



# 2017 Consolidated Non-Financial Disclosure



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### Exprivia S.p.A.

Company subject to management and co-ordination of the Abaco Innovazione SpA

Registered Head Office Via A. Olivetti 11 70056 Molfetta (BA)

Company Share Capital € 26.979.658,16 paid up

Bari Company Register, Tax identification Number 00721090298 Vat Number 09320730154

a company listed on the STAR segment of Borsa Italiana [XPR.MI]

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## Method notes

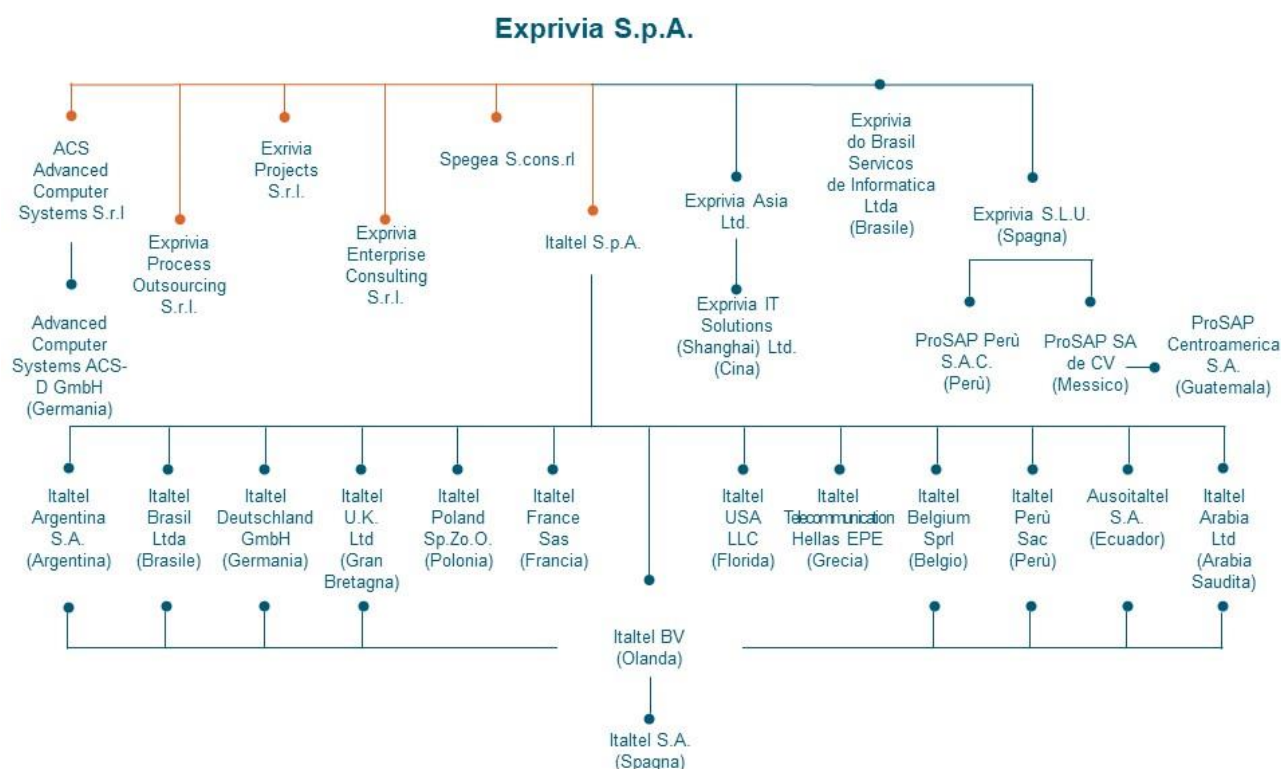
### GRI indicators 102-1; 102-5; 102-10; 102-45; 102-46; 102-50

This document is the "2017 non-financial consolidated declaration" of the **Exprivia Group** (hereinafter also "**the Group**"), a group of companies whose holding company is **Exprivia SpA** (hereinafter also "**Exprivia**"), a company listed in the STAR segment of Borsa Italiana, the Italian stock exchange company, [XPR.MI]; it represents the first **Sustainability Report** drawn up in compliance with Italian Legislative Decree No. 254 dated 30 December 2016 (hereinafter also "**It. Leg. Decree No. 254/16**"), in "Implementation of the 2014/95/EU Directive of the European Parliament and Council dated 22 October 2014, containing the amendment of directive 2013/34/EU with regard to the communication of information of a non-financial nature and information on diversity by certain companies and certain large groups", which requires the presentation of a non-financial declaration by bodies of public interest (pursuant to Article 16.1 of Italian Legislative Decree No. 39 dated 27 January 2010) and specifically in the capacity of "issuing company of securities admitted to trading on Italian and European Union regulated markets".

The "2017 non-financial consolidated declaration for 2017" (hereinafter, by way of brevity "Non-financial Declaration" or "NFD") is to be considered to supplement and complete the Annual Financial Report and additional documentation pertaining to the 2017 Annual financial statements (1 Jan. 2017 - 31 Dec. 2017). The document has therefore been drawn up in compliance with the provisions of Italian Legislative Decree No. 254/16.

## Reporting scope

The information contained in the NFD essentially makes reference to Exprivia Spa, holding company of an international group as structured below:



The analysis and reporting scope for the purposes of It. Leg. Decree No. 254/16 includes for this year, except when otherwise specified, the holding company Exprivia Spa which, due to the number of employees and the economic-equity dimensions, represents the significant component of the Group. The holding company Exprivia Spa in fact represents 78.6% of the turnover in the entire Group. Within the same are the business units which serve the main markets on which the Group operates.

The scope of environmental information is also further limited: the figures expressed refer to the main headquarters in Molfetta.

The other Group companies, in Italy and abroad, represents minor occurrences and, with the exception of Exprivia Projects Srl and Exprivia Process Outsourcing Srl, do not differ with respect to the type of business, the sales and production processes, the organisational and governance process of the holding company. In terms of governance, the management bodies of each foreign subsidiary include a significant component of the management of the holding company, which underlies and complies with the holding company's governance rules and Code of Ethics.

The other Group companies operate in vertical and specialised markets:

Company	Market in which it operates	% of turnover with regard to Group
Exprivia SpA (holding company)	Banking, Finance & Insurance, Telco & Media, Energy & Utilities, Defence, Manufacturing & Distribution, Healthcare,	78.6%

#### Public Sector

Exprivia Enterprise Consulting Srl	Manufacturing, Energy	3.6%
ACS Srl	Aerospace	5.0%
Exprivia Projects Srl and Exprivia Process Outsourcing Srl	Business Process Outsourcing (BPO) (*)	7.3%
Spegea Scarl	Training	0.6%
Foreign subsidiaries (branch in blue in above diagram)	Manufacturing, Industry, Telecommunications	4.9%
Italtel Spa (acquired on 14 December 2017 and consolidated within the Group only at balance sheet level)	Telecommunications	n.a.

(\*) The Exprivia Group carries out important **Business Process Outsourcing (BPO)** activities, mainly at its headquarters in Molfetta (BA) and on behalf of large enterprises in the Italian industrial sector. Due to the specific dynamics of the sector, the methods and the employment agreements applied, the types of human resources applied, it was considered necessary to differentiate the analysis with respect to the predominant sector, **Information Technology (IT)**.

#### Italtel SpA

On 14 December 2017 Exprivia acquired a large and historic Italian group operating in the Telecommunications sector, **Italtel**, which refers to the parent and holding company **Italtel S.p.A.** Italtel, present in Italy and many countries worldwide, designs and develops products and solutions for new generation telecommunication networks and services. Its offer is composed of proprietary products, engineering services and consultancy on networks, services managed and solutions for telecommunications. In 2017, Italtel reported revenues for Euro 458.3 million.

The market sector in which Italtel operates and the activities of the company fully fall within the sphere of the ICT industry in which Exprivia already operates.

Italtel has not been included within the scope of reporting and analysis for the purposes of the NFD because it was acquired close to the end of 2017. As clarified by Consob in the **Illustrative Report (page 17 and page 20) to the Consob Regulation adopted by Means of Resolution No. 202/67 Adoption of the implementing regulation of It. Leg. Decree No. 254 dated 30 December 2016, relating to the communication of non-financial information dated 18 January 2018**, Exprivia believed that the conditions did not exist for aligning the policies of the two groups with regard to the sustainability aspects disciplined by It. Leg. Decree No. 254/16, in the period available after the acquisition date. Exprivia kept to the prevailing approach, as also represented in the **Assonime Circular No. 7 dated 2 March 2018**, deeming, in light of the reduced period of time as from the acquisition, to launch the consolidation of the non-financial information as from 1 January 2018.

It is however important to highlight that by means of a process initiated at this point for many years, Italtel is constantly involved in carrying out its activities and achieving the business objectives it has set itself in full observance of the rights of individuals, fair competition, protection of the environment, and safeguarding of health and safety of the workplace. The company, despite not falling among those obliged, in accordance with It. Leg. Decree No. 254/16, to draw up the NFD report, on a voluntary basis draws up a report within its annual financial report, dedicated to aspects of sustainability.

Italtel also subjects itself annually to an assessment of its compliance with the principles of Corporate Social Responsibility carried out by **EcoVadis**, an international organisation which has developed a collaborative platform for assessing the sustainability of the suppliers which operate within the sphere of the global supply chains, receiving also in 2017 the "Silver Recognition" for the third year running.

## Reporting spheres

The NFD reports on the aspects relating to the active and passive fight against corruption, the environment, HR management, the social aspects and the observance of human rights assessed as significant and material according to a

specific and consolidated process, which takes into account Exprivia's specific activities, illustrated further on in the document (see section "Materiality analysis in relation to the business").

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

The data and information of this NFD are referable to events which occurred in 2017, deriving from the company's business activities, significant on the basis of the analysis of the materiality and in compliance with It. Leg. Decree No. 254/16. The same are gathered and consolidated by the various reference units, using extractions from the company information systems, with the co-ordination of a senior manager directly reporting to company management.

In this connection, it is hereby specified that Exprivia has adopted the indicators envisaged by the **GRI Sustainability Reporting Standards** (hereinafter "**GRI Standards**" or "**GRI**") issued by the **Global Reporting Initiative** in 2016 with the "**GRI-referenced**" approach. The reference to the GRI indicators is found in the "GRI link table".

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

Exprivia's Board of Directors approved the NFD on 15 March 2018. The NFD is published in the section "Corporate Social Responsibility" of the company's Website ([www.exprivia.it](http://www.exprivia.it)).



## **Profile of the Exprivia Group**

**Future. Perfect. Simple.**





## An international group to enable Digital Transformation processes

Exprivia is an international business, now composed of around 1,800 professionals, able to activate digital transformation processes through solutions involving the entire value chain. Exprivia stands out for its reliability in managing complex projects through the connection and integration of vertical and horizontal skills and the ability to create solutions that are easy to use and update, as they are based on continuous research and innovation. Listed on the Italian Stock Exchange since 2000, the STAR MTA (XPR) segment, Exprivia supports its customers who belong to the markets: Banking&Finance, Telco & Media, Energy & Utilities, Aerospace & Defence, Manufacturing & Distribution, Healthcare and Public Sector.

### The founding concepts of our vision

<p><b>Future</b></p> <p>The future is the point towards which we orient ourselves in defining scenarios, processes and goals for ourselves and our customers.</p>	<p><b>Connection</b></p> <p>This is what makes us innovators. It is the capacity to identify unexpected solutions by connecting our skills.</p> <p>It is the ability to imagine the future by directly combining what we know in the present: technology with customer needs, the world of research with that of business, the city with its residents.</p>
<p><b>Perfect</b></p> <p>Perfect is the level we strive to achieve in the planning of innovative and efficient IT solutions in each specific sector.</p>	<p><b>Reliability</b></p> <p>For us this is a constant practice that leads us to seek out perfection in everything we do, to always guarantee that we will meet our commitments in every situation, to consider effectiveness and efficiency to be the indispensable requirements of all of the products and services we offer.</p>
<p><b>Simple</b></p> <p>Simple is the fundamental requirement of all of our systems, designed to improve the life of the individuals by means of the availability and usability of the information.</p>	<p><b>Simplicity</b></p> <p>For us, this means concealing the complexity of technology behind a sleek user experience, making innovation and the digital transformation accessible to businesses and the public through a project of extreme streamlining which aims for simple solutions.</p>

## The markets

GRI indicators 102-2; 102-6

Today we are one of the main players in the digital transformation of businesses, and we owe this to the wide range of skills and experience we have developed in more than thirty years of working in our various markets.



## Banking, Finance & Insurance

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

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

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



## Telco & Media

### Skills and technologies for network virtualisation

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

Exprivia is the ideal partner for the Service Providers that find the solution for being agile, efficient and customer centric in the virtualisation of networks and applications. Indeed, virtualisation meets every customer need with dedicated services commensurate with real business requirements, but especially supported by innovative technological skills meeting the most recent standards.

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



## Energy & Utilities

### The technology that optimises energy

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

In this regard, we offer our customers specific solutions for the development and management of transversal and characteristic processes that aim to ensure greater operational efficiency, high performance and elevated customer service quality to energy, water, environmental and public utility sector businesses.

Systems based on technologies like the cloud, XaaS, CRM, big data analytics and business intelligence, IoT, digital channels, social networking, e-mobility and enterprise application governance which place users at the very heart of processes, providing them with increasing autonomy and awareness.



## Aerospace & Defence

### Military defence, civil safety and digital technology

The recent geopolitical events require an immediate response from the civil and military aeronautical, naval and terrestrial sectors in the adoption of safety systems in which the technological component plays an increasingly crucial role to guarantee the safety of people, places, machinery and IT systems.

Even more urgent is IT support for taking strategic decisions in critical situations for the implementation of preventive measures based on scenario monitoring and controls.

We offer the sector a real benefit by enabling the analysis of complex heterogeneous information (images, video, data, text, symbols, voice, sound) generated by a multitude of wearable, fixed and mobile sensors on flights, in navigation, in orbit, in vehicles and in drones.

In particular, we develop systems for command and control, surveillance, cartographic representation, processing of geographical maps and rapid prototyping of land-based, naval and aerial consoles which, also thanks to augmented reality techniques, the wealth of georeferenced information and social collaboration, offer the utmost interaction with scenarios that are increasingly faithful to reality.



## Manufacturing & Distribution

### Towards the new industrial revolution

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

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

Industry 4.0 defines this change through a panorama that is still evolving, but already has precise lines of development coinciding with the knowledge and skills we possess: the use of data and connectivity, analytics and machine learning, human/machine interaction and interaction between reality and the digital realm.

We have taken advantage of this extraordinary opportunity by dedicating ourselves to bringing newfound energy to the entire industrial process with our digital solutions and completely automating the management of huge quantities of information in a simple, streamlined and efficient manner.



## Healthcare

### Innovative solutions for individual health and efficient administration

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

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

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



## Public Sector

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

Some time ago the Public Administration launched a modernisation process based on principles such as innovation, simplicity and reliability to support businesses, residents, public employees and the state itself. Bureaucratic streamlining through the digitalised management of the PA - along with organisational renewal activities - now allows for the reconciliation of spending optimisation with service quality, as it provides users with multiple rapid and effective communication channels that connect residents with public institutions and provide the latter with a series of worry-free and completely secure tools for completing administrative procedures.

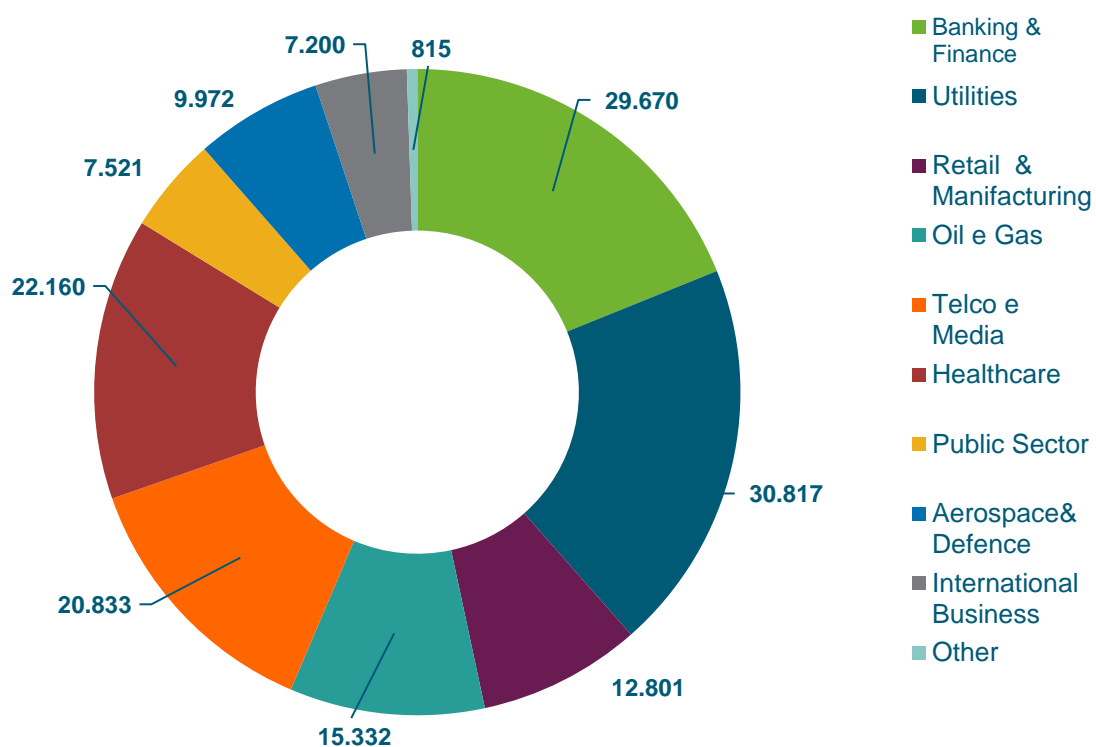
From this perspective, we have been able to rely on much of our experience in optimising processes for large private enterprises, which we have reconceptualised based on the needs of central and local governments and broken down into a range of areas, including:

- products and services for management;
- eGovernment and eProcurement solutions;

