

Sustainability report 2024



VARGROUP

Responsible Innovation:
towards a
sustainable
and inclusive
digital
ecosystem

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Letter to stakeholders



Var Group considers **sustainability to be an ethical business choice**, and integrates it into our business model and the services we offer to companies that share our values. We do so with determination, a pragmatic outlook and the same enthusiasm that drives **all of our digital and sustainable transformation projects**.

We are convinced that sustainability and innovation are not separate requirements, but rather two sides of the same coin. Digital transformation is a strategic lever for reducing environmental impacts, increasing human well-being and consolidating inclusive economic growth. **And it is only by embodying this responsibility and engaging with our ecosystem of customers, partners and employees that we can generate lasting change.**

For us, sustainability means taking action. In 2024, thanks to our adoption of 76% certified renewable energy (+8% over 2023), we have **prevented more than 1,183 tonnes of CO₂eq atmospheric emissions**. We have invested in IT solutions to enable companies measure, monitor and reduce their carbon footprint, supporting them along the complex but necessary path to decarbonisation.

Sustainability also means focussing on people.

With initiatives like the Diversity, Equity & Inclusion project that gave birth to the DEI Community.

Another significant initiative is the **Adottiamo il Molise** (Let's Adopt Molise) project, set up to respond to a number of requirements for economic, social and territorial development, which is being implemented in 2025. This project **supports the growth of the Molise region, counteracting youth migration and fostering the development of local skills** in cooperation with the University of Molise (UniMol), the Majorana Technological Institute and the SicurForm training organisation.

And these are just a few examples of our commitment. With the **ActionAid** programme we remotely support **70 children in Kenya and Ethiopia**; we are working together with **Aid4Mada ONLUS in the Water is Life project**, in which we have contributed to providing free, unlimited access to drinking water for over 80,000 people in the most disadvantaged areas of the Tulear Region, Madagascar.

Following the strategy of the **Sesa Group**, of which we are a member, we are contributing to the **Sustainable Development Goals (SDGs) of Agenda 2030** with a focus on carbon neutrality, gender equality and reducing inequality.

These projects remind us that technology, when combined with a concrete social commitment, can indeed open new doors, create inclusion and offer opportunities for development.

Each achievement is a confirmation that the future is not built by acting alone, but rather by working together with others: customers, suppliers, employees and the community. We are proud to present our **first voluntary Sustainability Report**, a concrete testimony to our commitment to integrating sustainability into everything we do and sharing the results with you.

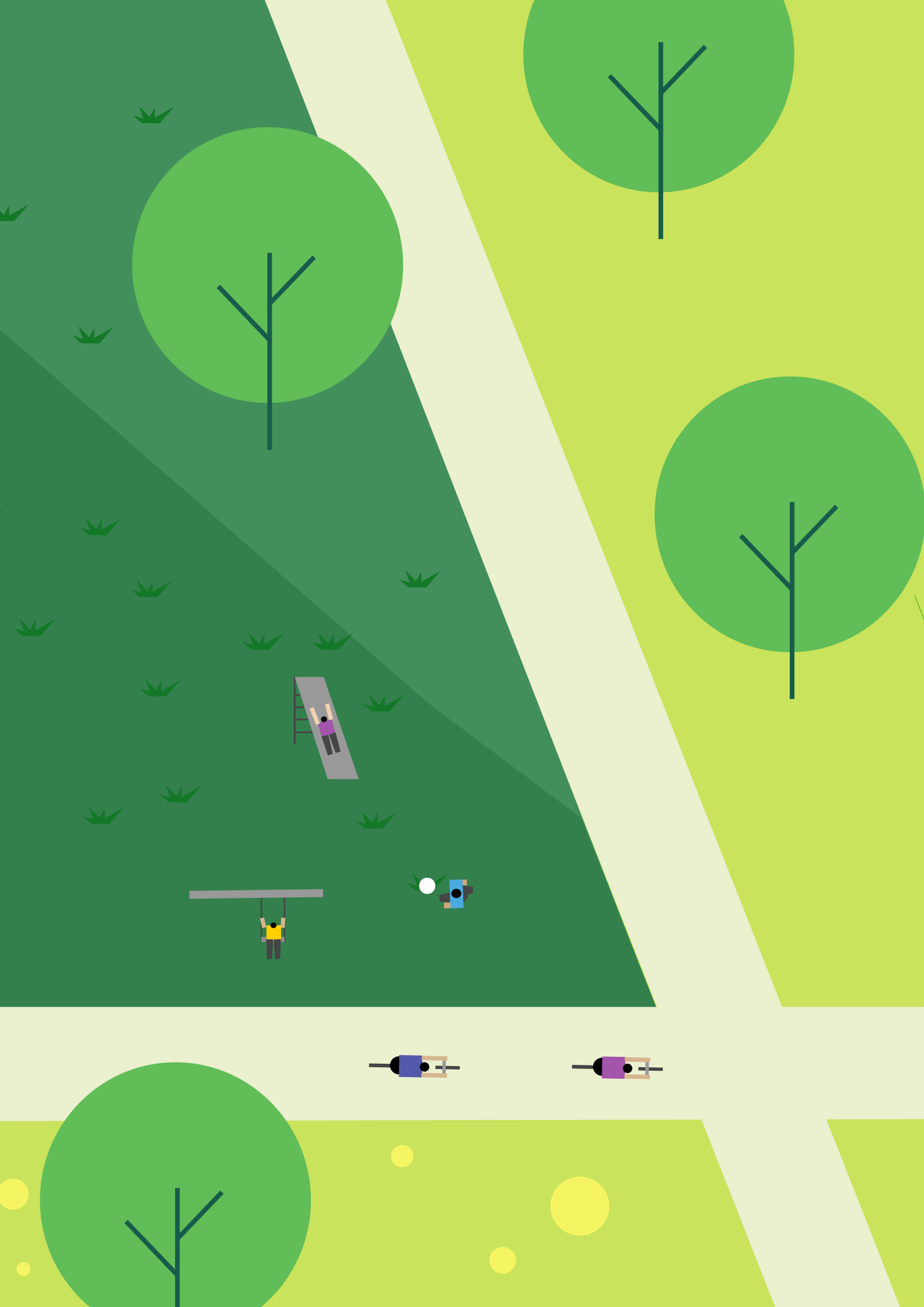
**Thank you for being
at our side
on this journey.**

Francesca Moriani
CEO
Var Group S.p.A.

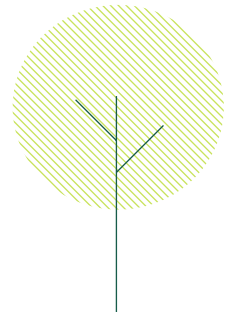
A stylized tree icon with a blue trunk and branches, set against a light green circular background in the top left corner.

Accompanying
companies
on the path
to digital
evolution: what
is Var Group





ESG performance highlights



Our business model

Model 231 and the **Code of Ethics** of our parent company, SeSa

82 controlled companies

The **Conflict Mineral Policy** and formalisation of the **Supplier Code of Conduct**

A system for the **environmental assessment** and **social assessment of suppliers**

A founding member of Global Compact Italy

ISO 9001 certification for quality management

ISO 27001 certification for information security

ISO 20000-1 certification for the quality and reliability of IT services

ISO 45001 certification for occupational health and safety management

EcoVadis Silver rating

Being Var Group

3,852 people

98% employees with **permanent contracts**

72% under 50

16.4 hours of training on average per employee

27.8% women employees, compared to the Italian average of 15.1% (women in the ICT industry)

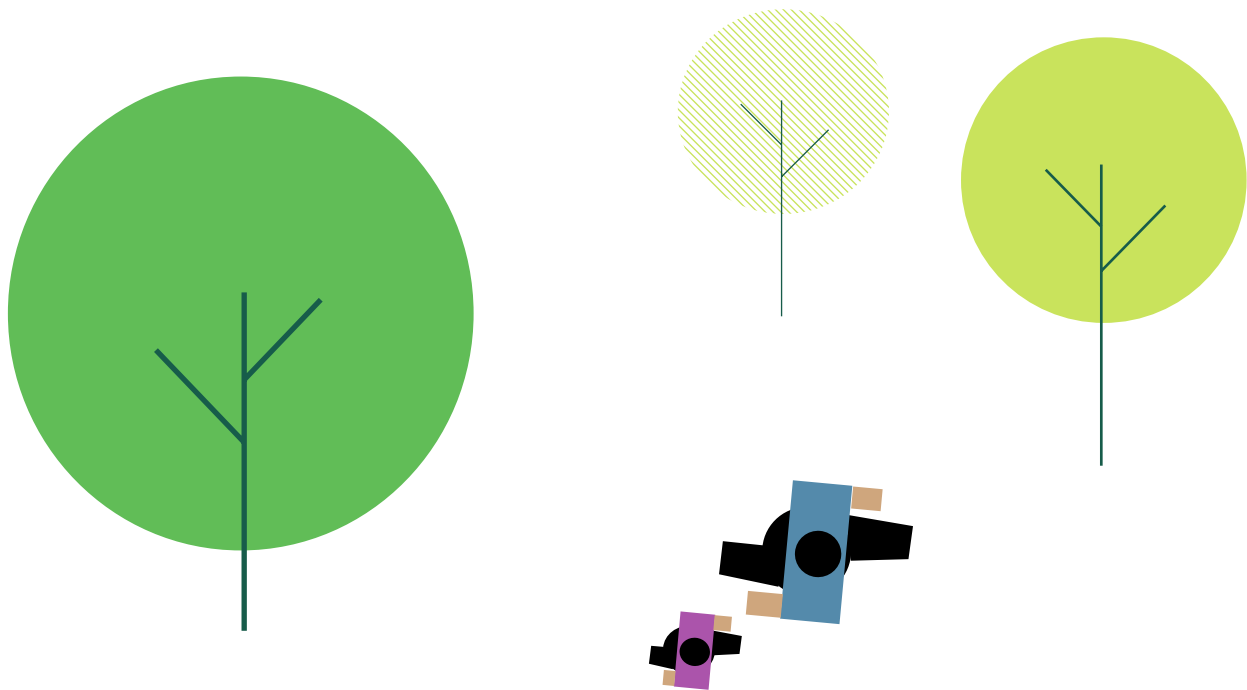
128 returns after **parental leave** (74 men and 54 women)

Great Place to Work Italy certification

Continued expansion of the **Welfare Plan**

DEI Community with more than 60 Var Group colleagues, with the objective of raising awareness about Diversity, Equity and Inclusion issues

Expanded **Disability Management**



Development and support for communities

Partner of the **Digital & Sustainable Observatory** of the Polytechnic University of Milan

Beyond digital: **60 events organised in 2024**, involving around **6,750 people**

Projects to improve **digital and environmental accessibility** in collaboration with **ASPFI Onlus**

T-Station Academy, dedicated to training disabled and frail persons in technology

Support for **ActionAid** with the remote adoption of 70 children in Kenya and Ethiopia

Support for disadvantaged communities in Madagascar, in partnership with **Aid4Mada ONLUS**

Collaboration with **Talent Garden** in training and employing digital talents

Our environmental commitment

Demonstrating commitment: ISO 14001 certification for environmental management

Var Group 2024 Convention: impact measurement and compensation with Madaprojects

Reducing the impact of digital technologies: 1,183 tonnes of CO₂eq emissions avoided by using certified energy from renewable sources

Designing sustainable facilities: replacing heat generators and chiller units with **more energy efficient systems**, using eco-friendly **refrigerants with a low environmental impact**, expanding the use of **LED lighting** and progressively adopting a **fleet of vehicles** with **reduced environmental impact**

The strength of being a Group: adhering and contributing to the SeSa Group's environmental sustainability strategy for **carbon neutrality**

The Var Group story: fifty years of digital innovation

Var Group was founded over fifty years ago with the aim of guiding the digital evolution of Italian companies. As a Digital Integrator, we are today one of the most important players on the Italian and international technology scene, part of the SeSa Group, an IT industry leader.

From our headquarters in Empoli, we have expanded to locations **all over Italy** and in another **12 countries worldwide**: Albania, Austria, France, Germany, Latvia, Romania, Spain and Switzerland in Europe; India in Asia; and Brazil, Mexico and the United States in the Americas.

We are continuously expanding, with a team of **3,852 people** and a **consolidated turnover of 823 million euro** in the reporting period.

The Var Group's mission has always been **to create value for companies** by supporting them in their **technological evolution**. The synergies between our specialised business units enable companies to leverage the benefits of digital technology and develop projects in Multimedia & Workspaces, Business Applications, Industry Solutions, Cyber Security, Digital As a Service, Digital Evolution, Industrial Digital Twin, Sustainability Solutions, Data Science and Digital Experience. The breadth of our offering enables us to support corporations and midmarket

companies throughout their digital transformation, adapting to the specific needs of different industries: Pharma, Manufacturing, Automotive, Furniture, Mass Distribution & Retail, Finance, Luxury, Food & Beverage and Public Administration.

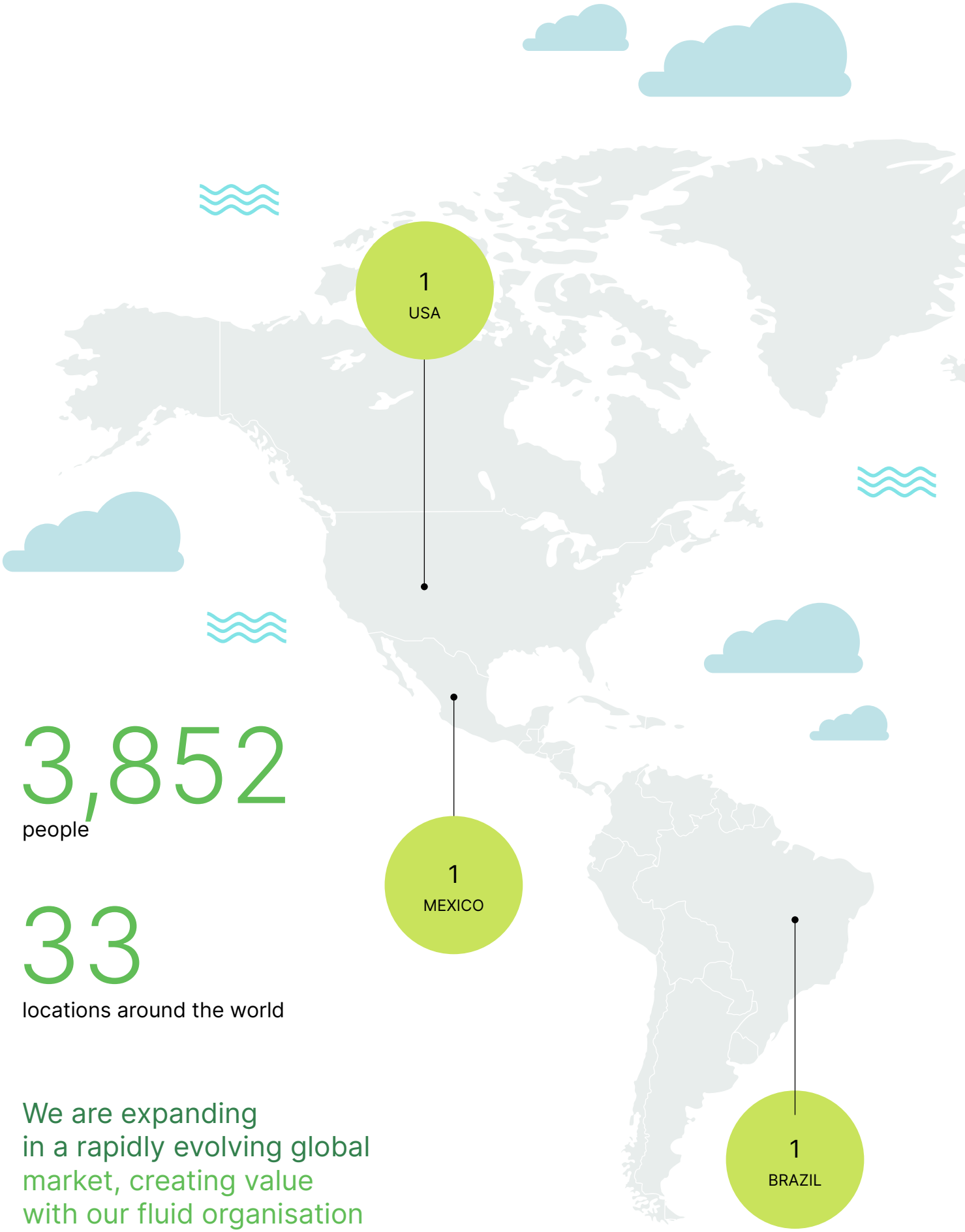
Var Group's approach to business has always been founded on sharing and exchanging ideas. The need to maintain a flexible and adaptable approach to this fast-moving market, in which one must take informed, prompt and real-time decisions, requires that companies rethink their organisational models. To be able to react to the market place, Var Group has realised that one must create a fluid organisation with working environments in which everyone is responsible, autonomous and aware of shared objectives. In this scenario, it is important to create awareness that all parties can make decisive, fundamental contributions, by being free to exercise their own initiative.



18

locations in Italy

Bari, Bologna, Bolzano, Cagliari, Catania, Chieti, Empoli, Genoa, Jesi, Milan, Naples, Padua, Parma, Perugia, Rome, Turin, Treviso, Verona.

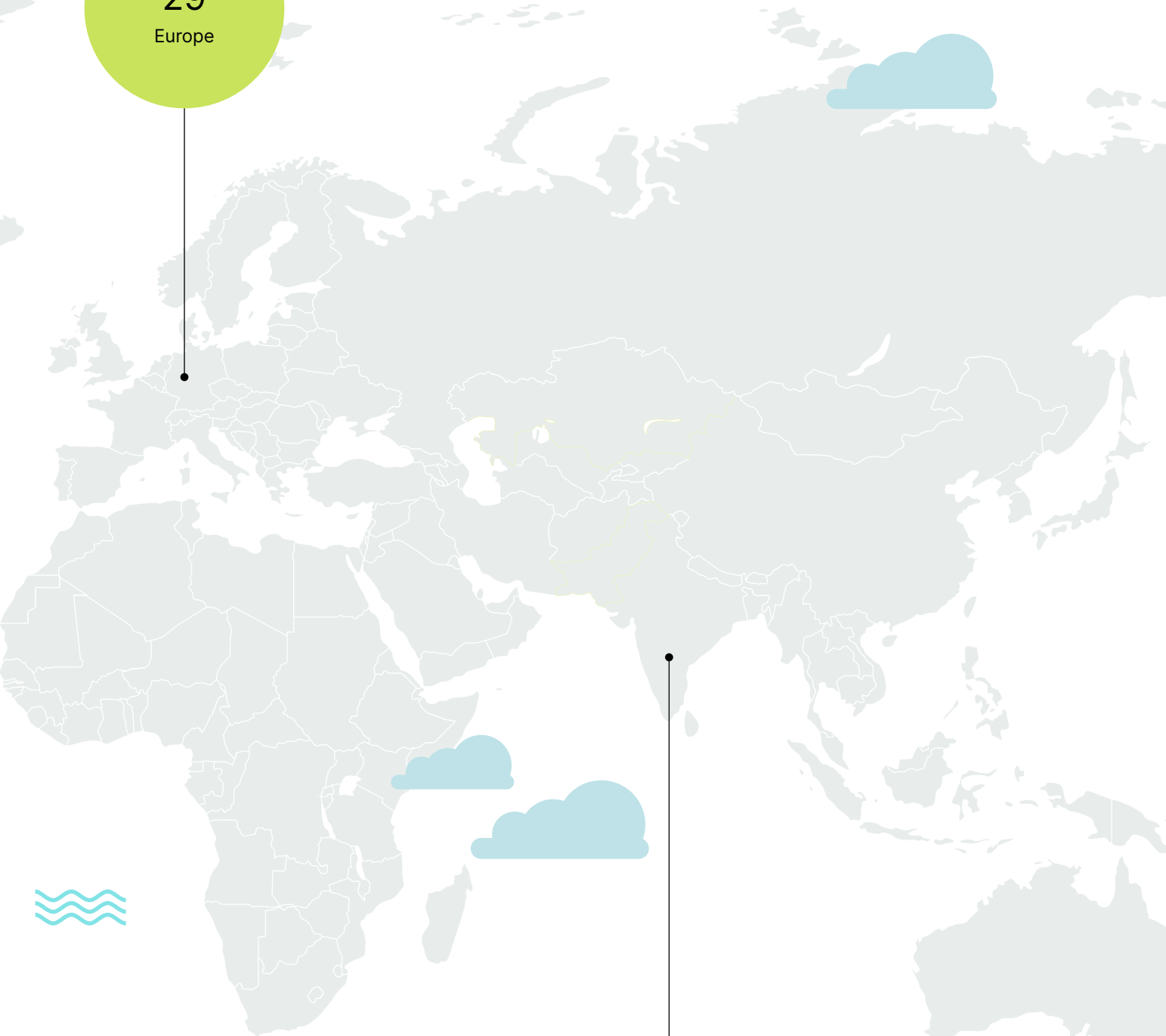


3,852
people

33
locations around the world

We are expanding in a rapidly evolving global market, creating value with our fluid organisation and shared objectives.

29
Europe



1
Asia

Our mission and values

Our mission is to support companies along their **digital transformation pathway**, by creating **long-term sustainable value for stakeholders**: we strongly believe that technological innovation must be an engine of not only economic, but also **social and environmental** growth. We are committed to developing **advanced technology solutions and digital services** in partnership with leading international vendors, offering companies the tools they need to meet the challenges of the global market and develop their business sustainably.

Our mission is inspired by the **fundamental principles of the SeSa Group**, and is embodied in our Code of Ethics, which translates them into principles of corporate management guided by **integrity, ethical conduct, transparency and professionalism**, the values that guide our every action and decision. At Var Group, we are committed to respecting and promoting these principles, with the aim of contributing to personal well-being and that of the businesses and communities in which we operate.

These values, which are the foundation of our identity and work, are not just abstract principles but rather **concrete guidelines that we are committed to consolidating and implementing in our organisation**. It is precisely to further consolidate and implement these values that we have initiated a participatory process to develop our **Charter of Values**, which formalises our commitment to social responsibility and personal well-being. (for details, see page 72).

The Var Group's values are at the heart of our identity, and are the pillars on which we build our daily work.

Focus on people

People are at the centre of our business model. We promote an inclusive and stimulating working environment that values uniqueness and offers equal opportunities for all. We are committed to the well-being of our staff, investing in professional and personal growth, and promoting a healthy work-life balance. We know that the success of the Var Group is closely bound to the satisfaction of the people who work for us.

Integrity and sustainability

Our work is marked by integrity and transparency, adhering to the highest ethical standards. Sustainability is core to our approach: we are committed to reconciling economic growth with environmental protection and community welfare. This means not only reducing our environmental impact, but also actively contributing to a better future with sustainable practices in every aspect of our operations.

Passion for innovation

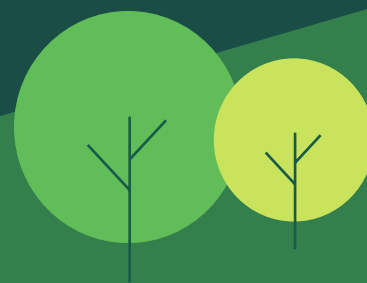
At Var Group, innovation is not just a goal, but the engine that drives our daily commitment. We are convinced that innovation should be at the service of people, businesses and the community, with the aim of improving everyone's lives. This translates into a continuous search for new solutions, with the courage to discover unexplored territories and push the boundaries of current knowledge.

Collaboration and trust

Our success is based on solid, long-lasting relationships founded on mutual trust and collaboration. We work in close synergy with our people, customers and partners with the shared objective of achieving excellent results. Trust unites every member of our ecosystem, allowing for the open exchange of ideas and expertise.

Social responsibility and commitment

We are aware of our responsibility towards society and are committed to contributing positively to its development. Our social commitment manifests itself in our support for local communities, promotion of social projects, and creation of shared value for our stakeholders. We believe that a company can and should be an agent of positive change, contributing to the social and economic progress of the communities in which it operates.



Our contribution to the market and the value chain

Our target market

We operate in the **technological innovation and digital services industry**, a dynamic and rapidly evolving market thanks to the accelerating **digital transformation** of businesses. Indeed, digitalisation is radically changing the way companies operate, bringing with it both new opportunities and new challenges. Our industry is thus characterised by **a strong demand for advanced solutions** for improving operational efficiency, enhancing innovation and ensuring information security.

