

Beyond business:

People Innovation Responsibility

2023 Sustainability report

(Translation from the Italian original which remains the definitive version)



Dear Stakeholders,

With enthusiasm and a great sense of responsibility, we would like to reflect on the JAKALA Group's achievements and challenges in 2023, a year in which we truly ramped up our commitment to forming a responsible and conscious approach that deftly blends the Group's various cultures.

Sustainable innovation, inclusive growth and global expansion are the cornerstones of our strategic vision, firmly aligned with the UN's Sustainable Development Goals (SDG).

In 2023, we shored up our global presence and broadened our expertise in the world of artificial intelligence and digital transformation, by acquiring new companies and integrating extraordinary talents into our team. This progress expanded our skills and resources, while also elevating our company culture which sees diversity as an infinite source of innovation and creativity.

Signing up to the UN's Women's Empowerment Principles and implementing numerous actions aimed at promoting gender equality and inclusion within our Group are part of a holistic approach that helps us

appreciate cultural diversity, axing prejudices and discriminations while forging a positive and motivational environment.

We have also placed huge emphasis on environmental sustainability, taking important steps towards reducing our impact. Our commitment to creating value goes beyond economics. We aspire to being a catalyst of positive change in our communities, promoting education, health, gender equality and climate action. Indeed, we have launched new social corporate responsibility actions and shored up collaborations with non-profit organisations and partners to magnify our social impact.

We faced numerous complex challenges during the year and we know that there are still many steps we can take to promote an active and attentive approach to the environment, diversity and innovation and spread it amongst our partners.

We still have a lot to offer in responsibility-focused contributions in the new frontiers unlocked by artificial intelligence and we aim to create centres of excellence all over

the world, driven by the same values and principles.

Looking to the future, we cannot wait to continue this journey with you, bolstered by the trust and support of our customers, employees, partners and communities. With this spirit of partnership, we set our sights on ever more ambitious targets, motivated by values of joint growth, commitment to excellence and passion for innovation.

Thank you for joining us on this path to a sustainable and inclusive future. Together we will continue to build a legacy to be proud of.

With renewed passion and gratitude,

Matteo de Brabant
 Founder & Chairman



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01

J for Jolly, J for journey and J for JAKALA

- 1.1 Global positioning and international mentality
- 1.2 Value generated and shared



Contribution to the SDGs



J for joker, J for journey and J for JAKALA

This Sustainability Report opens up a new chapter on JAKALA's journey. 2023 was a year of sweeping transformation that saw the Group entrench its global presence through significant M&As - especially the acquisition of the FFW Group - and close the year with turnover of €569 million, marking double-digit growth and embracing the challenge of placing among the top five global players in its sector.



Finance

Economic value generated

€568,814 m
+28% YoY

Economic value generated abroad

36%
+33% YoY

Economic value distributed

€535,531 m
+33% YoY

Gross Profit

€247,800 m
+52% YoY

EBITDA

€76,613 m
+45% YoY

Net invested capital

€895,027 m
+44% YoY

People

Employees

2,889
+60% YoY

Female workers

1,218
+50% YoY

Average age:

35 years old
Unchanged on 2022

Negative turnover rate

13.8%
-32% YoY

Hours of training

135,000+
Average 45 h/hc

Development of HR technological systems

12,000+
work-hours

Planet

Energy intensity

22.90 Gj / €m
-12% YoY

Scope 3 intensity

133 tons CO₂eq/€m
-37% YOY

Net Scope 1 + Scope 2

Co₂ neutral

CO₂ Offset

1,102 Ton
CO₂ eq

% Renewable energy

91.87%
-3% YoY

CO₂ gr/km per vehicle

136
+3% YoY

Governance

Countries

Subsidiaries in 20 countries

DE&I Certification

30415 for Jakala S.p.A. SB and Jakala Civitas S.p.A.

Average age of directors

49 years old

EcoVadis rating

73 Gold Medals
+7% YoY

Investments in R&D

€ 4.4 million
+13% YoY

Hours in R&D

80,000+
+3% YoY

1.1 Global positioning and international mentality

Subsidiaries at 31 December 2023

#Italy



- Seri System Printing S.r.l.
- Loyalty Touch S.r.l.
- Jakala HoldCo Consultancy S.r.l.
- Jakala Civitas S.p.A.
- Maize S.r.l.

#Spain



- Jakala Iberia Mkt Services S.L.u.
- Jakala Iberia Holding S.L.
- Biko2 2006 S.L.
- Serole Inversiones S.L.
- Bmind Sales Maker Company S.L.
- Bmind Sales Maker Company S.L. branch office in Portugal
- Practical Marketing S.L.u.
- Target Connection S.L.u.

#Rest of Europe



- Seri Jakala GMBH
- Jakala GMBH
- Jakala S.A.
- Jakala Martech S.A.
- Seri Group Russia OOO
- OOO Jakala
- Jakala UK Ltd
- 77 Agency SIA
- FFW Group ApS
- FFW Denmark ApS
- FFW Deutschland GmbH
- FFW Germany GmbH
- Yours Truly GmbH
- Bysted A/S
- FFW UK Limited
- FFW Bulgaria OOD
- FFW Service Delivery S.R.L.
- FFW Dnipro LLC (UA)
- FFW Mykolayiv LLC (UA)
- ForFutureWeb S.R.L.
- Roibox SIA

#France



- Jakala France S.a.S.
- MadAgence S.a.S.
- Soyhuc S.a.S.
- Jakala S.a.S.
- FFW France SARL

#Far East



- Jakala HK HoldCo Limited
- Jakala Marketing Management (Shanghai) Co. Limited
- Jakala Marketing Technology Co. Limited
- Jakala Shanghai Consultancy Co. Limited
- FFW Vietnam LLC

#Americas



- Jakala Corporation
- Jakala Marketing Distribuicao Ltda
- FFW LLC

We Are JAKALA!



Established in Italy in 2001 and specialised in data-driven marketing solutions, JAKALA has embarked on a journey of international growth turning it into a leading global player in its market.

Thanks to its clear vision and dedicated commitment to innovation and social responsibility, JAKALA has widened its operating range in Europe, also expanding overseas and proving that its structure can adapt and prosper in different international scenes.

As mentioned earlier, the Group recorded €569 million turnover in 2023, with 36% of total revenue generated abroad. This demonstrates JAKALA's global vision. Thanks to the acquisitions completed during the year, it has upgraded its portfolio of digital solutions while also consolidating the Group's local presence, boosting its competitive edge.

A crucial factor of JAKALA's success is its **international mentality**. From day one of its expansion, the Group has cultivated an open and inclusive corporate culture, promoting diversity and inclusion as central values. This has helped create a mixed global team that brings a variety of outlooks and skills.

This mindset is also reflected in its collaboration-based approach. JAKALA has built partnerships with various global organisations and institutions, elevating its know-how and broadening growth opportunities. These collaborations have given the Group access to new resources and expertise, further fortifying its position on the global market.

JAKALA's **global positioning** is the fruit of a well-crafted targeted strategy: the Group is now present in 20 countries. The company launched a geographical expansion founded on diligent business assessments – B-Mind in Spain in 2021, the H-Farm Consulting division in 2022 and Biko in 2022, also in Spain – thus establishing a presence on various key markets worldwide.

Specifically, as mentioned earlier, 2023 was a pivotal year for JAKALA, marking its switch from a company mostly focused on the domestic and European market to an international Group.

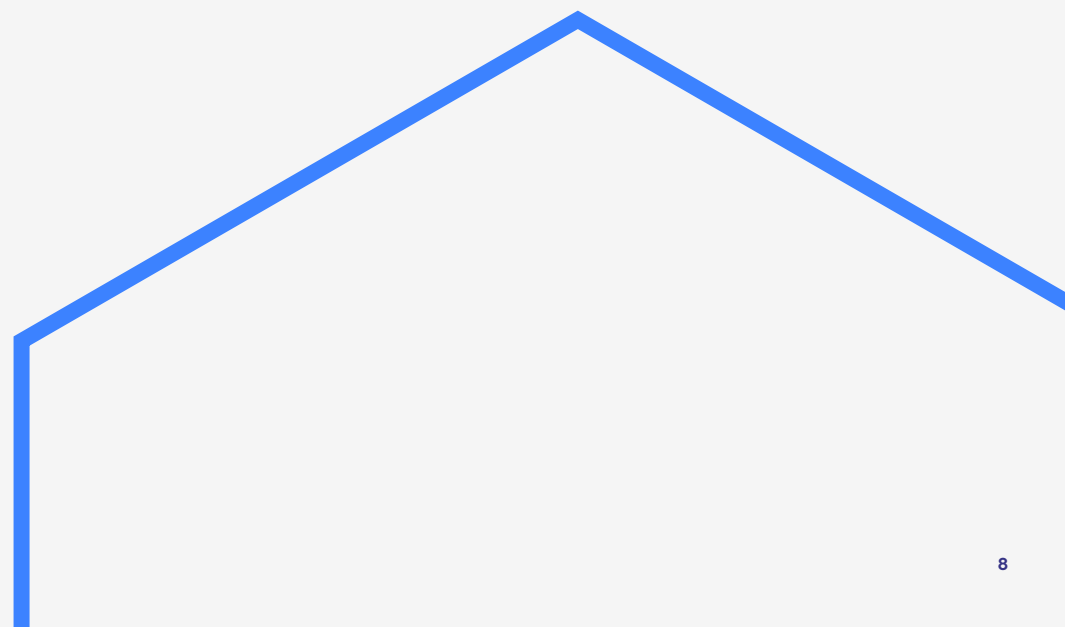
JAKALA acquired the **FFW Group** at the end of June 2023, expanding its presence in new key geographical areas such as the US and Germany.

Established in Denmark, FFW is specialised in marketing strategies for developing innovative customer experience solutions aimed at large companies and organisations. It offers transformation and development services to create first-rate digital experiences to land new customers and keep them loyal using analyses, strategies and insights.

In the second half of 2023, through the subsidiary Jakala France S.a.S., JAKALA finalised the acquisition of two important companies operating on the French market: **Soyhuc S.a.S.**, specialised in software solutions for data

production and analysis, and **MadAgence S.a.S.**, expert in building and managing e-commerce platforms.

In addition, in early 2023, JAKALA sealed the acquisition of **Roibox**, a Latvian company specialised in geospatial analysis for digital advertising, and the **GotU Group**, renowned for its AI-based multichannel advertising platform.



24 years of organic & M&A growth



Right from the outset, JAKALA showed a strong leaning towards innovation, constantly investing in advanced technologies and qualified talents.

Its specialisation in data-driven marketing solutions has allowed the company to shine in a dynamic and challenging market, providing its customers with effective tools for analysing

and using data for strategic purposes. JAKALA's ability to harness the power of data is a massive competitive advantage that helps it attract and form solid relationships with customers, partners and investors.

Indeed, JAKALA endeavours to reimagine services with an integrated approach, transforming loyalty programmes and strategies

into ecosystems of more innovative and technological services. Its data-driven vision and the high-profile skills of its workforce has made JAKALA a renowned and reliable partner for its customers.

Corporate Governance

JAKALA S.p.A. S.B.'s governance is founded on adopting national and international best practices, thus ensuring a responsible management approach in line with global standards. This model is underpinned by a clear, precise definition of information flows between company bodies, guaranteeing transparency and efficient coordination in internal communication. JAKALA has also implemented an extremely robust and effective internal control and risk management system that identifies, assesses and mitigates potential risks, thus ensuring a safe and reliable corporate management. For more details, see section 2 "Risk-based thinking approach".

JAKALA S.p.A. S.B.'s current corporate governance model complies with the traditional management and control model as per article 2380-bis and following articles of the Italian Civil Code.

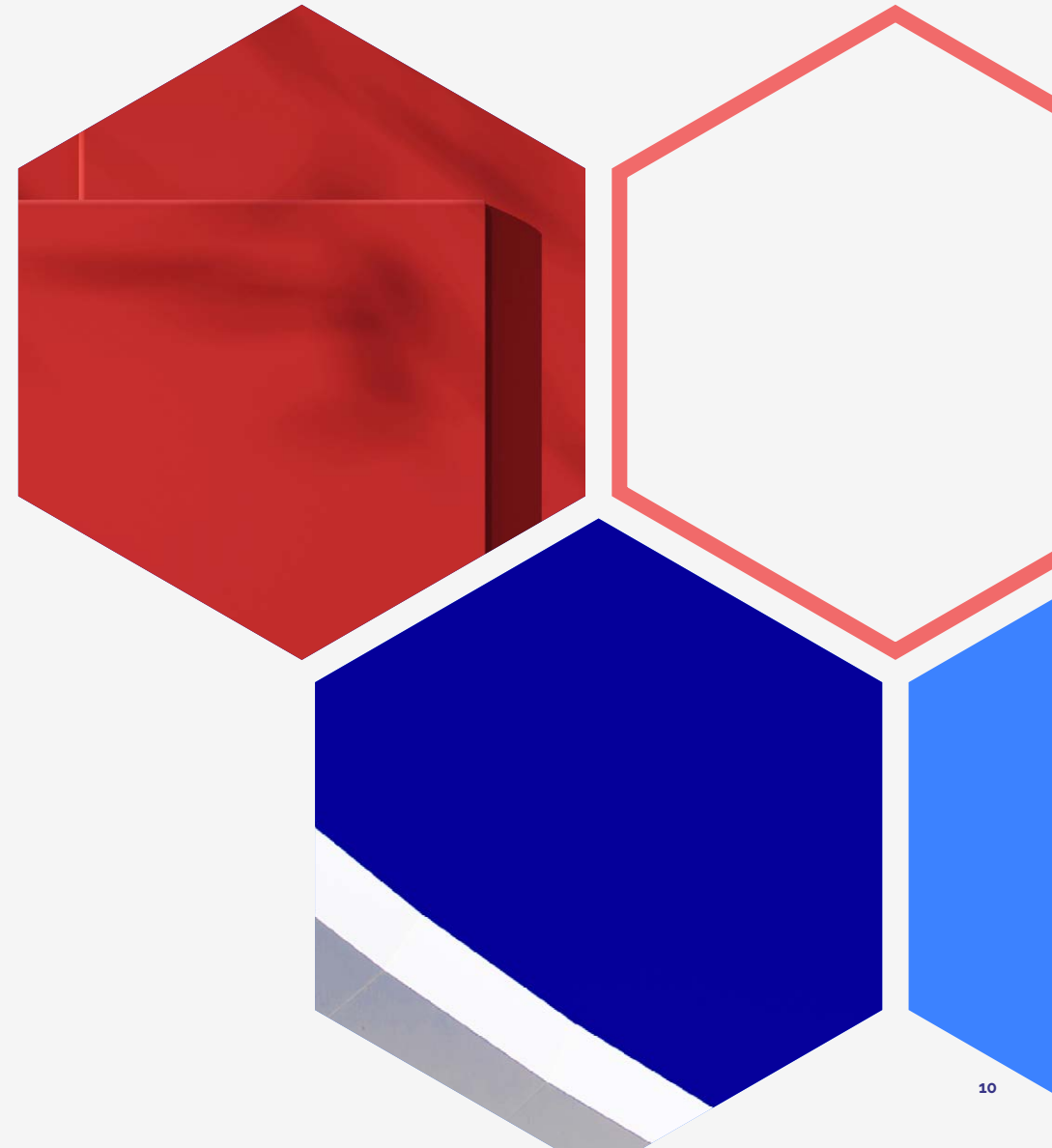
The model comprises two boards appointed by the shareholders: the board of directors, with extensive ordinary and extraordinary powers for the management of the company, and the board of statutory auditors, which supervises management and compliance with the law and the company by-laws.

The **Board of directors** is in charge of the administrative management of the company in order to achieve its business object. It carries out its remit directly and collectively and also delegates some of its duties to the chairman and the CEO within the limits set by the law and the by-laws. The Board of directors plays a key role in defining JAKALA's policies and sustainability strategies, defining medium/long-term objectives together with the business divisions and stakeholders involved and checking the relevant results, which are then presented to the shareholders.

An Audit, Risks and Sustainability

Committee was set up within the board of directors. It makes proposals and acts as advisor on ESG issues in compliance with the recommendations of the code of conduct endorsed by Borsa Italiana S.p.A.'s committee for the corporate governance of listed companies. JAKALA S.p.A. S.B. adheres to such recommendations on a voluntary basis and is not obliged to comply with its indications.

The Board of directors was appointed by the shareholders on 6 May 2021 for a three-year term that ended with the approval of the financial statements as at and for the year ended 31 December 2023. The board was subsequently renewed for another three-year term, confirming all directors.



The **board comprises**: 9 directors, including the chairman, with one female director. Average age: 48 years old. Executive directors: Chairman and CEO. The directors do not hold any significant positions that would compromise their work at JAKALA.

In the second half of 2023, following the resignation of a director, the shareholders appointed to the board a well-known US professional, an expert in marketing, media and technology, who will qualify as an independent director. His experience will help drive JAKALA's global expansion.

The **Chairman of the board of directors**, and founder of JAKALA, has been assigned a central role in organising and defining company strategies together with the CEO. Both have been granted extensive powers to negotiate and implement business initiatives of key importance for the Group.

Other managers have single and/or joint signatory powers depending on the type and amount of the transaction, following a system of delegations and proxies according to actual responsibilities.

The **Shareholders 'meeting** are JAKALA's supreme decision-making body, with duties that encompass vital issues such as approving the financial statements, appointing and removing directors and statutory auditors and deciding their fees, in line with legal provisions.

Completing the governance model, as mentioned earlier, the **Board of statutory auditors** supervises compliance with the law and the company by-laws, correct management practices and the adequacy of the company's organisational, administrative and accounting structure, while the **independent auditors** are appointed by the shareholders upon the proposal of the board of statutory auditors. They carry out their activities independently. They audit the financial statements and check the correct keeping of the accounting records and the accurate presentation of operations in the account..

JAKALA S.p.A. S.B. and JAKALA Civitas S.p.A. have adopted an **organisational, management and control model as per Legislative decree no. 231/2001** and appointed a **supervisory body** (respectively a collective body and an individual).

The parent manages and coordinates its Italian and foreign subsidiaries, providing assistance in corporate governance management. The corporate governance model and the organisational model adopted by the subsidiaries are compliant with locally applicable regulations, reflecting the Group's business strategies and risk management analyses made by management.

These models take into consideration the unique characteristics of each country and generally provide for a local management model that is coordinated centrally, with operating powers granted to one or more directors or proxies. In addition, a network

of local partners supports the various legal entities in managing compliance issues, helping to build a relationship of direct and transparent trust between the companies, the market and the stakeholders, according to the specific requirements of the country involved. This approach guarantees a wide degree of autonomy for the subsidiaries, allowing them to effectively meet local needs while maintaining a Group vision and strategic direction.



1.2 Economic value generated and distributed

As the world becomes more fast-moving and interconnected, characterised by rapid, complex changes and fed by technological innovations and global challenges, the perception of corporate social responsibility has taken on a new dimension. In addition to meeting financial targets, companies must also address issues such as environmental sustainability, social equity and ethical governance.

Aware that companies generate value for other stakeholders beyond just shareholders, such as employees, suppliers, local communities and the environment, JAKALA has long calculated economic value generated and distributed in order to measure its distribution both within the organisation and beyond.

In brief, the concept of economic value generated and distributed highlights the importance of balanced corporate management that takes into consideration and aligns the interests of all parties involved in company operations, not only in aiming to maximise returns for shareholders, but also helping to make a broader positive impact on society and the surrounding environment.

This outlook goes beyond traditional company limits, nurturing transparency and

promoting accountability and trust between investors and other stakeholders.

The allocation of value distributed among stakeholders has changed dramatically.

First and foremost, economic value distributed to suppliers dropped from 75% to 67%. On the one hand, this is due to the lower percentage of customer loyalty activities centred on physical products. Though the latter grew during the year, they dropped as a percentage of the total economic value and, thus, the portion distributed to suppliers also fell. The policy to insource previously outsourced activities within the Group was also a factor.

As a result of the above, economic value distributed to employees jumped 28%. The sizeable investments in human resources to support business left a clear and unmistakable mark on the figures for 2023.

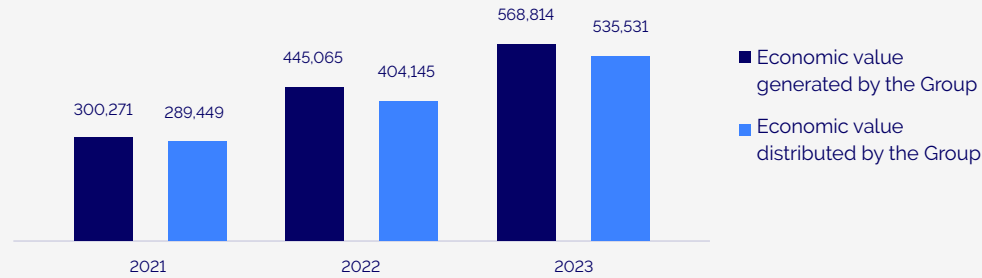
Lastly, economic value distributed to financial backers doubled from 2022 to 6%. M&A transactions, with their financial requirements, strongly completely transformed the Group's debt structure in a year of intense interest rate tensions.



Economic value generated and distributed (€'000)

	2023	2022	2021
Economic value generated by the Group	568,814	445,065	300,271
Revenue	565,686	434,250	296,043
Other income	3,964	3,070	3,489
Financial income	1,549	4,043	1,257
Impairment of financial assets	0	0	
Loss allowance	(375)	4	(77)
Exchange differences	(2,010)	3,698	(441)
Economic value distributed by the Group	535,531	404,145	289,449
Economic value distributed to suppliers	358,191	301,311	221,990
Economic value distributed to employees	149,046	89,442	57,725
Economic value distributed to financial backers	30,959	11,744	7,269
Economic value distributed to shareholders	657	389	81
Economic value distributed to public administration	(3,412)	1,040	2,236
Economic value distributed to the community	90	219	148
Economic value retained by the Group	33,282	40,920	10,822
Amortisation and depreciation	43,098	29,291	18,465
Provisions	2	718	2
Reserves	(9,818)	10,911	(7,645)

Economic value generated and distributed



Value generated:

- **+ 28% on 2022**
- **+ 90% on 2021**
- **24% CAGR from 2019 to 2023**

Value distributed:

- **+ 33% on 2022**
- **+ 85% on 2021**
- **24% CAGR from 2019 to 2023**

2022



Economic value distributed to suppliers	301,311	74.56%
Economic value distributed to employees	89,442	22.13%
Economic value distributed to financial backers	11,744	2.91%
Economic value distributed to shareholders	389	0.10%
Economic value distributed to public administration	1,040	0.26%
Economic value distributed to the community	219	0.05%
Total	404,145	100.00%

2023



Economic value distributed to suppliers	358,191	66.89%
Economic value distributed to employees	149,046	27.83%
Economic value distributed to financial backers	30,959	5.78%
Economic value distributed to shareholders	657	0.12%
Economic value distributed to public administration	(3,412)	-0.64%
Economic value distributed to the community	90	0.02%
Total	535,531	100.00%

Italy is still the top country for economic value creation, accounting for 64% (down from 73% in 2022). However, JAKALA's strong push towards internationalisation, both organically and inorganically through significant M&A transactions, increased the contribution of Europe (21%) and rest of world (15%) to 36%.

Growing from 12% to 21% of economic value generated, Europe was a key driver of growth, thanks to great performances in Spain and France and acquisitions made in Germany and France.

A similar trend is seen in the distribution of economic value to employees.

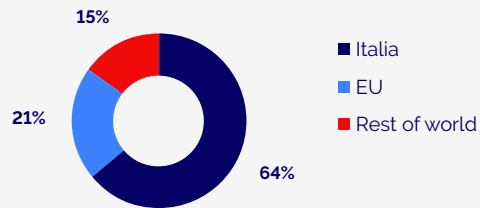
Over one third of the value (35% to be precise) is distributed outside Italy, matching the trend in value creation. This provides an unnecessary reminder of how the Group runs a "people business" and how trends in the workforce have a direct impact on value generation.

The Group historically procures its supplies internationally, using a rational that favours

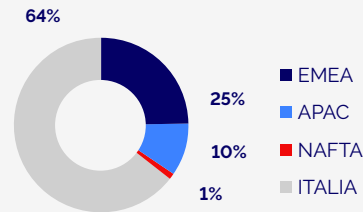
technical know-how, production capacity and needs of individual projects. Where financial and service terms are the same, suppliers that are more efficient or are located in the vicinity of the Group's facilities are given priority.

The map below shows the main countries where supplies are procured (the darker the colour, the higher the volume of purchases).

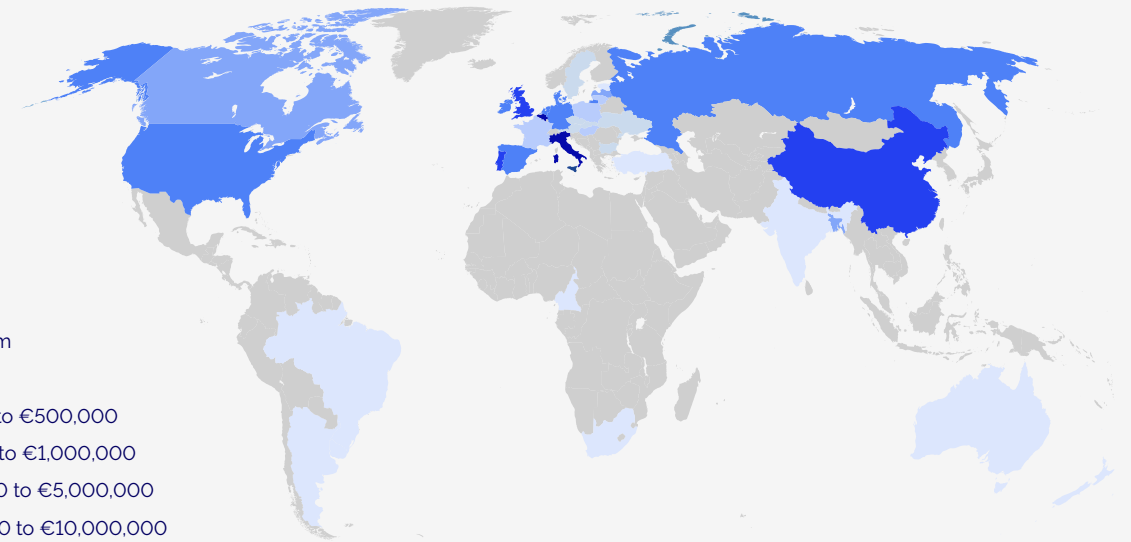
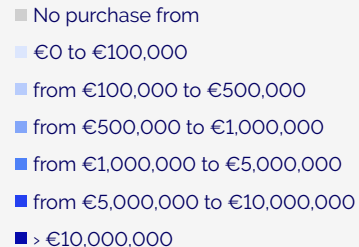
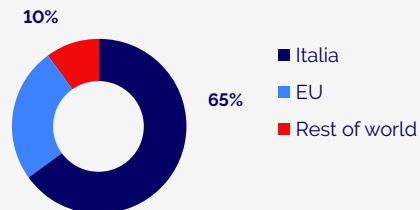
Economic value generated by the Group



Purchases by geographical area



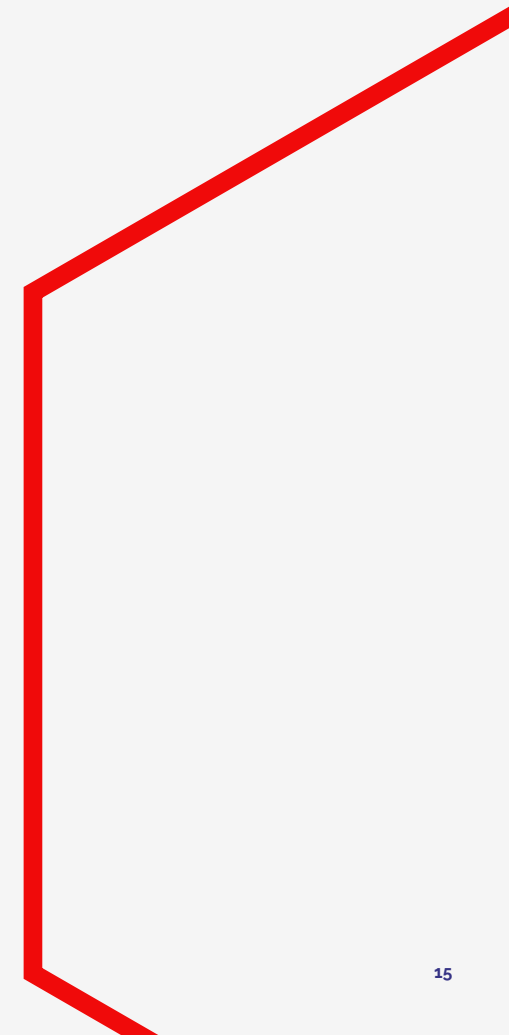
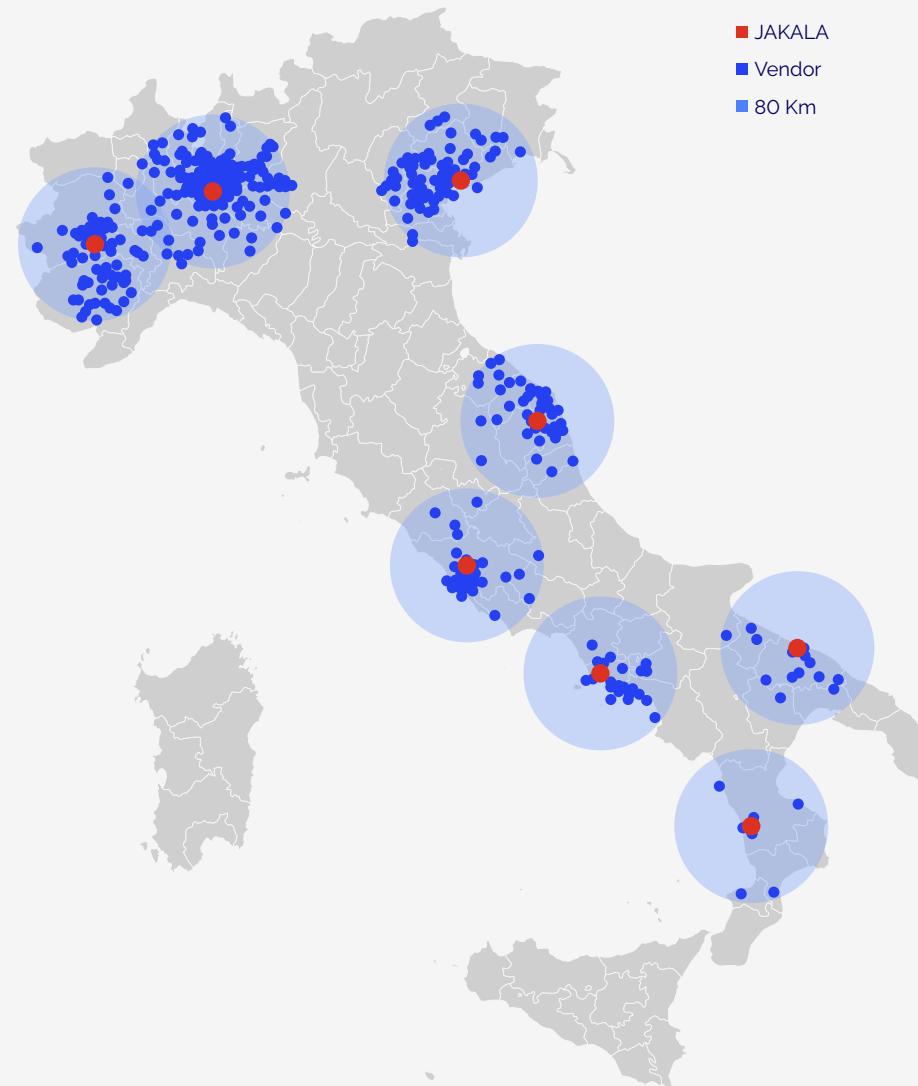
Economic value distributed to employees



In Italy, roughly 69% of purchases are made within 80 km of Group facilities. This proves JAKALA's bond with its local area, recognising the value of a short supply chain, with its strong potential for generating social, economic and environmental benefits for the local community, supporting development and economic prosperity.

The loyal relationships that geographical vicinity, along with economic and social affinity, helps generate are an intangible value, creating a virtuous circle of socio-regional collaboration and value creation.

Reference should be made to the directors' report and the notes to the consolidated financial statements for further details on financial matters.





02 Unique Value Proposition

Contribution to the SDGs



- 2.1 Risk-based thinking approach
- 2.2 Stakeholder engagement
- 2.3 Materiality assessment

Unique Value Proposition

Adopting a strategic risk-based thinking approach is key in this current global climate blighted by uncertainty and strong interdependence. Not only does it help mitigate potential threats, this approach also opens the door to hidden opportunities, offering companies the possibility to prosper in a constantly changing environment.

Another key factor of success is effectively involving all stakeholders. Understanding and satisfying the needs and expectations of those affected by company operations is crucial for sustainably generating value in the long term.

Moreover, it is vital to identify and focus on the most significant aspects for the company and its Stakeholders. This materiality assessment ensures that resources are allocated efficiently, maximising the impact and sustainability of company initiatives.

This section provides a detailed analysis on these aspects, offering a vision of all the methods and procedures implemented by JAKALA in these areas.



2.1 Risk-based thinking approach

Guaranteeing growth and sustainability through an integrated, proactive approach to risk management

The set-up of JAKALA's **internal control and risk management system (ICRMS)** reflects a multidimensional and structured approach to preserve the operational and strategic integrity of the company. Based on strict principles, this system encompasses a wide range of regulations, procedures and organisational infrastructures. Its main purpose is to ensure that JAKALA operates in line with its objectives, through a meticulous process of risk identification, assessment and management.

JAKALA has implemented a sophisticated integrated risk management model involving the entire corporate structure and governance bodies, drawing inspiration from global standards and international best practices. The methodology used takes into consideration the company's entire ecosystem as a whole, from risk assessment to business planning, ensuring that each step is in line with long-term goals and advanced industry practices.

JAKALA's **enterprise risk management (ERM)** is a cornerstone of the group's development, geared towards ensuring growth that is not only solid and constant, but also deeply rooted in an ecosystem of sustainability and proactivity. Through a methodical and disciplined approach, ERM aims to provide a structural framework within which each identified risk is analysed, assessed and managed with the aim of optimising decision-making at all levels of the group.

Risks are categorised into four main areas, each reflecting a critical field of challenges and opportunities for the business model. This helps effectively manage and control existing risks while allowing for periodic and dynamic mapping of emerging risks.

THE FOUR AREAS ARE:

- External risks
- Operational risks
- Financial risks
- Strategic risks

Risk-based thinking approach – ICRMS

Integrated risk management: how JAKALA tackles external, operational, financial and strategic challenges to safeguard business growth and stability.

External risks:

These risks include various external factors such as government policies, competitive trends, legislative changes and evolving Stakeholder expectations. They can significantly impact the growth path, potentially eroding shareholder value. The strategy to mitigate these risks includes constant monitoring of the external landscape, adapting internal policies and processes and building strong relationships with stakeholders to effectively navigate a constantly changing environment.

Operational risks:

These arise from operational uncertainties and can include unpredictable events, such as natural disasters or situations of force majeure, as well as internal risks related to managing daily activities. To address these risks, JAKALA meticulously plans and prepares, implementing quality management, information security and business continuity systems to ensure efficiency and reliability even in the face of unforeseeable challenges.

Financial risks:

These risks are associated with economic variables beyond direct control, such as interest rate fluctuations and changes in exchange rates. They can have a significant impact on cash flows and financial stability. The approach to financial risk management includes sophisticated hedging techniques, astute management of financial exposure and careful planning.

Strategic risks:

These are inherently linked to JAKALA's activities and ability to execute key strategies for business success and growth. They can adversely affect performance in the short and medium term. In tackling these risks, the group focuses on continuous innovation, market analysis and developing a long-term vision.

Risk-based thinking approach – ERM

ERM adopts a series of actions for risk mitigation to safeguard sustainable growth in both the short and long term. These include preventing the identified risk, conserving

it at JAKALA, transferring it to third parties (fully or partially) and adopting measures to mitigate its negative impacts.

Risk prevention:

Excluding any activity deemed too risky or beyond the scope of the core business. Before taking on new projects or expanding into new markets, JAKALA carefully assesses potential risks and decides whether the activity falls within the tolerance threshold regarding the specific issue and company objectives. Prevention aims to avoid threats before they arise.

Risk transfer:

Certain risks, especially those that cannot be directly controlled, can be managed more quickly and effectively if transferred to third parties. For example, through insurance policies, contracts or partnerships, where risk is shared or fully taken on by another party. This reduces direct exposure while also allowing JAKALA to focus on its areas of expertise, leaving specific risks to third-party experts.

Risk reduction:

If risks cannot be avoided or transferred, JAKALA adopts measures to reduce their impact. These include developing business continuity plans, investing in security technologies, training employees on safe operating practices and regularly revisiting internal procedures. The aim is to minimise the severity of negative impacts, while also safeguarding operating capacity and the company's reputation.

Risk conservation:

In certain cases, JAKALA decides to knowingly accept the risk, recognising that the potential losses are manageable or that the benefits outweigh the costs. In these situations, the potential consequences are planned and the expected losses are incorporated into financial and operating plans. Careful assessment and precise planning are required to ensure that conserving the risk is a strategic decision rather than a convenient option.

A solid and integrated governance structure: how JAKALA manages risks and safeguards company value

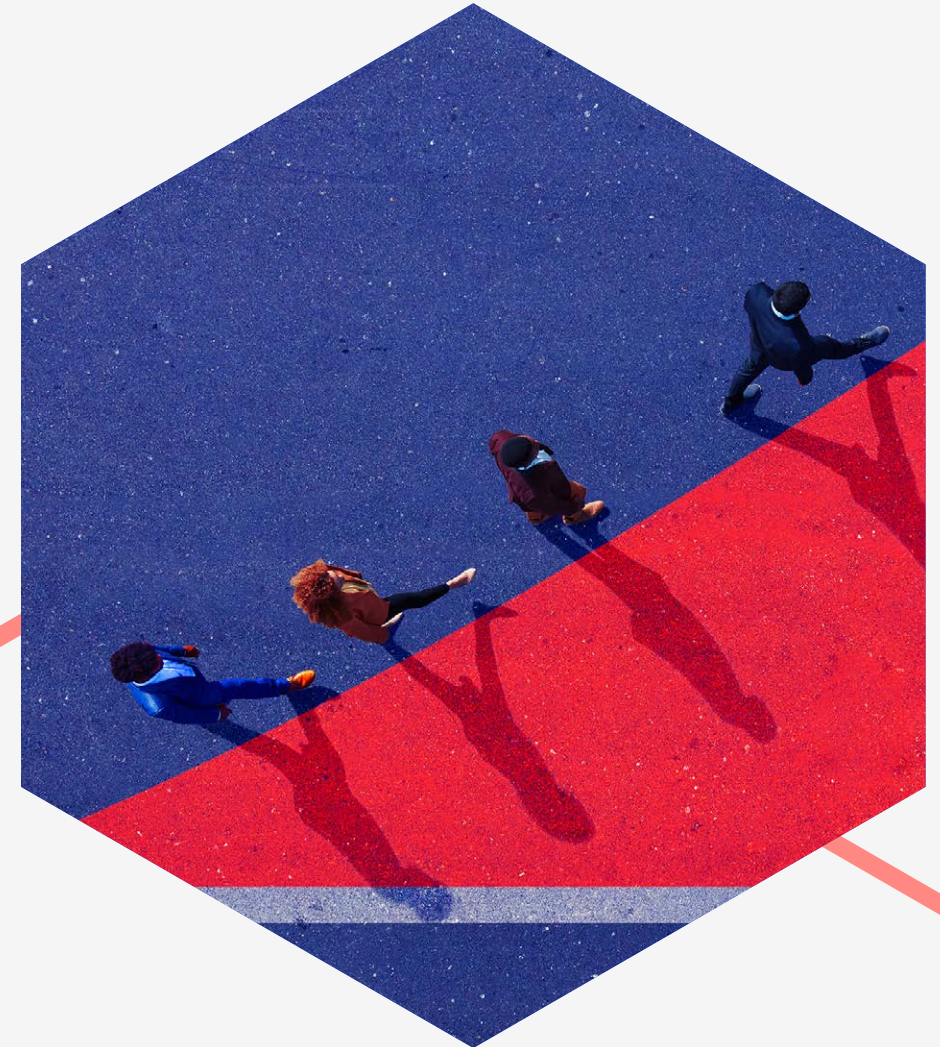
The Board of Directors is in charge of the internal control and risk management system, steering and assessing the adequacy of the system. The Board is aided by the audit, risks and sustainability committee in a supervisory and support role, along with the CEO who looks after implementing and maintaining the system.