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

## Turnover of the Group in 2017

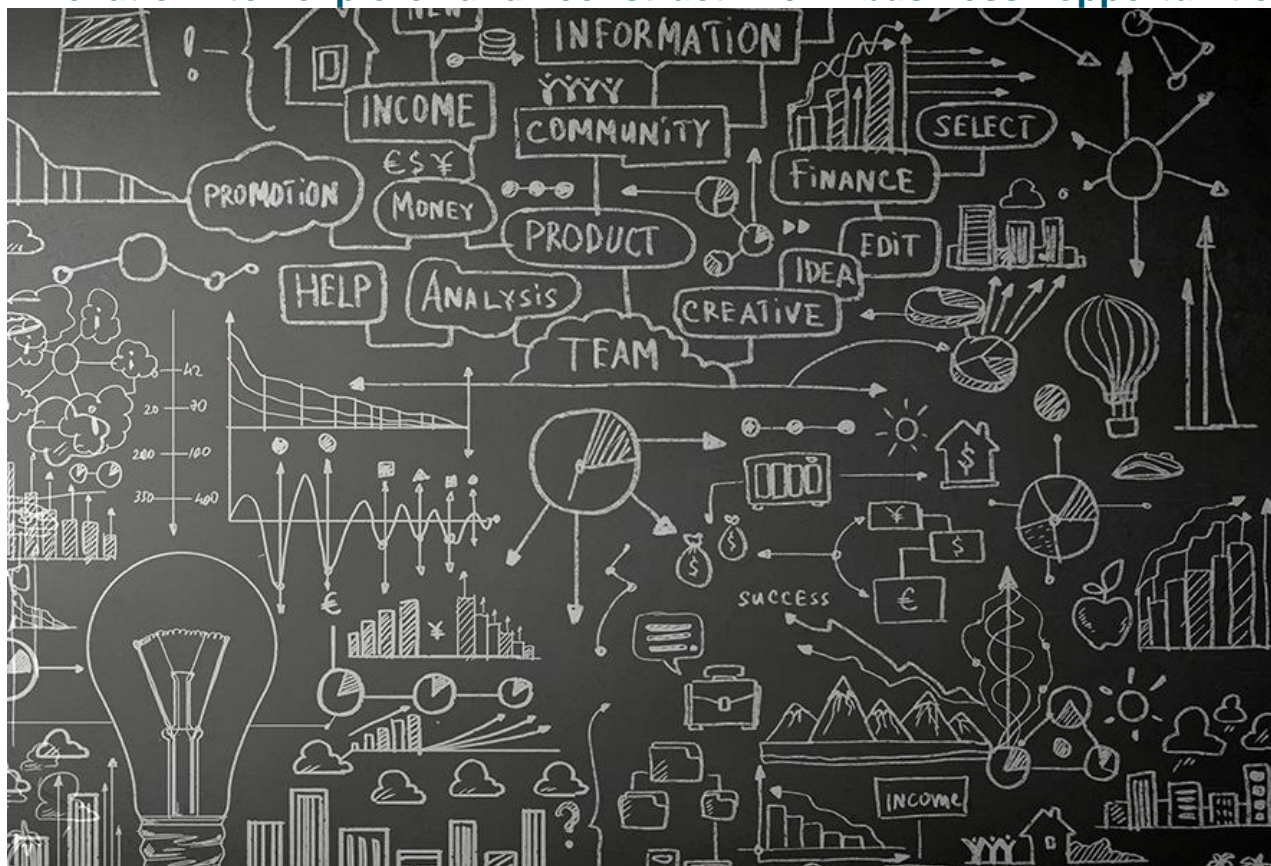
The revenues registered in 2017 within the markets in which the group operates are represented in the following diagram:





## Innovation Lab

## Innovation to explore and construct new business opportunities

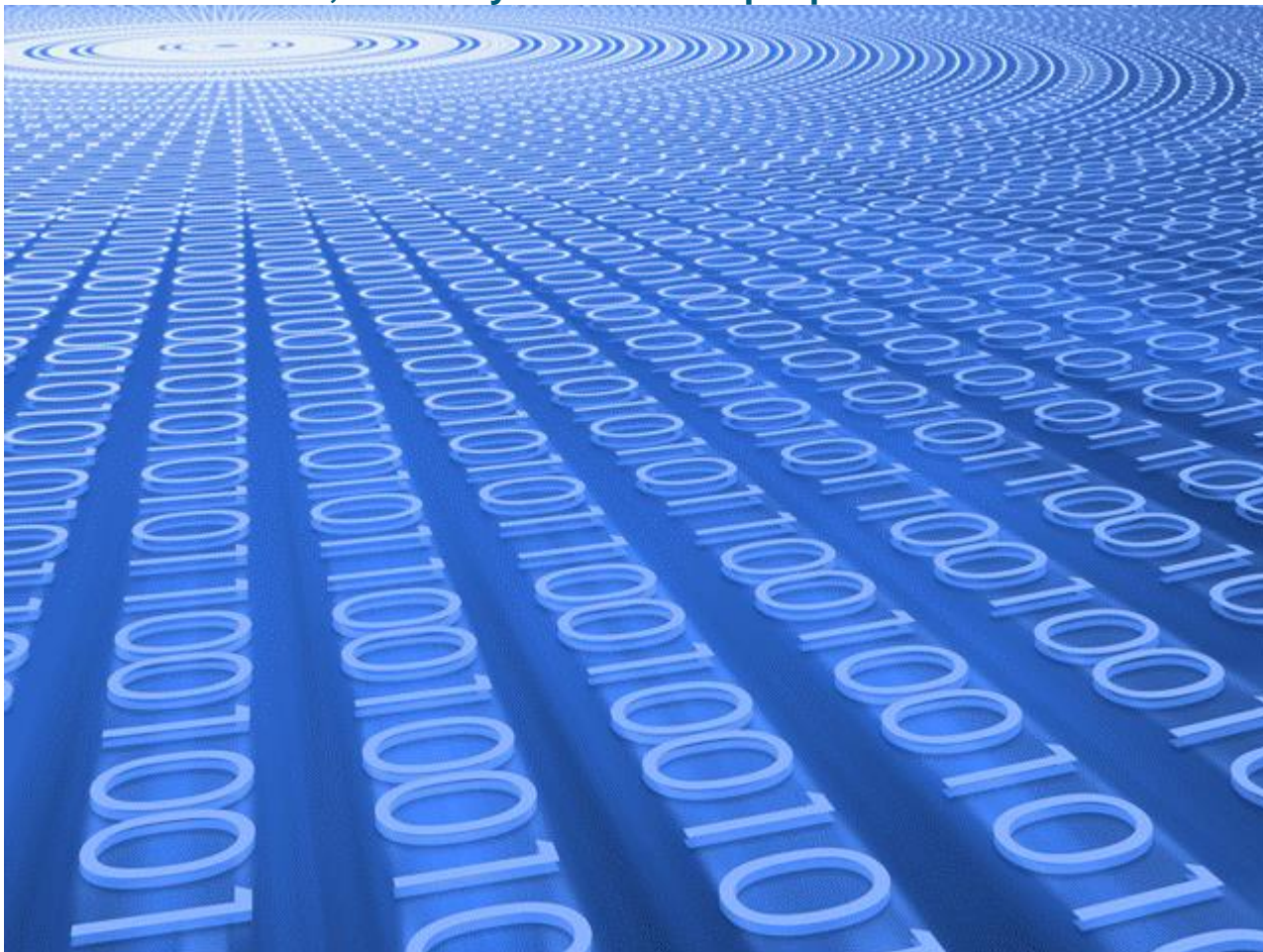


Innovation Lab is the load-bearing structure of the research, development and integration of Exprivia technologies. A hotbed open to sharing experience and knowledge with the world of academics and research, which has led to the activation of various projects with the main Universities of Apulia (Polytechnic and University of Bari, University of Salento), of Milan (Polytechnic of Milan) and of Rome (La Sapienza), with CNR and with Cefriel, with which it has specifically launched a commercial partnership programme to promote “technological frontier” projects.

Innovation Lab identifies and adapts innovation opportunities to the company's business model, coordinates projects which exploit public contributions, creates innovative technologies and solutions to be transferred to company production areas and enriches the company's wealth of knowledge, contributing to creating new distinctive competencies.

## Skills

To build the future, we always need to keep it present



### GRI indicator 102-2

Working for the world to come requires not only a lively imagination, but also and especially solid training that keeps us continuously updated on trends and transformations under way to anticipate the needs of the market.

Here are some of our most significant skills.





## Big Data & Analytics

### Managing data to dominate the markets

Before, there were products and services. Today, an increasing number of companies acquire, transform and provide data. And it is precisely around data that the digital transformation creates new business opportunities in areas regarding customer knowledge and customer experience, the generation of statistics and analyses, the creation of agile and flexible architectures and solutions and the 24/7 availability of security and customer care services.

We offer all of the very latest tools for supporting both the decision-making processes and ordinary activities based on the possession of information. Our Big Data & Analytics area is dedicated to developing projects, services and solutions aimed at the strategic use of big data for increasing business.

The assimilation and processing of unstructured data, which, once duly reorganised, become a precious source of information for creating new value for companies, play a particularly important role in the Big Data process.



## Cloud

### The revolution among the clouds

The advent of cloud computing has completely revolutionised how we acquire, implement and execute IT services.

Through the web, users can access network resources, memory, processes, services and applications which can be requested, supplied and released quickly with minimal effort and secure interaction with the supplier.

Our cloud services are based on four fundamental models:

#### Public Cloud

The Public Cloud is characterised by computing power, memory and application services according to individual needs with scalable solutions adaptable to small, medium-sized and large businesses.

#### Private Cloud

Creating a Private Cloud means providing the range of services, solutions and computational capacity functional to a large organisation, distributed across the area and under continuous evolution, on a single platform.

#### Hybrid Cloud

The third model is a mix of Public and Private clouds to give the organisation greater dynamism, overcoming the limits through the open Cloud potential and minimising the loss of the guarantee of absolute security that only the physically isolated Cloud offers.

#### Community Cloud

With the Community Cloud, the business shares IT platforms with other nearby organisations to strengthen the scope and common model for the provision of services and the development of new service classes.



## IoT

### The immediate future of things

Today, the web has an object complement: it is called, IoT, or the Internet of Things. The challenge that it intends to meet is to equip commonly used items with the ability to interact with the environment and automatically modify their functioning by sending and receiving data via the net. By the year 2020, 20 billion devices will be connected to the Internet and the fields of interaction will increasingly include industrial production processes, logistics, infomobility, energy efficiency, remote assistance and environmental protection. IoT is therefore capable of having a positive effect on the very idea of business, work, study,

health and life.

For some time now we have been committed to developing IoT solutions capable of radically changing our way of living, working, learning and having fun. Exprivia has undertaken a series of projects that concern home automation, robotics, avionics, biomedical devices, monitoring in industry, telemetry, wireless networks of sensors, supervision, detection of adverse events and much more.



## IT Security

### Total data and system security

Security is becoming an increasingly crucial factor for the credibility of institutions and businesses, which are continuously seeking out new security technology instruments and solutions that can protect them from operational risks, attempted fraud, data theft, information leaks and so on and so forth.

We have the experience and technological skill required to act as a “global” partner for security, capable of working alongside the customer with flexible deliveries ranging from consulting to integration and the management of dedicated services, through operational centres to meet security needs at strategic, technological and operational level. The organisation of company security covers three fundamental areas, i.e., governance procedures, infrastructure and operations, and four levels of operational security: Prevention, Monitoring, Response and Governance Risk & Management.



## Mobile

### Tomorrow within reach

The rapid transition from first-generation mobile phones to new mobile terminals which are increasingly efficient and polyfunctional has literally upended the world of mobile communications in just a few decades, and with it consumer habits, opening up possible interaction scenarios which until now had been unimaginable.

Companies have taken part in this trend to seek out new channels for promotion, communications and sales and expand the confines of smart working, so as to make relationships with their resources easier and more efficient through a precise multichannel strategy which, from a BYOD (Bring Your Own Device) perspective, skilfully overlaps times, places and instruments shared between work and personal lives.

We offer companies and entities the possibility to reap the greatest benefit from latest generation mobile technologies by including them within a broader multichannel strategy which encompasses Mobile Device Management for business devices, Mobile Payment in the various commerce and services sectors, Mobile Health and Mobile Application Development in the areas of health, finance and security.



## SAP

### More digital efficiency. Superior company efficacy. Greater market presence

With a strategic partnership that has lasted for more than 20 years, today, we are one of the main reference players in the SAP world in Italy and abroad. With a team of more than 400 professionals specialised in ERP and Extended ERP solutions, including more than 300 certified resources distributed across Italy and overseas, we seek out excellence in the creation of the most innovative solutions for our customers' business processes by taking action throughout the value chain: from analysis to consulting, from implementation to Application and System Management services, also using proprietary vertical solutions. Our main areas of intervention are: Administration, Finance and Control, Operation & Logistics, Business Analytics and Human Capital Management.



## Business Process Outsourcing

### When outsourcing means optimising

The outsourcing of entire processes is a trend undergoing continuous growth within companies, which are attracted on one hand by the possibility of concentrating on their core business and on the other hand by the significant reduction in operating costs. To offer BPO services specific skills, strategies and professionals who can understand the needs of the customer company and are ready to be partners in change are required.

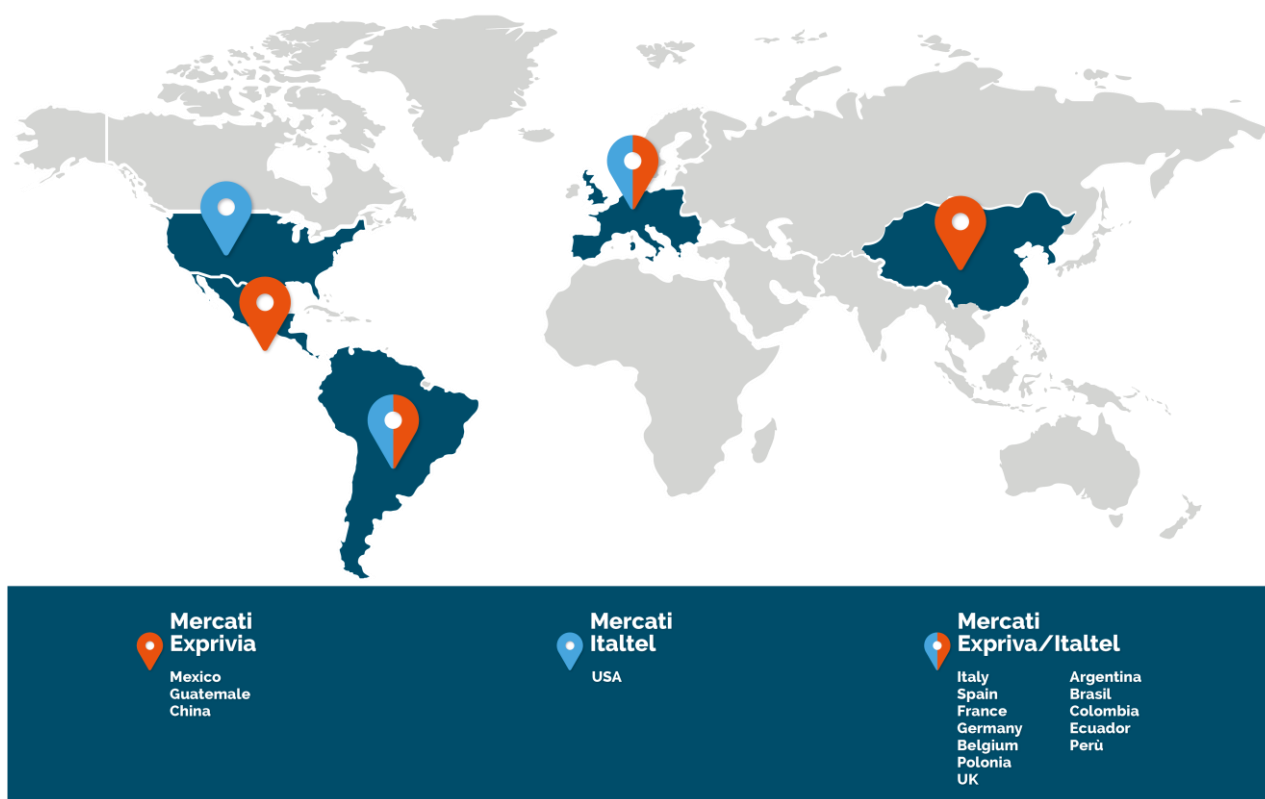
With the knowledge we have gained working alongside so many important companies, we support and sustain company evolution by taking responsibility for the delicate procedures of end user acquisition, management and retention. The offering ranges from back office outsourcing services relating to typically internal functions such as human resources, accounting and information technology, to front office outsourcing services like customer care and customer service.

All BPO services provided to customers are governed by service performance and quality indicators (Service Level Agreements and Key Performance Indicators).

## Exprivia worldwide

### GRI indicator 102-3

Exprivia is present abroad via its subsidiaries and specifically in Spain, Mexico, Guatemala and China. Further to the acquisition of Italtel, Exprivia significantly extended its presence abroad, particularly in Latin America, in Europe and in the USA.



## Significant Group Figures

The following table summarises the main consolidated economic, capital and financial data of the Group:

	31.12.2017	31.12.2016
Totale ricavi	161.203.662	141.568.296
di cui ricavi netti e variazione delle rimanenze	157.121.990	137.297.652
di cui costi per progetti interni capitalizzati	2.532.210	1.927.238
di cui altri ricavi e contributi	1.549.462	2.343.406
Margine Operativo Lordo (EBITDA)	12.094.546	12.762.367
% su ricavi	7,5%	9,0%
Margine Operativo Netto (EBIT)	6.503.714	7.757.929
% su ricavi	4,0%	5,5%
Risultato netto	504.335	2.838.070
Patrimonio netto del Gruppo	74.845.563	74.744.189
Totale attivo	645.154.245	206.199.055
Capitale sociale	25.154.899	25.154.899
Capitale circolante netto (1)	31.855.622	30.262.711
Cash flow (2)	25.068.229	9.284.104
Capitale fisso (3)	344.844.675	102.810.040
Investimenti	180.764.637	13.641.013
Disponibilità liquide /titoli/altre attività finanziarie (a)	41.424.504	20.399.886
Debiti finanziari/altre passività finanziarie a breve termine (b)	(77.456.425)	(29.003.855)
Debiti finanziari/altre passività finanziarie a medio/lungo termine (c)	(186.812.384)	(27.184.505)
Posizione finanziaria netta (4)	(222.844.306)	(35.788.474)

(1) - "Net working capital" is calculated as the sum of total current assets less liquidity and total liabilities plus current bank debt

(2) Cash flow is calculated as the sum of net profit (loss) adjusted by amortisation, changes in employee severance indemnities, write-downs and provisions

(3) "Fixed capital" is equal to total non-current assets

(4) Net financial position = a + (b + c)

## Management Systems

We believe that sustainability is an indispensable value for Exprivia, which takes on the form of respecting people, the environment and society as a whole.

Over the years an **Integrated Management System (SGI)** has been developed that meets the requirements of the ISO 9001, ISO 13485, ISO/IEC 20000-1, ISO/IEC 27001 and ISO 22301 international standards. This system is supplemented with specific standards for the engineering of software and systems with a view to developing working methods and processes capable of combining standardisation with flexibility and self-improvement capacities through the support of competent, aware and motivated individuals.

The afore-mentioned standards provide the requirements for the implementation, application and improvement of a **quality management system** (ISO 9001 e ISO 13485), an **IT services management system** (ISO/IEC 20000-1), an **information security management system** (ISO/IEC 27001), as well as a **business continuity management system** (ISO 22301).

The **Integrated Management Manual** describes all the afore-mentioned management systems, the processes in scope of each system, and the Group companies to which the following international standards are applicable:

- **ISO 9001** (Quality management systems – Requirements)
- **ISO/IEC 13485** (Quality management systems for Medical Devices - Requirements)
- **ISO/IEC 20000-1** (IT services management system – Requirements)
- **ISO/IEC 27001** (Information Security management systems – Requirements)
- **ISO 22301** (Business Continuity management systems – Requirements).

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

## Materiality analysis in relation to the business

During 2017, Exprivia - for the purposes of It. Leg. Decree No. 254/16 - launched an initial materiality analysis for the purpose of identifying the significant activities for its stakeholders, important for business sustainability. The analysis also made it possible to outline the spheres of application of the Decree according to the significant themes, having taken into account the activities and the characteristics of the company. In particular, the analysis took into account the risks and the opportunities associated with the business, an integrated approach in the method summarised below.

