents and Waste</b>               | GRI 306-1 <sup>8</sup> | Water discharge by quality and destination  | 49 |
|  | GRI 306-2 <sup>9</sup> | Waste by type and disposal method   | 49 |
| <b>Environmental Compliance</b>          | GRI 307-1              | Non-compliance with environmental laws and regulations  | 50 |
| <b>Supplier Environmental Assessment</b> | GRI 308-1              | New suppliers that were screened using environmental criteria   | 27 |
| <b>Employment</b>                        | GRI 401-1              | New employee hires and employee turnover  | 36 |
|  | GRI 401-2              | Benefits provided to full-time employees that are not provided to temporary or part-time employees                            | 37 |
|  | GRI 401-3              | Parental leave  | 37 |
| <b>Labor/Management Relations</b>        | GRI 402-1              | Minimum notice periods regarding operational changes  | 34 |
| <b>Occupational Health and Safety</b>    | GRI 403-2              | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 32 |
| <b>Training and Education</b>            | GRI 404-1              | Average hours of training per year per employee   | 39 |
|  | GRI 404-2              | Programs for upgrading employee skills and transition assistance programs   | 39 |
|  | GRI 404-3              | Percentage of employees receiving regular performance and career development reviews  | 42 |
| <b>Diversity and Equal Opportunity</b>   | GRI 405-1              | Diversity of governance bodies and employees  | 29 |
| <b>Marketing and Labelling</b>           | GRI 417-1              | Requirements for product and service information and labeling   | 50 |

<sup>8</sup> As a non-material topic, the indicator is partially covered.

<sup>9</sup> As a non-material topic, the indicator is partially covered.





## Report by the Independent Auditors

GRI indicator 102-56





**Exprivia S.p.A.**

Relazione della società di revisione indipendente sulla dichiarazione consolidata di carattere non finanziario ai sensi dell'art. 3, c. 10, d.lgs. 254/2016 e dell'art. 5 regolamento CONSOB n. 20267 del gennaio 2018

Bilancio d'esercizio al 31 dicembre 2019

Protocollo RC082682019BD4124

## Relazione della società di revisione indipendente sulla dichiarazione consolidata di carattere non finanziario ai sensi dell'art. 3, c. 10, d.lgs. 254/2016 e dell'art. 5 regolamento CONSOB n. 20267 del gennaio 2018

Al Consiglio di Amministrazione di Exprivia S.p.A.

Ai sensi dell'articolo 3, comma 10, del Decreto Legislativo 30 dicembre 2016, n. 254 (di seguito "Decreto") e dell'articolo 5 del Regolamento CONSOB n. 20267/2018, siamo stati incaricati di effettuare l'esame limitato ("*limited assurance engagement*") della dichiarazione consolidata di carattere non finanziario di Exprivia S.p.A. e sue controllate (di seguito il "Gruppo") relativa all'esercizio chiuso al 31 dicembre 2019 predisposta ex art. 4 Decreto, e approvata dal Consiglio di Amministrazione in data 30 aprile 2021 (di seguito "DNF").

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### Responsabilità degli Amministratori e del Collegio Sindacale per la DNF

Gli Amministratori sono responsabili per la redazione della DNF in conformità a quanto richiesto dagli articoli 3 e 4 del Decreto e ai "Global Reporting Initiative Sustainability Reporting Standards" definiti nel 2016 dal GRI - Global Reporting Initiative (di seguito "GRI Standards"), con riferimento alla selezione di GRI Standards, da essi individuato come standard di rendicontazione.

Gli Amministratori sono altresì responsabili, nei termini previsti dalla legge, per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di una DNF che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili inoltre per l'individuazione del contenuto della DNF, nell'ambito dei temi menzionati nell'articolo 3, comma 1, del Decreto, tenuto conto delle attività e delle caratteristiche del Gruppo e nella misura necessaria ad assicurare la comprensione dell'attività del Gruppo, del suo andamento, dei suoi risultati e dell'impatto dallo stesso prodotti.

Gli Amministratori sono infine responsabili per la definizione del modello aziendale di gestione e organizzazione dell'attività del Gruppo, nonché, con riferimento ai temi individuati e riportati nella DNF, per le politiche praticate dal Gruppo e per l'individuazione e la gestione dei rischi generati o subiti dallo stesso.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sull'osservanza delle disposizioni stabilite nel Decreto.

