

TXT e-solutions S.p.A.

CONSOLIDATED

NON-FINANCIAL STATEMENT

as at 31 December 2023

pursuant to Italian Legislative Decree 254/2016

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## 1 REFERENCE CONTEXT

### a) Message from the Chair of the Board of Directors

The introduction of the Consolidated Statement of a non-financial nature (hereinafter also "NFS" or "Non-Financial Statement"), in implementation of Italian Legislative Decree 254/2016, has encouraged the directors and company management to pay even more attention to the impacts that the Group's business generates in the short and long term on the economy, environment and people, including impacts on human rights.

2023 was marked by a global macroeconomic context of great uncertainty and subject to geopolitical developments, most recently in the Middle East, which further complicated the international situation. On the other hand, the growth in inflation slowed during the year compared with 2022, partly as a result of the reduced pressure on energy prices. There was also a positive trend in the digital market in 2023, with higher growth in the ICT services, digital content and advertising, and ICT software and solutions sectors.

Nevertheless, the military tensions, which show no sign of an imminent resolution, dominate economic forecasts for 2024 and make it hard to predict future scenarios, threatening a new rise in oil prices and inflationary pressures.

The changing national and international socio-economic scenarios require all operators to adopt a strategic vision that takes increasing account of the three dimensions of sustainability (economic, environmental and social), in order to safeguard the expectations of stakeholders, ensure continuity and create lasting prosperity for all.

The TXT Group's development plan is therefore focused not only on responsible business conduct, but also on sustainable development and active contribution to the prosperity of the environment in which it operates, to the benefit of all its stakeholders.

*(Enrico Magni - Chair of the Board of Directors)*

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## b) Introduction

Italian Legislative Decree 254/2016 implements Directive 2014/95/EU of the European Parliament and Council of 22 October 2014 governing the “disclosure of non-financial and diversity information by certain large undertakings and groups”.<sup>1</sup>

TXT e-solutions S.p.A. (hereinafter “TXT”), as set out in Italian Legislative Decree 254/2016, is the subject required to prepare the Consolidated Non-Financial Statement for the year 2023, in that it is the:

- “Parent company” of a “large group” listed on the Milan Stock Exchange (Star segment) and therefore classifiable as a Public Interest Entity (PIE);
- During the current financial year, the TXT Group (TXT e-solutions S.p.A. and fully consolidated companies) has had an average number of employees exceeding 500; at 31 December 2023 it had total balance sheet assets of more than € 20 million.

This Non-Financial Statement has been prepared in compliance with Italian Legislative Decree 254/2016 and subsequent supplements. The methodological note (section 5.a) illustrates the principles adopted for the preparation of this document in compliance with the GRI Standards published by the Global Reporting Initiative (hereinafter “GRI”) and updated in 2021.

Moreover, it should be noted that, from next year, the TXT Group will return within the scope of application of the new European Corporate Sustainability Reporting Directive (Directive 2022/2464/EU, also known as the “CSRD”) and the associated Italian Legislative Decree transposing it, which has not yet been published. Among its new rules, this regulation introduces new ESRS standards for the reporting of non-financial information.

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<sup>1</sup> On 28 November 2022, the new European Corporate Sustainability Reporting Directive (CSRD) was approved, amending and supplementing existing reporting obligations. The application of the CSRD for companies already subject to the Non-Financial Reporting Directive 2014/95/EU will take place from the reporting year 2024 (publication 2025).

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### c) The year in brief

In 2023 the TXT Group operated through two Divisions:

- **TXT Aerospace, Aviation & Automotive:** focused on software for the aerospace, aeronautics and automotive industry and the digitalisation of industrial production processes, where it offers specific products and specialist engineering services;
- **TXT Fintech:** offers software testing and quality services for banking companies, as well as compliance and digital payment products.

TXT e-solutions is an international leader in the provision of software products and strategic solutions in dynamic markets that require a high degree of specialisation and a capacity for innovation. TXT is focused on software for the aerospace, aeronautics and automotive sectors, where it offers specific products and specialist engineering services, and for the banking sector, where it focuses on software testing and quality services. Listed on the Milan Stock Exchange since July 2000 and included in the Star segment, TXT has its head office in Milan and offices in Italy, Germany, France, the UK, Switzerland and the United States.

In 2023, the TXT Group went through a corporate reorganisation, achieved through the following operations:

- the transfer of a business branch of the company TXT e-solutions to its subsidiary TXT E-tech S.r.l.,
- the merger of Cheleo S.r.l. and Novigo Consulting S.r.l. into the new company TXT Novigo S.r.l.
- the merger of TXT e-solutions Sagl and MAC Solutions SA, thus creating TXT e-Swiss.

All these corporate changes took effect on 1 January 2023.

In addition, a number of acquisitions and investments were completed by the Group last year, as part of its plan to increase its offer of innovative smart solutions.

On 23 January 2023, the share capital increase in the innovative start-up LAS LAB S.r.l. was subscribed, by virtue of which TXT holds a 33% minority stake in the company's share capital.

On 13 April 2023, a contract was signed to increase the share capital in Simplex Human Tech S.r.l., an innovative start-up aimed at driving innovation in the insurance sector. Thanks to this investment, TXT now holds 15% of the company's share capital.

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On 4 December 2023, a contract was signed for the acquisition of 100% of the share capital of FastCode S.p.A., with the consolidation of its results on the same date.

On 15 December 2023, a contract was signed for a capital increase in PayDo S.p.A., an innovative fintech specialised in the payments industry, thanks to which TXT acquired a 16.67% share in the company's capital;

On 20 December 2023, a contract was signed for investment in Arcan S.r.l., an innovative start-up working with artificial intelligence for the development of software products, with TXT now owning 51% of the company.

Detailed information on the activities carried out by TXT and its subsidiaries, on the performance for the year and on the results achieved in terms of economic and financial performance and the new corporate structure is provided in the section of the Annual Financial Report.

#### d) Corporate Information

The parent company TXT e-solutions S.p.A. is a legal entity organised according to Italian Law. The ordinary shares of TXT are listed on the electronic circuit of the Milan Stock Exchange - MTA - STAR segment. The registered office of TXT e-solutions S.p.A. is in Cologno Monzese, via Milano 150.

TXT and its German subsidiary PACE participate and collaborate with leading industry associations and their activities, which support and guide the future growth of the aerospace, aeronautics, defence and automotive industries. More specifically, these include:

- ABI Lab, Centro di Ricerca e Innovazione per la Banca
- Aerospace cluster Lombardia
- Associazione Tecnica dell'Automobile
- Associazione Fabbrica Intelligente (AFIL) Lombardia
- Cluster Tecnologico Nazionale "Fabbrica Intelligente"
- Berlin-Brandenburg Aerospace Allianz
- German Aerospace Industries Association
- Hanse-Aerospace
- Hamburg Aviation
- VR/AR Association

## e) Reporting scope

The reporting scope of the Non-Financial Statement coincides with that of the Consolidated Financial Statements for the year ended 31 December 2022 (except as detailed below), thus not including figures related to the acquisitions made in 2023.

The following are therefore included in the scope: the parent company TXT e-solutions S.p.A. and the subsidiaries PACE GmbH (Germany), TXT Next Sarl (France), TXT Next Ltd (UK), TXT e-Swiss S.A. (merger of MAC Solutions SA and TXT e-solutions Sagl (Switzerland), PACE America Inc. (USA), Txt Risk Solution S.r.l. (Italy), TXT Assioma S.r.l. (Italy), Assiopay S.r.l. (Italy), HSPI S.p.A. (Italy), TXT Working Capital Solutions S.r.l. (Italy), TXT Quence S.r.l. (Italy), TeraTron GmbH (Germany), TXT Novigo S.r.l. (merger of Novigo Consulting S.r.l. and Cheleo S.r.l., Italy), LBA Consulting S.r.l. (Italy), Ennova S.p.A.<sup>2</sup> (Italy), Smarteasy S.r.l. (Italy), TXT E-tech S.r.l. (Italy), P.G.M.D. Consulting S.r.l.<sup>3</sup> (Italy), DM Management & Consulting S.r.l.<sup>4</sup> (Italy), Soluzioni Prodotti Sistemi S.r.l.<sup>5</sup> (Italy), Butterfly S.r.l. (Italy), Tlogos S.r.l.<sup>6</sup> (Italy).

The companies TXT Next Sarl, TXT Next Ltd and PACE America Inc. have been excluded from the scope of environmental reporting, consistent with the provisions of art. 4 of Italian Legislative Decree no. 254/2016, according to which the Consolidated Statement can exclude from the Statement those companies which, even if included in the consolidated financial reporting, are not necessary for an understanding of the Group's business, its development, its results and the impact produced by the business itself. In fact the socio-economic and environmental impacts of these companies are considered insignificant

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<sup>2</sup> Ennova S.p.A, a company acquired by the TXT Group in the second half of 2022, and its subsidiary Smarteasy S.r.l. have been included in the reporting scope since 1/1/2023.

<sup>3</sup> P.G.M.D. Consulting S.r.l., a company acquired by the TXT Group at the end of 2022, has been included in the reporting scope since 1/1/2023.

<sup>4</sup> DM Management & Consulting S.r.l., a company acquired by the TXT Group in the second half of 2022, has been included in the reporting scope since 1/1/2023

<sup>5</sup> Soluzioni Prodotti Sistemi S.r.l., a company acquired by the TXT Group at the end of 2022, and its subsidiary Butterfly S.r.l. have been included in the reporting scope since 1/1/2023.

<sup>6</sup> Tlogos S.r.l., a company acquired by the TXT Group at the end of 2022, has been included in the reporting scope since 1/1/2023.



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because of their low impact in terms of the number of employees (30 total) and type of business (non-productive).

#### f) Stakeholders

Stakeholders are the people and organisations recognised as such in TXT's economic and other initiatives: they fall within the company's orbit and are interested in its services and the effects of its production activities. TXT has identified the following stakeholder groups as relevant:

- *Customers*

They constitute the Group's main asset, and include aeronautical companies, aircraft component manufacturers, airlines, car companies, high-tech companies, banks and national and international financial companies.

- *Employees and external staff*

They represent the Group's strength and excellence, being the source of the professional, technical and operational resources that are the subject of the Company's activities. TXT recognises the importance of establishing and maintaining long-term relationships based on loyalty and trust.

- *Lenders (banks and shareholders)*

The Group's primary objective is to create value for the Company and its shareholders by pursuing long-term growth in profits.

- *Local communities*

TXT considers the local community an important stakeholder, as it is affected by the positive and negative impacts of its business. This is why TXT seeks to reduce any negative impact as far as possible and to increase positive impacts through technological progress, the development of knowledge and skills, growth in jobs and financial support for certain social activities.

- *Sectoral or local interest groups*

TXT is committed to providing its stakeholders with timely, clear, complete and transparent information on its activities and performance, without favouring any interest group or individual, thus guaranteeing fair competition and complying with current regulations.

- **Suppliers**

The high value of TXT's services is also based on selected relationships with suppliers, which are focused on obtaining the greatest competitive advantage. Suppliers are selected for their ability to provide high-quality goods and services.

- **Trade union representatives**

Given the key role of employees and external staff in the Group's development, TXT is committed to maintaining relations with relevant trade union representatives based on utmost transparency and a spirit of cooperation.

The Code of Ethics, available online ([Corporate governance, www.txtgroup.com](http://www.txtgroup.com)), describes in detail and complements the relations between TXT and its subsidiaries and their stakeholders.

TXT considers it important to understand the needs, demands and expectations of stakeholders and to respond appropriately. The company has implemented a structured process to classify stakeholders according to their level of interest in the organisation's activities and their ability to influence company decision making.

The company has therefore constructed a matrix and positioned each stakeholder on a scale of importance from 1 to 5, with respect to two variables: *influence on the company* and *interest in the company*.

No special issues were highlighted by the stakeholders relative to the Group in 2023.

### g) Materiality analysis

The Materiality Analysis guides TXT in choosing the topics to be reported in order to provide a full, clear representation of the relevance of the economic, environmental and social impacts of the Group's activities. For the reporting of the year ending 31 December 2023, the materiality analysis was produced in accordance with the requirements of the GRI Standards 2021.