The materiality analysis followed the following process:

- identification of the main aspects indicated by the **Sustainable Development Goals (SDG)** as placed in context with respect to the reference sector;
- verification of the perception of the aspects from an internal standpoint (risks and opportunities);
- analysis of the main trend of the sector, supported by study activities into what has already been done by market players in the reference sector (benchmark);
- check of the main aspects with respect to which interest and interaction is shown by the stakeholders with regard to Exprivia, by means of analysis of the press sources inherent to the company.

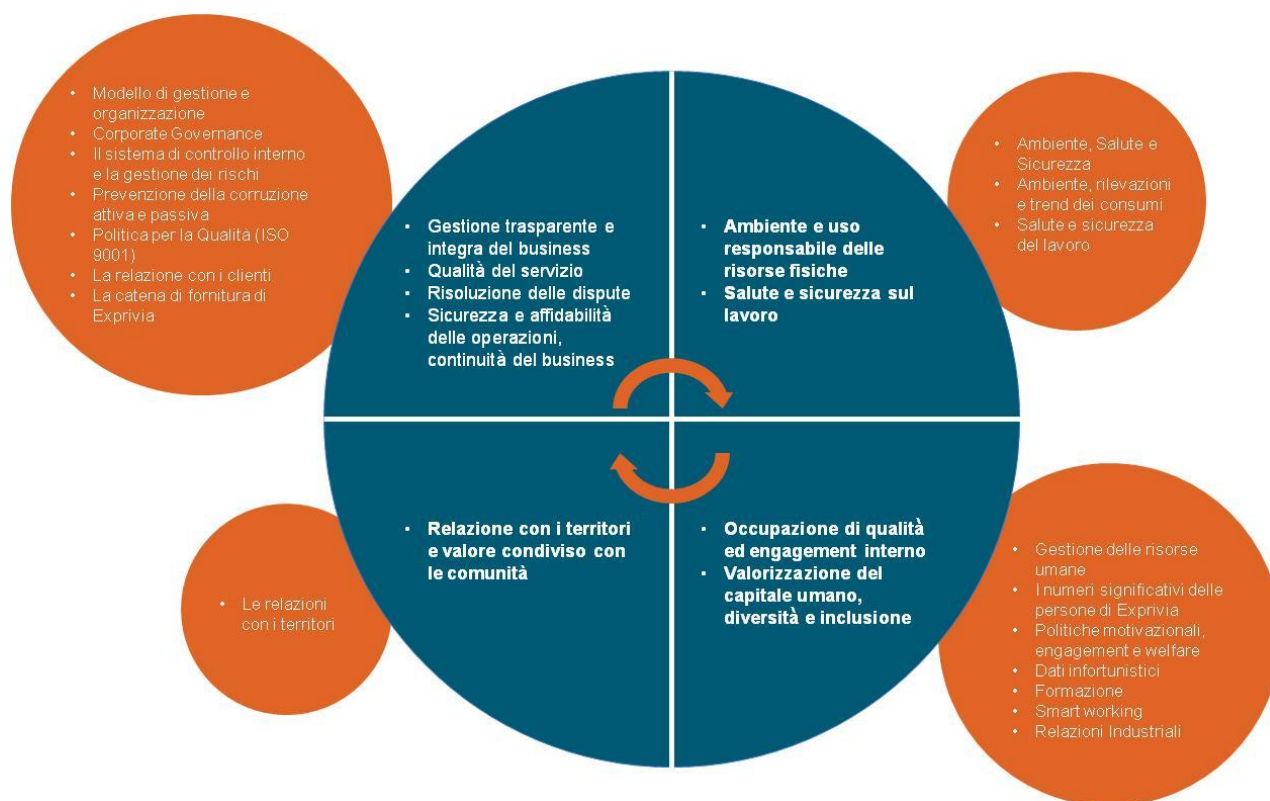
## Material topics

### GRI indicator 102-47

The material topics emerging from the analysis have been reorganised for the purpose of obtaining a clear and schematic representation as indicated below:

- transparent and integral management of the business (including fight against corruption and respect of human rights);
- service quality;
- settlement of disputes;
- safety and reliability of the operations, continuity of the business;
- environment and responsible use of the resources;
- workplace health and safety;
- quality employment and internal engagement;
- valorisation of the human capital, diversity and inclusion;
- relationship with the areas and value shared with the communities.

The following diagram places the material topics identified in relation to the sections in the contents of this document where they are dealt with. The following table provides indication of the correlation between the requirements indicated in Italian Legislative Decree No. 254/16, the material topics identified by Exprivia, the policies and the GRI requirements.





254/16 Scope	Material topics	Specific reference GRI Standards topics	Policies
Aspects relating to Human Resources, Social and Human Rights	<ul style="list-style-type: none"> <li>• quality employment and internal engagement;</li> <li>• diversity, inclusion and valorisation of human capital;</li> <li>• workplace health and safety;</li> <li>• relationship with the areas and value shared with the communities.</li> </ul>	GRI 202: Market Presence	
		GRI 404: Training and Education	
		GRI 401: Employment	
		GRI 402: Labour/Management Relations	Group's Code of Ethics
		GRI 405: Diversity and Equal Opportunity	Internal code of conduct
		GRI 403: Occupational Health and Safety	Internal welfare regulations
		GRI 403: Occupational Health and Safety	
Environmental aspects	<ul style="list-style-type: none"> <li>• responsible use of physical resources</li> </ul>	GRI 204: Procurement Practices	
		GRI 301: Materials	
		GRI 302: Energy	UNI EN ISO 14001 Standard
		GRI 303: Water	
		GRI 305: Emissions	
Aspects relating to responsible management and fight against corruption	<ul style="list-style-type: none"> <li>• settlement of the disputes;</li> <li>• transparent and integrated management of the business;</li> <li>• quality of the service;</li> <li>• safety and reliability of the operations;</li> <li>continuity of the business and risk management.</li> </ul>	GRI 306: Effluents and Waste	
		GRI 205: Anti-Corruption	Policy on IT security
		GRI 206: Anti-competitive Behaviour	Code of Ethics for suppliers of the Group
			231 organisation and management model

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**ethic** /'eθɪk/ *n* a  
rules of conduct:  
*social code*

## Organisation and management model



# Organisation and management model

## Corporate governance

### GRI indicator 102-18

The Exprivia corporate governance system is developed according to the legislation in force and applicable to the sector, and observing the legal regime of a listed issuer as well as the indications of the **Code of Self-governance** furthered by Borsa Italiana which Exprivia voluntarily complies with. In its organisation, Exprivia also takes into account the best practices which can be obtained from discussion at international level.

Exprivia exercises management and co-ordination activities vis-à-vis its subsidiaries, which maintain legal autonomy and apply the principles of correct corporate and entrepreneurial management.

The main governance bodies of the company are the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors, the independent auditing firm and the 231 Supervisory Body.

Exprivia's Board of Directors also operates via the chief executive officer and is assisted by Committees, established within the sphere of said Board, with proposal and consulting functions: Control and Risks Committee, Remuneration Committee.

Exprivia's governance structure is supported by management guided by the chief executive officer and is made up of the heads of the various company divisions, both business and production line and staff. The Internal Audit unit oversees the internal controls.

The manager who is responsible for the co-ordination of the activities in accordance with It. Leg. Decree No. 254/16 and the drafting of this document, reports directly to the chief executive officer and expresses indications, sharing project aspects and monitoring the results achieved. In order to more fully integrate the sustainability in the business, the manager in charge collaborates with the various Divisions and Business Units in the management of the processes typical to the function, also thanks to the activation of the network which has contributed to the drawing up of the related policy.

## The internal control system and risk management

### GRI indicator 102-15

As from 2014, Exprivia has developed a corporate risk management model. The model reviews the analyses developed for the purposes of this report, by means of the mapping and the assessment of the recognised and significant risks to which a significant ratio is assigned.

On an annual basis a self-assessment process is carried out on the internal control system with reference to the spheres of risks identified and pertaining to each unit as indicated below.

## Prevention of active and passive corruption

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

### Significance for Exprivia's activities

Exprivia aims to distinguish itself due to the efficacy of the action put together for the purpose of acquiring technical levels of excellence and the highest standards of professionalism. Accordingly, Exprivia has for the last ten years had a **Code of Ethics** whose standards of conduct confirm the commitments of the company in terms of conduct aspiring to ethics in all the fields of intervention of the same (available at the following link <https://www.exprivia.it/it/corporate-social-responsibility/4194/codice-etico.php>).

Corruption represents a serious risk for the activities and the reputation of Exprivia, therefore it has been identified as a material topic of great importance.

For this purpose Exprivia has countered the occurrence of phenomena deriving from the violation of the series of legislation overseeing correctness, honesty and loyalty in every relationship both internal and external adopting a commitment of "zero tolerance" vis-à-vis corruption under any form, confirmed both in the **Code of Ethics** and in the **Organisation, Management and Control Model adopted in accordance with Italian Legislative Decree No. 231/01** since 31 March 2008.

This commitment applies by means of an appropriate **Disciplinary System** vis-à-vis the employees, as well as vis-à-vis third parties with the provision of specific "ethical" contractual clauses (GRI 205-1).

### Main associated risks

The business activities assessed as to be most at risk from corruption are two: (i) those which involve dealings with the Public Administration Authorities and (ii) those which involve the processing of sensitive data and information reserved for third parties.

- The risk of corruption which affects dealings with the PAAs pertains to Exprivia's participation in public tender procedures, the execution of public contracts and the admission and execution of projects financed by public Bodies.
- The risk of corruption relating to the processing of sensitive data and information reserved for third parties, mainly concerns the creation of information platforms and systems for the handling of medical records, health registers, booking of health services, result handling, etc.

Exprivia assesses and handles the risk of corruption in the specific sectors of activity.

On a consistent basis, in the 231 Model a series of protocols have been drawn up relating to the management of the activities at direct risk vis-à-vis the Public Administration Authorities and private individuals as well as a series of protocols relating to the handling of instrumental transversal activities.

### Policies overseeing the aspect

Exprivia is firmly convinced that operating in observance of ethical standards is rewarding for the business activities; for this purpose, the Company constantly checks the observance of the principles contained in its Code of Ethics so as to strengthen and further ethical and responsible business conduct and therefore prevent cases of corruption.

For this purpose Exprivia requires its employees and co-workers to act according to the laws and regulations applicable with regard to anti-corruption, as well as to be aware of the values and policies of the Company.

In addition to the matters envisaged by the Code of Ethics, the risk of corruption is also overseen by the 231 Organisation Model and annually assessed in terms of potential economic damage in the event of adopting corruptive conduct *inter alia* in the general mapping of the risks carried out by the Control and risks committee.

For the purpose of preventing illicit acts or the violation of the Company's regulations, Exprivia adopts the following safeguards:

- The Internal Audit unit which has assurance tasks with the purpose of assisting the organisation in the pursuit of its objectives via a systematic approach, aimed at assessing and improving the control, risk management and Corporate Governance processes.
- The adoption of a Code of Ethics which prohibits practices of corruption, illegitimate favours, collusive conduct and solicitations, direct and/or via third parties, of benefits. All the subsidiaries, as well as the commercial partners must observe the Code of Ethics.
- The implementation in accordance with Italian Legislative Decree No. 231/2001 of the internal Organisation Model, made up of a General Section and seven special sections which contain the protocols for the prevention of the specific offences envisaged by the Decree; the Supervisory Body is responsible for the control thereof.
- The adoption of a Quality System which represents a structured compliance programme containing *inter alia* instruments and policies useful for contrasting and preventing active and passive corruption.
- The implementation of several guidelines to be used by the procurement unit for the assessment of the reputational reliability of the third parties with which Exprivia has business dealings, with the purpose of carrying out an integrity check and protecting Exprivia from possible negative repercussions due to monetary fines or disqualification (pursuant to Italian Leg. Decree No. 231/01) and from the reputational risks linked to any unlawful practices in the business dealings with suppliers, commercial or project partners, intermediaries, consultants, business canvassers, etc., for this purpose providing operating instructions.
- The introduction in the latest edition of the Model of a Whistleblowing System capable of ensuring the maximum levels of confidentiality for the reports to the Supervisory Body on the unlawful conduct significant for the purposes of the 231 Decree based on precise and concordant factual elements and on the violations of the Organisation and management model of the body, which the intended audience has become aware of as a result of the functions performed.

## Auditing activities and management results

Exprivia carries out systematic **internal auditing** activities, part of which address the **ethics of the business dealings**. The internal audits carried out during 2017 were 69 in total, of which 5 audits on the protocols indicated by the 231 Model and 64 on the processes disciplined by the Quality System in compliance with the ISO 9001, ISO/IEC 27001, ISO/IEC 20000, ISO/IEC 13485, ISO 22301, ISO/IEC 20000-1, CMMI-DEV standards. The implementation of the corrective and improvement actions identified during the audits is constantly monitored up until the final completion of each one. Exprivia, in its capacity as technological company which has partnerships with leading multinationals in the IT sector (**SAP, Microsoft, Oracle**, etc.) is also normally subject to periodic audits carried out by the third parties with which it has business dealings as well as by the public or private certification bodies. These audits also concern the compliance of the internal processes, the observance of the intellectual property rights in the use of third party software, the protection of the security of the information and the handling of the medical and EC marked devices. In 2017, 12 external audits were carried out of which 1 by a Customer, 1 by a Partner and 10 by Public or Private Certification Bodies. All the audits concluded positively.

During 2017, the company also took steps to **up-date and republish the Code of Ethics and certain parts of the Organisation Model**. More specifically, the Board meeting held on 21 December 2017 approved:

- version 2.0 of the Code of Ethics, with the purpose of: (a) Up-dating the references to the provisions of the law and the current Articles of Association; (b) Integrate among the Rules of Conduct the norms of conduct with the outside environment and with particular reference to the conduct to be adopted with the PAAs; (c) Introduce additional standards of conduct in the event that recognised conduct which represents “**Corruption Indicators**” should be discovered;
- version 3.0 of the General Section of the Model, so as to (a) acknowledge the extension of the model to additional types of offence: Organised Crime (Art. 24 *ter*), Crimes against industry and commerce (Art. 25 *bis.1*), Anti-money laundering (Art. 25 *octies*), Violation of copyrights (Art. 25 *novies*), Misleading Declarations (Art. 25 *novies*); (b) amend the ongoing up-date procedure for the Model; (c) introduce the section on the reporting of violations on the basis of the so-called whistleblowing legislation;
- version 3.0 of the Special Section A, on the offences against the PAAs, (a) so as to up-date the catalogue of the liable offences; (b) include, by way of supplementing the standards already referred to by the Code

- of Ethics, a conduct handbook with regard to the dealings with the public administration authorities; (c) review certain procedures further to the feedback received from the units concerned at the time of audit;
- version 3.0 of the Special Section B, so as to up-date the catalogue of liable offences and assimilate the amendments to Arts. 2621, 2622, 2638 of the Italian Civil Code and 185 and 184 of the Consolidated Finance Act (TUF) and adapt the Model to Art. 2635 of the Italian Civil Code on Corruption between private parties;
- the new Special Section F on Environmental Crimes (Art. 25 *undecies* of It. Leg. Decree No. 231/2001);
- the new Special Section G on the offence involving the Employment of foreign citizens not authorised to work in the country (Art. 25 *duodecies* It. Leg. Decree No. 231/2001).

During 2017, the “**Exprivia Ethics**” training programme was launched, involving the entire company population so as to encourage knowledge and awareness of the Code of Ethics and the 231 Model adopted by Exprivia.

The training programme is divided up into training action, efficacy assessment, feedback from employees and has the purpose of guiding the change and facilitating the ethical conduct (GRI 205-2).

#### Events which have given rise to disciplinary measures for corruption vis-à-vis the workers (GRI 205-3)

During 2017, the Company received a report on a potentially corruptive event determined by the conduct of a restricted number of employees who acted in violation of the in Code of Ethics within the sphere of a contract.

The reported conduct was immediately subject to internal inspection by the Company which led to the adoption of disciplinary dismissal procedures vis-à-vis the individuals involved in the anti-ethical conduct.

Further to this episode Exprivia adopted additional self-cleaning measures aimed at enhancing the company’s ability to prevent the occurrence of similar situations. In particular, the Company launched the “Exprivia Ethics” training programme with the aim of affecting the direct involvement of the individuals both in the corruption risk prevention process as well as in the training and divulgation process at all company levels for the values of the Code of Ethics and the control protocols contained in the 231 Model.

Furthermore, the Company has up-dated the Code of Ethics so as to supplement it with specific standards of conduct with the outside environment, with particular attention to the “Corruption Indicators”.

Action undertaken in response to episodes of corruption in 2017 (CRI Standard 205-3)	No.
Episodes of corruption reported	1
Reports which have involved disciplinary measures for the employees	1
Reports which have involved legal measures	0

Action undertaken in response to episodes of corruption in 2017 (GRI Standard 206-1)	No.
Legal action against anti-competitive and monopolistic conduct	0

## Quality Policy (ISO 9001)

Our group has always been focused on the development of skills and solutions, and the provision of consulting and system integration services which permit our customers to transform the needs for change into growth opportunities. In order to achieve these objectives, it is necessary to develop work methods and processes capable of combining standardisation with flexibility and self-improvement capacities and it is necessary to maintain a highly competent, aware and motivated workforce.



For such reasons, Management has defined a new organisation and intends to implement a quality management system, according to the ISO 9001 international standard integrated with specific standards for the engineering of the software and the systems as well as for the assessment of the quality of the SW systems (e.g. ISO/IEC 12207, ISO/IEC 250nn).

The Quality Management System, based on an approach aimed at prevention of the non-compliances, is systematically monitored so as to assess its effectiveness also by means of the performance of internal and external audits.

The strategic objectives of the policy, which interact in a synergic manner, are:

- ensure that the needs of the customers are defined and met for the purpose of increasing the Customer Satisfaction and increasing their loyalty-retention;
- increase the understanding and the motivation of the personnel towards the company objectives and goals, and their contribution to the ongoing improvement of the organisation (Professional Satisfaction).
- improve the professionalism of the personnel and the use of the same effectively and efficiently;
- increase the competitive advantage of the company effectively and efficiently improving the operating results and the market shares;
- develop the ability to create value both via the optimisation of the costs and the resources and increasing the speed of response to the market.

In order to render the planning and the achievement of these objectives systematic and in order to make them visible for its Customers, besides ensuring its support and the use of all the financial and professional resources necessary, Management intends to provide tools and action aimed at encouraging the full adoption of the quality management system by all the individuals involved in the organisation and incentivise the contribution of each one to the ongoing improvement of the same.

## Customer relations

By means of a varied offer, Exprivia offers its solutions to private and public concerns of every size, tackling with the same the search for new business models laid down by the era of **Digital Transformation**:

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

Exprivia addresses very differentiated types of customers, private and public, of small, medium and large dimensions. In order to seize the opportunities which will come about with Digital Transformation, during 2016 Exprivia carried out a survey aimed at perceiving the outside (sample of customers of the companies, 110 selected with 70% responding) and internal sentiment (employees and co-workers). This survey inspired the positioning of the company by means of the launch of appropriate Strategic Marketing initiatives. From the perception of the underlying values of the choice of the customers, the survey revealed that Exprivia is considered to be:

- reliable and competent
- a guarantee of success
- with employees of value
- a solid player
- focused on the customer with made-to-measure solutions
- with a good quality/cost ratio
- flexible



## Policies overseeing the aspect

In the business activities and in the relationship with its customers, specifically in the commercial practices, Exprivia is guided by substantial ethical values. It has endowed itself with a **Code of Ethics**, which identifies all the values which represent social ethics, the guiding principles, as well as the fundamental directives which the social activities and the conduct of all the company population must comply with, within the sphere of the respective responsibilities and in relation to the position covered within the business organisation.