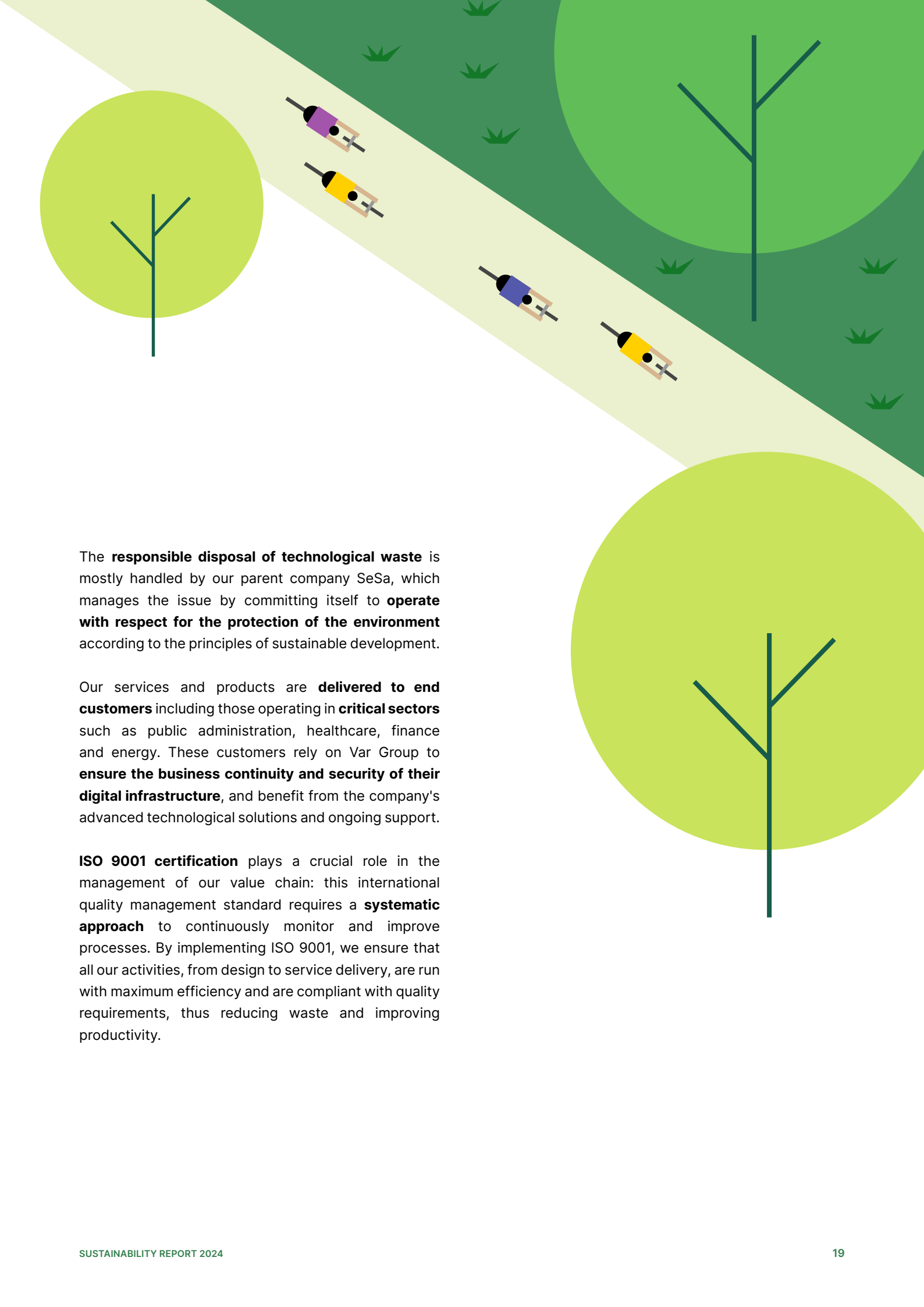
In this **globalised and highly competitive market** we respond to the growing demand for customised services which can meet the specific requirements of diverse industries. Our costumers are heterogeneous and range from **small and medium-sized companies to large multinationals**. Innovating in this market therefore requires not only advanced technological skills, but also **a deep understanding of the dynamics of diverse sectors and their specific business needs**.

Our value chain

Our service offering is developed via a well-defined, complex **value chain** that integrates the **principles of sustainability and social responsibility** at every stage of the process. Our supply chain management, in particular, is geared to minimise environmental and social impacts, in line with **international standards and the SA8000:2014 certified social responsibility management system**.

This focus on sustainable management is also reflected in our procurement practices, where we only use suppliers who meet **the highest standards**. Our partners must ensure that the life cycle of their products and services, from mineral extracts to hardware components such as PCs and smartphones, **minimises environmental impacts and respects human and labour rights**. We require our suppliers to **adhere to the principles of ethical conduct, safety and social responsibility** by signing a **detailed Code of Conduct** during accreditation with our vendor register.

The operational phase represents the heart of our activities and focuses mainly on **design, development and commercialisation**.



The **responsible disposal of technological waste** is mostly handled by our parent company SeSa, which manages the issue by committing itself to **operate with respect for the protection of the environment** according to the principles of sustainable development.

Our services and products are **delivered to end customers** including those operating in **critical sectors** such as public administration, healthcare, finance and energy. These customers rely on Var Group to **ensure the business continuity and security of their digital infrastructure**, and benefit from the company's advanced technological solutions and ongoing support.

ISO 9001 certification plays a crucial role in the management of our value chain: this international quality management standard requires a **systematic approach** to continuously monitor and improve processes. By implementing ISO 9001, we ensure that all our activities, from design to service delivery, are run with maximum efficiency and are compliant with quality requirements, thus reducing waste and improving productivity.




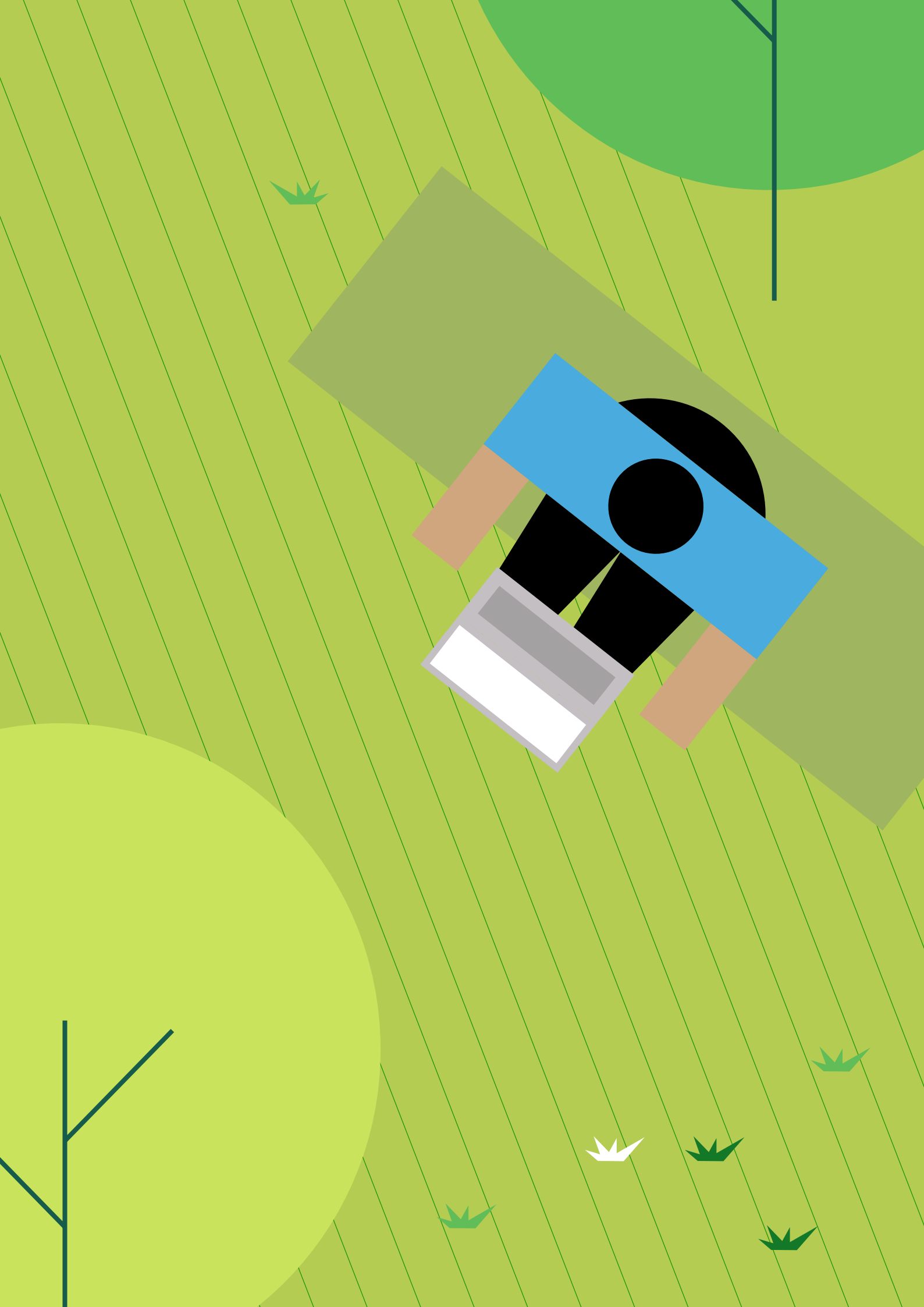
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Digital Innovation

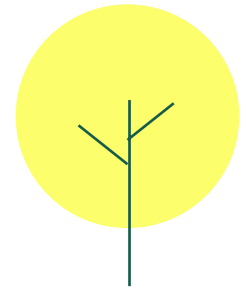


We promote environmentally friendly practices and technological solutions for impact-aware management, collaborating for positive change.





Creating value with digital technologies



A business model that values the uniqueness of the customer

The need to **compete in the modern global market**, characterised by mergers, acquisitions and ever greater efficiency, requires companies to implement innovative strategies and actions, supported by cutting-edge and constantly evolving technologies.

In this scenario, our business model involves multiple interconnected phases, each of which contributes significantly to **creation of value** for our companies and **stakeholders**.

It all starts with a strong commitment to **research and innovation**, the fundamental elements that drive all our initiatives. In fact, we are constantly investing in the development of new technologies and the exploration of cutting-edge solutions, in active collaboration with internationally recognised **universities, research centres and technology partners**. This enables us to **anticipate market trends** and propose solutions that not only meet our customers' current needs, but also prepare them to face **future challenges** in the digital development of business with success.

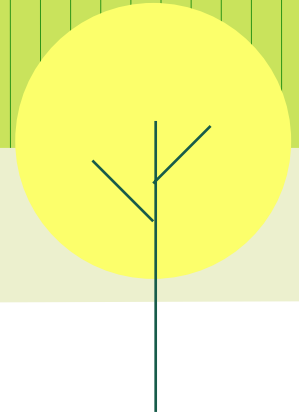
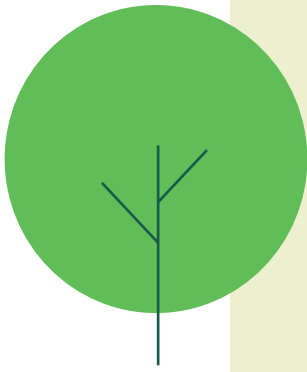
In particular, we are **partners of the Digital & Sustainable Observatory of the Polytechnic University of Milan**, which enables us to actively contribute to the cutting edge of thinking about sustainability and its connection

with digitalisation.

From the knowledge gained through research, we move on to the **solution design phase** in which we focus on **the specific needs of each customer**. Through an in-depth analysis of business processes and the specificities of each sector, we are able to develop tailor-made proposals that integrate **the latest technological innovations** with an in-depth understanding of the environment in which our customers operate. This **customised approach** ensures that the solutions we offer are truly effective in improving operational efficiency, optimising processes and generating **new business opportunities**.

Once the most suitable solution has been identified, we handle its **implementation and integration into the customer's business ecosystem**. With highly qualified teams with multidisciplinary expertise, we manage the entire deployment process (the set of activities that make a software system available for use), ensuring that the introduction of new technologies goes smoothly and without disruption to operations.

Aware that digital transformation does not end with the implementation of solutions, we offer **ongoing support and maintenance** to support our customers at every stage of their technological development. We provide timely and effective assistance, **dedicated**



training and ongoing support to ensure that our solutions maintain their high performance over time and are always up-to-date with new technologies and developments in the marketplace. Our commitment to after-sales guarantees lasting relationships of trust with businesses, based on the **continuous creation of value** and **proactive support** for their needs.

A key element of our value chain are the **strategic partnerships** we have established with **leading global technology vendors**. Our partnerships give us access to **the highest quality resources and expertise** and enable us to integrate the most advanced and reliable technologies into our solutions. Thanks to our partnerships with leading companies in the industry, we are able to provide solutions that meet the needs of our customers in an increasingly competitive and complex market.

Thanks to this integrated, coherent structure, we are able to propose ourselves as a **reliable and innovative partner** for companies wishing to embark on or consolidate their digital evolution. Our combination of advanced skills, customised approach, strategic partnerships and commitment to sustainability enable us to offer **comprehensive and effective solutions** to support our customers' growth and competitiveness in an increasingly complex and interconnected marketplace.

A full range of services

Our expertise enables us to innovate and optimise companies' processes in areas including cloud computing, cyber security, AI and data analytics, sustainability and IT infrastructures: an offering that responds to the challenges and demands of the market with an increasingly integrated consulting proposal and digital platforms.

With our **Digital Evolution** services and solutions we help companies develop and implement **cloud-based strategies** with flexible solutions that combine public, private and hybrid clouds to ensure scalability and security. Our **Multimedia & Workspaces** services are designed to create **interconnected digital work environments** to improve collaboration and communication within companies, even when teams are spread across different geographical areas.

Our **Digital Experience** services focus on enriching the digital experience, implementing solutions in **digital marketing, communications and analytics solutions** that improve engagement and brand awareness. Our **Business Applications**, on the other hand, are ERP solutions and platforms for optimising business processes, facilitating the integrated management of resources and improving operational efficiency. These also enable us to respond to the specific needs

of different industries. We support companies in optimising their production, supply chain management and process automation with our sector-specific **Industry Solutions**.

Our **Cyber Security** services protect IT infrastructures and corporate data with advanced monitoring, threat prevention and vulnerability management systems. We focus on data analysis with artificial intelligence and machine learning, to extract strategic information and enable companies to develop data-driven decisions.

Our **Digital As A Service** programme provides flexible access to digital solutions, allowing companies to **pay only for the services they actually use** and benefit from a fee-based service.

We support companies not only in **modernising their IT infrastructures** and integrating new technologies, but throughout their **Digital Evolution** pathway, by enabling them to meet the challenges of the marketplace with innovative, state-of-the-art solutions. However, we are convinced that the **digital evolution pathway** of companies today must be part of an overarching

sustainable transformation. We therefore provide companies intending to adopt or which have already adopted a sustainable transformation process with the tools they need to reduce their environmental impact, manage resources effectively and promote sustainable practices.

What does it mean to offer an 'As-a-Service' product?

*The As-a-Service (AaS) concept accompanied the arrival of **cloud computing**, and was first employed in the term **Software-as-a-Service**. In essence, this is a business model in which companies can **rent software** developed by third parties without having to purchase the licence. Over the years, **different types of As-a-Service programmes** - also beyond IT (e.g. in mobility and banking services) - have emerged, to the extent that some analysts now speak of an As-a-Service economy.*

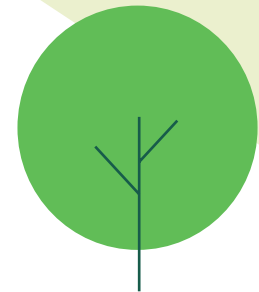
*This model lends itself particularly well to the dissemination of **new technologies**, as it consists of providing business services which are **immediately usable, modular, scalable and pay-as-you-go**. Not only does this make operations more agile and effective, but it is also easier for the company to manage their investment, gradually modulating*

*it according to their current needs: this means that, with the AaS model, digital transformation is more accessible **even to small and medium-sized companies** which do not have the budget for the often elevated cost of a conventional licensed solution.*

*The final evolution of cloud computing is the **Everything-as-a-Service (or Anything-as-a-Service) model** (XaaS for short), which leads to the virtualisation of every aspect of computing, from hardware infrastructure to software. According to industry analyst **Gartner**, **more than 80 per cent** of new technology solutions adopted by public authorities were delivered in XaaS mode by 2023.*

Our organisation





Our all-round commitment to sustainability

We grow sustainability with our stakeholders through digital innovation

At Var Group, sustainability is an **ethical business choice** which is integrated into every aspect of our activities, and we consider it to be a fundamental node **of corporate strategy**.

Across all stages of our value chain, we are committed to **minimising the environmental impact** of our activities by adopting eco-friendly practices and promoting technological solutions that favour **energy efficiency** and **reduce emissions**. At the same time, we aim to **contribute positively to the communities** in which we operate with support for social projects and an inclusive workplace that values diversity.

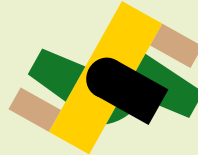
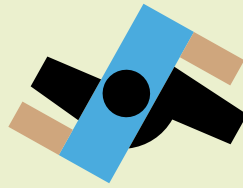
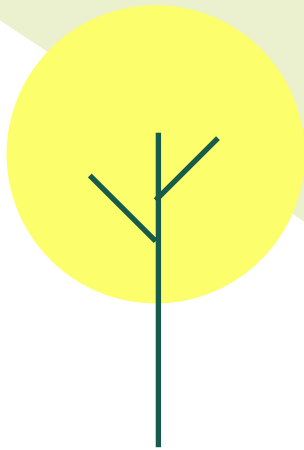
For this reason, all **decisions concerning innovation and sustainable digitalisation** are taken at the corporate level, involving all business units and staff structures. This not only enables us to develop such initiatives internally, but also allows us to **support companies in their sustainable transformation**.

To increase our efficiency and effectiveness in the development of sustainability pathways, we have therefore introduced a dedicated business unit to

support our customers through their sustainable transformation.

Sustainable transformation and digital transformation are two vectors of change that converge in an **integrated approach** that simplifies processes to mitigate negative impacts and enhance positive ones, thus generating **value for stakeholders**. Being sustainable also means establishing collaborations with **partners who embrace the same values as us** and who enable us to enrich our offering, in terms of both **solutions and services** and **specialised consultancy**. We share this value with the companies for whom we model innovation, applying the same approach of process knowledge to combine business objectives and sustainability.

In order to maximise the results of this process, our **research and development** activities follow a cycle of assessment, prototyping and testing to ensure that **impacts are measurable**. This structure enables us to offer IT solutions that help companies manage their **sustainable transition** in an efficient and integrated manner.



Sustainable lines of innovation and their applications

In recent years, Var Group has developed sustainable lines of innovation in two main areas:

SUSTAINABILITY OF AND WITH IT.

Sustainability of IT includes actions to reduce the environmental impact of IT infrastructures, with the adoption and offering of data centres powered by **100% renewable energy and low-power hardware**.

We have optimised the use of our resources by implementing technological solutions that improve energy efficiency and the lifecycle management of our devices.

Sustainability with IT consists in providing digital tools such as IoT, asset management, energy management and supply chain management, which enable companies to **collect reliable data** and produce sustainability reports in accordance with **international standards**.

These tools facilitate predictive management, consumption monitoring and resource optimisation.

This approach has enabled us to develop important sustainable innovation projects. These include:

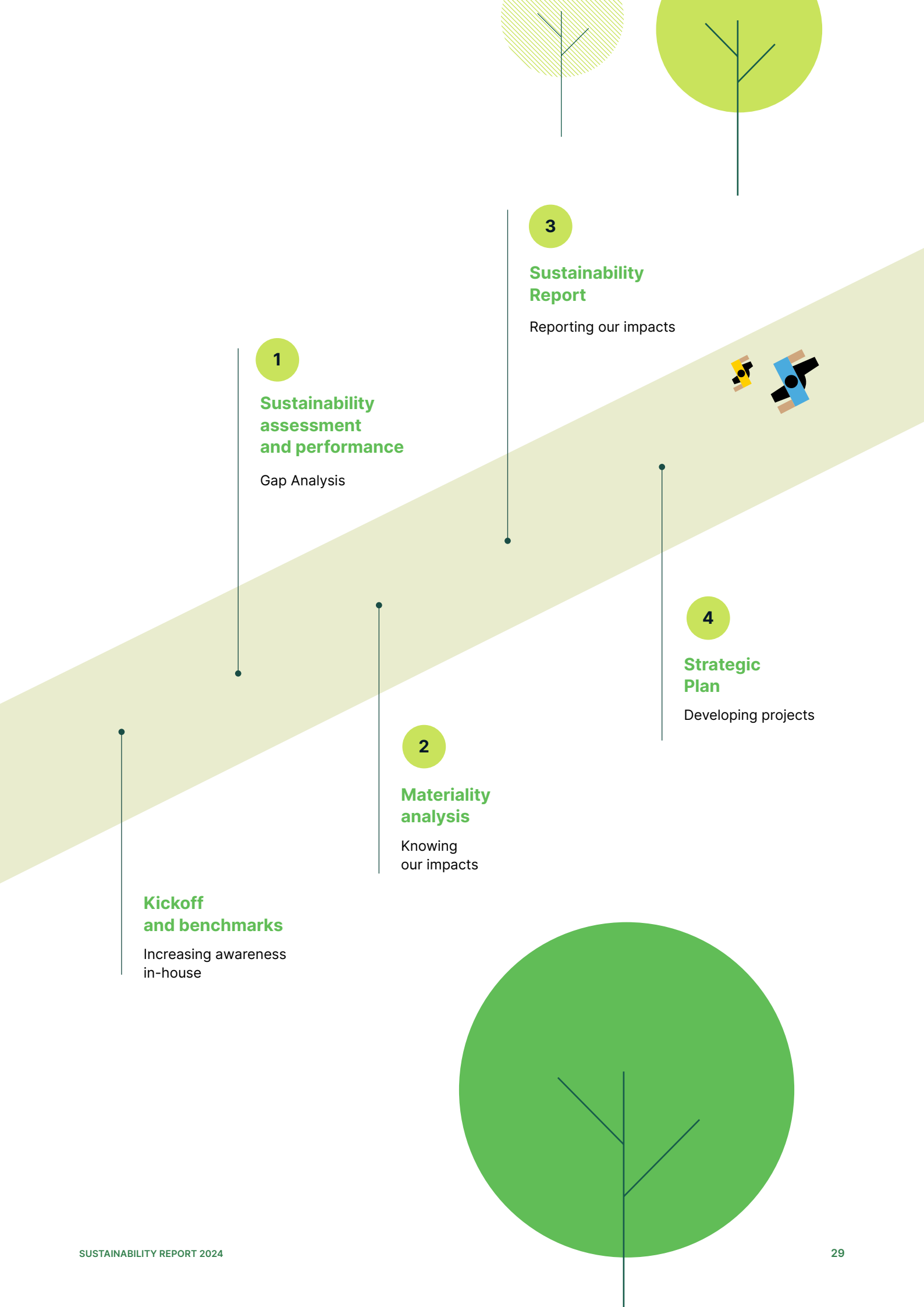
- support for the adoption of the **Envizi platform** in collaboration with IBM, which enables companies to **collect and manage ESG KPIs** (environmental, social and governance) and report sustainability data in a transparent manner in accordance with international standards;
- support for the adoption of **cloud migration solutions** which enables companies to **reduce their energy consumption** and optimise their IT infrastructures by using environmentally sustainable data centres;
- implementation of **energy and facility management tools** that help to improve the energy efficiency and reduce the environmental impact of companies;
- integration of **advanced IoT and asset management solutions** which enable companies to **monitor their energy consumption** and manage their proprietary assets more efficiently;
- collaboration with companies in **measuring and reducing their carbon and water footprints** by developing innovative solutions to optimise resources and reduce waste, particularly in the agrifood and manufacturing sectors.

Our sustainability journey

Alongside the support we provide to companies, we are also strongly committed to **growing our own sustainability**. This is a commitment not only to compliance with international regulations, but also to **exceeding stakeholder expectations** and creating long-term value for society and the environment.

That is why we have this year embarked on a **sustainability journey** involving a number of strategic steps, each of which has strengthened our position as a responsible player in the technology sector.





1

Sustainability assessment and performance

Gap Analysis

3

Sustainability Report

Reporting our impacts

4

Strategic Plan

Developing projects

2

Materiality analysis

Knowing our impacts

Kickoff and benchmarks

Kickoff and benchmarks
Increasing awareness in-house

Sustainability assessment and performance

Our journey began with a comprehensive assessment of our sustainability practices, conducted with the support of specialised consultants from **Altis Advisory**, a spinoff of the Catholic University of Milan dedicated to consulting on ESG issues. This assessment has given us a **clear picture of our environmental, social and governance (ESG) performance**, resulting in an **overall score of 733 out of 1,000**. This is a significant figure, which scores our performance in the three main dimensions.

- **Environment (E): 225 out of 350** - this reflects our commitment to the responsible management of natural resources and the reduction of our environmental impact.
- **Social (S): 303 out of 400** - this demonstrates our focus on personal well-being, human rights and social responsibility.

- **Governance (G): 205 out of 250** - this highlights the robustness of our system of governance and the transparency of our business practices.

These scores provide us with a solid base for further improvement, and highlight areas for continued growth.

This has enabled us to **become more aware** of the dimensions of sustainability and our positioning, from which we can **further improve our sustainability performance**: the assessment results were in fact accompanied by **an industry benchmark** based on the analysis of our main competitors (analysis of activities, management and initiatives). The reporting to **top management** involved in the sustainability journey further helped us to identify areas for improvement, and also involved a **training session** to deepen our understanding of this evolving context.

733 /1,000

overall ESG score

Reliably measuring
our performance
makes us more aware
and promotes
continuous improvement.

