

LETTER TO STAKE HOLDERS

Dear Stakeholders,

Our world is changing rapidly, and megatrends such as digitalisation, the climate crisis, demographic change and urbanisation are constantly challenging us to rethink the way we live, work and produce in order to ensure long-term sustainable development. At the same time, tensions such as the war between Russia and Ukraine and the aftermath of the Covid-19 pandemic are hampering progress on climate change, as is the global energy crisis and rapidly rising inflation. At Reply, we believe in technology as part of the solution to create a sustainable future: by connecting the real and digital worlds, we can better face the challenges of our time. We continue to promote sustainability in what we offer our customers, investing and using new technologies in our projects with the aim of always making a positive contribution. We firmly believe that a widespread cooperative approach contributes to bringing about fair and sustainable change by “making a difference” for all of us.

In this context, we aim to contribute to the creation of value for all our stakeholders, from our business partners to the communities to which we belong, in line with our strategy and values. Internally, the Sustainability Committee set up in 2021 is now active and fully supports the implementation of our strategy, monitoring the effectiveness of the defined actions. On the market, sustainability is increasingly an integral part of our work through two main strands: the development of IT solutions that are inherently sustainable (green tech) and the development of sustainable projects through the use of IT solutions (e.g.

artificial intelligence-based solutions for achieving sustainability goals). We also set up a User Group on IT sustainability to share knowledge and experience in order to benefit from the expertise developed by participants and best-in-class approaches and to define, test, implement and propose new methodologies.

Reply continues to develop the Green Approach, defined in 2021, with its challenging targets of Carbon Neutrality in 2025 and net zero emissions by 2030. At the operational level, we are working to reduce emissions from our facilities through significant investments in new offices and renovations, which also improve employees' well-being, and emissions caused by business travel and commuting; we started to involve our supply chain and our improvements were reflected in our ratings (e.g. CDP, Vigeo Eiris, Ecovadis).

Reply maintains its commitment to human rights, diversity and inclusion internally and in its relations with the supply chain. We are a network of highly specialised companies, implementing innovative solutions and drawing on a wide range of experience and expertise. Reply strives for excellence in everything it offers and the diversity of backgrounds and capabilities drives us even further in creating value. By our very nature, we like to work in diverse teams and we value each other's points of view: when we combine these factors in the right way, we win together.

We have reaffirmed our support for the Sustainable Development Goals in the way we conduct our business and manage our operations, and we report in line with the United Nations Global Compact (UNGC) through the Communication on Progress (COP), the Global Reporting Initiative (GRI) standards for more comprehensive and transparent reporting, and the CDP (formerly the Carbon Disclosure Project). With this document, we share the progress made during 2022 on key environmental, social and governance aspects.

Finally, I would like to thank all the colleagues and independent contractors who share their commitment to sustainability every day, from participation in internal and charitable initiatives to continuous innovation to improve as a company and to face the challenges of transition together with our stakeholders.

Tatiana Rizzante

CEO

Reply S.p.A.

WE CARE: ENVIRONMENTAL MATTERS

Reply manages its business activities paying close attention to environmental issues, contributing to diffusion of sustainability culture to respect the legacy for future generations. To this end, the Group has put in place **Environmental Policy** guidelines to reduce and monitor the impact of corporate activities on the environment, including aspects related to energy consumption and green-house gas emissions. As an office-based organisation, Reply carries out the majority of its services directly at its customer's premises, so its environmental impact is mainly limited to the consumption of energy resources (for example, heating and lighting of offices) and business travel. Therefore, although in most cases Reply is not able to directly put in place energy efficiency measures, because it does not own the premises in which it operates, through the Environmental Policy Reply intends to do everything in its power to spread sustainable behaviour.

The main guidelines defined in the policy and intended for all employees relate to conscious use of resources and recycling materials, energy savings, energy efficiency, optimising transport means and consumption reporting. For each of these issues, rules of conduct are set out that must inspire daily choices at both individual and company level (e.g. use of public transport, purchase of energy efficient appliances). The Environmental policy also identifies the roles, responsibilities, tools and activities to be implemented for monitoring impact, raising environmental awareness, communication, and reporting.

The Group's focus on environmental issues has also given rise to numerous internal initiatives that contribute to the Carbon Neutrality by 2025 and Net Zero goals that Reply has set itself for 2030. To minimise the environmental impact of car use, a mobility management project was launched in 2022 for the main Italian offices, which will make it possible to optimise the systematic travel of employees in 2023 by promoting sustainable mobility.



The path to Net Zero



Following the 2015 Paris Climate Agreement, many companies have stepped up their efforts to tackle climate change. Reply has made a full commitment to environmental sustainability, and for this reason it is committed to achieving:

- ▶ **Carbon Neutrality** for its activities (Scope 1 and 2) by **2025**;
- ▶ **Net Zero** with respect to its value chain (overall direct and indirect activities) by **2030**.