## Main associated risks

In this context, and in relation to the materials aspects which characterise the same, the main risks associated with the commercial and customer relations activities concern:

Risks related to dependence on its customers

Exprivia offers services to companies operating in different markets: Banking & Finance, Oil & Gas, Telco & Media, Utilities, Industry, Aerospace & Defence, Healthcare and Public Sector. The revenues of the Group are well distributed over a broad customer base but, nevertheless, the withdrawal of certain leading customers from the portfolio could have impacts on the economic, equity and financial situation of Exprivia.

### Risks associated with contractual commitments

Exprivia develops high value solutions with a high technological content and the related underlying contracts may foresee the application of penalties for the observance of the stipulated terms and quality standards. The application of these penalties could have negative effects on the economic and financial results of Exprivia. Exprivia has, therefore, taken out insurance policies with leading insurance companies, considered adequate to safeguard itself from the risks arising from professional liability (so-called policy covering "all IT risks"). Should this insurance coverage be insufficient and Exprivia be required to pay for damages amounting to higher than the envisaged limits, the economic, equity and financial situation of Exprivia could suffer significant negative effects, in line, moreover, with risk parameters for the entire sector.

### Risks related to internationalization

In its internationalisation strategy Exprivia could be exposed to typical risks deriving from the performance of business at an international level, which include changes in politics, macro-economic outlook, taxation and/or regulations, as well as currency variations. Nevertheless, Exprivia is considerably active in foreign markets, where the country risk is considered under control and minor.

### Risks related to competition

Exprivia competes in markets consisting of companies that are typically rather large, which means remaining competitive depends on economies of scale and adequate pricing policies. Exprivia mitigates this risk with continuing research and development, encouraged by the near-shoring centre of Molfetta, where it is possible to have access to human resources that are always in line with trends in the sector, especially considering the vicinity of universities and other centres of competence and the extensive collaboration with them.

### Credit risk

Exprivia does not have significant concentrations of credit risk except for work carried out in the Public Sector, where delays are recorded mainly due to the payment policy adopted by public bodies. They often do not respect the conditions set forth in contracts but, nevertheless, they do not lead to the risk of bad debts.

Exprivia also manages this risk by selecting counterparts considered to be solvent by the market and with high credit standing. Periodically all the loans are subjected to an analytical valuation for each customer, proceeding to the devaluation in cases in which an eventual loss of value is expected.

## Supplier network

### GRI indicator 102-9

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

With the exception of a few cases relating to the management of the physical spaces (security, cleaning, etc.) or vertical functions (accounts auditors, administrative consultants, telephony, etc.), Exprivia operates with suppliers who work in the same sector as the company, or rather in Information and Communication Technology" (ICT), handled according to

high quality standards. Exprivia guarantees its suppliers fair remuneration for the activities and the observance of payment times, in exchange for a commitment for ever increasing quality and efficiency.

All the suppliers are subject to a qualification process: suppliers and sub-contractors, at the time of candidature, undertake to observe the principles and values which are indispensable for Exprivia, examining and accepting the 231 Model and the Code of Ethics.

As from 2018 and also in the wake of the matters already implemented over the last few years by the subsidiary Italtel, Exprivia intends to carry out activities aimed at additional integrity checks vis-à-vis the suppliers, for the purpose of ensuring that in the counterparties there is the complete observance of the principles of integrity and reputational reliability, legality and ethics.

The ethical standards which inspire this initiative are those ratified by the **United Nations Global Compact** and pertain to the respect for human rights and working conditions, the protection of the environment and business ethics, aspects which already represent the reference of the Exprivia Code of Ethics.

## Guidelines for supplier assessment and selection

All the Exprivia suppliers are subject to a periodic assessment and qualification process, according to SGQ, with particular reference to the **Procurement Procedure**.

Exprivia procures goods and services from suppliers present on the Qualified Suppliers List. The suppliers are divided up into three classes:

- Approved suppliers
- Suppliers approved with due reservation
- Unapproved suppliers

The activities for the qualification of the suppliers involve an initial assessment for the purpose of introducing new suppliers in the List of Suppliers approved with due reservation and a periodic assessment, within the first quarter of the year following that of reference, which makes it possible to establish the permanence or otherwise of the supplier within one of the three classes making up the **Qualified Suppliers List**. When there is the need to introduce a new supplier, the Purchasing Unit carries out an initial qualification, requesting all the documentation, for the purpose of noting the regularity thereof. The qualifying documentation required includes:

- D.U.R.C., contribution compliance certificate, which makes it possible to check in real time, the contribution compliance of a company vis-à-vis Inps, Inail, sector funds;
- DVR and declaration of general safety liabilities, as per Italian Legislative Decree No. 81/08;
- Copy of a PCL policy (professional liability), not mandatory but considered to be a preferential element in the supplier selection process.

## Supply indicators in accordance with sustainability

For the purposes of sustainability and in relation to the procurement process, during 2017 Exprivia took steps to divide up the procurements by significant venues and divide up the procurements by purchase category (consulting, HW, SW, other), using only suppliers compliant with Italian Legislative Decree No. 81/08 (DUVRI and/or DVR - risk assessment documents).

### Breakdown by significant venues (GRI 204-1)

Exprivia has identified its significant venues in North, Central, South and Islands, Abroad. The following table highlights the incidence of the volumes of the orders to suppliers, by significant venue:

Venue	Incidence of the volumes on the areas
North	26.7%
Central	14.9%
South and Islands	4.1%
Abroad	2.1%
Other (*)	52.1%

(\*) Indicates the total procurements which do not find specific placement in the significant venues because they have a transversal cost irrespective of the venue.

#### Breakdown of procurements by category of purchase

The following table highlights to breakdown of the afore-mentioned total orders by category of purchase:

Consulting	Hardware	Software	Other
38%	20%	35%	8%

#### Compliance with Italian Legislative Decree No. 81/08 (DUVRI and/or DVR - risk assessment documents)

The following table indicates the number of suppliers which are compliant with the documents relating to Italian Legislative Decree No. 81/08 (Consolidated Work Safety Law):

Total suppliers in 2017	Doc. 81/08	% of total suppliers
232	57	25%

Where Doc. 81/08 (Consolidated Work Safety Law) is understood to be the number of suppliers which have replied positively to the request of the Purchasing Unit to send the DVR and the DUVRI, having taken into account that the **new process for qualification of the supplier and periodic assessment** which envisages the request for the DVR and, in any event, the documents pertaining to Italian Legislative Decree No. 81/08, is in force as **from July 2017**.



# **Environment, Health and Safety**



## Environment, Health and Safety

### GRI indicator 102-29

Aware of the importance which the **safeguarding and protection of the environment** takes on, since it firmly believes that the quality of the environment affects the quality of life and economic development, Exprivia has decided to voluntarily comply with the **UNI EN ISO 14001** standard defining and implementing an Environmental Management System compliant with the requirements of said standard.

An **Environmental Management System (SGA)** has been implemented and is active, ensuring a systemic approach to the ongoing improvement of the environmental performances and indirectly the reduction of the applicable risks.

In 2007 Exprivia obtained certification of the SGA for its Molfetta production site in accordance with the ISO 14001 standard, maintaining validity to-date. The Energy Diagnosis for the Molfetta site carried out in 2015, in accordance with Italian Legislative Decree No. 102/2014 "Energy Efficiency" is also valid.

Likewise, the **safeguarding of health and safety** are of fundamental importance for the respect of human rights in relation to key aspects such as the protection of the physical safety of the individuals, the relationships with the communities and the observance of the principles such as the right to life, health and freedom of expression.

In compliance with the provisions as per **Italian Legislative Decree No. 81 dated 2008** and any other legislative provision in connection, Exprivia undertakes to protect the workplace safety and health of the individuals, adopting all the measures necessary and opportune for ensuring the absolute compliance of the workplaces with the highest standards regarding safety and hygiene.

### Significance for Exprivia's activities

Exprivia is an IT services company, whose production processes involve human intensive features on which the human production factor prevails rather than the machinery. Its sensitivity with respect to health and safety in the workplace aspects and environmental matters, and in particular the problems posed by climate changes at global level, is however high.

The Company is aware of the fact that, for the purposes of the effectiveness of any far-reaching corporate responsibility strategy, it must undertake activities aimed at the assessment of the environmental impact, so as to be able to act so as to ensure the maximum respect for the environment. For this purpose, Exprivia has carried out a process aimed, on the one hand, at identifying the main impacts of the business processes, the infrastructures and the structures used, and on the other hand, at monitoring the environmental performances of its central headquarters in Molfetta. Since 2006 Exprivia has understood that the implementation of an Environmental Management System (SGA) would have made it possible to satisfy the afore-mentioned objectives, as well as facilitate the compliance with current environmental legislation and the ongoing improvement of the environmental performances.

Exprivia's environmental impacts are very limited and similar to those of office activities, therefore those most significant are essentially:

- production of waste from electrical and electronic appliances;
- production of waste relating to consumables for printing, (toner/cartridges);
- consumption of electricity and fuels used for heating and the generator;
- drinking water consumption;

environmental impacts deriving from the use of the company structures and infrastructures.

Specific environmental performance indicators have been defined so as to keep some of the afore-mentioned environmental impacts under control, as well as to monitor the achievement of improvement objectives.

The Exprivia Group has also always been involved in the development and promotion of the protection of health and safety in the workplaces.

It recognises the fundamental importance of protecting health and safety and ensuring the safeguarding and wellbeing of the workers and the third parties in all the activities care of its workplaces.

By means of a prevention and protection system ingrained in all the venues, the Exprivia Group has achieved significant results over the year, including a greater awareness among the employees with regard to the aspects of safety, a significant containment of accidents in the workplace and the prevention of occupational diseases.



## Main Associated Risks

Exprivia has defined a **Risk management process**, on the basis of the activities and the requirements established by the **ISO 31000** international standard which provides the principles and the general guidelines for the handling of any risk within any field of application and context. This Process has therefore been instantiated and contextualised within the Exprivia Group with respect to the various spheres including:

- environmental risks;
- risks associated with health and safety in the workplaces;
- risks relating to the security of the information;
- risks associated with the management of the SW projects and IT services;
- business risks at corporate level.

Exprivia uses a **FMEA (Failure Mode and Effect Analysis)** type method for the assessment of the environmental impacts, with which **Risk Priority Ratios (IPR)** are associated, calculated on the probability of occurrence of the effect, the seriousness and the notability of the effect. In the event of impacts with IPR values which exceed the defined significance thresholds, steps are taken to identify appropriate improvement objectives and goals which are based on specific environmental indicators.

The assessment of the risks is fundamental also for the effective handling of the safety and health in the workplaces and can be considered the passkey for limiting the accidents linked to work activities and occupational diseases. The correct assessment not only improves the health and safety in the workplace, but also increases the output of said company. The assessment of the risks involves a systematic examination of all the aspects of the work activities, aimed at establishing what may cause lesions or damages, whether it is possible to eliminate said damages and, in the event that this is not possible, which prevention and protection measures must be implemented to control the risks.

The assessment of the risks is regularly reviewed, on the basis of the nature of the risks, the degree of probable evolution of the work activities, in light of the investigation results consequent to an accident and "near miss" or any future law amendments.

The Exprivia Group mainly carries out activities of an intellectual nature, classified as low risk. Furthermore, the staff - in the activities performed care of the customers - is not involved in high risk activities and is not even exposed to specific diseases. The specific activities performed care of the customers do not introduce a deterioration of the risks of interference in the workplaces in which said activities are carried out.

## Policy for the Environment, Health and Safety

The main elements of the Environmental Policy adopted by Exprivia are:

operate in observance of all the laws, regulations and legislation applicable in the environmental sphere;  
inform, train and up-date the company staff so as to further responsibility and awareness with regard to the environment, as well as involve the same proactively in the implementation and improvement of the environmental management system;

monitor and assess the environmental impacts generated in the performance of its activities, understanding the effects and identifying the causes, with a view of ongoing improvement;

assess in advance the potential environmental effects of new processes and/or significant changes made to those already existing.

each employee, within the sphere of their work activities, is constantly informed, trained and made aware of the effect which their duties may cause to the environment. Therefore, each worker is required to pursue, insofar as they are responsible, the objectives which the organisation has established and which are listed below:

the waste produced must be reduced, recycled or reused as far as possible, limiting it to that strictly necessary for productivity, ensuring that it is disposed of safely;

the use of the energy resources and material must be constantly optimised for the purpose of rationalising the same;

sharing of the environmental knowledge, collaborating with the customers, the suppliers, the population and all the Bodies concerned;

ongoing improvement of the initial environmental performances.

In the spirit of ongoing improvement, the group defines and reviews from time to time the environmental goals and objectives, consistent with the mentioned policy. Each employee is responsible for observing this Environmental Policy which represents Exprivia's contribution in favour of future generations.

## Management Activities and Results

With regard to the SGA, the main improvement action of the environmental performances carried out over the last few years were:

technological innovation by means of the virtualisation of IT equipment in the areas for CED use;

monitoring of the consumption, implementation of performance indicators and objectives;

adoption of internal guidelines for raising awareness of consumption of paper for printers and energy for air conditioning and the lighting of the workplaces;

reutilisation of rain water - subject to purification treatment - for watering the company's green spaces;

use of jet reducers for wash basin taps in the restrooms;

In particular in 2017, the main improvement action of the environmental performances was the containment of the consumption and waste and optimum running of the air conditioning system in relation to the season and the working hours.

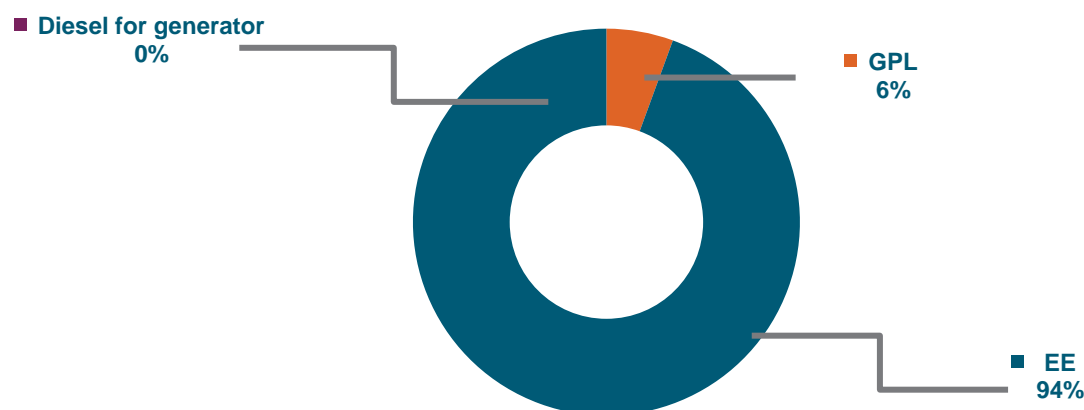


## Environment, surveys and trend in consumption

The subsequent consumption refers to the Molfetta headquarters of the Exprivia Group. Molfetta is the main headquarters of the Group, with the most significant environmental aspects and impacts since it is that with the greatest surface area coverage and equipped with the greatest number of plants.

Electricity (EE) was the primary energy vector for 2017 with a quota of 94% corresponding to 1,222 MWh (305.52 TEP), followed by LPG for heating (31,600 lt corresponding to 18.08 TEP) and Diesel for the generator (15 lt corresponding to 0.014 TEP) used only in the event of an electrical power cut.

### Breakdown of energy by type - 2017



The following table shows the five-year trend of total Energy, also expressed in terms of emission of tons of CO<sub>2</sub> (t CO<sub>2</sub>):

Total TEP / t CO <sub>2</sub>	2013	2014	2015	2016	2017
Total TEP	249	289	352	323	324
Total t CO <sub>2</sub> emitted	361	413	504	455	450
% Change CO <sub>2</sub>		14.4%	22.1%	-9.7%	-1.2%

In 2015, Electricity consumption increased considerably (> 20%) compared with that in 2014 as a consequence of the full operations of the new site in Via Agnelli which houses the staff involved in the provision of the Contact Center and BPO activities.

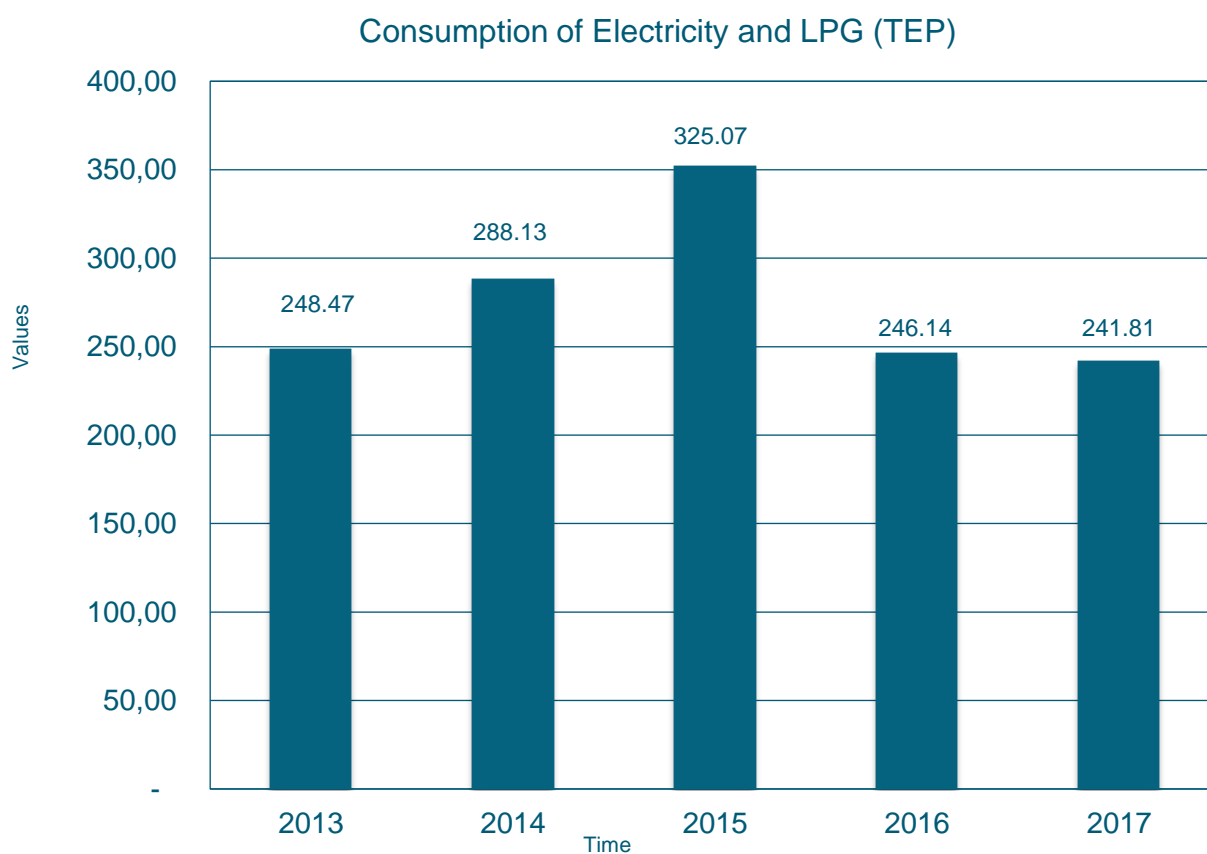
During 2016 - thanks to the consumption monitoring activities - activities were implemented aimed at the optimisation of the internal air conditioning system - which using LPG for heating and electricity for cooling - obtained by reducing the functioning hours of the plant in Via Olivetti by 18% during the working days so as not to exceed the working hours at the site, as well as more efficiently using the heating boilers (just 1 boiler in the event of external temperature higher than the threshold temperature). In 2017, a further saving in LPG was obtained, further reducing the running hours on Saturdays and Sundays thanks to the adoption of more efficient programming systems.