ESG performance

225 out of 350

Environment (E)

125 gap

303 out of 400

Social (S)

97 gap

205 out of 250

Governance (G)

45 gap

Materiality analysis

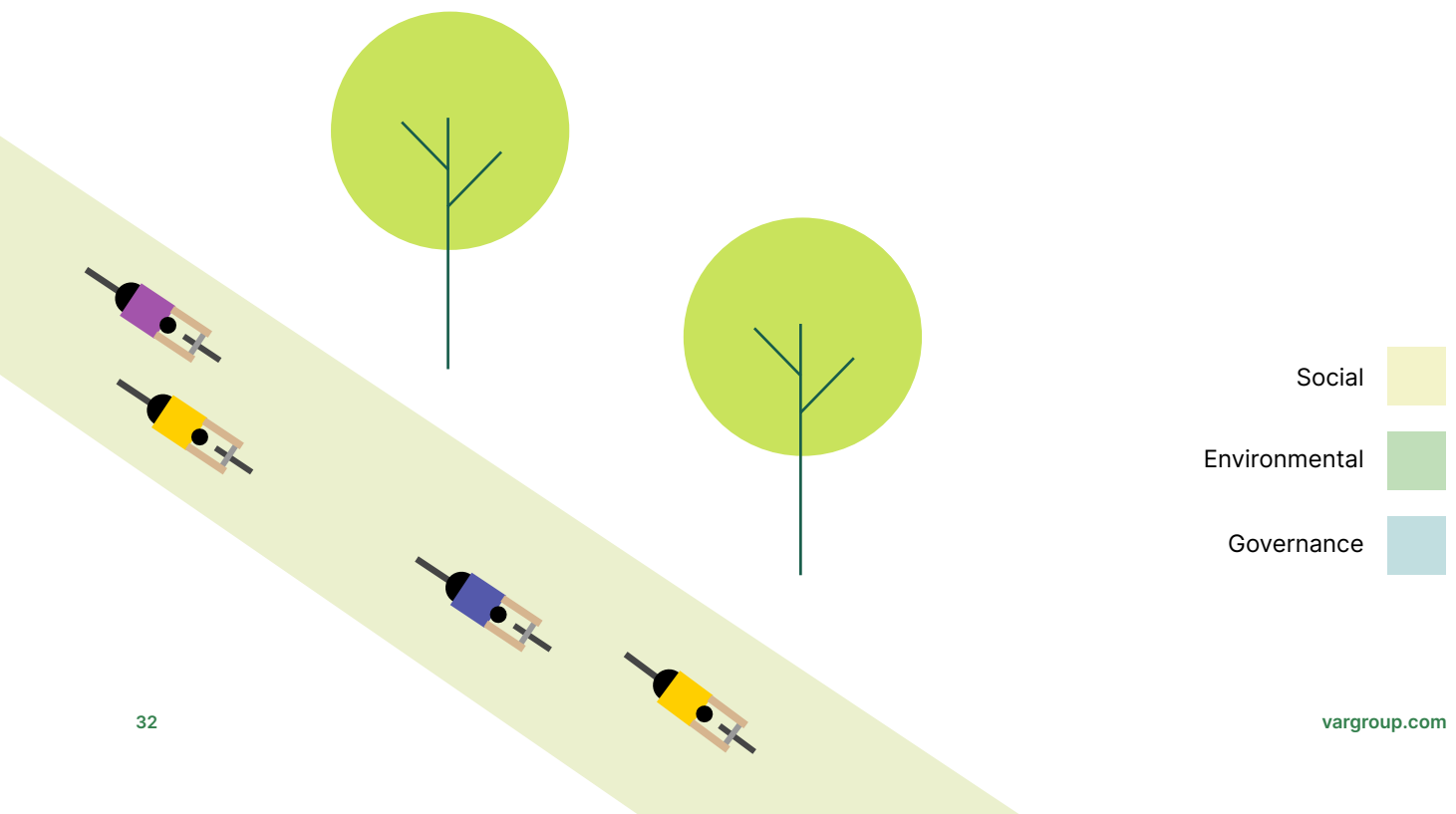
We subsequently undertook an **in-depth materiality analysis** (for more information see 'Materiality analysis' below), inspired by the processes set out in the **European Sustainability Reporting Standards (ESRS)**. This process has been divided into three main stages.

The **internal materiality analysis** involved our principal business units to identify sustainability issues **related to Var Group's business**.

The **external materiality analysis** involved interacting with **a variety of external stakeholders**, including **customers, suppliers and partners**, to identify their expectations and concerns regarding our social and environmental impact.

Finally, the **financial materiality analysis** assessed **the risks and opportunities** related to sustainability issues that may affect business continuity.

The materiality analysis enabled us to identify **actionable priorities**, thus ensuring that our sustainability initiatives are relevant and impactful.



RELEVANT TO STAKEHOLDER MATERIALITY (INTERNAL AND EXTERNAL)	RELEVANT FOR FINANCIAL MATERIALITY
UPDATING OUR PEOPLE'S KNOWLEDGE AND SKILLS	
JOB SECURITY	
WORK-LIFE BALANCE	
GENDER BALANCE	
EQUAL OPPORTUNITY	
DIVERSITY AND INCLUSION	
EQUITABLE TREATMENT	
PROMOTING OUR PEOPLE'S HEALTH AND SAFETY	
EXPOSURE TO RISKS AT WORK	
HUMAN RIGHTS ALONG THE VALUE CHAIN	
INVESTMENTS, INITIATIVES AND OPPORTUNITIES FOR LOCAL COMMUNITIES	
CARBON FOOTPRINT	
SUPPLIER ASSESSMENT	
SUPPLIERS' ECONOMIC CONDITIONS AND BUSINESS PRACTICES	
INNOVATION AND DEVELOPMENT OF SUSTAINABLE SERVICES	
CYBER SECURITY AND SENSITIVE DATA MANAGEMENT	
CORRUPTION	
ENTERPRISE CULTURE	

3

Sustainability Report

This journey led to this year's publication, for the first time, of our **sustainability report** as a result of our increased awareness of the importance of **transparent relations**.

It has been a significant effort, which involved our staff in **collecting and systematising the information** about policies and indicators required by the reporting standards, with the aim of providing as authentic and accurate a representation as possible of the company's reality, to highlight already achieved results, focus on future objectives and acquire a clear vision of areas for improvement which require action if we are to meet the needs and expectations of our internal and external stakeholders.

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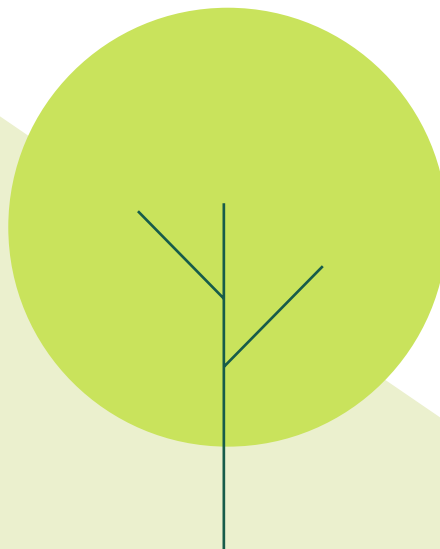
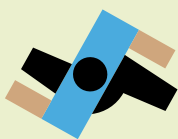
Strategic Plan

To crown these already explored steps, the next relevant step in our journey is the **formalisation of the strategic plan** for the three-year period 2026-2027-2028, which will be drafted by April 2025 and will again involve all leaders.

This is an important development, as it represents not only the culmination of a challenging **path of self-assessment** and increasing knowledge of our own weaknesses and strengths in the area of sustainability, but also the principal, most articulated tool for setting the foundations of continued sustainable development **built on the lessons learnt** in the previous phases.

It is a verticalisation process that maintains **consistency with the strategy of the parent company SeSa**, particularly in relation to the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

As a member of the Group, we adhere to its commitment to achieving the SDGs and share the belief in a **model of continuous, progressive and sustainable growth**. The **7 Priority Sustainability Goals** that we strive to develop in our business strategy and in every programme emerge naturally from the sense of responsibility that the SeSa Group, and us with it, has always shown towards the community and its people and customers.



The 7 Priority Sustainability Goals of SeSa Group and Var Group

To make the integration between its corporate goals and the SDGs more incisive, SeSa selected the Goals most closely related to its activities. This resulted in the identification of SeSa's 7 Priority Sustainability Goals, which we at Var Group are also adopting in our plan.



Goal 5

Achieve gender equality and empower all women and girls



Goal 13

Take urgent action to combat climate change and its impacts



Goal 8

Promote inclusive and sustainable economic growth, employment and decent work for all



Goal 16

Promote peaceful and more inclusive societies for sustainable development; providing access to justice for all and creating efficient, accountable and inclusive bodies at all levels



Goal 9

Build resilient infrastructure, promote sustainable industrialisation and foster innovation



Goal 17

Revitalise the global partnership for sustainable development



Goal 10

Reduce inequality within and among countries

Stakeholder engagement

For Var Group, engaging with our stakeholders is a crucial part of our approach to sustainable management and business growth.

To better understand their needs and respond proactively to challenges and opportunities as they arise, we interact with our various categories of stakeholders in **dedicated modes of engagement**.

For our **vendors and partners**, we organise **periodic reviews** with a view to **Win&Loss analysis** and to identify new opportunities. This enables us to adapt and reorganise our **sales strategy** in response to the feedback and suggestions we receive from our partners, thus improving collaboration and maximising mutual value.

As for our **customers**, we engage them in regular meetings to analyse their long and medium term **challenges** and **opportunities**, with a view to evolving and adapting our offer, always in the spirit of **proactive partnership**. We also organise **more than 60 events a year** at which we meet **approximately 6,750 people**, as occasions for discussion and **networking**. This enables us to update them on new market and technological developments, while gathering feedback that we use to extend and reorganise our offering in line with evolving customer needs. Our **constant**

dialogue throughout the sales process also enables to stay ahead of the market. For example, many of our activities in the European sphere arose from the needs of customers requiring support in **internationalisation**.

Our staff are also stakeholders and we survey their **satisfaction** with the annual Great Place To Work survey. Based on the results, we take action to continuously improve our **corporate welfare, flexible benefits, training offer** and **company policies** to ensure that we best meet the needs of our team.

Finally, our stakeholder engagement is closely monitored by our **administrative, management and control bodies** in **regular update meetings**. These meetings are an occasion for reporting the opinions and interests of our stakeholders, particularly in relation to the impact of our **sustainability initiatives**, thus keeping us strategically aligned with their needs.

+60

events per year

+6,000

people encountered



MUSEUM

SHAPE
THE
PRESENT
MOUSE

MUSEUM

The background features a stylized landscape with various shades of green. In the upper left, there are two trees: one with a white circular canopy and one with a tan circular canopy. In the upper right, there are several small green birds flying. A large green circle with a tree silhouette is on the right side. The bottom right corner shows a partial view of a person's head and shoulders, wearing a yellow and black hat. The overall design is clean and modern, using geometric shapes and a limited color palette.

.2

Ethics and Governance

Transparency, integrity and accountability guide our every decision, supporting inclusive development in compliance with international standards.



Var Group governance

The share capital of Var Group S.p.A. is wholly owned by **SeSa S.p.A.**, which is its **sole shareholder**.

As of 30 April 2024, the Group's structure reflects the ongoing process of organic growth and acquisition that has brought us to a total of **82 companies in the Group**, including the parent company. As Var Group, we in turn exercise managerial and business influence over our direct subsidiaries.

In order to **respond effectively** to the challenges of this complex corporate organisation, we have adopted a **conventional administrative system** to ensure a clear separation of roles and responsibilities and **promotes integrity and transparency** in decision-making processes.

The Board of Directors

In line with our choice of this conventional model, our **Board of Directors** is vested with broad powers for **the ordinary and extraordinary administration** of the company, with a mandate to take any appropriate action to achieve and implement our corporate objectives, only excluding decisions reserved by law for the shareholders' meeting.

The Board of Directors is also responsible for taking

decisions about mergers, changes to the company's share capital, amendments to the articles of association, and the choice of directors to represent the company.

The make up of the Board as of 30 April 2024 reflects a combination of established experience and **female representation at the highest level**, with **Francesca Moriani acting as CEO**. Company seniority is on average high. The presence of persons of different ages, from 42 to 62, contributes to a mix of perspectives that strengthens the decision-making capacity and effectiveness of the Board of Directors.

The legal representatives of the company are **Francesca Moriani and Giovanni Moriani**.



POSITION / ROLE	FIRST AND LAST NAMES	SENIORITY AS OF 30.04.2024	SEX	AGE AS OF 30.04.2024
CEO	Francesca Moriani	10	F	47
Chairman	Giovanni Moriani	26	M	66
Member of the Board	Alessandro Gencarelli	4	M	53
Member of the Board	Enrico Corradini	10	M	42
Member of the Board	Eugenio Capasso	1	M	61
Member of the Board	Fabio Falaschi	26	M	62
Member of the Board	Fabio Luraghi	10	M	58
Member of the Board	Fabio Stanga	13	M	62
Member of the Board	Mirko Gatto	10	M	48

Table 1: Board of Directors

A further guarantee: the Board of Statutory Auditors

The function of control is assigned to the **Board of Statutory Auditors**, which is charged with supervising the activities of our directors and ensuring that the company is managed and administered in accordance with the law and the articles of association. In parallel, auditing is entrusted to a **statutory auditing company** - currently **KPMG S.p.A.** - which verifies the accuracy

and transparency of the company's finances and accounting, ensuring the correctness of the economic information we disseminate.

Our Board of Statutory Auditors is composed of highly experienced and competent figures. The Chairman, **Fabrizio Rossi**, brings extensive experience to his role of control and supervision, having spent **29 years with the company**.

POSITION / ROLE	FIRST AND LAST NAMES	SEX	AGE AS OF 30.04.2024
Chairman	Fabrizio Rossi	M	66
Auditor	Fabrizio Berti	M	52
Auditor	Lucia Perfetti	F	38
Alternate Auditor	Massimo Innocenti	M	62
Alternate Auditor	Marco Ferri	M	55

Table 2: Board of Auditors

The Var Talks - dialogue with leadership

In our strategic coordination, a central role is played by the **Var Talks**, which inspire a **shared vision** throughout the organisation: a **leadership team** that **values uniqueness** while promoting **common values** such as **transparency** and the **sense of belonging**. In close cooperation with the Board of Directors and the Board of Auditors, the Var Talks define and update our corporate strategy, monitor the alignment of our business units, and ensure that the **brand identity** is communicated in a coherent manner.

Each **leader** brings years of experience and expertise **in specific strategic areas of the company**, thus guaranteeing that **our various business units are aligned with our corporate values**.

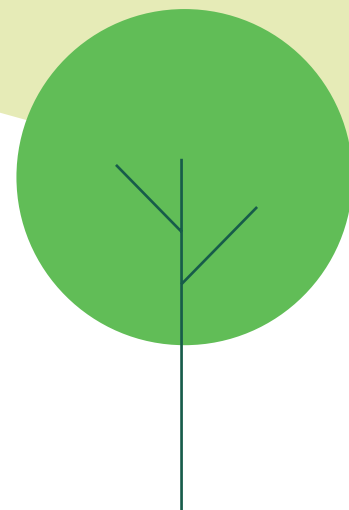
This structure helps ensure the effective execution of the company's strategy, reinforcing the governance system already outlined by the principles of the Code of Ethics and Model 231 (see below).

The Var Talks stand out for their operational and leadership role, ensuring that our business units are supported proactively, especially in extraordinary circumstances.

POSITION / ROLE	FIRST AND LAST NAMES	SENIORITY AS OF 30.04.2024	SEX	AGE AS OF 30.04.2024
Head of Sales & Marketing	Alessandro Gencarelli	4	M	53
Head of Digital Experience	Andrea Cinelli	2	M	65
Head of Organization & Digital	Eugenio Capasso	1	M	61
Head of Enterprise Platform	Fabio Falaschi	26	M	62
CEO Nivola S.p.A.	Fabio Luraghi	10	M	58
Head of Digital Technology SSP	Fabio Stanga	13	M	62
Head of Pluribus	Fabrizio Mangiavacchi	1	M	55
Head of Var Industries	Filippo d'Agata	4	M	62
CEO Var Group	Francesca Moriani	10	F	47
Head of Enterprise Platform Sales	Giammarco Menichini	10	M	48
Head of Tekne	Gianluca Guidetti	13	M	62
Business Controller	Laura Colombo	1	F	48
Head of Data Science	Marco Ferrando	13	M	50
Head of 7 Circle	Matteo Masera	2	M	58
Head of Territory Sales	Maurizio Fraccari	26	M	62
Head of Digital Security	Mirko Gatto	10	M	48
Head of Data Science Sales	Stefano Da Col	5	M	51
Head of Software Development	Stefano Dindo	4	M	40
Head of Multimedia & Workspaces	Stefano Durante	1	M	59

Table 3: The Var Talks

Our legal compliance tools



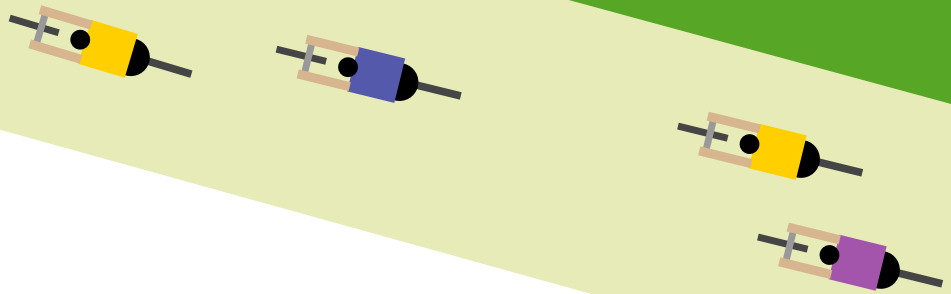
We place ethics and sound governance at the foundation of our activities, which are guided by the core principles of **transparency, accountability and compliance with the law**. To further strengthen this approach, we have adopted **Model 231 and the Code of Ethics of our parent company, SeSa S.p.A.**, which establish clear rules of conduct and values to guide our actions.

Our Code of Ethics

The Code of Ethics sets out rules of conduct for everyone involved in the organisation, from our staff to our external collaborators. It provides **clear guidelines** for dealing with potential **conflicts of interest** and for **managing our relations** with our suppliers, customers and public authorities, as well as outlining our commitment to preventing all forms of **corruption, fraud and bribery**.

These rules integrate our central value, **respect for human rights and persons**, into our daily work. Var Group promotes an **inclusive and safe** workplace, and we are committed to ensuring equal opportunities and preventing any form of discrimination or harassment. All our staff are expected to treat their colleagues and our customers and partners with respect, and to acknowledge their dignity and value.

The Code of Ethics describes a set of values and principles of conduct that inspire the directors, supervisory bodies, management and staff of SeSa and its subsidiaries, as well as its employees, and to which they conform their behaviour, pursuing objectives of sustainable growth and generating value for stakeholders as indicated in the Articles of Association.



As part of our **respect for the environment and the communities in which we operate**, we are also committed to reducing the impact of our activities by promoting sustainable practices in all areas of operation. Our Code of Ethics includes a focus on **social responsibility** by actively supporting initiatives that contribute to the well-being of local communities.

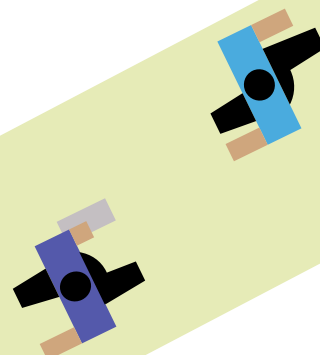
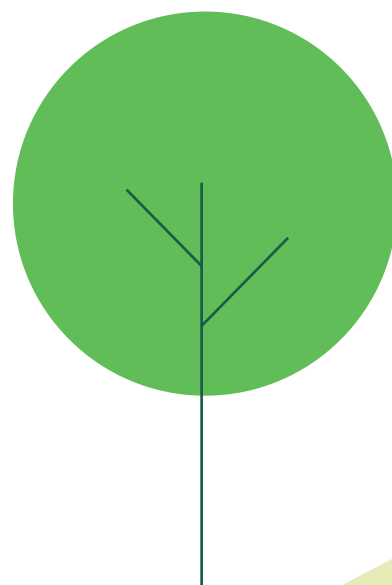
Finally, the Code promotes **transparent, fair** corporate management, and sets out guidelines for **responsible relations with our stakeholders**. These principles enable us to maintain a **reputation for corporate integrity and trustworthiness**, which we consider an indispensable factor in our long-term success.

Our Code of Ethics is publicly available.



Code of Ethics

The Code of Ethics is not just a formal document, but a living tool that guides our daily activities, ensuring that our every decision is aligned with the ethical principles of the SeSa Group.





The principles that inspire us

In drafting the Code of Ethics, great consideration was given to the **guiding principles** established worldwide in the declarations, treaties, initiatives and guidelines published by international legal bodies. The principal such documents are:

- **The United Nations International Bill of Human Rights**, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.
- **The Fundamental Conventions of the International Labour Organisation (ILO)**, the ILO Declaration on Fundamental Principles and Rights at Work and the Decent Work Agenda.
- **The principles of the UN Global Compact**, themselves inspired by the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on the Environment and Development and the UN Convention against Corruption.
- **The United Nations Guiding Principles on Business and Human Rights.**
- **The Guidelines of the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.**

How the Code of Ethics sets out our social responsibility policy

In the **Social Responsibility Policy** section of the Code of Ethics, the **Sesa Group** - and we as part of the Group - commits to respecting and promoting:

- **Respect for the rights of communities:** we respect the rights of local communities in the areas where we conduct our business, maintain an open dialogue with stakeholders, and pay special attention to groups and minorities.
- **Right to freedom of information and expression:** we respect diversity of opinion and promote dialogue with our stakeholders.
- **Contribution to the fight against corruption:** we combat corruption in all its forms by adopting policies and procedures to prevent the risk of committing the offences envisaged in Italian Legislative Decree No. 231/2001, pursuant to a model that prevents illegitimate and unlawful conduct.
- **Protection of the environment:** we integrate environmental variables into our activities and those of our business partners, promoting responsible environmental behaviour. We protect the environment with measures for continuous improvement throughout the Group's environmental management system.
- **Rejection of forced and compulsory labour:** we adhere to the principles of the UN Global Compact and reject all forms of forced and compulsory labour, both among our staff and throughout our value chain.
- **Rejection of child labour:** we respect the rights of children and reject child labour, adhering to the legal minimum working age in each country in which we operate.
- **Rejection of discrimination and promotion of diversity:** we reject all forms of discrimination, respecting the diversity of our people and offering equal opportunities for employment and professional promotion, and we ask our partners and suppliers to refrain from any discriminatory practices.
- **Respect for freedom of association and collective bargaining:** we recognise and guarantee to our workers the right to collective bargaining, freedom of expression and the protection of workers' representatives.
- **Fair, equitable and favourable working conditions:** we treat our staff with respect, in a fair and equitable manner, and pay wages that comply with the law. We guarantee a working environment free from any form of harassment, intimidation or violence, and require our suppliers and partners to respect the same requirements in relation to their own staff.

To make these commitments more concrete and effective, our parent company SeSa S.p.A. has obtained SA8000:2008 certification of its Social Accountability System. Consequently, as part of the Group, Var Group also ensures that all our activities comply with the requirements of SA8000, as well as all national law applicable to our field of activity.

Model 231 - a guarantor for the entire Group

As is well known, the name derives from **Italian Legislative Decree 231/2001** which enacted the administrative liability of organisations for specific offences into Italian law. This has made it necessary to implement procedures to assure legality and transparency, according to models that comply with the regulations.

This is a preventive tool that establishes a culture of legality and responsible management: Model 231 commits us to **monitor and reduce**, in a structured and continuous manner, any **risks** of committing offences such as corruption, fraud, and violations of environmental and occupational safety regulations.

One of the main aspects of the model is the establishment of a **Supervisory Body**, an independent body within the organisation, charged with overseeing the effectiveness of the model and ensuring that company policies and protocols are scrupulously followed. The Supervisory Body has the power to run audits and investigations, and is responsible for ensuring that the company responds promptly to potential violations, thus strengthening its internal control.

Model 231 also includes a **Code of Ethics** which outlines the principles and ethical values to which each person working in Var Group must adhere, establishing clear guidelines for the management of day-to-day activities. In addition to mitigating the risk of crime, the model promotes a safe, transparent working environment that complies with both national and international law. The model also provides for a **programme of continuous training** to promote awareness of the risks associated with the offences under the law, and the importance of following internal protocols.

The key factors in the effective implementation of **Model 231** in Var Group, as throughout SeSa Group itself, are **internal communications** and **training**. Ensuring that all persons working in Var Group have a thorough knowledge of the Model, the related obligations and the operating rules necessary for its correct application is a priority for the company. In cooperation with the **Supervisory Body** ongoing information and education on these issues are provided by our **Human Resources**

Function, which differentiates the content of training in relation to the targeted roles and responsibilities.

In line with the same philosophy of consistency among the companies of the SeSa Group, Var Group has also adopted our parent company's **Model 231: a crucial organisational, management and control tool, which helps us prevent the commission of offences by our legal representatives, staff and external collaborators.**

The importance of Model 231 lies in its systematic approach to prevention and its ability to promote an **ethical, responsible corporate culture**. Due to continually changing regulations and evolving compliance requirements, Var Group is constantly reviewing the Model to address new challenges and ensure that our company remains **aligned with international best practices** in terms of corporate governance.

Our **Model 231** includes provisions for **whistleblowing**, a tool that enables our staff and suppliers to **report, either anonymously or by name**, any conduct that is unlawful or in violation of our corporate regulations. Such reports may concern a variety of areas, including corruption, fraud, occupational safety or environmental practices, and are handled by the **Supervisory Body**, which ensures impartial, responsible resolution of the reported issues (see the section “Fighting corruption”).

The **General Part** of Model 231 is available internally on the company intranet and is also published on the website to ensure full transparency to the outside world as well. Any changes or updates to the model are communicated in a timely manner. Managers and heads of function also receive the **Special Part**, which contains further indications concerning their responsibilities, with the option of signing a declaration of acknowledgement and acceptance of Model 231.

External parties, including our business partners and consultants, are also informed of the contents of Model 231 by means of contractual clauses requiring compliance, to ensure that all our business relationships are guided by ethical principles. This set of practices reinforces the effectiveness of the model by promoting **a culture of compliance and accountability throughout the organisation**, as well as in relation to all parties with whom we interact as Var Group.



Fighting corruption

Together with our parent company SeSa, we are drafting an **anti-corruption policy** for the group as a whole. Meanwhile, we are maintaining a **rigorous, transparent** and effective approach to combating corruption, by rigorously applying the **Code of Ethics** and the **staff Code of Conduct**, which set out the ethical principles and rules of conduct that people working in Var Group are required to observe.

Our commitment to combat corruption is also enshrined in **Model 231**, which provides specific measures to prevent crimes of corruption, as well as other corporate offences. We are also preparing an **anti-corruption training programme** (see in-depth box on p. 48), which will cover various aspects of corporate governance, including **fair competition, conflicts of interest** and processes related to **tenders and contracts**. Administered on the group's training platform, this programme aims to raise our staff's awareness of these critical issues and will conclude with a test to verify its effectiveness.

To ensure that misconduct can be reported, Var Group has implemented a **whistleblowing system (VarWhistle)**, which protects the whistleblower's identity, in line with Italian law and the European Directive on the protection of whistleblowers. The channel is regulated by a **specific procedure** which identifies the responsible function and details the way in which reports are handled. In this way, the platform allows individuals, suppliers and other interested parties to anonymously report presumed misconduct and violations of the Code of Ethics. It is accessible on both the website and the company intranet. One CAN also request an appointment with the **Whistleblowing Function**, which is managed by specialised staff in the **Quality & Compliance** office.

Reports may be submitted in writing, digitally, or vocally. Internal vocal reports can be made on our telephone lines and voice messaging systems.