These are flanked by two internal units – risk management and internal audit – who provide the know-how and support necessary to update the risk management policies and check their effectiveness.

In addition, management has the vital role of implementing processes and procedures that enable JAKALA to achieve its objectives via an effective internal control system. Management's collaboration is essential for integrating risk management into daily activities. Each risk owner is responsible for the identification, preliminary measurement, reporting and monitoring of risks associated with their activities.

Other key roles, such as the board of Statutory Auditors, Supervisory Body, Chief Information Security Officer (CISO) and HSE Manager, are involved in the risk management process, ensuring that all aspects, from information security to health and safety in the workplace, are considered and managed in an integrated manner.

This organisational structure guarantees that risk management at JAKALA is not just a consolidated practice, but also a fundamental element of corporate culture, supporting its vision of sustainable growth and safeguarding value for shareholders and all stakeholders.



2.2 Stakeholder engagement

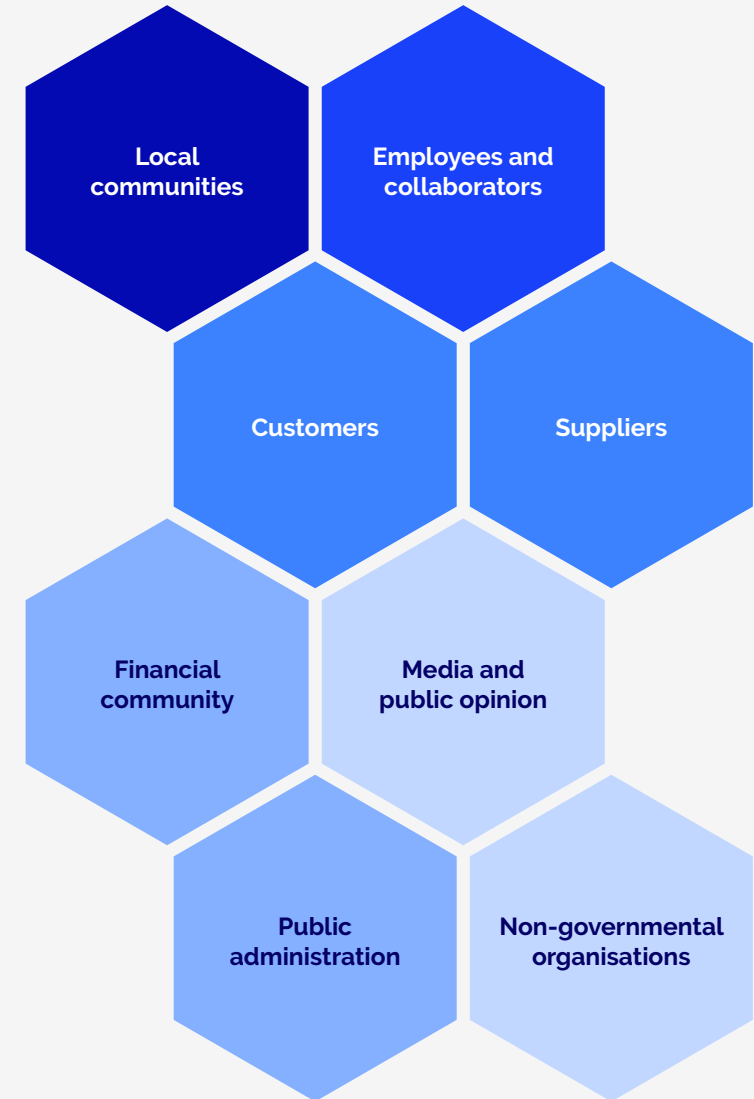
Building long-lasting relationships: ongoing dialogue with stakeholders as the cornerstone of JAKALA's Sustainability

The JAKALA Group places great emphasis on maintaining solid, steady relationships with all stakeholders. A relationship based on ongoing dialogue and active engagement manifests the Group's responsibility to its social environment.

JAKALA's Stakeholders represent diverse interests. It is vital for the company to build and maintain solid, long-term relationships, essential for generating shared and sustainable value over time.

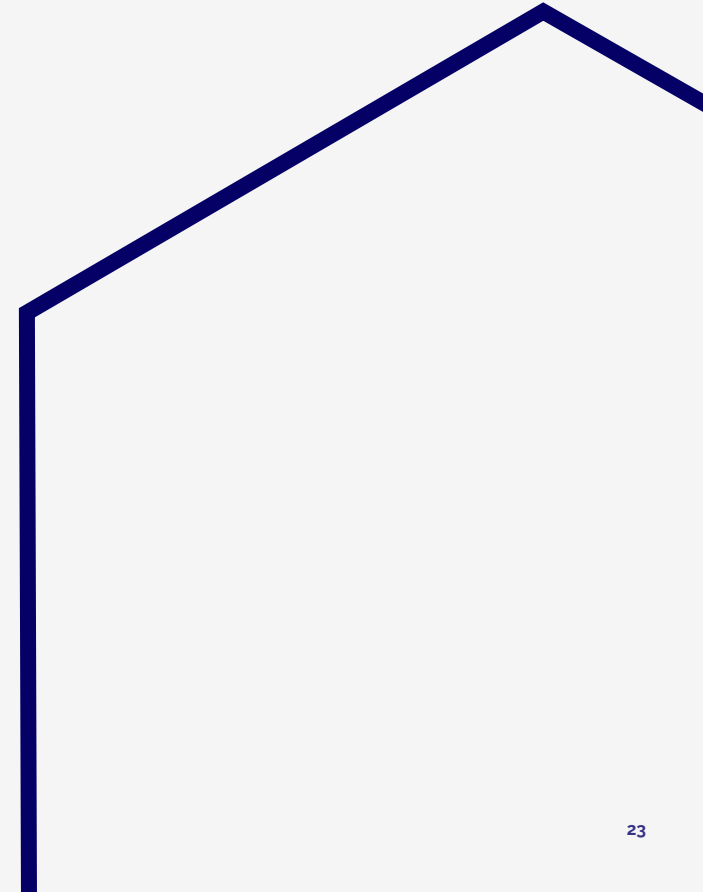
By understanding the specific needs and priorities of the various Stakeholders, JAKALA can organise more effective channels of communication, constantly monitoring expectations, needs and opinions.

Through its dedicated units, the Group takes a proactive approach in communicating with various parties, adjusting how it engages each time in order to create more effective and direct dialogue.



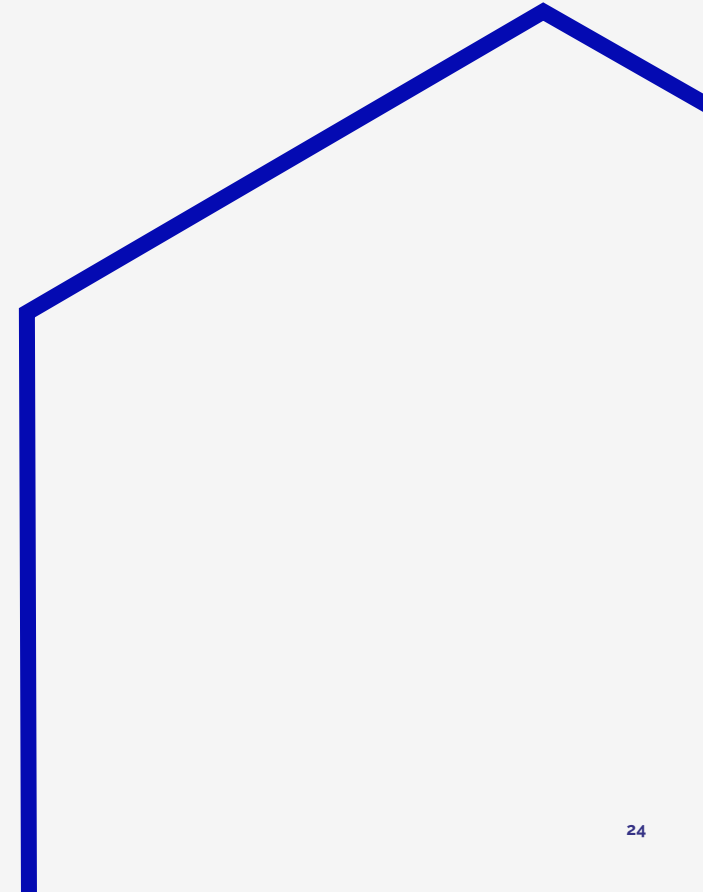
Stakeholder engagement

Stakeholders	Main dialogue and engagement initiatives	Frequency
Shareholders	Shareholders' meeting	Half-yearly
	Periodic reporting	Monthly
	Ongoing direct interaction	-
	Company website	-
	Meetings on the sustainability journey	Quarterly
Employees and collaborators	Internal surveys	Quarterly
	Ongoing dialogue with HR Management	-
	Performance management process	-
	Live events via audio/video conference	Bimonthly
	Internal newsletters on events and sustainability	Monthly
	Training based on HR rank and team	-
	Corporate section of the intranet	-
	On-boarding and integration of new hires	Fortnightly



Stakeholder engagement

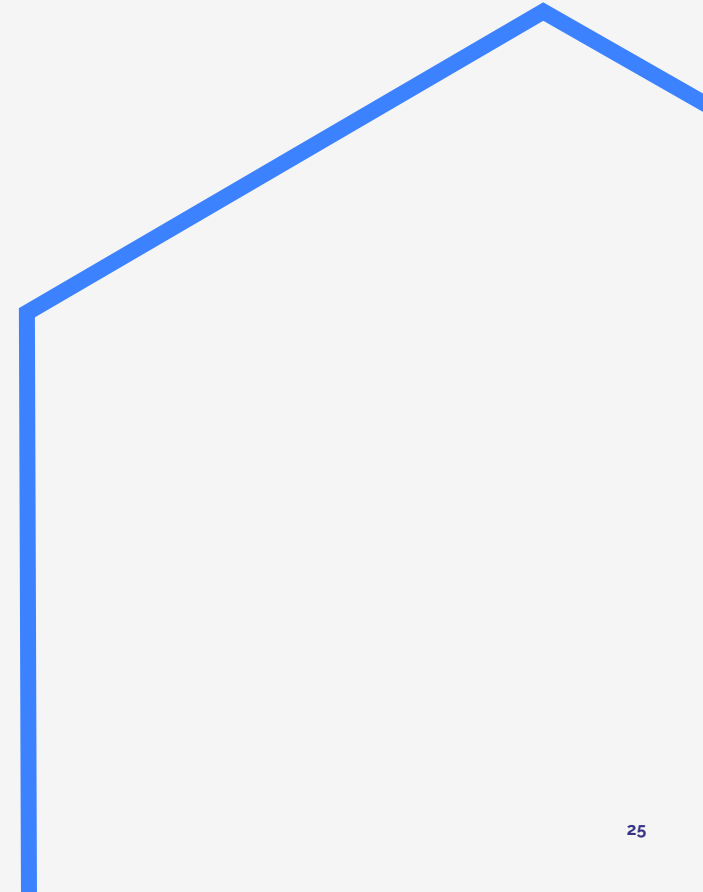
Stakeholders	Main dialogue and engagement initiatives	Frequency
Customers	Management and attendance of events aimed at analysing technology trends and sustainability	Mensile
	Regular business updates	-
	Customer service	Daily
	Sales force as a channel for listening, mediating and communicating	Daily
	Defining customised projects	Daily
	Market research, surveys, focus groups	Daily
Suppliers	Cooperating and working with the procurement division and the quality management unit to develop new products, audits and assessment processes	Daily
	Company meetings, trade fairs, industry events and on-site visits	Biweekly
	Defining and sharing quality standards	Daily
	Dedicated meetings and monitoring sustainability performance	Monthly
Public administration	Interviews with senior management	Occasionally
	Events and partnerships with public bodies	Bimonthly
	Periodic communications	Monthly
	Participating in projects of public interest	Monthly
	Participating in work groups	Bimonthly



Stakeholder engagement

Stakeholders	Main dialogue and engagement initiatives	Frequency
Comunità locali	Expert support to social initiatives	Monthly
	Volunteer programmes	Quarterly
	Partnerships with non-profit bodies	Monthly
	Events with sports associations/committees	Monthly
Media and public opinion	Interviews with senior management	Monthly
	Posting on social media	Daily
	Participating in events	Monthly
	Company website	-
Financial community	Filling out surveys to assess financial and ESG performance	Monthly
	Company website	-
	Periodic updates	Quarterly
	Seminars, industry conferences Daily dialogue (meetings, phone calls, e-mails)	Quarterly
	Daily dialogue (meetings, phone calls, e-mails)	-
Non-governmental organisations, trade associations, universities, research institutes	Training events	Monthly
	Joining international programmes	-
	Participating in work groups	Monthly
	Actively participating in round tables	Monthly

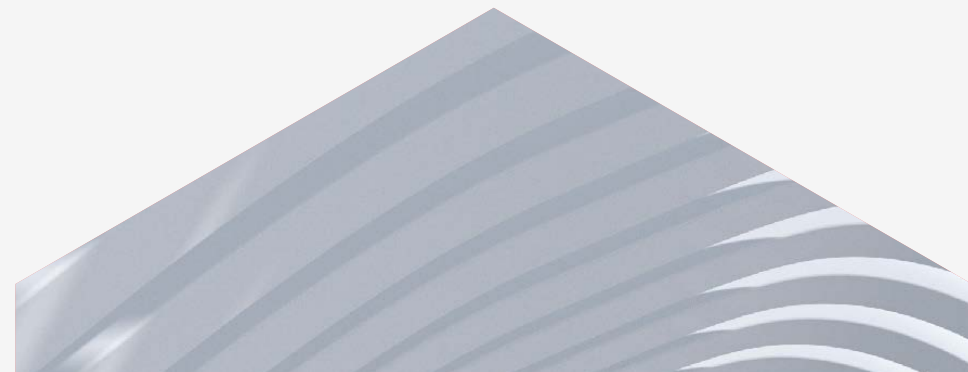
The Group does not hold positions on governing bodies in any association or participate in projects or committees, or provide substantial funding beyond normal membership dues.



2.3 Materiality assessment

In order to maintain long-lasting relationships with its stakeholders, JAKALA organises annual direct feedback and engagement sessions with its main stakeholders in order to find out their expectations, perceptions and priorities to keep in mind when defining reporting areas.

JAKALA identifies and prioritises material topics using the methodology set out in the **Global Reporting Initiative (GRI) Standards**, specifically GRI 3 Material Topics 2021 (version published in October 2021) which introduced guidelines for identifying material topics for reports published starting from January 2023 in order to improve consistency and quality.



Global context

Common practice:

Companies from different sectors and geographical regions adopt materiality assessments as a standard tool for integrating sustainability into their main operations. This process is used to align company practices with the global and local expectations of stakeholders and to effectively respond to market and legislative pressures.

Stakeholder engagement:

A recurring theme is the involvement and active engagement of stakeholders as a key step in understanding their needs and expectations, ensuring that the materiality assessment is inclusive and represents different voices.

Strategic implementation:

The material topics are directly integrated into company strategies. This shows a trend towards integrated sustainability management, where materiality issues not only influence specific policies and initiatives, but are also fundamental in formulating the company's strategic plans.

Transparency and communication:

Open and transparent communication with stakeholders is an essential part of the relationship, in this case through annual sustainability reports that communicate the results of the materiality assessment. In general, this ensures that stakeholders are constantly informed about and involved in company progress.

Materiality assessment

Specific approach methods

Identification and prioritisation:

Adopting a structured methodology for identifying and assessing sustainability topics, based on a broad range of internal and external perspectives. The topics are assessed in relation to their importance for stakeholders and their potential impact on business.

Validation of the process:

Validating the material topics through internal consultations and discussions with stakeholders, ensuring the assessment accurately reflects common priorities and are in line with company objectives.

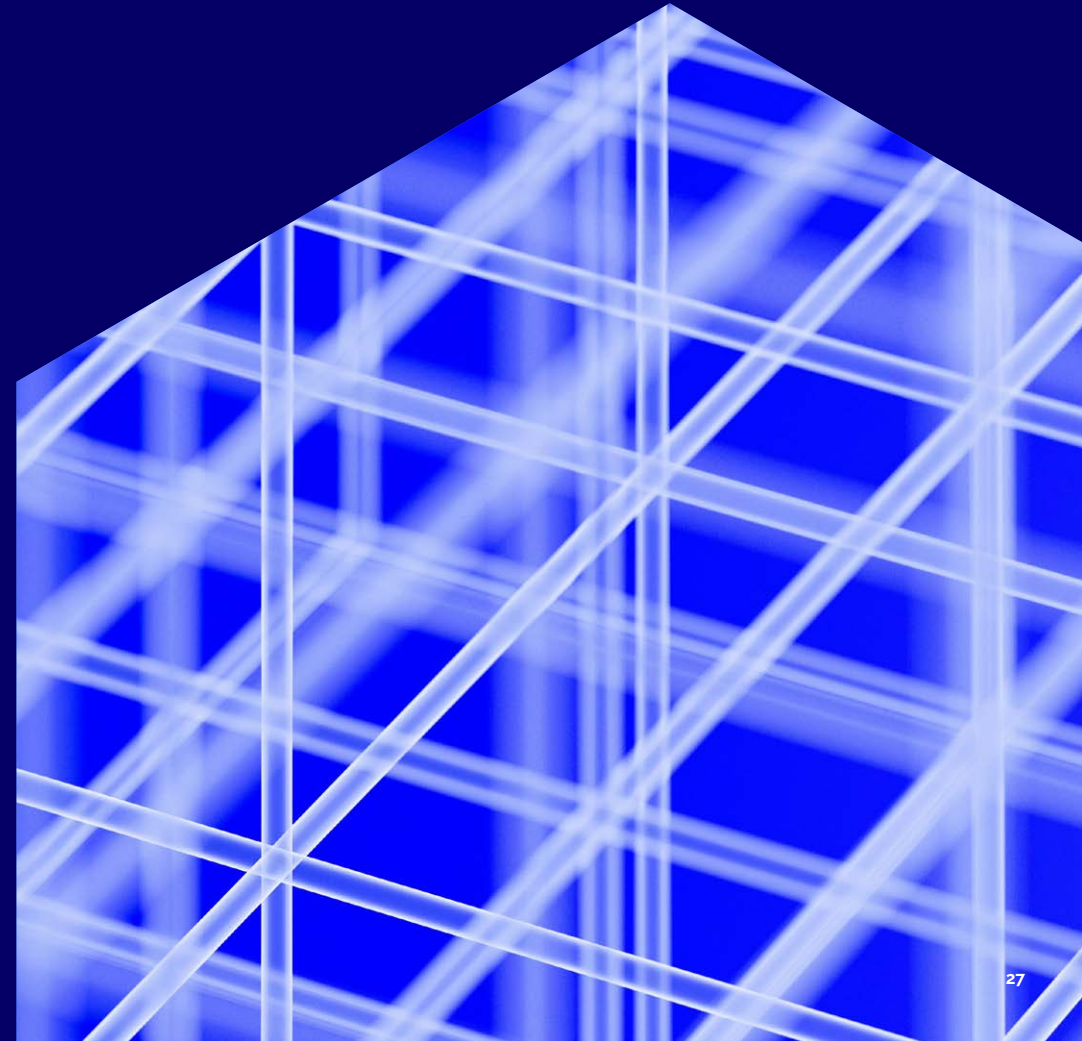
Fluidity and updates:

The materiality assessment is not a static process, but instead must be regularly updated to reflect changes in the company and in stakeholder expectations.

Active participation of JAKALA's stakeholders

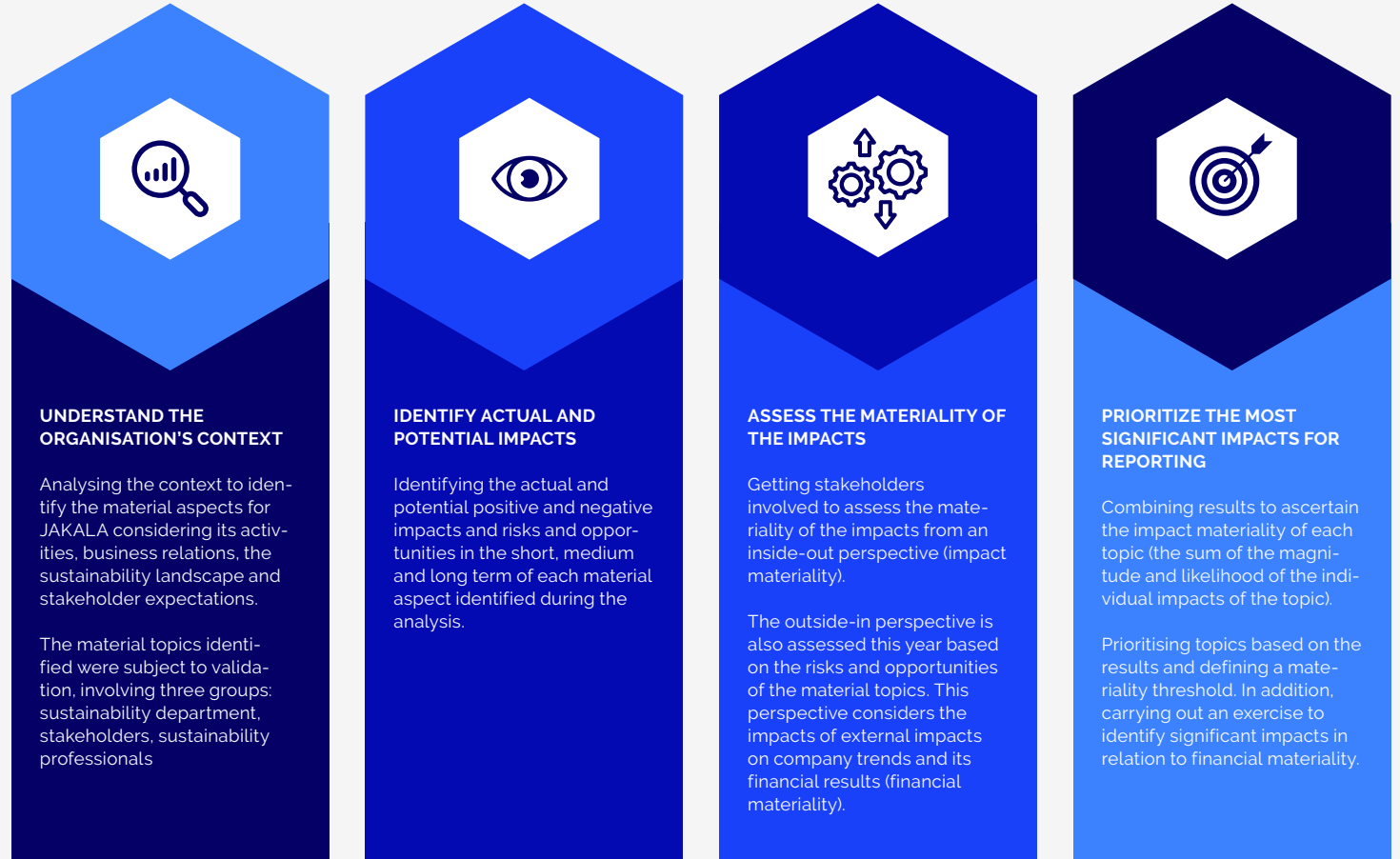
JAKALA has created a systematic approach to the materiality assessment as it is fundamental for integrating sustainability into company strategies and boosting both its environmental and financial performance. Various stakeholder groups were formed and then issued with different surveys in order to model an objective and hands-on assessment that can offer different perspectives.

JAKALA knows that integrating various outlooks significantly reduces the risk of errors caused by an excessively narrow viewpoint. As a result, it not only involved traditional Stakeholders (employees of varying HR rank, suppliers, customers, banks, insurance companies and representatives of local communities), but also a group of professionals from the "Sustainability" segment, specifically: Sustainability Consultant, Sustainability Manager, Sustainability & Social Responsibility, Sustainability Specialist, Supply Chain and Sustainability Analyst, and Head of Procurement.



Materiality assessment

The assessment entailed a structured process involving various players in several stages. The first stage was to gather an in-depth understanding of the sustainability landscape, company operations and relationships with stakeholders, using internal and external sources, international standards and comparison with the 2022 materiality assessment. Subsequently, an INSIDE-OUT analysis was performed, focusing on how internal activities can influence the outside world. This included analysing the possible positive and negative material impacts, with the main goal of reducing the negative impacts. The material topics are then prioritised through a joint assessment by stakeholders and C-level management. This process culminates in creating a matrix based on in-depth analysis of the variables, considering positive impacts, negative impacts and possibility of impact.



Materiality assessment

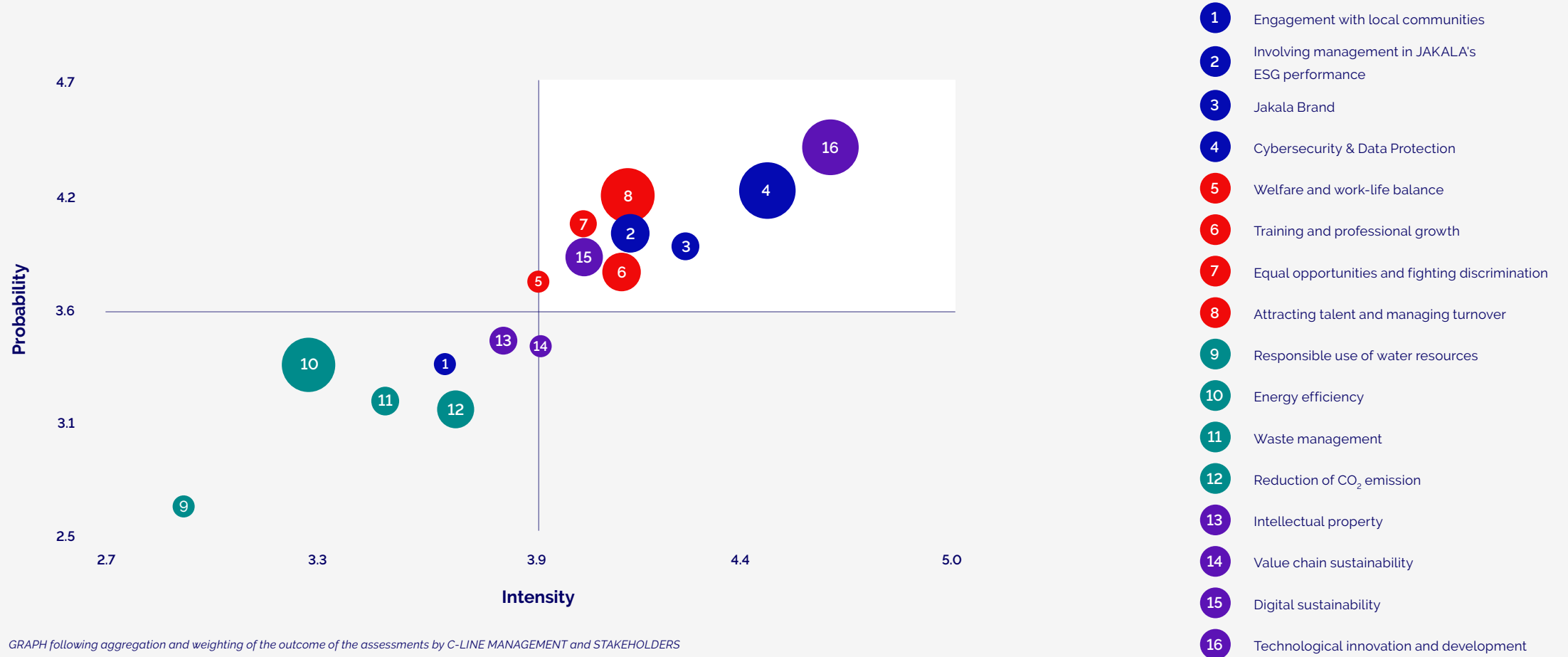
Results

As mentioned earlier, JAKALA defined its material topics through a hands-on process involving the sustainability team, a group of stakeholders and a group of industry experts. The results were discussed with senior management and the material topics were grouped into four macro-areas: **Global & Strategic, People, Planet, Partners & Solutions**, choosing the three most significant topics for each area.

This method ensured that the analysis reflects both management's vision and stakeholder expectations, thus guaranteeing a balanced, representative assessment of JAKALA's sustainability priorities.



Materiality assessment



GRAPH following aggregation and weighting of the outcome of the assessments by C-LINE MANAGEMENT and STAKEHOLDERS

Key: the colour of the dot corresponds to the topic category; the size of the dot indicates whether it is rated first, second or third, where a larger size corresponds to a larger impact

Materiality assessment

The path to double materiality assessment

The European Commission's Corporate Sustainability Reporting Directive (CSRD) introduced the principle of double materiality, whereby the risk faced by companies and the relevant impact are both materiality perspectives.

The European Sustainability Reporting Standards (ESRS 1 General requirements 2022 and Implementation guidance for the materiality assessment) were published in November 2022 and subsequently endorsed by the European Commission in July 2023.

Pending the principle of double materiality coming into force, JAKALA has begun an initial analysis of risks and opportunities in order to gradually integrate the concept of financial materiality into its materiality assessment process.

In order to generate this impact perspective, JAKALA performed a specific internal analysis – involving c-suite management with expertise in financial performance – in order to assess how and to what extent a topic can

influence the company's ability to create value in terms of risks and opportunities. JAKALA has decided to pursue this path because it wants to make strategic decisions, prioritise resources and investments in areas that have a material impact on financial performance and to boost the trust of investors ever more focused on assessing ESG performance.

The impacts are assessed from two perspectives:

Local: perspective that emphasises understanding and analysis based on the context and specific characteristics of the group's surrounding areas.

Global: perspective that examines events and situations in a global context, considering the interconnection and interdependence of the different countries, cultures, economies and ecological systems where the group operates.

Each possible impact is assessed from the following perspectives:

Risks: potential events or circumstances that could negatively impact company objectives. These are analysed from both a local and global perspective.

Opportunities: possibilities for growth and profit. Short term: period of less than a year for company decisions and results.

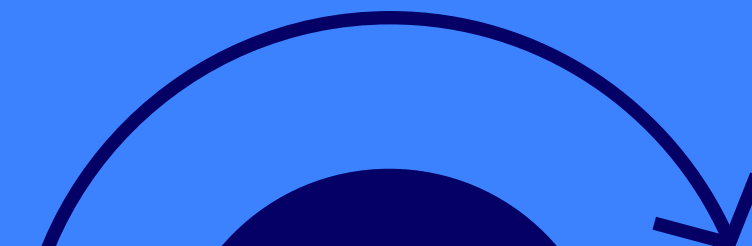
Medium/long term: period of between one and five years for company decisions and results.



**MATERIALITY IMPACT
(inside-out perspective)**

Sustainability issues connected to **actual** or **potential, positive** or **negative material impacts** on **people** or the environment over the short, medium or long term. These impacts include those caused by the company or that it contributes to or those **directly connected to its operations, products and services**, including its upstream and downstream value chain.

INSIDE-OUT



ESG aspects
(Environment, People, Society)



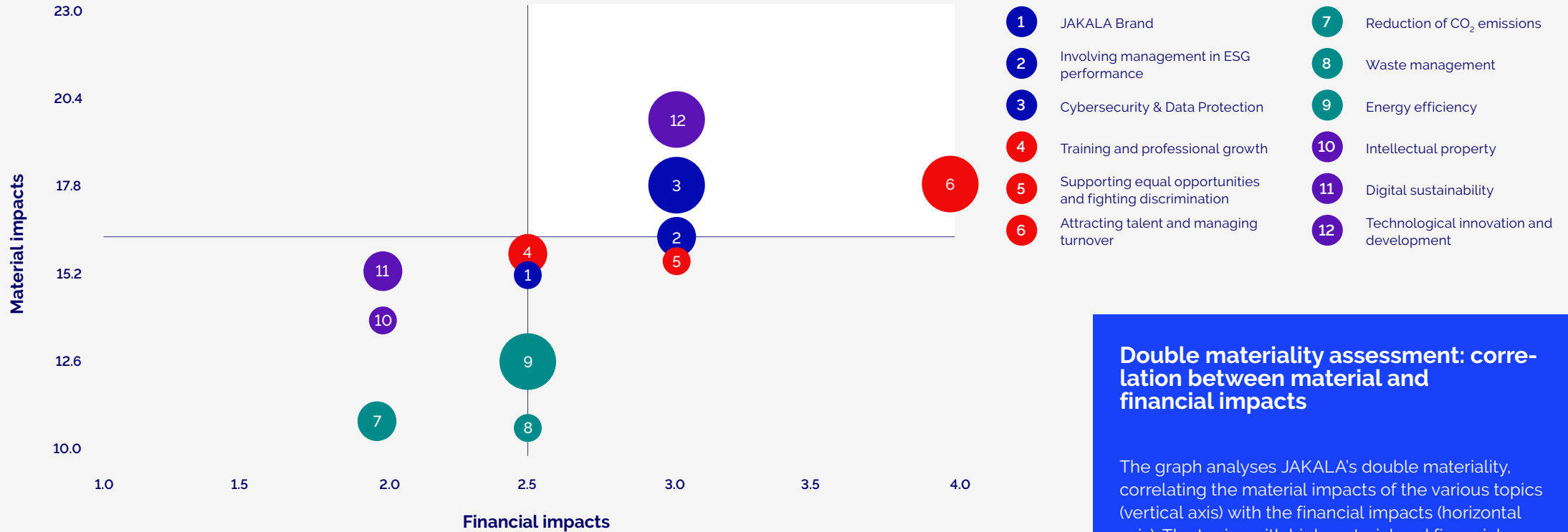
Company operations



OUTSIDE-IN

**FINANCIAL MATERIALITY
(outside-in perspective)**

Sustainability issues that generate or could generate risks or opportunities that substantially affect or could substantially affect the company's cash flows, development, performance, position, cost of capital or access to finance over the short, medium or long term.



Double materiality assessment: correlation between material and financial impacts

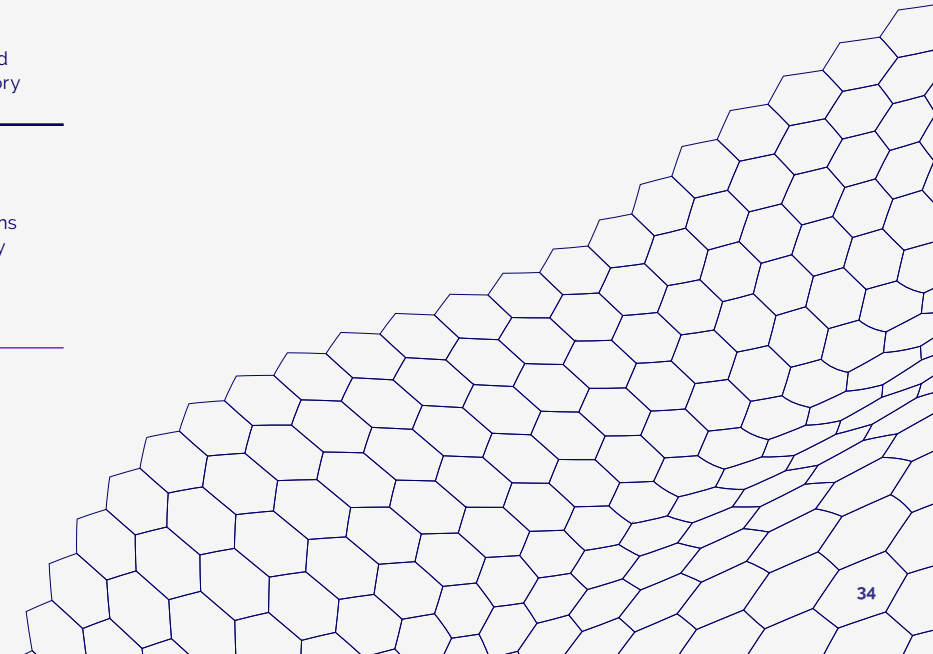
The graph analyses JAKALA's double materiality, correlating the material impacts of the various topics (vertical axis) with the financial impacts (horizontal axis). The topics with high material and financial impact, such as "Innovation and technological development", "Cybersecurity and data protection" and "Attracting talent and managing turnover", are shown in the first quadrant of the graph, and similarly for the other quadrants.