In any event, the rising trend in energy consumption is attributable to the settlement development of the site and the increase in company work activities; this condition can be inferred from the comparison between energy consumption in TEPs and days worked, which present an essentially decreasing trend.

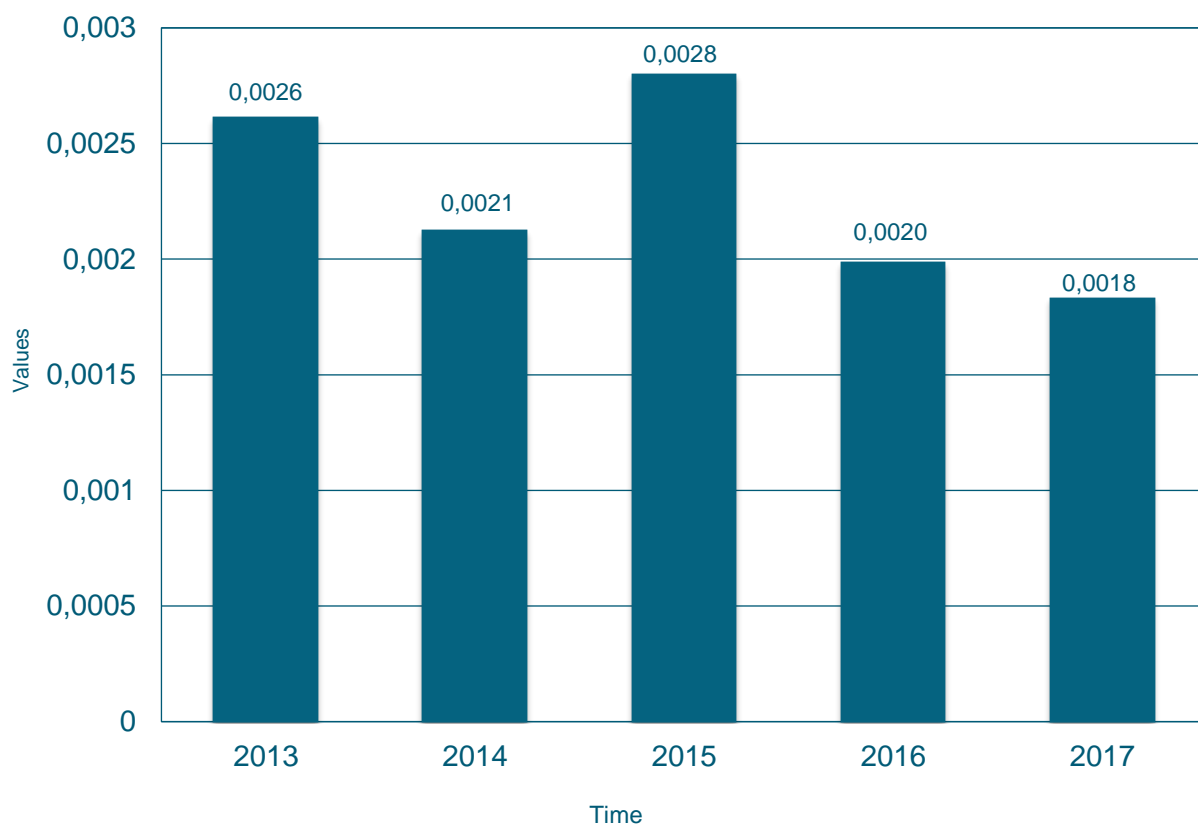
The following table shows the energy consumption for 2017 (GRI indicator 302-1), divided up by reference vector:

Energy vector	Consumption detected
Non-renewable sources (LPG for heating)	237.11 kJ
Diesel for generator	0.54 kJ
Electricity	1,222 MWh
LPG for heating	65.87 MWh

The following graphs express the consumption in TEP year by year, in absolute value and in relation to the days worked (**GRI indicator 302-3**) at the Molfetta site. The consumption reported in the following graphs is that relating to electricity and LPG used at the Molfetta site.



### Consumption in TEP of electricity and LPG/days worked

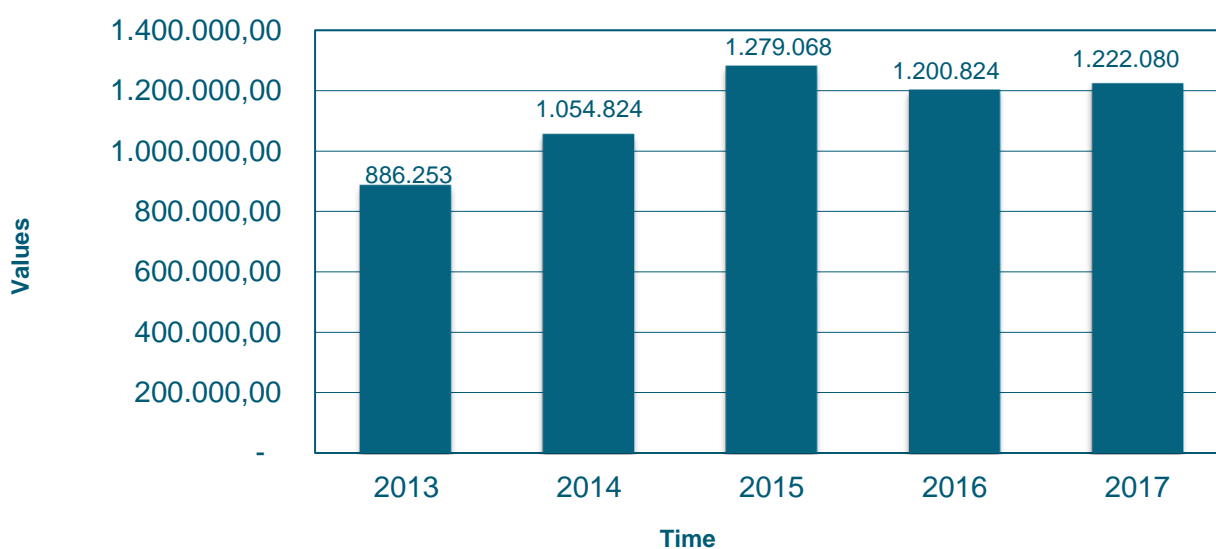


In 2016, the days worked at the Molfetta site decreased due to the suspension of the activities associated with the provision of the Contact Center and BPO services, consequent to the conclusion of an important contract; in 2017 the activities of the afore-mentioned services resumed.

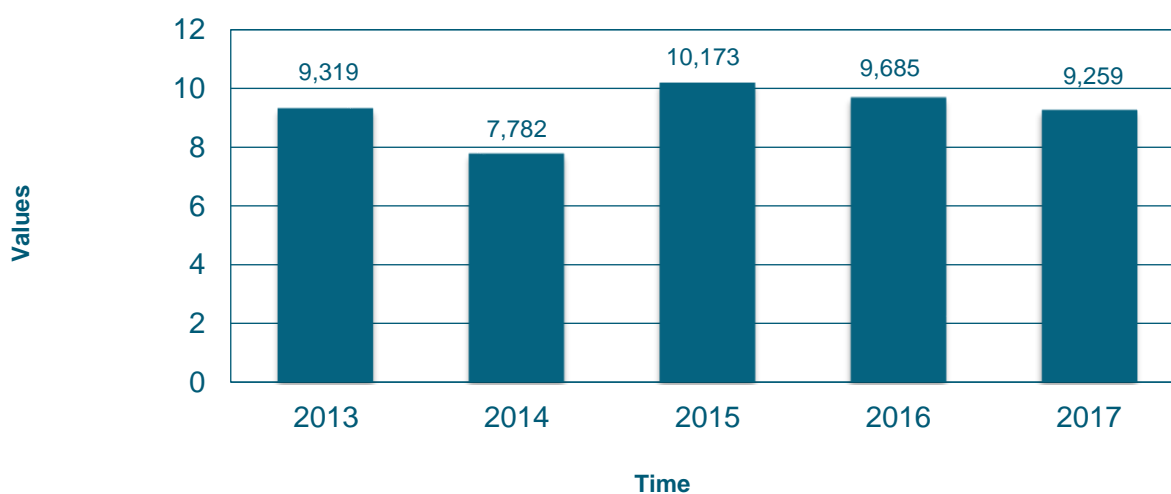
The change in the 2017 consumption with respect to that for 2016, compared with the 2016 consumption (**GRI indicator 302-4**) is equal to -1.76%, while the same deviation compared with the days worked is equal to -7.72%.

The following graphs by contrast show the trend in consumption divided up by type of energy vector used, by year of reference and commensurate to the days worked and the commercial sq.m. used (only for Electricity):

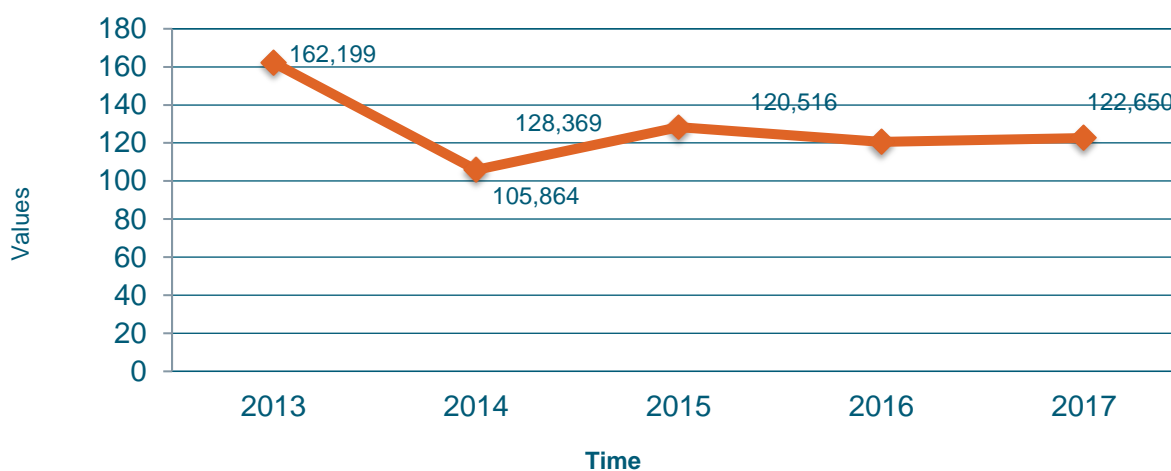
Electricity consumption (kWh)



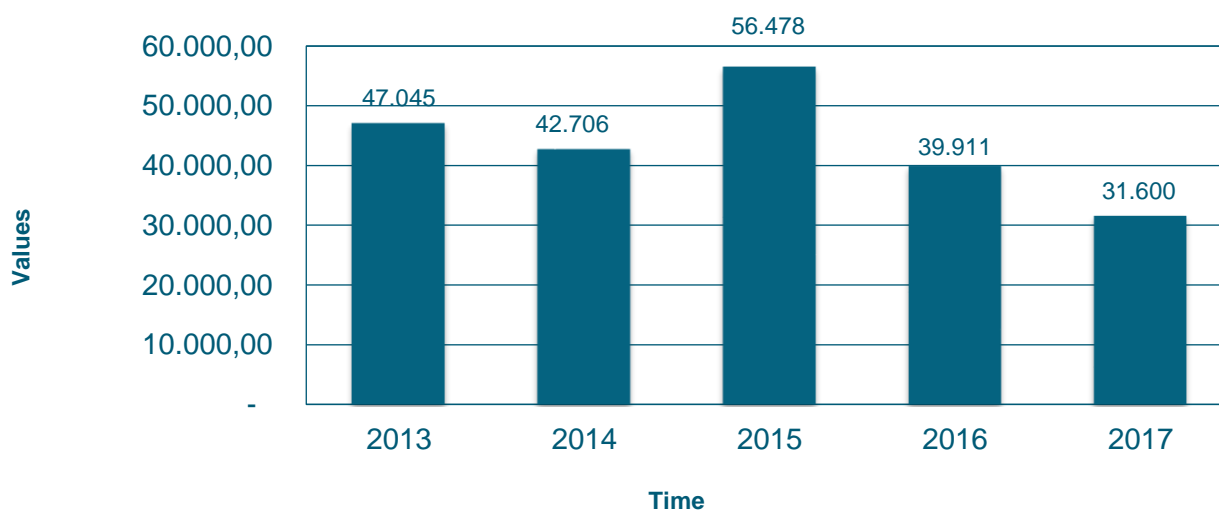
Electricity (kWh)/days worked

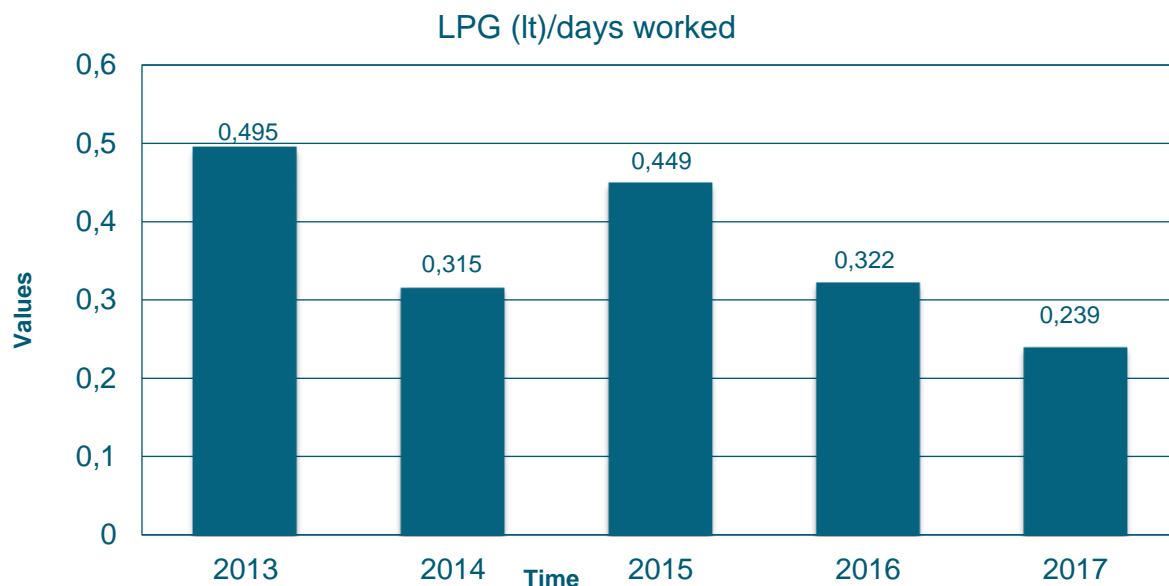


Electricity (kWh)/commercial sq.m. occupied



Consumption of LPG (lt)





The difference in the consumption of electricity for 2017 compared with that for 2016 is equal to +1.77%, the same deviation compared with the days worked is equal to -4.40%, while the comparison with the commercial sq.m. occupied is +1.77%.

The difference in the consumption of LPG for 2017 compared with that in 2016 is equal to -20.82%, the same deviation compared with the days worked is -25.63%.

## Paper for office use

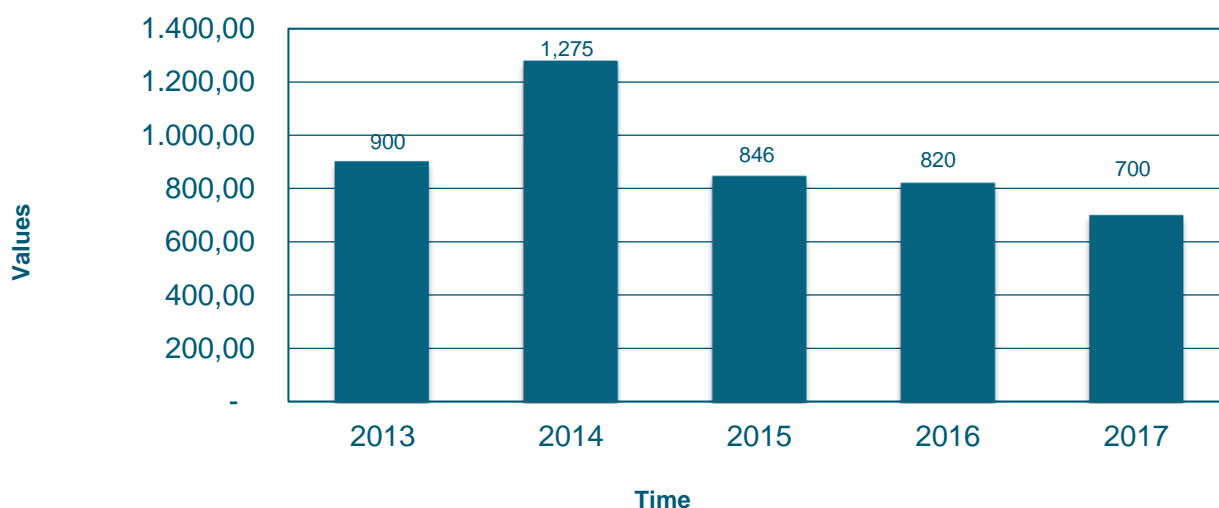
Office paper is used by Exprivia as paper for the printing of documents produced by the primary business, support and operational processes (e.g. technical/operational documents produced during the performance of the SW projects and the management of the IT services, profit/management plans for the services, quotes, etc.), as well as by all the business processes which envisage the printing of documents due to legislative compliance and/or due to explicit request of the stakeholders concerned. When possible the company tries not to print the documents out - using electronic versions - so as to reduce company paper consumption.

The number of packs of paper for office use acquired in 2017 for the Molfetta site has been measured. The packs used are those involving A4 format weighing 75g.