At the request of the reporting person, a face-to-face meeting can also be arranged within a reasonable period of time. If the recipient of a report is not the Supervisory Body itself, they must inform the latter without delay.

Whistleblowers are protected against all forms of retaliation, pursuant to **Italian Legislative Decree no. 24/2023** which regulates the protection of whistleblowers. In addition, the platform ensures that the identity of the reporting person remains anonymous, unless they decide to disclose their identity or such disclosure is necessary to defend the reported person under the law.

This whistleblowing system not only protects us from potential legal risks, but also reinforces our commitment to **transparent and accountable governance**, which is essential to maintain the trust of our stakeholders.

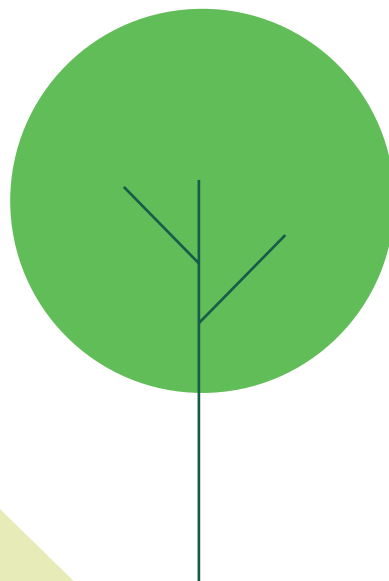
Know more to take more effective action

In the future, we plan to further strengthen our anti-corruption efforts by means of an **anti-corruption training programme**, which is currently under development. The programme will improve our staff's awareness of the **processes most prone to corrupt conduct** and increase adherence to the demands of our partners and customers regarding transparency and legality.

In particular, it will cover the main aspects of corporate governance, from fair competition to conflicts of interest, with a special focus on tenders and procurement. Each participant will have to pass a final test to receive a certificate, thus ensuring verification of the skills they have acquired.

The programme will not only cover how to report misconduct, but will also emphasise the importance of the **VarWhistle** platform as a tool for transparency and whistleblower protection. Training will be available to all staff on the Group's training platform, and will be updated from time to time in response to new regulations and operational requirements.

The goal is to provide training by the end of 2025 to **100% of our staff**, and by end 2024 to all managers of the most impacted processes. The experts in the **Quality & Compliance** team, which is in charge of handling reports, have received specific training to ensure fair and equitable reporting.



Our integrated management system and certifications

Var Group assures a high level of performance thanks to our **Integrated Management System**, which integrates quality, environmental, occupational health and safety and information security standards into **a single system**. This enables us to achieve centralised, coordinated and **continuous improvement**. The services provided to our customers and the security of the data we process are also of the utmost importance: for this reason, we have adopted **specific management systems** for these areas.

Our **Integrated Management System Policy** defines the organisation's commitment to its stakeholders. In compliance with international standards, it reflects the company's vision and its mission to achieve excellence in all areas.

The system is guaranteed by **certifications** issued by accredited bodies, which represent official recognition of compliance with international standards.

These include **ISO 9001**, the international standard that certifies our **quality management system** and ensures that our business processes are structured to improve customer satisfaction and efficient operations.

Our focus on **information security** is certified by **ISO 27001** which ensures that all **company and customer data** are **protected** and managed securely, with a focus on data protection in the cloud pursuant to **ISO 27017** and **ISO 27018**.

The integration of **ISO 20000-1** into our management system confirms **the quality and reliability of the IT services** we provide to our customers, ensuring that they are aligned with their needs and guaranteeing the continuous improvement of our services.

Environmental management, a crucial component of our sustainable approach, is guaranteed by our **ISO 14001** certification, which attests to our ability to minimise the environmental impact of our activities and to manage natural resources efficiently.

In line with our commitment to the protection of all people working at Var Group, our **ISO 45001** certification demonstrates our commitment to **occupational health**

and safety, to preventing accidents and ensuring a safe and healthy workplace.

Each of these certifications not only constitutes official recognition, but is also a tangible demonstration of our commitment to providing **high quality and sustainable solutions** while protecting the environment and our staff.

One of the strengths of our Integrated System is the adoption of a **global approach** that encompasses every aspect of our business management, from the product and service quality to the safety and well-being of our staff. This system enables us to constantly monitor our performance, identify areas for improvement and take the measures required to maintain elevated standards.

By integrating advanced technologies and complying with international standards, we are able to provide our customers with **reliable, safe and innovative solutions** that contribute to their growth and competitiveness in the global market.

The supply chain and supplier selection

For Var Group, supply chain management is a crucial process which integrates the principles of **fairness, transparency and sustainability**. This is why we monitor supply chain risks and **mitigate them with rigorous assessment and documentation**, which enable us to effectively select and manage our vendors in full compliance with regulations.

How we select and evaluate suppliers

Our suppliers are selected by a transparent process, detailed below, which identifies partners capable of meeting our business needs while ensuring compliance with the criteria of cost-effectiveness, quality and technical-professional suitability.

The Supplier Information Sheet

The **Supplier Information Sheet** is an essential tool we use to collect the information required to **assess the suitability** of candidate suppliers. It is divided into several sections, each of which aims to gather key information on the organisational structure, competencies and corporate policies of the supplier, with a particular focus on **social, environmental and**

ethical responsibility.

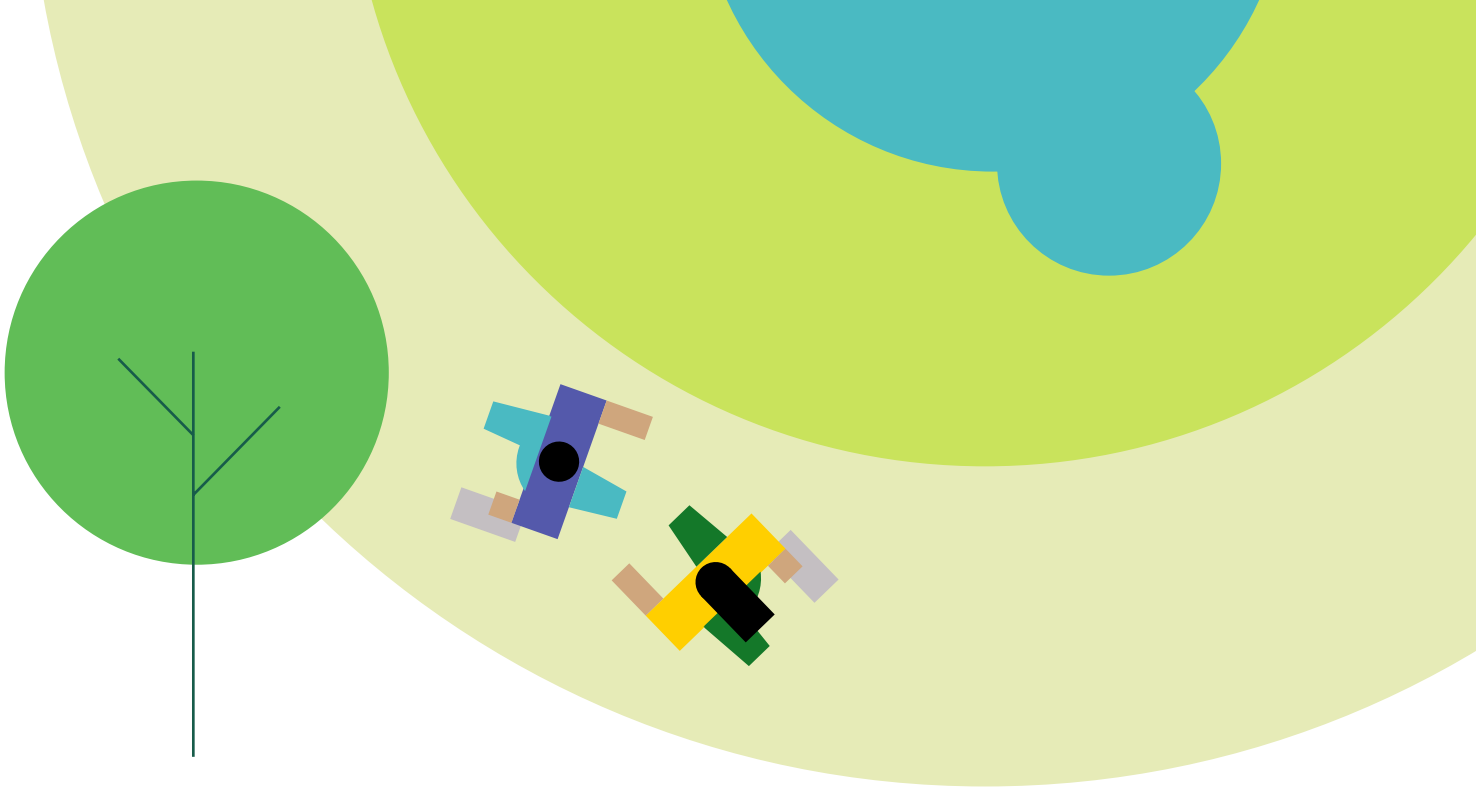
First, the form requests general information about the supplier company, including their company information, turnover, number of employees and registered offices. These details give us a clear picture of the size and solidity of the company.

However, we do not simply focus on numbers: we want to ensure that our suppliers **share our values and are aligned** with our standards of sustainability and transparency.

A significant part of the sheet is dedicated to **social and environmental responsibility**. Suppliers are requested to provide information about their environmental management, occupational safety and human rights policies. For example, they are asked to declare whether they hold international certifications such as **ISO 9001** (quality management), **ISO 45001** (occupational health and safety) and **ISO 14001** (environmental management).

These certifications attest to their commitment to comply with international regulations and standards governing sustainability and safety.

We also request details on their anti-corruption policies and corporate ethics. These would include, for example, the **adoption of a Code of Conduct**, and information about how standards are applied. This



information enables us to ensure that our suppliers are complying with international and local regulations, and that they respect workers' rights and enforce decent working conditions.

The supplier is also required to describe any company procedures or policies relating to **human rights** and **corporate ethics**.

This includes information on **anti-corruption practices**, compliance with labour laws, and their commitment to decent, non-discriminatory working conditions.

As regards their **environmental management processes**, suppliers must detail their commitment to sustainability, and submit information about their waste management, optimisation of energy resources and measures taken to reduce the environmental impact of their operations. This information is key to our commitment to **reducing the environmental impact of our supply chain as a whole**.

Finally, the document requests specific information about their **data security practices and regulatory compliance**.

Suppliers are asked to provide details of compliance with European IT security and data protection regulations, ensuring, in particular, that all operations involving data processing are done in **compliance with the GDPR** and local regulations.

The Supplier Information Sheet is thus a crucial tool for ensuring that all our corporate partners actively contribute to achieving our goals, in terms of both **respect for the environment and human rights** and efficiency.

The Supplier Security Requirements Assessment Form

In addition to the Supplier Information Sheet, another important part of the selection process is the **Supplier Security Requirements Assessment Form**, the tool we use to ensure that our future partners meet certain **standards of security and regulatory compliance**. This form identifies and evaluates suppliers from the perspective of security, both as regards the physical protection of their facilities and in terms of cyber security and data protection.

Suppliers are required to complete this form detailing their security procedures. Their responses are used to qualify and select partners in relation to our standards. This tool is a key part of the supplier management process, as it enables us to constantly monitor and verify the compliance of our business partners with corporate security standards, **minimising operational risks** and ensuring effective and secure collaboration.

The Supplier Code of Conduct

This document is inspired by the SeSa Group Code of Ethics, which Var Group has formally adopted, and emphasises the fundamental principles of **integrity, fairness, professionalism, business continuity and personal well-being**.

The code imposes an obligation on suppliers to comply with these guidelines. Its violation may lead to the termination of contracts and claims for compensation.

Human rights, the environment, and occupational health and safety are all central themes considered in this Code. Suppliers must avoid the practices of **forced or child labour** and guarantee **safe working conditions** by promoting the **professional growth** of their staff and workers and ensuring **equal treatment** without discrimination.

The Code of Conduct also covers aspects such as the **protection of privacy**, confidential information, and **anti-fraud policies**. Suppliers are required to avoid collusive conduct and behaviour involving the misuse of insider information.

With this Code, we ensure that our requirements, which we verify in evaluating suppliers, are maintained by our business partners over time. In a similar way, we work through the Specifications of Supply, as explained in the following section.

As regards active and passive corruption, these safeguards ensure that our partners have not been convicted, fined proceeded against for violations of anti-corruption laws and procedures. And in addition, that the candidate has not been involved in proceedings (whether pending or concluded) against Var Group or our staff and workers.

Our Supplier Code of Conduct establishes a set of rules of conduct that all suppliers and subcontractors must comply with in order to work with Var Group and its subsidiaries.

Specifications of Supply

Our **Specifications of Supply** are an essential tool for managing our relations with suppliers, since they set out the general conditions governing our purchase of goods and services. The document sets out the **ways in which we interact** with our business partners, and ensure that each stage of the supply process is handled transparently and in accordance with the company's high standards.

One of the key points of the specifications is the obligation on suppliers to adhere to strict regulations concerning **quality, occupational safety and environmental management**. In line with what is already demanded in our selection procedure and Code of Conduct, our specifications of supply not only require that all goods and services supplied to us comply with contractual specifications, but also that they **comply with industry standards, including ISO certifications**, which represent a benchmark of quality and reliability.

The specifications also stipulate the need for **product and service warranties**, and provide that any defects or non-conformities must be repaired or replaced at the supplier's expense. This ensures a high level of operational efficiency and reliability of the supplier's operations.

As regards **transparency and compliance**, the document also requires that suppliers comply with **data protection and cyber security** regulations, thus ensuring that both our and our customers' information is protected. In addition, the specifications include a commitment to **confidentiality**, and require that all information shared by Var Group with its suppliers be treated confidentially, even after the end of our contractual relationship.

In summary, for each contract of supply, the **Specifications of Supply** constitute continuous and timely foundations for fruitful and responsible collaboration, as established by the Code and our selection procedure, by placing **quality, sustainability and integrity** at the heart of our relationships with suppliers and building a **reliable and sustainable supply chain**.

Sustainable Procurement Policy

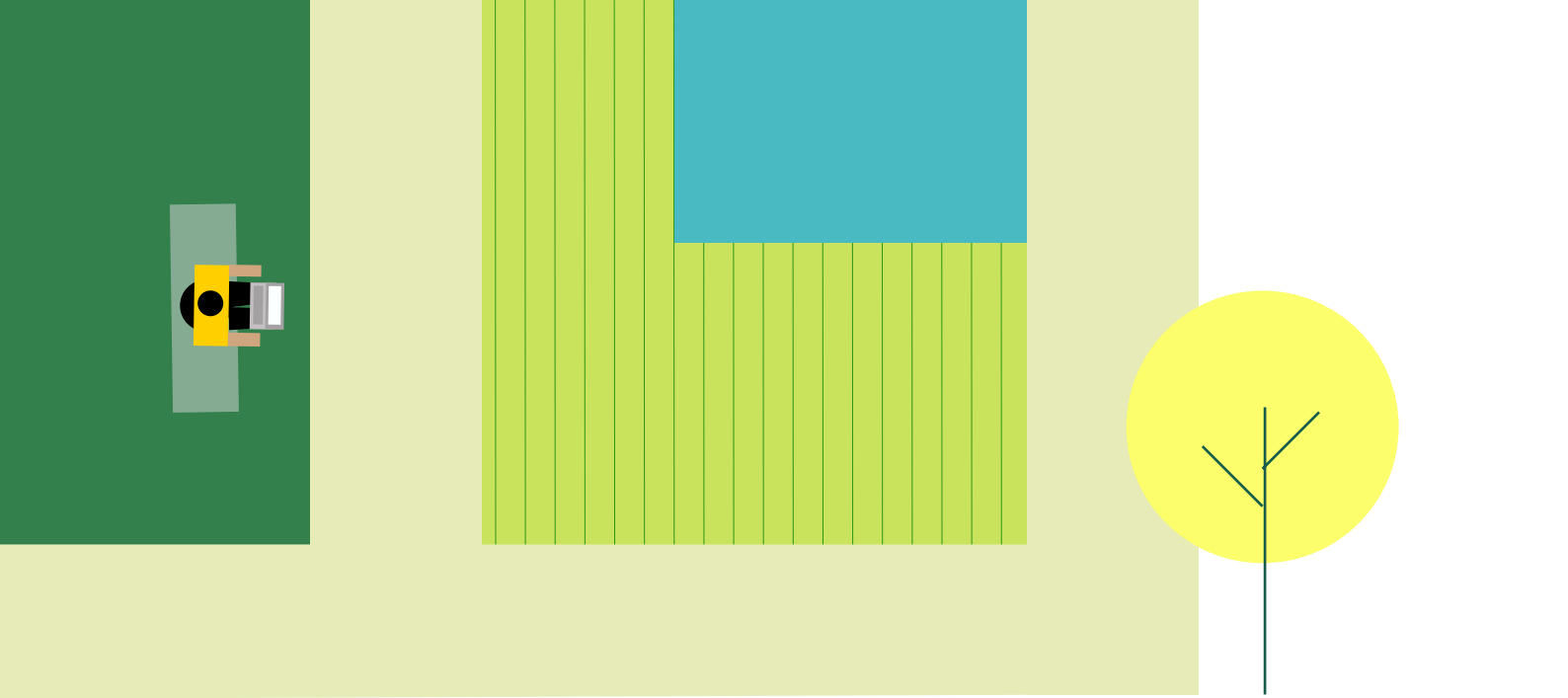
Our **Sustainable Procurement Policy** outlines our commitment to procurement management which is both environmentally and socially sustainable.

It emphasises the importance of selecting suppliers who are committed to **reducing the environmental impact** of their production processes and to **respecting strict standards of ethics, safety and human rights**. Among the practices we have adopted, we require our suppliers to comply with international regulations **on the environment, corruption, and labour rights**, as well as demonstrating their commitment in sustainability-related rating matrices and scores. Suppliers are also required to comply with **privacy and data protection standards**, in line with the GDPR.

We monitor and evaluate our suppliers systematically with regular audits to ensure their ongoing compliance with regulations and standards. These controls employ **Key Performance Indicators (KPIs) to monitor suppliers' performance** in terms of **environmental and social sustainability**.

Suppliers that do not comply with our safety, health, ethical and environmental protection requirements are excluded from our **Supplier Register**.

Finally, the document describes an Action Programme that sets out specific objectives, actions, budgets and the resources needed to achieve these objectives, along with measurable indicators for monitoring progress over time.



Our Conflict Mineral Policy and adherence to SA8000

As a company active in the digital sector, Var Group is acutely aware of the serious human and environmental implications of extracting and trading minerals from conflict zones (**conflict minerals**), which are then used in the construction of the hardware employed in our customer solutions.

These minerals, which include **tin, tungsten, tantalum and gold**, are mined in areas of ongoing armed conflict and serious human rights violations, especially in the Democratic Republic of Congo and its neighbouring states. The trade in such minerals often finances armed groups and fuels violence and instability, exacerbating the suffering of local populations.

For this reason, our **conflict minerals policy** is aligned with the **United Nations Guiding Principles** and the **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas**. These documents provide a framework for ethical and responsible procurement and business practices. This is why we source our metals from mines certified as **conflict free**.

In addition, we stand out for our commitment to **corporate social responsibility** in line with our adherence to the **SA8000 standard**. This certification

is one of the highest international standards for the protection of human rights and working conditions in the supply chain. With SA8000, we commit to ensuring that all our suppliers observe strict ethical criteria, including the **prohibition of child labour, equal treatment** and the adoption of **safe and decent working practices**.

This commitment is monitored through a rigorous verification system, which includes review of our suppliers' conflict minerals policies, as indicated above. Our principal suppliers regularly publish their conflict minerals and sustainable sourcing policies on their websites, to ensure transparent, accountable operations.

The objective of these initiatives is twofold: on the one hand, to avoid contributing to global conflicts and, on the other, to promote a more ethical and sustainable global supply chain.



Var Group and the Global Compact

Var Group has recently signed the **Business for People and Society manifesto**, which expands our existing commitment to the **UN Global Compact**. With this initiative our company, which is one of the founding members of **Global Compact Network Italy**, promotes **social sustainability along our supply chains and in our communities**, to ensure a fair and sustainable future for generations to come, leaving no-one behind.

Var Group has **respected and defended** the inspiring principles of the United Nations Global Compact, and more generally, the principles of the 1948 Universal Declaration of Human Rights.

Our membership of the Global Compact and qualification as a founding member of Global Compact Network Italy are consistent with the policies we have enacted for our people, customers and suppliers and, more generally, for our stakeholders and shareholders.

With **this daily commitment**, we continue and will continue to **take action to increase our implementation** of the ten principles of the Global Compact and benefit the community in a concrete, tangible and measurable way.

Global Compact Network Italy is an organisation that invites the private sector to be more ambitious in setting the objectives of and measuring their social impact, in the knowledge that **getting top management involved** is essential to transforming principles and commitments into **concrete action** for sustainable development.

The numerous initiatives described above have the overarching purpose of giving concrete form to these commitments, made formally at the highest level.

Cyber security, privacy and data protection

Var Group has adopted an **ISO 27001 Information Security Management System (ISMS)**, one of the key elements in guaranteeing the protection of our company's assets and our customers' sensitive information. This system enables us to **proactively manage cyber security risks** and ensure that information is treated with the utmost confidentiality, integrity and availability.

Our ISO 27001 certified ISMS provides a structured framework for monitoring, preventing and mitigating the risks associated with IT security. Thanks to continuous monitoring and a series of implemented controls, we are able to **promptly detect** threats and vulnerabilities, thus protecting customer data and assuring business continuity. We have also adopted this standard in response to growing regulatory requirements, and the demand in the marketplace for high levels of IT security.

In particular, we have implemented an **in-depth risk analysis process** to identify the principal threats to information security, including cyber attacks, unauthorised access, data theft and information system vulnerabilities. This process that has enabled us to identify not only risks, but also opportunities: for example, the **introduction of advanced security measures** improves customer confidence and consolidates the company's reputation in the ICT sector. Accordingly, we have set ourselves a number

of **strategic objectives for the future**. One main such objective is the **extension of the Security Operation Center (SOC)** to all Var Group subsidiaries by the second quarter of 2025, starting from a base value of **40% coverage** in fiscal year 2024.

The project aims to protect our corporate assets in a more thoroughgoing manner, involving internal resources such as the SOC of Var Group's Cyber Security Business Unit, Sesa's IT team, and our subsidiaries' technical contacts. We also plan to **obtain ISO 22301 certification** to validate the operational continuity of the services we provide to our customers. This objective will cover all services currently included in **ISO 20000** certification, and we intend to achieve **100% coverage** by the fourth quarter of 2025. These initiatives confirm our commitment to **continuous improvement**, since not only do they reduce cyber security risks, but they also represent a **competitive advantage** by strengthening our relationships with our customers and improving our organisation's overall resilience.

RESTRICTED AREA





.3

Environment

From more efficient facilities to sustainable mobility, we are taking action to reduce our environmental impact and raise awareness in the communities in which we operate.



Climate change mitigation: a global challenge

Tackling climate change is **an essential commitment** that all actors must address **in a proactive manner**, starting with companies like our own. Thanks to our membership of the SeSa Group, a leader in the digital sector, and the special features that characterise Var Group, we are able to successfully combine attention to detail with a broad, strategic vision. When it comes to sustainability, we have adopted the Group's policies and have integrated them effectively into our daily activities to ensure a positive global and local impact.

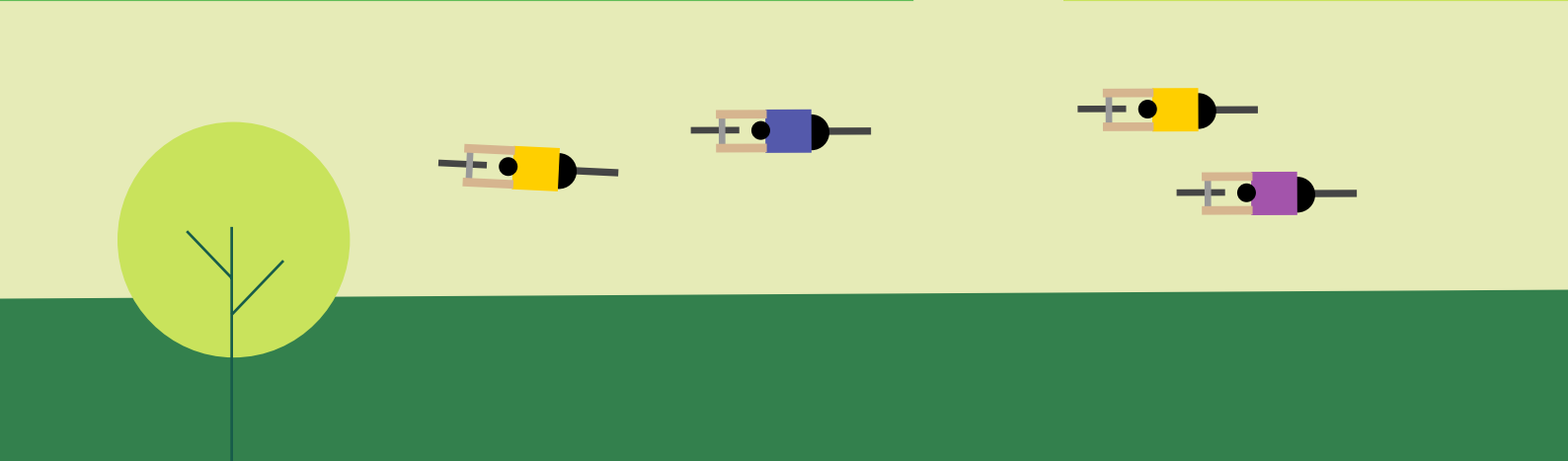
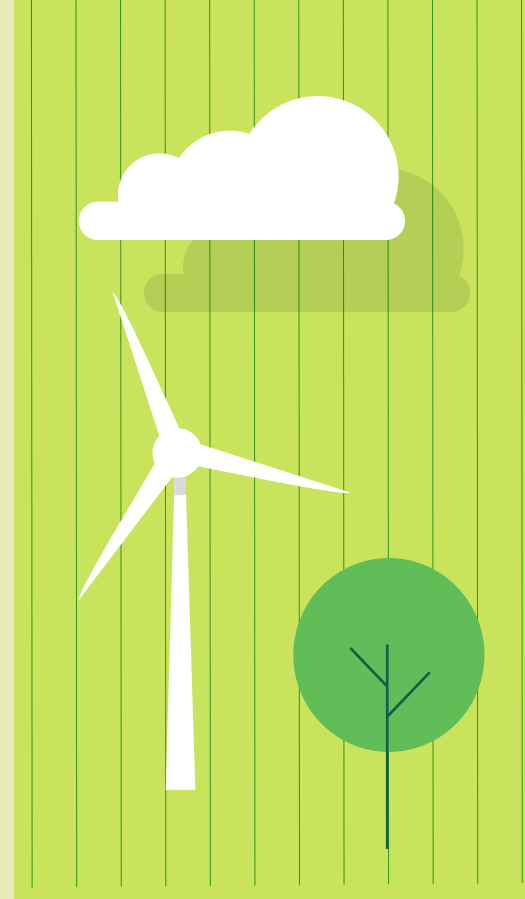
We are aware of the consequences of **climate change** and sensitive to the protection of the environment as a **resource for future generations**. That is why we manage our operations with a view to maximising **protection of the environment**.