To achieve the Net Zero target, Reply is working on its emission reduction programme and has a series of actions to optimise the company's energy consumption.

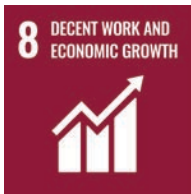
The main measures implemented by Reply to reduce emissions are as follows:

- ▶ **Transition to 50% electricity from renewable sources** in all countries by 2025
 - ▶ In 2022, half of the countries where Reply is present were supplied with energy from renewable sources for more than 50% of their total consumption. When compared to the total electricity consumption of the entire Group, 82% of it comes from renewable energy sources.
- ▶ evolution towards a **green fleet**, with a target of 30% hybrid/electric vehicles in 2025;
 - ▶ In 2022, the Reply fleet reached 17% of hybrid/electric vehicles, the use of which is supported by the presence of special charging stations, both publicly available near

the offices and, for some of the main offices, installed for the use of Reply employees.

- ▶ Adoption of **Environmental Policy** guidelines to reduce and monitor the environmental impact of the company's activities in offices not owned by the company, and **implement energy efficiency improvements** in all offices by 2030 (in Italy);
 - In 2022, various measures were taken to improve the energy efficiency of offices, including **reducing office opening hours** in line with working needs and local instructions issued by some countries to manage the energy crisis caused by the conflict between Russia and Ukraine. In addition, **re-lamping measures** were taken to replace traditional lighting with low-consumption equipment and **replace boilers** with more efficient models.
 - At the same time, office refurbishment projects are analysing the opportunity to move forward with voluntary **certifications of energy efficiency and environmental footprint** of buildings (e.g. LEED, BREEAM), which are already available for some of the offices used by the Group.
- ▶ Establishment of the **Reply Forest** to absorb tonnes of CO₂ and support reforestation;
 - The Reply Forest grew by 60% in 2022. At the end of 2022 Reply and its companies own more than 1,600 trees: the Reply Forest, together with the forests of the Reply companies, is currently capable of absorbing 510.51 tonnes of CO₂ per year.
- ▶ implementation of the offsetting programme to achieve **Carbon Neutrality in 2025** and **Net Zero in 2030** for CO₂ equivalent emissions.
 - The relative analysis was started and a compensation measure plan was defined through certified offsetting projects.

Consumption



The Reply Group energy consumption refers to:

- ▶ **Electricity**, sourced from the national grid to supply offices and premises lighting systems and, in some cases, for heating, as well as technological and IT equipment (e.g. computers, printers, servers, data centres);
- ▶ **Natural gas** for the operation of the heating systems installed in the Reply offices and whose consumption is strictly linked to the volume of corporate activities and number of offices;
- ▶ **Diesel and petrol fuel** for corporate vehicles;
- ▶ **Diesel** used for heating;
- ▶ **District heating** for offices and/or producing hot water, with a reduction in environmental impact.
- ▶ **Electric cooling and heating** (using fan coils or air conditioning) is often not directly quantifiable as it is included in the electricity consumption of the offices.

In relation to the activities carried out, Reply does not use fuels derived from renewable sources and does not produce energy for resale.

The table below shows energy consumption by type for the three-year 2020-2022 period.

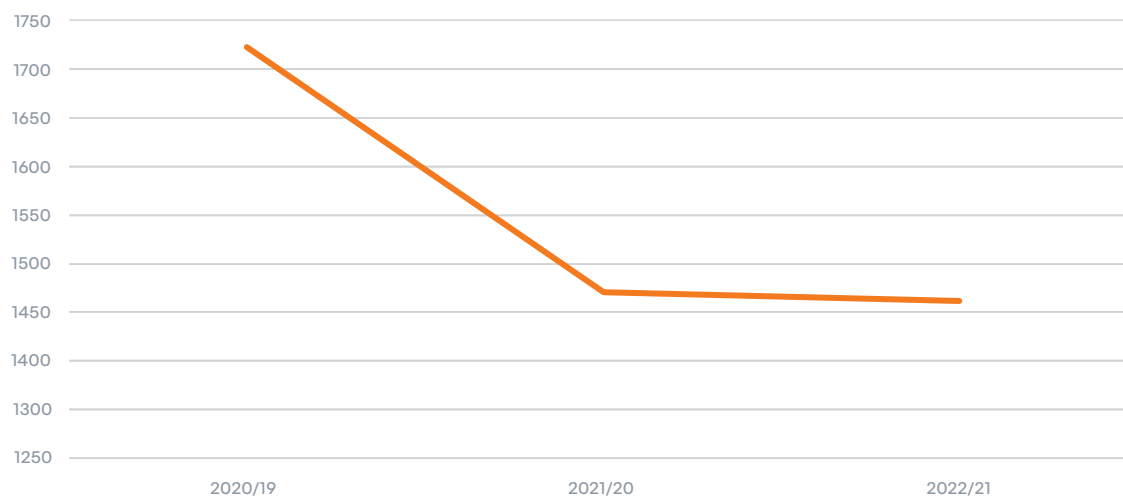
TYPE OF CONSUMPTION	UNIT OF MEASURE	2022	2021	2020
Electricity	kWh/year	13,345,458	10,067,118	10,504,907
District heating	kWh/year	6,051,748	4,269,938	3,291,278
Natural gas	m ³ /year	334,689	1,291,914	426,746
Diesel (heating)	l/year	9,000	10,000	14,500
Diesel (vehicles)	l/year	1,675,487	1,380,179	1,318,530
Gasoline	l/year	192,881	86,631	60,138