In accordance with Standard requirements, the identification of material topics for the company is linked to the identification of the current and potential significant impacts generated or likely to be generated by the company on the economy, the environment and people, including impacts on human rights, through all of the organisation's activities

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and business relationships. These impacts may be negative or positive, actual or only potential, short-term or long-term, intentional or unintentional, reversible or irreversible impacts.

The new process for the materiality analysis is structured in four steps:

1. Understanding the context in which the Group operates: analysis of the sector in which TXT operates, taking into consideration different categories of sources, both inside and outside the company.
2. Identification of TXT's actual and potential impacts: actual impacts are those that have occurred over time, while potential impacts may occur in the future.
3. Evaluation of the significance and materiality of the impacts: all impacts were evaluated based on the degree of significance developed in line with the criteria indicated by the Standard (i.e., according to their severity and likelihood of occurrence).
4. Prioritisation of the most significant impacts: the most significant impacts for TXT were prioritised and those considered most relevant guided the identification of the material topics included in this NFS.

In the materiality analysis process, TXT also considered the topics referred to in Italian Legislative Decree 254/2016 and followed the new provisions of the reporting framework used (GRI Standards 2021).

The Group conducted a materiality analysis based on the identification of the actual and potential impacts generated on the economy, the environment, and people with respect to the entire value chain, considering possible human rights violations in relation to negative impacts, and assessing the contribution to sustainable development in relation to positive impacts. The assessment of each positive impact considered the Group's direct and indirect contribution, while for the assessment of potential negative impacts, all policies, procedures and activities implemented by the company to prevent and mitigate the identified negative impact were considered.

The prioritisation activity allowed the Company to determine the material topics for reporting. At the methodological level, the main negative and positive impacts identified were prioritised and evaluated according to their degree of severity and likelihood of

occurrence, respectively. The significance of an actual negative impact is determined by its severity, while the significance of a potential negative impact is determined by the severity and likelihood of the impact.

In particular, the severity of a negative impact was assessed by taking into account three aspects:

- Severity scale: how severe the impact is and the external context in which the impact occurs, including geography;
- Scope: how widespread it is and can be measured in terms of its impact on the value chain;
- Irremediable character<sup>7</sup>: how difficult it is to repair the damage caused by the impact.

The following is a list of the topics found to be material following the identification and aggregation of the relevant impacts, associating the relevant GRI disclosures with each material topic. The materiality analysis confirmed the priority topics listed in the published diagram for 2022.

<b>MATERIAL TOPIC</b>	<b>DESCRIPTION OF THE IMPACT</b>	<b>GRI DISCLOSURE</b>
<b>Responsible business management</b>	Ensuring transparency and fairness in business practices is a fundamental aspect that can have an impact on the relationship with customers and suppliers. Corruption along the value chain could lead to the misallocation of resources and revenues, environmental damage and human rights abuses. Anticompetitive behaviour could result in collusion with other companies in the sector, abuse of a dominant position or exclusion of potential competitors from the market, while the lack of tax compliance could lead to negative impacts on the community through the non-distribution of generated value.	205
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		207

<sup>7</sup> Irremediability was considered only for the assessment of negative impacts, as indicated by the GRI Standards 2021.

<b>Fighting climate change</b>	The use of energy – especially electricity – is crucial in the development of application and technical software by the Group, but also downstream in the use of solutions by customers and upstream for the production of the necessary electronic components. All these energy-consuming processes generate greenhouse gas emissions (in particular due to the production, transport and use of hardware, as well as the production and use of software solutions).	302
		305
<b>Protection and development of human capital</b>	Attracting the best talent in an environment where specialist skills are scarce on the market, retaining specialised staff and enabling staff to develop their skills are key issues in supporting the company's growth objectives and ensuring market competitiveness.	401
		404
<b>Diversity and equal opportunities</b>	A company's activities must be conducted with respect for diversity and guarantee equal opportunities and equal treatment for all employees. Should incidents of discrimination occur, the negative impact in terms of reputation and image for the company can be significant.	405
		406
<b>Health and Safety</b>	Due to the inherent risks associated with the work of the value chain as a whole, poor workplace safety management leads to damage to the health and safety of workers.	403
<b>Political contributions</b>	Direct or indirect contributions to political causes may pose corruption risks, as they can be used to exert undue influence on the political process.	415
<b>Privacy and IT security</b>	The protection of personal and confidential business data is a key issue; the lack of controls and preventive measures by the company can lead to cyber attacks, resulting in the violation of customers' privacy and the loss of their sensitive data. Mismanagement can lead to significant image, economic and regulatory compliance impacts.	418

The issues identified relating to these areas are monitored not only for reporting purposes within the Non-Financial Statement, but are pre-existing in the corporate governance system. In this regard, please refer to the documents available on the TXT Group website ([www.txtgroup.com](http://www.txtgroup.com)), namely:

- Report on corporate governance and ownership structure
- Code of Ethics
- Corruption Prevention Policy
- Organisational Model 231/2001
- Environmental Policy

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We have focused our attention on the value chain, as the products and services sold by TXT are mainly the result of activities carried out by internal staff. The supply chain is also represented, to a large extent, by commodity/utility suppliers, especially providers of connectivity and hardware/software services. TXT has no strategic suppliers such as to significantly influence its choices or business model. This assumption has led management not to consider the GRI reporting aspects closely linked to the supply chain as relevant. Downstream activities, on the other hand, are limited to outbound logistics for the transport of equipment and to customers using the hardware and software services provided by TXT.

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## 2 RISK ANALYSIS

TXT e-solutions S.p.A. has a Control and Risks Committee that operates autonomously and independently so as to safeguard the company's integrity.

Among the functions performed, the Committee supports the Board of Directors in its activities relating to the Internal Control and Risk Management System. It regularly checks the adequacy of the System and its functioning, ensuring that the main corporate risks are identified and managed adequately and that they are compatible with the Company's strategic objectives.

Every year TXT prepares a compliance, financial, operational and strategic risk analysis within the company departments and related thematic areas which highlights the activities at risk and defines the necessary monitoring and control actions.

In addition, in accordance with Italian Legislative Decree no. 231/2001 on the administrative liability of companies, in 2008 TXT approved the "Organisational, Management and Control Model 231" to make the controls and procedures adopted within the Group as efficient and consistent as possible. The document also includes the Code of Ethics with binding rules and principles for directors, employees, consultants, external staff and suppliers.

The structure of the Organisational Model was fully updated in August 2023 to ensure more effective consulting and communication with stakeholders, while the latest version of the Code of Ethics was published in 2021.

The activities carried out by the Control and Risk Committee are supplemented by further activities, analyses, procedures and actions performed by other departments in the environmental and social field, as described below.

### a) Definition of risks

TXT identifies and analyses the following non-financial risks within its business activities:



## b) Environmental risk

TXT develops software and IT services seeking to improve its effectiveness in relation to environmental issues and applicable environmental regulations in order to prevent pollution and minimise negative impacts on the environment. TXT has identified the following environmental aspects and the risks connected with them as significant: energy consumption, atmospheric emissions and environmental compliance.

Applications of Italian Legislative Decree no. 254/2016	Risk identified	Description of the risk
	POTENTIAL RISK LINKED TO THE GROUP'S LIMITED LEVEL OF CONTROL OVER ENERGY EFFICIENCY MEASURES	Energy consumption is the main aspect of TXT's activities associated with environmental implications. The absence of a programme to improve consumption efficiency, due in part to the inability to act in depth on buildings as tenants, may not allow the Group to benefit from a reduction in operating costs and in its atmospheric emissions.
	POTENTIAL RISK LINKED TO THE ABSENCE OF MANAGEMENT AND REDUCTION PROGRAMMES FOR GREENHOUSE GAS EMISSIONS	For the TXT Group, greenhouse gas emissions are mainly linked to energy consumption and business travel. Increasing national and international pressures on this issue ensure that this risk is adequately managed through a careful analysis of the energy consumption responsible for greenhouse gas emissions.



<b>Environment</b>	POTENTIAL RISK LINKED TO THE NON-TRANSPOSITION OF ENVIRONMENTAL LEGISLATION	In a constantly changing environment, companies are required to perform regular monitoring and comply with environmental regulations. The absence of a specific department and/or designated contact person for environmental compliance could lead the TXT Group to run the risk of non-compliance with its obligations.
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The company protects the environment by encouraging all employees to adopt responsible behaviour, at all levels, for the purpose of monitoring and continuously improving their environmental protection activities and reducing the various forms of pollution. TXT intends to prevent, mitigate and manage the above risks by defining and applying the Environmental Policy through the following actions:

<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>• Ensuring the responsible management of electricity, gas and water consumption in order to reduce consumption.</li> <li>• Using teleconferencing and videoconferencing technologies where feasible as an alternative to travel, to help reduce CO<sub>2</sub> emissions.</li> <li>• Promoting the use of recycled materials, as far as possible in the course of activities.</li> <li>• Paying attention to paper consumption by reducing or eliminating printing whenever possible.</li> <li>• Integrating environmental considerations into procurement processes.</li> <li>• Paying attention to new waste reduction, optimisation, recycling and reuse opportunities.</li> <li>• Gradually replacing the company fleet cars with diesel engines with other cars with low climate-change emissions, for example hybrid or electric.</li> <li>• Adoption of the Environmental Policy.</li> </ul>
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TXT strives for the success of this policy and has set up an environmental policy supervisory and promotional department to ensure compliance with environmental laws and regulations in force in all countries where the Group operates and that requires employees to report any non-compliance to implement an appropriate follow-up.

c) Social risk – staff-related – respect for human rights

Social risks vary according to social class, gender and age, but also depend on the context. Within the TXT Group, the protection of people from social risks is the main objective of the welfare policies and projects implemented.

TXT has identified the following social issues and related risks as relevant: employment, training and education, respect for diversity and equal opportunities, non-discriminatory behaviour, occupational health and safety, anti-competitive behaviour, social and economic compliance, political contributions.

Applications of Italian Legislative Decree no. 254/2016	Risk identified	Description of the risk
<b>Personnel Management</b>	POTENTIAL RISK LINKED TO THE INABILITY TO ATTRACT QUALIFIED AND COMPETENT STAFF	It is crucial for the TXT Group to attract qualified and updated staff in order to provide quality software products and services and to ensure the professional behaviour of its employees. The inability to attract and retain qualified resources could have negative effects on the Group's current and future performance.
	POTENTIAL RISK LINKED TO A DETERIORATION IN STAFF SKILLS AND QUALITY LEVEL	The TXT Group considers it essential to ensure that its staff are constantly updated, both technically and professionally. The effectiveness of its training plans is therefore very important for the Group. A reduction in the quality level of output and inadequate training programmes could have negative effects on the Group's current and future performance.
	POTENTIAL RISK LINKED TO THE POSSIBILITY OF THE GROUP FAILING TO COMPLY WITH DIVERSITY LAWS AND/OR REGULATIONS (INCLUDING FUTURE ONES)	An inadequate Group focus on diversity in the company could cause TXT to fail to take advantage of the wealth brought by the contribution of resources with diverse experiences, professional profiles, cultures and genders and be unready to comply with any legislation or regulation in this field.
	POTENTIAL RISK LINKED TO DISCRIMINATORY PRACTICES COMMITTED BY EMPLOYEES	The Group's limited level of control over the management of any episodes of discrimination could increase the risk of discriminatory behaviour among employees, with negative operational and reputational consequences for the Group.
	POTENTIAL RISK LINKED TO NON-COMPLIANCE WITH EXISTING HEALTH AND SAFETY LEGISLATION	The failure to comply with applicable regulations on occupational health and safety could entail risks for the health of its employees and external staff, as well as regulatory non-compliance, with negative effects on the Group, also in financial and reputational terms.