Our environmental policies

Our commitment to continuous improvement will lead us to adopt in our operational management the criteria of **protection of the environment, energy efficiency and occupational health and safety** that SeSa has set out in its Group-wide **Environmental Policy**.

In confirmation of its responsibility to manage its resources in a respectful manner, Sesa has introduced an **Environmental Management System** pursuant to **UNI ISO 14001:2015** - which is also applied by Var Group - for which it has obtained the respective certification.

ISO 14001 set out the requirements for **proper and effective environmental management systems**. It thus supports our commitment not only to comply with applicable legislation, but also to reduce our impact on the environment by improving our environmental performance.



More effective together

In order to leverage all possible synergies, the Environmental Policy is drafted, managed and implemented in a unified way across the entire Group, in line with the Group's strategic objectives.

In particular, SeSa Group:

- **draws up** environmental and sustainable industrial development **policies**;
- **draws up guidelines** for the implementation of its environmental policies;
- **identifies indicators** and ensures that its corporate actions are monitored and controlled in terms of their environmental impact;
- **monitors developments** in national and EU environmental legislation, and establishes guidelines for their application for its subsidiaries;
- **maintains relationships** with authorities, institutes and agencies in relation to environmental issues.

How we address significant impacts, risks and opportunities (IRO)

To make our efforts even more concrete, Var Group has carried out a **materiality analysis** that has enabled us to identify our principal **impacts, risks and opportunities in terms of ESG**. For more details on this process, refer to the Materiality analysis (page 32).

In particular, as regards the environment, the negative impact of climate changing **greenhouse gas emissions** resulting from the use of **fossil fuels** has been identified as of particular importance to our stakeholders. These are divided into **Scope 1** i.e. direct emissions from sources owned or controlled by the company; **Scope 2**, indirect emissions from purchased or acquired energy; and **Scope 3**, i.e. greenhouse gas emissions up and down the supply chain, e.g. logistics.

With this in mind, our impacts on the environment can be traced mainly to the **energy consumption of the company's various sites**. Regarding the consumption of **electricity**, all installed systems are connected to the power grid. There is also a share of fuel consumption due to our **fleet of company cars** and the **generator sets** in our principal locations.

SeSa and Var Group's greenhouse gas emissions are typical of an office-based organisation, resulting from the use of fossil fuels for heating and the purchase of electricity generated by third parties, and are on the whole moderate and related to conventional like electrical and heating systems. Our main consumption is due to the consumption of electricity by our offices, data centre and IT and technology equipment, heating for our buildings and fuel for company cars. SeSa and Var Group consider it important to monitor our greenhouse gas and other emissions in order to achieve progressive reductions in our carbon footprint.

As regards our principal climate-related risks, the assessment identified a number of **potential impacts** on our activities, including interruption of services and operations, due to **physical damage** generated by **extreme events** involving temperature, wind, waterways and the land itself, such as fires, floods, hurricanes and earthquakes.

To mitigate these impacts, we have set out and implemented **business continuity plans** and adopted

appropriate **organisational and safety measures**. Thanks to these initiatives, we have drastically reduced the likelihood of a serious incident having a major negative impact on our operations.

Similarly, such measures also mitigate **reputational risks** should we fail to achieve our goals, resulting, for instance in **difficulties in attracting and retaining** customers, staff, business partners and investors.

Our financial materiality analysis, however, not only considered such risks, but also the **opportunities** arising from the pursuit of an environmental protection strategy. In particular, we identified an opportunity relating to the **reduction of emissions** resulting from **energy savings** obtained by making our locations more energy efficient. We have also increased our positive impact on the market by providing services that enable companies to reduce their own carbon footprints.

What are Scope 1, 2 and 3 emissions and how are indirect emissions measured?

An increasing number of organisations are making their efforts to reduce greenhouse gas emissions **more transparent** by reporting their progress in terms of the defined categories **Scope 1, 2 and 3**. What do these “Scopes” actually mean?

Scope 1 includes emissions from sources that an organisation directly owns or controls, e.g. the fuel consumption of its vehicle fleet (if not electrically powered).

Scope 2 covers the emissions a company causes indirectly, as a result of the way the energy it purchases and uses is itself generated. This covers the emissions caused by the generation of the electricity we use in our buildings.

Scope 3 covers emissions that are not produced by the company itself and are not generated by assets it itself owns or controls, but are rather generated by assets for which it is indirectly responsible, upstream and downstream its value chain. One example is the purchase, use and disposal of products by suppliers. Such emissions include all sources not covered by Scope 1 and 2.

In particular, **Scope 2** emissions can be calculated using two different methodologies:

- **Location-based:** this considers the average greenhouse gas emission intensity of the power grid from which energy is drawn, using an average emission factor for the national grid as a whole.
- **Market-based:** this measures greenhouse gas emissions due to the purchase of electricity, taking into account the specific emission factors reported by energy suppliers. This methodology assigns a zero emissions factor for electricity purchased from renewable sources. For other purchases of energy, the calculation uses emission factors to represent the residual mix, i.e. all energy and emissions which are not monitored or generated by renewable sources.

From the shared strategy to a practical approach

The Group has set out a **plan** which envisages **three lines of action**: monitoring and measuring emissions; progressively improving efficiency and reducing impacts; and offsetting residual and non-reducible emissions. Our contribution as Var Group is expressed in a comprehensive, far-reaching programme of environmental impact reduction projects at all our sites and offices.

For example, one project of interest in terms of reducing our ecological footprint will be implemented at our Empoli site, where most of our consumption is concentrated due to the fact that it is the location for our Data Centre. In addition to enabling us to expand our present activities and supporting the growth of our business, the project will also enable us to **reorganise the surrounding area in a more sustainable manner**: the road network will be upgraded and **new public green areas and services** will be made available

In line with UN Agenda 2030, we are committed to integrating ESG criteria into our business. Our environmental sustainability strategy is well-defined and concrete, and will enable us to achieve carbon neutrality.

not only for our staff, but also for the local people. This project will reduce polluting emissions caused by traffic, thanks to the use of **sustainable mobility**, with **free public car parks** combined with a **bike-sharing station**, **public transport** stops and new **cycle paths**.

The project is divided into **three distinct phases** of infrastructure and building construction, using environmentally sustainable, energy-saving materials, techniques and technologies. This sustainable enhancement of our technology hub will **improve the quality of life** of Var Group's staff as well as of the local people, in terms of the environment, mobility and the enhancement of social and cultural activities.

Each year, we invest in the modernisation of our sites, implementing technologies that **optimise outputs while reducing energy consumption** (see next paragraph).

Monitoring our consumption and our progress so far

Thanks to our collaboration with SeSa Group's **ESG Team** and **Sustainability Committee**, we collect and analyse environmental data and monitor indicators on a regular basis.

This enables us to generate awareness, together with **staff training** on these issues via internal communications and initiatives. Since our operations do not involve fabrication, our consumption is primarily related to **electrical power** for ordinary activities, lighting, heating and fuel for our fleet of company cars.

We give below the main indicators, collected and analysed for 2023 and 2024.

THE ORGANISATION'S DIRECT ENERGY CONSUMPTION		UNIT	2023	2024	24 VS 23 (% VARIATION)
Electrical power	Total electrical power consumption	MWh	5,597	5,744	+3%
	<i>of which purchased from the national power grid</i>	MWh	1,563	1,372	-12%
	<i>of which purchased from renewable sources with Guarantee of Origin</i>	MWh	4,034	4,372	+8%
Company car fleet consumption	Total electrical power consumption	MWh	5,597	5,744	+3%
	Total fuel consumption per car	Litres	157,213	217,849	+39%
	Total LPG consumption per car	Litres	757	1,340	+77%
	Total methane consumption per car	m3	1,474	600	-59%

Table 4: Direct energy consumption

COMPANY CAR FLEET CONSUMPTION (MWH)		UNIT	2023	2024
Company car fleet consumption	Total company car fleet fuel consumption	MWh	13,229	11,720
	<i>Diesel consumption by company cars</i>	MWh	11,791	9,751
	<i>Petrol consumption by company cars</i>	MWh	1,418	1,953
	<i>LPG consumption by company cars</i>	MWh	5	9
	<i>Methane consumption by company cars</i>	MWh	15	6

Table 5: Company car fleet consumption

TOTAL ENERGY CONSUMPTION IN MWH		UNIT	2023	2024	24 VS 23
Electrical power		MWh	5,597	5,744	+3%
Company car fleet consumption		MWh	13,229	11,720	-11%
Total		MWh	18,827	17,464	-7%

Table 6: Total energy consumption

The **growth of our business**, also thanks to business combinations with other companies, has naturally led to an increase in our consumption of **electrical power**. We have taken action to mitigate the impact of this increase, starting with our choice to favour **power with Guarantee of Origin**. Our use of the latter has grown by 8% over 2023, while the adoption of non-certified energy decreased by 12%. This approach means that certified electricity now accounts for 76% of our overall consumption, more than three quarters of the total. Our progressive adoption of **100% green electricity supply contracts** will also continue in 2025, with the aim of covering **all Group locations**.

Other ongoing initiatives, whose effects will be seen in 2025, include the replacement of heating generators and chiller units with **more energy-efficient systems, environmentally friendly refrigerant gases** and the introduction of **LED lighting**, with controlled processes and energy-efficient materials, in line with **Ecodesign Directive 2009/125/EC** for energy saving.

Regarding our **company car fleet**, our commitment to more sustainable mobility has led to an **11% reduction in consumption**. The biggest decrease regards diesel

for our diesel-fuelled vehicles (**down 16%**), while our LPG consumption, which is more ecofriendly as it produces less emissions, has gone up by **77%**. Although diesel is still our primary fuel, this highlights our commitment to adopt less polluting types of fuel.

With this in mind, in 2024 we are continuing with the gradual adoption of a fleet of **environmentally friendly cars and sustainable mobility measures**, objectives that we will continue to pursue in 2025.

For greater transparency, we give below the main **conversion factors** used to convert litres and cubic metres of fuel into MWh, to facilitate measurements and comparisons.

FACTOR	UNIT	2023	2024	SOURCE
Diesel for cars	MWh/l	0.009987	0.009885	DEFRA, Conversion Factors, "Fuel properties"
Petrol for cars	MWh/l	0.009023	0.008965	DEFRA, Conversion Factors, "Fuel properties"
LPG for cars	MWh/l	0.006760	0.006780	DEFRA, Conversion Factors, "Fuel properties"
Methane for cars	MWh/m3	0.009968	0.010053	DEFRA, Conversion Factors, "Fuel properties"

Table 7: Factors for conversion to MWh

We give below our atmospheric emissions data in terms of **tonnes of CO₂ equivalent (tCO₂eq)**. In particular, our reduced use of fuel reflected in a **17% decrease** in **direct Scope 1 emissions**. Our **Scope 2** market-based emissions are also **down 12%** due to our increased use of renewables.

This comparison of market-based and location-based methodologies also enables us to define how many

tonnes of CO₂ we save when we use certified energy. In particular, in 2024 we avoided releasing 1,183 tonnes of CO₂eq into the atmosphere.

Again, we list the emission conversion factors (and their sources) below.

SCOPE 1 – DIRECT ENERGY EMISSIONS (TCO2E)	UNIT	2023	2024	24 VS 23 (% VARIATION)
Diesel consumption by company cars	tCO ₂ eq	3,186	2,478	-22%
Petrol consumption by company cars	tCO ₂ eq	340	457	34%
LPG consumption by company cars	tCO ₂ eq	1	2	77%
Methane gas consumption by company cars	tCO ₂ eq	3	1	-59%
Total	tCO₂eq	3,530	2,938	-17%

Table 8: Scope 1

SCOPE 2 – INDIRECT ENERGY EMISSIONS (TCO2EQ)	UNIT	2023	2024	24 VS 23 (% VARIATION)
TOTAL SCOPE 2 EMISSIONS - Location Based Method	tCO₂eq	1,763	1,809	+3%
TOTAL SCOPE 2 EMISSIONS - Market Based Method	tCO₂eq	713	626	-12%

Table 9: Scope 2

TOTAL SCOPE 1 + SCOPE 2 EMISSIONS (tCO ₂ EQ)	UNIT	2023	2024	24 vs 23 (% VARIATION)
TOTAL SCOPE 1 + SCOPE 2 EMISSIONS Location Based Method	tCO ₂ eq	5,293	4,748	-10%
TOTAL SCOPE 1 + SCOPE 2 EMISSIONS Market Based Method	tCO ₂ eq	4,244	3,565	-16%

Table 9: Scope 1 + Scope 2

FACTOR	UNIT	2023	2024	SOURCE
Diesel for cars	tCO ₂ /l	0.002512	0.002662	DEFRA, Conversion Factors, "Fuel"
Petrol for cars	tCO ₂ /l	0.002097	0.002084	DEFRA, Conversion Factors, "Fuel"
LPG for cars	tCO ₂ /l	0.001557	0.001557	DEFRA, Conversion Factors, "Fuel"
Methane gas for cars	tCO ₂ /m3	0.002038	0.002045	DEFRA, Conversion Factors, "Fuel"
Electrical power - Location Based	tCO ₂ /MWh	0.315000	0.431140	AIB, European Residual Mixes
Electrical power - Market Based	tCO ₂ /MWh	0.456570	0.500570	AIB, European Residual Mixes

Table 10: Emission factors

Measuring ourselves to improve: Var Group Convention 2023's carbon footprint calculation

As part of our sustainability journey, we have also undertaken to monitor and manage the environmental impact of our **corporate events**. On the occasion of the **Var Group Convention 2023**, we initiated a first project dedicated to calculating the carbon footprint of one of the most important events for our company. We have done this with the aim of pursuing our sustainability path towards **carbon neutrality**.

With the support of specialised consultants **Climate Standard**, the event's footprint was measured by means of a **participant survey and analysis of the setup and teardown phases**, pursuant to ISO 14067, the Greenhouse Gas Protocol guidelines and data from the Ministry of the Environment and ISPRA.

Once the total emissions of the event had been calculated, a **neutralisation strategy** to offset the Convention's environmental impact was established, and we purchased **high quality carbon credits** equal to the emissions produced. In particular, we compensated our emissions by supporting the nature and social project **Water is Life by Aid4Mada ONLUS**. Since 2018, this project has resulted in the construction of **10 hand-pumped wells** and **19 solar-powered water systems** which today provide free, unlimited access to drinking water for **more than 80,000 people** living in the most disadvantaged areas of the city of Tulear, Madagascar.

Improvement activities for 2024

The success of the Convention initiative has further motivated our commitment for 2024 and the coming years: not only to manage corporate events more responsibly, but also to foster a **culture of sustainability** which will play an increasingly **central role** in all our activities.

We will also measure the environmental footprint of Var Group Convention 2024, but in a more structured way: we will adopt internal solutions for calculating its carbon footprint, pursuant to **the international ISO 14067 standard** with the support of a **third-party certification body** and expert consultants on the subject.

We have developed a system that integrates **two proprietary solutions**, thus enabling us to collect detailed data on the consumption and travel of participants. The first of these is **QualiWare**: a calculator that aggregates consumption data and data from questionnaires administered to participants. The second is **VediEnergia**: a system for monitoring and collecting data on the location's energy consumption, which in the case of Var Group Convention 2024 is the **Rimini Palacongressi (conference centre)**, by measuring historical data and consumption during the event.

To give continuity to our **social activities**, we have decided to compensate our emissions by **supporting the Water is Life project** in this case too. By purchasing these certificates, we will not only offset the emissions of the event, but also help to generate a tangible and positive impact on the territory, in continuance of previous editions of the event.

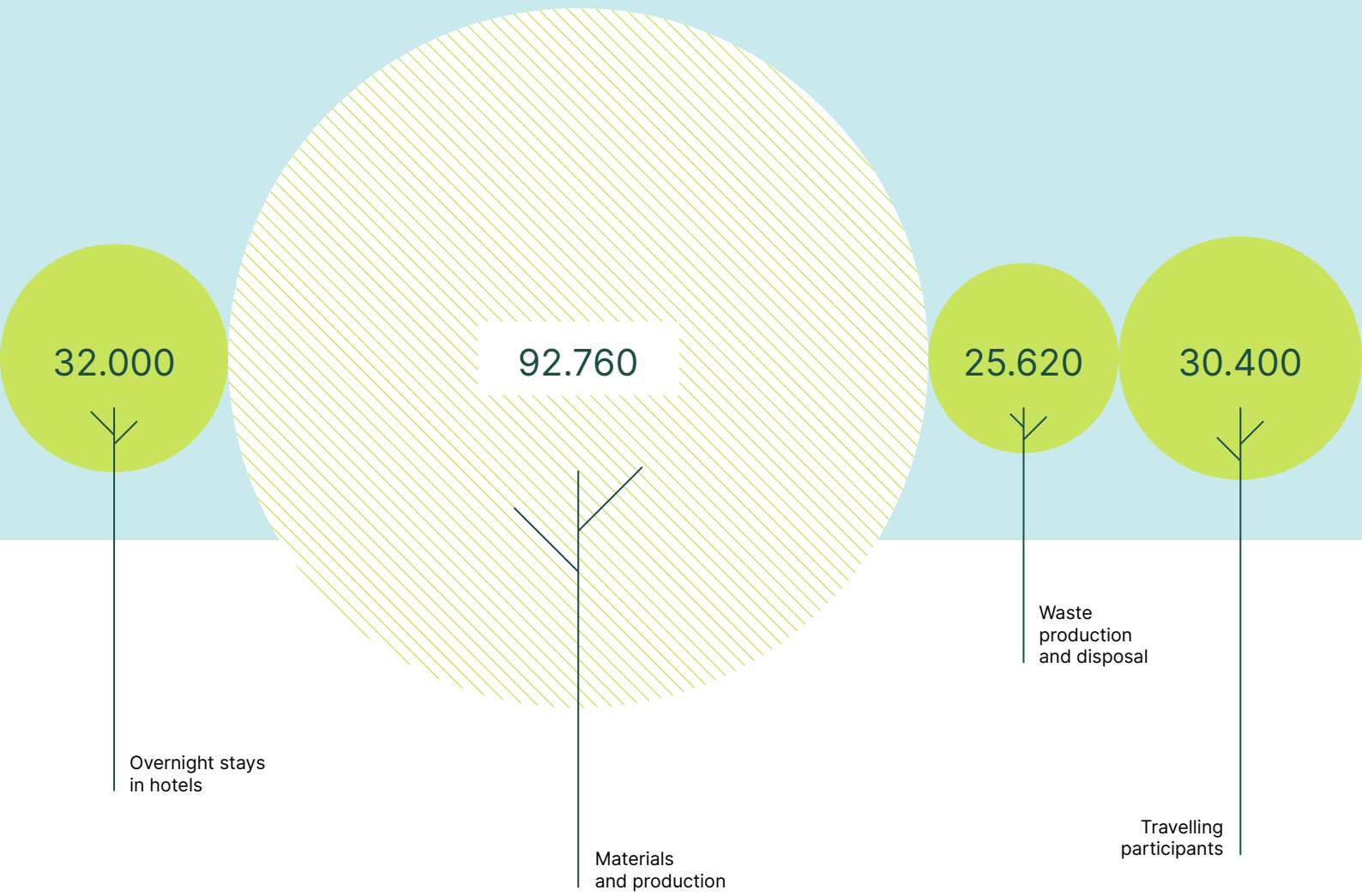


**Var Group Convention
2023 emissions**



194.85

tonnes of CO₂ equivalent



.4

Var Group's people

We value the uniqueness
of people in a safe and inclusive
workplace, encouraging their
balance and sense of belonging.



Soul and digital: how we take care of our people

Var Group aims to ensure a **fair, responsible and transparent approach** to labour practices. We are therefore focussed on care for our people, in line with the philosophy of our parent company SeSa.

Our policies in this regard are guided by a strong commitment to **human rights** and **safe, decent working conditions**. This is the starting point not only for maintaining a safe and inclusive workplace, but also for creating a **more sustainable and inclusive society**.

To this end, we work first and foremost in strict compliance with our **Code of Ethics**, which forms the basis of our management principles and includes **specific references** to the protection of fundamental labour rights.

Our commitment to valuable employment, black on white

To ensure a more consistent and systematic application of the principles that inspire us, we are currently engaged in the participatory development of our Charter of Values, an essential tool for formalising our commitment to social responsibility and personal well-being. We expect to publish it by mid-2025, and it will be a major reference for all our choices and actions.

This project actively engages our corporate population, which will be involved in defining the values that distinguish Var Group and its people. In this process, we have already surveyed the views of our staff, and we plan to organise issue-specific workshops and interviews for the entire organisation.

These tools will enable us to ensure that the company's values reflect its identity and aspirations, and foster a sense of belonging and consistency between our stated principles and our daily activities.

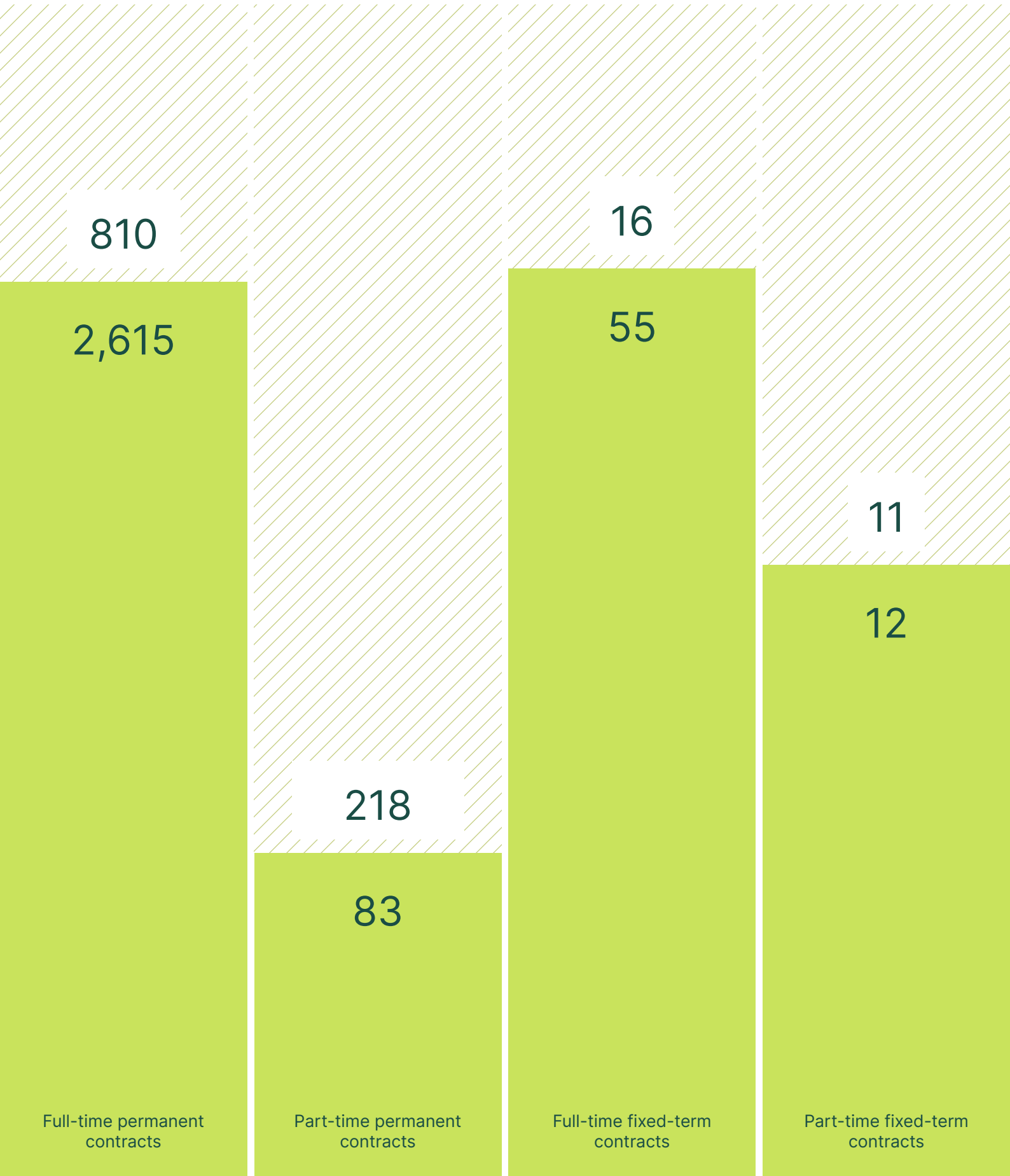
Overall, we rely mainly on legislation and labour contracts to ensure equitable treatment. Var Group operates in many countries around the world, and we are committed to strictly complying with **the local regulations in each country**.

As far Italy is concerned, this translates into strict observance of applicable **national collective bargaining contracts (CCNL)**, which regulate wages and working conditions in detail to ensure **fairness and compliance** with the law.

In Italy as abroad, this approach ensures that **the rights of our male and female staff are always protected** pursuant to local law, in terms of wages, working conditions, occupational safety and **social benefits**, including parental leave, paid sick leave, accident insurance and retirement.