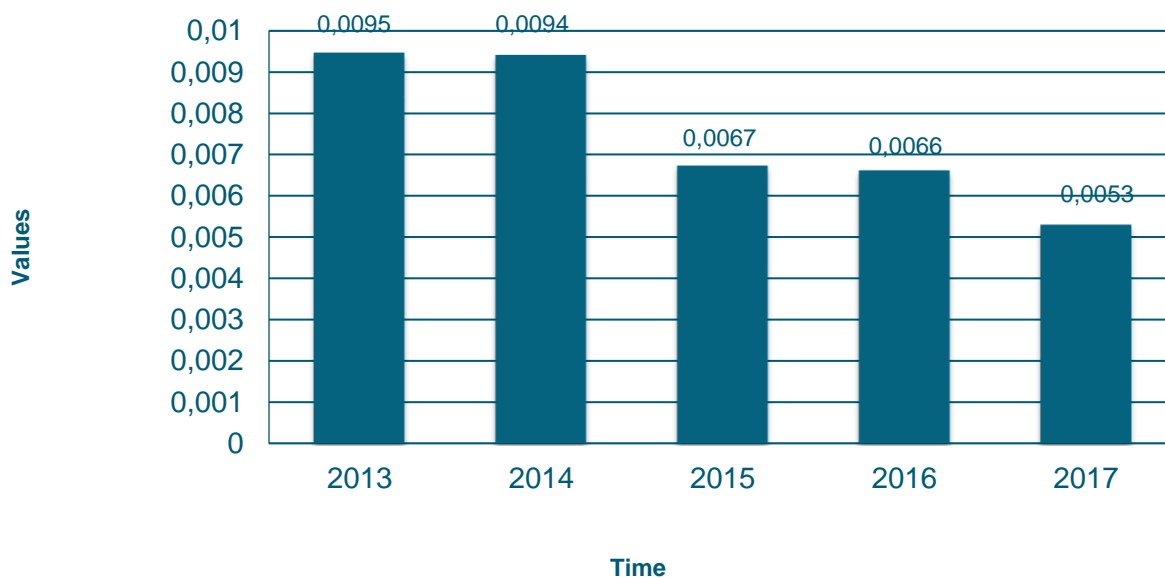
The weight of the paper for printing (**GRI indicator 301-1**) used in 2017 came to 3,286 Kg.

The following graphs show the consumption of packs of paper for printing, both in absolute value and in relation to the days worked, registered over the last few years for the Exprivia Molfetta site.

Paper consumption (No. of packs)



Paper consumption (No. of packs)/days worked



Paper consumption as from 2012 - and with the exception of 2014 when there was a peak in use associated with the services provided by the Contact Center and BPO - presents a decreasing trend both in absolute value and in relation to the days worked. With respect to 2016, consumption changed by -14.63% and with respect to the days worked by -19.81%. The reduction in paper consumption in 2017 is essentially attributable to the replacement of personal printers with centralised printers, which lead to greater attention by the company staff to the printing of documents only in the event of effective need.

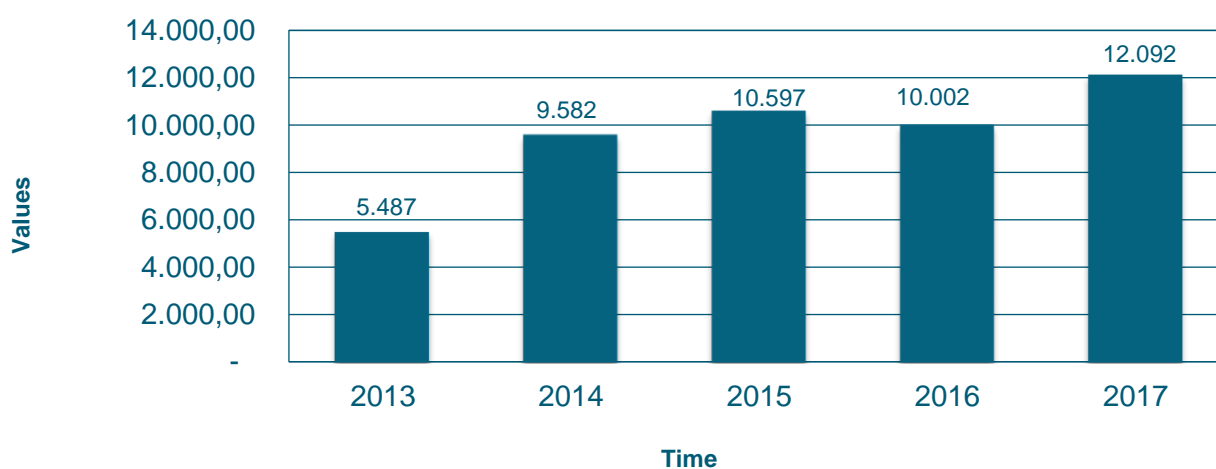


## Water

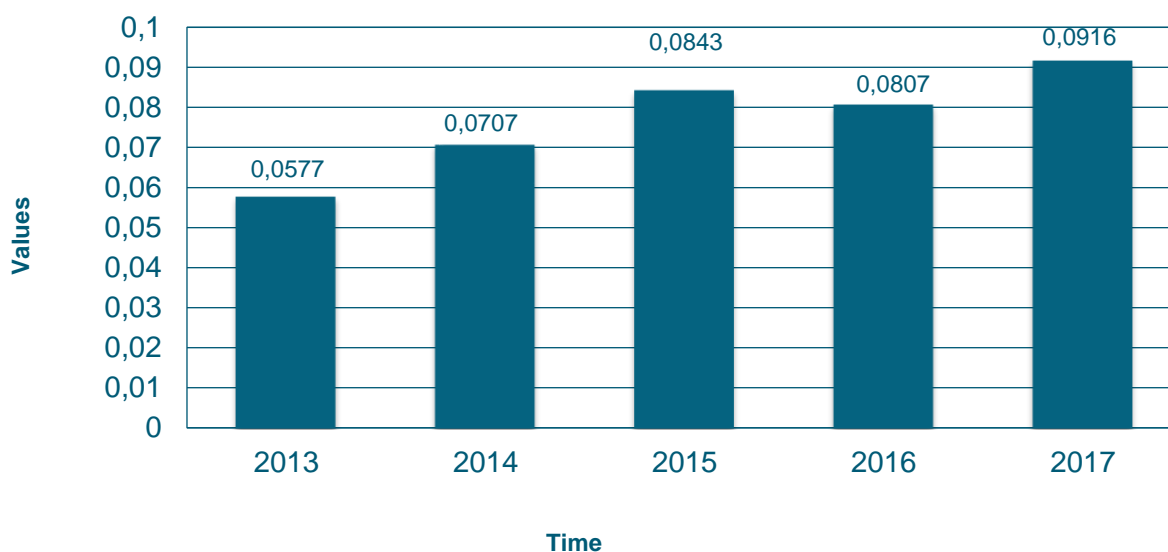
The consumption of water from the ASI water mains (**GRI indicator 303-1**) for 2017 was equal to 12,092 cubic metres, while the quantity of rain water reused for watering the company's green areas (**GRI indicator 303-3**) was equal to 90 cubic metres.

The following graphs show the trend in drinking water consumption by year, in absolute value and with respect to the hours worked at the Molfetta site.

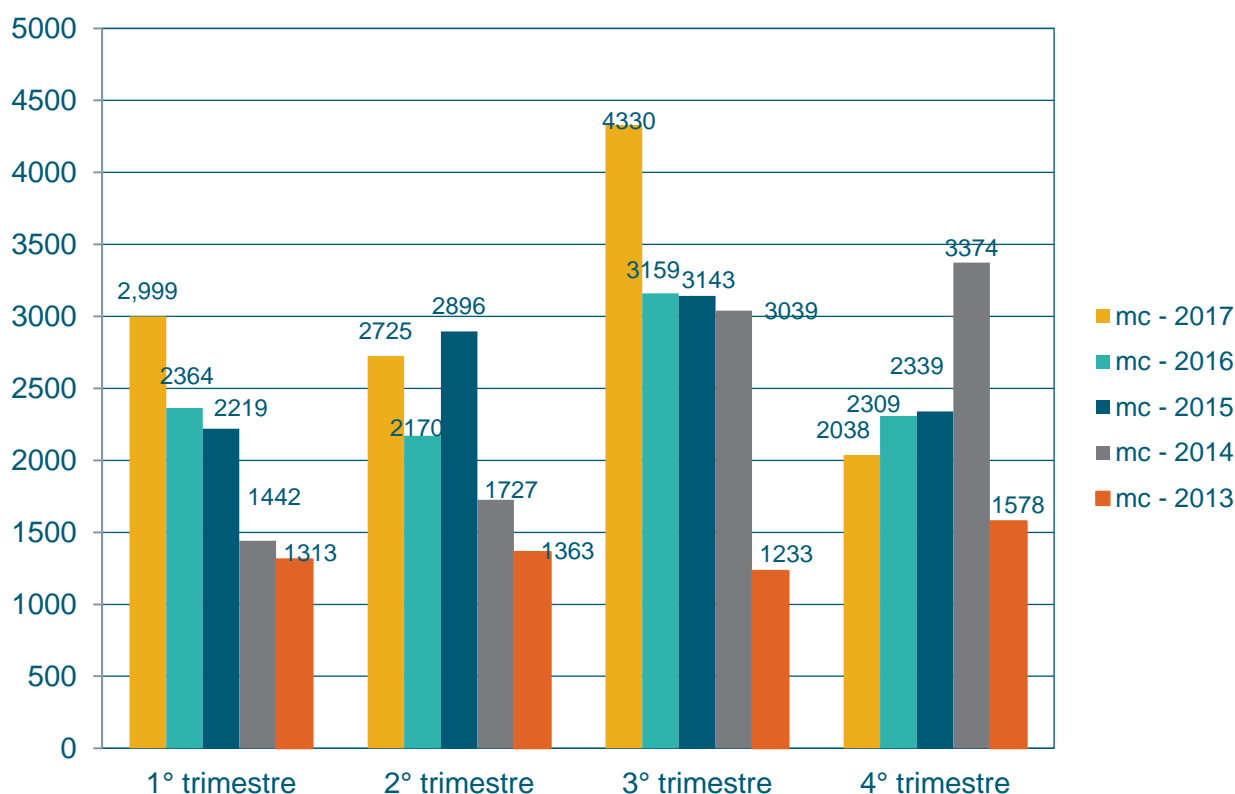
Water consumption (cm)



Water consumption (cm)/days worked



The following graph by contrast shows the trend of water consumption - for the last five years - by reference quarter.



Water consumption shows a rising trend since 2012, mainly conditioned by the natural obsolescence of the water plants and consequent losses. In fact, in 2017 a consistent underground loss was identified which increased the consumption of water by around 21% with respect to that in 2016. The difference in the consumption of **Water** for 2017 compared with that in 2016 is equal to **+20.90%**, the same deviation compared with the days worked is **+13.56%**.

## Greenhouse gas emissions (GHG)

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

The indicator measures the direct emissions of the organisation (e.g. fuels, chemical processes, process emissions, oxidations, fuel for heating).

In the case of Exprivia, the following emissions have been considered and measured for 2017:

Emission	Calculated value
Emissions in t CO <sub>2</sub> from consumption of LPG for heating	45.5
Emissions in t CO <sub>2</sub> from diesel for generator	0.04
Emissions in t CO <sub>2</sub> deriving from F-gas	11.5
<b>Total</b>	<b>57.2</b>

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

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

With regard to 2017, a value of indirect emissions equal to **404 t of CO<sub>2</sub>** was calculated.

### Scope 3 (Other indirect GHG emissions - GRI indicator 305-3)

The indicator measures the other indirect emissions which do not fall within scope 2 (e.g. emissions from the supply chain, business trips, home-work journey of employees).

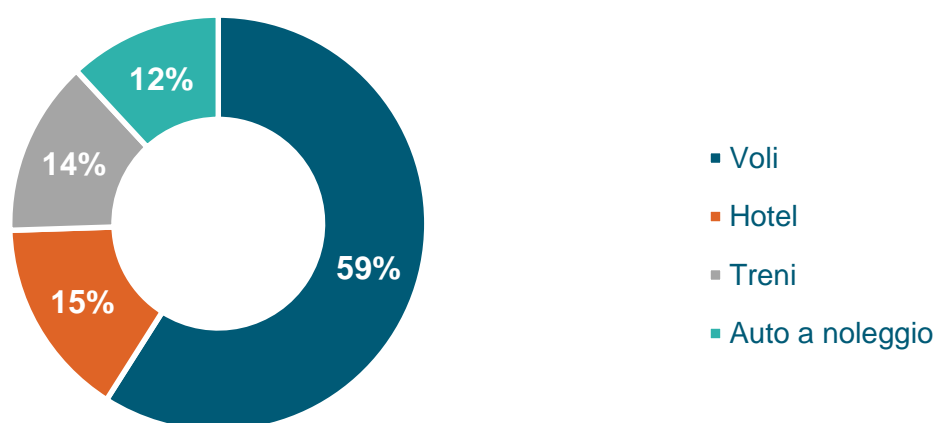
With regard to 2017, only the business trips were considered, and the journeys made by own or company vehicles were not contemplated in the calculation of the emissions but the company is equipping itself to take into account these in the coming years.

With regard to 2017, a value of indirect emissions equal to 382.15 t of CO<sub>2</sub> was calculated.

Exprivia pursues the reduction of journeys encouraging care of its employees the use of remote means of communication and work. Despite this, specific business needs force the staff to make business trips in Italy and abroad, so that the correlated emissions of CO<sub>2</sub> in 2017 came to around 381 tons of CO<sub>2</sub> (**GRI indicator 305-3**), representing around 45.18% of all the direct and indirect emissions associated with the activities of the company.

The following graph illustrates the breakdown of the CO<sub>2</sub> emissions associated with business trips:

### Breakdown of CO<sub>2</sub> emissions associated with business trips



It can be noted that the greatest portion of CO<sub>2</sub> emitted in relation to business trips is due to flights and represents 59% of the total.

The intensity of the GHG emissions in relation to the Exprivia staff (**GRI indicator 305-4**) comes to **0.185 t CO<sub>2</sub> /FTE**.

## Sewage and Waste

The only sewage produced by Exprivia is that from the waste water sewers deriving from the restrooms.

The estimated quantity of litres of waste water sent to the sewers (**GRI indicator 306-1**) from the Molfetta site in 2017 came to **It 84,550**.

Hazardous waste produced by Exprivia is mainly waste from electrical and electronic appliances deriving from the use of IT equipment (e.g. monitors, laptops, etc.). electrical and electronic equipment (e.g. UPS) and from company structures /infrastructures (e.g. neon for lighting).

In 2017 Exprivia produced around 100 kg of special hazardous waste (**GRI indicator 306-2**) due to the transfer of part of the company staff from the Trezzano site to the Castelletto site in Milan; the occasion of the transfer was seized to dispose of obsolete electronic equipment. The special hazardous waste was sent to suppliers authorised to dispose of the same.

## Occupational health and safety

In order to ensure an increasingly greater protection on the health and safety in the workplace sphere, Exprivia avails itself of a dedicated staff, employed in the assessment of the risk, in the planning and implementation of the training activities, in the active involvement of all the staff and in the performance of the operational monitoring activities. The Exprivia Group implemented numerous precise activities in 2017.

A programme was launched for the improvement and monitoring of the work environments which avails itself of specific instrumental measures (lighting measurement, microclimate, exposure to electromagnetic fields) carried out by qualified professionals.

The commitment continued in 2017 for the spreading of the safety culture with activities for raising awareness, informing, training and involving the staff.

The periodic inspections of the work environments and the emergency drills are important occasions for Exprivia for informing and involving the workers and their representatives in the risk assessment and prevention activities.

Once again this year, the company took part in events regarding health and safety in the workplace organised by INAIL and by the Italian Fire Prevention Association.

Within the sphere of the transformation of the company, further to the various acquisitions, a process was also carried out for the integration of the various prevention and protection services, for the purpose of harmonising the diversities in a single organisation model. In this sense, a sole prevention and protection service was created.

## Accident indices

The occupational accident phenomenon is measured according to indicators defined by the UNI 7429 standard which assesses the frequency and severity, as well as the forms of occurrence and therefore the possible causes.

The analysis of this phenomenon for the Exprivia group is indispensable for correctly preparing intervention plans, by the various parties involved, and for measuring the effectiveness of the actions undertaken in the future.

The main aims are:

- estimating the accident trend of a specific timing range and producing reports;
- disclosures on the trend of the phenomenon within the company;
- highlighting the intervention priorities of the prevention and supervision activities of the Services of the Company;
- checking the solutions adopted in relation to the accident trend;
- providing the company with support for the study of the phenomenon;
- furthering correct conduct by all.

The trend in the accident indices for 2017 follows.

Accidents suffered by employees (> 1 days of absence, excluding accidents to and from work)		
Accidents suffered by employees (> 1 days of absence, excluding accidents to and from work)	No.	2
- of which women	No.	1
- of which men	No.	1
Days lost due to accident	No.	25
- of which women	No.	12
- of which men	No.	13
mortal accidents	No.	0
Cases of occupational disease	No.	0
Hours worked	No.	3,427,704
Accident frequency index (per million of hours worked)		
Accident frequency index (including accidents to and from work)	No.	2.92
Accident frequency index (excluding accidents to and from work)	No.	0.58
- of which women	No.	0.29
Accident severity index (per thousand hours worked)		
Accident severity index (including accidents to and from work)	No.	0.09
Accident severity index (excluding accidents to and from work)	No.	0.01
- of which women	No.	0.00
Occupation disease index	No.	0
Average Days Lost	No.	12.50
2017 health supervision*		
Check-ups performed	No.	1,165

\*The figure is not currently available by individual venue and for the foreign companies the indicator is partially calculated.

The indicators confirm that the number of accidents occurring during 2017 should be considered to be low and with a severity and frequency index close to 0. The most frequent type of accident (80% of the cases) happens to and from work.

This indicates that the risk associated with the mere work activities in which the employees are daily employed is extremely low and due to unforeseeable accidents, independent from the specific work activities.

The result of the indicators is a solid indication that the work environment in which the work activities of the Exprivia Group employees are carried out is extremely protected and safe, partly thanks to the particular attention which the company pays to the aspect of internal safety.

## Consultations with the workers' organisations within Exprivia

The employer of the Exprivia Group, via the risk prevention and protection service, at least once a year holds a periodic meeting to discuss the aspects pertaining to company security.

During the meeting, the employer submits the following to the examination of the participants:

the risk assessment document (DVR);

the trend of the accidents and the occupational diseases and the health monitoring;

the criteria for the choice, technical characteristics and efficacy of the personal protection gear;

the information and training programmes for the executives, the supervisors and the workers for the purpose of safety and protection of their health;

codes of conduct and good practices for preventing the risks of accident and occupational diseases;

objectives for the improvement of the overall safety on the basis of the guidelines for a workplace health and safety management system.

The obligations which the Exprivia Group complies with also include that relating to the consultation of the Workers' Safety Representative (WSR) with regard to various extremely important aspects which concern the application of the afore-mentioned legislation concerning work safety.

The periodic meetings and consultation within Exprivia have dealt, during the last year, with the main and most important aspects concerning health and safety in the workplace. The aspects dealt with and the ratios of the matters discussed are presented below\*.

Risks	Unit of measurement	2017
Work-related stress risk assessment	%	35
General and Specific Risk assessment	%	30

Work equipment and environments	Unit of measurement	2017
Workplace analysis	%	15
Fire prevention	%	10
Common principles (training, organisation of workplace safety)	%	5
Work equipment and PPE	%	5

\* The ratio of the aspects dealt with shows the percentage of time involved with respect to the total which is equal to 19 hours for the 12 meetings held overall during 2017.



# Management of the human resources





# Management of the human resources

GRI indicator 102-8

## Significance for Exprivia's activities

The main material topics attributable to the management of the human resources are within the sphere of the valorisation of the human capital, quality employment and engagement.

The Exprivia individuals are a true strategic asset for the achievement of the company plans and objectives. The **human capital** has always been placed at the centre of the corporate interests, furthering the potential of each individual resource and providing incentive for the individual skills and capabilities. The continual discussion between managers and co-workers, always consistently with the business objectives, is the basis of the policy for developing the professional skills of the co-workers, which follows specific courses featuring meritocratic criteria.

## Associated risks

The main risk linked to the personnel is inherent to the ability of the company to maintain the talent, by means of management policies which make working for Exprivia attractive and motivating. The following sections provide an extensive example of the instruments adopted to implement these policies, such as for example **Smart Working** and **Company Welfare**.