<b>Social</b>	POTENTIAL RISK LINKED TO THE ADOPTION OF UNFAIR COMPETITIVE PRACTICES	By operating in a highly competitive market, the TXT Group is potentially exposed to anti-competitive actions and behaviour by its competitors. At the same time, any reputational and financial damage for the Group could arise from commercial practices that are not in line with the company's ethical values or with regulations governing unfair competition.
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Monitoring, management and mitigation of social risks are implemented through the following actions:

<b>Actions</b>
<ul style="list-style-type: none"> <li>• Partnership with local universities for the training of students and their integration into the working world.</li> <li>• Adoption of the Diversity Policy for Board of Directors and Statutory Auditors.</li> <li>• Breaking down architectural barriers.</li> <li>• Project with the Università Cattolica for the integration of students with disabilities into the working world.</li> <li>• Funding for the development of curricula and partnerships with universities in the IT sector.</li> <li>• Welfare programmes guaranteed by the National Collective Labour Agreement (NCLA) for the Metalworking Industry.</li> <li>• Additional health policies extended to the family.</li> <li>• Promoting the sense of belonging and well-being of workers.</li> <li>• Recreational events.</li> <li>• Work-related stress prevention.</li> <li>• Smart working.</li> <li>• Flexible hours.</li> </ul>

#### d) Corruption risk

TXT adopts an approach of firm and absolute prohibition of any form of corruption. The Anti-Corruption Policy applies to all personnel of the various TXT Group companies who are required to follow the highest standards of proper behaviour and moral integrity to avoid situations in which both top management and partners are, or may appear to be, in conflict with their interests, with respect to the contractual or fiduciary obligations related to their position.

Approved by the Board of Directors, the company's Code of Ethics clearly and transparently defines the principles of corporate ethics considered of key importance for the Group's proper functioning, reliability and reputation, and therefore for the success of the company itself. The prevention of conflicts of interest is the subject of a specific focus within the Code of Ethics, which delegates prevention to the safeguards provided by the governance structure in place.

Following the application of Italian Legislative Decree no. 231 of 2001, TXT has adopted its own Organisational and Management Model in order to clearly and transparently outline the specific organisational, management and control structure, as well as to make it compliant with the provisions contained in the Decree and suitable for preventing the commission of crimes. A "Supervisory Body" has also been designated to supervise the application of the Model.

Every recipient of the Code of Ethics and the Organisational Model is responsible for the fight against corruption, not only to avoid any illegal act or crime, but also to ensure the highest quality and fair compensation for the services and goods provided and/or requested. This is why TXT's relations with customers, suppliers, Public Institutions and every Public Administration are based on the principles of fairness, transparency and cooperation. Any conduct that could be considered collusive or that could compromise the principles expressed in the Code of Ethics is rejected.

Applications of Italian Legislative Decree no. 254/2016	Risk identified	Description of the risk
<b>Fight against corruption</b>	POTENTIAL RISK LINKED TO THE OCCURRENCE OF EPISODES OF CORRUPTION (BOTH ACTIVE AND PASSIVE)	The TXT Group regularly engages in commercial relations with other companies. This can represent a potential risk of exposure of its employees to both active and passive corruption.

Monitoring, management and mitigation of social risks are implemented through the following actions:

## Actions

- Benefits of any kind (money, promises of employment, etc.) should not be granted to representatives of the Italian or foreign Public Administration, Partners, or their close relatives, in order to acquire favourable treatment in any business activity or that may in any case influence independence of judgement or result in any advantage for the company.
- It is forbidden to distribute gifts and to perform acts of courtesy and hospitality to representatives of public officials and public employees, public service employees and employees of Partners, except when of modest value and in any case that do not compromise the integrity or reputation of one of the parties and that cannot be interpreted, by an impartial observer, as seeking to gain an improper advantage.
- Money, gifts or any other benefit or the promise of such should not be accepted from anyone seeking to enter into a relationship with the company and who wishes to improperly obtain unduly favourable treatment.
- The company may not hire employees of the public administration, of the State or of the European Communities, of any qualification or level, their spouse and their relatives, or their ascendants, descendants, brothers, sisters, uncles, aunts, nephews, nieces, or former employees, for three years following the performance of an act within the competence of one of the above-mentioned persons from which the Company has derived a benefit, if this is intended to obtain an unfair profit for the company.
- Any commercial incentive must comply with standard market practices in the country of reference, must not exceed the permitted value limits and must have been approved in accordance with internal rules. The granting of any commission, discount, credit and rebate must conform to current regulations and be officially awarded to corporate entities upon presentation of supporting documentation. It is forbidden to promise or provide benefits or other similar incentives commensurate with the achievement of objectives based on performance targets that are clearly unjustified and unattainable.
- It is forbidden to provide services to external staff and partners that are not adequately justified by the contractual relationship established with them, or to make payments to them that are not adequately justified by the type of task to be performed and applicable local practices.
- No payment over € 1,000 can be made in cash in Italy or abroad.
- Any document describing an event that has occurred and/or an assessment made in the context of operations that fall within the sensitive areas for the purposes of the Anti-Corruption Policy, must be signed by or attributable to the person who drafted it. All documents must comply with current legislation.

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In addition, TXT mainly carries out activities with private companies in Western countries and with a high rate of industrialisation.

TXT monitors and manages the risk of corruption, conflict of interest and other corporate governance offences by defining its own policy for the prevention of corruption, conflicts of interest and other corporate governance offences and by providing for the establishment of a procedure and implementation of training and information activities. TXT makes it possible to report unlawful conduct or critical issues in the corporate organisation through corporate whistleblowing channels; the Supervisory Body is responsible for managing the reports received.

The Anti-Corruption Policy aims to protect the company's assets, people and objectives through a broader approach, which:

- provides indications to identify the offices' different levels of exposure to the risk of corruption and illegality and indicates the organisational interventions aimed at preventing the same risk;
- indicates the implementation and control rules for the respect of legality and integrity;
- invites employees to review all their conduct and procedures;
- recognises the corruption prevention plan as an essential programmatic component.

No incidents of corruption were reported in the three-year period 2021- 2023.

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## 3 BUSINESS MODEL FOR THE MANAGEMENT AND ORGANISATION OF ACTIVITIES

### a) The business model

As described in detail in the 2022 Report on corporate governance and ownership structure, TXT has drawn up a complex and standardised system of rules of conduct governing both its organisational structure and relations with stakeholders, in particular shareholders, which complies with the most advanced standards of Corporate Governance.

The Board has adopted a Corporate Governance Model in line with the principles set out in the Code of Conduct issued by the Italian Corporate Governance Committee and with international best practices, in order to ensure correct and transparent corporate information and create value for shareholders through the proper functioning of the company.

The Group's corporate bodies are listed below:

- Shareholders' Meeting
- Board of Directors
- Remuneration Committee
- Risks and Internal Controls Committee
- Related Parties Committee
- Board of Statutory Auditors

The Shareholders' Meeting ("Meeting"), duly constituted, is the body that expresses the Company's will through its resolutions. Resolutions passed by the Shareholders' Meeting in accordance with law and the Articles of Association are binding on all shareholders, including absent and dissenting shareholders.

The Board of Directors ("Board") is the collective management body of the company with powers relating to the ordinary and extraordinary administration of the company. The Board of Directors approves the Code of Ethics, which governs and regulates the Group's behaviour in its relations with customers and suppliers and with stakeholders in general. The Board of Directors delegates responsibility for the management of the Group's impacts to the various responsible departments according to the procedures and criteria specified in the Corporate Governance Report. Appointed every three years by the

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Shareholders' Meeting, the Board appoints a Chair and CEO from among its members, whose powers it determines. According to the provisions of the Articles of Association, the Board of Directors is composed of a minimum of 3 and maximum of 14 members. Directors remain in office for three years and may be re-elected. The director's position is subject to compliance with the respectability, professionalism and independence requirements pursuant to the provisions applicable to the Company, and with those provided for by the codes of conduct issued by the company managing regulated markets. The Company applies diversity criteria, also with regard to gender, in the composition of the Board of Directors, in observance of the priority objective of ensuring adequate expertise and professionalism of its members. The current Board includes 7 members, of whom 2 are executive directors, 1 is a non-executive director and 4 are independent directors. Pursuant to Article 3 of the Code, they do not have any economic relations with the Company, its subsidiaries, executive directors or shareholders such as to prejudice their independent judgement. In addition, they do not hold, directly or indirectly, any controlling interests, nor take part in shareholders' agreements to control the Company.

In 2018, the TXT Board of Directors adopted Policies relating to the diversity of the Board of Directors and the Board of Statutory Auditors. They describe the optimal characteristics of the composition of the Board of Directors and the Board of Statutory Auditors, so that they can perform their tasks as effectively as possible, making decisions that can concretely benefit from the contribution of a variety of qualified and diverse points of view, capable of examining the issues under discussion from different perspectives.

The Remuneration Committee is composed of Board members and has consultative and advisory functions. In particular, it expresses opinions and makes proposals to the Board of Directors regarding the determination of the remuneration due to executive directors and managers with strategic responsibilities. The Committee performs its task in a completely autonomous and independent manner vis-à-vis the managing directors, and if it intends to make use of a consultant, it verifies their independence in advance. The policy the company has adopted for the remuneration of executive directors or directors holding special offices sets out guidelines consistent with the criteria listed below:

- the fixed and the variable components are properly balanced according to the Company's strategic objectives and risk management policy;
- the variable components are capped at a certain amount;



- the fixed component is sufficient to reward the director should the variable component not be paid because of the failure to achieve the performance objectives specified by the Board of Directors;
- performance objectives are predetermined, measurable, and linked to the creation of value for shareholders in the medium-to-long term;
- the payment of a portion of the medium-to-long term variable compensation is deferred by a reasonable period with respect to its accrual; measurement of this portion and duration of the postponement are consistent with the characteristics of the business activity carried out and with the associated risk profiles;
- contractual agreements are in place whereby the company may request the restitution, in whole or in part, of variable portions of the remuneration paid (or withhold amounts that have been deferred), determined based on data that subsequently proved to be clearly inaccurate;
- no compensation is provided following directors' early termination of office or for failure to be reappointed.

As for the remuneration of the Group's employees, the ratio of the annual total remuneration of the Group's highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) with the corresponding percentage increase is shown in the following table, for the three-year period 2021-2023. The upward trend recorded in recent years reflects the Group's expansion, which has led to the entry of companies characterised by different remuneration policies into the reporting scope.

<b>Annual total remuneration ratio<sup>8-9</sup></b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Ratio of the salary of the highest-paid individual in the Group to the median total salary	8.81	11.57	19.07

<sup>8</sup> The median annual total remuneration for all employees was calculated excluding the highest-paid individual. The amounts for the different countries were converted from the local currency into euros using the exchange rate of the reference year. The following contributions were included in the salary calculation: Gross annual salary, bonuses, welfare and stock options.

<sup>9</sup> The data shown includes figures relating to the remuneration of Ennova employees.

Ratio of the percentage increase in the salary of the highest-paid individual in the group to the percentage increase in the median total salary	N/A	35.71	-20.13
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The Risks and Internal Controls Committee is a committee of the Board that assesses the adequacy of the internal control and risk management system and expresses its opinion on the control procedures.

The Related Parties Committee is a committee of the Board that assesses the Company's interest in carrying out Transactions with Related parties, as well as the convenience and substantial correctness of the related conditions.

The Board of Statutory Auditors is a supervisory body responsible for ensuring compliance with the law and the Company's Articles of Association as well as management controls. It is not assigned with the task of auditing Company accounts, which is the responsibility of Independent Auditors entered in a specific Register, which is the control entity external to the Company. The Independent Auditors are vested with the power to verify, during the reporting period, that company books are properly managed, accounting items are correctly recorded, and statutory and consolidated financial statements are in line with accounting entries and audits performed, and that all accounting documents are compliant with the relevant regulations.

The corporate bodies' powers and tasks are governed by law, the Company's Articles of Association and the resolutions passed by the bodies from time to time. A copy of the annual report is available at the Company's registered office and on the website ([www.txtgroup.com](http://www.txtgroup.com)) in the 'Corporate Governance' section.