Distribution by sex and type of contract in 2024

Women Men



Var Group's focus on **creating a fair, safe and sustainable workplace** at all our locations is not just a matter of compliance, but is **core to our global strategy**.

We want to create a workplace that is not only compliant with regulations, but that **actively promotes personal and professional growth** while ensuring that all our staff feel **valued, protected and supported**.

It is for this reason that **almost all** our staff (**98%**) are employed **with permanent contracts**, of which **3,425 are full-time** and 301 part-time. These figures reflect our commitment to our long-term strategy.

Focus on welfare and the work-life balance

In the awareness that **personal well-being** is a fundamental driver of the **sustainable growth** of our organisation, for more than ten years we have been actively engaged in improving **the work-life balance and well-being of our people** with an increasingly expansive and diverse **Welfare Plan**. Further expanded for FY2025, the Plan includes a number of initiatives designed to support the personal and professional needs of our people.

We have introduced measures to **better reconcile work and private life** by providing concrete help in everyday life. The new welfare plan for FY2024, further expanded from the previous year's plan, aims to increase our staff's well-being, health and quality of life, with a renewed focus on parenting, education, sustainability and well-being, and new initiatives for young people.

98%

Persons employed
on permanent contracts

We are convinced that investing in people's well-being and satisfaction is key to a harmonious and productive workplace, in which everyone is motivated to grow and contribute to the success of the organisation as a whole.

In particular, we support:

Diversity and parenthood: support for new parents with economic support, contributions for baby-sitting services, pedagogy, a crèche (access to the SeSa Baby company crèche at the Empoli site); contributions for enrolment in summer centres, scholarships for the purchase of school books and IT tools for children; and economic support for health and social assistance for disabled family members.

Welfare and training: flexible benefits to supplement food costs, for sporting activities, culture, wellness and parenting services; grants for the purchase of IT tools; support for housing mobility; scholarships for participation in first degree and masters courses and the purchase of textbooks; international training and Erasmus programmes; and health packages for the reimbursement of healthcare, diagnosis and medication expenses.

Environmental sustainability: dedicated contributions to sustainable mobility for the use of public and electric means of transport and E-Car Sharing programmes to reduce the consumption of natural resources.

Work-life balance: solidarity and people caring for our staff's well-being and health; company microcredit programmes for access to subsidised loans;

psychological support and help desk available free of charge; health packages for the reimbursement of healthcare costs; well-being programmes and sports activities, including on digital platforms.

Our commitment to flexible working is also reflected in our implementation of **smart working**, which enables staff to work remotely for **at least two days a week**, and in our **digital holiday plan system** which enables **autonomous planning of holidays** in agreement with team leaders.

These measures will be complemented by an **8 euro daily meal voucher** from 2025 for **at least 60%** of all Var Group staff. These vouchers will be digital, rechargeable and cumulative.

This will make them easier and more flexible to manage, in line with our ambitions for innovation and sustainability.

These measures will not only improve their quality of life, but also **reduce staff turnover** and reinforce our commitment to lasting social sustainability.

Our Welfare Plan is thus not only a commitment to our people, but a fundamental feature of our broader strategy to build an inclusive, fair and sustainable future.





We are a Great Place to Work: certified by the experts

One of the many ways in which Var Group focusses on its people is by valuing each person's talent and professionalism. This commitment is confirmed by the Great Place to Work® Italia certification we obtained in 2022-2023 and 2023-2024: a major certification that attests to the effectiveness of our approach to our people's well-being. This is not just an achievement, but also and above all a starting point for the continuous improvement of working conditions and the creation of a workplace focussed on inclusion, trust and collaboration.

The certification is the result of a rigorous process of evaluation, based on direct anonymous feedback from our staff, which assesses aspects such as the quality of interpersonal relationships, sense of belonging, equality of opportunity and the work-life balance. For Var Group, being recognised as a Great Place to Work® means not only meeting high standards of quality in working practices, but also nurturing a sense of cultural belonging that values each individual and their uniqueness.

The Great Place to Work® certification is a confirmation - made even more valuable by the fact that it is issued by a third party body - of our ongoing efforts to create a corporate culture that is not only productive, but also rewarding and respectful of people. For 2024-2025, we will continue our commitment to excellence by renewing our certification. This will enable us to constantly monitor the performance of our organisation and reinforce our goal of building a great place to work.

We firmly believe that the feedback from and suggestion made by our people are key to our continuous improvement. In line with this approach, we will make the customary company survey again this year, engaging the company's entire workforce in the last months of 2024. The results will be analysed and returned by December, and will provide a solid basis for planning future actions and consolidating our shared path of growth.

How we employ people and support intergenerational integration

Var Group actively promotes **intergenerational integration** in our teams: as of 30 April 2024, **72%** of our people were **under 50 years of age**, while **24%** were **under 30**. The average term of employment is **8 years**, a particularly positive figure compared to the average in our sector, characterised as it is by **high turnover** and the difficulty of recruiting specialised professionals.

In the last fiscal year we made as many as **776 new hires**, mainly in Central and Northern Italy, of which **50%** were **under 30**, a significant increase that confirms the effectiveness of our policies aimed at **attracting talent**, particularly among the young.

776

new hires
in the last fiscal year

50%

under 30s

Training and talent attraction initiatives

In line with our parent company, we have adopted a structured approach to identifying and recruiting new talent, composed of a number of **initiatives**:

- **Talent Ward**, the Var Group's corporate university, fosters the integration of young talent also in collaboration with schools and universities, to create continuity between education and career paths.
- The intensive training provided by our **Cloud & DevOps Masters**, and our collaboration with **ITS Prodigy, Empoli** both contribute to training new talents in technology. Designed to provide young people with specialised skills for their entrance into the world of work, they respond to the growing need for specialised professionals in the IT sector.
- The Masters in **cyber security**, intended to identify and develop talents capable of competently tackling the specific digital challenges of this field.

- Innovative events like **Hackathon** enable participants to leverage their skills in an exciting competition, which also fosters innovation and collaboration.

As of 30 April 2024, we have **32 active internships**, divided between curricular and extra-curricular activities.

Thanks to this approach, we not only **attract and retain talent** but also actively contribute to the **training of new generations** with a special focus on future skills in IT.

Age distribution in 2024

23.98%

People <21-30>

48.98%

People <31-50>

27.04%

People <51 and over>

An established presence in a variety of territories

We have sites all around Italy, mainly in **Northern Italy**, where **60.36%** of our workforce is located, followed by **Central Italy** with **25.57%**. Our presence in many of the country's most dynamic areas enables us to make the most of opportunities for growth and innovation. Although our presence in southern Italy and abroad is currently **relatively limited**, accounting for 1.61% and 12.46% of the total respectively, we consider these territories to be **strategic areas for future growth**.

	NUMBER AS OF 30/04/2024	% AS OF 30/04/2024
Employees: Northern Italy	2308	60.42%
Employees: Central Italy	970	25.39%
Employees: Southern Italy	62	1.62%
Employees: Abroad	480	12.57%
Total employees	3,820	
Trainees: Northern Italy	17	53.13%
Trainees: Central Italy	15	46.88%
Trainees: Southern Italy	0	0.00%
Trainees: Abroad	0	0.00%
Total trainees	32	
Total workforce: Northern Italy	2325	60.36%
Total workforce: Central Italy	985	25.57%
Total workforce: Southern Italy	62	1.61%
Total workforce: Abroad	480	12.46%
Total workforce	3,852	

Table 11: Workforce by geographical area

Long-term sustainable growth, HR performance

Turnover is a key indicator for assessing **employee retention** and the effectiveness of HR policies: it reflects an organisation's ability to **attract, retain and develop talent** over the long term. When we look at Var Group's data on outgoing and incoming turnover as of 30 April 2024, we can draw a number of conclusions.

Our outgoing turnover rate of **8.28% (319 terminations) as of 30 April 2024** is extremely positive compared to the average for our industry, which is **highly competitive** with elevated **turnover**. When we analyse the data by **sex**, we can see that turnover is slightly higher among **men (8.64%)** than **women (7.58%)**.

The most affected group is the **21-30 age group**, with a rate of **13.21%**, followed by the **31-50 age group (8.18%)** and finally **51 and over (4.36%)**.

With regard to **incoming turnover**, the rate is significantly higher at **20.15%**, with **776 new hires in the fiscal year**, a clear testament to our investment in people. Again, the figure is slightly higher among **men (at 21.08%)** than **women (18.29%)**. The **21-30 age group** accounts for almost **42%** of new hires, a figure that highlights Var Group's ability to attract **young people** with a view to **intergenerational exchange and continuity**. This is followed by the **the 31-50 age group (16.62%)**, and then **51 and over (7.84%)**.



OUTGOING TURNOVER RATE AS OF 30/04/2024

Total employee terminations	319
Total employees	3,852
Outgoing turnover rate (%)	8.28%
% Men	8.64%
% Women	7.58%
AGE GROUP	
< 21-30 >	13.21%
< 31-50 <	8.18%
> 51	4.36%

INCOMING TURNOVER RATE AS OF 30/04/2024

Total recruitment	776
Total employees	3,852
Incoming turnover rate (%)	20.15%
% Men	21.08%
% Women	18.29%
AGE GROUP	
< 21-30 >	41.92%
< 31-50 <	16.62%
> 51	7.84%

Table 12: Turnover rate

Growing people and professionals: training and skill development

Training plays a key role in our people development process, and is a strategic tool for **aligning professional skills** with changing job descriptions and the requirements of our business and regulations. Our **investments in training** are focused **on several key areas: ESG** (environmental, social and governance), key to sustainable and responsible practices; essential cross-cutting **soft skills** like leadership, effective communication and team management; and the **digital technologies** required to handle innovations in our business.

Our training programmes include a significant component managed **centrally** by our parent company SeSa's training department, relating to specific topics such as the **protection of personal data** (in particular the European GDPR, General Data Protection Regulation), **cyber security** and **occupational safety**. These programmes are also provided on **digital e-learning platforms**, which enable us to engage a growing number of people in an effective and flexible manner.

During fiscal year 2023/2024, we delivered a total of **63,233 hours of training**, of which **48,447 hours where provided on digital platforms** and **14,786 hours by third parties**. This commitment translates into an **average of 16.4 hours** of training per person, and demonstrates our ongoing efforts to provide

opportunities for the professional development and updating of all our resources.

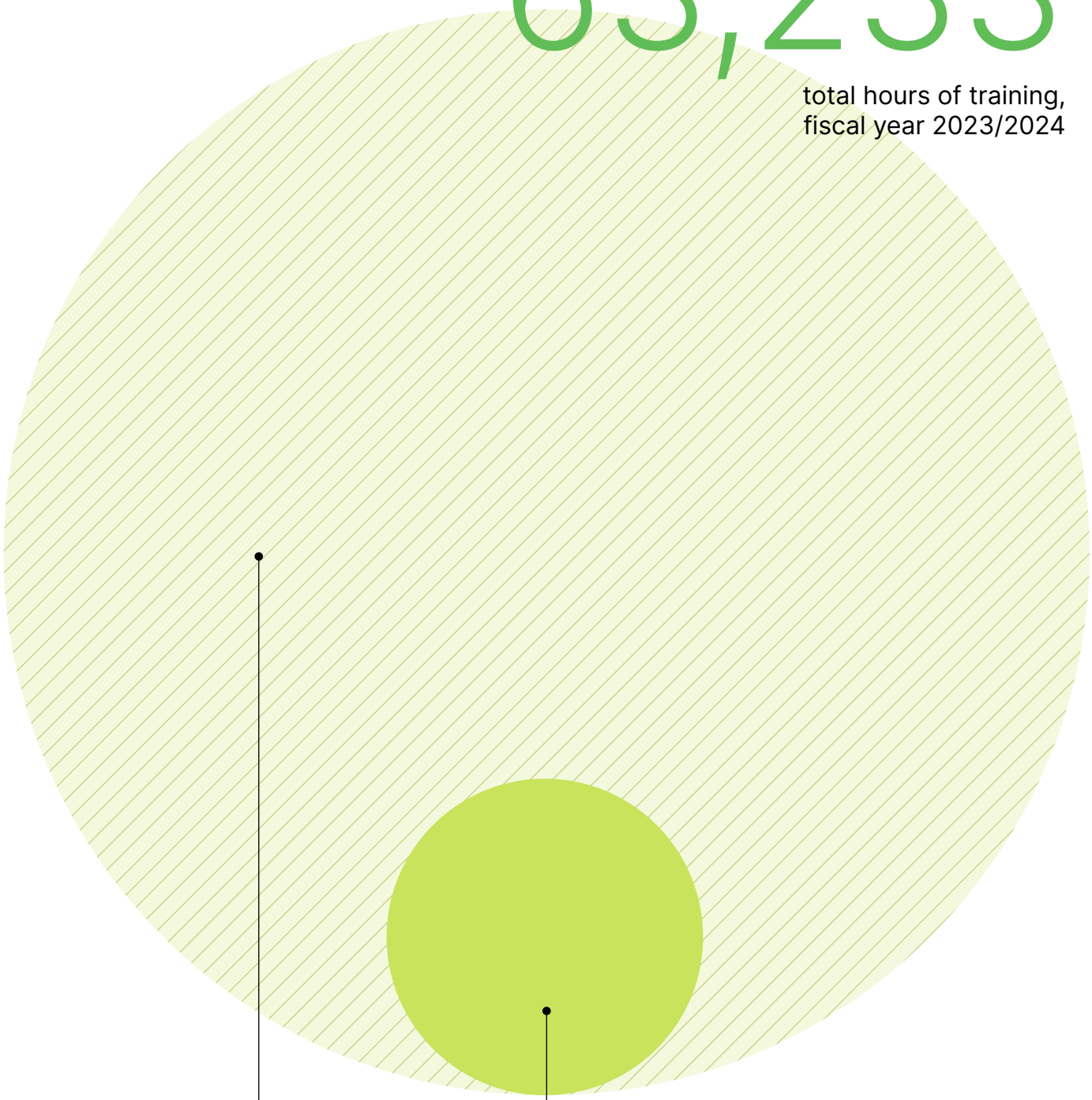
Our training plans are compliant with **UNI/PdR 125:2022**, which assures **fair and equal participation** in training and personal development, in support of our commitment to an **inclusive and meritocratic workplace**.

To further foster professional growth, our 2024-2025 Welfare Plan will also provide for significant investments in training, with **scholarships, Erasmus programmes** and **international masters programmes**. We believe that continuous training is the key to individual success across our entire organisation.

Hours of training,
fiscal year 2024

63,233

total hours of training,
fiscal year 2023/2024



48,447

hours of training,
digital platforms

14,786

hours of training,
third party

Diversity, Equity and Inclusion: our commitment to the community

Inclusion in Var Group and our stakeholder communities

Our DEI policy is currently being drawn up, and will be made public by end 2025. In view of this upcoming milestone, we have already taken action to make our workplace **increasingly inclusive and equitable**. Our DEI policy will promote inclusion by addressing key issues like **gender equality, disability** and other aspects of **non-discrimination**. Developed with input from our in-house teams, including Human Resources, Quality & Compliance, Digital Law & Data Protection, Communication & Marketing and our **DEI Community**, the new policy will set the foundations for systematically monitoring progress on this front.

Our DEI policy will also indicate the various channels of communication, including dedicated HR email addresses and the **VarWhistle** whistleblowing platform, on which people can report non-compliance with our corporate standards or legal regulations, anonymously or in person. We ensure that all reports are **treated confidentially** and without incurring retaliation, so as to promote a transparent and safe workplace. With the new DEI policy, these channels will be accessible both on our **corporate intranet** and on the **website**, thus enabling all our stakeholders to review and access information.

At Var Group, we firmly believe that Diversity, Equity and Inclusion (DEI) are fundamental principles for creating a workplace that values each person for themselves.



The DEI Community, the flagship of our inclusion policies

In order to ensure that all our staff are working in an inclusive, fair and tranquil environment, we have set up a DEI Community with over 60 of our colleagues. Each of them has volunteered for a special training programme intended to grow awareness of diversity, equity and inclusion issues. The DEI Community spreads good practices and our culture and values throughout all Var Group locations, by promoting initiatives in this regard. This also provides every Var Group employee with DEI contacts with whom to discuss these issues.

Within the DEI Community, each member has chosen the role of Ambassador, Ally or Follower, with the following respective responsibilities:

Ambassador

- Ambassadors actively participate in the organisation of the community and its procedures and initiatives to raise awareness and disseminate the DEI culture in Var Group.
- They collaborate in the definition of the Objectives and their related Indicators via their representative on the Committee.
- They support their colleagues by indicating channels of communication should they need to report any misconduct or personal difficulties relating to DEI.

Ally

- Allies participate in DEI Community meetings and activities, and actively promote DEI in their sphere of influence in Var Group.
- They support their colleagues by indicating channels of communication should they need to report any misconduct or personal difficulties relating to DEI.

Follower

- Followers are charged with contributing, with their conduct and understanding of the issues, to growing awareness of DEI.

The Diversity, Equity and Inclusion training course

Our Diversity, Equity & Inclusion (DEI) training course is designed not only to raise participants' awareness, but also to give them the skills they need to become **ambassadors for these issues** in the company. The programme features on a **structured approach** in several stages, which combines in-depth training with practical experience in the concepts (see box below).

We have already trained more than 70 people in DEI, and will engage as many people again in the second edition of this training during 2025. Our goal is to create a corporate culture in which Diversity, Equity and Inclusion are celebrated and each person can feel valued and heard.



Four major themes for awareness ambassadors

DEI training is composed of **four key modules**, each of which addresses a specific topic:

- **Unconscious bias:** this enables participants recognise unconscious biases that influence everyday decisions and behaviour, in order to promote a more equitable and inclusive workplace.
- **From paternalism to alliance:** this explores the transition from paternalistic to more collaborative and equitable management, by fostering alliances between leaders and teams for a more inclusive culture.
- **Inclusive communication:** this deals with communication techniques and strategies that value diversity and promote respect and inclusion in terms of languages and interactions.

- **Work inclusion:** this focuses on the inclusion of disabled persons, and how to remove barriers to equal opportunities for all.

Each module follows a **precise, repeatable methodology**. In the first phase, onboarding & pre-work, participants complete autonomous activities on **a dedicated online platform**. This is followed by a **face-to-face workshop** with theoretical discussions, group exercises and experimentation. Participants are encouraged to **put what they have learned into practice** and, two weeks after the trial, meet via calls to share their **experiences, challenges and results**. This concluding phase consolidates what they have learned, and reinforces the training.

Including disabled persons

Var Group aims to **go beyond mere compliance with regulations** by adopting an approach that enhances **skills and talent** regardless of abledness/disability.

In particular, we have launched an ambitious **accessibility** project to build a workplace in which everyone, regardless of their physical abilities, has the same opportunities to **succeed and realise their potential**.

Starting from the consideration that in Italy, at the present time, **only a fraction** of disabled people who are able to work are actually employed, we are well aware that we can increase the inclusion of people with disabilities by drawing up **policy dedicated to this issue**.

The project is based on **four pillars: job description**, to ensure that the employee's skills and requirements are the key concern; **place and tools**, to ensure that the workplace is accessible; **relationships**, to create awareness among management and work teams; and **path**, with growth targets and controls.

This commitment is not limited to our in-house activities, but also extends to our **social activities**.

Indeed, the plan will involve action on three levels: **local**, to attract talent through our relations with the territory and our collaborations with schools and universities; **national**, with a disability management strategy to support people throughout their careers; and **digital**, by developing accessible platforms in collaboration with the **ASPFI Onlus Foundation**.

Var Group and ASPFI Onlus Foundation - working for inclusion

ASPFI Onlus Foundation is an Italian non-profit organisation committed to promoting the inclusion of people with disabilities through the use of digital technologies for over 40 years. Its main objective is to improve the quality of life by facilitating access to education, employment and social participation. ASPFI works with public authorities, companies and public and private organisations to develop innovative projects and training courses that use technology to break down barriers to inclusion.

The foundation also organises events like Handimatica, a trade fair dedicated to technology and disability, which brings together experts, companies and academia.



Our collaboration with the Foundation aims in particular to analyse our processes and spaces in order to introduce new practices in recruitment, selection, reception and career development, to ensure that inclusion becomes a **concrete and sustainable reality**.

To demonstrate our commitment to a more inclusive workplace and society, our people will also be involved in **volunteer days** during **Handimatica, which will be held from 28 to 30 November 2024**.

As further evidence of the **added value** of this collaboration, the Foundation will this year also be a **partner of our Hackathon**, to be held in conjunction with the Var Group Convention in October 2024.

With a view to compliance with the **WCAG 2.2** standards, we have also undertaken a major initiative to **improve the accessibility and usability** of our digital platforms: the website vargroup.com and the corporate intranet varplace.vargroup.com (reserved in-house space, not browsable from outside). Following an initial analysis of the platforms, we found them to have good

levels of accessibility, but we have also identified **areas for improvement** which will enable **even higher levels of conformity with the accessibility criteria of WCAG 2.2** during 2024. These actions will be finalised in early 2025, to ensure compliance with the new regulations scheduled for next year.

In particular, the project includes a series of implementations and technical changes to ensure that digital content is fully accessible, even **for people with impaired sight and hearing, and motor and cognitive disabilities**. In this project too we are collaborating with the **ASPHI Onlus Foundation**, which will conduct a complete review of the platforms and have them tested by both usability and accessibility experts and people with disabilities to verify and certify their compliance with accessibility standards.

What the WCAG 2.2 standard is and what it does

The Web Content Accessibility Guidelines 2.2 (WCAG 2.2) is a set of guidelines drawn up by the World Wide Web Consortium (W3C) in order to make web content more accessible to people with disabilities.

These standards help improve accessibility for individuals with visual, hearing, motor, cognitive and neurological disabilities. They are organised into four basic principles: Perceivable, Operable, Understandable and Robust.

The update to version 2.2 introduces new criteria to further improve the user experience, with a focus on accessibility on mobile devices and interactive controls.

The principal new features are:

- *Improvements for keyboard navigation.*
- *Greater emphasis on the visibility and clarity of focus indicators.*
- *New requirements to ensure that touch actions, such as taps and swipes, are easily performed.*

These guidelines not only help comply with international accessibility regulations, but also enable the creation of websites and digital applications that can be used by a wide range of users, making content accessible without technical or physical barriers.

WCAG 2.2 compliance ensures that websites are navigable and usable by all, thus improving inclusion and the overall user experience.

Our concrete contribution to social projects

Var Group is committed to having an impact not only on our own staff, but also on **society as a whole** across a wide front. Our work in this area includes our membership of **Onlus CavaRei** and the creation of **T-Station Academy**, a training centre which

breaks down barriers in the area of disability. The Academy is dedicated to **training of disabled and vulnerable persons in technology skills**. Thanks to our partnership with **Cisco**, it has been recognised as a Cisco Networking Academy, and over the years we have developed training courses at the Var Group's Forlì office.



Working towards inclusion with CavaRei, a social enterprise

Onlus CavaRei is a social enterprise that promotes the inclusion and well-being of disabled and vulnerable persons with social, educational and employment services. Founded to improve their quality of life, CavaRei offers care, rehabilitation and job placement to promote their active participation in society and the world of work. Their approach focuses on the potential of each individual,

in order to promote inclusion and solidarity.

For more information, visit the official website: <https://cavarei.it/>.

The other side of DEI: distribution and the pay gap

One very concrete DEI issue is the fair distribution and remuneration of people. An analysis of **distribution by professional qualification** shows that, out of a total of 3,852 people, the majority of them hold **clerical roles (3,413 people)**. **Men** predominate in management and executive roles, with **319 positions** compared to **59 positions held by women**.

This male dominance in positions of greater responsibility highlights a **challenge in terms of gender equality** that we intend to tackle in the coming years and that concerns not only our company, but **the technology sector as a whole**, to which we have only seen a counter-trend in recent years. This makes our efforts to accelerate this change and ensure equal opportunities at all levels of our organisation even more important. An confirmation of our willingness to take action in this regard is that **our CEO, Francesca Moriani, is a woman**.

The **gender pay gap** is defined as the difference in average pay between men and women, expressed as a percentage of the average pay of men. Data relating to **Italy** show that the **situation is complicated**. Among management roles, **women** earn **3% more** than men, which is highly positive and indicative of a potential reduction in inequality in this bracket. In other categories, the most pronounced difference is among people in blue collar roles, where **women** earn **33%** less than their male colleagues. The pay gap is also disadvantageous to women in **executive (-12%)** and **clerical (-7%) positions**.

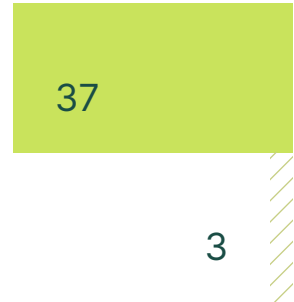
From the point of view of social sustainability, reducing the gender pay gap is essential to promoting a fair and inclusive workplace. We intend to tackle this inequality with the utmost care, not only to ensure greater equity in the company, but also to contribute to the economic well-being and full participation of women in the world of work.



Distribution by professional qualification and gender

Women Men

Managers



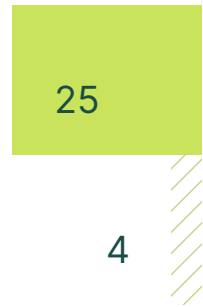
Executive positions



White collar, male
White collar, female



Blue collar, male
Blue collar, female



Trainees



Health and safety, a priority for Var Group

Our health and safety policy goes beyond **mere regulatory compliance** to create a workplace that is not only safe, but also inclusive.

Our health and safety management system is in fact **ISO 45001 certified**, the most authoritative certification in this field.

The system is based on a **preventive approach** which identifies and mitigates risks before they can cause accidents or occupational illness.