GRAPH following aggregation and weighting of the outcome of the assessments by the FINANCIAL TEAM

Key: the colour of the dot corresponds to the topic category; the size of the dot indicates whether it is rated first, second or third, where a larger size corresponds to a larger impact

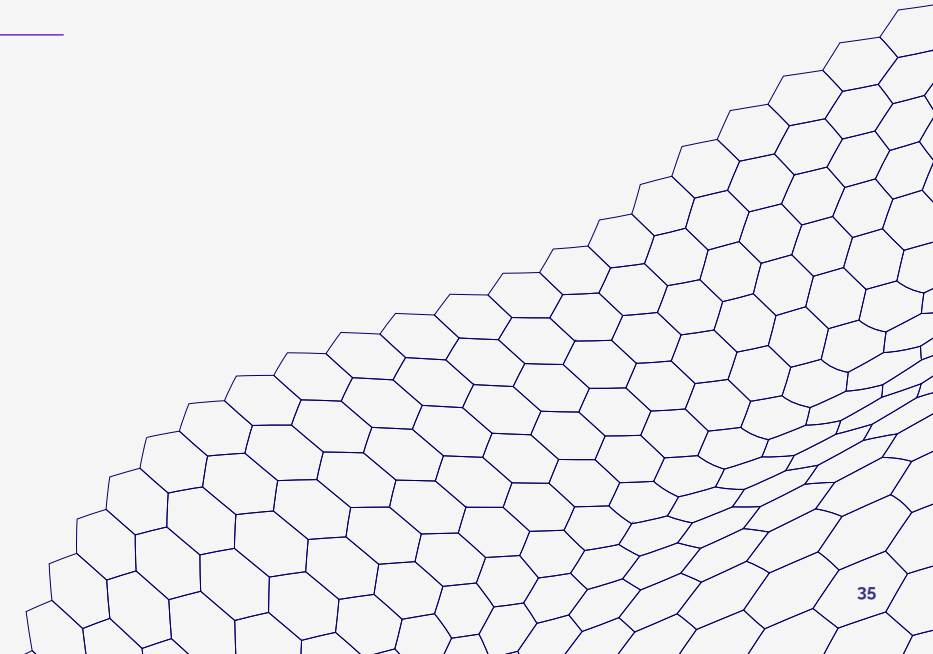
Material topics and descriptions

Global & Strategic	People	Planet	Partners & Solutions
<p>Cybersecurity & Data Protection</p> <p>Guaranteeing and reinforcing the security of both company and third-party data and information handled.</p>	<p>Attracting talent and managing turnover</p> <p>Creating the right working conditions to make JAKALA the first choice for human resources, building long-term relationships.</p>	<p>Energy efficiency</p> <p>Developing and promoting solutions and processes that reduce the use of electricity with the additional commitment to use renewable sources.</p>	<p>Technological innovation and development</p> <p>Investing and fostering research and development of products, services and processes to guarantee a constant level of innovation aimed at pre-empting market demand.</p>
<p>Involving management in ESG performance</p> <p>Tying management's financial growth objectives to achievement of common good objectives</p>	<p>Training and professional growth</p> <p>Fostering personal and professional growth among employees by developing and spreading know-how and technical skills.</p>	<p>Reduction of CO₂ emissions</p> <p>Promoting actions to reduce GHG emissions generated along the value chain.</p>	<p>Digital sustainability</p> <p>Managing the use of digital technologies in an ethical and responsible manner, reducing their environmental impact and avoiding potential discriminatory consequences.</p>
<p>Credibility and prestige of the JAKALA brand</p> <p>Making JAKALA a reputable, respected and sustainable partner, in both financial terms and in its way of doing business.</p>	<p>Supporting equal opportunities and fighting discrimination</p> <p>Guaranteeing an inclusive work environment that incentivises respect and the value of workers' rights, shunning any discriminatory behaviour.</p>	<p>Waste management</p> <p>Waste management is linked to air, ground and water pollution and has a direct impact on public health.</p>	<p>Enhancing and protecting intellectual property</p> <p>All of the strategies and actions implemented by the company to recognise, safeguard and enhance its intellectual property.</p>



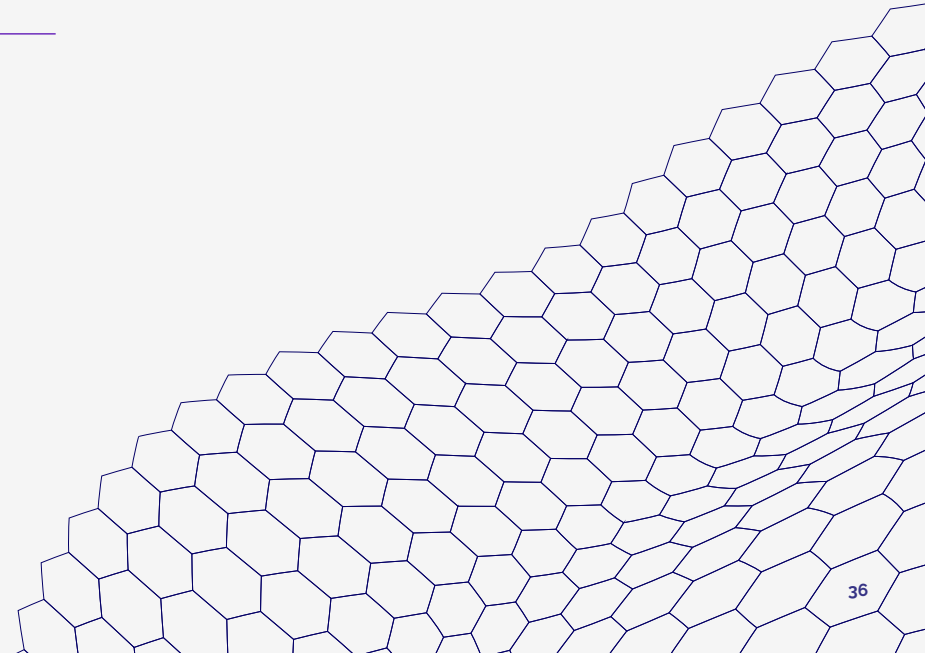
Positive impacts

Global & Strategic	People	Planet	Partners & Solutions
Ensuring maximum security of data and information, protecting all stakeholders.	Providing attractive work opportunities for resources, prioritising employment in the areas the group has operations.	Helping development in the local communities, promoting competition.	Guaranteeing customers high-value solutions that boost their performance to the advantage of end customers.
Fostering long-term collaborations with employees and business partners, nurturing growth and reducing the cost of seeking new relations.	Encouraging the growth of minorities, accommodating their success in the professional world.	Optimising resources while reducing environmental impact.	Helping provide access to digital solutions to the broader population.
Improving the conduct of the company overall, to the advantage of all stakeholders.	Ensuring customers achieve their objectives by providing suitably trained and motivated resources.	Promoting the use of effective solutions in production and logistics on a global level.	Guaranteeing an exclusive portfolio to customers so that they can offer value to end users.



Negative impacts

Global & Strategic	People	Planet	Partners & Solutions
Exposing employees and business partners to the risk of losing or distributing their sensitive data and information due to system vulnerabilities.	Generating short-term relationships resulting in fewer opportunities for growth among resources	Greater waste of resources and raw materials	Higher environmental impact resulting from using obsolete solutions.
Negative impacts on end users as a result of misguided company policies.	Causing inorganic economic growth of the population along with tensions and hostilities.	Increasing pollution with negative impacts on people's health and natural resources.	Increasing environmental impacts due to obsolete and non-competitive solutions.
Company inability to support the management structure, generating discontent and stunting personal growth.	Limited offer of value to customers following slow reactions in adopting new technologies.	Causing excess use of resources in procurement areas.	Allowing improper business practices by third parties generating disruptions on the market to the detriment of all Stakeholders.



03 Global & Strategic

- 3.1 Cybersecurity and personal data protection
- 3.2 Leadership participation
- 3.3 Brand personality
- 3.4 Global commitment and local action for a shared future
- 3.5 Integrity model



Contribution to the SDGs



Global & Strategic

GLOBAL means including, not integrating. Absorbing the unique value of acquired companies into the organisation is strategic. It helps make the company structure dynamic and resilient to market difficulties.

In defining and implementing its long-term business strategy, JAKALA has placed sustainability front and centre of its business practices. What are the foundations of sustainable growth? JAKALA's approach is based on multiple elements; a global organisational view founded on shared, consistent values; ethical, transparent and responsible conduct; and a positive reputation that attracts and retains customers, talents and investors. These are just a few factors of its success.

In acquiring companies from around the globe, JAKALA adopted a model of inclusion that goes beyond simply imposing a homogeneous set of rules and values.

Its path of international growth offers JAKALA the unique opportunity to elevate itself and expand its experience with a wide range of cultural values and operating practices, challenging the traditional concept of integration with an approach aimed at inclusiveness and respecting diversity.

Specifically, this approach allows JAKALA to assimilate the values of other worlds and spread its own, initiating a two-way dialogue between corporate and other cultures. The outcome is a shared strategy founded on common values, promoting a collaborative working environment that respects the unique features of each company.

The key business components include **transparency, integrity, equity, responsibility** and respect for Stakeholders. **Transparency** implies being open in operations and decisions, facilitating real and clear dialogue.

Integrity means acting honestly and consistently, while **equity** ensures that all employees, customers and partners are treated correctly.

Responsibility implies that the company is aware of the impact of its decisions on the environment and communities, and **respect for Stakeholders** emphasises the importance of enhancing the interests of all parties involved.

How can we form a global concept of business ethics?

As a data-driven company, cybersecurity – protecting personal and company data through robust security measures and privacy policies – is vital for protecting the company and customer assets.

The set of cybersecurity measure help create and maintain a relationship of trust with customers and ensure a good company reputation.

Engaging managers is crucial for ensuring that responsible business principles permeate all levels of the company. They must be trained and assessed, not only on financial performance, but also on respecting ethical and responsible business standards, thus providing a just and equal leadership model within the organisation.

A responsible company must work together with local communities, guaranteeing positive impacts, investing in initiatives that boost socio-economic development and promoting projects that improve the quality of life.

- Cybersecurity
- Data protection
- Management Engagement
- Brand Awareness
- Local communities Integrity
- Ethics
- Tax Fairness

3.1 3.2 Cybersecurity and personal data protection

In a world of growing digitalisation and transition towards more data-based economies, cybersecurity plays a key role in protecting assets and infrastructure, company and personal data, and in ensuring the operating continuity of companies. Immersed in this fast-changing, complex setting and considering its business model, JAKALA recognises how vitally important a solid cybersecurity strategy is for safeguarding company and customer IT assets.

At global level, 2023 showed a troubling rise in the number and severity of cyberattacks. The frequency and severity of these incidents rose constantly over the year for a total increase of 12% on 2022 (see graph "Attacks per year 2019-2023"). Fomented by the rapid adoption of advanced technologies such as AI, the evolution of cyberthreats has made cybercrime increasingly more sophisticated and damaging.

This emphasises the urgent need to adopt more advanced security measures and improve cyber resilience to face this hostile, constantly-evolving environment.

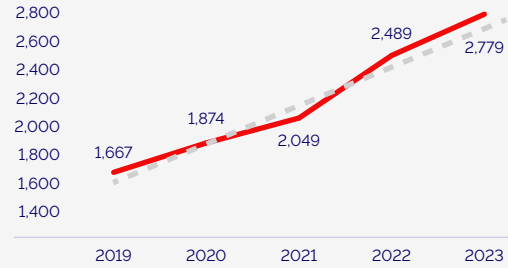
Italy, in particular, was impacted by the ramp up in cybercrime, with attacks up 65% in 2023. This has made the country vulnerable, exposing it to increasing risks and placing a target on its back for various types of attack. Detailed analyses like those provided by the Italian Association for Information Security (CLUSIT) highlight how worrying trends have become entrenched, with a rise in Distributed Denial-of-Service (DDoS) attacks and advanced phishing techniques. This has led to greater awareness of cyber risks and heightened focus on reducing the duration and impact of attacks.



The 2024 CLUSIT Report defines severe attacks as those with significant financial, technological, legal and reputational impacts on their victims. These attacks were verified and confirmed, becoming public domain. The quantity of attacks at global level has intensified significantly. Indeed, the monthly average has jumped from 139 to 232 in the last five years.

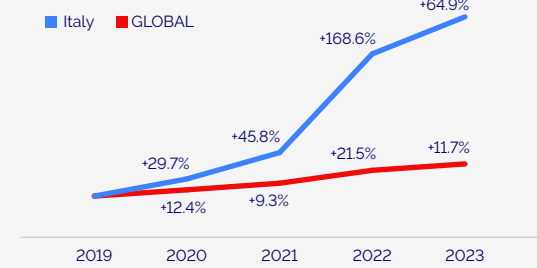
The quality of attacks has also magnified considerably, with the average severity rate rising year after year. "Critical" or "severe" attacks now make up over 81% of the total compared to 47% in 2019.

Attacks per year 2019-2023



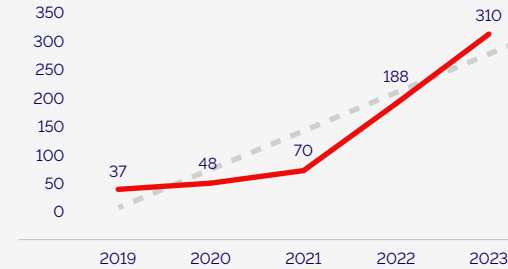
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% Growth comparison Italy v Global

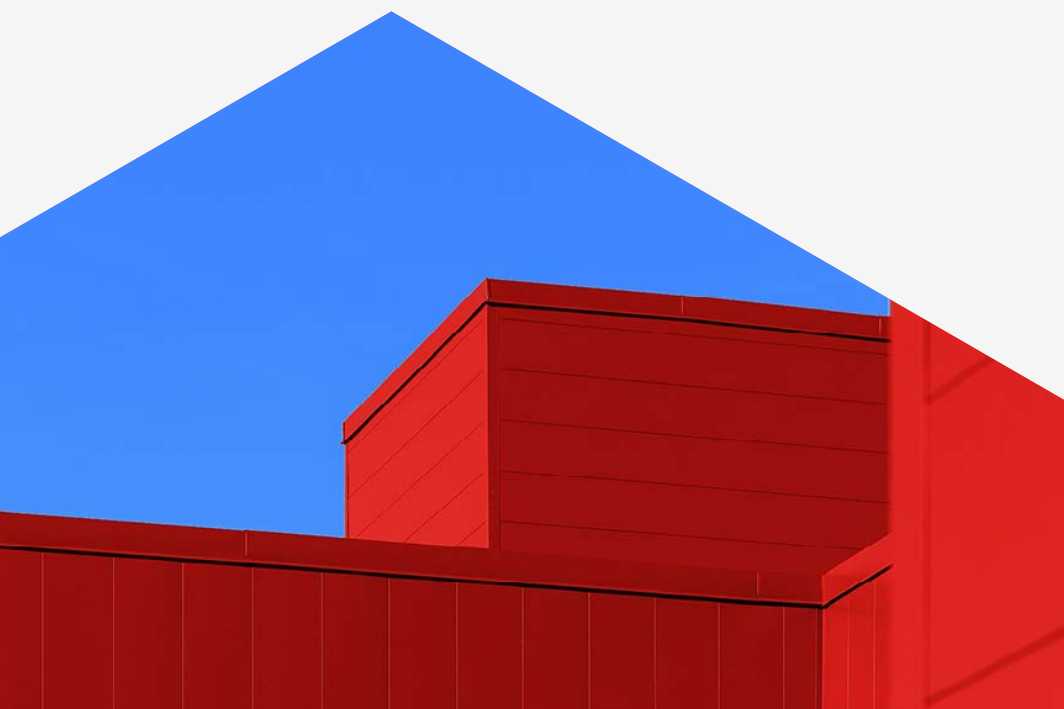
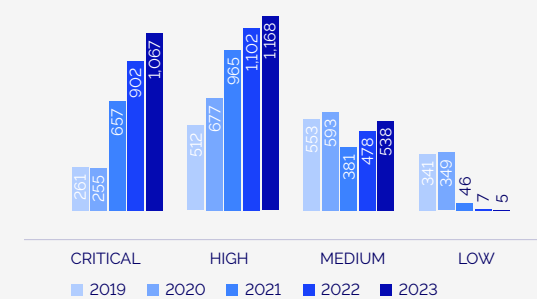


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Cyberattacks in Italy 2019-2023



Severity 2019-2023



Why is cybersecurity important for JAKALA?

Against this backdrop, cybersecurity is no longer just a question of applying technology for JAKALA, but instead plays an essential role in corporate governance. It requires an integrated approach throughout all levels of the organisation and extends to the supply chain and strategic partners as only a combined effort can ensure the security of the digital ecosystem.

The materiality assessment of the past two years highlighted cybersecurity as a key issue for JAKALA, placing it at the centre of strategic and operating focus due to its intrinsic link to company operations and brand reputation.

JAKALA shares the concerns and ethical dilemmas regarding technological development and widescale use of personal data. The global effort to process data in a sustainable manner is based on: (i) compliance with applicable laws and regulations; (ii) respect for the personal data of employees, customers and business partners; and (iii) accountability and transparency in collecting, using and storing both identifiable and non-identifiable data.

As proof of its strong commitment to ethically processing personal data, JAKALA has adopted and implemented various personal data protection programmes involving numerous Group companies, systematically and thoroughly complying with the principles and requirements of data protection legislation.

JAKALA's Global Approach is built on the following principal pillars:

- **Privacy by design and by default:** integrating data protection from the design stage, undertaking to only collect and process the necessary data for customers' purposes and avoiding the collection of excessive or irrelevant data.
- **Data Subject Rights:** providing partners with clear instructions on how to handle any requests regarding data subject rights.
- **Data Processing Impact Assessment:** implementing a process to be used in the planning stage to weigh the necessity of an

activity that requires processing personal data against the possible negative impacts on the rights and freedoms of the data subjects.

- **Data Breach Management Policy:** formulating a clear, effective plan to handle data breaches when acting as either data controller or processor.
- **Vendor management:** placing particular emphasis on ensuring the compliance of third-party suppliers or service providers that can process personal data on behalf of JAKALA or its customers. Specifically, the Data Processor Supervision and Audit Procedure sets out the steps that must be taken every time JAKALA engages the services of a data sub-processor, through a risk-based procedure that assesses their compliance according to the sensitivity of the data processing performed.
- **Documentation and records:** it is imperative to keep adequate documentation and registers of personal data processed in order to prove compliance if requested by customers, regulation authorities or directly

affected parties. The data retention and safe destruction policy sets out the main rules for storing personal data in compliance with data protection legislation and the safe destruction of data when they are no longer required.

- **Employee training:** full training is provided to all employees upon hiring and subsequently every year on the basics of data protection as required by law and the roles and responsibilities of various teams and individuals within the company are clearly defined. Data protection training also introduces employees to using adequate procedures for treating personal data and security best practices, such as password protection, cryptography and secure data transmission.



In 2023, two different Group companies incurred minor personal data breaches which put the **data protection programme** to the test. Thanks to the procedures in place, the Group responded quickly, assessing the existing risks and mitigating potential threats.

As a data-based company, JAKALA extensively bases its business model on **data management**, an approach that requires full-scale data security and integrity, making cybersecurity a non-negotiable aspect of its modus operandi.

Data are protected from threats and carefully treated through their lifecycle, placing particular emphasis on every insight derived from the raw data.

The value offered to customers is anchored in **data analysis**. JAKALA turns data into business insights that can generate tangible and significant improvements for its partners. This commitment to excellence and innovation means JAKALA must guarantee the utmost security of the data processed to ensure the precision of the results offered. This makes JAKALA a reliable partner and trailblazer in data-driven consultancy.

JAKALA is aware of its responsibility as a custodian of customer data. It must ensure that the data is kept safe and incorruptible. Customer trust is vital for the business, thus focusing on the security of customer data is a priority. Cybersecurity practices are constantly upgraded and implemented to ensure that all information is protected from unauthorised access, change or loss.

Cybersecurity is an undeniable factor of JAKALA's success and growth. Data security and integrity are not solely technology essentials, but fundamental values that steer the company's actions and decisions. In an increasingly connected and digital world, JAKALA's commitment to data protection is the foundation on which customer trust and future business are built every day.

Cyber Security in JAKALA

JAKALA's exposure in terms of its reputation, business and customer type and quantity of services published makes it a target for automatic, broadscale attacks and, above all, targeted, specific attacks, including Denial of Service (DoS), spear phishing and Advanced Persistent Threats (APT). The sheer number of people involved in JAKALA, its wide diversity and geographical distribution also make internal threats a serious risk factor.

There are numerous areas that require risk mitigation regarding technological, procedural, organisational and human aspects.

One of the more significant technological aspects was finalising adoption of the SIEM and SOAR tools.

The **Security Information and Event Management (SIEM) and Security Orchestration, Automation, and Response (SOAR)** tools are crucial for the company's cybersecurity. SIEM collects data from log files, analyses and correlates them, and detects any potential security threats.

Real time monitoring instantly flags all potentially dangerous situations to managers.

SOAR, on the other hand, focuses on automating and orchestrating responses to threats, enabling security experts to effectively deal with alarms and rapidly respond to incidents. This includes creating consistent work flows to boost efficiency and reduce human error. Using AI also enables automating future analyses and corrective actions.

JAKALA has adopted an integrated SIEM and SOAR solution to detect cyberattacks and proactively search for threats and suitable responses, in order to identify, avoid and resolve situations that could lead to data and system breaches.

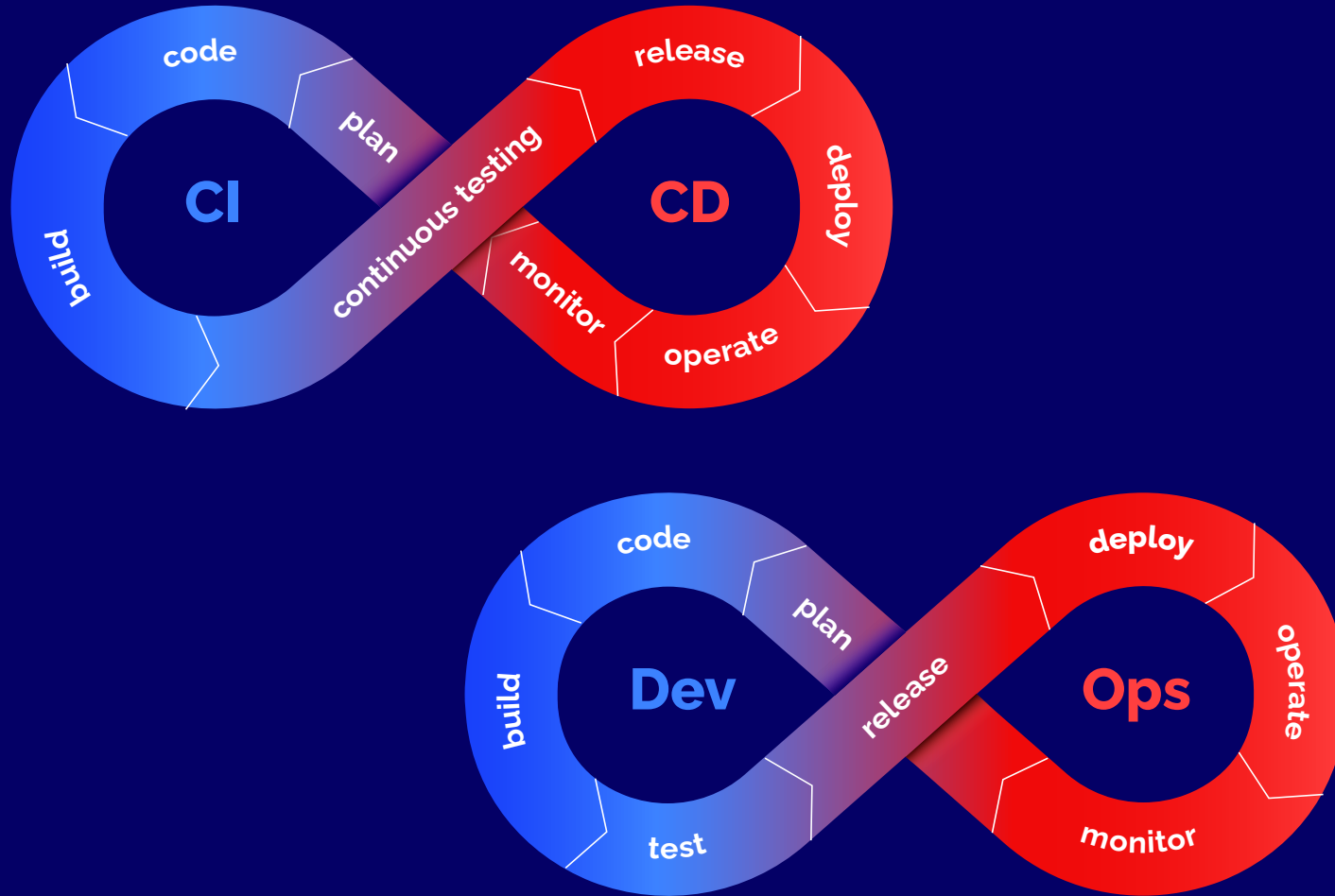
JAKALA's SIEM tool also uses advanced AI to assist cybersecurity analysts in interpreting the data collected by IT infrastructures, both internally and externally.

Integrating these and other tools has brought roughly 2,000 workstations, over 800 mobile devices and 1,000 servers under close surveillance.

The perimeter defence of exposed services is another key aspect that has been improved by introducing a policy that all public web

services must be protected by a **Web Application Firewall (WAF)**. The service now protects over 200 websites that every month respond to over a billion requests and face an average of 5,000 Injection and Cross Site Scripting attacks aimed at intercepting sensitive data and user credentials, 2,000 DDoS attacks that attempt to disrupt the service and generate malfunctions, along with tens of thousands of accesses by automatic tools with various malicious aims such as stealing credentials through *brute force*.

JAKALA's SIEM tool detects approximately 20 million significant security events every day. The analyses and reports show that roughly 200 a month are potential dangerous, with around 20 requiring attention or with a significant risk component. However, thanks to the detailed analysis and quick response, no events have actually led to an incident.



Services and systems also periodically undergo company and third-party scans to check for any vulnerabilities, misconfigurations or weak configurations and implementation errors. The resulting reports become part of the feedback inputs of the Continuous Integration/ Continuous Delivery (CI/CD) and DevOps cycles – modern approaches to software development. Services and systems also periodically undergo company and third-party scans to check for any vulnerabilities, misconfigurations or weak configurations and implementation errors. The resulting reports become part of the feedback inputs of the Continuous Integration/ Continuous Delivery (CI/CD) and DevOps cycles – modern approaches to software development.

A Security Operations Centre (SOC) is essential to cybersecurity as it protects the company's IT infrastructure. It uses logs and alarms to monitor, assess and protect company networks, servers, workstations, mobile devices, databases and applications. Run by a third-party expert, JAKALA's SOC ensures 24/7 surveillance ready to receive warnings from WAF and SIEM, identify the severity and intervene according to the procedures specified in a defined and shared operational runbook.

On average, the SOC responds to SIEM warnings in on average under two minutes, with the workaround taking an average of 90 to 120 minutes, depending on the severity of the event. The ticket is definitively closed within around eight hours.

The **security of Domain Name System (DNS) zones and checking email authenticity** are often overlooked in casual approaches to cybersecurity. Correct usage of signature protocols for Domain Name System Security Extension (DNSSEC) queries and email signature and authentication protocols DomainKeys Identified Mail (DKIM) and Domain-based Message Authentication, Reporting & Conformance (DMARC) prevents JAKALA's name and domains being used in phishing campaigns or elaborate attacks that corrupt responses from DNSs. These devices are not there to protect JAKALA's infrastructure, but instead safeguard third-party users and company reputation.

Starting from 2023, JAKALA introduced a guideline that all DNS zones of domains registered by the company would be signed via DNSSEC and all emails from company domains would be digitally signed via DKIM. It also imposed restrictive DMARC policies where recipients are instructed to reject all messages that do not pass integrity and authentication controls.

Human factor and training in cybersecurity

The human factor is crucial to cybersecurity. People are often the first point of contact for cyberthreats and disparity in training, experience and personal background makes it impossible to identify distinct attack vectors or define suitable defences. Phishing attacks, for instance, rely on deceiving users to gain unauthorised access to data or systems or sundry sensitive information.

As a result, training and awareness of the IT landscape and features are crucial to help people recognise and prevent such threats. In addition, a company culture that promotes cybersecurity can help trigger a positive reaction to change and improve operating resilience.

In 2023, JAKALA created and published a new asynchronous introduction course to cybersecurity that is mandatory for all company personnel. This course tackles issues ranging from behavioural best practice, internal procedures, analysing and detecting phishing messages, to potentially dangerous situations in a broad sense of security.

Again in 2023, key figures working in security, software development and deploy pipeline planning were given the opportunity to attend an intensive synchronous course dealing with all aspects of developing and deploying secure software.

This development in cybersecurity was evident in the confirmation of JAKALA's ISO/IEC 27001:2013 certification, along with its new ISO/IEC 27017:2015 (security controls for cloud services) and ISO/IEC 27018:2019 (code of conduct for security of information for cloud service providers) certifications.

There was also particular focus on JAKALA's positioning on the leading **digital footprint** rating platforms. Despite still being on its journey of constant growth, in some cases JAKALA has succeeded in reaching a maturity rate that places it in the top 5% of companies in its sector.

In 2023, 711 Jakala S.p.A. S.B. employees completed the new intro to cybersecurity course and passed the relevant test.

3.2 Leadership participation

By becoming a benefit company in 2021, JAKALA began reflecting on how to make sustainability its distinguishing feature in order to instil each employee with the responsibility to steer the business in a way that respects Stakeholders and the environment. Indeed, JAKALA is not new to launching policies to boost the active and responsible engagement of everyone, without exclusion, pre-empting the results of the 2023 materiality assessment. Specifically, it has particularly focused on involving leadership in ESG issues.

In light of JAKALA's commitment to the common interest goals set out in its by-laws, its corporate governance system integrates sustainability into its business model, identifying internal bodies and roles responsible for defining and supervising sustainability strategies.

Though the board of directors plays a key role in steering the parent and Group on their sustainability journey, aided by the board's **Audit, Risks and Sustainability Committee (CCRS)**, JAKALA has always promoted the participation and active engagement of management in the operating and strategic management of **ESG issues, highlighting the importance** of the dedicated company structures.



JAKALA set up a Strategic Committee, mainly made up of managers, which helps monitor sustainability issues of relevance to the Group and defines the related strategies and policies.

The committee is also in charge of checking that objectives are pursued and monitoring their performance.

The strategic committee met eight times in 2023, with meetings lasting an average of 157.5 minutes. In order to optimise work and share information among all participants, the company uses a corporate governance management structure.

JAKALA set up a **Group sustainability & Corporate Affairs Department** to help develop company sustainability projects and supervise non-financial risks. It is also in charge of preparing and drafting this sustainability report.

Group Sustainability & Corporate Affairs Department

- carries out context analysis activities, definition of strategy, positioning and sustainability reporting and impact;
- implements methodologies and tools qualitative/quantitative assessment of sustainability and ESG aspects;
- participates in events and joins national and international associations of the sector, contributing to advocacy activities for aspects of competence;
- in carrying out its activities, operates in coordination with the other functions of the Group.



The team collaborates with various company departments to identify potential “ambassadors” who are entrusted with raising awareness in their departments and promoting sustainability initiatives in line with Group objectives. Again in collaboration between departments, the various units also act as data owners, with each responsible for providing the data and information related to their area required for periodic reporting and the sustainability report.

Starting from early 2024, the department is setting up managerial support units in each country. These will be responsible for local inter-department sustainability supervision, understood in the broadest sense.

The Group Sustainability & Corporate Affairs Department meets regularly with the CCRS and the CEO to provide updates on the Group’s main ESG projects, including the non-financial reporting process. Responsibility for approving the sustainability report remains with the board of directors as usual.

Strategic Committee

- Examines and assesses the company’s sustainability policies in order to ensure the creation of value over time for Stakeholders;
- Examines the implementation of sustainability policies in business initiatives;
- Monitors the company’s positioning on sustainability issues;
- Monitors global initiatives on sustainability issues and the company’s possible involvement, also to boost its reputation.

476 ESG training hours for the management

- Ethics
- Safety
- Environment
- Privacy
- Anti-bribery

The team also includes the Impact Manager, i.e., the individual in charge of supervising the departments and actions instrumental for achieving objectives of common good as per Law no. 208 of 28 December 2015 regulating benefit companies.

Management is constantly involved in ESG training activities to spread awareness of company strategies and ensure in-depth understanding of sustainability issues and their integration into business activities.

Some management roles are also involved in the **B TEAM**, a Group dedicated to ESG issues with the task of aiding the various departments in reaching their objectives and keeping performances constant. The team is separate from operations, does not report to a line manager and has an impartial outlook. It meets regularly to: (i) monitor the impact of various initiatives; (ii) define the priorities of actions regarding achieving targets and maintaining them; and (iii) help propose new projects, checking they are in line with the benefit purposes set out in the company by-laws.

JAKALA has included various environmental and social performance goals in its **ESG Masterplan**, setting out 11 initiatives, in turn broken down into a series of projects. In general, these goals are set considering the EcoVadis and B Impact Assessment (**BIA**)

– the tool that measures the environmental and social impact of benefit companies – scores in coordination with shareholder plans.

In implementing the **ESG Masterplan**, each project was assigned a timeline and a KPI. Macro-activities were selected from those most influenced by managerial decisions, an owner was identified for each of these and a RACI (responsible, accountable, consulted, informed) matrix was created to identify roles and responsibilities within the organisational structure.

The results are periodically examined by the strategic committee which assesses the effectiveness and impact of the ESG policies and initiatives steered by management based on the set KPIs. This provides a detailed, multi-faceted picture of management's involvement in achieving the goals. As a result, JAKALA can monitor progress, spot areas for improvement and demonstrate its commitment to sustainable management.

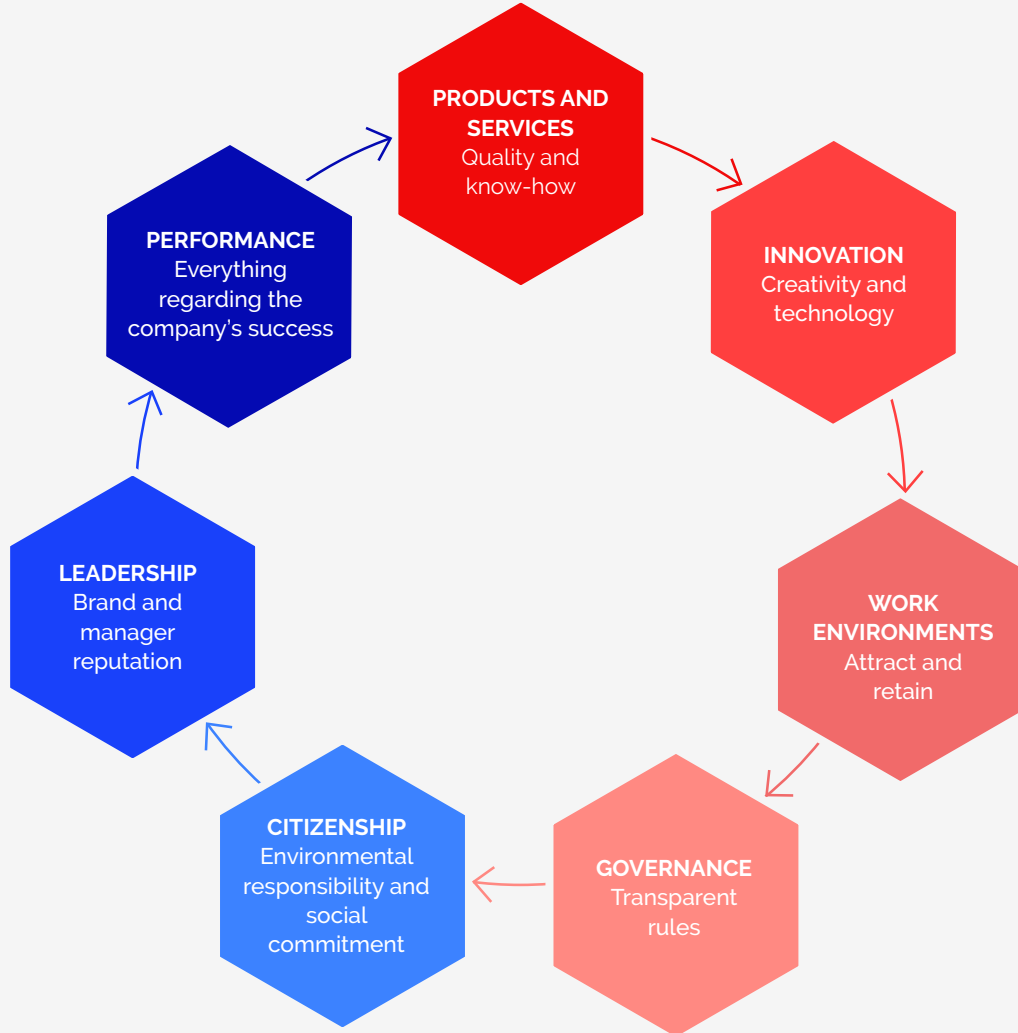
The Sustainability Department is in charge of communicating ESG practices to Stakeholders, as both an "information provider" and a recipient of feedback, collecting and analysing feedback received on the effectiveness and visibility of management's ESG work.

The team is also in charge of ESG risk compliance and management, appraising the ability of managerial processes to identify, manage and mitigate the relevant risks (including legal, operational and reputational risks).

JAKALA's commitment to sustainability is also partially reflected in the choices made regarding the variable portion of remuneration. Indeed, one of the conditions required to receive the latter – together with achieving consolidated financial results – is reaching a specific BIA score (see the impact report for more details).



3.3 Brand Personality

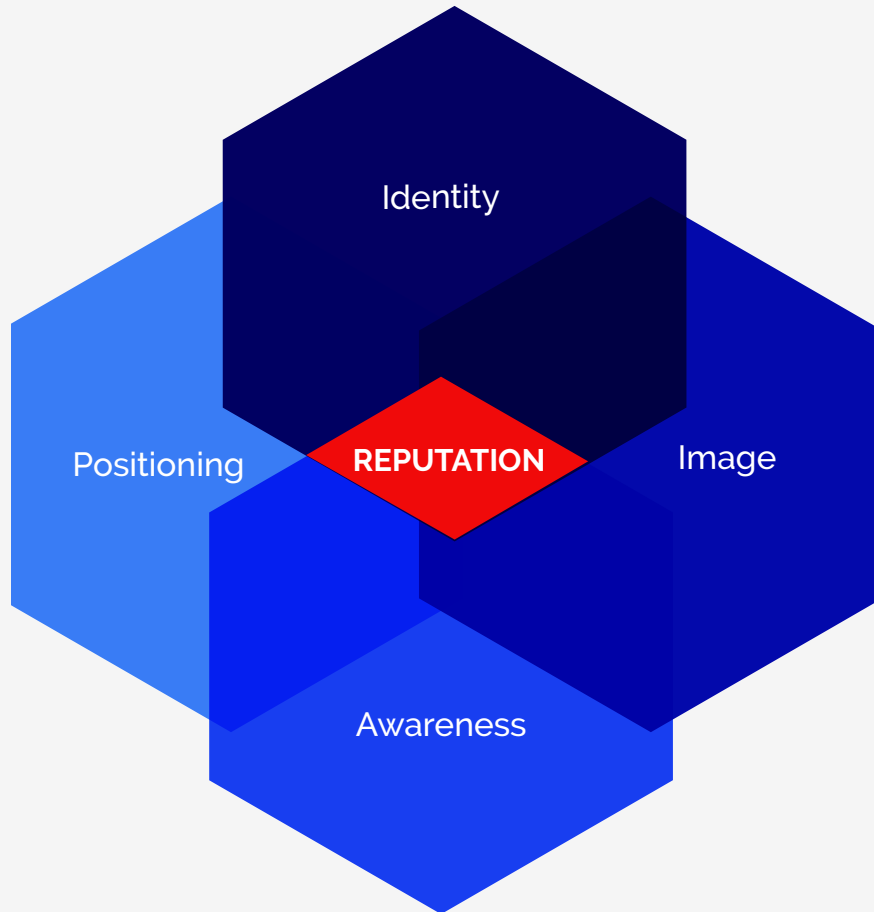


A company's reputation is a complex issue, hinging on many different factors.

Reputation Institute has developed a model that assesses both rational and emotional components that merge to form a reputation. Specifically, the institute has identified seven drivers of reputation:

- Products and services Innovation
- Workplace
- Conduct
- Citizenship
- Leadership
- Performance

In brief, no one factor can decide a company's reputation. Instead it is a series of actions and choices that the company makes at socio-economic level, how it acts towards its employees, the opinions the different Stakeholders have of the company, its ability to attract and retain talent, along with investors' trust in its authority to conduct the business.



In recent years, not only have the culture and attitudes changed, but also the markets, communication channels and, as a result, the people receiving the messages. The impact of technology has completely transformed evaluation and interaction processes. The credibility or reputation of a company is not immune to this transformation. Indeed, in many cases, it is evolving all of the processes that bring every single company into direct and indirect contact with the rest of the world.