## b) The corporate bodies

Shareholders (with shareholdings of more than 3% as at 31 December 2023):

- Laserline SpA
- Market

In 2023, a new Board of Directors and Board of Statutory Auditors were appointed. The mandates of the members of the three committees were also renewed. The following section shows the composition of the corporate bodies as at 31/12/2023.

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Board of Directors:

- Enrico Magni: Chair of the BoD
- Daniele Misani: Chief Executive Officer
- Matteo Magni: Director
- Paolo Lorenzo Mandelli: Independent Director
- Antonietta Arienti: Independent Director
- Michela Costa: Independent Director
- Antonella Sutti: Independent Director

Of the aforementioned members, 71% are in the over-50 age group, while the remainder are in the age group between 30 and 50 years of age. The chair of the BoD is not a senior manager of the organisation.

Board of Statutory Auditors:

- Francesco Maria Scornajenchi: Chair
- Franco Vergani: Standing auditor
- Giada D'Onofrio: Standing auditor
- Fabio Maria Palmieri: Alternate auditor
- Nadia Raschetti: Alternate auditor
- Edda Delon: Alternate auditor

Independent Auditors:

- Crowe Bompani S.p.A.

### c) Mission and values

The primary mission of the Group is to offer quality products and services at competitive conditions and in compliance with the rules protecting fair competition. TXT targets extremely dynamic markets that require cutting-edge technological solutions; markets where technology and innovation are key elements for growth and competitiveness.

To meet the needs of its customers, TXT has always focused on innovation, whether technological, process or business, making it one of the values on which to build its success. The Group excels in offering business-critical solutions, exclusively designed for the business of its customers and their processes. One of TXT's primary objectives is to create value for all stakeholders.

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For the Group, therefore, the baseline requirements are: the professionalism of the stakeholder, the availability of means, structures and know-how and the existence of quality, safety and environmental systems.

#### d) Group Ethics

The values that guide the internal and external life of TXT are governed by the Code of Ethics, updated in 2021 and applicable to all Group Companies. The recipients of this Code include the directors, employees, external staff, customers, suppliers, lenders (banks and shareholders), residents of areas surrounding the company premises, or sector or local interest groups.

To ensure that the Code is applied and respected, each Group company undertakes to disseminate it to all interested parties. In addition, the Board of Directors of TXT has set up a "Supervisory Body" pursuant to Italian Legislative Decree no. 231/2001 tasked, among other things, with overseeing the application of the Code.

The Code of Ethics is a set of principles that constantly guide daily action and on which all company policies and business principles are based, that is:

- ***Legality, honesty and fairness***

The Group operates in compliance with applicable laws and pursues its interests following a policy of conduct in accordance with the principles of legality, fairness and honesty. The same parameters are applied in relations with Group stakeholders. The Group undertakes to ensure that the provisions of the Code are adopted and practised by all its recipients.

- ***Compliance with laws and regulations***

The Group ensures that it is adequately informed and made aware of issues relating to the Code of Ethics in order to comply with current laws and regulations. Any doubts or uncertainties are resolved by its own direct managers and by the Supervisory Body.

- ***Transparency and completeness of information***

The Group ensures that all stakeholders are provided with clear and transparent information about their situation and performance, without favouring any interest group or individual. Shareholders and competent bodies are informed about

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significant events concerning the Group's corporate and accounting management.

- *Confidentiality of information*

The Group ensures that it has procedures in place to guarantee the confidentiality of the information in its possession and refrains from seeking confidential information using illegal means. The Group ensures that it is forbidden to use confidential information for purposes not related to the exercise of its professional activity.

- *Respect for the individual and fairness*

The Group is committed to ensuring respect for the physical and cultural integrity of the individual, for relations with others and fair treatment. In support of this, the Group checks the existence of a context of safety and respect for individual dignity.

- *Impartiality and equal opportunities*

TXT avoids any discrimination based on age, gender, sexuality, health, race, nationality, political opinions or religious beliefs in all decisions that affect relations with its stakeholders.

- *Conflicts of interest*

The Group undertakes to prevent situations of conflict of interest, by prohibiting the recipients from pursuing interests other than the Group's mission or from personally benefiting from business opportunities.

- *Protection of competition*

The Group believes in free and fair competition, and consequently its actions are oriented towards obtaining competitive results that reward ability and efficiency. Any action that could alter the conditions of fair competition is contrary to company policy and is prohibited.

With regard to the management of the aspects linked to the five areas referred to in the Decree, reference should be made to Chapter 2, RISK ANALYSIS, in relation to the actions implemented in response to the risks identified, and Chapter 5, POLICIES APPLIED AND RESULTS ACHIEVED.

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## 4 EU ENVIRONMENTAL TAXONOMY REGULATION

The taxonomy disclosure introduced with Regulation 2020/852, and made mandatory in Italy for companies publishing an NFS from 2022, aims to identify the "degree of environmental sustainability" of an investment, thus increasing market transparency for the benefit of consumers and investors. The Taxonomy introduces a unique EU-wide classification system for the identification of environmentally sustainable economic activities. In fact, the regulation states that in order to determine whether an activity is environmentally sustainable, it must contribute to one or more of the six environmental objectives that the European Union has set itself:

- climate change mitigation
- climate change adaptation
- sustainable use and protection of water and marine resources
- transition to the circular economy
- pollution prevention and reduction
- protection and restoration of biodiversity and ecosystems

By means of delegated acts, the European Commission defined which economic activities can contribute substantially to their achievement and under which conditions, without causing significant damage to the remaining environmental objectives. Specifically, the following were adopted:

- in 2021, the "Climate Delegated Act"<sup>9</sup>, which governs the first two climate objectives (mitigation and adaptation);
- in 2023, the "Environmental Delegated Act"<sup>10</sup> for all the other objectives.

Today, the Taxonomy identifies 16 sectors encompassing a total of more than 100 economic activities, among which several concern the TXT Group and its subsidiaries.

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<sup>9</sup> Delegated Regulation 2021/2139.

<sup>10</sup> Delegated Regulation 2023/2486

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In relation to the financial year 2023, non-financial enterprises subject to the Regulation are required to publish the proportion in terms of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) of eligible Taxonomy-aligned economic activities, with reference to the first two climate objectives. The Regulation defines as eligible the activity covered by the Climate Delegated Act, without any additional verification, while an aligned activity means an eligible activity that complies with three types of criteria:

- **substantial contribution criteria:** which make explicit the conditions under which the activity can actually contribute to achieving the mitigation and/or adaptation objective;
- **"Do No Significant Harm" (DNSH) criteria:** consisting of the technical and regulatory requirements to ensure that the activity, in addition to contributing to at least one objective, does not cause significant harm to the other environmental objectives;
- **minimum safeguards:** to ensure that the activity is carried out in compliance with the minimum social safeguards set out in Article 18 of the Human and Labour Rights Regulations.

Conversely, with respect to the non-climate objectives, introduced in 2023, only the publication of the eligibility KPI is requested.

#### a) Eligibility and alignment analysis

The scope of the analysis of Taxonomy eligibility and alignment carried out by the TXT Group is consistent with that defined for this non-financial statement.

In the light of a review of the mapping process of eligible activities, for the year under review the Group has updated the eligibility analysis carried out last year, identifying a match with activity 8.2, among those able to contribute to the climate change adaptation objective i.e., "*Programming, computer consultancy and related activities*", described as "*provision of information technology skills: writing, editing, testing and servicing software; planning and design of computer systems integrating hardware, software and communication technologies; on-site management of clients' computer systems or data processing facilities; and other technical and professional computer-related activities*".

For this activity, the Climate Delegated Act requires, for the purposes of alignment, the presence of a robust assessment of the physical climate risks of the assets where the eligible activity is carried out, and the implementation of appropriate adaptation solutions (substantial contribution criterion). Since no such analysis is in place at Group

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level, the activity is considered non-aligned<sup>11</sup>. On the other hand, as far as the DNSH criteria are concerned, the Regulation does not provide for any additional analysis to be carried out with regard to activity 8.2.

In addition to the core-business activity, the Regulation also allows reporting on all expenses and investments incurred by the Group to make its assets more efficient and to reduce related greenhouse gas emissions. Specifically, in 2023 the TXT Group incurred expenses related to the following activities, which can therefore be considered eligible with respect to the climate change mitigation objective:

- 6.5 Transport by motorbikes, passenger cars and commercial vehicles, with reference to the leasing of cars.
- 7.2 Renovation of existing buildings, with reference to work carried out on Group buildings.
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings), with reference to the purchase and installation of two charging stations for electric cars.

Similarly to what was reported for activity 8.2, also for the activities referring to the eligible expenses above, since the Group did not have all the necessary data and evidence to verify the compliance with the criteria of substantial contribution and DNSH by the providers of these services, it prefers to adopt a conservative approach and therefore not to declare their alignment with the Taxonomy.

Lastly, the Group has analysed its degree of adherence to the principles referred to in Article 18 of the Regulation, also based on the indications provided by the Platform on Sustainable Finance<sup>12</sup>, as well as the European Commission notice of June 2023<sup>13</sup>, and

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<sup>11</sup> It is specified that for activity 8.2, since it cannot be considered as "enabling", i.e., capable of "directly enabling other activities to make a substantial contribution to one or more of those objectives" (Art. 16 of the Regulation), the turnover-related KPI is not published.

<sup>12</sup> Final Report on Minimum Safeguards, October 2022

<sup>13</sup> Commission Notice 2023/C 211/01 on the interpretation and implementation of certain legal



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prudentially considers its current supply chain practices as not fully aligned with the minimum safeguard criteria.

## b) Contextual information and KPI calculation methodology (Accounting Policy)

### TURNOVER

The denominator was calculated by analysing the revenues from ordinary operations reported in the consolidated financial statements, resulting in a total value of € 224,393,750.

As far as the numerator is concerned, it has not been valorised, as activity 8.2 in relation to the climate change adaptation objective is not considered "enabling" in the sense of Article 16 of the Regulation.

### CAPEX

For the purpose of determining the denominator of the CapEx KPI, an analysis of the asset additions during the year was carried out, identifying a value of € 2,706,752.

Investments relating to activity 8.2 are included in this amount, and no asset additions were recognised for the year under review. In addition, investments aimed at reducing the Group's greenhouse gas emissions were included, specifically:

- 6.5 - Transport by motorbikes, cars and commercial vehicles. For this activity, additions of leased cars were identified, accounted for in accordance with IFRS 16.

The extraction of the data associated with the aforementioned categories was carried out in a timely manner when made possible by the information available in the

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provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation.

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management systems currently in use within the legal entities falling within the scope under analysis.

In calculating the denominator of the CapEx KPI, the Group considered the additions incurred in the reporting period related to tangible assets (development and restructuring of corporate assets), intangible assets (patents, software and capitalised research and development costs) and right-of-use assets (RoU). The approach used for the extraction of the above-mentioned figures involved a detailed analysis of management reports showing the investments made during the year by all the companies within the scope of the analysis. In line with international accounting standards and the provisions of the Annex to the *Disclosure Delegated Act*, the Group considered tangible assets accounted for in accordance with IAS 16, intangible assets (excluding goodwill) accounted for in accordance with IAS 38, and leasing accounted for in accordance with IFRS 16.

## OPEX

With reference to the OpEx KPI, the Group identified a denominator value of € 2,153,197. Following the indications of § 1.1.3.2 of Annex I to the "*Disclosure Delegated Act*" and the clarifications provided by the European Commission<sup>14</sup>, it was assessed that the amount identified – constructed by taking into consideration only the categories mentioned by Annex I of the Delegated Act – is equal to 2% of the consolidated operating expenses incurred during the financial year and therefore not material for the purposes of a valid representation for the purposes of the Taxonomy.

The operating expenditure considered in the denominator includes non-capitalised direct costs related to maintenance and repair, short term leases, cleaning, expenses incurred for building renovation measures and non-capitalised R&D costs. In detail, for those operating expenses for which a timely extraction of data from management systems was not possible, allocation drivers based on the percentage weight of expenses in relation to total operating expenditure were used.