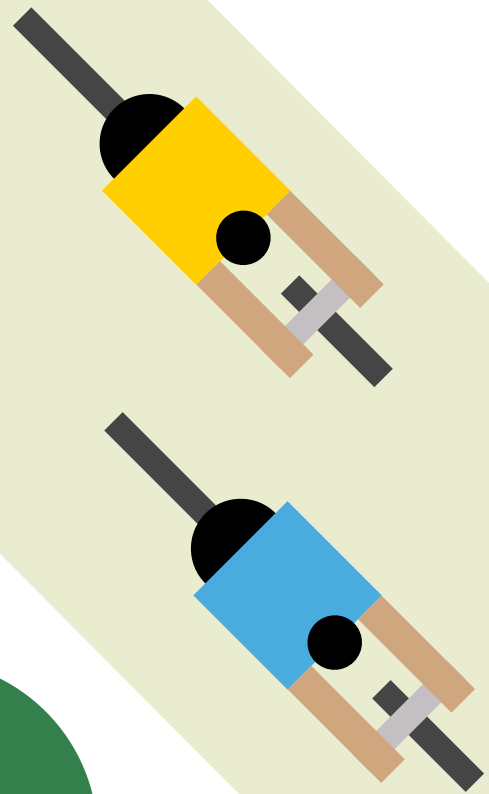
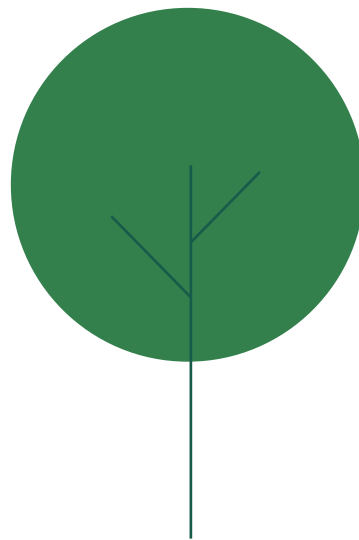
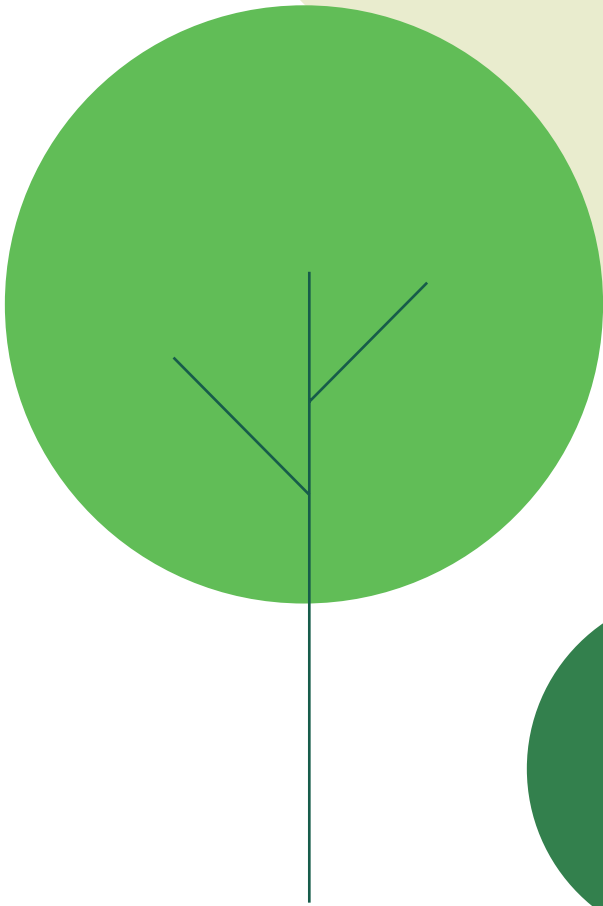
With this in mind, we see health and safety not only as a responsibility towards our people, but also as a **broader social commitment**. We work with regulators, trade unions and other organisations to ensure that our policies are not only compliant, but also exemplary in terms of safety standards.

Among other initiatives, we offer **healthcare packages** for the reimbursement of medical expenses and **free, completely confidential psychological support** for all our staff. We also support participation in **sports** and encourage a **healthy, active lifestyle**, including free nutritional counselling, which contributes to a better quality of life.

Constant monitoring for continuous improvement

To ensure that our safety measures are always aligned with best practices and emerging needs, we have implemented a **rigorous performance monitoring process**. This includes regular audits, the analysis of incidents and near misses, and the use of **key performance indicators (KPIs)** to assess the effectiveness of the measures we have enacted. This continuous collection and analysis of data allows us to identify areas for improvement and to take timely action to reduce risks.

We have also set up a number of **formal processes and channels** to enable concerns to be raised, needs expressed and issues reported, with a focus on occupational health and safety. People can address themselves directly to the **Workers' Safety Representative (RLS)** or use the dedicated form on the company intranet to send reports to the **Prevention and Protection Service Manager (RSPP)** or the **Quality and Compliance Office (Q&C)**. All reports are tracked in the Reports Register (RRO) and handled in a structured process which includes continuous monitoring and forwarding to the relevant managers for resolution. To ensure that everyone is aware of and uses these channels, **we actively promote their availability** in internal communications and protect our



people from retaliation with specific policies, such as the **Code of Ethics** and the anonymous **VarWhistle** whistleblowing channel.

Our organisation is structured to **effectively support the safety management system** with clearly defined roles and responsibilities at all levels. Our **corporate leadership** is directly involved in the **supervision of**

health and safety policies and ensures that they are **integrated into all company operations** and allocated the resources they require.

Knowledge for action: metrics

The work accidents report for fiscal year 2024 is **highly encouraging** in terms of occupational safety. **No deaths occurred** as a result of accidents at work, **nor were there any accidents with serious consequences**, which reflects our ongoing attention to and effective management of safety within the company.

A total of **15 accidents was reported**, with an interesting detail showing that **13 of these** occurred **during commutes**, and **only 2 in the workplace itself**. This suggests that the workplace itself is well managed and safe.

The accident frequency index, which measures the number of accidents per million hours worked, is **2.70**. This is an important indicator, as this relatively low value indicates **a good level of safety**. Considering that, as mentioned, most accidents occur during commutes, we will take action to **improve this indicator** by encouraging safe behaviour.

The severity index which, on the other hand, represents the severity of accidents in terms of days off work, **is extremely low, at 0.05**. This indicates that the reported accidents had a minimal impact on our workers' health and our operations, which confirms the effectiveness of the preventive measures we have put in place.

In terms of days lost due to injury, the total number was **277** with almost all (266 days) attributable to accidents while commuting. **Only 11 days** were lost due to accidents in the workplace. This is yet more evidence that our workplace is safe.

In conclusion, the data show that we have achieved **excellent results in terms of occupational safety** with low indices of accident frequency and severity.

ACCIDENTS FY 2024 (01.05.2023 - 30.04.2024)	NUMBER OF ACCIDENTS
Number of deaths as a result of accidents at work	0
Number of accidents at work with serious consequences (excluding death)	0
Number of reported accidents at work	15
<i>while commuting</i>	13
<i>in the workplace</i>	2
Hours worked FY24	5,561,659
Rate of deaths as a result of accidents at work	0%
Rate of accidents at work with serious consequences (excluding death)	0%
Rate of reported accidents at work	2.70%
Number of reported days of sick leave due to accidents at work	277
<i>while commuting</i>	266
<i>in the workplace</i>	11

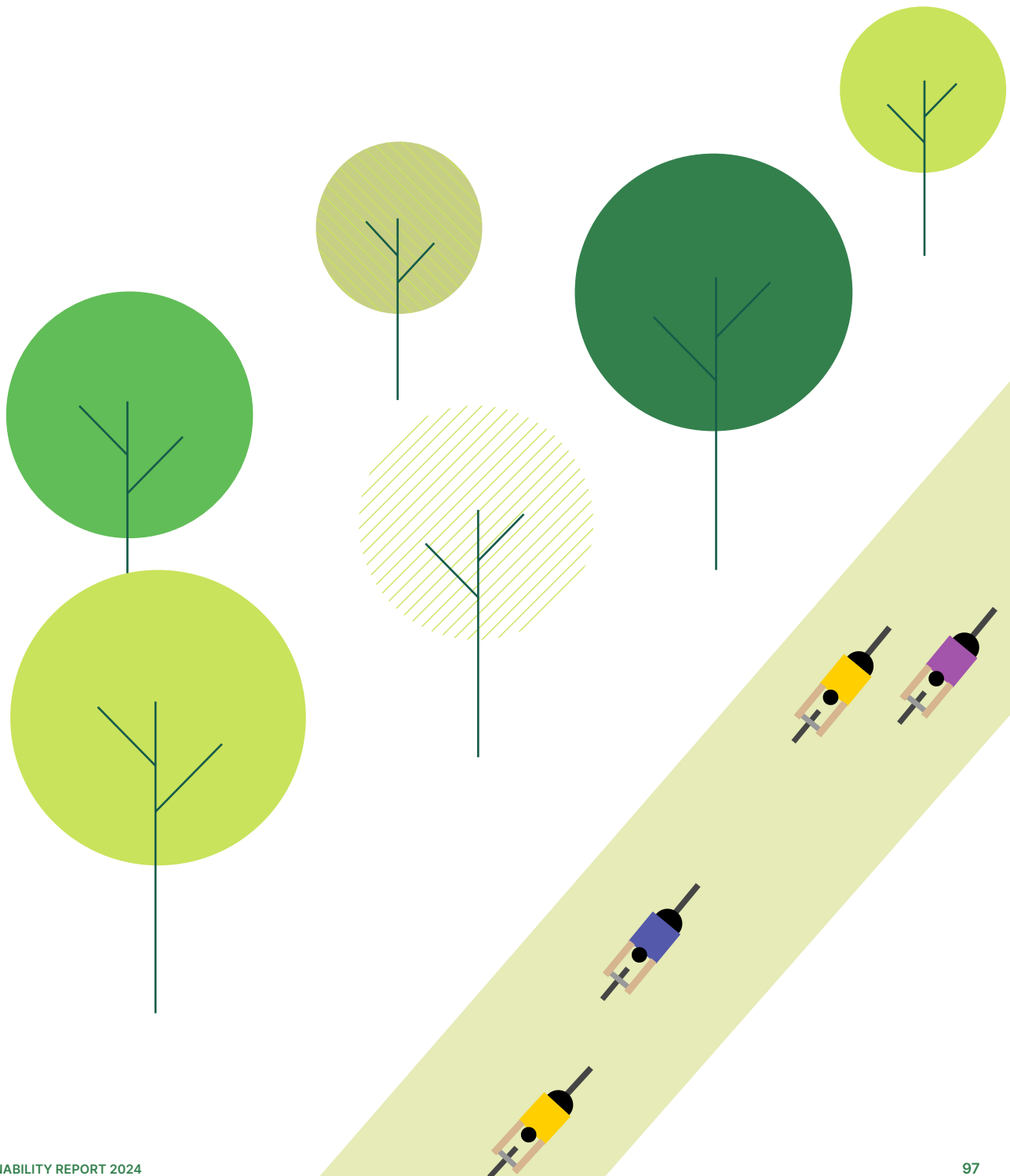
Table 13: Accidents FY 2024

Actions and goals for the future

In 2024 we introduced a new initiative to further increase health and safety awareness. In addition to **mandatory training** on health and safety, we will share a **training and information brochure** with our people every year. Distributed to all locations, the document will provide **updates, practical advice and additional information** to **better understand risks** and **actively contribute** to maintaining a safe working environment. Coordinated by the **Head of the Prevention and Protection Service (RSPP)** and the **Quality and**

Compliance (Q&C) teams, this initiative is intended to **strengthen the culture of safety** and **promote more active involvement** among all our staff.

Integrating this initiative into our health and safety management system is a further step towards ensuring an ever safer working environment that is attentive to the well-being of our people.



Involving people for more effective results

With an array of structured, regular processes, we strive to **gather feedback, identify critical issues and respond to the needs** of our people and external collaborators. These processes are designed to ensure that every voice within our organisation is heard and taken into account in our strategic and operational decisions, thus contributing to an inclusive, stimulating workplace.

One of our main tools for engaging our people is the **annual Great Place To Work survey**, which is addressed to all our people, trainees and consultants on 30 September each year. This tool **collects a wide range of feedback** on perceived needs and critical issues, providing **a clear overview** of the health of our organisation. Conducted once a year, the survey is mainly managed by the **HR Business Partner, People Engagement** and **Marketing** teams, who analyse the results to identify opportunities for continuous improvement in our corporate policies and working conditions.

In addition to the annual survey, we adopt a more direct, targeted approach with **informal individual meetings** organised by our **HR Business Partners**. The main objective of these is to collect detailed information about individual needs and critical issues, in order to be able to take prompt action and **respond** to our people's needs. In addition to the Diversity, Equity & Inclusion (DEI) Community, which was set up to promote an inclusive

and diversity-friendly workplace (see above), another tool for staff engagement is our **HR Committee**, composed of Var Group's **HR Business Partners**. This committee meets once a month to collect and discuss declared needs, requirements and critical issues as they arise in the organisation.

With this participatory process, the HR Committee plays a key role in **monitoring and improving company policies** and ensuring that they are aligned with people's expectations.

Finally, we use an **Exit Survey** to understand why people who leave the company do so, a tool that collects detailed feedback from people who have resigned. This information is extremely valuable for **identifying areas for improvement** and preventing future loss of talent.

These **structured and regular engagement processes** enable us to maintain an ongoing dialogue with our people. This approach makes us **not only reactive, but also proactive** in responding to needs, and fosters an **inclusive, fair and welfare-oriented workplace**. In addition to enriching our corporate culture, the active participation of our people is key to our success and the achievement of our **sustainability goals**.



67%

Response Rate Great
Place To Work

The background is a vibrant green with a diagonal white path. There are several stylized trees with circular green canopies and thin black trunks. Small green tufts of grass are scattered across the green areas. In the top right corner, there are two stylized figures, one yellow and one blue, and in the bottom right corner, a purple figure. The overall style is modern and minimalist.

.5

Support for communities

Opportunities for developing and supporting the local area and its people are key to our commitment.



The value we generate for our communities

For Var Group, **making a positive contribution to society** is not just a declaration of intent, but **one of the main objectives** of our business model. As a digital partner, we aim to create connections between **technology, people's well-being and solidarity** with our commitment to communities, our various **initiatives and projects** and our contribution to **local employment**.

In particular, this means supporting local economic development and creating **stable, high quality jobs** which give priority to local people.

To this end, we provide **training and skill development programmes** for local talent that contribute to the professional growth and economic well-being of the entire community.

Our strategy also focuses on the **positive economic impacts** we generate through **donations and sponsorships**, with our corporate budget allocating resources to **cultural, sporting and educational events**. These initiatives not only strengthen the link between our company and the local area, but also promote **sustainable, inclusive economic development** by generating shared value with local communities.

One aspect of great interest and cultural relevance is our promotion of **dialogue between the worlds of business, digital technology and art** with our **Var Digital Art** project, which puts our experience and values at the service of contemporary art and artists, giving them the opportunity to experiment with new ways of expressing themselves.



For a more digital, more human future: non-profit bodies and organisations

Var Group strongly believes that **digital technologies play a key role** in supporting not only companies, but also public authorities and civil society, in their path towards sustainable growth.

We aim to achieve a new balance in which technology companies enable an increasingly sustainable and **more human** future.

This is why we have taken **concrete measures** to create responsible, shared value for society as a whole. We list the main such initiatives from the reporting year:

- **ActionAid: Giving a future to children.** Our remote adoption programme offers **70 children** in Kenya and Ethiopia the chance to grow up and benefit from nutritious food, clean water and a proper education. This also enables us to support families and the community, with initiatives to improve vocational training and the quality of life of the population, ensure access to drinking water, healthcare and disseminate new solutions for sustainable agriculture.

- **Water is life, for everyone: Aid4Mada's Water is Life project.** For several years we have supported **Aid4Mada ONLUS**, a non-profit organisation that has been running cooperative projects to improve the quality of life in Madagascar since 2015. With the support of **Madaprojects**, a promoter of high-impact projects in developing countries, the association launched the project **Water is Life** in 2018 to build and secure a network of 50 wells providing safe, clean drinking water to disadvantaged areas.

In total, the project has so far completed **19 wells** in as many rural villages in the Tulear region, in four phases between 2018 and March 2022. In addition to making clean water and sanitation available to **approximately 80,000 people** and reducing the spread of waterborne disease, the project aims to increase the **capacity of communities** to manage their water resources and **reduce CO₂** emissions with the use of sustainable technologies.



Technology in service of a primary resource: water

The new wells built by Aid4Mada and Madaprojects are technologically more advanced than traditional wells, fully fledged water towers employing advanced sustainable technologies:

- **Artificial well:** 100 cm diameter bore, 8 to 14 m deep.
- **Environmentally sustainable pump:** flow rate of 2,500 litres/hour, powered by solar panels.
- **Solar panel:** 12 V / 200 W.
- **12 V / 100 A battery:** assures access to water during the evening and throughout cloudy days.
- **Water purification system.**
- **3 cubic metre cistern:** ensures water is always available.
- **9 water distribution fountains.**
- **2 electrical sockets.**
- **4 LED lights.**
- **Masonry structure** measuring 2 × 2 m, and 4.5 m tall.

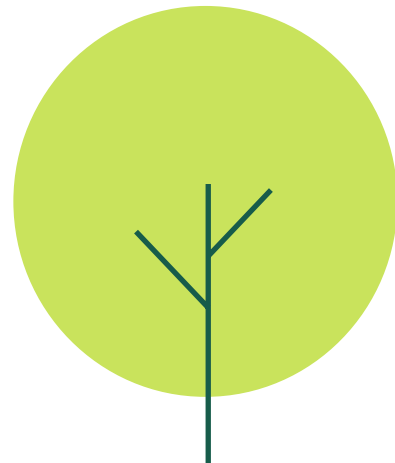
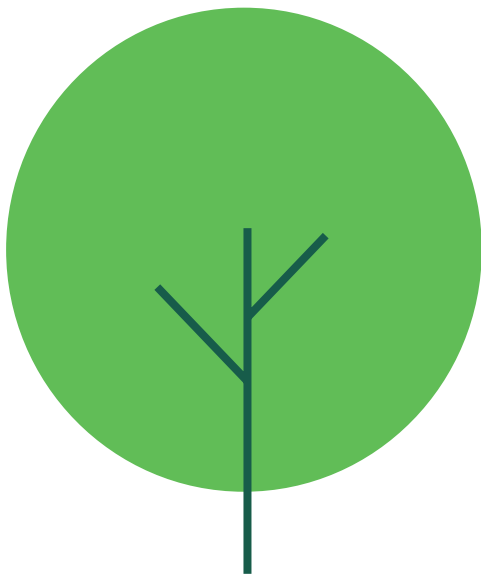
- **Play4Mada: when sport makes a difference.**

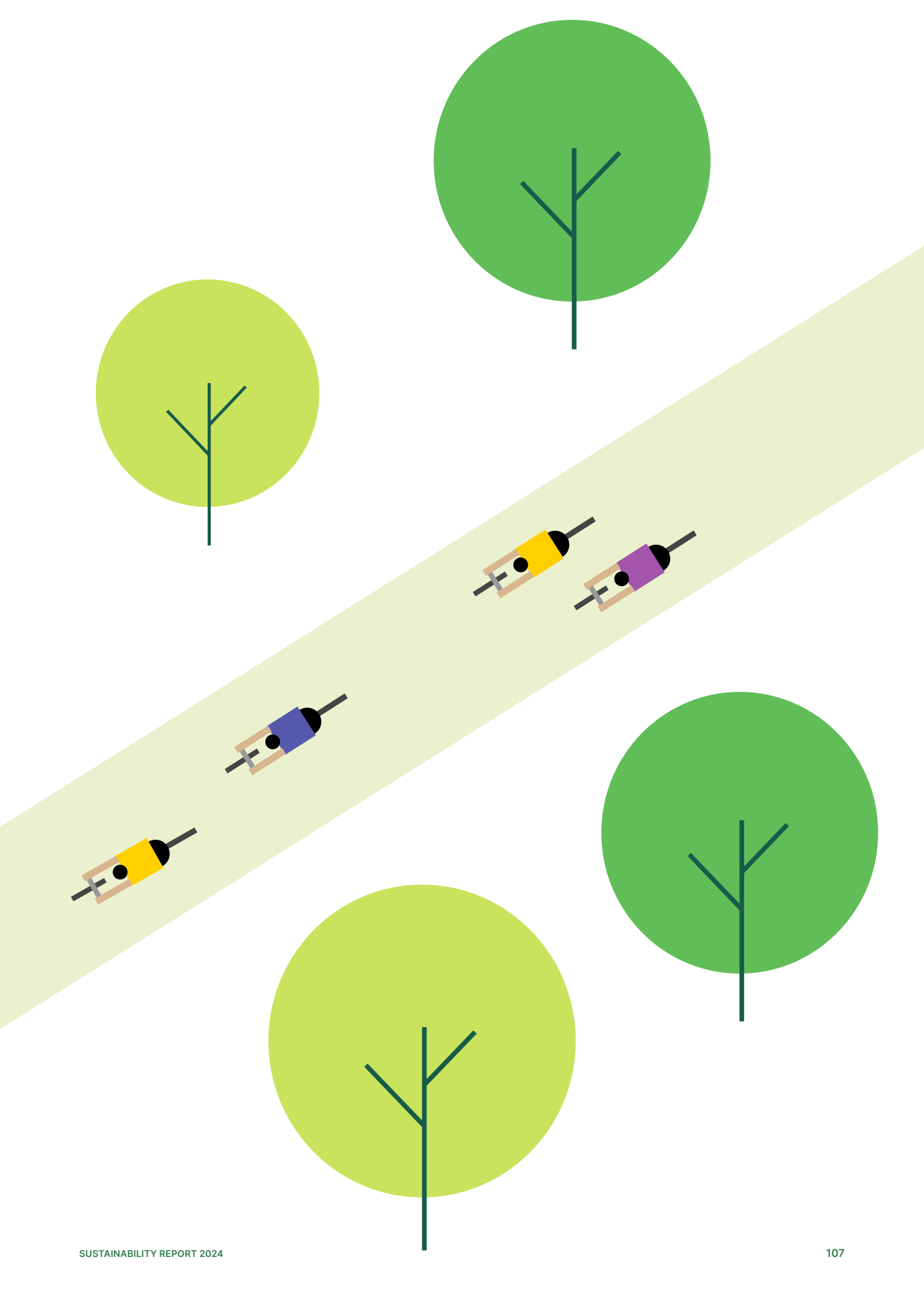
Var Group strongly believes in the educational value and solidarity generated by **sport**. This is why, as part of Var Group Convention 2023 in Rimini (see the dedicated section elsewhere in this report) we organised a 5 km charity fun run, the **Run4Mada**. We matched the proceeds from registrations and donated them to **Play4Mada**, another Aid4Mada project we support, which involves the construction of a basketball court, facilities for the sports centre, and sporting events. The project supports the psycho-physical development of boys and girls in the city of Tular.

- **Christmas 2023 and Aid4Mada.** With this in mind, we have chosen to **celebrate Christmas 2023** together with Aid4Mada, with **two projects**. The first provides remote support for education, nutrition and health care for **50 children from the EPP Tanambao Morafeno school** and their families, to ensure they thrive with concrete aid. The second project is the expansion of the **Casa del Miele** orphan village,

which houses orphaned children and young mothers from the city of Tular.

- **Technology combating disability: Var Group and ASPHI.** We support ASPHI Foundation, a non-profit organisation that, for almost 40 years, has been developing **digital technologies for disability** jointly developing courses and projects to integrate technology in support of disability in Var Group. (See the sections on DEI and gender equality, and our projects in support of affected communities).





Training: the key to inclusion in the workplace

In order to be drivers of the local economy, our donations are accompanied by stable, quality job creation, **focusing above all on the local people**. With this in mind, we not only set up **training and skill development programmes** for our staff, but we also support a variety of **training programmes** provided by national and local entities. These include:

- **Hackathon: where talent and innovation come together.** Every year at the Convention, we hold a **32-hour development marathon** to engage young people, companies and our technology partners in innovative digital projects. Like their predecessors, the latest editions - organised together with **Talent Garden**, the leading European platform for networking and training in digital innovation - engaged the boys and girls teams in a **corporate business case study**. The teams had to draw up a project that met the **real world needs** of the companies in question, and could really be implemented by them in the future.
- **Master Cloud & DevOps: training and work.** This programme has been developed in collaboration with **Talent Garden** to train professionals in **cloud computing & DevOps**, one of the most hottest areas in the digital world. To this end, we have made available **24 scholarships** to fully cover the Masters course.
- **Higher education with ITS Prodigy. Higher Technological Institutes (ITS Academies)** are schools of excellence with a high level of technological specialisation at the college level, which enable students to obtain the title of advanced technician. Var Group is one of **30 founding member companies and organisations** of **ITS Prodigy**, the first school in the ITS circuit dedicated to IT and digital technologies in the Tuscany region. Intended for **young people aged 18 to 29**, ITS trains ICT professionals in skills with direct application in the world of work.
- **T-Station Academy breaks down barriers with training.** Together with **CavaRei**, a social enterprise offering services for the disabled with career paths and independent living projects, we have established **T-Station Academy**, a training centre where people with different abilities can acquire technology skills by breaking down the barriers that hinder access to these professions. The Academy trains disabled and vulnerable persons and, as a partner of Cisco, has been recognised as a Cisco Networking Academy.
- **TEDxWomen Empoli.** As part of our commitment to increasing the exchange of knowledge, we support **TEDxWomen Empoli 2023**, a live TED talk event designed to bring more women into STEM disciplines: the difficulty of **attracting female**



talent to tech professions remains a challenge, as are **gender differences in the workplace**. In the 2023 edition, Vanessa Sabato, People Engagement team, discussed artificial intelligence with **Giusy Fiorentino, CEO of Artificial Intelligence Monitoring**.

- **The Let's Adopt Molise project.** Recently launched and under development in 2025, **Let's Adopt Molise** is a major project, created to respond to the **economic, social and territorial development** needs of the Molise region with **direct relevance to a number of ESG objectives** (Goals 5, 8, 9, 10, 11 and 12). The project aims to support the growth of the Molise region by counteracting youth migration and fostering the development of local skills. We are working together with the **University of Molise (UniMol)**, the **Majorana Technological Institute** and the **SicurForm** training organisation to strengthen Var Group's presence in the region.