Brand reputation is the sum of a series of strategic factors concerning a company's **Identity**, its **Image**, **Awareness** of the company, and its **Positioning** on the markets.

JAKALA has always made its reputation its focal point, aware how much success is tied to Stakeholders' perception of its overall image. The Materiality Assessment process also underlined the importance of curating all points of contact between the company and Stakeholders, highlighting the central role brand reputation plays in defining the company's future.

Managing credibility can be tricky due to the different factors and criteria that strike a cord with each counterparty. For instance, good financial performance and good management can boost a company's reputation in the eyes of its financial backers, whereas customer focus, quality or emotional appeal are greater reputational factors for employees, customers or the media.

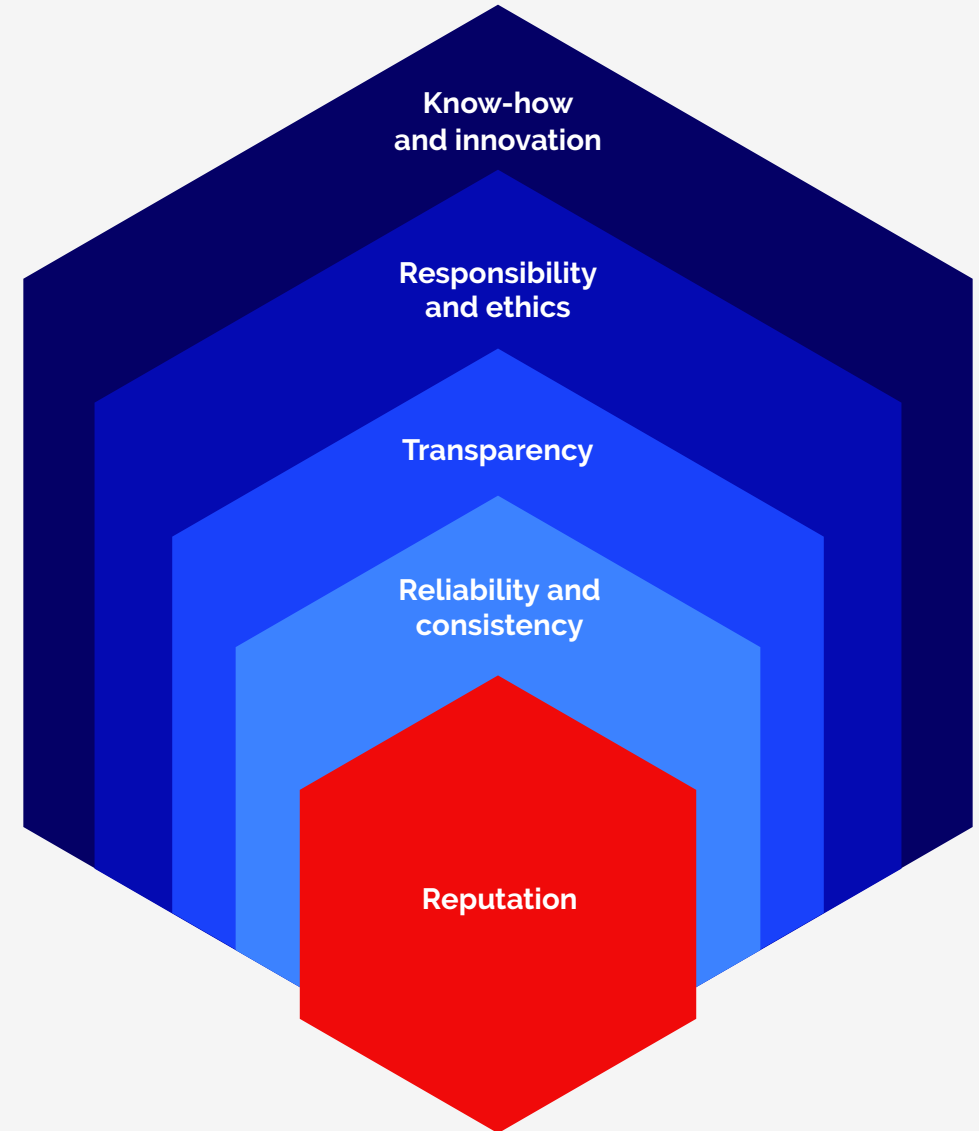
In other terms, reputation is one of JAKALA's key intangible assets in doing business, an element that can generate value in Stakeholder relationships and offer a competitive edge on the market.

A company with a good reputation is considered less risky than another with the same financial performance but a less established reputation. From a financial point of view, companies with a higher reputation obtain greater sales returns. Ergo, the link between reputation and performance is reciprocal. Reputation has a positive impact on financial performance as does it, in turn, on performance. A good reputation boosts a company to a position where it is easier to define winning strategies and build positive relationships. In addition, it also benefits the company in terms of attracting qualified resources, accessing finance and developing business partnerships.

Mindful of the advantages a solid company reputation brings, JAKALA has been focusing on a set of factors for some time. These basically constitute its approach to sustainability and are discussed in greater detail in other sections of this report:

- **Ethical behaviour and social responsibility.** Embarking on its journey to become a benefit company, JAKALA S.p.A. S.B. set out its social objectives (J Goals) in its by-laws. These lay the basis of its dual-purpose corporate identity, also involving the subsidiaries on this journey to varying degrees.

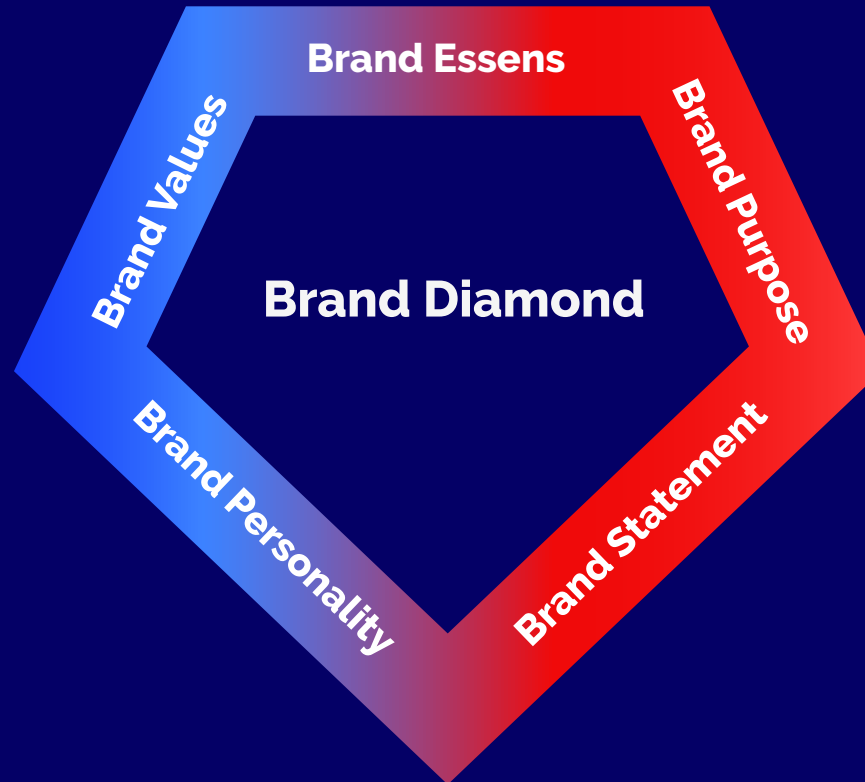
- **Human resources.** Focus on: professional growth, work-life balance, equal opportunities, and inclusiveness. Issues at the centre of JAKALA's attention.
- **Financial performance.** The Group has constantly offered an outlook of growth, with good profits while respecting financial balance, and is a reliable partner for financial backers and investors.
- **Quality.** Offering customers top-quality products and services with efficient, effective processes that meet expectations, with the aim of building long-lasting relationships over time.
- **Innovation.** The Group is innovative, capable of pre-empting trends, and has secured a significant position in its sector.
- **Management.** Quality and constancy in running the company, with reliable processes and a clear vision of the future.



JAKALA

Together to get there

- MAKE IT COUNT
- BE PURPOSE DRIVEN
- EMBRACE DATA
- DELIVER OUR BEST
- GROW TOGETHER



JAKALA is a data, AI, and experiences company that creates meaningful and lasting impact. Globally. Our people combine strategy, technology, creativity, and operations to deliver tailored experiences and transformative solutions with data and AI at the heart. Data is the compass we use to get our clients where they want to be.

We are a multidisciplinary team of passionate, talented and diverse individuals, united in our mission to deliver effective solutions tailored to the needs of our clients. We pride ourselves in bringing their unique visions to life.

We outline growth trajectories grounded in data and eye-opening insights to make sure we deliver measurable results, while our knowledge allows us to consistently implement meaningful, integrated, long-term solutions.

Today, we are a leading data, AI, and experiences company in Europe, with headquarters in Milan and offices in multiple countries worldwide.

As mentioned earlier, reputation plays a vital role in business. It opens the doors to new opportunities and acts as a powerful magnet to attract customers and talents.

In this regard, obtaining certifications and acknowledgements from third parties is an effective and transparent way to build and maintain a good reputation. For instance, ISO certifications are recognised globally as a mark of operating excellence and a commitment to quality.

If a company possesses these certifications, it tells the world it adheres to the highest standards in terms of quality, safety and environmental responsibility.

Obtaining a certification is not easy. It requires constant effort and the willingness to undergo rigorous audits and assessments. However, the outcome is a guarantee of trust for customers, who know they can rely on products and services that meet strict and consistent quality criteria.

Moreover, certifications can open up new markets and commercial frontiers, as many customers and business partners demand such standards as prerequisites for any collaboration.

The certifications obtained by JAKALA in recent years are not mere statements of compliance, but instead represent milestones in the company's journey to a sustainable future.

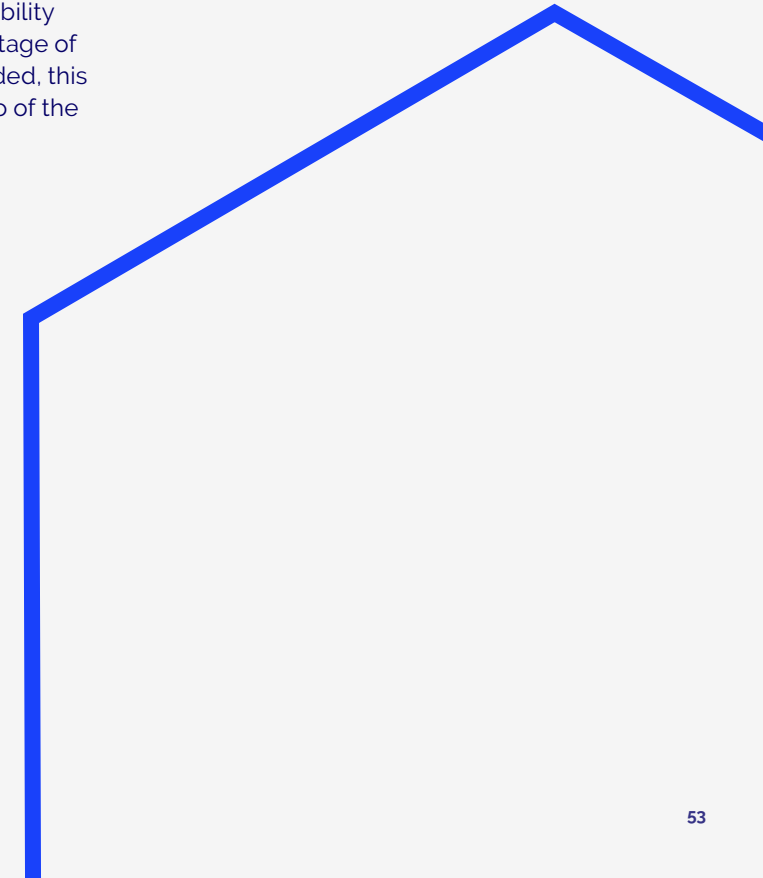
These acknowledgements are the product of a path of continuous improvement where the company has proven to be a careful observer and active participant in the global sustainability landscape. Every project rolled out, initiative launched and policy adopted by JAKALA were driven by its aspiration to balance progress with conservation, company growth with the common good.

In other terms, all certifications attained by the Group are not just formal acknowledgements, but a genuine strategic investment that contributes to JAKALA's sustainable growth and establishes a positive, exemplary company reputation.

A concrete example is JAKALA's confirmation as an Authorised Economic Operator (AEO F). This certification issued by the Italian Customs Authority authenticates the company's reliability and compliance in international trade transactions.

This certification is particularly significant as it leads to swifter and less expensive customs procedures, allowing the company to optimise delivery times and cut operating costs. Being recognised as an AEO F confirms JAKALA's utmost reliability in the eyes of customs authorities and business partners.

The following chart provides a road map of JAKALA's main sustainability certifications, highlights its journey towards sustainability and operating excellence. The percentage of coverage of each certification is provided, this shows the certification scope as a ratio of the total number of Group employees.



The road to sustainability: Map of JAKALA's certifications and attestation



3.4 Global commitment and local action for a shared future

In an increasingly interconnected world, an individual's progress goes hand-in hand with the common good of the global community.

With its holistic, proactive outlook, JAKALA recognises the vital importance of building and maintaining sustainable relationships with its main Stakeholders. Every interaction is considered an opportunity to promote sustainable practices and create shared value. By aligning its operations with the UN Global Compact and Women's Empowerment Principles (WEPs), JAKALA plays its part in generating positive change that goes beyond geographical borders. Signing up to the UN Sustainable Development Goals (SDGs) demonstrates this commitment, where each goal becomes a milestone on the company's road map.

A Global Outlook as a Strategy

Integrating the UN Global Compact Principles and WEPs, signed in early 2024, does indeed reflect JAKALA's ethical commitment to universally recognised values. Moreover, it is also a proactive strategic move to be ready for future challenges and market opportunities.

This positioning allows JAKALA to align with global sustainability expectations, effectively meet the demands of increasingly better informed international customers and attract diverse talents who share the company's vision of a sustainable future. It enables JAKALA to support the UN's SDGs, incorporating them into its core operating and commercial strategy, undertaking to make a difference through its main operations and positively influence its communities and markets over the long term.





Employees and their families

Support and growth for employees, their families and future talents



Suppliers and partners

Strong partnerships for a sustainable impact.



Non-profit bodies

Support for social and environmental initiatives.



Customers and consumers

Commitment to satisfy customers and consumers and maintain their loyalty.



Universities and institutions

Partnerships with local bodies to develop the community.

Working together for a sustainable future

The relationships JAKALA cultivates with its Stakeholders, including future employees who aspire to join the company, are vital for the company's vision. JAKALA firmly believes that strong partnerships and shared commitment form the building blocks of a more resilient and sustainable community. Every interaction, with current employees, customers, suppliers, local institutions, non-profit organisations or potential new employees, is a step towards a future where social responsibility and sustainability become tangible.

JAKALA invites everyone to join us to innovate responsibly and progress together.

Positive Impacts:

JAKALA's operations have generated numerous jobs in the local communities, offering previously unavailable employment opportunities and significantly contributing to the financial prosperity of the people in the areas in direct contact with the company. In addition, the training and development programmes promoted by JAKALA have improved the professional qualifications of members of the community, boosting their employability and ability to compete on the labour market. Partnerships with local bodies and other non-profit organisations to support social and environmental initiatives have cemented social cohesion and promoted a culture of shared responsibility and assistance.

Negative Impacts:

However, the arrival of a large company like JAKALA can also affect the socio-economic

balance of a community. For instance, it can generate a rise in the cost of living and thus create difficulties for low-income residents.

In order to deal with these impacts, JAKALA engages in constant dialogue with the local communities to make sure that their needs and concerns are heard and taken into consideration in company decisions. Moreover, JAKALA carries out regular impact assessments. These identify both the benefits and possible negative effects of its operations in order to develop strategies to mitigate the negative impacts and maximise the positive ones. Through these efforts, JAKALA solidly commits to a fairer and more sustainable future for everyone.

The policies and specific actions rolled out by JAKALA in 2023 are detailed in the coming pages.

Principles

JAKALA's commitment: Unite Global Compact Principles and WEPs

AREA	JAKALA	UNGC	Link	WEP's	SDGs	WE SUPPORT
Human rights	Policies Information Security Policy Artificial intelligence Policy Human rights Policy Modern Slavery Act Privacy Model Inclusive language guidelines	Actions Resolution to join the Business and Human Rights Accelerator Ongoing training and awareness-raising initiatives on privacy and cybersecurity SA8000 system for Jakala Civitas S.p.A. Social assessment for the supplier vetting programme	2.6 2	<ul style="list-style-type: none"> ● Principio 1: Establish high-level corporate leadership for gender equality ● Principio 2: Treat all women and men fairly at work – respect and support human rights and non-discrimination 	1.5,8,10,16	
Environ-ment Quality, Environmental, Safety and Social Responsibility Policy Safe and eco-friendly driving policy ISO 14064 GHG emissions verification LCA (Life Cycle Assessment) thinking Carbon offset projects and fighting climate change Decarbonisation plan Sustainable Marketing Strategy	Introducing a full electric car fleet Favouring carbon neutral supply contracts Setting up fully renewable energy contracts Working with the owners of the buildings at operating sites to carrying out energy efficiency works Environmental preservation and conservation projects Raising awareness about issues regarding the use of IT tools Taking part in the Climate Ambition Accelerator	5 5	<ul style="list-style-type: none"> ● Principle 7: Businesses should support a precautionary approach to environmental challenges. ● Principle 8: undertake initiatives to promote greater environmental responsibility; and ● Principle 9: encourage the development and diffusion of environmentally friendly technologies. 	7,12,13		
						Anti-bribery Anti-bribery Policy Organisational model 231/2001 Whistleblowing policy Supplier Code of Conduct



JAKALA selects projects of common good using a well-defined approach based on predetermined and structured selection criteria which ensure that every initiative is perfectly aligned with the company's strategic sustainability goals.

The UN's SDGs act as a compass in this selection process, especially those that mirror JAKALA's vision and mission. The company is also always attentive to national and international emergencies, ready to intervene with actions that can offer prompt concrete responses to these situations.

As a benefit company, JAKALA is devoted to finding initiatives that promote shared benefits, focused on the common good and the development of its communities. The process to select the panel of projects is hands-on and inclusive, drawing on proposals directly presented by bodies and actively listening to JAKALA's people. It is an ongoing dialogue with all Stakeholders, whose sensitivity and vicinity to the region help choose the more urgent and significant areas requiring attention. Each project selected becomes a building block in JAKALA's future, a step towards attaining a sustainable future that is fully in line with the principles of equity and social responsibility that drive the Group.

In detail, JAKALA chooses partner entities and initiatives after carefully checking that they comply with the requirements set out in the company's protocols, an integral part of its organisational model. This assessment is designed to ensure that every entity and project aligns with the parent's sustainability goals and values as a benefit company, while also meeting rigorous criteria of integrity, efficiency and real impact. In line with the principles of transparency and accountability, the organisational model requires that every partner shows ethical and responsible management, including by providing objective evidence of effectiveness and compliance with the UN Global Compact Principles and the target SDGs.

In this manner, JAKALA ensures that all of its efforts and investments actively contribute to the well-being of the community and advance sustainability objectives, especially the SDGs that its mission is founded on.

Shared Impact Fund

JAKALA demonstrated its social commitment through the "Shared Impact Fund", swiftly providing aid following the devastating earthquake that struck Syria and Turkey in February 2023.



JAKALA's employees were incredibly generous, actively participating in the fund-raising. The company itself doubled every donation made, reaching a total amount of almost € 30,000. This initiative perfectly demonstrates JAKALA's objectives of common good, strengthening its role as a benefit company committed to supporting global causes. JAKALA chose Fondazione Francesca Rava NPH Italia ETS for this fund-raising. This organisation has been active in supporting children and adolescents in need in Italy and abroad since 2000. Renowned for its work in Haiti where it runs the paediatric hospital NPH Saint Damien that treats 80,000 children per year, the organisation was a

focal point during the Covid-19 pandemic and provides emergency aid following natural catastrophes.

Through these initiatives, JAKALA entrenches its commitment to sustainable and informed development while also offering tangible support to victims.

JAKALA Academy Connect

This section examines the strategic initiatives implemented by JAKALA to strengthen the bond between the corporate and academic sectors. These projects foster the transfer of knowledge and expertise between the company and universities, offering students real opportunities to dive into the world of work via practical and training experiences.

These activities includes various initiatives such as sponsoring prominent knowledge-sharing events – such as TEDx which we will discuss below -, taking part in career days which offer essential feedback to students to guide their future career choices, supporting specialised study programmes focused on training young talents in the digital and technology field.

Though with a different slant, JAKALA's participation in and liberal support

of these projects is key to achieving its objectives in this field, i.e., fostering an ecosystem of continuous learning, supporting innovation

and advancing the academic and professional community.

In the range of initiatives aimed at stimulating dialogue and sharing innovative ideas, TEDx stands out for its considerable impact at both global and local level. Organised independently but under the aegis of the famous TED format, these events hope to spread ideas worthy of attention, offering platforms where thinkers, visionaries and leaders can share inspirations and innovative solutions on a large scale. Each TEDx event is designed to mirror the particular essence of its local community, while remaining linked to the global TED vision: a commitment to "ideas worth spreading".

TEDxMilano 2023, which JAKALA sponsored, embodied this spirit with its theme "One thing leads to another" where participants were invited to reflect on how individual actions can generate a significant collective impact. Talks by people of the calibre of Drusilla Foer, Paolo Kessisoglu and Antonella Viola offered priceless food for thought on how individuals can positively impact the community and the social fabric.

Similarly, JAKALA supported TEDxUniCatt "Find Your W_y" held on 26 November 2023. This event focused on an individual's potential to affect change and the power of self-discovery in defining a personal

On 19 September, at its office at Corso Porta Romana 15, JAKALA had the pleasure of meeting the TEDxMilano volunteers. This training session conducted by members of the TEDxMilano team was an invaluable chance to share ideas and aspirations, reflecting the energy and passion of the volunteers involved.



and professional pathway. Through "Find Your W_y", students and participants were encouraged to explore new perspectives and consider how their choices can contribute towards a more sustainable and responsible future.

By supporting events such as TEDxMilano and TEDxUniCatt, JAKALA boosts its commitment to fostering a culture of responsibility and innovation, essential for social and economic progress.



"It was a direct intervention of great value, very much appreciated by the participants. As well as highlighting JAKALA's firm commitment to supporting training and developing young talents in the digital sector, this initiative also entrenched our role as active leader in promoting innovation and inclusiveness in the labour market. The enthusiasm and gratitude expressed by participants emphasise the importance of these programmes, and we are proud to have contributed to this significant project."

Giacomo Sartori Talent Acquisition JAKALA



Under the umbrella of the JAKALA Academy Connect, JAKALA was proud to partner the second edition of the Digital Careers Academy, a project with great social and educational impact organised by CDP Cassa Depositi e Prestiti in collaboration with Generation Italy. The aim of this initiative is to train 300 young people from all over Italy free of charge in the most in-demand digital positions that are hard to fill in the current labour market.

The Academy is a significant example of how the third sector and businesses can work together to create tangible educational and work opportunities.

This project offered young talents the necessary skills to stand out in the digital sector and a real possibility of a job after graduating, as seen in the 87% employment rate of participants of the previous edition.

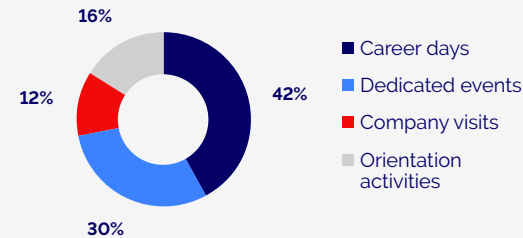
The class sponsored by JAKALA comprised 24 aspiring Salesforce CRM developers from different Italian regions: 12 from southern Italy, 6 from central Italy and 6 from northern Italy. Gender diversity was another focus of the Academy, with a Group comprised of 14 men and 10 women, reiterating the importance of inclusion in the technology field. Specifically, 18 hours of training in Salesforce skills were provided directly by JAKALA personnel, making the training even more engaging and tangible.

JAKALA's support of the Digital Careers Academy was an integral part of its "TogetherToGetThere" outlook and its commitment to being a data-driven company leading the field in the MarTech sector.

JAKALA is aware that investing in the digital skills of young people helps their personal and professional growth and nurtures an innovative ecosystem that can strengthen the country's entire digital economy.

Throughout 2023, JAKALA established numerous contacts with the academic world, giving it the opportunity to gather information on students, new graduates and junior profiles during career days and other events. Specifically, JAKALA's data-driven approach provides the HR division with statistical analyses and information that can be used to develop targeted employer branding and talent acquisition initiatives, thus boosting the Group's image as an industry leader.

Participation in events



Participation in events



JAKALA lifeline

At JAKALA's core lies a deep-set commitment to the well-being and professional and personal development of its employees and their families. "JAKALA Lifeline" symbolises this commitment through a series of initiatives that enhance the lives of Jakaler in every way. These initiatives include learning and fun opportunities for children, like the summer camp held at H-FARM, ongoing psychological support to deal with daily challenges, and activities that promote physical fitness and team work, such as taking part in the Playmore Superleague or the Milan Marathon.

These initiatives are the cornerstones of "JAKALA Lifeline", through which JAKALA supports and elevates the quality of life of its employees, proving that true success is measured in the well-being of the people making up the company.

JCare: Tangible support for the well-being of JAKALA employees

JAKALA firmly believes that the well-being of employees is fundamental, not only on a professional level, but also on a personal and psychological level. This philosophy lies behind **JCare**, proof of the company's motto: "We're here for you".

JCare is a service developed in collaboration with Fondazione Guzzetti, created to actively support the psychological health of the JAKALA team.

Through JCare, employees can access a package of 10 free sessions to be used as part of a psychological programme for individuals or couples, ensuring adequate support for varying personal needs.

Cognisant of the importance of discretion and respecting privacy, JAKALA guarantee complete anonymity for those who use this service. The appointments are made by directly contacting the foundation.

In addition, aware of the value of human connection in psychological support, it is also possible to gift a series of

sessions to domestic partners. This can be arranged by simply contacting the foundation and giving them the name of the beneficiary.

JCare is a cornerstone of JAKALA's commitment to the overall well-being of its employees, further reinforcing the concept that taking care of people means investing in their future, their serenity and their ability to deal with the challenges of everyday life.

- 96 people have submitted requests
- 82 of those effectively activated the service, using an average of 8 hours/sessions each
- The total amount of sessions/hours was 652, including:
- 179 sessions of psychological support (27.5%),
- 463 of individual psychotherapy (71%)
- 10 hours of couple's psychotherapy (1.5%)

As part of these actions, JAKALA's commitment to supporting the families of its employees took shape last summer in an exceptional opportunity for their children. In collaboration with H-FARM, the company offered a **programme of varied, stimulating summer workshops** designed for 5 to 19 year olds. This initiative gave them the chance to explore a vast range of disciplines, including robotics, virtual reality, English language courses, photography, as well as a variety of sports such as parkour, padel and horse riding. To celebrate its first year partnering with H-FARM, JAKALA decided to fully cover the cost of a summer school of choice for children of its employees. In addition, the company footed 75% of the total cost for those signing up to a sleepover camp. Employees could book without having to pay a deposit.

- 34 Jakalers booked at least one summer school for a family member
- 64 children went to a summer school with the JAKALA discount

Families with children under 8 years old could book a parent-child overnight stay at the H-FARM guest house, making the experience even more inclusive and family-based.

These initiatives are a prime example of the "JAKALA Lifeline" mission, where the well-being of employees and their families are of vital importance. JAKALA uses

these opportunities to commit to building a supportive work environment that strengthens and celebrates the family and personal growth.

As part of the initiatives aimed at nurturing the mental and physical health of employees, in 2023, JAKALA celebrated the return of two key sporting events: the Playmore Super League and the Milan Relay Marathon. These events fortified the values of inclusion, fun and team spirit within the company community.

Held on the evenings of 9 and 16 June, the Playmore Super League offered Jakalers the chance to come together for a Group sports tournament. Not only an opportunity to keep fit, the event also strengthened bonds with colleagues, building a more united and supportive work environment. **30 Jakalers** actively participated in the project, getting involved and endorsing company values.

JAKALA also supported **12 employees** taking part in the Milan Relay Marathon, an event with over 20,000 participants.

This year, the JAKALA team ran in support of Solidando, Milan's first social market, demonstrating the company's dedication to its employees' physical health while also supporting local initiatives that aim to improve the well-being of the community.



These activities are tangible expressions of JAKALA's commitment to its people's welfare, offering them the chance to express and develop skills and abilities in areas beyond the working world.

The 2023 events strengthened the body, spirit and sense of belonging to JAKALA, cementing the bond between individual well-being and company success.

In 2023, JAKALA hosted the **'Donor Day Math4All'** event in Milan, in collaboration with **ADMO**, and reconfirmed its partnership with **AVIS** at the Nichelino and Milan offices. These events underline the company's commitment to the community, highlighting the importance of supporting those awaiting transplants and the pressing need for blood donations.

During the event with **ADMO**, **22 people signed up as bone marrow donors**, young people ready to give the hope of life to many others.

These new donors showed great generosity and offered potential radical change to the lives of those awaiting transplants. In addition, five others who could not be present also expressed their willingness to contribute to this life-changing cause.

At the same time, JAKALA's renewed collaboration with **AVIS** gave the green light to company events dedicated to blood donation, small acts that are vital for the daily support of hospital and emergency needs.

Recognising the importance and impact of these initiatives, JAKALA plans to extend its collaboration with **AVIS** to other offices, thus broadening the scope of its social effort which in 2023 totalled **66 donations** in the two offices involved.

The Donor Day event and collaboration with **AVIS** reflect JAKALA's dedication to creating a work environment that values humanitarian acts and social responsibility. In this way, JAKALA pledges itself to initiatives that have a positive influence on the community and commits to expanding these beneficial effects beyond the company, actively participating in social progress.

Other minor initiatives were organised in support of associations with which JAKALA has strong long-standing relationships, such as **Metasociale**, **Associazione Down Torino** and **Associazione Zenzero**, whose purposes are in step with JAKALA's sustainability goals.

Top-value connections Across-the-board impacts on customers, consumers and the community

The Community Programs are an excellent example of an engagement programme that involves consumers to support the community. As part of its business activities, JAKALA endeavours to propose impactful initiatives in line with its customers' objectives.

In 2023, a key initiative was rolled out through one of JAKALA's customers to support amateur sports associations and clubs by providing free sports equipment. By shopping at participating supermarkets, consumers received vouchers with sports codes to be used to support their choice of association or club.

The beneficiaries could then use the codes to request free sports equipment. This programme led to almost 30,000 items of equipment being provided, becoming the largest community in the Italian sporting world.

Other minor initiatives were organised in support of associations with which JAKALA has strong long-standing relationships, such as **Metasociale**, **Associazione Down Torino** and **Associazione Zenzero**, whose purposes are in step with JAKALA's sustainability goals.

The catalogue of the program offered by JAKALA included over 180 professional products spanning a wide range of sports such as football, volleyball, basketball, water sports, gymnastics, boxing, martial arts, athletics, yoga, pilates, and many more. Specifically, this Community Program is an initiative of great value that promotes physical activity and health in the community, actively involving consumers in supporting local sports. Active from May to November 2023, the initiative had the following results:

- 10,902 sports associations/clubs signed up*
- 21,925,095 sports codes used*
- 27,974 items of equipment requested*



How Location Intelligence and AI are reinventing cities: seven innovative services for tackling the challenges of urban life

Retail trade:

Reviving local trade through detailed analyses of spending models, to stimulate employment and improve the portfolio of products and services available.

Community life and cultural activities:

Boosting the sense of community and stimulating cultural participation through customised suggestions based on the travel preferences and interests of the locals.

Air pollution:

Improving air quality and promoting sustainability by monitoring the air and through sustainable mobility policies.

Job opportunities and economic growth:

Reducing unemployment and stimulating economic growth through targeted training and by analysing the skills in demand on the market.

Transport and traffic infrastructure:

Reducing journey times and traffic by optimising routes and upgrading infrastructure using predictive models.

Civic engagement:

Promoting more transparent governance and boosting civic engagement using digital platforms to get citizens involved in decisions regarding the city.

Urban security:

Improving the perception of security and reducing criminality via detailed analyses of criminal events and data-based preventative strategies.

These initiatives illustrate how integrating advanced technologies into the urban fabric is an effective way to proactively respond to citizens' needs and systematically improve how the city is run.

The full article by Giuseppe Strigari Head of Location Intelligence and GeoSolutions of JAKALA Civitas offers an in-depth analysis of these innovative services and a more detailed understanding of the strategies implemented.

[Click here to read the full article.](#)

As part of JAKALA's initiatives aimed at strengthening bonds with customers, consumers and communities, the **"Intelligent Districts Project"** is an example of its dedication to sustainable innovation. Using advanced time series analysis in combination with Digital Twins, the project seeks to revolutionise urban governance, making it more intelligent, proactive and able to effectively meet the modern challenges of the city.

This integrated approach improves the quality of urban life while also providing public administrators with more efficient tools for planning and governing the district. For instance, the transformation of the Porta Nuova area of Turin shows how targeted policies can considerably boost the welfare of citizens, at the same time nurturing sustainable economic growth and greater social cohesion. The following article offers an overview of the relevant methods and results ["Rivoluzionare la Gestione Urbana attraverso l'Analisi congiunta delle Serie Storiche e dei Digital Twins"](#).

The project underlines how, when used wisely, technological innovation can transform urban infrastructure and improve people's everyday lives.

Giacomo Lorusso, CEO JAKALA Civitas, was awarded at the Innovation day of the CEOforLIFE Awards 2023 for the Intelligent Districts Project. [Link](#)



The **"Custodi del Bello"** project is a pro-bono social franchising project that aims to fight poverty, margination and urban decay, creating opportunities of employment, training and social reintegration for people who are struggling. It focuses on five key goals to foster a more just, beautiful, sustainable and resilient Italy. The project was developed in partnership with Consorzio Communitas, Fondazione Angeli del Bello and the association Extrapulita and undertakes to reintegrate people in various, difficult situations into the world of work, meeting the requirements of the municipal authorities and contributing to active employment policies.

Considering its dedication to integrated, multi-dimensional integration, the "Custodi del Bello" project stands out as a prime example of the initiatives supported by JAKALA. "Unlock Sustainable Growth" sums up the work. The goal was to implement a high-tech platform to optimise project management, guaranteeing efficient coordination of activities and ongoing support to those involved. This tool allowed more fluid management of the fieldwork teams, precise data collection and detailed reporting, all essential for measuring the social impact of the initiatives and planning future actions.

Moreover, the financial and organisational support offered by JAKALA was instrumental in the project's operating efficiency, ensuring that resources were used in the most effective manner possible. The financial analyses and cost optimisation strategies allowed the "Custodi del Bello" project to expand its range and boost its long-term sustainability.



In addition, this project perfectly embodies **JAKALA's "top-quality connections" philosophy: merging technological innovation and social awareness to create a more equal and sustainable future for all.**

Members of the Advisory, Tech and Digital&Media teams, at various levels of seniority, dedicated 43 working days in 2023.

In addition to these initiatives, also in 2023, JAKALA broadened its commitment to social sustainability through a new collaboration with **Fondazione Isaia**.

Explained in detail on the website Patria della Bellezza, this partnership sees the company actively support the foundation in its goal of preserving and elevating Italy's cultural heritage.

As well as helping restore and promote the beauty of Italy, JAKALA also has the opportunity to express its desire to generate positive, concrete impacts on the cultural life of its local communities, with a business model that integrates financial success and social responsibility.

3.5 Integrity model

As mentioned in the introduction to this section, the key business components include transparency, integrity, equity, responsibility and respect for Stakeholders, kindred cornerstones of the Group's daily operations in Italy and abroad.

JAKALA sees reputation as pivotal for standing out on the market, vital for both attracting prestigious talents and enhancing brand value.

To this end, the Group proactively works on entrenching the culture of integrity within the organisation, undertaking to conducting its activities with utmost transparency, honesty and professional ethics.

For JAKALA, legislative compliance is non-negotiable in managing relations with public and private parties. The Group complies with the local ruling legislation in the countries where it operates. In addition, it also pursues sustainable and inclusive growth in its business, operating in line with the Universal Declaration of Human Rights, the International Labour Organization (ILO) and the principles of the United Nations Global Compact which it has signed up to.

In Italy, JAKALA adopted an Organisational, Management and Control Model as per Legislative decree no. 231/2001, a structured, organic system of procedures and activities aimed at preventing non-compliant behaviour. Employees of the Italian companies are required to comply with the model and the relevant protocols, which specify how the various company processes must be carried out.

The board of directors has formed a specific body in charge of supervising the adequacy of and compliance with the model.

Furthermore, the JAKALA Group has defined and adopted a code of ethics which encourages best practice and nurtures responsible conduct to ensure that the Group's basic ethical values form the heart of the corporate culture, along with behavioural standards for all company employees.



Whistleblowing system

There is a Group-wide whistleblowing system in place to carefully manage and quickly ascertain any unlawful behaviour that breaches the law, regulations or internal procedures.

This was upgraded in 2023 to comply with Directive (EU) 2019/1937 transposed in Italy with Legislative decree no. 24/2023.

The company adopted a new policy with specific customisations in countries that have adopted different parameters to the standards of the directive.

Indeed, the JAKALA Group is fully aware that corruption obstructs a country's economic, political and social development, as well as heavily warping the rules, integrity and competitiveness of the markets.


JAKALA recognises the importance of anti-bribery legislation. It shuns and denounces corruptive conduct and, in general, unlawful or unethical behaviour to achieve financial goals.

Based on analyses of the company processes and countries where it operates and pinpointing areas at risk through its risk assessment, JAKALA has designed and implemented an Anti-bribery Management System, a series of processes and procedures to ensure that international anti-bribery standards are effectively applied.

Specifically, JAKALA has a special procedure in place to manage conflicts of interest, regulating how to communicate and handle conflicts of interest (or potential conflicts of interest) involving senior management – including members of the board of directors – and managers with roles deemed "sensitive".



Every year, JAKALA publishes its Modern Slavery Statement which describes the measures adopted to ensure the absence of any form of modern slavery, forced labour or human trafficking, as per the UK law "Modern Slavery Act 2015".



Jakala S.p.A. S.B., Jakala Civitas S.p.A. and Maize S.r.l. have implemented an anti-bribery management system, based on ISO 37001:2016, which has been certified by a third-party body.

The analysis also covers JAKALA's suppliers and main partners, within a certain materiality threshold.

The Supplier Code of Conduct sets out the company's expectations regarding the main areas of the responsible sourcing process. JAKALA requires its main suppliers to adhere to the principles set out in the code of conduct. It also works to raise awareness of such principles both within the Group and among suppliers. The Group also carries out regular audits throughout the supply chain.

In 2023, JAKALA did not detect any incidents of corruption, either attempted or committed, and/or which led to employees being dismissed or disciplined for corruption. There were no incidents of corruption leading to contracts with business partners being terminated or not renewed due to violations related to corruption. Nor were there any new or ongoing public legal cases regarding corruption brought against JAKALA or its employees.