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<sup>14</sup> Clarification provided by the answer to question 13 of the FAQ published by the European Commission on 12.12.2022.

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For the calculation of the denominator of the OpEx KPI, the approach used was to proceed with a point-by-point analysis of the Group's chart of accounts, taking into account the share of costs falling specifically into the categories indicated by the Disclosure Delegated Act. Specifically:

- Non-capitalised R&D costs related to internal and external projects, from which the cost component related to the management of R&D projects carried out has been eliminated, as per the recommendations of the European Commission<sup>15</sup>. As expenses related to project management activities, all costs incurred during the year related to project managers were identified and eliminated from the calculation;
- Short-term leases, for which all items in the chart of accounts relating to leases recognised in the Income Statement were considered, as they relate to contracts with a duration of less than 12 months and are therefore exempt from recognition in the Balance Sheet, in accordance with IFRS 16;
- Costs related to maintenance and repairs, incurred during the financial year, on buildings and IT equipment. Costs related to employees involved in maintenance and repair activities were considered for this category, together with maintenance commissioned to third-party companies. Within the accounts for maintenance and repairs, building renovations were also taken into account.

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<sup>15</sup> Clarification provided by the answer to question 12 of the FAQ published by the European Commission on 02.02.2022.

Table 1 (summary table KPI Turnover Values €)

Economic activities	Code	Absolute turnover (€ in xxx)	Proportion of Turnover (%)	Substantial Contribution										DNSH Criteria				Proportion of Taxonomy-aligned turnover, FY 23	Proportion of Taxonomy-aligned turnover, FY 22	Category (enabling activity)	Category (transitional activity)	
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum social safeguards						
<b>A. ELIGIBLE ACTIVITIES</b>				99.58%																		
<b>A.1 Taxonomy-aligned activities</b>																						
/	/	-	0%																0%	0%		
Turnover of Taxonomy-aligned activities (A.1)				-	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-	-
<b>A.2 Taxonomy-eligible activities but not aligned</b>																						
Turnover of Taxonomy-eligible activities but not aligned (A.2)				0	0%																	
<b>Total (A1 + A2)</b>				0	0%													0%				
<b>B. NON-ELIGIBLE ACTIVITIES</b>																						
Turnover of non-eligible activities (B)				99,716,815	100%																	
<b>Total (A + B)</b>				99,716,815	100%																	

	Portion of Turnover/Total turnover	
	Objective aligned with the taxonomy	Objective eligible for the taxonomy
CCM	0%	0%
CCA	0%	0%
WRT	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%



Table 3 (summary table KPI OpEx Values €)

Economic activities	Code	Absolute OpEx (€ in xxx)	Proportion of Turnover (%)	Substantial Contribution						DNSH Criteria						Minimum social safeguards	Proportion of Taxonomy-aligned CapEx, FY 22	Proportion of Taxonomy-aligned CapEx, FY 21	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems					
<b>A. ELIGIBLE ACTIVITIES</b>				7.30%																
<b>A1 Taxonomy-aligned activities</b>																				
/	/	-	0%														0%			
<b>OpEx of Taxonomy-aligned activities (A1)</b>				0%	0%	0%	0%	0%	0%	No.	No.	No.	No.	No.	No.		0%			
<b>A2 Taxonomy-eligible activities but not aligned</b>																				
Transport by motorbikes, cars and commercial vehicles	6.5	-	0%																	
Renovation of existing buildings	7.2	-	0%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	7.4	-	0%																	
<b>OpEx of Taxonomy-eligible activities but not aligned (A2)</b>																				
<b>Total (A1 + A2)</b>				-	0%												0%			
<b>B. NON-ELIGIBLE ACTIVITIES</b>																				
<b>OpEx of non-eligible activities (B)</b>				1,894,136	100%															
<b>Total (A + B)</b>				1,894,136	100%															

	Portion of OpEx/Total OpEx	
	Objective aligned with the taxonomy	Objective eligible for the taxonomy
CCM	0%	0%
CCA	0%	0%
WRT	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

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## 5 POLICIES APPLIED AND RESULTS ACHIEVED

It should be noted that 100% of employees in Italy, Germany and France are covered by collective labour agreements. For employees of companies in other countries, the relevant national legislation applies.

With the exception of the areas relating to the environment and the fight against active and passive corruption (for which reference should be made to the "RISK ANALYSIS" section), the Group did not deem it necessary to adopt official policies for the other areas mentioned in the Decree, also in light of the effectiveness of its long-established practices and the strong central control.

The Group integrates its commitments into its corporate policies and practices in order to ensure responsible business conduct in all its activities and business relations.

### a) People as resources of TXT

The TXT Group had 2,510 employees at 31 December 2023, of which:

- 71 employees (41 women and 30 men) of the Italian parent company TXT e-solutions S.p.A.;
- 665 employees (119 women and 536 men) of the subsidiary TXT E-tech s.r.l.
- 84 employees (17 women and 67 men) of the German subsidiary Pace GmbH;
- 11 employees (2 women and 9 men) of the US subsidiary PACE America, Inc.;
- 52 employees (4 women and 48 men) of the Swiss subsidiary TXT e-Swiss S.A.;
- 13 employees (2 women and 11 men) of the UK subsidiary TXT NEXT Ltd;
- 6 employees (all men) of the French subsidiary TXT NEXT Sarl;
- 14 employees (4 women and 10 men) of the subsidiary TXT Risk Solutions s.r.l.;
- 113 employees (31 women and 82 men) of the subsidiary TXT Assioma s.r.l.;
- 11 employees (1 woman and 10 men) of the subsidiary Assiopay s.r.l.;
- 205 employees (85 women and 120 men) of the subsidiary HSPI S.p.A.;
- 1 employee (man) of the subsidiary TXT Working Capital Solutions s.r.l.;
- 149 employees (56 women and 93 men) of the subsidiary TXT Quence s.r.l.;
- 60 employees (12 women and 48 men) of the subsidiary TXT Novigo s.r.l.;
- 25 employees (3 women and 22 men) of the subsidiary LBA Consulting S.r.l.;
- 50 employees (20 women and 30 men) of the subsidiary TeraTron GmbH.
- 10 employees (3 women and 7 men) of the subsidiary Butterfly s.r.l.;
- 176 employees (43 women and 133 men) of the subsidiary Soluzioni Prodotti Sistemi s.r.l. (SPS s.r.l.);

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- 17 employees (5 women and 12 men) of the subsidiary DM Management & Consulting;
  - 30 employees (15 women and 15 men) of the subsidiary P.G.M.D. Consulting s.r.l.;
  - 744 employees (406 women and 338 men) of the subsidiary Ennova S.p.A.<sup>16</sup>;
  - 13 employees (1 woman and 12 men) of the subsidiary Tlogos S.r.l.

TXT e-solutions S.p.A., TXT E-tech s.r.l., Pace GmbH, TXT Assioma s.r.l., HSPI S.p.A., TXT Novigo srl, TXT Quence srl, SPS s.r.l., Assiopay s.r.l., TXT e-Swiss S.A., and DM Management & Consulting e Ennova S.p.A. also make use of the contribution of a number of freelancers and interns. The number of non-employees in curricular and extracurricular internships active in the companies as at 31.12.2023 was 96 (it was 51 in 2022 and 44 in 2021), while the number of freelance non-employees who provide consulting on specific technologies/products as at 31.12.2023 in the IT and engineering area was 289 (78 in 2022 and 49 in 2021). Moreover, 24 Ennova S.p.A. employees are seconded, carrying out their work activities for third parties.

## Italy

In 2023 in Italy, 93% (2,140/2,294) employees were on permanent contracts (including apprentices) and only 7% (154/2,294) had fixed-term contracts. Part-time workers represented 24% (551/2,294).

During the year, 654 people were recruited in Italy (232 women and 422 men), accounting for 28.5% of the total workforce.

In 2023, 350 employees resigned, of whom 107 were women. Turnover<sup>17</sup> was 15.3% (350/2,294). The rate of resignations remains high, as in 2022, in line with the trend on the current Italian IT market.

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<sup>16</sup> These numbers also include the staff of the company Smarteasy S.r.l., a subsidiary of Ennova.

<sup>17</sup> Turnover: (total resigned region/total active 31/12/2022 per region) x 100



Recruitment and resignations were distributed in age groups and by gender as shown in the following table (the percentages shown in the table are related to the workforce):

ITALY, RECRUITED												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate
<30	36	3.9%	134	14.5%	56	5.0%	138	12.4%	119	5.2%	267	11.6%
30-50	24	2.6%	50	5.4%	31	2.8%	72	6.5%	96	4.2%	135	5.9%
>50	2	0%	13	1.4%	2	0.2%	2	0.2%	17	0.7%	20	0.9%
<b>TOTAL</b>	<b>62</b>	<b>6.7%</b>	<b>197</b>	<b>21.4%</b>	<b>89</b>	<b>8.0%</b>	<b>212</b>	<b>19.0%</b>	<b>232</b>	<b>10.1%</b>	<b>422</b>	<b>18.4%</b>

ITALY, RESIGNATIONS												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate
<30	24	2.6%	57	6.2%	23	2.1%	75	6.7%	28	1.2%	102	4.4%
30-50	28	3%	57	6.2%	32	2.9%	84	7.5%	73	3.2%	120	5.2%
>50	3	0%	11	1.1%	0	0%	8	0.7%	6	0.3%	21	0.9%
<b>TOTAL</b>	<b>55</b>	<b>5.9%</b>	<b>125</b>	<b>13.6%</b>	<b>55</b>	<b>4.9%</b>	<b>167</b>	<b>15.0%</b>	<b>107</b>	<b>4.7%</b>	<b>243</b>	<b>10.6%</b>

## Germany

In Germany, 99.3% of employees (133/134) were on permanent contracts and 0.7% (1/134) on a fixed-term contract. Part-time workers accounted for 8% (11/134), of which 5 were women and 6 men.

During 2023, 14 people were recruited (6 women and 8 men), accounting for a hiring rate of 10.4% of the total workforce.

There were 18 resignations, 3 of whom were women, with a turnover rate of 13.4%.

The number of recruitments and resignations is broken down by age group as shown in the table below, with an indication of the percentage related to the total workforce at the end of the year:

GERMANY, RECRUITED												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate
<30	2	2.5%	4	5%	2	1.5%	6	4.4%	1	0.7%	4	3.0%
30-50	0	0%	8	10.2%	1	0.7%	6	4.4%	5	3.7%	4	3.0%
>50	0	0%	0	0%	0	0%	1	0.7%	0	0.0%	0	0.0%
<b>TOTAL</b>	<b>2</b>	<b>2.5%</b>	<b>12</b>	<b>15.3%</b>	<b>3</b>	<b>2.2%</b>	<b>13</b>	<b>9.5%</b>	<b>6</b>	<b>4.5%</b>	<b>8</b>	<b>6.0%</b>

GERMANY, RESIGNATIONS												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate
<30	2	2.5%	3	3.8%	0	0%	2	1.5%	1	0.7%	4	3.0%
30-50	1	1.2%	8	10.2%	1	0.7%	9	6.6%	1	0.7%	9	6.7%
>50	4	5%	4	5%	1	0.7%	2	1.5%	1	0.7%	2	1.5%
<b>TOTAL</b>	<b>7</b>	<b>8.9%</b>	<b>15</b>	<b>19.2%</b>	<b>2</b>	<b>1.5%</b>	<b>13</b>	<b>9.5%</b>	<b>3</b>	<b>2.2%</b>	<b>15</b>	<b>11.2%</b>

## Switzerland

As for staff in Switzerland, 100% (52/52) of employees were on permanent contracts. Part-time workers represented 4% (2/52), both men.

During 2023, 9 people were recruited (2 women and 7 men), accounting for a hiring rate of 17.3% of the total workforce.

There were 23 resignations and turnover of 44.2%.