In 2025, we will open a branch office in **Termoli**, to act as a regional presidium and a point of reference for the local community. The project includes involving local schools and universities in the upcoming **Var Group Hackathon** (October 2025), organising a **career day** for local young talent, and the development of **professional courses** in cooperation with SicurForm for the period 2025-26, to develop skills that respond to the requirements of the labour market.

Sport as an inspiration for positive values and lifestyles

By investing in sport, a company sends a strong message: to promote an active and healthy lifestyle as the foundation of both physical and **mental well-being**. Sporting events thus raise awareness that taking care of oneself is critical to **also taking care of others, the local community, and the environment**.

To support sports is to promote **values that bring us together**: teamwork, resilience and a sense of belonging.

Here are some of the events we support.

- **Var Group & Lube Volley: a strong partnership on and off court.** For the 2023-2024 championships, as in 2022-2023, we are **Exclusive Innovation Partners** of **Lube Volley**, a professional men's volleyball club in the Volleyball Superleague: thanks to this partnership, the Var Group brand is displayed on the official match jerseys of the team, whose main supporter is **Cucine Lube**, Civitanova, as a confirmation of the collaboration between two companies which are both hallmarks of excellence in their respective industries.
- **Var Group & Benetton Rugby: scoring together** We are also consolidating our partnership with **Benetton Rugby**: already a **Digital Partner** of the team, Var Group will continue to be an **official sponsor** for upcoming seasons up to 2027. The

brand is featured on the Lions' uniforms in the **United Rugby Championship** and **European Rugby Challenge Cup**, as well as displaying on the club's digital channels and field-side signage. Over the years, this collaboration made some of the team's processes more innovative, but it has also developed off the field, with **training projects** in the correct use of digital tools by young people, as well as cyber security issues and fan engagement activities.

- **Var Group sails the seas with Super Kali Mera** For three years, Var Group has sponsored **Super Kali Mera**, a special yacht for corporate team-building projects, beginner sailing courses for staff, sailing trips with clients, and Italian and European regattas, with the logo featured on the hull, mainsail and gennaker when the sails are fully unfurled. We have embraced the world of sailing not only because we share the **values of collaboration, trust and inclusion** embodied by the sport, but also because Super Kali Mera is environmentally sustainable. With its 12.5 m hull and 19 m mast, the yacht is built entirely of wood laminated with flax fibre, has a 10 kW electric motor, as well as batteries recharged by photovoltaic panels and a hydro-generator to ensure power self-sufficiency.
- **Var Group & Lorenzo Lodola.** Lorenzo Lodola, class of 2003, is our youngest Ambassador, with a passion



for sport, enormous enthusiasm, determination and a commitment to diversity and inclusion - values we all share. Following an accident that left him wheelchair-bound, he started racing quad bikes in 2022.

In 2023 he tackled the **Baja Extremadura**, a two-day 500 km event consisting of special stages and 490 km of transfers in a setting of dust, stones and fun, in which he competed against **able-bodied colleagues**, achieving record times. In the winter of 2023 he took to the slopes to compete in the Italian **paralympic skiing** championships, aiming to officially enter the national B team and participate in the Paralympics.

Art and digital technologies take centre stage with Var Digital Art

Var Digital Art (VDA) is a project created by our Group as a **dynamic pole for experimentation**, study, research and production, exploring the relationship between art, digital technologies and business. A **cultural and multidisciplinary intersection** between artistic and digital production, intended to convey ideas and innovation in line with the Group's values.

Initially part of **Rinascimento 4.0** (Renaissance 4.0), an event held in 2018 at Palazzo Strozzi, Florence, with digital works by major Italian artists set to contemporary music, VDA aims to generate **synergies between disciplines and professionals** by establishing a bridge between the worlds of industry, education and art. We list the most important of these projects below.

- **VDA for the immersive work by Giuliana Cunéaz.**

Var Digital Art collaborated on the innovative work by **Giuliana Cunéaz** conceived by the artist as part of the group show **Visibile/Invisibile (Visible/Invisible). Tecniche della meraviglia (Techniques of Wonder)**. Our project contributed to the realisation of the work, implementing its entire digital dimension: images processed by the artist were used to create video animations generated by artificial intelligence systems. The **Factory of Var Digital Art by Var Group** was made available to the artist under the supervision of Davide Sarchioni, artistic director of the VDA project.

- **Recognising artistic talent with the VDA Award by Var Group 2023.** VDA Award by Var Group is a biennial award that, the first of its kind in Italy, reports on trends in digital art and explores the dissemination and experimentation of digital technologies in supporting, enhancing and promoting contemporary artistic creation.

The importance of the award is confirmed by the participation figures for the first edition: **12 artists** took part, from which **4 finalist works** were selected for presentation at Var Group Convention 2023 for the decisive vote on the **winner**. The 12 works of screen-based digital art were created by a shortlist of contemporary artists selected by a scientific committee.

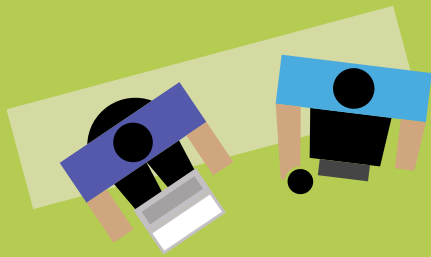
The winner of the 2023 edition was **Luca Pozzi** with his **Rosetta Mission 2022**, which won the first VDA Award, thanks to the votes of the jury and the public at the 2023 **"Shape the present, build the future" convention**.



Var Digital Art
Giuliana Cunéaz
[Ph.: Wen Xiang]

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Methodological note



Boundary, scope and content of the Sustainability Report

The **Sustainability Report is an essential tool for measurement and communications**, which reports on the **social, economic and environmental impacts of our operations to our stakeholders in a transparent manner**. In addition, it helps us identify opportunities for improvement in ESG issues by defining **concrete medium- to long-term objectives** and drawing up a **Strategic Sustainability Plan**. We have accordingly decided to **voluntarily report** our commitments, targets and results in our annual Sustainability Report, even though **there is no regulatory obligation to do so** under the law (Directive 2014/95/EU, transposed in Italy by Italian Legislative Decree No. 254, 30 December 2016).

The report has been drawn up by an internal working group with the support of **ALTIS Advisory Società Benefit**, a spin-off of the Catholic University of the Sacred Heart that supports businesses in improving their sustainability.

The data contained in the document were collected with the cooperation of the function managers, using dedicated tools, when available, or internal archiving systems. Since this is a **voluntary report**, the document is not subject to external audit.

This Annual Report refers to **financial year 2024** which runs from **30 April 2023 to 30 April 2024**.

The document is inspired by the **European Sustainability Reporting Standards (ESRS)** established by the European Financial Reporting Advisory Group (EFRAG) and officially adopted by the European Commission as the new unified standard for sustainability reporting of companies subject to the CSRD.

The document is available, searchable and downloadable at: <https://www.vargroup.com/it-IT/Sustainability>

For further information about this Sustainability Report, please write to: info@vargroup.com

Materiality analysis

The materiality analysis process on which this Sustainability Report is founded follows the methodological references provided by the **European Sustainability Reporting Standards** drawn up by the European Financial Reporting Advisory (EFRAG), in line with the **European CSRD (Corporate Sustainability Reporting Directive)**. These new standards introduced the principle of **dual materiality** as a combination of two approaches:

- **Materiality of impacts (inside-out perspective):** this identifies sustainability issues representing the actual/potential, positive/negative material impacts of the Group's operations on people and the environment.
- **Financial materiality (outside-in perspective):** this identifies sustainability issues that may

significantly influence the Group's business growth and economic-financial performance, as sources of economic risk or opportunity, due to the activities of its stakeholders or other third parties.

The analysis was conducted with the participation of the CEO and the team leaders, in **5 main phases**:

- 1. Analysis of the external context:** we used an industry benchmark to identify sustainability issues relevant to our business.
- 2. Identification of potential risks, opportunities and impacts:** following the provisions of the ESRS Reporting Standards and the results of the phase 1 industry benchmark, we drew up a list of risks, opportunities and impacts for internal and external materiality assessment.

3. Assessment of the materiality of impacts: we worked with management and the team leaders to assess the materiality of impacts, to identify, among all our sustainability issues, those in which our company generates a significant impact. With a view to setting up a process compliant with the Standards and hence not self-referential, we also engaged the key players that interact with our business in the assessment, identifying them according to their ability to influence or be influenced by the Group's objectives, impacts and performance. A specific qualitative assessment system was used to define the concept of "significance".

4. Financial materiality assessment: the financial materiality assessment was submitted for this first financial year to SeSa Group's Sustainability Department, with the aim of also identifying Var Group's priority sustainability risks and opportunities.

5. Validation of impacts by top management: the results of the analysis were reported to top management to support its decision-making on ESG issues, its identification of priorities, and its further development of the Strategic Plan.

Significant impacts, risks and opportunities for Var Group

We list below the significant sustainability risks, opportunities and impacts identified by the materiality assessment during the reported year.

E1 CLIMATE CHANGE

DESCRIPTION	TYPE	PERIMETER
Impact generated by the organisation with its generation of greenhouse gas emissions from the use of fossil fuels that contribute to climate change SCOPE 1: direct emissions from sources owned or controlled by the company; SCOPE 2: indirect emissions from purchased or acquired energy; SCOPE 3: greenhouse gas emissions up and down the supply chain, e.g. logistics.	Actual negative impact	Own Transactions and Upstream and Downstream Transactions in the Value Chain
Economic benefit generated by selling services that enable customers to reduce their carbon footprint	Opportunities	Own operations
Risk of potential damage to company infrastructure, disruptions in the value chain or restoration and adaptation costs resulting from extreme weather	Risk	Own operations
Risk related to dependency on fossil fuels	Risk	Upstream Operations
Variability of costs related to the current level of dependency on fossil fuels and hence the volatility of the price of products derived from them	Risk	Own operations

Table 14: E1 climate change

S1 OWN WORKFORCE

DESCRIPTION	TYPE	PERIMETER
Updating people's knowledge and skills by adopting company development and training plans	Actual positive impact	Own operations
Increased well-being generated by the organisation's ability to guarantee stable employment, a transparent and fruitful dialogue between staff and the organisation, and adequate pay in light of national economic and social conditions	Actual positive impact	Own operations
Impact generated by the organisation's ability to ensure a good work-life balance for its staff, e.g. through smart working and flexible working hours	Actual positive impact	Own operations
Positive impact in terms of female employment, generated by the organisation's ability to involve women in its workforce, including in management	Actual positive impact	Own operations
Impact on well-being generated by the organisation's ability to create an inclusive culture of diversity and non-discrimination	Potential positive impact	Own operations
Impact on well-being generated by the organisation's ability to ensure equal treatment (e.g. equal pay for male and female staff)	Actual positive impact	Own operations
Impact generated by the dissemination of a culture of health beyond the workplace, enabling staff to increase and improve their control over their health and safety	Potential positive impact	Own operations
Impact on people's health, both physical and psychological, generated by the organisation's inability to prevent injuries and illnesses related to the type of work performed or harassment in the workplace (e.g. verbal violence, physical violence, stalking, mobbing, etc.)	Potential negative impact	Own operations
Opportunities attendant on the ability to attract and retain talent	Opportunities	Own operations
Opportunities attendant on a focus on upgrading people's knowledge and skills	Opportunities	Own operations
Risk attendant on the inability to retain talent	Risk	Own operations
Risk attendant on the failure to adequately update people's knowledge and skills	Risk	Own operations

Table 15: S1 own workforce

S2 WORKERS ALONG THE VALUE CHAIN

DESCRIPTION	TYPE	PERIMETER
Impact on workers along the value chain generated by failure to respect workers' rights and human rights in general	Potential negative impact	Upstream operations in the value chain

Table 16: S2 workers along the value chain

S3 STAKEHOLDER COMMUNITIES

DESCRIPTION	TYPE	PERIMETER
<p>Impact on local community development generated by the organisation's ability to:</p> <ul style="list-style-type: none"> invest in infrastructure (e.g. transport, utilities, housing and community infrastructure); create activities and events that promote solidarity (e.g. corporate volunteering, organisation of events and sponsorships, donations of money and goods); or policies to recruit people from the territory (particularly for directorial/management roles) 	Actual positive impact	Own operations
Impact on local community development generated by training in technology skills	Potential positive impact	Own transactions and upstream transactions in the value chain (suppliers)

Table 17: S3 Stakeholder communities

S4 CONSUMERS AND END-USERS

DESCRIPTION	TYPE	PERIMETER
Impact generated by violations of customer privacy due to data leaks	Potential negative impact	Own transactions and upstream transactions in the value chain (customers)
Economic benefit related to increased competitiveness due to the development of products/services better suited to the needs of the market and reduced risk of failure	Opportunities	Own operations
Damage related to the development of products or services that do not meet the needs of the customer and the loss of segments of the market and opportunities for innovation	Risk	Own transactions and upstream transactions in the value chain (customers)
Damage resulting from interruptions of business or malfunctions due to cyber attack	Risk	Own operations
Damage due to the interruption or malfunctioning of operations caused by programming errors or server downtime	Risk	Own operations

Table 18: S4 consumers and end-users

G1 BUSINESS CONDUCT

DESCRIPTION	TYPE	PERIMETER
Impact on the social and environmental sustainability of suppliers, generated by the organisation's ability to adopt sustainable procurement policies (social and environmental assessment of suppliers)	Potential positive impact	Own operations and upstream operations in the value chain (suppliers)
Impact on the economic condition of suppliers along the value chain generated by the organisation's unfair business practices or penalising contractual conditions (e.g. payment schedules, list prices, abuse of power)	Potential negative impact	Own operations and upstream operations in the value chain (suppliers)

G1 BUSINESS CONDUCT

DESCRIPTION	TYPE	PERIMETER
Impact generated by incidents of active and passive corruption	Potential negative impact	Own operations
Impact on people's well-being generated by the organisation's inability to integrate the diverse business units acquired over time by the Group (e.g. collaboration, cohesion, internal communications, etc.)	Potential negative impact	Own operations
Solid governance based on sustainability criteria	Opportunities	Own operations
Reputational damage resulting from the use of suppliers not guided by sustainability criteria or with habitual conduct clearly at odds with good sustainability practice	Risk	Own operations
Growing demand for transparency and corporate responsibility from customers and suppliers	Risk	Own operations and upstream and downstream operations in the value chain

Table 19: G1 Business conduct

Appendix

The following tables list the ESRS disclosures included in ESRS 2 and in the five topical standards considered applicable to Var Group, which guided the drafting of our sustainability report. We omitted the disclosure requirements in topical principles E2, E3, E4, E5

and S2, as they did not fall within the materiality thresholds defined by the materiality assessment. If information on a specific obligation is not yet available, no reference is made to it. For further information about this Sustainability Report, please write to: info@vargroup.com

ESRS 2 - GENERAL INFORMATION	REFERENCE IN THE TEXT	NOTES
BP-1 General basis for preparation of sustainability statements	Methodological Note – <i>Boundary, scope and content of the Sustainability Report</i>	
BP-2 Disclosures in relation to specific circumstances	Methodological Note – <i>Boundary, scope and content of the Sustainability Report</i>	
GOV-1 The role of the administrative, management and supervisory bodies	Chapter 2 – par. Var Group Governance	
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Methodological Note – <i>Materiality analysis // Chapter 2 – par. Var Group Governance</i>	
GOV-3 Integration of sustainability-related performance in incentive schemes		Var Group does not currently have an incentive plan linked to sustainability targets

ESRS 2 - GENERAL INFORMATION	REFERENCE IN THE TEXT	NOTES
SBM-1 Strategy, business model and value chain		Par. <i>Our contribution to the market and the value chain</i> // Chapter 1 – par. <i>Creating value with digital technologies</i>
SBM-2 Interests and views of stakeholders		Chapter 1 – par. <i>Our all-round commitment to sustainability</i>
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model		Methodological Note – <i>Materiality analysis</i>
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		Methodological Note – <i>Materiality analysis</i>
IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement		Appendix

Table 20: ESRS 2 - General Information

ESRS E1 - CLIMATE CHANGE	REFERENCE IN THE TEXT	NOTES
E1-1 Transition plan to reach climate neutrality		Var Group does not currently have a climate neutrality transition plan
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model		Methodological Note – <i>Materiality analysis</i>
ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities		Methodological Note – <i>Materiality analysis</i>
E1-2 – Policies related to climate change mitigation and adaptation		Chapter 3 – Par. <i>Our environmental policies</i> // <i>How we address significant impacts, risks and opportunities (IRO)</i>
E1-3 – Actions and resources in relation to climate change policies		Chapter 3 – Par. <i>Our environmental policies</i> // <i>Monitoring our consumption and our progress so far</i>
E1-4 – Targets related to climate change mitigation and adaptation		Chapter 3 – Par. <i>From the shared strategy to a practical approach</i>
E1-5 – Energy consumption and mix		Chapter 3 – Par. <i>Our environmental policies</i> // <i>Monitoring our consumption and our progress so far</i>
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions		Chapter 3 – Par. <i>Our environmental policies</i> // <i>Monitoring our consumption and our progress so far</i>

Table 21: ESRS E1 - Climate change

ESRS S1 - OWN WORKFORCE

	REFERENCE IN THE TEXT	NOTES
ESRS 2 SBM-2 – Interests and views of stakeholders	Chapter 1 – par. <i>Our all-round commitment to sustainability</i> // Chapter 4 – par. <i>Involving people for more effective results</i>	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Methodological Note – <i>Materiality analysis</i>	
S1-1 – Policies related to own workforce	Chapter 4 – par. <i>Our commitment to valuable employment, black on white</i> // <i>Growing people and professionals</i>	
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	Methodological Note – <i>Materiality analysis</i> // Chapter 4 – par. <i>Involving people for more effective results</i>	
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	Chapter 2 – par. <i>Model 231, a guarantor for the entire Group</i>	
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i> // <i>Growing people and professionals</i> // <i>Diversity, Equity and Inclusion</i> // <i>Health and safety, a priority for Var Group</i>	
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i> // <i>Growing people and professionals</i> // <i>Diversity, Equity and Inclusion</i> // <i>Health and safety, a priority for Var Group</i>	
S1-6 – Characteristics of the undertaking's employees	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i>	
S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i> // <i>Growing people and professionals</i> // <i>Diversity, Equity and Inclusion</i> // <i>Health and safety, a priority for Var Group</i>	
S1-8 – Collective bargaining coverage and social dialogue	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i>	
S1-9 – Diversity metrics	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i> // <i>The other side of DEI: distribution and the pay gap</i>	
S1-10 – Adequate wages	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i>	
S1-11 Social protection	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i>	
S1-12 – Persons with disabilities	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i> // <i>Diversity, Equity and Inclusion</i>	

ESRS S1 - OWN WORKFORCE	REFERENCE IN THE TEXT	NOTES
S1-13 – Training and skills development metrics	Chapter 4 – par. <i>Growing people and professionals</i>	
S1-14 – Health and safety metrics	Chapter 4 – par. <i>Knowledge for action: metrics</i>	
S1-15 – Work-life balance metrics	Chapter 4 – par. <i>Soul and digital: how we take care of our staff</i>	
S1-16 – Compensation metrics (pay gap and total compensation)	Chapter 4 – par. <i>The other side of DEI: distribution and the pay gap</i>	
S1-17 – Incidents, complaints and severe human rights impacts		Var Group registered no human rights complaints in 2024

Table 22: ESRS E1 - Own workforce

ESRS S3 – AFFECTED COMMUNITIES	REFERENCE IN THE TEXT	NOTES
ESRS 2 SBM-2 – Interests and views of stakeholders	Chapter 1 – par. <i>Our all-round commitment to sustainability</i>	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Methodological Note – <i>Materiality analysis</i>	
S3-1 – Policies related to affected communities	Chapter 5 – par. <i>The value we generate for our communities</i>	
S3-2 – Processes for engaging with affected communities about impacts	Methodological Note – <i>Materiality analysis</i> // Chapter 5 – par. <i>Training, the key to inclusion in the workplace</i>	
S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Chapter 5 – par. <i>Training, the key to inclusion in the workplace</i> // <i>For a more digital, more human future: non-profit bodies and organisations</i>	
S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chapter 5 – par. <i>The value we generate for our communities</i>	

Table 23: ESRS S3 - Affected communities

ESRS S4 – CONSUMERS AND END-USERS	REFERENCE IN THE TEXT	NOTES
ESRS 2 SBM-2 – Interests and views of stakeholders	Chapter 1 – par. <i>Our all-round commitment to sustainability</i>	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Methodological Note – <i>Materiality analysis</i>	
S4-1 – Policies related to consumers and end-users	Chapter 2 – par. <i>Cyber security, privacy and data protection</i>	
S4-2 – Processes for engaging with consumers and end-users about impacts	Chapter 2 – par. <i>Cyber security, privacy and data protection</i>	
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Chapter 2 – par. <i>Cyber security, privacy and data protection</i>	
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Chapter 2 – par. <i>Cyber security, privacy and data protection</i>	
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Chapter 2 – par. <i>Cyber security, privacy and data protection</i>	

Table 24: ESRS S4 - Consumers and end-users

ESRS S4 – CONSUMERS AND END-USERS	REFERENCE IN THE TEXT	NOTES
G1-1 – Corporate culture and business conduct policies and corporate culture	Chapter 2 – par. <i>Our Code of Ethics // Our mission and values</i>	
G1-2 – Management of relationships with suppliers	Chapter 2 – par. <i>The supply chain and supplier selection</i>	
G1 -3 – Prevention and detection of corruption and bribery	Chapter 2 – par. <i>Fighting corruption</i>	
G1-4 – Confirmed incidents of corruption or bribery		No proven cases of corruption or bribery were reported within Var Group in 2024
G1-6 – Payment practices	Chapter 2 – par. <i>The supply chain and supplier selection</i>	

Table 24: ESRS S4 - Consumers and end-users

Sustainability and innovation are the keys to an inclusive and responsible future, for the well-being of the environment, people and communities.

Var Group S.p.A. - 2024

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Drawn up with methodological support from Altis Advisory

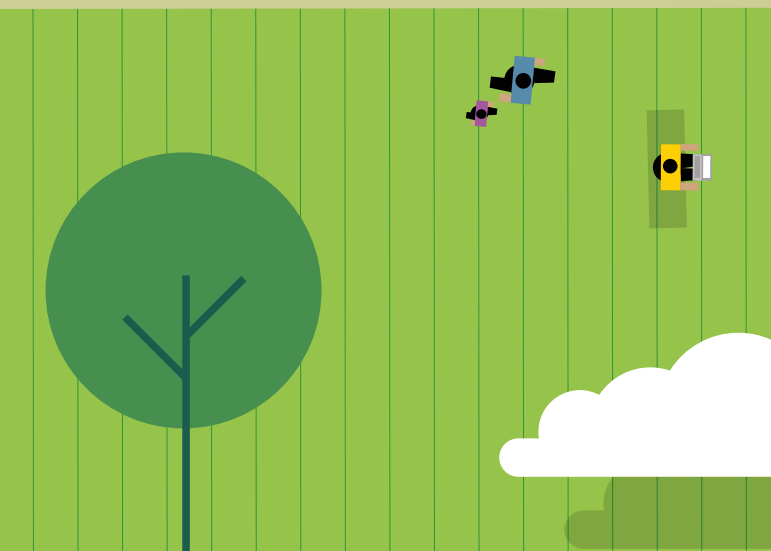
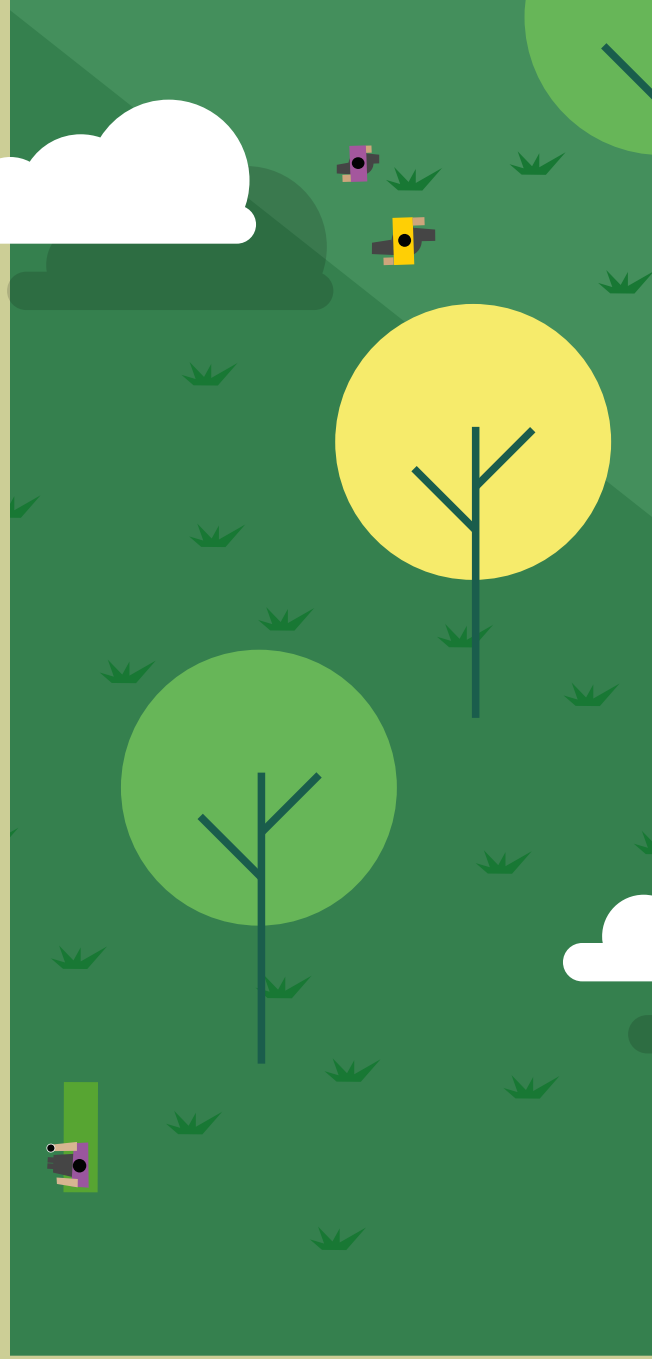
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