## Exprivia staff: the significant numbers

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

A number of aspects inherent to the workforce of the Group as of 31 December 2017 are presented below.

It is hereby specified that the Exprivia Group described in the following sections of the document is made up of the following companies: Exprivia S.p.A., Exprivia Enterprise Consulting S.r.l., Exprivia Projects S.r.l., Exprivia Process Outsourcing S.r.l., Advance Computer Systems S.r.l. and Spegea S.C.A.R.L.. The companies abroad are not included in the scope of this analysis due to the reasons explained in the method notes.

The quantitative information provided refers to the employees in terms of headcount and they are not expressed as full time equivalents (FTE).

Furthermore, the information provided is considered to be sufficient for ensuring the comprehension of the management of the human resources carried out by the Group. Certain information associated with the reference GRI standards, if deemed sensitive for the business activities, has been omitted.

Total workforce	2017
Total employees	2,392
Of which IT professionals and managers	1,866
Of which BPO workers	526

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

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

## Geographical breakdown

Geographic areas	No. of employees	% of area
North	686	28.7%
Central	418	17.5%
South	1,288	53.8%
<b>Total</b>	<b>2,392</b>	<b>100%</b>
<b>of which IT sphere</b>		
North	686	36.8%
Central	418	22.4%
South	762	40.8%
<b>of which BPO sphere</b>		
south	526	100%

## Breakdown in terms of age

In 2017 the analysis of the age of the company population disclosed a clear predominance of the 30-50 years age bracket. The trend relating to the latest recruitment, however, evolves in favour of the under 30 bracket.

Age bracket	%
Under 30	9.3%
Between 30 and 40	39.6%
Between 40 and 50	35.0%
Over 50	16.2%
<b>Total</b>	<b>100%</b>
<b>Of which IT personnel</b>	<b>%</b>
Under 30	9.4%
Between 30 and 40	37.2%
Between 40 and 50	37%
Over 50	16.4%
<b>Total</b>	<b>100%</b>
<b>Of which BPO personnel</b>	
Under 30	8.8%
Between 30 and 40	47.9%
Between 40 and 50	37.8%
Over 50	5.5%
<b>Total</b>	<b>100%</b>

## Breakdown of gender in relation to qualification

### GRI indicator 405-1

The breakdown by qualification of the staff as of 31 December 2017 is 90% represented by professionals and 10% by managers. Women represent around 37% of total employees.

Breakdown of personnel	No. of employees	%
Men	1,518	63%
Women	874	37%
Of which IT personnel		
Men	1,349	72.3%
Women	517	27.7%
Of which BPO personnel		
Men	357	67.9%
Women	169	32.1%
Female presence		
Senior Managers/Middle Managers		4.5%
Professionals		95.5%
Of which IT personnel		
Senior Managers/Middle Managers		7.5%
Professionals		92.5%
Of which BPO personnel		
Senior Managers/Middle Managers		0.0%
Professionals		100.0%

Managerial positions by age bracket		2017
Under 30		0.4%
Between 30 and 40		7.2%
Between 40 and 50		51.3%
Over 50		41.1%
Of which IT personnel		2017
Under 30		0.4%
Between 30 and 40		7.2%
Between 40 and 50		51.3%
Over 50		41.1%
Professionals by age		2017
Under 30		10.3%
Between 30 and 40		39.1%
Between 40 and 50		37.5%
Over 50		13.1%
Of which IT personnel		
Under 30		10.8%
Between 30 and 40		37.7%
Between 40 and 50		36.4%
Over 50		15.19%
Of which BPO personnel		
Under 30		8.8%
Between 30 and 40		43.2%
Between 40 and 50		41%
Over 50		7%

## Employment contracts applied

4 types of National Collective Bargaining Agreements are applied within the Exprivia Group.

NCBA	Number of staff concerned
Mechanical engineering	1,816
Industrial executives	43
Telecommunications	526
NCBA professional training	7
<b>Total</b>	<b>2,392</b>

The Group adopts a stable employment policy for the workers, preferring permanent employment contracts and limiting the choice of temporary contracts solely to residual accessory term activities. More than 95% of the company population has a permanent employment contract.

The interest of Exprivia in terms of the acquisition of new talent, with a window always open to the University sphere, is further enhanced by the important activation of Apprenticeships.

Contract type	
Apprenticeship	45
Permanent contracts	2,239
Temporary contracts	108
<b>Total</b>	<b>2,392</b>



The qualification of Temporary Employees follows.

Temporary employees	
Senior Managers/Middle Managers	235
Professionals	2,042
Total	2,284
Of which IT personnel	
Senior Managers/Middle Managers	235
Professionals	1,544
Total	1,786
Of which BPO personnel	
Senior Managers/Middle Managers	0
Professionals	498
Total	498

## Turnover statistics

### GRI indicator 401-1

The table below shows the number of new recruits during 2017 by age bracket.

Recruits	%
Under 30	35.4%
Between 30 and 40	37.8%
Between 40 and 50	19%
Over 50	7.8%
Of which IT personnel	%
Under 30	40.4%
Between 30 and 40	39%
Between 40 and 50	12.8%
Over 50	7.8%
Of which BPO personnel	
Under 30	21.1%
Between 30 and 40	34.2%
Between 40 and 50	36.8%
Over 50	7.9%

The analysis of the recruits made in 2017 by qualification follows.

2017 Recruits	
Senior Managers/Middle Managers	8
Professionals	286
<b>Total</b>	<b>294</b>
Of which IT personnel	
Senior Managers/Middle Managers	8
Professionals	210
<b>Total</b>	<b>218</b>
Of which BPO personnel	
Senior Managers/Middle Managers	0
Professionals	76
<b>Total</b>	<b>76</b>

Distribution of newly recruited employees in 2017 within the Exprivia Group, by geographic area. Here as well indication is made of the incidence on the total of new recruits in the South of the BPO workers.

2017 Recruits		%
North	88	29.9%
Central	73	24.8%
South	133	45.2%
<b>Total</b>	<b>294</b>	<b>100.0%</b>
Of which IT personnel		
North	88	40.4%
Central	73	33.5%
South	57	26.1%
<b>Total</b>	<b>218</b>	<b>100%</b>
Of which BPO		
North	0	0%
Central	0	0%
South	76	100%
<b>Total</b>	<b>76</b>	

A table follows which places the venue of employment in relation to the residence declared by the employee. More than 60% of newly recruited employees reside in the same region where they are resident.

Geographical area	Recruits	Employee residence	%
North	88	53	60.23%
Central	73	55	75.34%
South	133	133	100%
<b>Total</b>	<b>294</b>	<b>241</b>	
<b>Of which IT personnel</b>			
North	88	59	67.05%
Central	73	57	78.08%
South	133	102	76.69%
<b>Of which BPO personnel</b>			
North	0	0	0%
Central	0	0	0%
South	76	76	100%

The turnover indicators (flow of incoming and outgoing individuals in 2017) taken into consideration are the following:  
**overall turnover rate**= (No. incoming during year + No. outgoing during year)/annual average workforce)\*100;  
**negative turnover rate** = (No. outgoing during year/workforce at start of year)\*100;  
**positive turnover rate** = (No. incoming during year/workforce at start of year)\*100;  
**turnover compensation rate** = (No. incoming during year / No. outgoing during year)\* 100.

**2017 saw 294 recruits and 237 leavers, for all the Group companies.**

Recruits	294
Leavers	237
Workforce at the beginning of the year	2,220
2017 average workforce	2,320
Overall turnover rate	22.88%
Negative turnover rate	10.68%
Negative turnover rate for just voluntary resignations	8.33%
Positive turnover rate	13.24%
Turnover compensation rate	124.05%

**Just IT personnel**

Recruits	218
Leavers	205
Workforce at the beginning of the year	1,742
2017 average workforce	1,745
Overall turnover rate	23.40%
Negative turnover rate	11.77%
Negative turnover rate for just voluntary resignations	9.41%
Positive turnover rate	12.51%
Turnover compensation rate	132.93%

Just BPO personnel	
Recruits	76
Leavers	32
Workforce at the beginning of the year	478
2017 average workforce	513
Overall turnover rate	21.05%
Negative turnover rate	6.69%
Negative turnover rate for just voluntary resignations	4.39%
Positive turnover rate	15.90%
Turnover compensation rate	237.50%

The interpretation of the ratios, and in particular the turnover compensation rate, highlights growth in the workforce, consequent to a value of incoming recruits higher than those outgoing.

In absolute terms, the number of leavers was significant in 2017, and was mainly affected by voluntary resignations. Nevertheless, in relative terms we can deem the rate to be within the limits of normality. Furthermore, the introduction of new individuals is more incisive and has permitted not only the compensation of the negative turnover, but also further growth in the company population, in response to the growth in the business turnover.

The overall figure of leavers, 237 in 2017, is broken down as follows: 78% for voluntary resignations; 12% due to natural expiry; the remaining balance for consensual terminations.

Staff leaving mainly concerned the North in the Milan venues with 43% of leavers, 29% in central Italy and the remaining 28% in the South.



## Motivational policies, engagement and welfare

### GRI indicator 401-2

Within the sphere of our renewal and change programmes, we felt the need and necessity to give the utmost attention to the wellbeing of the individuals. Exprivia People Care is the company welfare plan, launched in 2016, which enhances the total reward system by responding to a broader range of worker expectations and needs, not only financial. This project was created due to the company's sensitivity towards policies and tools that can achieve work-life balance, as well as maintain the purchasing power of the workers.

The Exprivia People Care plan involved the following measures:

**Supplementary company health policy** for all the employees which have the right to the same. The policy is paid in full by the company, therefore no contribution is requested from the beneficiary and it is extendable to the family unit (spouses and dependent children). It includes both the reimbursement of hospital costs and those for advanced diagnostics, specialist visits and diagnostic check-ups, including dental care.

**Ticket Restaurant** for all the employees. The luncheon vouchers are in electronic format and the value for all is Euro 7.00 daily, net. Important agreements have been activated, in these years of use, with large food sales chains, such as Coop and Lidl.

No more useless waste of paper, for paper vouchers and much more easy to use.

**Smartphones and SIMs** for permanent white-collar workers, apprentices and executives.

The Smartphones and the SIMs provided permit unlimited phone calls and surfing. It is an important step to improve our internal communication and that towards our customers.

**Flexible Benefit**, the company wished to supplement the amount of the benefit envisaged by Mechanical Engineering NCBA, with an additional benefit, for an overall total made available to the individual employees with the right of Euro 250 per annum; the handling and the spendability of the available benefit takes place via a platform made available by Easy Welfare, leading company in Italy in the management of company welfare. The employees have a wide range of services available to them.

The excellence of the Exprivia welfare plan has permitted it to achieve the prize for the "best welfare plan for Southern Italy" awarded in June 2017 by Easy Welfare.

During 2017, the Exprivia Group overall incurred the following amounts benefiting the company's population:  
 restaurant vouchers, total value of vouchers disbursed equal to around **Euro 2,300,000**;  
 a total value of flexible benefit disbursed for around Euro **369,000.00**;  
 health assistance, guaranteed by means of an *ad hoc* policy taken out with Previdir Fund, for a total value of Euro **243,000.00**, which covers both the employee and the dependent family members and which, as revealed by the data received from the analysis of the broker company, meant that the employees freely avail of medical services for a total amount of around double with respect to the premium paid to the insurance company, with an evident benefit, in terms of economic savings, protection and prevention of the health of each individual worker.

## Right to and protection of maternity

### GRI indicator 401-3

All the employees of the Exprivia Group are entitled to use parental leave in accordance with the provisions of the law. The company has always been careful of facilitating the work of its pregnant employees as much as possible; for example, care of the Molfetta headquarters, where there is an internal car park with a limited number of parking spaces, part of this has been granted to the employees and permits them to directly enter the company site, for the purpose of making the subsequent entry into the building easier.

The sense of belonging and the wellbeing present in-house is also perceived from the fact that in all the cases of staff on maternity leave, more than 99% of the women returned to work after having been absent for use of mandatory and/or optional maternity leave; there was a sole case of an employee who resigned.

In the following table, the figures also represent the working fathers who have used the paternity leave envisaged by the law.

Return to work and return rates after parental leave	2017
Employees with the right to parental leave	2,392
Of which women	874
Of which men	1,518
Employees who have made use of parental leave	225
Of which women	150
Of which men	75
Employees who during the year have terminated the period of parental leave and returned to work	224
Of which women	149
Of which men	75
Total return rate	100%
Total return rate - female personnel	99.33%
Total return rate - male personnel	100%

## Gender remuneration differences

### GRI indicators 405-2; 102-35

The incidence of the female population within the Exprivia Group stands at 37%. As already noted in other sections of the document, the human resources represent the main strategic lever for the Group which bases its activities on the intellectual support of each one.

Also in this sense, reasons do not exist for differentiating pay and benefits in terms of gender.

Retaining the loyalty of the internal resources, by turning to account the talent: this is the objective which Exprivia pursues, not only offering its employees a highly performing environment and active welfare policies, but also by means of a remuneration policy which envisages, in vital observance of the minimums envisaged by the reference NCBA, also the additional individual elements which reward the talent and the capabilities of the individual employees, excluding any type of discrimination.

Underlying all this, is the desire to recognise merit, a necessary element applied in the management of human resources, guaranteeing growth and company cohesion.

The remuneration analysis highlights the essential parity in pay between men and women within Exprivia.

The analysis of the remunerative part was carried out on the pay for December 2017; the overall averages were calculated on said remuneration and the rate of deviation due to qualification and gender was analysed.

Women/Men basic remuneration ratio	%
<b>Managerial positions</b>	
Women/men remuneration % ratio	-1.20%
<b>Middle management</b>	
Women/men remuneration % ratio	0.78%
<b>White-collar workers</b>	
Women/men remuneration % ratio	-10.50%

Note therefore that in the managerial positions there are no differences between genders. By contrast, with regard to the white-collar positions there is a difference just over 10% which clearly represents an important point for improvement.

## Training

### GRI indicators 404-1; 404-2

The human resources represent a true strategic resource for Exprivia for consolidating and increasing its competitive edge. In order to turn to account the human capital, Exprivia makes suitable tools and professional growth opportunities available, ensuring the objectives of quality and innovation of the products and services provided to the Customers.

Exprivia constantly encourages its workers to achieve levels of excellence, extending their technical and management skills while not neglecting motivation, sense of belonging and responsibility. The high level of professionalism of the individuals who work within Exprivia has permitted it to obtain clear recognisability in Italy and internationally. For such purposes, the staff training courses are designed for the purpose of facilitating the Individuals in the achievement of ever increasingly challenging goals achieving successful performances.

The significant growth of the company has also involved the **training** area, which must guarantee the level of professional compliance of the personnel with the current and future market. The training programmes, what is more, envisage measures for developing organisational conduct and measures that increase technical knowledge and skills to support technological innovation and development programmes.

The training programmes are planned in close association with the needs of the market and innovation investment.

Training within Exprivia is also achieved thanks to the presence in the Group of the **Corporate Business School Spegea**, accredited in Italy by the management schools. Its presence within the Exprivia group makes it possible to:

continuously renew the wealth of abilities and skills of the human resources as a strategic asset; adopt increasingly innovative training methods and models, thanks to the constant attention of the Corporate School to the innovations within the reference market.

The training programmes provided in 2017 within Italy were focused on:

development of technical-specialist skills;

development of managerial capacities;

disclosure of knowledge/culture on aspects consistent with the investments of the Business Plan;

training fulfilments on legislation, for a total of 4,860 hours;

actions to further knowledge and spread awareness with regard to the observance of the rules of conduct;

training action It. Leg. Decree No. 81/08: training for workers and updating of appointed figures;

training actions on company management systems (ISO 20000, ISO 27001, ISO 22301, ISO 9001) for a total of 1,828 hours;

specific training actions for the business unit which sees to Business Process Outsourcing (BPO), in particular within the sphere of the Contact Center activities for a total of 7,597 hours.

In 2017, net of the training hours provided in the legislation, management systems, seminars and contact centre sphere, mentioned above, a total of 12,870 training hours were provided involving 284 participants. A summary Table is provided below.

Area of intervention (macro-area)	Total hours	Men	Women	Total
Specialised technician	9,714	164	53	217
Managerial	2,570	3	48	51
Languages	490	8	5	13
Other	96	1	2	3
<b>Total</b>	<b>12,870</b>	<b>176</b>	<b>108</b>	<b>284</b>

Particular

attention is paid to the aspect of training costs: in fact, all the possible sources of funding are used thereby guaranteeing the sustainability of the investments. Over the last three years, the initiatives supported by the **interprofessional funds**, such as **Fondimpresa** and **Fondirigenti**, tripled. Additional sources of funding used were the funds of the **European Social Fund** via Public Notices.

## Professional certifications

The certifications in the IT sector make it possible for each business unit to have a wealth of objective and measurable professional skills, ensuring their customers the certification of the technical abilities of the individuals involved in the projects. Furthermore, for the purposes of participation in tender calls, it is indispensable to be able to avail of and rapidly handle all the company and individual certifications.

In 2017, 129 certification exams were taken. The wealth of certifications to-date numbers 1,638.

## Connection with the education and training system

As in the past, once again in 2017 Exprivia invested in the continuous links with school institutions and universities in the areas in which it operates, establishing exchanges in terms of experience and skills with **Schools, Universities, Polytechnics and Research centres**, fully aware of its role with respect to innovation and opportunities which it can generate for young diploma holders, undergraduate students and graduates.

This collaboration materialises in:

school/work alternation projects, for a total of 8 initiatives which involved 8 schools and 120 students, with a total of 6,885 training hours;

projects carried out with **Universities and Polytechnics**, by means of work experience for degree thesis, postgraduate internships, research doctorate or advanced training apprenticeship initiatives for the purpose of combining research within the sphere of a three-year company course, in close connection with the reference market.

## Appraisals and careers

### GRI indicator 404-3

The System for Performance Review in Exprivia represents the starting point for the construction of an integrated "**performance management**" system which makes it possible to plan, formalise, assign and share growth objectives. The System for Performance Review is based on the appraisal of:

Professional Technical Objectives (quantitative objectives): formulated to measure the individual performance with respect to the typical activities of the unit, ability in developing the market, ability in managing the team;

Skill Objectives (qualitative objectives): formulated to guide the conduct in developing new skills or experimenting new abilities.

Exprivia also launched a pilot project entitled Professional Skills Development Programme: Career Planning, by means of which it maps the company population so as to achieve the following objectives:

identify professional growth development routes in harmony with the objectives of the organisation and the needs of the reference market;

plan the growth of our individuals in an aware and transparent manner;

identify and maintain potential talent.

The models described above are currently applied on an experimental basis in a business unit with the purpose of extending it as soon as possible to the company population which operates within the core business of the Company.

The following is presented in the table below:

percentage of the resources which receive an annual appraisal and for which also a career path is envisaged  
percentage of resources who have changed role further to the professional growth path from career plan

	2017 workforce- IT staff		% Resource - Annual career path appraisal			% Resources - professional role change		
Gender	Employee	Senior Manager	Employee	Senior Manager	Total	Employee	Senior Manager	Total
Men	85%	15%	5%	8%	5%	16%	0%	12%
Women	92%	8%	4%	10%	4%	11%	0%	9%
Total	87%	13%	5%	8%	5%	14%	0%	11%

During 2017, what is more, an important investment was launched for the purpose of adopting a new HCM disclosure

platform, for the digitalisation of the human resources management processes. The new system will make it possible to obtain a further improvement: in the effectiveness of the processes linked to the management of the human resources (Recruiting, Training, Performance Management, Talent Management), in the ability to analyse data and intercept the macro-phenomena so as to more fully guide the policies and the same processes in relation to the business objectives, in the specific reporting of the process and make summary KPI available for supporting the decisions of Company Management. The suite will also be available on a mobile support.