The number of recruitments and resignations is broken down by age group as shown in the table below, with an indication of the percentage related to the total workforce at the end of the year:

SWITZERLAND RECRUITED												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate
<30	1	1.3%	7	9.3%	2	3.2%	2	3.2%	2	3.8%	3	5.8%
30-50	0	%	18	24%	0	0%	9	14.3%	0	0.0%	3	5.8%
>50	0	%	3	4%	1	1.6%	2	3.2%	0	0.0%	1	1.9%
<b>TOTAL</b>	<b>1</b>	<b>1.3%</b>	<b>28</b>	<b>37.3%</b>	<b>3</b>	<b>4.8%</b>	<b>13</b>	<b>20.6%</b>	<b>2</b>	<b>3.8%</b>	<b>7</b>	<b>13.5%</b>

SWITZERLAND, RESIGNATIONS												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate
<30	0	0%	4	5.3%	1	1.6%	2	3.2%	1	1.9%	1	1.9%
30-50	1	1.3%	15	20%	2	3.2%	14	22.2%	0	0.0%	17	32.7%
>50	0	%	3	4%	0	0%	7	11.1%	1	1.9%	3	5.8%
<b>TOTAL</b>	<b>1</b>	<b>1.3%</b>	<b>22</b>	<b>29.3%</b>	<b>3</b>	<b>4.8%</b>	<b>23</b>	<b>36.5%</b>	<b>2</b>	<b>3.8%</b>	<b>21</b>	<b>40.4%</b>

## Other Regions

Concerning employees in the US, UK, France, all employees (30/30) are employed on a permanent basis. Part-time workers accounted for 10% (3/30), of which 1 woman and 2 men.

During 2023, 6 people were recruited (all men), accounting for a hiring rate of 20% of the total workforce.

There were 4 resignations and turnover of 13.3%.

The number of recruitments and resignations is broken down by age group as shown in the table below, with an indication of the percentage related to the total workforce at the end of the year:

OTHER REGIONS, RECRUITED												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate	no.	Incoming turnover rate
<30	0	0%	4	21%	0	0%	3	14.3%	0	0%	2	6.7%
30-50	0	0%	1	5.2%	1	4.8%	1	4.7%	0	0%	3	10.0%
>50	0	0%	0	0%	0	0%	0	0%	0	0%	1	3.3%
<b>TOTAL</b>	<b>0</b>	<b>0%</b>	<b>5</b>	<b>26.3%</b>	<b>1</b>	<b>4.8%</b>	<b>4</b>	<b>19%</b>	<b>0</b>	<b>0%</b>	<b>6</b>	<b>20.0%</b>

OTHER REGIONS, RESIGNATIONS												
Age groups	2021				2022				2023			
	W		M		W		M		W		M	
	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate	no.	Outgoing turnover rate
<30	0	0%	2	10.5%	0	0%	1	4.8%	0	0%	2	7%
30-50	1	5.2%	4	21%	0	0%	1	4.8%	0	0%	2	7%
>50	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>TOTAL</b>	<b>1</b>	<b>5.2%</b>	<b>6</b>	<b>31.5%</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>9.6%</b>	<b>0</b>	<b>0%</b>	<b>4</b>	<b>13.3%</b>

The following table summarises all the information from 2021 to 2023.

GROUP	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
Employees at 31.12	265	826	340	994	870	1,640
Fixed-term contract	6	19	6	12	79	76
Permanent contract	259	807	335	981	791	1564
Full time	243	815	301	972	536	1407
Part time	22	11	39	22	333	234

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**Human capital** is TXT's main resource for the development of our services and products. The attention paid to every process related to the management of the Group's people represents our true distinctive competence. The new business acquisitions that have taken place over the past year have been supported by the harmonisation of all HR processes and tools across all the TXT Group's entities.

Staffing is the main strategic element in building a winning team. This is why the company pays special attention to the continuous improvement of this process, which is supported by technological platforms that accompany the various work phases and monitor the state of the art, to ensure effective intervention at all times. The objective is to reduce the risk of selecting resources that do not meet company expectations. HR staff are continuously trained in both technological and socio-cultural issues. Moreover, when it comes to new resources, increasing attention is paid to identifying the soft skills needed to ensure optimal teamwork and problem solving.

The market in which TXT Group operates is characterised by a strong shortage of skills. People with the necessary skills are increasingly in demand from competitors and therefore increasingly difficult to find in the labour market. For this reason, in order to find qualified human capital, the HR area and the corporate area dedicated to communication continue to work together intensely, focusing their marketing on both the corporate offer in terms of activities carried out (projects, products, services) and on professional development topics. The company area dedicated to communication and to brand growth is active on social networks and on all the communication channels most used by our potential candidates.

Given the extremely lively employment dynamics of the market in which it operates, the other challenge for TXT is maintaining a low level of turnover. The Group is committed to increasingly becoming a company which offers potential employees a prospect of personal growth and skills year by year, where they can build their professional career.

In view of the health protection requirements resulting from the global pandemic, starting in 2020 TXT Group began to rethink its work paradigms and reorganised its remote work activities through an individual remote working agreement for each employee. To date, the model has proved to be strong and the results have been evident in terms of work performance and customer satisfaction, improving quality of life and optimising work-life balance.

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Personal growth leads to the growth of an organisation. This is the principle which guided the TXT Group to invest in continuing to train its resources in 2023. As every year, a range of very different courses were offered to our workers, covering a range of training needs: language skills, certified technical training, managerial courses, mandatory health and safety training and soft skills sessions. Indeed, over the last few years, there has been a strong focus on the development of both project-specific skills and horizontal skills that allow us to develop into fully rounded professionals.

The response from all the Group's employees has been extensive, and the responsible department worked to meet all the needs and requests that were received. Starting with the training needs communicated by staff, an individual and team training course was designed and implemented in collaboration with the HR team and technical managers to improve behavioural and technical skills.

Here are a few initiatives regarding areas of particular interest.

As regards technical training, the *TXT Training X Tech* course, launched in 2022, was repeated in 2023. The training offer was expanded with new courses covering System Engineering, QT Technologies and System on Chip themes. These courses were fully designed, organised and delivered by colleagues who are familiar with real situations emerging on an everyday basis and have agreed to share their experiences.

2023 saw the third edition of *Managing the Future*, the training and development courses for managers of the future. Events and workshops were organised offering an in-depth analysis of managerial topics to test oneself and stimulate joint reflection: positive leadership, trust, feedback, assertiveness and the proper balancing of professional and private life were some of the main arguments tackled. The participants in this new edition belonged to various Group companies, operating in a range of business sectors. This enabled valuable discussion through the exchange of many different experiences and, at the same time, helped to establish a unified leadership style recognisable across the entire TXT Group.

A new training module was also launched in 2023 dedicated to the recently published Code of Ethics. With the guidance of the Head of HR and two specialised external figures from a law firm which works with the Group, the guiding principles of the Code of Ethics were reaffirmed during these meetings, along with the behavioural rules to adopt in relations between peers, relations with colleagues and managers, with customers and suppliers. In addition, there were discussions and reflections on the key role of the Project

Managers who must be the primary advocates and ambassadors of ethical conduct, and at the same time keep focus and awareness high in their working groups, as they are the first and most direct points of reference for the people they coordinate.

Training activities on occupational health and safety continued as usual, with regular training and updates in accordance with the law.

As in previous years, the Group's effort in 2023 was to use new tools and methods to provide training both inside and outside the classroom, thus also taking advantage of video conferencing and e-learning platforms.

Overall, over 51,000 hours of training were provided in 2023. The numbers on the average training hours of the Group over the three-year period are shown below.

AVERAGE TRAINING HOURS <sup>18</sup>	2021		2022		2023	
	Women	Men	Women	Men	Women	Men
Executives	0	12.22	0	6.04	0	6.8
Middle managers	11	12.53	19.60	24.71	25.91	13.36
Office workers	13.02	7.86	17.55	19.15	23.68	19.26
Factory Workers	-	-	-	-	-	-

TXT's relationship with trade unions is based on dialogue and full compliance with the employment contracts applied.

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<sup>18</sup> The figures for 2021 refer only to the companies implementing a centralised training management system (Txt e-solutions Spa and Assioma.net Srl). The figures for 2022 and 2023 instead refer to all TXT Group companies included in the respective reporting scopes.

## b) Diversity and inclusion

TXT recognises the importance of its human capital without distinction and undertakes to respect the equality of its employees. As proof of this commitment, gender equality certification in accordance with UNI/PDR 125:2022 was obtained in December 2023 by the company HPSI, with the ambition of gradually extending it to the rest of the Group.

The benefits enjoyed by employees are awarded without distinction between part-time and full-time contracts and without gender distinctions.

No episodes of discrimination or monetary sanctions were observed or reported in the three-year period 2021-2023, nor for inadequate treatment of ethnicity, gender, religion or opinion.

GROUP	2021						2022						2023					
	Women			Men			Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Executives	0	0	2	0	13	9	0	0	3	0	16	10	0	2	1	0	24	18
Middle managers	0	7	8	0	32	27	0	6	8	0	47	30	0	14	17	0	64	44
Office workers	60	161	27	275	390	80	97	177	33	359	443	83	225	523	72	574	772	140
Factory Workers	-	-	-	-	-	-	2	11	3	0	6	0	0	9	7	0	0	4

Respect for human rights is fundamental to TXT and is implemented through compliance with the national rules and regulations applicable in the countries in which the Group operates. However, in consideration of the markets served (mainly in Western countries) and the type of activity carried out (high-tech services), no specific measures are adopted to prevent human rights violations or discriminatory behaviour, since the risk that such events may occur is considered remote.

## c) Health and safety

Occupational health and safety are core principles of TXT's business management. For years now, the concept has been extended to physical and mental health, whose indicators are:



- Low absenteeism and accident rates
- Moderate number of overtime hours
- Long period of stay in the company.

TXT routinely looks after the welfare of its employees not only through training programmes on "work-related stress" issues, but also by ensuring employees the option of working remotely, flexible hours, responsibility for and filling in their own time-sheet (i.e. no need to clock in and out) and by organising informal meetings between colleagues, also outside normal work activities, to build and improve relations between employees and the overall company atmosphere.

In 2023, there were 3 non-serious accidents among employees in Italy. There was also one non-serious accident involving an employee in Switzerland, while no such incidents occurred in Germany and the other Regions.

No accidents were suffered by non-employees during the year.

EMPLOYEE ACCIDENTS	UoM	2021	2022	2023
<b>Injuries at work<sup>19</sup></b>	<b>No.</b>	<b>1</b>	<b>1</b>	<b>4</b>
<i>of which serious accidents<sup>20</sup></i>	No.	0	0	0
<i>of which fatal accidents</i>	No.	0	0	0
<b>Annual hours worked<sup>21</sup></b>	<b>hours</b>	<b>1,498,484</b>	<b>2,104,963</b>	<b>3,487,604</b>
<b>Injury rate<sup>22</sup></b>	<b>no./hours</b>	<b>0.6</b>	<b>0.5</b>	<b>1.1</b>
Serious injury rate	no./hours	0	0	0
Injury rate	no./hours	0	0	0

In relation to workplace safety issues, in particular the assessment and mitigation of risks at work, the reporting of risks by employees, occupational health services, and the

<sup>19</sup> In 2022, there were no occupational injuries involving non-employees (interns or freelancers).

<sup>20</sup> The GRI standard defines injuries as serious if they result in an absence of more than six months.

<sup>21</sup> In 2022, the hours worked by non-employees (interns or freelancers) amounted to 1,193,453 hours (in the absence of the exact figure, this value is the result of an estimate).

<sup>22</sup> Frequency index: (total number of injuries/total number of hours worked) x 1,000,000.

consultation and training of personnel, in Italy TXT complies with the provisions of Italian Legislative Decree 81/2008 on the Safety and Health of Workers. Similarly in the other countries in which it operates, the TXT Group complies with the provisions of the relevant national legislation on these issues.

Generally speaking, the measures taken to mitigate the impact of risks on the health and safety of individuals effectively limit their extent in terms of probability of occurrence and severity.

#### d) Energy and emissions

##### Energy

TXT carries out its activities both in its own offices and at the customer's premises. The energy vectors used by the Group are mainly natural gas, electricity and district heating. The consumption of diesel and petrol is due to the use of the company car fleet.