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### Indipendenza della società di revisione e controllo della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza del *Code of Ethics for Professional Accountants* emesso dall'*International Ethics Standards Board for Accountants*, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale. La nostra società di revisione applica l'*International Standard on Quality Control 1 (ISQC Italia 1)* e, di conseguenza, mantiene un sistema di controllo qualità che include direttive e procedure documentate sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e dei regolamenti applicabili.

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## Responsabilità della società di revisione

È nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità della DNF rispetto a quanto richiesto dal Decreto e dai GRI Standard. Il nostro lavoro è stato svolto secondo quanto previsto dal principio “*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*” (di seguito “*ISAE 3000 Revised*”), emanato dall’*International Auditing and Assurance Standards Board (IAASB)* per gli incarichi *limited assurance*. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che la DNF non contenga errori significativi. Pertanto, il nostro esame ha comportato un’estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l’*ISAE 3000 Revised* (“*reasonable assurance engagement*”) e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sulla DNF si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della società responsabile per la predisposizione delle informazioni presentate nella DNF, nonché analisi di documenti, ricalcoli ed altre procedure volte all’acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

1. analisi dei temi rilevanti in relazione alle attività ed alle caratteristiche dell’impresa rendicontati nella DNF, al fine di valutare la ragionevolezza del processo di selezione seguito alla luce di quanto previsto dall’art. 3 del Decreto e tenendo presente lo standard di rendicontazione utilizzato;
2. analisi e valutazione dei criteri di identificazione del perimetro di consolidamento, al fine di riscontrarne la conformità a quanto previsto dal Decreto;
3. comparazione tra i dati e le informazioni di carattere economico-finanziario incluse nella DNF ed i dati e le informazioni inclusi nel Bilancio Consolidato del Gruppo Exprivia;
4. comprensione dei seguenti aspetti:
  - modello aziendale di gestione e organizzazione dell’attività del Gruppo, con riferimento alla gestione dei temi indicati nell’art. 3 del Decreto;
  - politiche praticate dall’impresa connesse ai temi indicati nell’art. 3 del Decreto, risultati conseguiti e relativi indicatori fondamentali di prestazione;
  - principali rischi, generati o subiti connessi ai temi indicati nell’art. 3 del Decreto.

Relativamente a tali aspetti sono stati effettuati inoltre i riscontri con le informazioni contenute nella DNF e effettuate le verifiche descritte nel successivo punto 5, lett. a).

5. comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nella DNF. In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione di Exprivia S.p.A. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l’aggregazione, l’elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione della DNF.

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Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a livello di Capogruppo,
  - a) con riferimento alle informazioni qualitative contenute nella DNF, e in particolare a modello aziendale, politiche praticate e principali rischi, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
  - b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati.
- per alcune società del Gruppo (Italtel S.p.A.) selezionate sulla base delle attività, del loro contributo agli indicatori di prestazione a livello consolidato e della loro ubicazione, abbiamo effettuato visite in loco nel corso delle quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

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## Conclusioni


Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che la DNF del Gruppo Exprivia relativa all'esercizio chiuso al 31 dicembre 2019 non sia stata redatta, in tutti gli aspetti significativi, in conformità a quanto richiesto dagli articoli 3 e 4 del Decreto e dai GRI Standards selezionati.

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## Richiamo d'informativa

Richiamiamo l'attenzione sul paragrafo "Nota metodologica" della DNF che specifica come in considerazione dell'ammissione decisa dal Tribunale di Milano della proposta di concordato presentata da Italtel, il Consiglio di Amministrazione ha deliberato che nella stessa data del 30 aprile 2021 sarà preliminarmente approvata la Relazione Finanziaria Annuale al 31 dicembre 2019. Conseguentemente, il 30 aprile 2021 il Consiglio di Amministrazione delibera la convocazione dell'Assemblea dei Soci per l'approvazione della Relazione Finanziaria Annuale al 31 dicembre 2019. Le nostre conclusioni non sono espresse con rilievi in relazione a tale aspetto.

Bari, 2 giugno 2021



BDO Italia S.p.A.  
Francesco Demonte  
Socio