## Senior management

### GRI indicator 202-2

Definition of senior manager: an individual which has a professional length of service of more than 15 years

Geographic definition of Local: North, Central, South

Definition of significant location operation: *senior manager who has been guaranteed employment in the geographic area they belong to (analysis assessed with respect to the residence of the senior manager)*

The distribution of the senior managers with respect to the "Geographical Local" follows:

Gender	Women				Men				Total
Geographical area	North	Central	South	Total	North	Central	South	Total	
Senior Manager	3		1	4	21	10	8	39	43

The distribution of the senior managers with respect to the "significant location operation" follows:

Gender	Women				Men				Total
Geographical area	North	Central	South	Total	North	Central	South	Total	
Senior Manager	3		1	4	21	9	8	38	42

## Smart working

Smart Working takes on the form of a **new approach to company organisation**, where the individual needs of the worker balance, in a complementary manner, those of the company.

Reconcile, innovate and compete are the three different objectives, apparently antithetical, of this new way of carrying out the employment relationship characterised by the lack of working hours or spatial restrictions and by an organisation of the work reconciling with the personal and work requirements of the employees.

In order to implement this innovative vision of the organisation of work a culture characterised by the following is fundamental: sharing of values and principles of trust and transparency; widespread communication, collaboration, accountability and decision-making autonomy, as well as a growing focus on the results.



Expriia has created a series of activities aimed at implementing this manner of work. It has equipped itself with **internal regulations**, and has launched an **experimental project lasting 18 months** (from 1 July 2016 to 30 June 2017, then extended until 31 December 2017).

Organisation policy	Training
Place of work "as <i>external</i> ": other than the venue of employment (residence or domicile of the worker or another public or private location identified by the employee which complies with the protection of security, confidentiality and compatibility with the service carried out)	In the initial experimental stages, all the staff with a role of responsibility were involved for the purpose of clarifying, sharing and defining measurable objectives for Smart Working
Applicable for 2 days a month, no more than 1 day a week and never consecutive (e.g. Friday - Monday). Working hours: the service is carried out to the extent of 75% during ordinary contractual hours (e.g. 6 hours of Smart Working between 9am - 6pm)	All the Smart Working workers are guaranteed suitable information and specific training with regard to SSL.

During the experimentation, a maximum percentage of resources were involved equal to **10% of the company population**, which concerned just the Italian venues. The resources involved in the experimentation, further to the approved internal process, for 2017 came to **123** equal to around **10% of the eligible resources**:

123 resources, of which 78 men and 45 women;

47 resources "over 40" and 12 resources "over 50"

110 qualified as "White-collar" and 13 qualified as "Middle Manager"

The samples of resources involved in the smart working revealed that each employee involved in order to get to work (there + back) on average travels **67 km** a day and spend **69 minutes**. The datum with reference to the individual venues follows.

Venue	Total resources	Km (there + back)	Average time travelling
Milan	34	79	88 minutes
Rome	9	36	63 minutes
Trento	3	48	48 minutes
Molfetta	68	66	61 minutes
Vicenza	4	82	79 minutes

As a result of the Smart Working days availed of, during 2017 (January - December) **109,850.52 Km** were saved and 1,885 hours (equal to around 235 business days) with a decrease in CO2 emission by around 23,725 Kg.



## Industrial Relations

### GRI indicator 102-41

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

2017 was characterised by the preparation and the launch of the trade union discussion for the signing of a second level agreement in the holding company.

Particularly important was the meeting at MISE between Company Management and the Trade Unions for the purpose of presenting the possible evolution of the Exprivia Group also with reference to the Italtel acquisition transaction and the transaction for the merger via incorporation (known as Digital One) of the companies Exprivia Healthcare IT Srl, Exprivia Telco & Media Srl and Exprivia Digital Financial Solutions Srl in Exprivia SpA.

During 2017, other aspects were also disclosed such as the collective closures and funded training courses.

With regard to the scope of the Group which pertains to the Contact Center and BPO market, during 2017 a process was completed within the subsidiary Exprivia Process Outsourcing S.r.l. (EPO) for the employment of 259 employees who worked on the contract awarded to said company on behalf of the outgoing supplier.

The afore-mentioned process was handled by means of various trade union phases carried out care of MISE in the presence of the Trade Unions, with the aim of the employment safeguarding of the personnel belonging to the outgoing supplier; the social value of the operations is even greater if one considers that EPO was not subject to legislative restrictions which impose the "social clause" (which occurred only by means of legislation after the tender - Art. 1.10 of Italian Law No. 11/2016).

In a meeting held care of MISE, with the aim of finding solutions for ensuring the workers an improved planning of the work shifts, an agreement was entered into which envisaged an increase in the employment levels at the Palermo site as well as a handling of the work peaks by means of recourse to workers employed care of the Molfetta site.

During 2017, various meeting were held with the RSAs of Exprivia Projects with the aim of sorting out a number of organisational/operational problems which had affected the staff operating at the Molfetta site. In the majority of the cases solutions were found which contributed to the improvement of the organisation of the work care of the site and restored wellbeing to the workers.

Agreements were entered into with the RSAs for the launch (in 2018) of a funded training course concerning sales techniques and team building (intended for employees with Team duties).

## Labour Management Relations

### GRI indicator 402-1, Minimum notice periods regarding operational changes

In relation to this indicator, the Group took steps complying with the NCBA in force and applied (Mechanical Engineering and Telecommunications) and the legislation which disciplines contractual institutes which affect the organisation of the work and said workers. Therefore, the communications were always handled in observance of the timescales envisaged by the afore-mentioned legislative sources.





**Relationships with the areas**



## Relationships with the areas

### GRI indicators 102-12; 102-13

Exprivia considers the maintenance of relations with the areas in which it has important venues in terms of size and heritage, as decisive for its activities. In particular, these spheres are broken down in correct communication and marketing and dispute settlement practices, relationships and shared value with the communities.

Exprivia is aware that due to the dimensions it has achieved, the quality of its customers and its co-workers, it plays a leading role for the community in which it is inserted, and develops initiatives aimed at collaboration and interaction with the area.

### Main associated risks

The characteristic risk of the relationships with the communities and areas is essentially reputational. This risk may derive from the negative reputation vis-à-vis third parties (customers, partners, counterparties, shareholders, investors, public administration authorities) and may influence the ability of the company to maintain or increase the customer base.

Furthermore, this risk may also influence the ability of Exprivia to attract talent (especially youngsters) by means of its dealings with academic and educational circles.

### Policies overseeing the aspect

Exprivia is part of a close-knit network of participation in area bodies and organisations, both at national and at more local level. It has annual plans drawn up and supervised, by a specific unit in the organisational structure, for the handling of sponsorships, membership contributions and charitable donations.

Every form of planned support is consistent with the strategic policies defined for the various types of company business and with the area support needs.

The process therefore starts from the business plan, to then translate into an annual master plan supported by a specific budget which is approved by senior company management.

## Management activities and results

### The network of participation

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

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

Exprivia is a member of **networks of businesses and universities, permanent consortiums and temporary joint ventures** of various interest for the area, generally aimed at the performance of research and development activities, facilitation of young entrepreneurs and business innovation. Some of the most qualifying collaboration dealings are presented below:

**Cefriel** limited liability consortium is a consortium company in operation since 1988 as a centre of excellence for innovation, research and training in the Information & Communication Technology sector. Its main goal is to strengthen relations between universities and business through a multidisciplinary approach, starting from business needs and integrating the results of research, the best technologies on the market, emerging standards and the reality of industrial processes to innovate or develop new products and services. Exprivia acquired a 5.78% share.

**Italy Care**, a consortium which Exprivia is part of since 2013, represents a consolidated and effective expression of the healthcare services chain with the aim of optimising results and investments in healthcare. In the mission of Italy Care the push towards internationalization plays a fundamental role. Promoting a winning image of the health supply chain well beyond the national borders is in fact an essential objective of the consortium.

**Distretto Tecnologico "DHITECH"**, based in Lecce, intends to develop and integrate an interdisciplinary cluster for nanosciences, bioscience and infoscience according to the guidelines of the seventh framework programme and national research plan.

**Distretto Tecnologico Nazionale per l'Energia "DiTNE"**, based in Brindisi, it was formed to provide support for research in production sectors in the field of energy, to encourage technology transfer needed by national and

international players in the sector, and to favour connections between the worlds of research, production of goods and services, credit and the territory.

**Distretto H-BIO**, “**Distretto tecnologico pugliese salute dell’uomo e biotecnologie**”, based in Bari, develops its operations in the strategic areas of products for molecular diagnostics and integrated diagnostics, treatment and rehabilitation products and bioinformatics products.

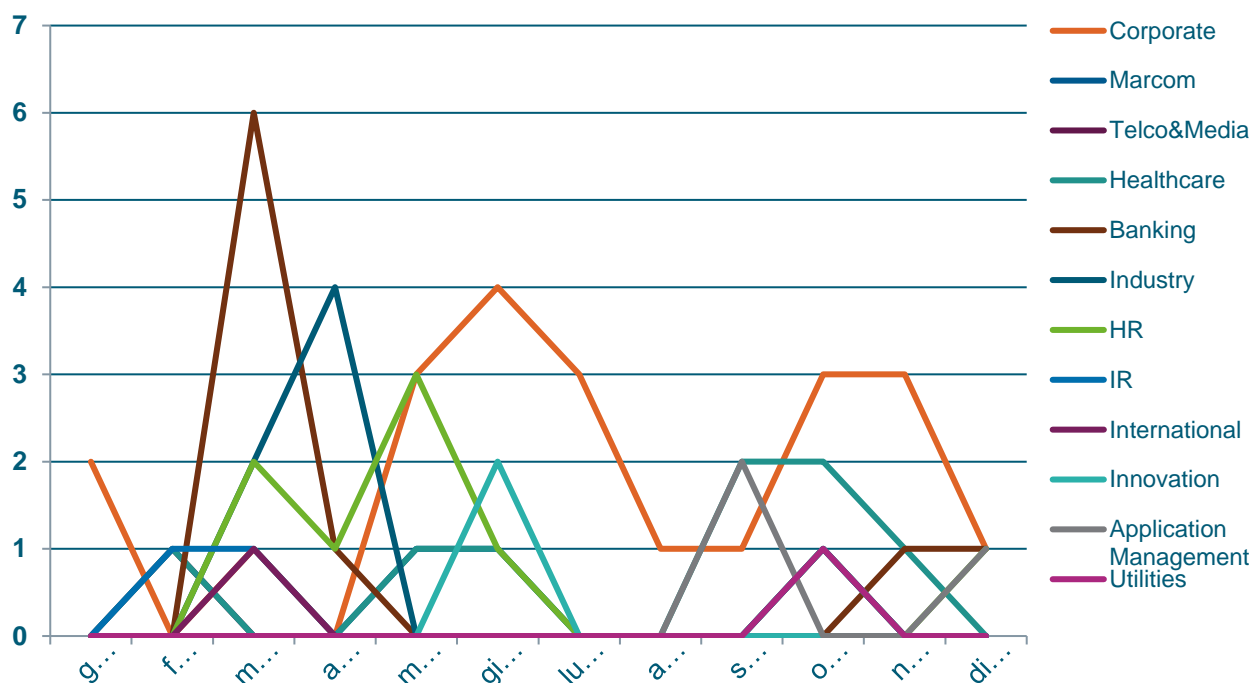
**Consorzio SI-LAB** is a consortium for Service Innovation emerging from the MIUR funding project for new public and private laboratories. It combines both companies and universities in Puglia, and will operate in clusters with similar laboratories in Calabria and Sicily. The SI-Lab focus is on the integration of supply chain services, which will be tested in the field of health services.

**Regional Agri-food District "D.A.Re."**, cons. at r.l. based in Foggia, it represents the interface for the technological transfer of the research system from Puglia to the agri-food system. It provides services to encourage technological innovation, through the management of complex projects related to industrial research and precompetitive development.

**Consortium Biogene**, established for the development of the project called "Public-private laboratory for the development of integrated bio-information tools for genomics, transcriptomics and proteomics (LAB GTP)".

**Company at r.l. "DAISY - NET"**, established with the aim of undertaking initiatives suitable for the development of a Technological Competence Center on I.C.T., divided into a network of Regional Competence Centers.

Exprivia is involved in the support for initiatives at national and local level aimed at strengthening its link with the area and that of the co-workers. During 2017, it supported numerous **project or convention-related activities**, structured by area of interest and by business sector:



During 2017, Exprivia characterised its commitments to support **initiatives with a social impact by means of Culture** in order to emphasize the importance of culture, also for a technological company. The consideration of the art, history and philosophy in the dynamics of the present represents an authentic element of social innovation, in a context in which, increasingly often, the language of culture permeates the company management processes, providing substance to the vision of the future.

Culture, Knowledge and Sport further innovation and vice versa, therefore it is Exprivia's conviction that each company has the duty to imagine and plan the future and, when possible, anticipate it. Innovating with continuity, thanks to the research and development activities, the companies contribute towards the wellbeing of all the stakeholders, first and

foremost the areas in which the company operates. Innovation means attention to and care of the values which encourage the development of business, which facilitate it and which generate benefits which are not only strictly economic.

Exprivia supports numerous cultural and sporting events of national importance. It is also the sponsor of initiatives aimed at developing the culture of the co-workers and employees as well as the citizens in the areas in which it operates.

Among the most significant initiatives which Exprivia supported in 2017 mention is made of the following:

**Lezioni di Storia** in the Bari and Milan editions, of the publisher Laterza

([https://www.laterza.it/index.php?option=com\\_content&view=article&id=1662:le-lezioni-di-storia-in-unapp&catid=108:news-eventi](https://www.laterza.it/index.php?option=com_content&view=article&id=1662:le-lezioni-di-storia-in-unapp&catid=108:news-eventi))

The **Trento Festival of Economics**, focused on the aspect of “unequal health”

(<https://2017.festivaleconomia.eu>)

**Trani Dialogues**, which generate debate, analysis, discussion. Their peculiarity is the “plurality”. Dialogues between various languages and disciplines. An initiative conceived with the aim of furthering and divulging culture in its different forms. The initiatives proposed range from education to reading and listening of music, the organisation of theatrical performances, the realisation of exhibitions.

(<http://www.idialoghiditrani.com>)

ORTI (Osservatorio Relazioni Territorio Imprese) Round Tables, for Puglia, Lombardy and for Italy

(<https://www.osservatoriorti.com>)

**Ti fiabo e ti racconto**, festival of performances and animation for the city, which has the objective of permitting children and adults to re-appropriate places, from the city centre to the suburbs, thereby encouraging generational dialogue.

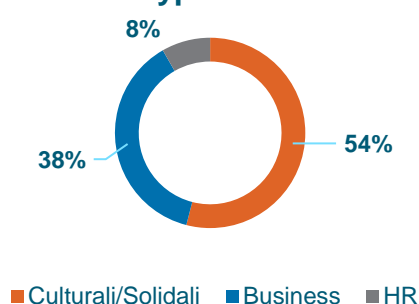
(<http://www.tifiaboetiracconto.it/2017/programma.html>)

**Festival delle Storie Italiane**, organised by the Ghigno bookstore in Molfetta, which brings the discussion with the authors out into the streets of the city, involving citizens and the civil production system.

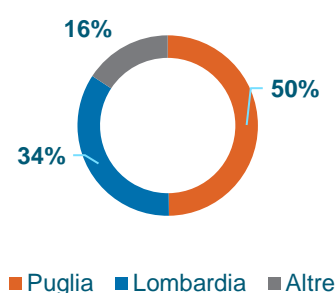
**Scuola senza zaino**, initiative which furthers the casting off the school bag providing the students with a light briefcase for homework, while the classrooms and the various areas are decorated with functional furnishings and equipped with a great variety of teaching instruments, both *touch* and *digital*.

(<http://www.senzazaino.it>)

Events/Sponsorships by type



By Geographical area



# GRI link table

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<b>Effluents and Waste</b>	GRI 306-1	Water discharge by quality and destination	51
	GRI 306-2	Waste by type and disposal method	51
<b>Employment</b>	GRI 401-1	New employee hires and employee turnover	63-68
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	69
	GRI 401-3	Parental leave	70
<b>Labour/Management Relations</b>	GRI 402-1	Minimum notice periods regarding operational changes	76
<b>Occupational Health and Safety</b>	GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	51
<b>Training and Education</b>	GRI 404-1	Average hours of training per year per employee	71-73
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	71-72
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	73-74
<b>Diversity and Equal Opportunity</b>	GRI 405-1	Diversity of governance bodies and employees	59-60
	GRI 405-2	Ratio of basic salary and remuneration of women to men	71

## Report by the Independent Auditors

GRI indicator 102-56







## Relazione della società di revisione indipendente

sulla dichiarazione consolidata di carattere non finanziario ai sensi dell'art. 3, c. 10, d.lgs. 254/2016 e dell'art. 5 regolamento CONSOB n. 20267

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

Ai sensi dell'articolo 3, comma 10, del Decreto Legislativo 30 dicembre 2016, n. 254 (di seguito "Decreto") e dell'articolo 5 del Regolamento CONSOB n. 20267, siamo stati incaricati di effettuare l'esame limitato ("*limited assurance engagement*") della dichiarazione consolidata di carattere non finanziario della EXPRIVIA S.p.A. e sue controllate (di seguito il "Gruppo") relativa all'esercizio chiuso al 31 dicembre 2017 predisposta ex art. 4 del Decreto, e approvata dal Consiglio di Amministrazione in data 15 marzo 2018 (di seguito "DNF").

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

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

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

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

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

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

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

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

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BDO Italia S.p.A. - Sede Legale: Viale Abruzzi, 94 - 20131 Milano - Capitale Sociale Euro 1.000.000 i.v.

Codice Fiscale, Partita IVA e Registro Imprese di Milano n. 07722780967 - R.E.A. Milano 1977842

Iscritta al Registro dei Revisori Legali al n. 167911 con D.M. del 15/03/2013 G.U. n. 26 del 02/04/2013

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## Responsabilità della società di revisione

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

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

In particolare, abbiamo svolto le seguenti procedure:

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

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

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





Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo Exprivia, a livello di Capogruppo:

- a) con riferimento alle informazioni qualitative contenute nella DNF, e in particolare a modello aziendale, politiche praticate e principali rischi, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
- b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati;
- c) per Exprivia S.p.A. abbiamo effettuato visite in loco nel corso delle quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

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### Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che la DNF del Gruppo Exprivia relativa all'esercizio chiuso al 31 dicembre 2017 non sia stata redatta, in tutti gli aspetti significativi, in conformità a quanto richiesto dagli articoli 3 e 4 del Decreto e dai GRI Standards.

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### Altri aspetti

I dati comparativi presentati nella DNF in relazione all'esercizio chiuso il 31 dicembre 2016, non sono stati sottoposti a verifica.

Bari, 30 marzo 2018

BDO Italia S.p.A.  
  
Francesco Demonte  
Socio