In the last months of 2021, TXT e-solutions S.p.A. changed its headquarters from Via Frigia 27 Milan to Via Milano 150 in Cologno Monzese.

The company perimeter considered for 2023 has changed from the previous year because of various acquisitions, with a consequent change in Group consumption and emissions.

The following table summarises the energy consumption, broken down by type. For the calculation method, see the methodological note.

Type (TJ)	2021	2022	2023
Natural Gas	3.7	0.4	0.5
Diesel Fuel	2.0	2.7	4.5
Petrol	0.3	0.2	1.4
Electricity	1.7	2.2	6.7
District heating	0.2	0.1	0.2
<b>Total</b>	<b>7.9</b>	<b>5.7</b>	<b>13.3</b>

The drop in consumption in 2022 compared to 2021 is mainly due to the net reduction in natural gas consumption during the year. This decrease is linked to the relocation of the parent company TXT e-solutions S.p.A. to its new headquarters at the end of 2021, which entailed switching from a natural gas heating system to an entirely electric system. The increase in consumption recorded for 2023 is due to the Group's considerable expansion during the year, which led to the inclusion of large-size companies such as Ennova within the reporting scope.

## Emissions

The greenhouse gas emissions produced by the Group are divided into direct energy emissions (Scope 1) and indirect emissions (Scope 2 and Scope 3). The impact of other emissions is not considered significant due to the fact that the Group is mainly involved in service activities.

The following data, considering the activities carried out by TXT, reflect the greenhouse gas emissions generated:

- from the consumption of natural gas for heating offices (Scope 1);
- from the use of the company car fleet (Scope 1)
- from the use of electricity inside offices (Scope 2).
- from the use of district heating for heating offices (Scope 2).
- from journeys by train, plane and hired cars (Scope 3).

## Emissions Scope 1

The impacts in terms of tonnes of CO<sub>2</sub> of the overall consumption of natural gas, diesel and petrol, broken down by year, are reported in the following table:

Source of emissions Scope 1 (t CO <sub>2</sub> )	2021	2022	2023
Natural Gas	126	24	25
Diesel Fuel	145	197	336
Petrol	40	15	104
LPG	-	-	1
<b>Total</b>	<b>331</b>	<b>236</b>	<b>466</b>

As a direct consequence of the increase in energy consumption, there was a corresponding increase in CO<sub>2</sub> emissions in 2023 compared with the previous year. The increasing emissions from the use of the company car fleet reflect a resumption of

activities at headquarters and with customers following the Covid-19 pandemic. For those companies for which the fuel type data is not available, the highest emission scenario was considered, i.e., the entire car fleet consisting of diesel vehicles.

## Emissions Scope 2

Another important aspect of TXT's environmental footprint in terms of indirect emissions (Scope 2) is the use of electricity and district heating in offices.

The following table gives details of electricity and district heating consumption for the three-year period 2021-2023 (the percentage of electricity produced from renewable sources depends on the individual national electricity mixes):

Source of emissions Scope 2 (t CO <sub>2</sub> )	2021	2022	2023
Electricity (Market Based)	240	309	288
Electricity (Location Based)	139	206	489
District heating	11	7	8
<b>Total Market Based</b>	<b>251</b>	<b>316</b>	<b>296</b>
<b>Total Location Based</b>	<b>150</b>	<b>213</b>	<b>497</b>

Similarly to the findings for direct emissions, the increase recorded is directly linked to the growth in energy consumption, mainly due to the expansion of the scope of analysis. Moreover, the obtainment of certificates of origin guaranteeing that the parent company's energy supply comes from renewable sources, led to a fall in Market Based emissions compared to Location Based emissions.

## Emissions Scope 3

In order to mitigate the impact resulting from business travel, TXT seeks to use teleconferencing and videoconferencing technologies as an alternative to travel wherever possible and records the miles travelled or the fuel used to monitor trends over time.

Group employees travel by air to distant destinations and by train and car to closer ones. Our service providers (travel/car rental agencies) track travel and the results are

periodically communicated to the Facility department. In this way, TXT is able to monitor costs, consumption and related impacts over time.

The CO<sub>2</sub> emissions related to business travel, at Group level, are shown in the following table:

Source of emissions Scope 3 (t CO <sub>2</sub> )	2021	2022	2023
Plane	65	292	571
Train	9	15	39
Car	220	440	723
<b>Total</b>	<b>294</b>	<b>746</b>	<b>1,334</b>

The overall change in 2023 compared to the previous two-year period shows a marked increase for each type of transport, due not only to the expansion of the company's perimeter, but also to the resumption of travel by the entire Group post Covid-19 pandemic.

#### e) Compliance with rules and regulations

The Group conducts its business by reconciling, where possible, the reduction of pollution and the containment of negative impact on the environment.

TXT is committed to creating and spreading a corporate culture of responsible behaviour that safeguards the integrity of the environment in all circumstances.

The company has always operated in full compliance with laws and regulations and has not received any significant monetary or non-monetary sanctions in the three-year period 2021-2023.

Furthermore, during the three-year reporting period, TXT did not record any substantiated complaints regarding privacy breaches and losses of its customers' data.

In line with the principles defined in its Code of Ethics, TXT also acts according to the values of legality, honesty and fairness in the management of tax activities. The Group also believes that the contribution deriving from taxes paid is an important channel through which it can contribute to the development of the countries where it operates. For this reason, TXT pays attention to compliance with tax regulations and therefore acts responsibly in the jurisdictions where it is present.

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The Group is oriented towards behaviour to protect corporate assets and create value in the medium to long term and that is why it acts responsibly from a tax perspective.

Tax governance is inspired by the Group Code of Ethics at TXT. The CFO is responsible for the management of tax issues as well as the management and responsibility of compliance with the tax strategy. The internal tax manager function has been implemented since February 2022, which handles due diligence and compliance at Group level. TXT has not defined a formalised tax strategy at Group level, and individual companies operate in compliance with local tax regulations.

To date, the Group does not have formalised tax governance.

In the different countries/companies, compliance with taxation and related controls is entrusted to professional figures selected specifically country by country. Tax risks are analysed and managed in accordance with the overall Enterprise Risk Management business model.

By establishing company whistleblowing channels, TXT allows staff to report illegal behaviour or critical issues in the company organisation. The governance structure delegates the management of the reports received to the Supervisory Body.

To date, no requests have been received from stakeholders regarding taxation aspects. In any case, all the corporate departments responsible for compliance on this matter would be ready to implement them.

Relations with tax authorities are based on the principles of correctness and compliance with the different regulations applicable in the countries where TXT operates. It should be noted that the Group does not carry out advocacy activities in tax matters.

#### f) [TXT's commitment to the community](#)

There is increasing talk of companies that are ethical and have a strong sense of social responsibility. The TXT Group promotes the development and well-being of the local community.

2023 was characterised above all by an effort to invest in the growth of young people and the Academy initiatives are an example of its success. Two processes were launched during 2023: one involving the training of expert Data Analysis and Process Mining consultants for the company HSPI, and the second focusing on Automation Tester training

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for a TXT Assioma business unit. Both processes lasted a month and a half, during which the young participants received training from senior professionals who guided them through face-to-face lectures, exercises and facilitations during the development of project work. The project is aimed at new graduates and 15 of the participants were formally recruited at the end of the training course.

This project covers the whole country. The first Academy was aimed exclusively at participants from the Basilicata Region and forms part of a range of initiatives aimed at increasing the employability of young people. The second Academy involved participants from all over Italy, with the initial portion of the training provided remotely, which ensured more meetings between TXT and young talents ready to develop their professional careers with us.

TXT Group does not support political parties in any way and its relations with the institutions are based on compliance with all applicable rules and regulations.

Finally, no measures have been applied to implement agreements of international and supranational organisations on social and staff-related matters, since the policies already implemented by the Group and described in this document are considered adequate by virtue of the activities carried out by the Group in the countries where it operates.

In the three-year period 2021-2023, the TXT Group was not involved in any lawsuits related to anti-competitive behaviour.

#### g) Certifications

TXT has received some very prestigious and key certifications in the course of its activities, such as:

- ISO 9001:2015 certification for the implementation of a quality organisational management system, obtained as TXT Assioma, Assiopay, DM Management & Consulting, HSPI, Quence, TXT Risk Solutions, TXT e-solutions, TXT e-Tech, TXT Group, TXT Novigo and TXT Working Capital Solutions;
- UNI EN 9100:2018 certification for aerospace component suppliers, obtained as PACE and TXT e-Tech;

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- ISO 27001:2017 certification for information security, obtained as HSPI, PACE, TXT Group and TXT Novigo;
  - UNI/PDR 125:2022 certification for gender equality, obtained in December 2023 for the company HPSI.

As part of the certified management systems in place, the various structures involved are required to prepare a report for management in order to account for the main impacts, performance and objectives related to the scope.



## 6 APPENDIX

### a) Methodological note

The content of the Non-Financial Statement 2023 refers to the fiscal year 2023 (1 January 2023 to 31 December 2023, in accordance with the reporting period of the Annual Financial Report approved by the Board of Directors on 14 March 2024), and has been defined in accordance with the following sources:

- Directive 2014/95/EU
- Italian Legislative Decree no. 254 of 30 December 2016 and subsequent supplements
- Consob Regulations for the implementation of Italian Legislative Decree no. 254 of 30 December 2016, on the disclosure of non-financial information (Resolution no. 20267 of 18 January 2018)
- GRI Standards ([www.globalreporting.org](http://www.globalreporting.org))

### Reporting standards adopted

To prepare its Non-Financial Statement, TXT has adopted the GRI Sustainability Reporting Standards (hereinafter also referred to as GRI Standards), published by the GRI - Global Reporting Initiative in 2016 and updated in 2021. In particular, the document is drawn up according to the "In accordance" option of the GRI Standards.

The following table compares the reporting areas of the Decree in relation to the Standards used in this document.

Applications of Italian Legislative Decree 254/2016	GRI standards
Environment	GRI 302-1: <i>Energy consumption within the organisation.</i> GRI 305-1: <i>Direct (Scope 1) GHG emissions.</i> GRI 305-2: <i>Energy indirect (Scope 2) GHG emissions.</i>
Social	GRI 206-1: <i>Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.</i> GRI 207-4: <i>Country-by-country reporting.</i> GRI 415-1: <i>Political contributions.</i> GRI 418-1: <i>Substantiated complaints concerning breaches of customer privacy and losses of customer data</i>

Work Practices	<p>GRI 401-1: <i>New employee hires and employee turnover.</i></p> <p>GRI 401-2: <i>Benefits provided to full-time employees that are not provided to temporary or part-time employees.</i></p> <p>GRI 403-1: <i>Occupational health and safety management system</i></p> <p>GRI 403-2: <i>Hazard identification, risk assessment, and incident investigation</i></p> <p>GRI 403-3: <i>Occupational health services</i></p> <p>GRI 403-4: <i>Worker participation, consultation, and communication on occupational health and safety</i></p> <p>GRI 403-5: <i>Worker training on occupational health and safety</i></p> <p>GRI 403-6: <i>Promotion of worker health</i></p> <p>GRI 403-7: <i>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</i></p> <p>GRI 403-9: <i>Work-related injuries</i></p> <p>GRI 404-1: <i>Average hours of training per year per employee.</i></p> <p>GRI 405-1: <i>Diversity of governance bodies and employees.</i></p>
Respect for human rights	GRI 406-1: <i>Incidents of discrimination and corrective actions taken.</i>
Combating active and passive corruption	GRI 205-3: <i>Confirmed incidents of corruption and actions taken.</i>

The list of relevant aspects and their boundary are instead shown in the table below:

Material Topics	GRI standards	BOUNDARY		
		Internal	External	Limitations
Anti-corruption	<i>GRI 205: Anti-corruption 2016 (205-3)</i>	TXT Group		
Anti-competitive behaviours	<i>GRI 206: Anti-competitive Behaviour 2016 (206-1)</i>	TXT Group		
Tax	<i>GRI 207: Tax 2019 (207-4)</i>	TXT Group		
Energy	<i>GRI 302: Energy 2016 (302-1)</i>	TXT Group		
Emissions	<i>GRI 305: Emissions 2016 (305-1, 305-2)</i>	TXT Group		
Employment	<i>GRI 401: Employment 2016 (401-1, 401-2)</i>	TXT Group		
Occupational health and safety	<i>GRI 403: Occupational Health and Safety 2018 (403-9)</i>	TXT Group	External collaborator s working at Group offices	
Training and education	<i>GRI 404: Training and Education 2016 (404-1)</i>	TXT Group		

Respect for diversity and equal opportunities	<i>GRI 405: Diversity and Equal Opportunity 2016 (405-1)</i>	TXT Group		
Non-discriminatory behaviours	<i>GRI 406: Non-discrimination 2016 (406-1)</i>	TXT Group		
Political contributions	<i>GRI 415: Public Policy 2016 (415-1)</i>	TXT Group		
Customer privacy	<i>GRI 418: Customer Privacy 2016 (418-1)</i>	TXT Group		

## Reporting process

TXT has established an "Internal procedure for the preparation of the Non-Financial Statement pursuant to Italian Legislative Decree no. 254/16".