In 2023, the Group was not involved in any significant instances of non-compliance with laws or regulations (including those regarding social and economic matters), for which fines and/or non-monetary sanctions were incurred, legal disputes regarding anti-trust or monopoly practices. Three lawsuits for anti-competitive behaviour were commenced in previous years and are still pending.

The Group's tax policy

Though the Group does not have an explicit tax strategy, tax management serves the Group's business and sustainable development by putting the focus on tax compliance which, as a result, mitigates the risk of unethical or illegal behaviour.

The Group's tax policy follows the guidelines and code of conduct regarding the correct application of tax legislation in Italy and abroad. JAKALA is aware of how much tax revenue contributes to the collective well-being in the jurisdictions where it operates and is certain that the correct implementation of applicable tax legislation is crucial for both the Group and its Stakeholders.

The tax policy draws inspiration from the principles set out in the Code of Ethics, an integral part of the Organisational Management and Control Model as per Legislative decree no. 231/2001. The Code of Ethics establishes the behavioural standards applicable to all Group employees to ensure that the risk of non-compliance is constantly monitored and managed, with particular focus on the risk of incurring administrative or criminal sanctions, significant financial losses, as well as reputational damage caused by violations of tax legislation.

The Board of directors has a key role in steering and managing the company and

Group according to values of honesty, integrity and lawfulness.

The Group's decisions on tax policies are guided by the desire to meet the needs of the real economy rather than by tax considerations. Localisation choices originate from the Group's vow to best serve its customers. In all jurisdictions where the Group operates, it guarantees compliance with tax rules set out in treaties, laws and regulations, as well as the payment of taxes of all kind.

At operational level, the set of safeguards and organisational procedures in place, with the allocation of roles and responsibilities, ensures that the correct data are filed in the tax returns, taxes are paid and communications are made to the tax authorities. Local teams in the different countries are in charge of managing compliance, tax planning and tax monitoring at local level. Considering its business and business model, JAKALA's contribution is broken down into the following types of tax

- corporate income taxes;
- Personal income taxes, especially contributions paid as employers and as a withholding agent;
- indirect taxes on goods and services.

Structures that carry out tax-sensitive activities work closely together (both at parent and local level), conforming with the following fundamental principles:

- complying with all laws and regulations and fulfilling all tax filing obligations in all countries where they operate;
- ensuring full tax compliance for each Jakala S.p.A. S.B. and Group division, focused on respecting economic, social, civic and environmental responsibility;
- applying OCSE principles in transnational relations with Group companies and third parties;
- complying with tax regulations in relations with customers and suppliers;
- correctly applying treaties against double taxation in transactions involving the Group;
- eschewing tax havens, tax structures lacking in valid economic reasons or low tax jurisdictions to obtain undue tax advantages or structures aimed at tax evasion.

To safeguard against inherent tax risk, the relevant departments ensure that the Group has adopted an adequate internal control system, in line with the Parent's risk policy and ruling legislation, via specific controls, which also – and above all – cover processes relevant for tax purposes, in close collaboration with the company control units (Internal audit).

Identifying the tax risks linked with the Group's business and protecting against them is carried out as follows:

1. taking part in the approval process for new projects and exceptional business/ transactions, suggesting, where necessary, specific actions to mitigate tax risks;
2. analysing and checking the correct tax management of extraordinary transactions and company restructuring;
3. setting guidelines for local requirements regarding transfer pricing documentation and supervising the drafting of necessary documentation;

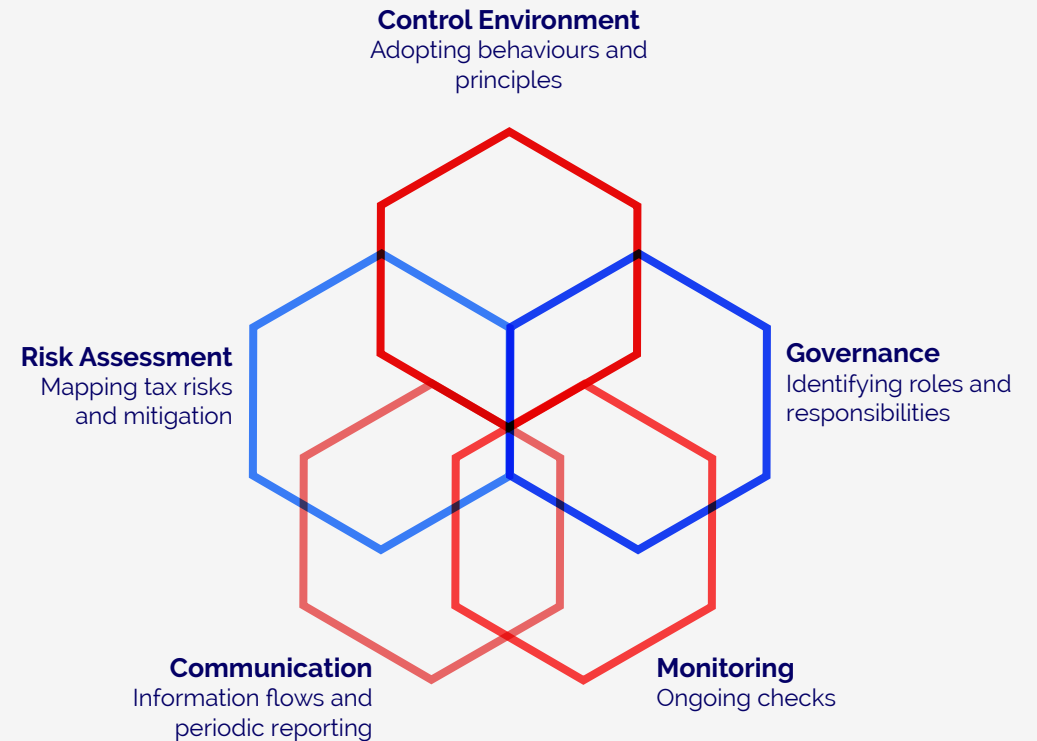
4. supporting and advising Group bodies and central and local structures on all tax-related matters regarding business and transactions in place.

In the context of behaviour aimed at mitigating tax risks, both the Parent and local subsidiaries use third-party consultants when faced with particularly sensitive, complex or confounding issues. Such consultants provide guidance on compliance with legislative provisions, ongoing updates and control over tax matters, and assistance with direct and indirect tax returns

The Board of directors is promptly informed of significant and complex tax matters and any disputes.

The tax returns are also assessed, checked and signed by the independent auditors.

With regard to reporting, reference should be made to the consolidated financial statements which contain information on tax assets/liabilities and corporate income taxes of the year along with comments thereon and a reconciliation of actual tax rates.



04 People at the Heart

- 4.1 Jakala Talent Stars
- 4.2 An all-round experience
- 4.3 Inclusion, equity and diversity
- 4.4 Health and safety



Contribution
to the SDGs



People

JGoal 2

promote the enhancement and development of skills and potential, professional growth and well-being of employees and consultants, through sustainable, smart and flexible work practices and encouraging a way of doing business that considers work as the development of individual skills in tandem with the personal sphere

JGoal 3

engage, inform and raise awareness throughout the entire organisation, and also with the people who work on its behalf, regarding a culture of greater individual responsibility and respect for the environment and health & safety

JGoal 4

nurture inclusion and appreciation of differences in gender, ethnicity, sexual orientation, ability and disability, by exposing and removing the barriers obstructing participation and contribution, offering equal opportunities for professional and economic development and anti-discrimination policies in the supply chain and respect for all people who interact with the company

Throughout its history, the JAKALA Group has considered human capital its main asset, a wealth of know-how, skills, working techniques and expertise.

The professional skills, awareness, willingness and trustworthiness of its resources are why the group has such solid relationships with its stakeholders, can work side by side with the local communities, and set its sights on developing and innovating its services portfolio.

As a result, JAKALA endeavours to offer its employees and consultants personal and professional development, training, inclusion and equity.

Preserving human capital has become a permanent course of action throughout an entire career. This includes creating a shared company culture, through internal communication centred on building know-how and nurturing personal development with regard to entrepreneurship, motivation and ability to succeed. Without doubt, a key step in elevating the human factor - a basic ingredient in the company's organic growth - is achieving the greatest balance possible between private and professional life.

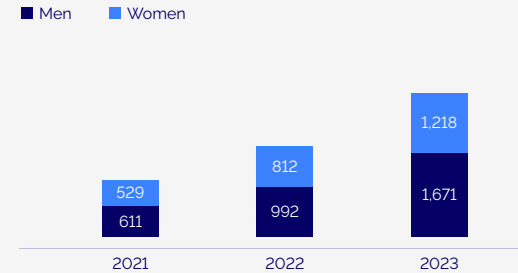
Training the individual is a keystone in JAKALA's guarantee to stakeholders of a top-level performance from every employee. Training programmes are also designed to result in efficient learning through an integrated pure and on-the-job approach, including technical, languages, mandatory/regulatory and managerial training.

The teaching methods and tools support Jakalers in their professional growth, through a constantly updated portfolio of opportunities comparable with the various professional roles and seniority levels.

A progressively multinational and multicultural group like JAKALA cannot fail to adopt a cultural approach hinged on inclusion and diversity as two fundamental and essential values to endorse behaviours and processes at the company that allow all members of the JAKALA "community" to best express their skills and aptitudes.

Used to expanding externally, JAKALA has always striven to build one large environment where professionals from different countries, technical training, cultural and social backgrounds and gender can find equal opportunities, using diversity as a catalyst of growth and success, in line with group values, and promoting constructive dialogue between all kinds of backgrounds.

Number of employees by gender

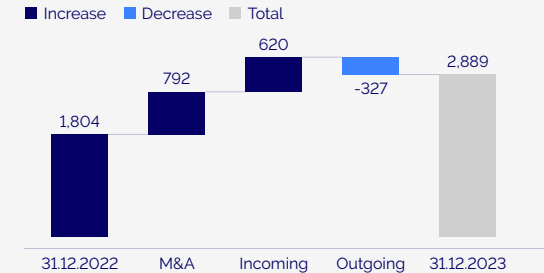


There was a shake-up in the group's human capital in 2023, mainly due to the FFW Group joining the consolidation scope. These 658 new employees (in addition to a vast network of collaborators, consultants, etc.) represent a unique addition in JAKALA's history in terms of numbers and geographical origin. A huge challenge for people inclusion and process integration.

JAKALA France also grew significantly through acquisitions during the year, followed by JAKALA Latvia.

The group also continued to grow organically, 620 new hires against 327 outgoing, for a net balance of 293 incoming employees, or over 16% of total personnel at 31 December 2022.

Movements in 2023



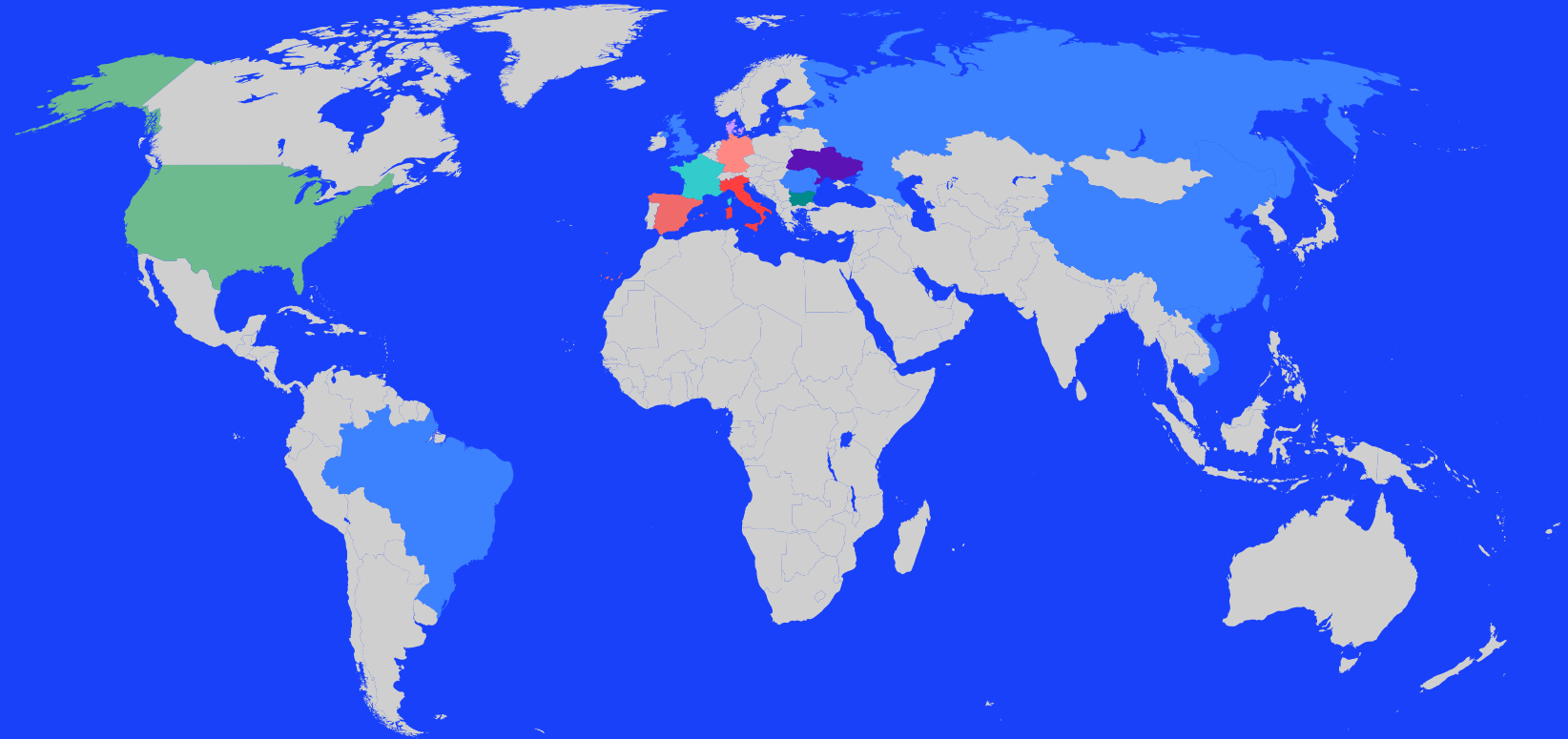
As a result, the group grew 60% compared to the end of 2022 (in terms of headcount), of which 73% from non-recurring transactions and 27% from organic growth.

The JAKALA Group operates directly with employees in 19 countries through subsidiaries and permanent establishments, with local management teams running the local operations in collaboration and cooperation with the Italian office. From the start, the group has applied a policy aimed at elevating local responsibilities and professional profiles, seeking out suitable skills and characteristics. Meanwhile, the headquarters has taken on a more strategic role over the years in coordinating the offices spread throughout the different countries, so as to create value through global strategies.

Italy is still by far the most highly represented country with 1.687 employees (58%), followed by Spain (306 employees, or 11%) and Germany (226 employees, or 8%). Roughly 90% of human resources are employed in the European Union.

The Group's dedication to always offering job opportunities to young people is evident in the average age of employees. Around 36 years old was the average age in 2020 and 35 again in 2023 despite the workforce catapulting up 200%. Focusing on young talent, seeking out profiles with growth potential, and onboarding programmes aimed at boosting professionalism are all key factors in the Group's recruitment and hiring policies.

Work experience contracts and internships are also an important component of the Group's hiring strategy. A pool of potential talents for company development, but also a tangible commitment to the local communities (especially Universities) by guaranteeing development opportunities for the younger generation. A total 313 contracts were activated in 2023, with 102 active at 31 December 2023.



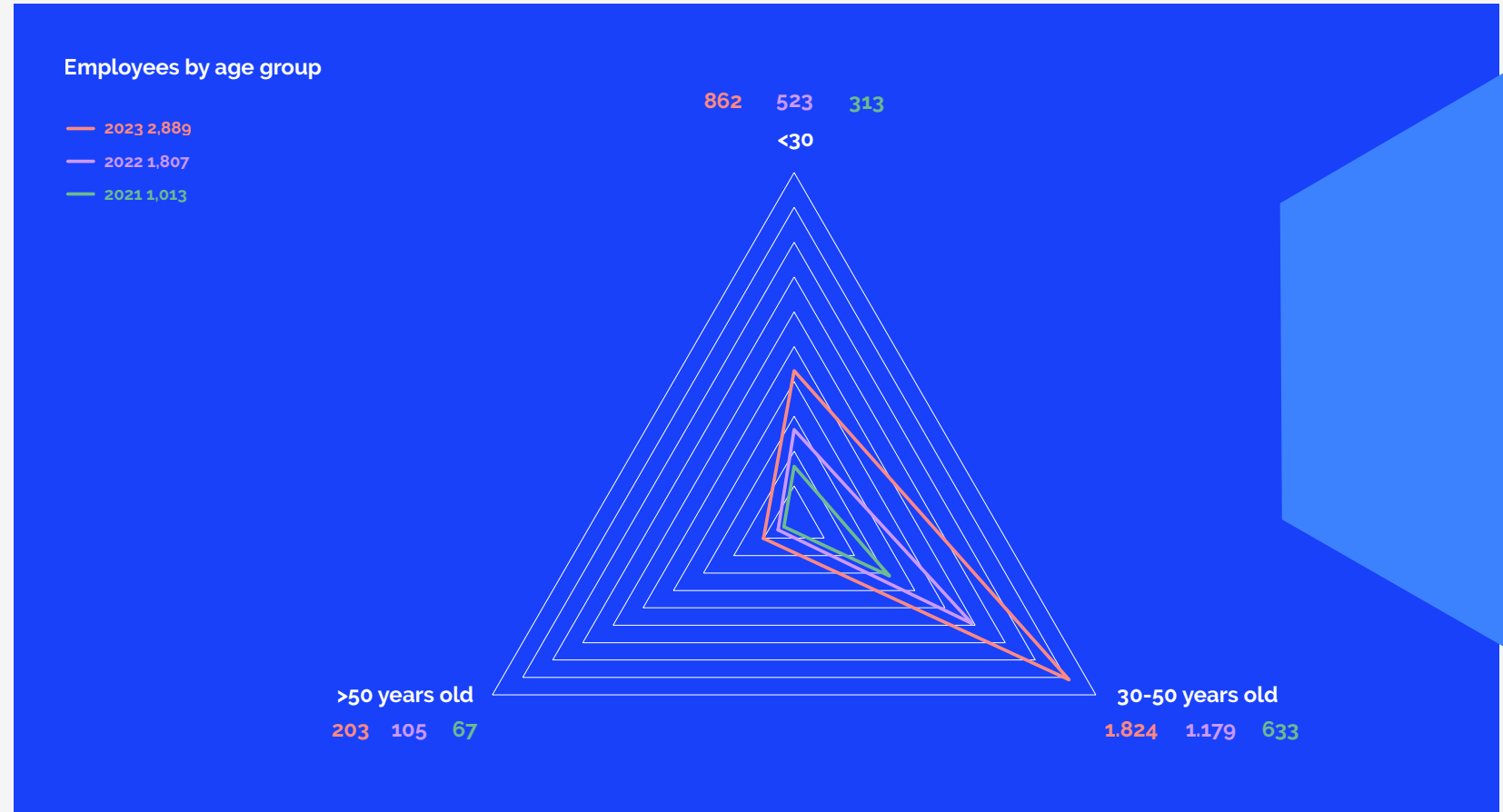
Employees distribution by geographical area, year 2023

- Over 500
- from 201 to 500
- from 101 to 200
- from 51 to 100
- up to 50

We mentioned the special relationship that JAKALA has built with universities over time. At global level, we have information on roughly 2,254 resources out of a total of 2,889. Of these, 1,780 have a qualification corresponding to a degree, including 760 with scientific degrees. This means that, from the available sample, approximately 80% have a degree and over 40% of these are in scientific fields. These percentages are more or less the same for Italy on its own (information available for 1,507 resources; 1,185 with degrees, including 434 scientific degrees; thus 78% and 37%), showing the constancy of JAKALA's route of progress. The group maintains a cohesive, consistent approach to its specific characteristics in the face of upheavals, at least from this point of view.

Cherishing your human resources and visualising a path of personal and professional growth for them also means making sure they have enough time to achieve their goals. This is why JAKALA prefers by far adopting permanent employment contracts (92% of total contracts at 31 December 2023) as a vehicle for work stability with advantages in terms of corporate benefits, career development, possible personal loans, etc..

Lastly, at 31 December 2023, the parent has five temporary workers, 30 contract workers and 51 interns.



4.1 JAKALA Talent Star

JAKALA's proficiency model, Talent Stars, identifies the key skills that employees must have to excel in their roles. The model is divided into technical, managerial and behavioural skills, each with development goals and evaluation metrics. With this approach, JAKALA guarantees that every employee has a clear understanding of expectations and opportunities for growth.

Talent Stars is a vital tool that supports people in pinpointing and developing the skills needs to excel in the various company roles. Integrated into new career paths, the model elevates the unique characteristics of the various professional families, guiding employees through the key steps of their development. It supports the goal setting stage, comprehensive feedback and internal mobility, providing a clear roadmap for achieving professional goals.

The model is dynamic and interactive, with resources available on the dedicated micro-site that offers extensive details and additional material for employees interested in exploring the programme further.

Attracting and cultivating talent

Rapidly evolving markets, driven by the significant evolution of technological innovation which highlights the need for suitable professional figures, and work flexibility as one of the main considerations for employees, are all key factors of a landscape that requires utmost attention in recruitment, hiring and internal mobility processes which play a key role in the group's growth and development.

JAKALA aspires to foster an international work environment that allows different cultures, professional roles and experiences influence each other. This helps build adaptation and innovation skills, engaging people and motivating them to express their full potential and providing them with tools and opportunities.

Recruiting acts as a bridge to the job market, straddling the line between the company and the outside world, balancing the company's needs regarding resources with the supply of professionals out there.

This involves recruiting, selecting, hiring and incorporating into the company the profiles most suited to the role, through a multi-stage process focused on ascertaining a candidate's current and potential suitability to perform a specific function.

The process uses various recruitment channels and the most suitable tools for hiring and evaluation (evaluation, never judgement), ensuring equal opportunities with criteria of integrity and impartiality.

Regardless of whether a candidate is hired or not, JAKALA makes sure they have a positive experience, giving them structured, constructive feedback that can generate value for them and offering them suggestions for improvement.

In 2023, JAKALA developed new processes that use digital tools to quickly and easily collect information from students, new graduates and junior figures at career days and all other events organised or attended by

Under the Referral Programme, renewed again in 2023, the parent's personnel can recommend potential candidates. It was set up with the conviction that employees can be the organisation's best brand ambassadors, playing their part in creating a flourishing, stimulating work environment.

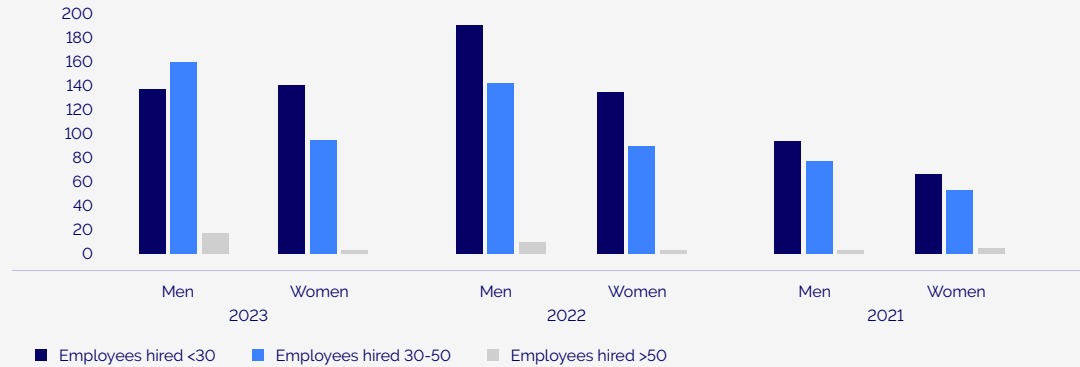
The parent awards those who flag potential candidates if the latter end up joining the company following the process explained later on.

JAKALA. This was the first step in creating a new base for generating statistics and implementing employer branding and talent acquisition actions. These tools include "Poll Everywhere", a gamification device that helps break the ice by prompting contributions from the people involved, and "Bit.Ly", a QRcode creator that collects prospects and monitors analytics.

For many years, JAKALA has been particularly focused on relations with the academic community, trying out different forms of collaboration as a chance to meet and speak with new graduates, offering them professional opportunities. Indeed, JAKALA is distinguished by its consideration in developing and maintaining relations with the new generations. It is conscious that this is a long-term investment, acknowledging that the company is not just a business, but also a place where the learning and professional plans of young men and women are developed. And, as a result, the company bears considerable social responsibility.



New hires by age/gender/year



From the above figures, the average age is 35.48, essentially unchanged in recent years, a reason for satisfaction and a KPI in the company's ability to attract young talent. Maintaining this statistic constant over time also highlights the regular hiring of under 30s (with the sole exception of male hires in 2023, which is more a "statistical error" than a trend reversal).

There are no substantial differences in average age between genders, with 35.05 the average age for women and 35.78 for men.

Jakalers are an invaluable resource in JAKALA's eyes. Making them feel part of the team right from day one is a top priority. JAKALA honed its onboarding programme designed to offer new employees an engaging and thorough induction experience, again in 2023. This programme provides all the information necessary to find your

bearings in daily company life, including general services, assistance and benefits, ensuring an easy, informed start.

The onboarding is not just a warm welcome, it also offers a structured path facilitating the integration of new Jakalers into JAKALA's company culture. In addition, each new Jakaler is assigned a colleague who supports

them in their daily activities and check-in interviews are scheduled one and six months from joining the company to ensure optimal ongoing integration. The Sustainability department takes part in the full onboarding day, presenting key company information and providing an overview of activities in progress, with a special focus on SDGs.

JAKALA has an ingrained culture of collaboration through work placements and internships for graduates, aware of how vitally useful work experience is as a first contact with the world of work:

- onboarding programme that offers a period of on-site qualified training;
- playing a role in defining the first steps in young people's careers;
- offering the chance to boost CVs while simultaneously testing their real interest.

In 2023, the group activated 182 work placement contracts and internships in Italy alone, including 52 students and 130 graduates. 116 people were hired from such contracts in 2023 (66 women and 50 men), of which 103 with apprenticeships, three with temporary contracts and 10 with permanent contracts.

Overall, the group had 298 people on work placements and internships in 2023 (156 women and 142 men).

The "job posting" system is used to internally develop and recruit, allowing all employees to put themselves forward and gain visibility (in terms of conduct and professional aspirations), helping nurture growth among resources, develop talent, elevate skills developed and support all-round knowledge of the business through job rotation.

Safeguarding company assets

A critical issue for the organisation in protecting its human capital is certainly employees leaving the company, an event that generates a undoubted loss of expertise and intangible assets for the company. The group sees employee dialogue and engagement as essential factors in boosting motivation and satisfaction among its resources in creating solid long-term relationships, aimed at minimising the risk of losing its wealth of know-how and experience.

Corporate welfare, benefits, hybrid work conditions, structured engagement opportunities, career plan management and leadership development are some of the actions aimed at guaranteeing long-term retention.

Exit interviews are scheduled for employees who decide to leave JAKALA in order to gauge and understand the reasons behind their decision, thus gaining an overview of their experience in the company and spot areas for improvement.

In 2023, the negative turnover dropped to its lowest level since Covid, falling to 10.23% for male employees and 9.36% for female employees, compared with 18.25% and 13.92%, respectively in 2022. This trend was undoubtedly influenced by external factors, such as

job market conditions, a degree of stabilisation in the company's sector, etc.. However, JAKALA's close monitoring designed to constantly improve any weak points revealed in the past played a huge role in such a sharp drop.

Considering the complexity of the group and the myriad of figures it contains, it is natural for employee aspirations to vary depending on their seniority, age, position, role, and so on.

Accordingly, 2023 saw immense efforts with regard to managing feedback, formalising career paths, new training opportunities, issues that- though partially completed in early 2024 - unquestionably gave JAKALA a new approach to its human capital, accurately targeting the needs that in some way prompt people to leave the group.

There was a "normalisation" in statistics between male and female employees in 2023, after considerable differences in the past (see the 2022 figure for instance).



4.2 An all-round experience

Elevating each individual's talent lies at the core of JAKALA's strategy, with constant efforts made to ensure that every single employee can have an all-round experience that enables them to grow alongside the group's business.

This is aided by structured evaluation and development systems encompassing individual performance indicators to measure key skill acquisition, also through training tools and opportunities that promote creativity, innovation and collaboration and emphasise each person's own individuality.

Training

JAKALA's training is based on a well-defined model of skills and structured career paths, designed to develop the abilities needed to meet the challenges of the global market and nurture a company culture of continuous learning.

At JAKALA training is crucial for elevating people, developing and strengthening skills, updating expertise and spreading company values. It is a strategic asset that facilitates exploring and growing talents.

Training courses offer chances to meet up and share experience, an important part of personal growth and development.

Training activities are hybrid, combining in-person sessions at company offices with e-learning through virtual classrooms and webinars to allow the most inclusive and efficient experience possible.



Learning Strategy

JAKALA's learning strategy is designed to support its various units in achieving business objectives through the identification and development of up-to-date, innovative and competitive skills, enabling Jakalers to bring quality and excellence to customers, express their potential and continue to grow together. The training programme has five main pillars:

1. SkillLab Academy: provides onboarding training courses designed to develop those essential skills that Jakalers need to carry out their roles in the business and staff units with utmost efficiency and effectiveness.

2. Technical & Core: consisting of technical and vertical training to develop and consolidate specialist skills that are put at customers' service and are always in line with the latest market trends.

3. Leadership and Personal Effectiveness: soft skills, management and leadership skills that reflect the JAKALA values, facilitate teamwork and respond to Jakalers' goals of personal and professional growth.

4. Language Skill: focused on improving people's language skills, essential for a global group.

5. Mandatory training: promotes all categories of safety through training and awareness.

In addition to the above paths, JAKALA also provides **self-learning platforms** to allow employees to learn continuously and autonomously.

Additional learning and development opportunities are planned for 2024 in a stimulating and innovative environment at the **H-Farm Campus**. This training opportunity will also be made available to Jakalers' friends and families in order to increase its impact on the community.

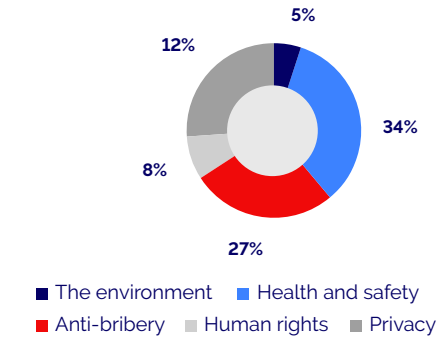
JAKALA's training also includes mandatory courses on health and safety, ethics and personal data protection, as well as programmes aimed at instilling a culture of ethics and sustainability, with a focus on ESG issues and upholding company values.

Hours of training

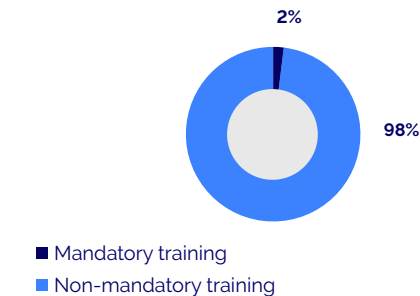


The hours of training for the entire group for 2023, 2021 and 2022 refer solely to the parent.

% hours of mandatory training at JAKALA S.p.A. SB



Training



Breakdown of mandatory and non-mandatory training throughout the group.

Leadership and Personal Effectiveness

JAKALA is extremely committed to developing interdisciplinary skills among its employees in order to maximise personal, relational and job efficiency, as well as nurturing the well-being and engagement of the team.

For instance, the **"JAKALA Lead The Way"** development programme for managers and associate managers focuses on developing essential leadership skills to support company growth and elevate its talents. Through the innovative flipped classroom method, participants strengthen their leadership and relational skills, maximising the involvement of the team.

This training approach utilises individual video lessons, group sessions to develop content and practical applications using tools suited to JAKALA's organisational structure.

The flexible setting and timeframe fosters active participation, while the easy deployment of the tools in daily work leads to an immediate improvement in work performance.

The programme offers the possibility to choose from seven training modules, including Trust Feedback, Goal Setting & Monitoring, Building a Performing Team, Creative Process & Problem Solving, Team Engagement, Effective Communication as

a Team Leader, and Time Management & Priority Setting as a Team Leader.

Every participant can choose the modules most suited to their own development and performance goals.

Technical & Core

The goal of this programme is to equip each Jakaler with the technical and practical skills needed to excel in their roles, instrumental in the company's overall success.

JAKALA offers unique and varied training to explore JAKALA's product offering, share project best practices and acquire technical skills. This training supports employees in their professional growth, improving project management, data analysis and use of advanced technical tools.

Project management is crucial for project success. The specific courses in this area help Jakalers explore basic concepts, simplify task management and optimise the resources and relations within the team. For example, training on UX/UI and Google Analytics 4 provides a full overview of user behaviour and refines analytical and decision-making skills. The Sales Force Automation programmes boost the efficiency of sales transactions, while the webinars and specific courses on areas such as customer services build up customer loyalty. Employees have access to

self-learning tools, such as webinars designed by internal trainers about internal tools that can be found in the intranet and facilitate continuous learning and updating skills. Training events like Tech Share encourage knowledge sharing about inspiring technological innovation and design best practices to continue to grow and maximise team involvement.

Language Skills

Given JAKALA's growing international orientation, strengthening Jakalers' language skills is crucial. So JAKALA offers personalised, flexible language learning solutions, available always and everywhere, with engaging content. The training programme is made to measure for each employee, enabling them to improve their language skills in step with their business and professional development goals.

After completing an initial assessment to check their level and after consulting their career advisor, each Jakaler can request individual speaking sessions with designated teachers. These one-to-one sessions offer a unique opportunity to hone their language skills in a targeted and personalised way, ensuring continuous learning of the highest quality.

This approach offers many advantages. For employees, it offers a learning support that perfectly adapts to their needs, fostering considerable professional growth. Being able to access the learning at any time and from any device also ensures maximum flexibility, making it possible to integrate learning into daily routine.

For the JAKALA community, investing in the language skills of its members is an added value, fostering a more inclusive and collaborative work environment. This learning approach is also instrumental in strengthening the company culture, reinforcing international interaction and cohesion between global teams.

Investments in language courses not only strengthen employees' individual skills, it also boosts competition and efficiency throughout the entire organisation, creating a long-lasting positive impact at both personal and community level. Indeed, Jakalers can invite their family and friends to also use the tool free of charge.

Mandatory training

JAKALA is extremely mindful of the health and safety of its employees and stakeholders and the need to protect the data processed in everyday operations. The training focuses on key issues to guarantee a safe workplace compliant with applicable regulations.

Using an e-learning platform, JAKALA offers specific courses on privacy – GDPR, Italian Legislative decree no. 231/2001 and SA8000, making sure that all employees are up to date on data protection and legal compliance practices. The training also includes courses on information security, providing the necessary skills to protect company data.

Moreover, the general and specialised low risk training courses prep employees for detecting and managing risks in the workplace, nurturing a culture of safety. Webinars on interaction flows,

contracts, privacy and intellectual property further upgrade the training offered, ensuring amply coverage of compliance and security requirements.

The aim is to provide thorough and targeted training, establishing a safe and compliant work environment, while also protecting sensitive data and information.

Performance experience

The JAKALA Group's Total Reward remuneration system is set up to attract, motivate and retain highly-qualified people, essential for company growth. This is based on principles of equity, equal opportunities, merit and competitiveness on the market.

Setting remuneration takes specific criteria into consideration. These include comparison with the external market and internal equity, the nature of the role and the responsibilities assigned, as well as the individual skills of the person, always viewed in a fully objective



manner, in order to avoid any kind of discrimination. The starting salaries JAKALA offers to men and women alike are equal to or higher than the minimum pay as per law or collective labour agreements in the relevant countries. Likewise for post-employment benefits and pensions, the group also applies the conditions provided under local regulations.

Almost 60% of group employees are under distribution and services sector. As already mentioned, companies operating in foreign countries are also obliged to pay their employees salaries and fees in compliance with all the locally applicable laws and regulations.

They are obliged to refer to all laws regarding work hours, minimum breaks and rest periods and guarantee workers' rights in a peaceful manner and as per the law.

34% of the parent's employees receive remuneration split into fixed and variable portions, normally tied to short-term (management by objective, "MBO") and partially long-term (long term incentives) objectives.

The MBO system is triggered when targets based on annual results are reached. These are mostly quantitative, i.e., the group's financial results, along with some qualitative targets of a strategic and operating nature, including those linked to sustainability ratings.

The JAKALA Group's long term incentive system comprises various elements such as a stock option plan and preferences shares issued to managers (carried interest). These systems align the incentive system for managers and key personnel to the the group's actual results.

They steer employees towards strategies aimed at achieving medium/long-term sustainable results, align the interests of beneficiaries to those of shareholders and investors and develop policies focused on attracting and retaining talented professionals.

In addition to this remuneration system, the JAKALA Group also has a salary review process managed centrally by the parent's HR team that involves all subsidiaries and divisions once a year.

Based on these criteria, each unit manager selects the worthy individuals, working within their budget for salary increases. The increases start from 1 July of each year.

In order to emphasise transparency in relations with employees, JAKALA uses a performance review process to annually measure the skills applied to reach the assigned goals. This measures just how suited individuals are to their role and determines possible training and development paths. These reviews assess the values that every employee must advocate and promote: integrity, passion, alignment with the company culture, the ability to establish relations based on trust, a global vision, excellent results, innovation and nurturing talent.

With a medium/long-term outlook, this system is a key process for managing and nurturing individuals, defining succession plans and fostering loyalty among talents. It

also lays the groundwork for the salary review process as it can guarantee equity, equal opportunities, merit and competitiveness on the market.

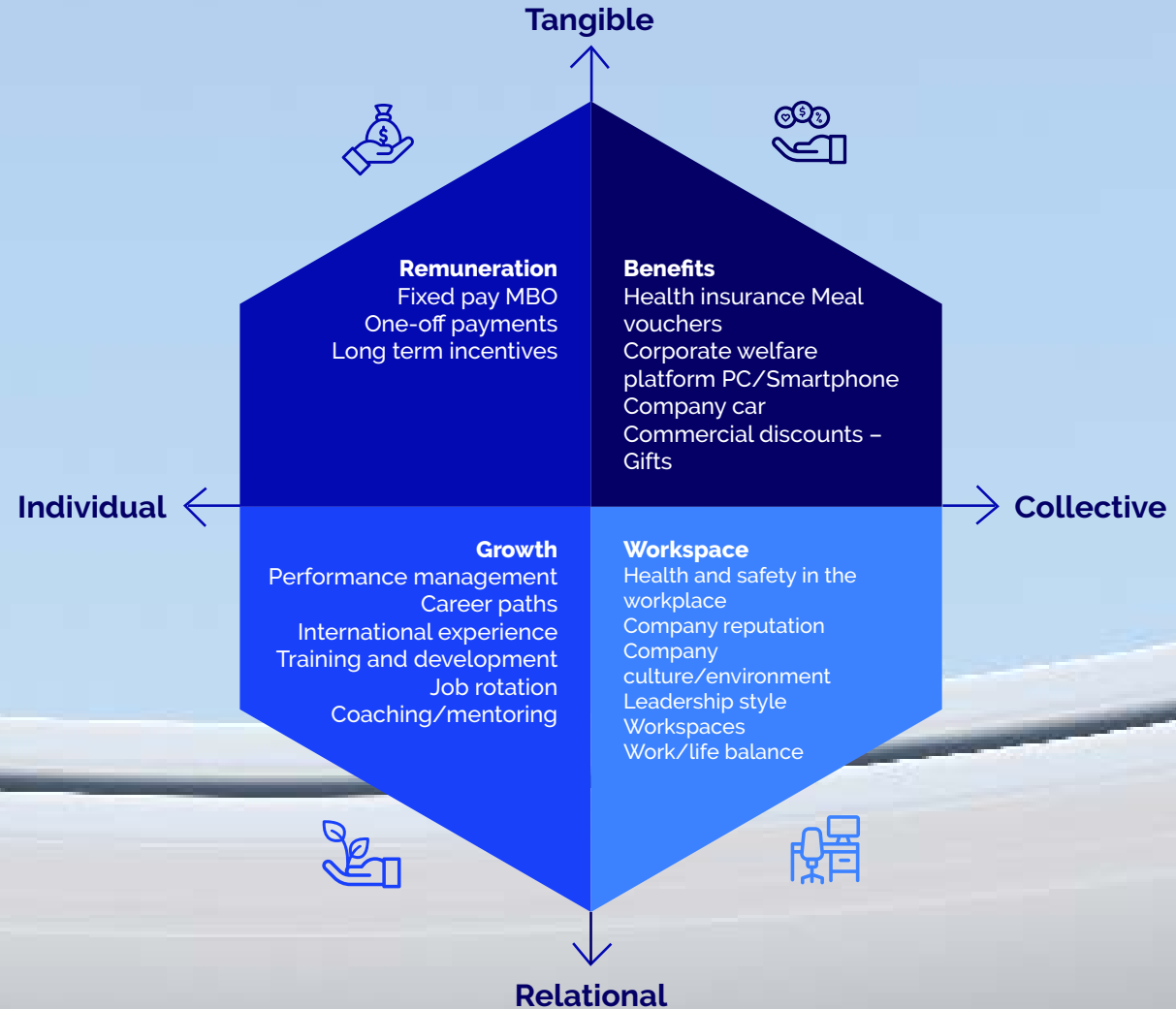
2,205 of the parent's employees - 1,254 men and 951 women - took part in the performance review process in 2023.

	2023			2022		
Employees (receiving regular performance and career development reviews) who received feedback from their	Men	Women	Total	Men	Women	Total
Managers	86	31	117	13	3	16
Junior managers	270	192	462	88	49	137
White collars	898	728	1,626	288	312	600
Total	1,254	951	2,205	389	364	753

Engagement and well-being

At JAKALA, the concept of "reward" is not limited to remuneration in the narrow sense. As per the company's vision, what is offered to employees is much broader and more elaborate.

The reward plan includes a rich training programme, defining challenging career paths, a full benefit package, and a pleasant, dynamic work environment. All of these components encompass huge added value for JAKALA employees who can benefit from targeted initiatives for both professional development and personal well-being.



In 2023, JAKALA gave a considerable push to "The Jungle Book" project, an innovative digital platform launched at the end of 2022. The platform has revolutionised how the company can get to know and elevate every single employee.

Using "The Jungle Book", each Jakaler can create a detailed profile covering their skills, aptitudes and professional background, thus enabling the HR team to gather useful information to build tailor-made experiences.

The main goal of the project is to personalise the working experience of every Jakaler, making sure that everyone can best express their value and participate in projects most suited to their expertise.

Indeed, by filling in and constantly updating the information collected by the platform, the HR team can create growth programmes in line with the employee's needs, involving them in projects and initiatives most fitting to their expertise and boosting their well-being through targeted actions for each individual.

"The Jungle Book" continued to evolve in 2023 with interdisciplinary initiatives involving the entire JAKALA workforce. These initiatives ensured that every facet of professional and personal development was carefully curated, strengthening JAKALA's commitment to fostering an inclusive and dynamic company culture.

"Using The Jungle Book, every Jakaler can create a detailed profile. The main goal of the project is to personalise the working experience of every Jakaler, making sure that everyone can best express their value and allowing the experience to be tailor-made with regard to each individual's career path, aptitudes and past. We value each person's individuality."
Gioia Ferrario

JAKALA introduced several new initiatives to offer its employees more customised awards. Tangible examples of this commitment are the numerous discounts and promotions, such as the "Family & Friends" programmes that offer employees and their families the chance to buy products and services at discounted prices. These include a vast range of categories, such as personal care products, electronics, clothes and leisure services.

For instance, JAKALA came up with an innovative solution to simplify filling in the 730 tax return form, saving people's time and improving their quality of life.





Through the company's collaboration with an online platform that provides access to sector professionals, employees get a special discount for the service to fill out their 730 form.

The service is fully online and assigns users a professional available via chat to give updates on the status of their filing procedure.

The parent upgraded its corporate welfare plan, UpLife, again in 2023. This corporate plan offers numerous initiatives to foster work/life/family balance, while also nurturing employees' physical and mental health. Every employee can use the dedicated web platform to personalise their options to best meet their individual or family needs. They can also purchase products and services at reduced prices using the credit on top of pay granted by the parent.

In addition, JAKALA S.p.A. SB has a company car policy which sets out the parameters for assigning company cars based on an employee's position and division. In 2023, 207 people enjoyed the benefit of a company car. For more details, see the "For the Future: Climate Action" section.

JAKALA adopts initiatives that foster all-round growth for its people and supports them with tangible actions throughout all the key stages of life. Through a partnership with a counselling school, launched with the Digital & Media division in 2023 and extended throughout JAKALA in 2024, employees can choose to sign up for a course of counselling, with a package of 12 one-hour sessions available.

This tool can help people work through emotional, relational or decision-making issues, boosting their ability to make choices and change through tools and practical strategies. Through guided conversations, people can explore their thoughts and experiences and acquire greater self-awareness.

As part of this approach, JAKALA renewed its partnership with Fondazione Guzzetti again in 2023. This provides every employee with a package of 10 free sessions to be used as part of a psychological programme for individuals or couples.

In addition, during the year, employees were also given the option of gifting a series of sessions to their partners, a wonderful way to take care of loved ones.

Indeed, beginning a course of therapy means embarking on a journey towards emotional and mental well-being. Together with a professional in the field, we can explore and better understand our emotions, develop a greater self-awareness, fortify our interpersonal relationships and acquire practical tools for tackling and fully resolving complex situations.

Psychological support offers a safe environment for exploring our thoughts and feelings, facilitating mental balance and considerably boosting our well-being.

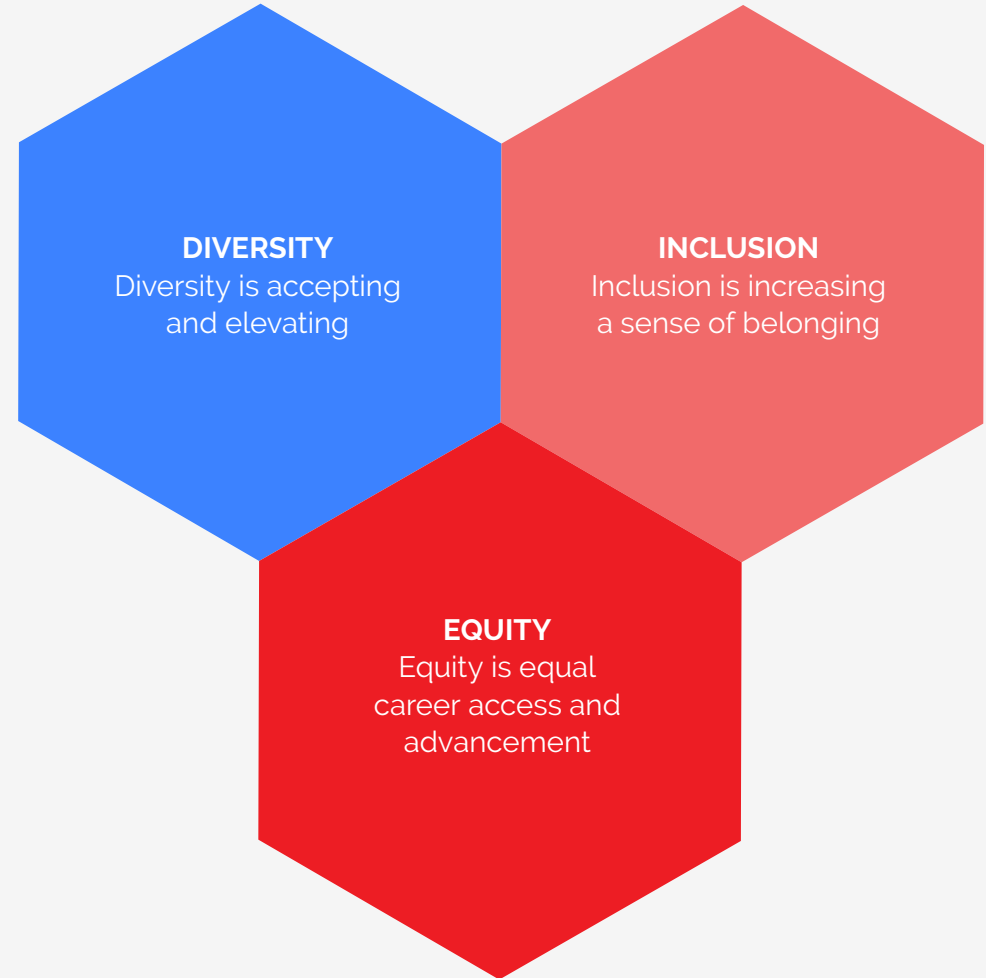
4.3 Inclusion, equity and diversity

In a constantly evolving working world defined by complex dynamics, diversity, equity and inclusion (DE&I) is not just an ethical imperative, but a strategic stimulus for success and long-term sustainability. JAKALA has brought these issues to the fore, recognising that inequalities limit individual opportunities while also generating systemic inefficiencies that curb the organisation's potential.

JAKALA has been creating value for its stakeholders for many years thanks to the talent of its people. The company is constantly growing and this brings with it new challenges and opportunities, like acquiring companies with offices dotted across Europe and the world. This is possible because JAKALA has always kept its focus on the talents and individualities that have made what it is. Indeed, JAKALA works hard to create an environment where everyone can best express their abilities, talent and uniqueness, thus contributing to company growth and innovation.

Enabling talents to express their individuality is the added value that makes the difference in every field where the group operates. Over the years, the challenge was to protect, preserve and nurture the expression of the singularity of talents. Because this singularity is what speeds up the innovation process, designs top-quality products and services, develops new business models and fosters an approach centred on ongoing improvement.

The world sees it as **diversity**, JAKALA sees it as **individuality**. Though the term diversity is often used in common language, JAKALA prefers to talk about individuality to underline the unique and singular value of each person. Some examples are: gender, age, sexual orientation, ethnicity, ability or disability, religion belief and socio-economic background. These differences take on countless forms at JAKALA and represent the backbone that distinguishes the company and the value it offers.



To make this happen, the group is always mindful of various aspects that are orchestrated to systematically spread its motto "Together to Get There": the fact that the company has four generations living together (Boomer, Gen X, Gen Y and Gen Z) of different nationalities and cultures makes it challenging to keep true to the nature that has enabled it to grow.

JAKALA's dedication to DE&I is revealed through its various initiatives along with the specific certifications it has obtained. In 2023, JAKALA S.p.A. SB's human resources management system obtained ISO 30415:2021 attestation, highlighting its structured, established approach to promoting diversity, equity and inclusion, while Jakala Civitas S.p.A. obtained UNI/PdR 125:2022 gender equality certification.

JAKALA organises and promotes numerous activities to disseminate a culture based on respect, a fundamental ingredient in creating the trust people need to express their individuality. As solid evidence of its objective, JAKALA drafted and circulated its "**Manifesto for inclusive language**" in 2023, spotlighting the importance of active listening and avoiding any use of stereotypes that could alienate people or make them uncomfortable.

JAKALA has also taken a firm stance regarding **violence against women**, collaborating with the Milan municipal authorities and Associazione Cerchi d'Acqua to organise an event to raise awareness on the issue. During the session, various experts discussed concerns such as the cycle of violence and the stereotyping we could be guilty of.

JAKALA also took part in **International LGBTQIA+ Pride Day** to underline its policy of being a fair and respectful company and to promote an inclusive culture and work environment. It also supported Cooperativa Lotta Contro l'Emarginazione (cooperative against marginalisation) through the **Rainbow Desk** which assists members of the LGBTQIA+ community who have suffered discrimination and refers them to the Housing Casa Arcobaleno, a shelter for young LGBTQIA+ people without a safe place to stay.

One of JAKALA's goals is to communicate constructively with all of its stakeholders. So, it organises, runs and participates in many different types of activities during the year to broaden the horizons of its partners, engaging them and disseminating ideas. This

led to the company's partnership with **Accessibility Days**, an event dedicated to accessibility and disability aimed at raising awareness about digital accessibility and nurturing inclusiveness through workshops and discussion. Similarly, JAKALA promotes the **Playmore SuperLeague**, a multi-sport tournament that involves young people with disabilities and employees of partner companies in order to promote social cohesion and inclusion through sport, boosting collaborators' well-being and promoting an active lifestyle.

Lastly, JAKALA signed up to the Women's Empowerment Principles in early 2024, reinforcing its support for UN actions to promote women's rights.

#SuperLeague

Playmore!

JAKALA took part in the Playmore SuperLeague again in 2023, an initiative that promotes social cohesion and inclusion of young people with disabilities.

JAKALA won the 2023 SuperLeague!

For more details, see the 2023 Impact report.

#J Goal 4 – Equity & inclusion.



Scan the QR code to see the top moments!

Advancing well-being and an inclusive culture

In 2024, JAKALA decided to extend its policy of making free sanitary towels available in company bathrooms to all its offices throughout Italy. Already successfully rolled out at the Milan office in 2023, this gesture reflects the company's dedication to employee well-being and social sustainability, providing biodegradable materials and meeting a basic need with a responsible and inclusive approach.

Tackling this cultural taboo improves the quality of life at work while championing equality and respect for all people.

JAKALA'S DE&I Policy, approved on 19 June 2023, spread these principles into its operations, ensuring a fair and inclusive work environment. The policy clearly sets out goals and responsibilities to foster diversity, equity and inclusion in all company areas. It applies to all group companies, furthering the adoption of practices that eradicate prejudices and stereotypes, creating relations built on trust and mutual respect.

JAKALA's total headcount was 2,889 in 2023, including 1,128 women, amounting to 42.2% of the total. The slight decrease on previous years is mainly due to two factors:

- The M&A transactions brought new companies into the consolidation scope, with standardisation processes still in their early stages;
- The higher percentage of "scientific" resources, with over 40% of the company's workforce with degrees (at group level) qualified in scientific fields.

Here are some statistics to help interpret this analytically: according to ISTAT (the Italian national institute of statistics) in 2022 (latest data available) 23.8% of young people in Italy aged 24 to 25 had a degree in STEM (Science, Technology, Engineering, Mathematics) subjects. This figure was 34.5% for men and 16.6% for women.

JAKALA'S DE&I approach is assimilated into the corporate culture and daily practices, focused on creating a work environment where everyone feels valued and included, making an important contribution to the company's overall success.



Committee for gender equality and diversity

JAKALA's committee for gender equality and diversity was set up to give a boost to diversity, equity and inclusion (DE&I) actions at the company. The committee supports and monitors initiatives aimed at nurturing an inclusive work environment and promoting differences.

The committee's chief objectives are:

Promote gender equality: Ensure that women have the same career advancement opportunities and that their presence is augmented at all company levels in line with the Women's Empowerment Principles (WEPIs) subscribed by JAKALA.

Elevate differences: Create a work environment that respects and elevates diversity of gender, age, ethnicity, sexual orientation and ability, recognising that these diversities provide added value for innovation and company growth.

Monitor and update the strategic plan:

Implement and monitor the three-year strategic plan, including active listening activities to gather feedback from people and spot areas for improvement.

The committee meets regularly to discuss and deliberate on relevant issues, making sure that the DE&I policies are in line with international standards and that actions undertaken are relayed effectively both internally and externally.

Thanks to its proactive approach, JAKALA continues to progress towards a fairer, more inclusive work environment, where every employee can express their potential.

In 2023, JAKALA's committee for gender equality and diversity saw the active participation of six leading members, with a balanced gender representation: 50% women and 50% men.

JAKALA outstrips the national average in terms of STEM graduates, while also maintaining its female component well above average.

In 2023, JAKALA recorded a significant increase in female representation among managers and junior managers, respectively up from 1.97% to 4.35% and from 16.58% to 21.35%, with female management (managers plus junior managers) reaching 35.13%. Specifically:

Managers: 53 women out of 197 (26.9%)

Junior managers: 260 women out of 694 (37.5%)

White collars: 905 women out of 1,998 (45.3%)

These figures demonstrate an ongoing commitment to equal treatment throughout an employee's career, from the time of hiring, to promotions.

In 2023, members of JAKALA's governance bodies were 14.10% female, in line with the previous year. 46.15% of men and 11.54% on women on managerial committees belong to the 30-50 age bracket, while 39.74% of men and 2.56% of women are over 50. There are none under 30.

Disability is a generic term encompassing various reduced functional, physical, sensorial, cognitive or mental abilities that can impact a person's ability to carry out everyday activities and fully take part in society.

Social inclusion and integration are key goals to ensure that people with disabilities can live fully participatory and independent lives.

In any case, disability offers value in the working world thanks to the variety of life experiences and unique perspectives conducive to innovative solutions and a more creative approach. Diverse thinking stimulates creativity and innovation, improving corporate culture and helping shape a more positive, harmonious work environment.

Focusing on accessibility and inclusion can lead to improvements in company processes and products, making them easier to use for people with disabilities along with all stakeholders.

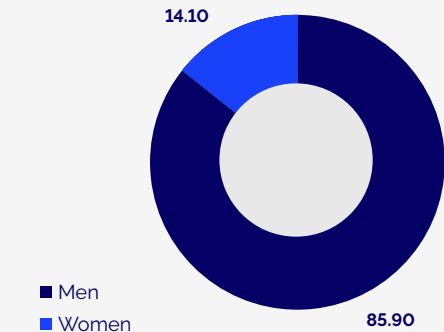
In Italy, the employment of people with disabilities is safeguarded by dedicated legislation that specifically regulates it in order to guarantee equal opportunities regarding hiring, integration and working life within organisations. Jakala S.p.A.

SB complies with Italian laws on "disability hiring quotas" and strives to promote the integration of persons with varying levels of disability into its work environment, also through specific partnership agreements with institutions that manage targeted work placement.

Percentage of employees by category and by gender	m.u.	2023			2022*			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	%	8.62	4.35	6.82	6.77	1.97	4.6	5.34	1.02	3.26
Junior managers	%	25.97	21.35	24.02	22.53	16.58	19.84	20.99	15.75	18.46
White collars	%	65.41	74.3	69.16	70.71	81.45	75.55	73.66	83.23	78.28

* The 2022 data have been adjusted from last year because the subsidiaries provided more detailed and accurate data that allowed us to make some improvements on the prior year information.

Number of members of governance bodies	m.u.	2023			2022		
		Men	Women	Total	Men	Women	Total
Directors - under 30 years old	no.	0	0	0	0	0	0
Directors - between 30 and 50 years old	no.	36	9	45	17	7	24
Directors - over 50 years old	no.	31	2	33	26	0	26
Total	no.	67	11	78	43	7	50



According to a recent study published by People Management, as many as 46% of working parents left their jobs in the past year or are seriously considering resigning. Specifically, 40% of those surveyed are considering leaving their job as they are finding it hard to balance their work and family commitments, with a higher tendency seen in younger people, aged between 25 and 34 years old (45%), and among mothers (46%). This statistic is also confirmed in Italy where, according to the Labour Inspectorate, 61,391 mothers and fathers left their jobs in 2022 (up 17.1% on the previous year).

Most of these resigned within three years of their child's birth and were mainly aged between 29 and 44 years old (79.4%) and also mostly mothers (72.8%), attributing the cause to the increasing difficulty to balance work life and private life (63%). Furthermore, workers expecting their first child or with just one child made up the majority.

These data show how important it is to manage the challenges of parenthood in the working world, promoting more inclusive company policies and cultures that are more

advantageous to families. Indeed, only 12.2% of employees work remotely in Italy, despite the fact that eight out of ten workers state that working from home would be key to balancing their family, private and work life, according to the 4th CensisEudaimon Report on corporate welfare.

JAKALA has had specific remote working policies in place for some time, adopting an even more sensitive approach for workers during pregnancy and those with children.

In 2023, the JAKALA Group continued to support its workers with children, granting parental leave to all employees.

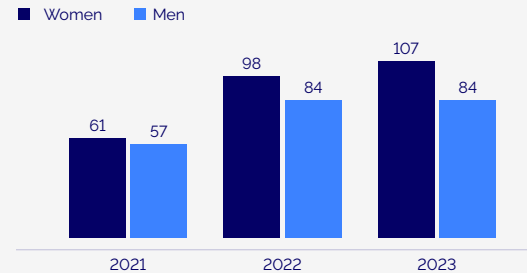
This year, **100** employees took parental leave, showing the company's constant dedication to support work/family-life balance.

Figures regarding employees returning to work after parental leave and still employed at the group twelve months later show that three female employees left the group while no male employees left.

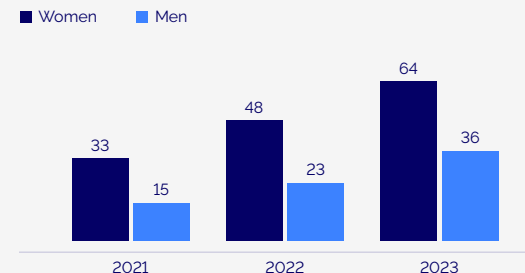
Number of employees with disabilities at JAKALA S.p.A. SB



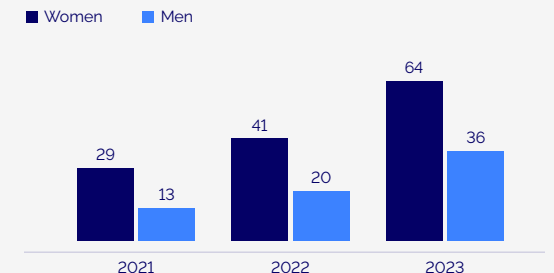
Right to parental leave



Use of parental leave



Employees working after 12 months



As described in section 3.5 "Global commitment and local action for a shared future", JAKALA has set up a programme of summer workshops for its employees' children in collaboration with H-FARM in answer to families' needs and to improve their quality of life. This programme was designed to offer children and adolescents from 5 to 19 years old a unique opportunity for learning and fun, while also supporting parents in balancing their professional and family life.

It is well known that there is a huge gender pay gap. According to an analysis performed by Assolombarda on 2023 figures, the gap between the net monthly pay of men and women in Italy is 10.7%, which rises to 12.9 % at managerial level.

In 2023, Italy was 79th in the Global Gender Gap Index of the World Economic Forum, dropping from its 63th placing in 2022.

A leading cause is the fact that women tend to be employed mostly in sectors and jobs with below average pay levels, such as personal services and social services, and are under-represented in sectors and roles typically characterised by higher salaries, such as financial services and ICT.

Women also tend to be less represented in senior management positions (so-called glass ceiling) and often work part-time, as caring and family responsibilities often default to women.

Lastly, there is a residual factor of direct discrimination, where a woman is paid less than a male co-worker with the same job, duties and qualifications.

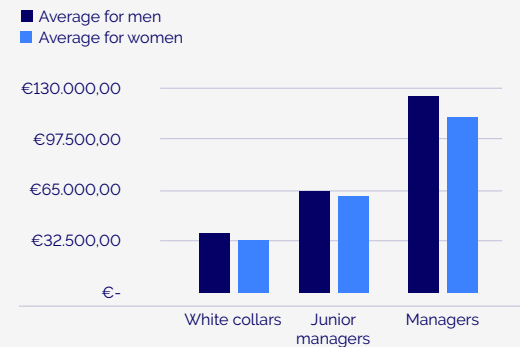
At the JAKALA Group, the largest discrepancy between the remuneration (annual total compensation) received by men and women is at management level (11.47%). This is partly attributable to the different seniority of men and women within the category. The gap is similar among white-collar workers (11.04%), but is considerably reduced for junior managers (5.79%).

This change is due to acquisitions of companies during the year and the resulting absorption of pre-existing work contracts at such acquired companies.

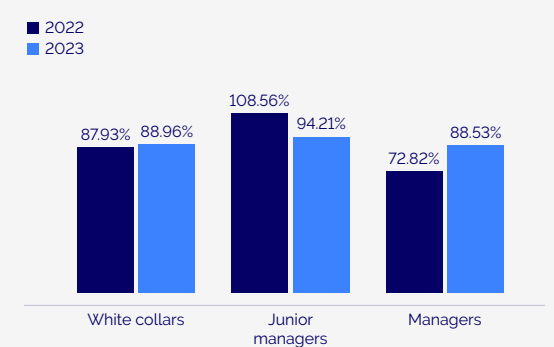
The figure shows a group average, thus encompassing very pronounced differences in pay between the various countries and, indeed, the different regions of such countries. Internally, the group periodically monitors trends in pay at the individual offices.

Basic annual wage	Average for men	Average for women
Managers	€125,531.91	€111,138.55
Junior managers	€65,022.22	€61,256.45
White collars	€37,489.03	€33,350.80

Average annual total compensation



%Gap Women/Men



4.4 Health and safety

Health and safety is a critical issue for any organisation. Guaranteeing a safe and healthy work environment protects employees and collaborators while also playing an instrumental role in the operating efficiency and the company's reputation.

Through **careful, proactive risk management, continuous training** and **supporting employee well-being**, companies can prevent work-related injuries and ill health while simultaneously boosting work satisfaction and efficiency.

At global level, many countries have implemented strict regulations to ensure safety in the workplace. **Legislative decree no. 81/2008** in Italy and equivalents such as the Occupational Safety and Health Administration (OSHA) regulations in the US set detailed standards for risk assessment, using personal protective equipment (PPE) and ongoing worker training.

In addition to the obvious benefits for workers' health, safety in the workplace also has a notable economic impact.

According to the European Commission, work-related injuries and ill health cost the European Union approximately €476 billion a year, or 3.3% of the EU's GDP (source: EU-OSHA (2017) – "Estimating the cost of work-related accidents and ill-health: An analysis of European data sources"). These costs include production losses, health and social costs, along with diminishing productivity over time.

Furthermore, there has been increased focus on workers' mental health and psychosocial well-being in recent years. Working under stress, a lack of social support and an excessive workload can all weigh heavily on employees' mental and physical health.

As mentioned earlier, a fundamental facet of managing safety in the workplace is risk assessment. JAKALA has procedures in place to detect potential dangers in the workplace, analyse the probability and severity of related damage and adopt suitable preventative and protective measures.

As a minimum requirement, the group complies with local and international regulations on worker health and safety at all facilities.

Specifically, JAKALA S.p.A. SB has an integrated management system in place that also meets the requirements of ISO 45001:2018 **Occupational health and safety management systems**. This standard sets out a framework of requirements and good practices to protect workers, making work-places safer, reducing risks in the work environment and, more generally, improving the health and well-being of human resources.

In 2021, a third-party body certified the occupational health and safety management system at the Milan headquarters along with two facilities in Nichelino (Turin) and one in Montecassiano (Macerata). In 2022, the certification was also granted to the facility in Rende (Cosenza) and the two group companies JAKALA Civitas S.p.A. and Seri System Printing S.r.l., the only facility that performs direct production (digital printing).

The target set for 2023 – extend the system to at least one more JAKALA facility – was reached with the certification of the parent's new Rome office and indeed exceeded with the certification of another group company, Maize S.r.l..



At 31 December 2023, the scope of certified occupational health and safety management systems covers over half of total JAKALA group employees (51%).

The percentage is in line with the previous year due to the rapid growth of the group's workforce during the year.

JAKALA S.p.A. SB has clearly assigned specific safety roles and responsibilities, e.g., the employer, prevention and protection service manager, safety managers, managers in charge of safety, the company doctor (who also carries out medical check-ups) and work safety managers, in addition to fire safety officers and emergency officers in accordance with the law.

Regular safety meetings are held at the parent (as per article 35 of Legislative decree no. 81/2008) with company representatives, the company doctor, prevention and protection service managers and workers representatives in attendance. The purpose is to share analyses and results of risk assessments, injury trends, training and inspections carried out by the internal audit unit and the HSE manager. In addition, emergency drills are performed annually at the various facilities in order to familiarise employees with the procedures to be followed in case of emergency.

JAKALA drafts and updates the risk assessment document at all Italian facilities pursuant to Legislative decree no. 81/2008 with the aid of qualified third-party consultants.

There are no other significant work-related hazards that pose a risk of ill health.

The asbestos risk was reassessed at some of the parent's facilities in Nichelino again in 2023. As in previous years, the potential dispersion of fibres from products containing asbestos was not deemed critical. In early 2024, the company began restructuring works on roofing, removing the material containing asbestos fibres. These works will be completed during the year.

Training and informing workers are foundational pillars of preventing work-related injuries and illnesses. Every worker must be adequately informed in the specific risks linked to their job and training on the safety procedures they must follow.

As detailed in the "People at the Heart" section, employees at the Italian facilities receive specific health and safety training in accordance with the relevant legislation. Specifically, JAKALA S.p.A. SB provided 1,060 hours of training in 2023.

The fire safety officers, emergency officers, managers in charge of safety, safety managers, work safety managers and the prevention and protection service manager receive specific training provided by legislation and relevant amendments.

As mentioned earlier, as well as physical safety, nurturing workers' psychosocial well-being is also essential. Stress, mobbing and burnout can have a serious impact on employee mental and physical health. Companies must adopt policies and practices that cultivate a positive, inclusive and supportive work environment.

JAKALA S.p.A. SB in partnership with Fondazione Guzzetti launched its **JCare** service with this in mind. The service provides every employee with a package of 10 free sessions to be used as part of psychological programme for individuals or couples.

To the same end, the company has made a **course of counselling** available to employees through its partnership with the Collage counselling school. Counselling can help people work through emotional, relational or decision-making issues, boosting their ability to make choices and change through tools and practical strategies. Through guided conversations, people can explore their thoughts and experiences and acquire greater self-awareness.

Finally, JAKALA S.p.A. SB assessed thermal comfort at the Milan, Nichelino and Montecassiano facilities in 2023 in accordance with UNI EN ISO 7730:2006 regulations and the ASHRAE 62:200 standard for acceptable indoor air quality. The results of these checks confirmed that the company facilities and, specifically, the micro-climate are comfortable and in line with the parameters set out in the relevant regulatory standards. For more details on engagement and well-being initiatives, see the "People at the Heart" section.



05 For future: Climate Action

- 5.1 Sustainable energy strategies: commitment and transition
- 5.2 Climate action: minimise our carbon footprint
- 5.3 Waste disposal
- 5.4 Biodiversity and water risk management

Contribution to the SDGs



For Future: Climate Action

Environmental sustainability is crucial for the Group's competitive advantage. JAKALA sees the planet as a shared resource to be preserved for future generations. JAKALA's responsibility is revealed through strict adherence to environmental regulations and adopting practices that minimise ecological impact, like sustainable management of energy resources and raw materials.

This section of the Report illustrates the Group's dedication to decarbonisation and developing eco-friendly solutions, in line with the basic values of the Parent's By-laws, targeting the collective progress of the community.

With the Supplier Code of Conduct introduced in 2021, JAKALA asks its partners to optimise their use of natural resources and reduce harmful and greenhouse gas emissions.

Environmental certifications: JAKALA's journey to environmental management and reducing greenhouse gases

Section 1: ISO 14001:2015 Environmental management system

Protect the environment
Prevent pollution
Reduce consumption of energy and resources

Percentage of certified sites: 51%+
Calculated on the number of employees at 31 December 2023

In 2023, there was one instance of non-compliance regarding the repatriation of accessories from Russia. This non-compliance was caused by the misapplication of controls on the material type.

Section 2: ISO 14064-1 Greenhouse gases (GHG) ISO 14064-1

Measuring JAKALA S.p.A. SB's certified carbon footprint
Based on recognised techno-scientific criteria and standards

Certification of 2022 emissions completed in 2023
Calculation and certification of 2023 emissions currently underway

Financial implications and other risks and opportunities due to climate change

JAKALA's risk management takes on board environmental risks generated by climate change and their possible impacts on the business model of the group and its partners, as the indirect impacts are the most substantial.

As mentioned earlier in the "Unique Value Proposition" section (to which reference should be made for more details), emissions reduction, energy efficiency and waste management are material issues for the Group. As a result, JAKALA assesses their significance and probability of impact, along with estimating risks and opportunities of a financial nature.

The risks (and opportunities) surrounding climate change can be classified as:

 **Physical risks**

 **Legislative risks**

 **Other**

Physical risks

Physical risks include short-term extreme weather events and long-term localised chronic effects, like rising average temperatures, rising sea levels or increased periods of drought. These short and long-term effects can cause damage to properties and infrastructures, with negative repercussions on logistics operations or blockages in the supply chain.

This risk category also usually includes impacts on human resources following epidemics, pandemics, or other mass phenomena that could curtail normal operating capacity in any way.

The rise in average temperatures and number of warm days lead to a higher energy demand to cool machines, processes and workplaces during the summer months, only partially offset by a lower energy demand to heat buildings in winter.

Rising sea levels creates the need to safeguard coastal production sites from possible flooding.

Long periods of drought can influence the availability of certain raw materials, as well as having social repercussions on the affected populations.

In tackling these potential risks, the Group carries out periodic and frequent risk assessments, gauging the possibility to transfer the risk to third parties (e.g., through insurance policies) and updating the business continuity plans.


JAKALA also focuses heavily on the supply chain, encouraging suppliers to adopt environmental best practices (by adhering to the Code of Ethics and Supplier Code of Conduct) and also inspecting their operating methods through direct and/or indirect audits and third-party ratings. Finding alternative suppliers and relocating certain activities are additional actions to help mitigate physical risks that threaten to impact the supply chain.

In addition, the Group's human resources can work remotely, using access infrastructures and systems in line with common cybersecurity practice.

 **Legislative risks**

Amendments to environmental legislation and new stricter regulations could introduce more stringent criteria on energy efficiency and renewable energy, with a resulting hike in operational and adaptation costs. For instance, higher carbon taxes applied to fuel would generate a rise in energy costs. Similarly, reduced availability and lower quality of water could lead to more rigorous standards being applied.

The European Union, which encompasses most of the countries where JAKALA has offices, was one of the world's first players to develop a systematic plan to tackle climate change and the relevant risks, namely the European Green Deal. This plan includes and considers various laws aimed at disincentivising imports from countries with a poor energy performance. It requires incisive action from European companies to cut carbon emissions.

 **Other**

The "other" risks and opportunities include those related to transition processes originating from new legal, technological, social and economic trends, along with the change in general circumstances arising from climate change.

JAKALA has implemented a strategy to reduce emissions. It includes, inter alia, using energy from renewable sources, gradually replacing the company car fleet with electric vehicles, increasing the efficiency of infrastructure, and implementing improvement plans with logistics service providers.

Moreover, we cannot ignore the move towards efficient use of resources and the circular economy. This is generating a growing demand for quality products with a longer life and that can be recycled. These developments could impact

the product portfolio with a knock-on effect on the supply chain. In addition, customers, investors and employees have higher expectations in terms of sustainable products and services with reduced carbon emissions.

Lastly, the reputational risks tied to the Group's environmental impact have become staples in the enterprise risk management analysis processes and are subject to specific analysis in the long-term sustainability plan.

On top of all the improvement and control actions detailed above, JAKALA has activated an internal sustainability awareness campaign for the Group's workforce (in addition to periodic reporting to Stakeholders on strategies and results).

Emission reduction targets

By 2028 CO₂Eq emissions intensity*:

Aim to reduce emissions intensity by 44%*, including the supply chain and other external factors.

This goal is an integral part of JAKALA's overall ongoing commitment to reduce its environmental impact, in line with international climate directives and Stakeholder expectations.

2021 used as the baseline

* The emissions intensity rate is calculated as the ratio of total emissions to the group's annual turnover.

#ReductionResults2023

Energy: Reducing energy consumption by 10% compared to 2022.

Scope 1 and scope 2 CO₂ Neutral

By the end of 2023, JAKALA reached carbon neutrality for direct emissions and indirect emissions from energy consumed on the following projects:

- Renewable Solar Power Project by Mahindra Renewables Private Limited
- The Envira Amazonia Project – A tropical forest conservation project in Acre, Brazil

Reducing emissions intensity calculated on turnover by 35% compared to 2022.

5.1 Sustainable energy strategies: commitment and transition



In general, JAKALA's energy consumption chiefly refers to energy used for heating and electricity purchased from the grid for both offices and warehouses. Total energy consumption rose in 2023 to roughly 13,055 GJ. This increase is chiefly due to the expansion of the reporting boundary, which now also includes the energy consumption of the new offices integrated into the Group

and the constant increase in the car fleet, up by almost 19% in terms of vehicles on 2022. In spite of this, JAKALA continued to promote actions to cut energy consumption, such as rolling out additional heat pump systems and renewing remote-working agreements, in keeping with the company's sustainability goals. No energy is self-produced at the JAKALA Group.

Total energy consumed*	m.u.	2023	2022	2021
Total energy consumed within the organisation	kWh	3,626,425	3,126,941	3,165,505
Total energy consumed within the organisation in MJ	MJ	13,055,130	11,256,988	11,395,817

The conversion rate used was 1 kWh = 3.6 MJ. The Madrid facility is not included in the 2021 figures.

ENERGY INTENSITY RATIO*	m.u.	2023	2022	2021
	GJ	13,055	11,257	11,396
	GJ/people	4.52	7.83	11.25
	GJ/€million	22.9	25.9	38.49

*The energy intensity ratio is calculated at total consumption as a ratio of both total number of employees and annual Group turnover.

Electricity*	m.u.	2023	2022	2021
Purchase of electricity from mixed sources: of which received	kWh	108,687	55,030	106,012
Purchase of electricity from mixed sources	kWh	108,687	55,030	106,012
Purchase of electricity from renewable sources	kWh	1,228,285	1,124,956	1,036,379
Total electricity from renewable sources	kWh	1,228,285	1,124,956	1,036,379
Total electricity from renewable sources in MJ	MJ	4,421,826	4,049,842	3,730,964
Total electricity purchased and generated	kWh	1,336,971	1,179,986	1,142,391
Total electricity purchased and generated in MJ	MJ	4,813,095	4,247,948	4,112,608
Renewable energy as a percentage of total electricity consumed	%	91.87	95	91

*2023 consumption was calculated directly at the Italian and Spanish Group companies, corresponding to 99% of energy purchased. The Madrid facility is not included in the 2021 figures. The renewable portion was calculated directly from the contracts applied and financial results.

Heating*	m.u.	2023	2022	2021
Diesel consumed for heating	kWh	0	127,129	377,430
Natural gas consumed for heating	kWh	312,284	440,579	460,826
LPG consumed for heating	kWh	37,204	94,434	129,367
Total energy consumed for heating	kWh	349,489	662,142	967,623
Total energy consumed for heating in MJ	MJ	1,258,162	2,383,711	3,483,441

*Consumption was calculated directly at the Rende, Milan, Nichelino, Carignano, Rome and Montecassiano facilities. Some facilities use electric heat pump systems and consumption is included in the table on electricity. The conversion rates used are those calculated by DEFRA 2023 and are 9,78 for diesel, 10,05 for natural gas and 6,76 for LPG.