The contacts for the drafting, application and updating of the Non-Financial Statement procedure are:

- Policy owner: Manager responsible for preparing corporate accounting documents
- Policy administrator: Head of Control & Governance

The Policy administrator guarantees the timely updating of the procedure and its dissemination; the Policy owner guarantees the annual policy approval process as described above.

For energy consumption and business travel, where precise figures were not available, a conservative estimate was used, which led to the selection of scenarios associated with less positive environmental performance for the company.

The conversion factors used to calculate energy consumption for the year 2023 are as follows:

- the conversion factor used for natural gas is 0.0394 GJ/sm<sup>3</sup> as provided by Snam's public source ([converter www.snam.it](http://www.snam.it));
- the conversion factors used for diesel and petrol come from the Defra database (UK Department for Environment, Food and Rural Affairs), which is updated annually, and from the table of national standard parameters published annually by the Ministry for the Environment, Land and Sea and updated in December 2022.

The greenhouse gas emissions (GHG emissions) for the year 2023 were calculated as follows:

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Greenhouse gas emissions = activity data \* corresponding emission factor

The emission factors used to calculate GHG emissions for Scope 1 are as follows:

- the emission factor used for natural gas is taken from the table of national standard parameters published annually by the Ministry for the Environment, Land and Sea and updated in December 2023;
- the emission factors for diesel and petrol are taken from the Defra database, which is updated annually, and from the national standard parameter table published annually by the Ministry for the Environment, Land and Sea and updated in December 2023.

The emission factors used for the calculation of Scope 2 GHG emissions for the year 2022 are as follows:

- the emission factor used for electricity purchased from the national electricity grid according to the location-based methodology is taken from the EEA 2022 report;
- the emission factor used for electricity purchased from the national electricity grid according to the Market-based methodology is taken from AIB – European Residual Mixes, edition 2022;
- the emission factor used for district heating is taken from the Defra (UK Department for Environment, Food and Rural Affairs) database, which is updated annually.

The emission factor used for the calculation of Scope 3 GHG emissions for the year 2022 for business travel by air or land (train or car) is taken from the Defra (UK Department for Environment, Food and Rural Affairs) database, which is updated annually.

For certain data relating to individuals and with irrelevant percentages, estimates were used which were based on the total data of the Group.

A "restatement" was conducted with respect to the remuneration data contained in the 2022 Non-Financial Statement, by adjusting the 2022 value based on the information available only after the date of publication of the previous report.

The Non-Financial Statement is drawn up on an annual basis. The previous edition of the document relating to the 2022 reporting year was approved in March 2023.

This document was approved by the Board of Directors of TXT e-solutions S.p.A. on 14 March 2024.

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The 2023 Non-Financial Statement is subject to verification of compliance by Crowe Bompani S.p.A. in accordance with the provisions of Italian Legislative Decree 254/2016, Article 3, paragraph 10.

## Reporting Principles

TXT has adopted the following general principles laid down by the "GRI 1 – Foundation" Standard:

- a. *Accuracy*: information is reported in a correct and sufficiently detailed manner so that the organisation's impacts can be assessed.
- b. *Balance*: positive and negative impacts are presented objectively and fairly.
- c. *Clarity*: information is presented in an understandable and accessible manner.
- d. *Comparability*: information is selected and reported in a consistent manner to enable an analysis of changes in the organisation's impacts over time and to compare them with those of other organisations.
- e. *Completeness*: the information provided is sufficient to enable an assessment of the organisation's impacts during the reporting period.
- f. *Sustainability context*: information on the organisation's impacts is reported in the broader context of sustainable development.
- g. *Timeliness*: the Non-Financial Statement is drawn up on a regular basis so that the information is available in time for data users to make decisions.
- h. *Verifiability*: data must be collected, recorded, compiled and analysed so that the quality of the reported information can be assessed.

## Criteria for inclusion or exclusion of information from the Non-Financial Statement

Through the materiality analysis commented on above, TXT has identified the relevant aspects to be included in the Non-Financial Statement, taking into account their relevance in terms of their relative impacts.

TXT has identified the relevant aspects (§ 1.g Materiality analysis) to report, weighing them also in relation to:

- Type and complexity of its business;
- Markets served;
- Compliance with national and international standards and regulations;
- Presence of information in other sections of the Annual Financial Report, with particular regard to economic performance.

## b) Content Index

<b>Declaration of use</b>	TXT e-solutions S.p.A. submitted a report in accordance with GRI Standards for the period 01.01.2023-31.12.2023
<b>GRI 1 used</b>	GRI 1 – Fundamental Principles – Version 2021
<b>Relevant GRI Sector Standards</b>	N/A

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
<b>General Disclosures</b>					
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	1.b Introduction – Page 5 1.c The year in brief – Page 6			
	2-2 Entities included in the organisation's sustainability reporting	1.e Reporting scope – Page 8			
	2-3 Reporting period, frequency and contact point	6.a Methodological note – Page 57 6.b Content index – Page 62			
	2-4 Restatements of information	6.a Methodological note – Page 57			
	2-5 External assurance	6.a Methodological note – Page 57 Report of the Independent Auditors – Page 68			
	2-6 Activities, value chain and other business relationships	1.c The year in brief – Page 6 1.d Corporate information – Page 7 1.g Materiality analysis – Page 10			
	2-7 Employees	5.a People as resources of TXT – Page 39			
	2-8 Workers who are not employees	5.a People as resources of TXT – Page 39			
	2-9 Governance structure and composition	3.a The business model – Page 23			

		3.b Corporate bodies - Page 26			
	2-10 Nomination and selection of the highest governance body	3.a The business model - Page 23			
	2-11 Chair of the highest governance body	3.a The business model - Page 23			
	2-12 Role of the highest governance body in overseeing the management of impacts	3.a The business model - Page 23			
	2-13 Delegation of responsibility for managing impacts	3.a The business model - Page 23			
	2-14 Role of the highest governance body in sustainability reporting	6.a Methodological note - Page 57			
	2-15 Conflicts of interest	2.d Corruption risk - Page 19			
	2-16 Communication of critical concerns	5.e Compliance with rules and regulations - Page 53			
	2-17 Collective knowledge of the highest governance body	There are no measures taken to improve the collective knowledge, skills and experience of the BoD in relation to sustainable development.			
	2-18 Evaluation of the performance of the highest governance body	5.g Certifications - Page 55			
	2-19 Remuneration policies	3.a The business model - Page 23			
	2-20 Process to determine remuneration	3.a The business model - Page 23			
	2-21 Annual total compensation ratio	3.a The business model - Page 23			It should be noted that the 2022 figure was adjusted with respect to that published in the previous report on the basis of information available after the date of publication of the 2022 NFS.
	2-22 Statement on sustainable development strategy	1.a Message from the Chair of the Board of Directors - Page 4			
	2-23 Policy commitments	2.b Environmental risk - Page 16 2.d Corruption risk - Page 19 3.a Business Model - Page 23 3.c Mission and values - Page 27			
	2-24 Embedding policy commitments	5 Policies applied and results achieved - Page 39			

	2-25 Processes to remediate negative impacts	2. Risk analysis – Page 15			
	2-26 Mechanisms for seeking advice and raising concerns	5.e Compliance with rules and regulations – Page 53			
	2-27 Compliance with laws and regulations	5.e Compliance with rules and regulations – Page 53			
	2-28 Membership associations	1.d Corporate information – Page 7			
	2-29 Approach to stakeholder engagement	1.f Stakeholders – Page 9			
	2-30 Collective bargaining agreements	5. Policies applied and results achieved – Page 39			
<b>Material Topics</b>					
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	1.g Materiality analysis – Page 10			
	3-2 List of material topics	1.g Materiality analysis – Page 10 6.a Methodological note – Page 57			
<b>Anti-corruption</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 205: Anti-corruption 2016</b>	205-3: Confirmed incidents of corruption and actions taken	2.d Corruption risk – Page 19			
<b>Anti-competitive behaviours</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 206: Anti-competitive behaviour 2016</b>	206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	5.f TXT's commitment to the community – Page 54			
<b>Tax</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 207: Tax 2019</b>	207-1 Approach to tax	5.e Compliance with rules and regulations – Page 53			
	207-2 Tax governance, control, and risk management	5.e Compliance with rules and regulations – Page 53			
	207-3 Stakeholder engagement and	5.e Compliance with rules and regulations – Page 53			



	management of concerns related to tax				
	207-4: Country-by-country reporting	-	Indicator not fully reported.	Information not available/incomplete	The company does not report the information as required by GRI 207-4, for reasons related to the difficulty in finding some data with the level of detail required for each tax jurisdiction. The Group plans to set up an appropriate data collection system for publication in the coming years.
<b>Energy</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>302: Energy 2016</b>	302-1 Energy consumption within the organization	5.d Energy and Emissions – Page 50			
<b>Emissions</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	5.d Energy and Emissions – Page 50			
	305-2 Energy indirect (Scope 2) GHG emissions	5.d Energy and Emissions – Page 50			
<b>Employment</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	5.a People as resources of TXT – Page 39			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.b Diversity and Inclusion – Page 48			
<b>Occupational health and safety</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15			

		5. Policies applied and results achieved – Page 39			
<b>GRI 403 Management Approach 2018</b>	GRI 403-1 Occupational health and safety management system	5.c Health and safety – Page 48			
	GRI 403-2: Hazard identification, risk assessment, and incident investigation	5.c Health and safety – Page 48			
	GRI 403-3: Occupational health services	5.c Health and safety – Page 48			
	GRI 403-4: Worker participation, consultation, and communication on occupational health and safety	5.c Health and safety – Page 48			
	GRI 403-5 Worker training on occupational health and safety	5.c Health and safety – Page 48			
	GRI 403-6 Promotion of worker health	5.c Health and safety – Page 48			
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.c Health and safety – Page 48			
	GRI 403-9 Work-related injuries	5.c Health and safety – Page 48			
<b>Training and education</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 404: Training and education 2016</b>	404-1 Average hours of training per year per employee	5.a People as resources of TXT – Page 39			
<b>Respect for diversity and equal opportunities</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 405: Diversity and equal opportunity 2016</b>	405-1 Diversity of governance bodies and employees	3.b The corporate bodies – Page 26 5.b Diversity and Inclusion – Page 48			
<b>Non-discriminatory behaviours</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			

<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	5.b Diversity and Inclusion – Page 48			
<b>Political contributions</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 415: Public policy 2016</b>	415-1 Political contributions	5.f TXT's commitment to the community – Page 55			
<b>Customer Privacy</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	1.g Materiality analysis – Page 10 2. Risk analysis – Page 15 5. Policies applied and results achieved – Page 39			
<b>GRI 418: Customer privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.e Compliance with rules and regulations – Page 53			

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For any information regarding the 2023 Non-Financial Statement and its contents, please contact [infofinance@txtgroup.com](mailto:infofinance@txtgroup.com).