Vehicles*	m.u.	2023	2022	2021
Consumption of unleaded petrol for vehicles	L	58,511.79	24,775.61	6,837.45
Consumption of diesel for vehicles	L	142,280.93	106,137.89	99,258.65
Electricity for vehicles	kWh	8,755.53	2,077.79	-
Consumption of LPG for vehicles	L	-	-	-
Electricity for vehicles	kWh	8,755.53	2,077.79	-
Energy from unleaded petrol for vehicles	kWh	318,357.92	223,534.71	62,904.54
Energy from diesel for vehicles	kWh	1,274,826.32	1,059,200.74	992,586.50
Energy from LPG for vehicles	kWh	-	-	-
Total energy for vehicles	kWh	1,939,963.60	1,284,813.24	1,055,491.04
Total energy for vehicles in MJ	MJ	6,983,868.96	4,625,327.63	3,799,767.74

*The figures for real fuel consumption in litres are taken from fuel cards and refer to 98% of fuel purchased. The conversion rates used are those calculated by DEFRA 2023 and are 9.8g for diesel and 8.96 for petrol.

Reduction of energy consumption*	m.u.	2023	2022
Reduction of energy consumption achieved through efficiency actions Diesel consumed for heating	MJ	1,125,554	912,744

*Since 2022, oil, LPG and natural gas heating systems were converted to heat pumps.

5.2 Climate action: minimise our carbon footprint

In line with international reporting on GHG emissions reporting and considering that JAKALA S.p.A. SB's 2021 and 2022 emissions were certified under the ISO 14064-1 standard, the Group continued to classify and analyse emissions in three categories in 2023: **direct emissions (Scope 1), indirect energy emissions (Scope 2) and other indirect emissions (Scope 3)**. In 2023, the main direct emissions remained carbon dioxide (CO₂) produced by burning fossil fuels for operating activities, such as heating at company facilities and fuel for the company car fleet. In a change from previous years, JAKALA no longer uses the QuantisSuite.com calculator to estimate Scope 3 emissions as it is no longer available. Instead, it adopts the supply chain greenhouse gas emission factors v1.2 by NAICS-6 (data.gov), with the exception of Scope 1 and 2 emissions which are still measured directly from energy consumption.

Scope

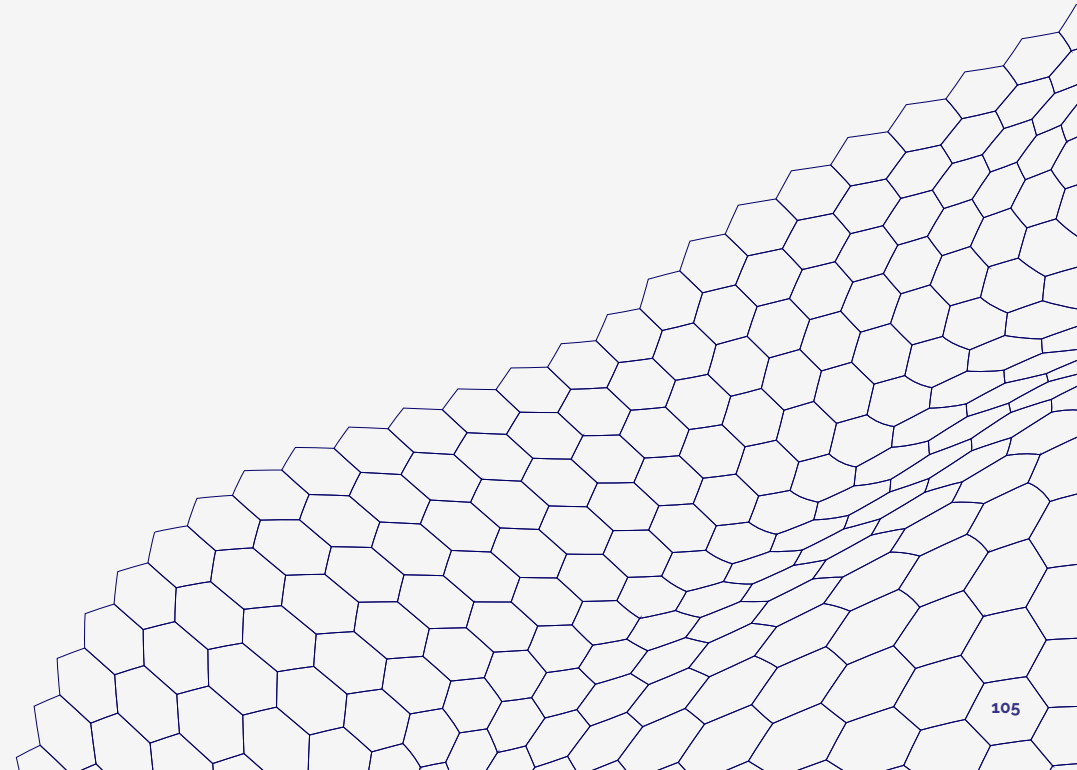
1		EMISSIONS FROM DIRECT CONSUMPTION (heating, fuel, etc.)	559.9 ton CO ₂ eq vs 487.32 (2022)	+14.8%
2		EMISSIONS FROM ELECTRICITY CONSUMPTION *	9.63 tonCO ₂ eq vs 25.12 (2022)	-61%
3		INDIRECT UPSTREAM AND DOWNSTREAM EMISSIONS (transport, travel, capital expenditure, end of life of sold goods, etc.)	75,622 tonCO ₂ eq vs 91,012 (2022)	-16%
		CO ₂ eq SAVINGS	1,102 tonCO₂eq	

27* tonCO ₂ eq/person vs 50 (2022) -47%
134* tonCO ₂ eq/€million vs 208 (2022) -35%
75,089 tonCO ₂ eq Scope 1+2+3- CO ₂ eq Savings

*Market based.

Indirect emissions (SCOPE 2) *	m.u.	2023	2022	2021
Italy LB	tCO ₂ eq	32761	289.42	0.00
Italy MB	tCO ₂ eq	3.83	0.47	48.40
Spain LB	tCO ₂ eq	2748	21.37	0.00
Spain MB	tCO ₂ eq	5.49	24.65	0.00
Germany LB	tCO ₂ eq	0.3	n.d.	n.d.
Germany MB	tCO ₂ eq	0.3	n.d.	n.d.
Total location based	tCO ₂ eq	355.39	310.79	0.00
Total market based	tCO ₂ eq	9.63	25.12	48.40

*Gas including CO₂, CH₄, N₂O transformed into CO₂eq using the European Residual Mixes 2022 AIB conversion rate.



“Together to Get a better future: People, Innovation, Responsibility.”



The road to sustainable mobility: reducing our carbon footprint

As part of its decarbonisation strategy, JAKALA took targeted action to reduce the emissions of the company car fleet, striving for a more sustainable mobility. This included the company car fleet which is now fully electric for all HR ranks assigned a company car, a tangible sign of dedication to eco-transition. In this regard, charging stations for electric cars are already installed at the Nichelino (TO) and Montecassiano (MA) facilities. These charging stations were strategically placed near the company buildings and are exclusively powered by electricity from certified renewable sources, thus incentivising the use of electric or hybrid cars.

As mentioned, the new driver experience was a significant turning point, allowing employees to exclusively choose electric vehicles from the car fleet. Indeed, in the past, despite an increased number of cars available and freedom of choice offered, there had been no significant improvements in the sustainability indicators.

This led to JAKALA's decision to **adopt a fully electric fleet as the most effective strategy to expedite reaching the Group's environmental goals**, specifically, reducing Scope 1 emissions.

In early 2023, the Group's Italian companies adopted a safe and eco-friendly driving policy. The purpose is to raise road safety awareness among employees and partners, encouraging responsible driving and suggesting tips aimed at reducing the number of road accidents and improve air quality. The policy offers practical advice for reducing fuel consumption and CO₂. These include accelerating gradually, maintaining the vehicle properly and opting for car sharing for commutes.

Partnering with suppliers for environmental sustainability

As part of its strategy to reduce its impact on the environment, JAKALA works in close contact with suppliers who display a strong commitment to sustainability. One example is its partnership with certain suppliers who have implemented eco-friendly logistics solutions to minimise their carbon footprint, through significant innovation such as:

CO₂ Reporting which helps monitor and manage carbon emissions throughout the entire supply chain and using sustainable fuels that cut CO₂ emissions by up to 90%.

These initiatives have a hand in reducing JAKALA's indirect CO₂ emissions while also stepping up the commitment and ecological awareness in choosing business partners.

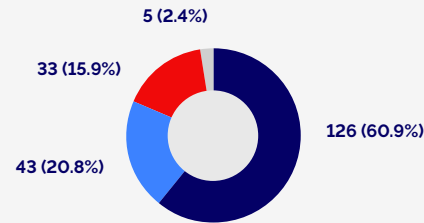
Innovation and urban sustainability: the future of mobility with JAKALA

During the "Urban and suburban mobility: target net zero" panel held at the RCS Academy, JAKALA's managing director Paolo Pedersoli shared visions and innovative solutions for sustainable mobility, unfurling new perspectives in the field of urban planning in the digital age.

JAKALA Group company, FFW's hvv switch platform was presented at the event, an excellent example of how technology and sustainability can converge to revamp the urban ecosystem. This all-in-one platform integrates various public and private means of transport, fostering more efficient and sustainable urban mobility and thus reducing the carbon footprint and improving the quality of life in metropolitan areas.

The graph below depicts the trend in JAKALA S.p.A. SB's car fleet, demonstrating the growing impact of the environmental policies adopted

Composition of the car fleet in 2023



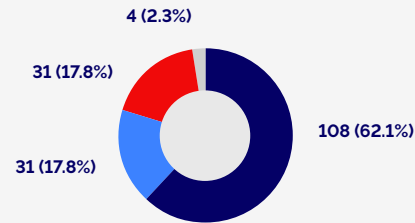
Number of vehicles

207

Average CO₂ g/Km per vehicle

136

Composition of the car fleet in 2022



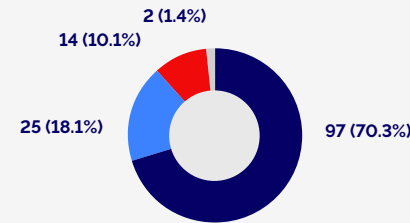
Number of vehicles

174

Average CO₂ g/Km per vehicle

132

Composition of the car fleet in 2021



Number of vehicles

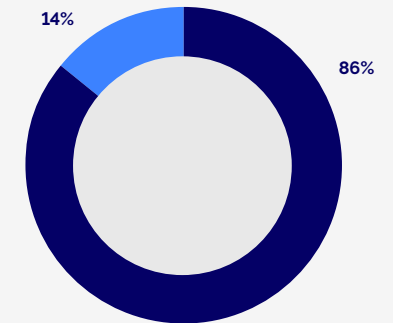
138

Average CO₂ g/Km per vehicle

125

■ Diesel ■ Petrol ■ Hybrid ■ Electric

**Composition of Scope 1 emissions
Ton CO₂e**



■ Auto ■ Emissioni facilities

With its full electric car policy, JAKALA expects to significantly reduce its CO₂ emissions, estimated at 196 tonnes of CO₂ equivalent.

This is 35% of total Scope 1 emissions, marking a key step towards reducing the company's carbon footprint linked to direct activities.

Positive impact: climate strategies

In 2023, JAKALA continued the partnership rolled out with Green Future Project (GFP) in 2022 to provide solid support to projects designed to reduce its carbon footprint, contributing significantly to offsetting carbon emissions and thus having a positive impact on the planet and local communities.

Through GFP, **JAKALA offset 1,063 tonCO₂ emissions**, by investing in climate-positive projects and, specifically, planting 3,500 mangroves in 2023.

The trees were planted by JAKALA along the north-western coast of Madagascar, at the Marovolavo plantation. The number was chosen to symbolically represent the number of employees, reflecting JAKALA's dedication to responsible growth where everyone can make a difference.

The two main projects supported in 2023 were:

- Renewable Solar Power Project by Mahindra Renewables Private Limited
- The Envira Amazonia Project – A tropical forest conservation project in Acre, Brazil

The impact card below summarises the total impact of projects funded through the Green Future Project to protect the environment and the climate.



5.3 Waste disposal

The Group actively incentivises eco-friendly behaviour internally and externally through various initiatives. For example, all Italian facilities have microfiltered water dispensers to reduce the consumption of bottled water in order to help eliminate single-use products and thus help reduce pollution. Sorted waste collection is also encouraged.

Renovation work on some company facilities in 2023 generated one-off waste not related to ordinary operations.

Waste generated	m.u.	2023	2022	2021
20.03.07 Bulky waste	kg	0.00	0.00	404.00
17.04.05 Scrap iron	kg	21,470.00	0.00	2,950.00
16.03.06 Organic waste not containing hazardous substances	kg	39,460.00	190.00	7,350.00
14.06.03 Other solvents and solvent mixtures	kg	0.00	190.00	0.00
16.02.16 Components removed from discarded equipment	kg	20.00	0.00	0.00
15.01.06 Mixed packaging	kg	131,480.00	90,140.00	55,200.00
15.01.02 Plastic packaging	kg	980.00	45,260.00	49,570.00
15.01.01 Paper and cardboard packaging	kg	68,130.00	110.00	0.00
08.03.18 Waste printing toner	kg	41.00	289.50	0.00
08.03.12 Waste ink containing hazardous substances	kg	22.00	920.00	0.00
17.02.01 Wood	kg	0.00	60.00	0.00
17.09.04 Mixed construction and demolition wastes	kg	4,700.00	100.00	0.00
20.01.11 Textiles	kg	0.00	0.00	0.00
20.01.01 Paper and cardboard packaging	kg	4,900.00	0.00	0.00
20.02.01 Biodegradable waste	kg	605.00	0.00	0.00
02.03.04 Materials unsuitable for consumption or processing	kg	0.00	0.00	0.00
07.07.04 Other organic solvents, washing liquids and mother liquors	kg	70.00	0.00	0.00
16.02.14 Discarded equipment	kg	280.00	0.00	0.00
16.06.01 Lead batteries	kg	190.00	0.00	0.00
20.01.21 Fluorescent tubes and other mercury-containing waste	kg	70.00	0.00	0.00
Total waste	kg	272,418.00	137,259.50	115,474.00

5.4 Biodiversity and water risk management

Biodiversity – the variety of life forms on Earth – is vital for the productivity of ecosystems. It is instrumental for the availability of nourishment and raw materials and in mitigating natural disasters. As a result, the depletion of biodiversity has negative repercussions on the economy and society, limiting the resources available.

A company's role in combatting this loss of biodiversity means operating ethically, opting for suppliers who respect the environment, adopting farming methods that protect natural habitats and fostering biological diversity at its facilities.

In 2023, JAKALA continued its work to protect biodiversity and responsibly use water resources, recognising the vital importance of these elements for global environmental sustainability.

Specifically, it focused on monitoring the impacts of Group operations in sensitive areas, including

UNESCO World Heritage Sites and Key Biodiversity Areas. JAKALA facilities located near these sites did not show any significant negative impacts thanks to the mitigation measures adopted and the specific nature of the operations performed there.

Water risk management has taken on a central role in the Group's sustainability strategies.

Indeed, JAKALA confirmed the lack of any negative impacts in protected areas with a careful analysis of the location of company facilities using the World Database on Protected Areas.

Moreover, JAKALA used the Aqueduct Water Risk Atlas of the World Resources Institute to assess and manage water risk in the areas it operates. Thanks to this tool, it could identify high-risk areas, implement appropriate mitigation strategies to minimise water usage and guarantee the sustainability of water resources where necessary.

Water withdrawal

At JAKALA, water resources are mostly consumed for civil use and fire prevention and are sourced from the water mains. In order to conserve water resources, most of the group's offices and facilities have implemented water saving devices, such as low-flow taps and specific drains to reduce water consumption.

06 Partner & Solutions

- 6.1 Innovation and technological development
- 6.2 Digital sustainability
- 6.3 Asset enhancement and protection
- 6.4 The value chain
- 6.5 JAKALA Solutions



Contribution to the SDGs



6.1 Innovation technological and development

We are in the midst of a revolution where technology and science are offering groundbreaking opportunities, but also unprecedented complexities. Things are evolving so fast there is no time for people and businesses to adapt. Every sphere – personal, public and business – is rapidly becoming involved.

The potential risk is that unbridled development could generate disparity rather than equality, becoming a tool of social injustice if not supported by an ethical approach or even causing non-sustainable environmental impacts. The solution is to consciously adopt technology and general innovation, shared with all Stakeholders from an ethical, social, financial, environmental and technological perspective.

When "creating innovation", JAKALA uses basic cultural principles as the starting point to steer its energies:

- **Vision:** The company asked itself, "Why innovate?" and found its own answers by developing a vision of change and continually updating it to stay in step with rapidly evolving technology, legislation, market expectations, and the broader context.;

- **Openness:** adopting innovative processes that engage the outside world, creating a real innovation ecosystem that includes universities, third-party suppliers, and major international partnerships.
- **Entrepreneurship:** the Group must be able to take on business risks, also accepting that it may have launched misguided solutions or solutions with no added value;
- **Diversity:** innovation originates from a mix of technical know-how and cognitive diversity; as a result, the company must be structured in a way to make the most of diversity in a systematic manner;
- **Measuring:** the path, goals and results of innovation should be measurable and measured to check that the value generated is meeting expectations, beyond just financial opportunities. The positive upshots in terms of skills acquired and new operating methods spread through the workforce give the company an edge over the competition as regards vibrancy and resilience.

These principles help JAKALA strengthen its governance. They boost innovation efficacy and thus business opportunities, paving the way for a culture of shared innovation that stimulates employee and Stakeholder creativity and prompts new proposals of value in step with market progress.

The Group's approach is not based on tactics or impromptu actions. Rather, the JAKALA method reaps ongoing benefits deeply rooted in its very way of working. JAKALA interfaces with worlds that are highly regulated (banks, insurance companies and utilities), have a strong social impact (pharma) or complex production chains (automotive), where innovation requires the collaboration of many players and with clear, defined objectives in terms of ethics, social responsibility and equality.

As a result, consistency with the company's cultural principles and vision, generating value through innovative ideas, leadership focused on the future, a culture where innovation is seen as a strategic asset for developing solutions aimed at satisfying customer needs, managing uncertainty and mitigating risk, proactivity and resilience are the guidelines at the root of this approach.

The Group recently began working with the world of public administration through a subsidiary (still in its start-up phase) that took on the challenge of providing efficient digital solutions to citizens and public sector structures. The objectives of this new challenge include building the best digital infrastructures, capitalising on data and improving their usability, creating new digital skills, as well as enabling, facilitating and optimising the digital transition.

Automation, new technologies and innovation in general are transforming the world of work, helping creating new careers that require new skills and constant updating. Despite the unquestionable "appeal" of this situation, studies, research and classifications unanimously agree that there is a huge gap between education options and the demands of the future.

JAKALA has decided to act as a bridge between young people and the world of innovation, instilling passion in them and inspiring their future choices. It facilitates training programmes and work placements for students, while also offering ongoing training and reskilling to employees, safeguarding them so that they can continue to grow and successfully adapt to new requirements.

One of the principles underlying JAKALA's "creating innovation" idea is openness, meaning dialoguing and collaborating with the outside world and innovative communities. The success and outcome of innovation depend on the quality and intensity of interaction between the different players (academia, business community, public sector) and the speed of connection between them in this non-linear model based on give-and-take.

Openness also means integration and collaboration between different expertise within the JAKALA world. The Group prides itself on being multi-cultural. With the various roles working in development (data scientists, machine learning engineers, geostatistical analysts, open data experts, etc.), the organisational structure must be able to generate cooperation and interaction between the various scientific areas.

Therefore, the Group has pinpointed the following as necessary ingredients for a flourishing innovation ecosystem

- ability to attract new talents and new intellectual strengths;
- ability to elevate existing skills;
- generation of substantial and discontinuous innovation;

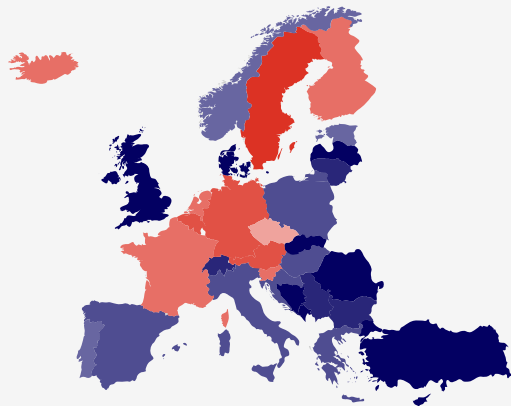
- ability to anticipate markets on the most relevant trends;
- propensity to innovation risk and widespread culture of innovation;
- global ecosystem of research and development infrastructure.



Research and development are the top generators of innovation. Indeed, R&D intensity and spending are key indicators used to monitor how many resources are earmarked for science and technology. Italy invests just 1.3% of its GDP in research, development and innovation, less than half that of more innovative countries and well below the European target of 3.0%.

% of GDP of EU countries invested in R&D

Source: Eurostat, 2022



Eurostat data for 2022 (published in December 2023) show total R&D expenditure in the EU of €352 billion, up 6.34% on 2021. However, R&D intensity (i.e., R&D expenditure as a percentage of GDP) was down 2.27% on 2021. Belgium ranked highest (3.44%), while Romania was lowest (0.46%).

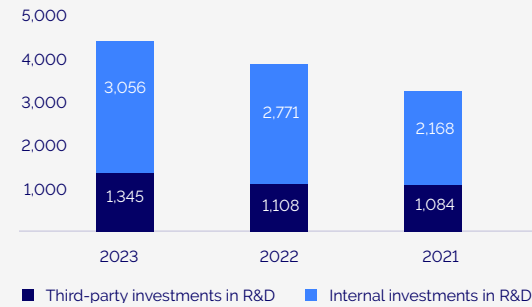
Italy's investments in R&D followed the European trend, falling slightly. With roughly €16 billion spent in total, this came to 1.33% as a percentage of GDP, down from 1.43% in 2021, with approximately 66% of overall investments made by private companies.

The Parent Company carefully monitors its R&D investments in Italy. They are in line with the national rate, at 1.34% of net revenue in 2023, remaining more or less constant throughout the years. The Parent Company has maintained an adequate volume of R&D activities over time, despite the sustained growth of net revenue (over 32% from 2021 to 2023).

In 2023, 229 people were involved in R&D processes, with over 80 thousand hours worked and a total of €4.4 billion invested.

Historically, the Parent Company's R&D department also avails of third-party collaborations, counting for approximately 30% of overall activities on average.

The Parent's R&D investments



The overall investment in intangible assets is influenced each year by any new licences acquired which could have a considerable impact on the amount. The Parent Company and Group respectively invested a total of €9,067 thousand and €10,542 thousand in 2023, respectively 2.76% and 2.29% of net revenue.

Within this material topic of innovation and new technologies, artificial intelligence deserves special attention. Indeed, the Group is investing heavily in AI in terms of tools and resources.

The Parent Company's objective is to be compliant with AI regulations. Indeed, it has introduced a set of guidelines to ensure that security, protection, equity and transparency are maintained over the lifecycle of an AI system, along with the quality of the data and system itself.

To this end, JAKALA based its internal regulations on the **AI Risk Management Framework** published in the US by NIST in March 2023 along with the EU's AI Act. The latter aims to balance the benefits of AI with safeguarding the basic rights and principles of the European Union, preserving the EU's leadership in technology and ensuring that its citizens can reap the benefits of new technologies while upholding the values and rights of the Union.

In addition, the ISO published **ISO/IEC 42001 – Information Technology – Artificial Intelligence – Management System** at the end of the year, providing guidelines to companies on responsibly developing, supplying, using and monitoring AI-based products or services.

The standard makes an important contribution to the AI regulatory framework, offering companies a set of tools and requirements for managing risks and ensuring that AI usage is compliant with the **principles of security, equity and transparency** in order to protect

basic rights and foster ethical and responsible use of this technology.

The Parent Company has begun actively working on adopting the standard to make sure that JAKALA and its customers use all the tools necessary to guarantee the security, protection, equity, transparency and quality of data and systems used in AI.

Within the Group, the managing director of the Advisory&Martech division, Marco Di Dio Roccazzella and his team have introduced the concept of RET-AI-L, an innovative fusion of artificial intelligence and the retail sector. This approach focuses on the seven key areas where AI is transforming retail, specifically: customised buying experience, optimised inventory management, use of chatbots and virtual assistants, dynamic price setting, fraud detection and optimised supply chain. JAKALA has made numerous contributions to the issue of artificial intelligence, from books to taking part in global conferences.

After years of intensive work on research, the result was the publication of several books, including one on enhancing the Customer Experience with AI, which stemmed from research on AI Innovation and CX together with Sda Bocconi, and was awarded as one of the most important research in the history of Sda.

The team also presented **J-Risk**, an advanced AI model developed by Jakala to carefully and reliably vet supplier reputations, thus

guaranteeing safe partnerships and protect the brand from potential reputational risks

Marco Di Dio Roccazzella and Frank Pagano say the following on their book written in collaboration with *il Sole 24 ore*:

"We hope that this book will be read not only by people interested in technology and innovation, but also by CEOs, C-Level and management of all private companies, public administration executives, entrepreneurs, educators, and students. Through in-depth and stimulating analysis, we are invited to reflect on the ethical, moral, and philosophical questions that arise from our relationship with Artificial Intelligence."



The collaboration with *Il Sole 24 Ore* newspaper and participation at international conferences as speaker prove Jakala's leading role in digital transformation in the retail sector, making its mark with its innovative solutions guided by

AI. Marco Di Dio Roccazzella stresses how AI offers considerable advantages in optimising operations, customer experience and strategic business management. JAKALA is reinventing the concept of multi-channel in retail, pre-empting market trends and making the most of advanced technologies.

6.2 Digital sustainability

In order to approach digital sustainability, it must first be defined. Many have attempted to do so, and each one has added a key slice towards understanding aspects and content which – due to the very nature of the subject – are constantly evolving and transforming.

- 1

"Digital sustainability defines the systemic role of digital technology with respect to sustainability, on the one hand as a support tool for the pursuit of sustainable development objectives, and on the other as an element to be addressed through sustainability criteria. In this dual role, digital sustainability

therefore concerns the interactions of digitalisation and digital transformation with respect to environmental, economic and social sustainability."

Source: Digital Transformation Institute
- 2

"We define digital sustainability as the organizational activities that seek to advance the sustainable development goals through creative deployment of technologies that create, use, transmit, or source electronic data"

Source: George, G., Merrill, R. K., & Schillebeeckx, S. J. (2021). Digital sustainability and entrepreneurship: How digital innovations are helping tackle climate change and sustainable development. *Entrepreneurship Theory and Practice*, 45(5), 999-1027.
- 3

"We define digital sustainability as the cluster of values that, if applied, coordinate human efforts in developing and adopting digital technologies for a sustainable future"

Source: Sparviero, S., & Ragnedda, M. (2021). Towards digital sustainability: the long journey to the sustainable development goals 2030. *Digital Policy, Regulation and Governance*
- 4

"Digital sustainability is an approach that harnesses one of the most powerful forces for societal change, namely digitalisation, to deliver what we need and want in a sustainable way. [...] Digital sustainability relates to the role of ICT, digitalisation, connectivity, the Internet of Things (IoT) and so on, in other words,

the "knowledge structure" of 21st-century society and how this structure can help ensure, or undermine, sustainability."

Source: Flyborg et al (2021). Digital Sustainability. Global sustainability as a driver of innovation and growth, Cybercom Group (2021)

No matter which definition (or mixture of definitions) speaks to us most, it is patently obvious that the digital world and sustainability are now converging and are headed towards sustainable corporate governance, including in digital technologies.

For artificial intelligence, big data, IoT, etc., to generate sustainable benefits for a company, they must be managed with a constant eye on the impact they have on people, the environment and the community.

It is very likely that digitalisation and sustainability are the key challenges at the moment, considering the role that digital technologies can play in developing a sustainable future and also the route they must take in order to be governed by sustainability criteria. With this dual role, digital sustainability encompasses interactions between processes and digitalisation tools along with respect for environmental and human resources and the communities affected by companies.

That is, digital projects must be sustainable in themselves, e.g., as a source of CO₂ emissions in producing and using the entire technology chain (networks, processors, applications, devices), while simultaneously having a considerable impact on the decisions of individuals and/or companies thanks to algorithms, AI, interconnected networks, etc.

In light of the above, the impacts and socio-economic consequences of technology on company processes and people's behaviour should prompt companies to constantly redefine their business model, in a functional manner and to meet changing market needs in an internal and external landscape focused on sustainability. After all, value is not solely created through financing; social and environmental factors are equally instrumental in line with the 2030 Agenda goals, considering that each one can have impacts on 11 of the 17 SDGs.

A virtuous process that must begin ex ante, forming the foundation for projects and opportunities of growth and development in the medium and long term, where digitalisation (the impact of IT on processes) and digital transformation (changes to the socio-economic framework induced by the pervasive spread of digital) are key ingredients of the path of change towards sustainability.

Published on 6 July 2023, the UNI/Pdr 147:2003 standard underlines how, through a performance indicator system, every single project can be represented.

SDG 1		No poverty
SDG 3		Good health and well-being
SDG 4		Quality education
SDG 5		Gender equality
SDG 7		Affordable and clean energy
SDG 8		Decent work and economic growth
SDG 9		Industry, innovation and infrastructure
SDG 10		Reduced inequalities
SDG 11		Sustainable cities and communities
SDG 12		Responsible production and consumption
SDG 13		Climate action



JAKALA's **double materiality assessment** brought to light the fundamental importance of digital sustainability as a material aspect for its business model. In addition to underlining **digital technology's** significant leverage on the Group's business, this also highlights its broad implications on the environment, the social fabric and internal governance. Indeed, the spread and ongoing evolution of digital solutions bring potential challenges and opportunities beyond the technological aspect, directly impacting environmental and social sustainability, along with ethics and corporate transparency.

As a result, JAKALA clearly needs to adopt a **holistic, informed approach** to digital innovation. This means active management of digital initiatives to make sure they respect and also foster sustainability principles. In other words, the Group must **assess every digital transformation project** and carefully plan its objectives to optimise the benefits for the community and surrounding environment.

JAKALA has accordingly launched a process to measure the **internal "maturity"** on these issues; the end goal being to incorporate into

its digital strategy ethical and environmental considerations on the services offered and the social impact of its technologies, and to ensure that its digital innovation governance is in line with the highest standards of responsibility and transparency and European best practices.

It has chosen the **UNI/PdR 147:2023** standard as its guideline. This offers a detailed framework to assess and steer the sustainability of corporate digital transformation projects.

This **standard** aims to integrate the 17 SDGs of the 2030 Agenda into digital projects through specific performance indicators. These KPIs are structured to assess the impact of digital projects in terms of environmental, economic and social sustainability, emphasising the need for a holistic approach that looks at the entire lifecycle of a project, from conception to completion.

The standard establishes that **digitalisation and sustainability** are intrinsically linked and that digital technologies should be used as tools to promote sustainable development.

At the same time, it is vital that digital practices be informed by sustainability criteria to **mitigate potential negative impacts** on the environment, society and the economy.

JAKALA's analysis highlighted the willingness to expand the services offered to create greater awareness of digital sustainability on the market. The problem is that digital matters are not yet seen as an urgent area, as the market's main focus remains on sustainability issues related to production.

However, JAKALA's goal is to internally develop a **structured, quantifiable approach** to integrating sustainability into digital projects, aligning with the SDGs and making sure that digital technology is used ethically, acting as a responsible leader in the digital landscape.

The impacts of the individual goals depend on the various project management fields: the infrastructure used, IT architecture, code writing, accessibility, along with project team organisation and development criteria.

This approach helps understand how digital projects can make a **positive contribution** to the SDGs and where changes can be made to reduce the negative impacts, pinpointing areas for improvement and opportunities for more effective action. The goal is to build a company culture that actively elevates and fosters sustainability in every facet of the production process.

At JAKALA, focusing on digital sustainability means taking an approach that satisfies current demands without compromising future needs, but also uses **digital technology** as a lever for positive impact, aligning digital initiatives with the global sustainable development goals.

SDG 1		No poverty	JG 5	JG 8			
SDG 3		Good health and well-being	JG 3				
SDG 4		Quality education	JG 2				
SDG 5		Gender equality	JG 4				
SDG 7		Affordable and clean energy	JG 7	JG 9			
SDG 8		Decent work and economic growth	JG 2	JG 4	JG 5	JG 7	JG 10
SDG 9		Industry, innovation and infrastructure	JG 1	JG 6	JG 7	JG 8	JG 10
SDG 10		Reduced inequalities	JG 4	JG 5	JG 10		
SDG 11		Sustainable cities and communities	JG 7	JG 9			
SDG 12		Responsible production and consumption	JG 3	JG 7	JG 8	JG 9	
SDG 13		Climate action	JG 6	JG 7			

6.3 Intellectual property enhancement and protection

In this age of globalisation and digitalisation, intellectual property (IP) is a cornerstone of economic growth, innovation and competitive edge. How IP is protected and maximised is a strategic stimulus for innovation and development at JAKALA.

On the international scene, the two **World Intellectual Property Organization (WIPO)** reports provided a thorough overview and policy directives for strategically capitalising on innovation for economic and cultural progress.

Together, World Intellectual Property Indicators 2023 and World Intellectual Property Report 2024 profile the current situation and future prospects in the world of intellectual property.

The 2023 report unveils a record year for patent applications, with an impressive rise in applications globally, reaching almost 3.5 million. This peak was particularly driven by Asia, with China and India at the heart of this exponential growth.

This phenomenon not only reflects technological progress and growing digitalisation, but also underscores the importance of

innovation in IT and digital communication sectors.

Moreover, the report draws attention to the importance of creative economies as crucial drivers of economic and cultural development, stressing how innovation and creativity are essential for sustainable growth.

The 2024 report delves into an analysis of innovation policies, recommending that they be carefully calibrated to make the best use of national and regional innovation competences. The report explores how policies can be strategically employed to propel economic development while also **boosting global competition** through effective use of IP.

The economic value of intellectual property is fundamental. It stimulates innovation and bolsters global competition, with "high IP intensity" industries generating exceptional volumes of employment and economic activity.



Software plays an increasingly leading role in public and private organisations, in our daily lives and in society. Its core code and operating algorithms impact choices, behaviours and decisions, thus acquiring mounting clout for individuals, institutions and companies in determining the conditions of both environmental and economic & social sustainability. With regard to environmental sustainability, software – which can also be an important tool in support of environmental sustainability – is naturally a **source of CO₂ emissions** from data processors. With these emissions, the more software is optimised and developed according to specific criteria, the more these emissions **can be reduced and optimised**. Therefore, it is essential to design programs that do not impact too heavily on energy consumption in order to curb their environmental impact.

The ways in which such software is developed, particularly the basic rules for developing its operating algorithms, are decisive in defining its social and economic impact. This is the case for both software developers (e.g., regarding the working conditions of the development team) and users (e.g., relating to the tangible impacts of the choices made starting from the algorithms). In both cases, software must be developed with sustainability principles to the fore, making it **“sustainable by design”** and thus inspiring sustainable processes through its use.

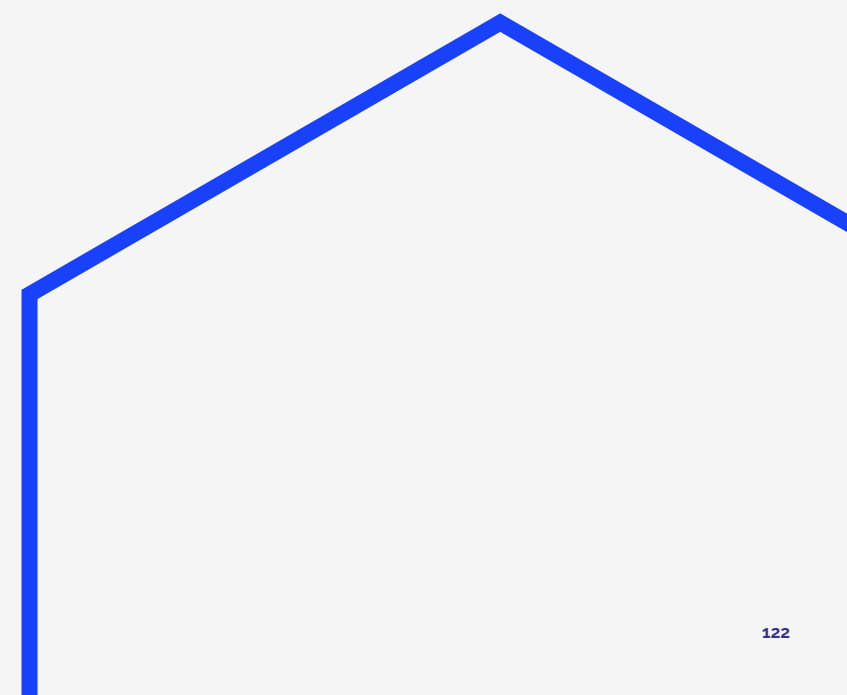
Therefore, to take on Agenda 2030, software must essentially become the engine of sustainable development. Complying with sustainability criteria throughout all stages of its development and lifecycle, while also providing for user adoption processes also trained to support sustainable behaviour.

The European Union continues to actively apply itself on various fronts, negotiating trade agreements containing robust sections on IP and championing technical cooperation programmes to shore up IP protection in third world countries.

Many challenges still remain, including the need for greater transparency and consistency in judicial rulings. Effective protection of IP remains strategically important for the **sustainability of economic competition** on a global level.

To strengthen investments related to the use of information and other assets developed, the Group has implemented effective processes to reduce the risks linked to Intellectual Property management within the organisation through IP identification and protection.

The goal is to effectively protect the portfolio of intangible assets, a key factor in elevating company value and nurturing innovation. As a result, safeguarding company assets has also been expanded to databases by integrating diverse know-how, creating interdepartmental teams and proactively exchanging ideas.



6.4 The value chain

JAKALA's supplier selection is not only based on economic efficiency, but also on adherence to environmental and social environmental and social sustainability criteria. This approach translates into a preferential choice for partners that hold sustainability certifications and who demonstrate through independent audits that they operate in an ethical and responsible manner. This process includes the evaluation sustainability certifications such as ISO 14001, Amfori BSCI, SMETA-Sedex, Oeko-Tex, Global Recycled Standard, FSC(R), which attest compliance with recognised standards for ethical and environmentally responsible practices. Furthermore, starting in September 2023, the Parent Company became a member of Amfori BSCI and BEPI. The company considers these standards as a prerequisite for joining its supplier network, ensuring that the supply chain contributes positively to overall sustainability goals.

Moreover, JAKALA's supplier diversification strategy curbs dependency on single sources, raising operating stability and reducing company risks. The Group favours suppliers located near its facilities, as this is strategically important for supporting local economies. This tactical choice optimises

JAKALA's logistics and reduces the environmental impact of transport while also contributing significantly to economic development and creating opportunities in the local communities.

The supplier selection and qualification program of the supplier portfolio is clearly structured and communicated to partners, who are required, based on spending limits the adherence to ethical principles and assurance of compliance with ESG standards.



The Group had **2,952** active suppliers in 2023, with a strong leaning towards those located near its main facilities. This strategy has optimised Jakala's logistics and reduced the environmental impact of transporting goods while also contributing significantly to economic development and creating jobs in the local communities, underlining the company's positive social impact.

JAKALA has also actively worked on minimising dependency on individual suppliers, diversifying its sources of supply to ensure greater operating stability and reduce business risks.

Indeed, JAKALA has broadened its supplier base, including companies that not only meet stable sustainability standards but are also from different geographical regions. This helps mitigate the impacts of market blockages or logistics issues, ensuring production continuity and efficiency.

Jakala has launched initiatives to guide its suppliers on a path of ongoing improvement in sustainability, stressing the importance of adhering to the ethical and environmental principles set out in the Codes of Conduct and the organisational Model 231.

The training, awareness-raising and ongoing monitoring helped boost the shared dedication to responsible business practices, entrenching JAKALA's position as a Group that nurtures an ethical and sustainable supply chain.

Jakala's commitment is therefore not limited to mere contractual compliance. It also extends to compliance with best practices in ethics and social issues. Violation of these principles is used as leverage to promote a path of improvement and correction, testifying to the Group's preference for a proactive and constructive approach to sustainability.

This approach is part of a broader strategy that entails extensive use of platforms for an in-depth assessment of a supplier's sustainability performance based on key indicators (such as number of employees, geographical origin and reference sector) which are also used to incentivise new partners to join the platforms for ongoing and enhanced monitoring.

JAKALA's scrutiny does not slacken after the initial supplier vetting stage. It continues to constantly and systematically monitor its suppliers to ensure compliance with company policies and stimulate a growing level of awareness about sustainability within its supply chain. In addition, JAKALA's approach includes respecting ESG issues, integrating these factors into internal controls for ethical engagement that goes above and beyond the minimum requirements.

JAKALA pays special attention to all stages of the process of introducing products into the territory of the European Community – which accounts for about 25% of the purchased goods of the Group – thanks to teams of qualified people and high-profile external professionals. More than 88% of this purchased is monitored according to ESG criteria through on-site audits. This verification activity covers topics as crucial as respect for human rights, working conditions and environmental sustainability, ensuring that each supplier not only meets the required standards but also engages also in a process of improvement continuous.

Supplier audits covered a significant number of partners in 2023, showing the efficiency of the controls implemented by JAKALA. No significant negative social or environmental impacts were detected.

For other purchases (75% of the total), ESG controls were chiefly document checks and covered over 72% of goods purchased (of which 6% on-site audits).

A total of 77% of goods purchased by the Group underwent ESG inspections, 25% through on-site audits and the remainder via documentation analyses.

With regard to the acceptance of the Group's ethical principles and code of conduct, the approach is generalised towards all suppliers, with a particular focus on suppliers of physical products, who are required, also through contractual obligations, to fully comply with the responsible business policies that JAKALA adopts.

Regarding training of personnel in charge of product and supply chain sustainability, almost 300 hours of ESG training were provided to 36 employees in the Procurement&Sourcing office.

80% of suppliers vetted by Jakala on EcoVadis that have access to the platform have completed 73 courses on sustainability issues.

By pursuing these goals, Jakala has been confirmed as an AEO F, recognition of its reliability and compliance in international trade practices. In addition to highlighting Jakala's diligence in supply chain security, this status also shines a light on its dedication to operating in an ethically responsible manner on a global scale.

Imposing high standards is not enough for the Group; it actively works with suppliers to guarantee constant observance of ethical

guidelines through training and ongoing improvement programmes. These efforts aim to lodge a culture of shared responsibility throughout the entire supply chain, strengthening relations of trust and transparency with business partners.

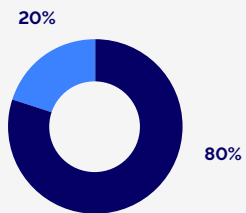
Jakala achieved an outstanding accomplishment in 2023, obtaining a gold medal from EcoVadis. Its 73/100 score reflects the Group's high level of commitment to ethical labour practices, human rights and

the environment. This success endorses the efficient partnership between Jakala and its suppliers, while also underscoring the importance of constructive dialogue and a shared commitment to joint sustainability goal.

Access to EcoVadis Academy

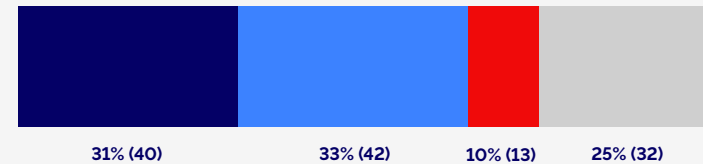
80%

127 out of 158 partners with access to EcoVadis Academy



Engagement

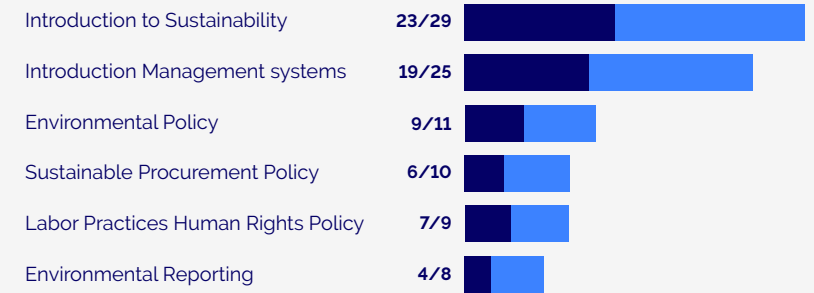
For partners with access to EcoVadis Academy



- Partners that have not logged in to EcoVadis Academy
- Partners with at least one user logged in; no course started
- Partners with at least one started course
- Partners with at least one finished course

Most popular courses

By number of partners that started the course (one or more users)



- Partners started the course (one or more users)
- Partners finished the course (one or more users)

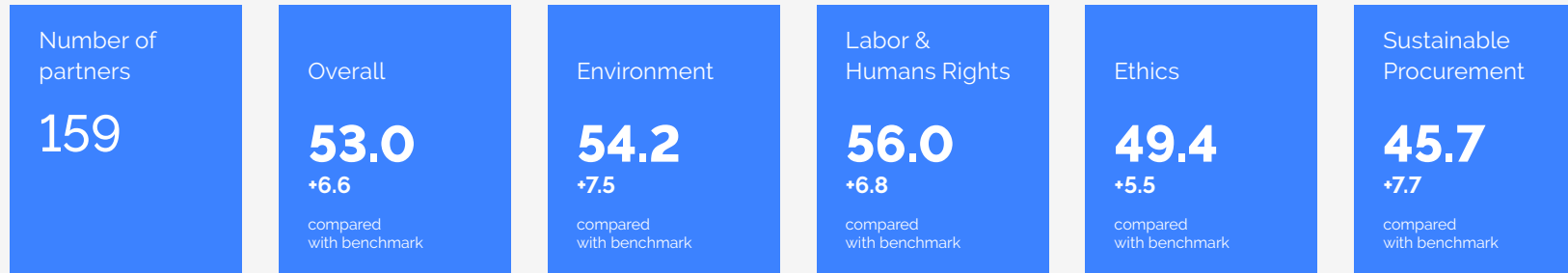
Scorecard – Publication date: 27 Jun 2023



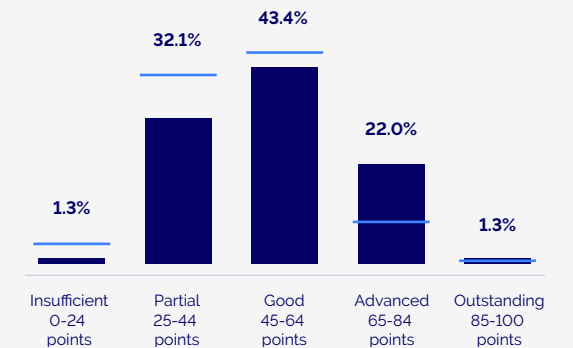
Congratulations, your company has been awarded a gold medal in recognition of sustainability achievement!



The table and graph below show how Jakala's value chain surpasses the benchmark and almost half of its partners achieved a "good" score.



Number of partners by Maturity Medal Threshold



Jakala also participated as speaker at the global Sustain 2023 event organised by EcoVadis focused on sustainable procurement, corporate social responsibility and measuring impact.

Jakala's holistic approach to fostering ethical practices proves that it is possible to integrate social and environmental responsibility into a business model that respects the environment while also elevating it as a vital resource for the future of the company and the planet. This is how Jakala implemented these principles:

- **Training and actively engaging suppliers** Jakala works in close contact with its suppliers to ensure that they understand and implement the company's ethical principles and sustainability expectations. Using regular training programmes and awareness initiatives, the company makes sure that its partners are fully aligned with its ethical standards, including respecting workers' rights and protecting the environment. This active engagement process helps build a solid foundation for responsible and transparent business practices along the entire supply chain.
- **Implementing a Codes of conduct** Jakala requires its suppliers to subscribe the detailed codes of conduct, that outline clear expectations in terms of ethical behaviour and social and environmental

responsibility. These documents act as guidelines for suppliers and an assessment tool for Jakala, guaranteeing that every facet of production and business is managed with integrity and respect for the stable standards required.

- **Ongoing audit and assessment** The company organises regular independent audits to ascertain supplier compliance with its ethical and environmental standards, maintaining transparency and detecting areas for improvement. The audits enable Jakala to promptly intervene in the event of non-compliance, stimulating a path of ongoing improvement and boosting the trust among the company, its partners and the consumers.
- **Sustainability and ethics as selection criteria** In selecting suppliers, Jakala assesses cost-efficiency while also stressing the supplier's commitment to sustainability and ethics. This approach ensures that the company's supply chain is both cost efficient and is responsible and respects the environment and society. This selection criterion reflects Jakala's dedication to a business outlook that transcends profit to embrace a broader positive impact.



"Our work with EcoVadis has given us greater awareness of the positive impact JAKALA can have", says Fulvio Fragola, JAKALA's Chief Sourcing & Procurement Officer, "along with the importance of engaging the supply chain and raising their awareness. Together with EcoVadis we want to guide our partners in a process of improvement regarding issues such as human rights, labour, ethics, the environment and sustainable procurement."

- **Proactive response to breaches** Jakala uses breaches of ethical principles as an opportunity to instigate improvement. Rather than just penalising suppliers for non-compliance, the company encourages and supports them in changing for the better, stressing the importance of adopting responsible practices not as an exception but the rule.

In the development process, products and services are conceived under JAKALA's watchful eye. The company requires partners to adhere to local and international legislation along with the rigorous standards of conduct agreed with customers, at times more stringent than legislative requirements.

To increase safety and transparency with consumers, the Group has centralised the labelling process with the Parent Company which coordinates with all Group subsidiaries to make sure that the regulatory requirements of each country are met.

This procedure is applied to all products made directly by JAKALA and ensures that the labels clearly state the source of the components, contents of the product or service and, where necessary, any reference to substances that could have an environmental and/or social impact. It is also mandatory to include instructions on how to use the products safely and how to dispose of the packaging correctly.

JAKALA developed a QR code during the year for managing issues regarding environmental labelling of packaging and products.

With regard to services, on the other hand, the process leading up to their supply plays a vital role. JAKALA is aware of the importance of adopting standard operating processes in implementing actions of ongoing improvement that steer the operating strategy, always in close collaboration with JAKALA's customers, guaranteeing that each project is developed to meet their specific needs.

In 2023, there were no incidents of non-compliance concerning the health and safety impacts of products for which the Group had to recall products. Nor were there any incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and/or labelling.

With regard to marketing communications and projects carried out, there were no incidents of non-compliance concerning false advertising or misleading information to the market. The Group continues to recognise that managing communications with Stakeholders (including customers and consumers) is a key factor in its growth. It aims to maintain fair, clear, transparent and responsible commercial practices, thus boosting its business relations and dedication to sustainability.

The team Compliance & Quality Control from the Parent Company assesses the health and safety impacts of the products it produces directly through audits and certifications. With regard to services, given their nature, JAKALA is evaluating the best method for assessing their impacts and to implement analyses functional to the business.

In 2022 there were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of product and services.

Product and service quality and safety lie at the heart of JAKALA's commitment. The Group focuses especially on the quality of materials, user safety, ethics and legislative compliance. JAKALA also continues to upgrade the Group's technical skills to ensure constant vigilance throughout the design, analysis, engineering, development,

pre-production and delivery phases, also for activities carried out at partners' facilities.

This approach ensures top quality in carrying out up-stream processes which helps reduce the risk of non-compliance of products and services. Products and services are designed and made under JAKALA's coordination. It requires its partners to comply with applicable local and international regulations and the performance requirements agreed with the customer, which in some cases can be even stricter than regulatory parameters.

To sum up, the three directives at the core of JAKALA's procurement strategy are as follows:

- ◆ **Supporting local economic development** By diversifying suppliers, JAKALA is able to select those that adopt sustainable and responsible practices, thereby contributing to a positive positive environmental and social impacts. In addition to this, fair competition is encouraged: using multiple suppliers promotes loyal competition among them, pushing suppliers to improve their ethical practices. Diversification provides an opportunity for JAKALA to support diverse local economies, contributing to the economic growth and well-being of the communities in which these suppliers operate.

- ◆ **Promoting ethics and transparency** By diversifying suppliers, JAKALA can foster consistent business ethics throughout the entire supply chain. The company requires that its suppliers adhere to specific codes of conduct that include respecting human rights, environmental regulations and ethical working practices. This ensures that products are made responsibly while also building customer trust in the brand.

- ◆ **Risk mitigation and operational flexibility** By expanding its supplier portfolio, JAKALA gains a greater ability to flexibly respond to variations in demand and other market changes. This is particularly critical in a global landscape blighted by economic and political uncertainty. JAKALA's diversified supplier base enables it to react rapidly and efficiently to such challenges, maintaining operating continuity and satisfying customer demands without interruptions.

6.5 JAKALA Solutions

With its firm presence on the global market, JAKALA is a touchstone for customers thanks to its talent in guaranteeing a high-value product and service portfolio blending identity, experience, solid partnerships and incredible versatility in creating projects for companies of any size and sector.

The company works side-by-side with customers in defining their strategies, uniting technologies, data analyses and content, all the elements needed for making decisions that generate tangible and sustainable value over time.

The Group actively fosters a culture of maximum product and service quality and safety through continual collaboration with its partners in finding the best materials, technologies and solutions for full economic, social and environmental sustainability. It is particularly conscientious about protecting the environment, informing customers and consumers about environmental issues and policies through projects that use eco-sustainable products and services and by eliminating waste throughout the entire chain.

A tangible example of these initiatives is JAKALA's loyalty programmes. These offer customers an entire section of the catalogue dedicated to sustainability, with digital and physical rewards, often made with eco-sustainable materials and/or procedures through controlled supply chains and incentivise customers to adopt habits with a low environmental impact.

Moreover, the Group's know-how and expertise is hinged on data, AI and customer experience. It endeavours to have an impact that brings long-lasting, noteworthy results.

For example, with its **Intelligent Districts Project**, JAKALA upheld its ability to boost an area's appeal by organising one or several local events, also investigating how to organise and run an event mindful of impacting the environment. Specifically, the company mapped the event's direct CO₂ emissions (from internal processes and operations) and indirect emissions (from providing services and managing them) and then quantified the impact using EU criteria.

Public administration can use these data to work on offsetting the emissions via local socio-environmental projects or, by optimising the area using socio-demographic information, they can find opportunities for sustainable development and requalification of the area and social stratum.

With regard to healthcare, the Group uses location analytics and artificial intelligence to tweak the prediction capacity of regional and/or district planning models.

Here are some more results of the Intelligent Districts Project:

Categorising the district

Collecting useful insights on the district and the population. Dashboards and reports for regular monitoring to ensure that adequate basic services for all citizens are created and attended.

Analysing the local economy

Calculating the number of people by point of interest to promote stopovers by tourists and visitors, sustaining the local economy and working towards inclusive urbanisation.

Risk projections

Projecting risky situations by cross-checking georeferenced data, such as traffic, weather and crime rates, in order to avoid predictable disasters, helping boost the district's adaptability and improve urban safety.

Quantifying the environmental impact

Quantifying the environmental impact caused by an event to offset CO₂ emissions.

Monitoring service categories

Mapping the distribution of services and points of interest, in busiest periods. Pinpointing areas where activities and services for citizens should be located and moved.

Mapping mobility

Mapping citizens' mobility requirements and the needs of more vulnerable citizens in order to provide sustainable mobility solutions and improve traffic and road safety.

JAKALA's partnerships are globally renowned. Indeed it collaborates with Esri to offer its customers cutting-edge services and solutions based on data-centric location intelligence to satisfy customer needs in a sustainable manner, generating value for the entire ecosystem.

The Group also took part in the **Esri Italia 2023 conference** on innovation in #GeographicInformationSystems, this year dedicated to "GeoDigital Twin for an Sustainable Future". During the #DigitalTwin and #sustainability panel, Jakala explained how district data are a key driver for steering the #RealEstate area in #ESG issues, through sustainability strategies to protect the environment, regulating responsibilities and guiding decisions.

Università degli Studi di Milano also chose Jakala for its centenary. JAKALA assisted the Milan university in creating the visual identity, coordinated image and the mini-site of the centenary. It also collaborated in the VUMM project, the university's virtual museum presented during the launch of the centenary celebrations.

Working side by side with customers from all over the world, Jakala defines strategies of growth founded on invaluable data and information to ensure measurable and tangible results. Using its extensive technological and analytic know-how, the Group implements long-term, integrated, top-value solutions. JAKALA's goal is to obtain measurable, concrete results using data-based activation solutions to create real value and allocate marketing investments in the best way possible, while catering to custom.



Photo by Marco Riva, by courtesy of Università degli Studi di Milano.

07 Appendix

- Technical annexes
- Methodological note
- GRI Content Index
- Independent Auditors' Report

7.1 Technical Annexes

GRI 2-7 Employees

Boundary: Jakala Group

Total number of employees by type of contract Work and gender	u.m.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees (number of persons/FTE) - of which Full Time	n	1.611	1.155	2.766	987	781	1.768	604	506	1.110
Number of employees (number of persons/FTE) - of which Part Time	n	60	63	123	5	31	36	3	27	30
Number of employees (number of persons/FTE)	n	1.671	1.218	2.889	992	812	1.804	607	533	1.140
Number of permanent employees (number of persons/FTE) - of which Full Time	n	1.489	1.018	2.507	889	705	1.594	526	448	974
Number of permanent employees (number of persons/FTE) - of which Part Time	n	59	60	119	4	29	33	1	24	25
Number of permanent employees (number of persons/FTE)	n	1.548	1.078	2.626	893	734	1.627	527	472	999
Number of fixed-term employees (number of persons/FTE) - of which Full Time	n	122	137	259	98	76	174	80	58	138
Number of fixed-term employees (number of persons/FTE) - of which Part Time	n	1	3	4	1	2	3	14	10	24
Number of fixed-term employees (number of persons/FTE)	n	123	140	263	99	78	177	94	68	162
Number of employees working hours not guaranteed (number of people / FTE)	n	0	0	0	0	0	0	0	0	0

Total number of employees by contract type and by region	u.m.	2023			2022			2021		
		Italy	Other	Total	Italy	Other	Total	Italy	Other	Total
Number of employees (number of persons/FTE) - of which Full Time	n	1.650	1.116	2.766	1.400	369	1.769	912	196	1.108
Number of employees (number of persons/FTE) - of which Part Time	n	37	86	123	34	1	35	29	1	30
Number of employees (number of persons/FTE)	n	1.687	1.202	2.889	1.434	370	1.804	941	197	1.138
Number of permanent employees (number of persons/FTE) - of which Full Time	n	1.394	1.113	2.507	1.226	368	1.594	776	196	972
Number of permanent employees (number of persons/FTE) - of which Part Time	n	35	84	119	32	1	33	24	1	25
Number of permanent employees (number of persons/FTE)	n	1.429	1.197	2.626	1.258	369	1.627	800	197	997
Number of fixed-term employees (number of persons/FTE) - of which Full Time	n	256	3	259	174	2	176	138	0	138
Number of fixed-term employees (number of persons/FTE) - of which Part Time	n	2	2	4	2	1	3	3	2	5
Number of fixed-term employees (number of persons/FTE)	n	258	5	263	176	3	179	141	2	143
Number of employees working hours not guaranteed (number of people / FTE)	n	0	0	0	0	0	0	0	0	0

Total number of employees by gender	u.m.	Time		Gender			2023		2022			2021		
				Men	Women	Total	Men	Women	Total	Men	Women	Total		
Temporary employees	n			1	4	5	2	7	9	4	5	9		
Total permanent employees	n			1.671	1.218	2.889	992	812	1.804	607	533	1.140		
Overall Total	n			1.672	1.222	2.894	994	819	1.813	611	538	1.149		

GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage

Boundary: Jakala S.p.A. S.B., Civitas, Maize

YEAR 2023 – Total annual compensation 2023 for the employee with the highest RAL: €575,000

Total annual RAL ratio: 575,000 €/48.154 € = 11,94

Median total annual RAL for all employees teeth, excluding the individual with the highest RAL
Elevated: 48.154 €

YEAR 2022 – Total annual compensation 2022 for the employee with the highest RAL: €575,000

Median total annual RAL for all employees teeth, excluding the individual with the highest RAL
High: €41,449.71

Annual total RAL ratio: 575,000 €/€41,449.71 = €13.87

REPORT YEAR 2023/2022

Highest RAL increase rate = 575,000 € /575,000 € = 100% -> 0% INCREASE

Average RAL increase rate = 48.154 € /41,449.71 € = 16,17 %

Livello	u.m.	Median annual total compensation		Minimum wage	Ratio of annual total compensation/minimum wage	
		Men	Women		Men	Women
EXECUTIVES	€	€107,166.73	115.600,00 €	54.460,00 €	1,97	2,12
MANAGERS	€	€63,091.95	€73,170.97	€38,757.88	1,63	1,89
WHITE COLLARS Lvl.1	€	€43,662.59	€44,358.90	€32,354.28	1,35	1,37
WHITE COLLARS Lvl.2	€	€34,970.38	€34,656.31	€28,956.76	1,21	1,20
WHITE COLLARS Lvl.3	€	€31,144.01	€27,790.13	€25,664.38	1,21	1,08
WHITE COLLARS Lvl.4	€	€24,432.60	€25,879.31	€23,280.46	1,05	1,11
WHITE COLLARS Lvl.5	€	€23,428.59	€23,574.30	€21,727.02	1,08	1,09

GRI 401-1 New hires and employee turnover

Boundary: Jakala Group

Incoming and outgoing employees during the year by age group and by gender

	u.m.	Time			Gender					
		2023			2022			2021		
		Men	Women	Totale	Men	Women	Totale	Men	Women	Totale
New Hires <30	n	137	140	277	190	135	325	93	67	160
New Hires 30-50	n	160	95	255	142	89	231	77	53	130
New Hires >50	n	17	4	21	10	3	13	4	5	9
Outgoing employees <30	n	62	44	106	95	46	141	39	48	87
Outgoing employees 30-50	n	98	66	164	82	63	145	71	38	109
Outgoing employees >50	n	12	3	15	4	4	8	5	3	8

Incoming and outgoing employees during the year by gender

	u.m.	Time		Gender			
		2023		2022		2021	
		Men	Women	Men	Women	Men	Women
Incoming employees	n	314,00	239,00	342,00	227,00	174,00	125,00
Outgoing employees	n	172,00	113,00	181,00	113,00	115,00	89,00
Total Employees	n	486,00	352,00	523,00	340,00	289,00	214,00

* The 2022 data have been adjusted from last year because the subsidiaries provided more detailed and accurate data that allowed us to make some improvements on the prior year information.

Turnover rate by gender

	u.m.	Time		Gender		2023		2022		2021	
		Men	Women	Men	Women	Men	Women				
Incoming employees	n	314,00	239,00	342,00	227,00	174,00	125,00				
Employees at 31 December (positive turnover)	n	1.671,00	1.218,00	992,00	812,00	524,00	489,00				
Positive turnover rate	%	18,79	19,62	34,48	27,96	33,21	25,56				
Outgoing employees	n	171,00	114,00	181,00	113,00	115,00	89,00				
Employees at 31 December (negative turnover)	n	1.671,00	1.218,00	992,00	812,00	524,00	489,00				
Negative turnover rate	%	10,23	9,36	18,25	13,92	21,95	18,20				

Turnover rate by age

	u.m.	Time			Age			2023			2022			2021		
		<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50			
Turnover rate by age	n	278,00	255,00	20,00	268,00	284,00	17,00	160,00	130,00	9,00						
Employees at 31 December (positive turnover)	n	853,00	1.835,00	201,00	540,00	1.161,00	103,00	313,00	633,00	67,00						
Positive turnover rate	%	32,59	13,90	9,95	49,63	24,46	16,50	51,12	20,54	13,43						
Outgoing employees	n	106,00	164,00	15,00	105,00	178,00	11,00	87,00	109,00	8,00						
Employees at 31 December (negative turnover)	n	853,00	1.835,00	201,00	540,00	1.161,00	103,00	313,00	633,00	67,00						
Negative turnover rate	%	12,43	8,94	7,46	19,44	15,33	10,68	27,80	17,22	11,94						

GRI 401-2 2 Benefits provided to full-time employees that are not provided to temporary or part-time

Boundary: Jakala S.p.A S.B.

Benefits provided to full-time employees that are not provided to temporary or part-time employees

	2023	2022	2021
Life insurance	No	No	No
Health care	Yes	Yes	Yes
Disability and Invalidity coverage	Yes	Yes	Yes
Parental leave	Yes	Yes	Yes
Retirement provision	Yes	Yes	Yes
Stock Ownership	Yes	Yes	Yes
Other			

GRI 401-3 Parental leave

Boundary: Jakala S.p.A. S.B.

*employees with children under 12 years of age

Total number of employees who were entitled to parental leave

		2023	2022	2021
Women	n	84,00	84,00	57,00
Men	n	107,00	98,00	61,00
Overall total		191,00	182,00	118,00

Total number of employees who returned to work during the reporting period, after taking parental leave

		2023	2022	2021
Women	n	64,00	43,00	29,00
Men	n	36,00	23,00	13,00
Overall total		100,00	66,00	42,00

Rate of return to work in the company of employees who have taken parental leave

	u.m.	2023	2022	2021
Women	%	100,00	89,58	87,88
Men	%	100,00	100,00	86,67
Total Return to work rate	%	100,00	92,96	87,50

Retention rate of employees who have taken parental leave in the company

SottoIndicatore	u.m.	2023	2022	2021
Women	%	100,00	85,42	87,88
Men	%	100,00	86,96	86,67
Total retention rate	%	100,00	85,92	87,50

GRI 401-3 Parental leave

Boundary: Group

Total number of employees who took parental leave

		2023
Women	n	83,00
Men	n	55,00
Overall total		138,00

Numero totale di dipendenti che sono tornati al lavoro durante il periodo di rendicontazione, dopo aver usufruito del congedo parentale

		2023
Women	n	81,00
Men	n	55,00
Overall total		136,00

Rate of return to work in the company of employees who have taken parental leave

	u.m.	2023
Women	%	100,00
Men	%	97,59
Total Return Rate	%	98,55

Retention rate of employees who have taken parental leave in the company

	u.m.	2023
Women	%	100,00
Men	%	96,39
Total retention rate	%	97,83

GRI 403-5 Training of workers in health and Occupational safety

Boundary: Jakala S.p.A S.B.

Training of workers in health matters and safety at work	u.m.	Time	Age
		2023	2022
Hours of health and safety training	h	1.060,80	4.234,82
Total hours of training	h	127.774,00	54.036,35
Percentage of hours of health and safety training of the total	%	0,83	7,84

GRI 403-9 Accidents at work

Boundary: Jakala S.p.A. S.B.

Rate of injuries	u.m.	2023	2022	2021
Number of injuries (excluding commuting inc)	n	0,00	1,00	0,00
Severity index (conventional days lost for accident per thousand hours worked)	dd/h	0,00	0,00	0,00
Frequency index (number of accidents/total hours worked/1,000,000)	n/h	0,00	0,00	0,00
Average duration of accidents in days	Gg	0,00	3,00	0,00
Loss of productivity rate (hours lost due to injury per thousand of hours worked)	h	0,00	0,02	0,00
Injuries x 100 workers	%	0,00	0,01	0,00

GRI 404-1 Average hours of training per year per employee women compared to men

Boundary: Jakala Group

Total hours of not mandatory training provided to employees	u.m.	2023			2022			2021		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	n	1.676,90	1.255,17	2.932,07	1.151,40	228,90	1.380,30	658,00	199,00	857,00
Managers	n	15.125,95	7.816,70	22.942,65	5.756,45	2.939,80	8.696,25	4.031,00	2.572,00	6.603,00
Employees	n	62.315,80	41.356,47	103.672,27	28.395,00	17.754,63	46.149,63	14.202,00	12.470,00	26.672,00
Overall total		79.118,65	50.428,34	129.546,99	35.302,85	20.923,33	56.226,18	18.891,00	15.241,00	34.132,00

Hours of mandatory training provided by type of training	u.m.	2023			2022		
		Men	Women	Total	Men	Women	Total
Environment	n	62,5	101,0	163,5	-	-	-
Anti-corruption	n	614,5	225,5	840,0	35,2	33,4	68,6
Human rights	n	78,2	152,6	230,8	-	-	-
Privacy	n	707,3	604,2	1.311,5	829,4	749,4	1.578,8
Health and safety	n	774,6	615,2	1.389,8	2.320,5	1.960,4	4.281,0
Overall total		2.237,1	1.698,5	3.935,6	3.185,1	2.743,2	5.928,4



Average hours of training provided to employees	u.m.	2023		2022		2022	
		Men	Women	Men	Women	Men	Women
Executives	h/n	11,65	23,68	23,68	12,72	28,61	39,80
Managers	h/n	34,85	30,06	30,06	24,91	38,39	39,57
White Collars	h/n	57,01	45,70	45,70	26,38	29,65	26,93

GRI 405-1 Diversity in Governing Bodies and Among Employees

Boundary: Jakala Group

Number of employees by category and by gender	u.m.	2023			2022		
		Men	Women	Total	Men	Women	Total
Executives	n	144	53	197	67	16	83
Managers	n	434	260	694	223	135	358
White Collars	n	1,093	905	1,998	700	663	1,363
Overall total	n	1.671	1.218	2.889	990	814	1.804

Percentage of employees by category and gender	u.m.	2023		2022	
		Men	Women	Men	Women
Executives	%	8,62	4,35	6,77	1,97
Managers	%	25,97	21,35	22,53	16,58
White Collars	%	65,41	74,30	70,71	81,45

Executive by age group and by gender	u.m.	2023		
		Men	Women	Men
Over 50 years	n	37,00	15,00	52,00
30-50 years old	n	104,00	38,00	142,00
Under 30 years old	n	3,00	0,00	3,00
Overall total	n	144,00	53,00	197,00

Percentage of executive by age group and by gender	u.m.	2023	
		Men	Women
Over 50 years	%	25,69	28,30
30-50 years old	%	72,22	71,70
Under 30 years old	%	2,08	0,00

Managers by age group and by gender	u.m.	Tempo		Genere	
		2023		2023	
		Men	Women	Total	
Over 50 years	n	35,00	22,00	57,00	
30-50 years old	n	367,00	220,00	587,00	
Under 30 years old	n	32,00	18,00	50,00	
Overall total		434,00	260,00	694,00	

Percentage of managers by age group and by gender	u.m.	2023		
		Men	Women	Total
Over 50 years	%	8,06	8,46	8,21
30-50 years old	%	84,56	84,62	84,58
Under 30 years old	%	7,37	6,92	7,20

White collars by age group and by gender	u.m.	Tempo		Genere	
		2023		2023	
		Men	Women	Total	
Over 50 years	n	48,00	46,00	94,00	
30-50 years old	n	610,00	485,00	1.095,00	
Under 30 years old	n	435,00	374,00	809,00	
Overall total	n	1.093,00	905,00	1.998,00	

Percentage of white collars by age group and by gender	u.m.	2023		
		Men	Women	Total
Over 50 years	%	4,39	5,08	4,70
30-50 years old	%	55,81	53,59	54,80
Under 30 years old	%	39,80	41,33	40,49

GRI 305-1 Direct GHG Emissions (Scope 1)

Boundary: Jakala Group

Direct GHG emissions (Scope 1)	u.m.	2023	2022	2021
Emissions from electrical generators	tCO ₂ eq	0,00	0,00	0,00
CO ₂ emissions from vehicles - unleaded petrol	tCO ₂ eq	122,73	53,56	15,00
CO ₂ emissions from vehicles - ethanol	tCO ₂ eq	0,00	0,00	0,00
CO ₂ emissions from vehicles - diesel	tCO ₂ eq	357,43	271,48	265,00
CO ₂ emissions from vehicles - electric vehicles	tCO ₂ eq	4,00	0,95	0,00
CO ₂ emissions from diesel for heating	tCO ₂ eq	0,00	49,28	101,00
CO ₂ emissions from LPG for heating	tCO ₂ eq	8,34	21,09	29,00
CO ₂ emissions from methane for heating	tCO ₂ eq	65,02	89,12	145,00
CO ₂ emissions from trigeneration	tCO ₂ eq	0,00	0,00	0,00
Direct (Scope 1) GHG emissions	tCO ₂ eq	557,51	485,48	555,00
Total CO ₂ emissions from vehicles	tCO ₂ eq	484,15	325,99	280,00
Total CO ₂ emissions from heating	tCO ₂ eq	73,35	159,49	275,00
Biogenic CO₂ emissions	u.m.	2023	2022	2021
Biogenic CO ₂ emissions	tCO ₂ eq	2,23	1,84	1,16

GRI 305-5 GHG Emission Reduction

Reduction of GHG emissions	u.m.	2023
Offsetting of CO ₂ in tonnes of CO ₂ equivalent	tCO ₂ eq	1.192,60
Reduction of CO ₂ emissions in tonnes of CO ₂ equivalent - Scope 1	tCO ₂ eq	-72,48
Reduction of CO ₂ emissions in tonnes of CO ₂ equivalent - Scope 2	tCO ₂ eq	15,49
Reduction of CO ₂ emissions in tonnes of CO ₂ equivalent - Scope 3	tCO ₂ eq	15.390,00

7.2 Methodological note

This methodological note provides a full overview of the method applied in preparing JAKALA's sustainability report, highlighting the approach adopted and the importance of ushering in a double materiality assessment of sustainability issues.

This fourth edition of the JAKALA Group's sustainability report was approved by the parent's board of directors on 27 May 2023, drafted "in accordance" with the Global Reporting Initiative (GRI) standards with the purpose of reporting the activities carried out in 2023. The 2030 Agenda for Sustainable Development, summed up in the 17 Sustainable Development Goals (SDGs), inspired and steered the group's work and the reference SDGs are indicated in the various sections of the report. Compliance with such reporting standards is on a voluntary basis.

The reporting boundary includes all group companies. However, as detailed in the document, with regard to certain impacts, the report does not consider data related to foreign operating units deemed not material (in relation to the overall total of the group) as a percentage of total turnover, employees and, above all, type of operations, as they are

companies that mostly engage in commercial or intragroup activities.

Companies are generally included in the reporting and disclosure boundary from the date control is acquired.

In the report, the term parent and/or company refers to JAKALA S.p.A. SB, based in Italy, with registered office in Milan and local operating units in Nichelino (Turin), Montecassiano (Macerata), Rome, Roncade (Treviso) and Rende (Cosenza). The JAKALA Group (the "group" and/or "JAKALA") refers to JAKALA S.p.A. SB and all companies directly and indirectly controlled by the latter, all over the world, and fully consolidated at 31 December 2023, as per the consolidated financial statements at such date. Any limitations to such boundary are indicated in the report. In addition, the GRI Content Index sets out the reasons behind any omissions for each indicator.

The reporting period is from 1 January to 31 December 2023.

In line with the European Commission's Corporate Sustainability Reporting Directive (CSRD), which introduced the principle of

double materiality, JAKALA has begun an initial analysis of risks and opportunities in order to gradually integrate the concept of financial materiality into its materiality assessment process.

In order to generate this impact perspective, JAKALA performed a specific internal analysis – involving c-suite management with expertise in financial performance – in order to assess how and to what extent a topic can influence the company's ability to create value in terms of risks and opportunities. For more details, see section 2 of the sustainability report.

In terms of internal control, the materiality assessment was examined and approved by the parent's board of directors on 5 February 2023.

The report was drawn up by the sustainability & corporate affairs (sustainability, intellectual properties, corporate affairs and internal audit) unit with the involvement of all company departments in charge of the relevant areas,

As part of a process to improve sustainability reporting, these departments provided data and information through a dedicated

software platform in order to ensure traceability of data. The information contained in the report was compared with the previous years where indicated. The differences in the reporting methodology compared to previous sustainability reports are the result of steps to develop and improve the methods adopted. Furthermore, also in an effort to perfect sustainability reporting, the use of estimates was reduced to a minimum in order to ensure reliability of data. In cases where they were necessary, estimates have been suitably marked and based on the best methods available.

In terms of external control, the report was submitted to a limited assurance engagement in accordance with the Global Reporting Initiative Sustainability Reporting Standards defined by the GRI – Global Reporting Initiative, by KPMG S.p.A.

They expressed their opinion on the report in their "Independent auditors' report on the sustainability report" attached to this report. This examination does not extend to the information relating to the financial analysis which is indicated in the paragraph "Materiality assessment".

The sustainability report will be published on the company website to make it available to all stakeholders in a transparent manner.

JAKALA undertakes to continue improving its reporting processes and methods used to actively engage stakeholders, with the aim of adopting strategies that minimise the risks and maximise the opportunities surrounding sustainability and entrenching the group's commitment to stakeholders through greater transparency and responsibility.

Please contact us at sustainability@jakala.com to request additional information on the sustainability report or to provide feedback.

JAKALA Group



7.3 GRI Content Index

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3-3	Management of material topics	Pag. 56	

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7.4 Independent Auditors' Report



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the sustainability report

To the board of directors of Jakala S.p.A. Società Benefit

We have been engaged to perform a limited assurance engagement on the 2023 Sustainability report (the 'sustainability report') of the Jakala Group (the 'group').

Directors' responsibility for the sustainability report

The directors of Jakala S.p.A. Società Benefit (the 'parent') are responsible for the preparation of a sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards").

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality management

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di società indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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Jakala S.p.A. Società Benefit
 Independent auditors' report
 31 December 2023

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB) applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2 comparing the financial disclosures presented in section "1.2 Economic value generated and distributed" of the sustainability report with those included in the group's consolidated financial statements;
- 3 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and subsidiaries level:
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the sustainability report;
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited including remotely, Jakala S.p.A. Società Benefit (Nichelino site), which we have selected on the basis of its business, contribution to the key performance indicators at consolidated level and location, to meet its management and obtain documentary evidence, on a sample basis, supporting the correct application of the procedures and methods used to calculate the indicators.



Jakala S.p.A. Società Benefit
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Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 Sustainability report of the Jakala Group has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.

Other matters

The 2021 comparative figures presented in the sustainability report have not been examined.

Turin, 31 July 2024

KPMG S.p.A.

(signed on the original)

Riccardo Donadeo
Director of Audit

JAKALA

◆ TOGETHER TO GET THERE

Questo rapporto è stato progettato da **Bysted**, una società del gruppo JAKALA