TYPE OF CONSUMPTION	UNIT OF MEASURE	2022	2021	2020
Electricity	GJ/year	48,044	36,242	37,818
District heating	GJ/year	21,786	15,372	11,849
Natural gas	GJ/year	13,308	49,332	16,295
Diesel (heating)	GJ/year	344	382	554
Diesel (vehicles)	GJ/year	63,977	52,702	50,348
Gasoline	GJ/year	6,389	2,977	2,067
TOTAL	GJ/year	153,848	157,006	118,930

During 2022, a slight increase was recorded in the consumption of **electricity** (including district heating) and **fuel** for cars compared to the previous year. This increase is mainly due to the growth in the Group's size and the gradual return to the offices after the Covid-19 pandemic, as well as the extension of the reporting perimeter for company cars (with all countries present in Region 1, especially the USA and Brazil). However, if we compare these consumption figures with those for 2019, which were not affected by the pandemic, we can see that electricity consumption is comparable (+4%), despite the increase in the number of open offices (with the addition of the new office in via Nizza 250 in Turin of over 20,000 m²) and the return to full operation, while the use of company cars (such as diesel and petrol consumption) has been reduced by 12%, in addition to the reduction in non-electric cars of around 7%.

The improvement in the efficiency of **district heating and electricity consumption** is significant: despite the increase in absolute terms, the consumption in kWh per employee fell by 0.7%, with an average consumption of 1,461 kWh compared to 1,470 kWh in the previous year. Overall, compared to 2020/2019, where consumption was equivalent to 1,722 kWh per employee, there was a decrease of 15.2%.

KWH CONSUMPTION BY EMPLOYEE ⁽³⁾



Regarding gas consumption for office heating, an error had led to an overestimation⁽⁴⁾ of consumption for 2021, but the data for 2022 show a decrease in consumption compared to 2020 (-21.6%), despite the Group's organic growth.

(3) Figures "per employee" are calculated as an average over two consecutive years to mitigate the effects of abnormal events that may distort trends and to include the effect of improvement actions undertaken.
(4) The value of gas consumption for heating was almost quadrupled

Energy from renewable sources

In addition, Reply is working to supply all major locations worldwide with electricity from renewable sources by 2025. In this respect, the commitment made in Germany in 2021 was continued with the signing of contracts for the supply of electricity from renewable sources, which will exceed 60% of consumption; in Italy, on the other hand, the slight decrease is due to the opening of a new office, which has not yet been supplied with green contracts. In 2022, overall, Reply drew 82% of its electricity from renewable sources.

SOURCE OF ELECTRICITY PURCHASED IN 2022

REGION	COUNTRY	TOTAL ELECTRICITY ⁽⁵⁾ 2022 (kWh)	% RENEWABLE 2022	ELECTRICITY FROM RENEWABLES 2022 (kWh)
Region 1	ITALY	9,897,162	94%	9,281,774
	BRAZIL	108,190	85%	91,460
	ROMANIA	72,360	51%	36,600
	CHINA	14,108	29%	4,043
	INDIA	39,745	21%	8,418
	USA	990,584	21%	205,076
	POLAND	24,906	18%	4,409
	NEW ZEALAND	13,072	85%	11,123
Region 2	AUSTRIA	32,311	81%	26,150
	CROATIA	55,313	65%	35,948
	GERMANY	1,254,272	61%	766,677
	CHINA	11,737	29%	3,363
Region 3	LUXEMBOURG	8,035	92%	7,390
	UNITED KINGDOM	593,279	42%	250,423
	BELGIUM	36,777	25%	9,177
	FRANCE	11,091	23%	2,546
	BELARUS	9,914	4%	353
TOTAL		13,172,856	82%	10,744,930

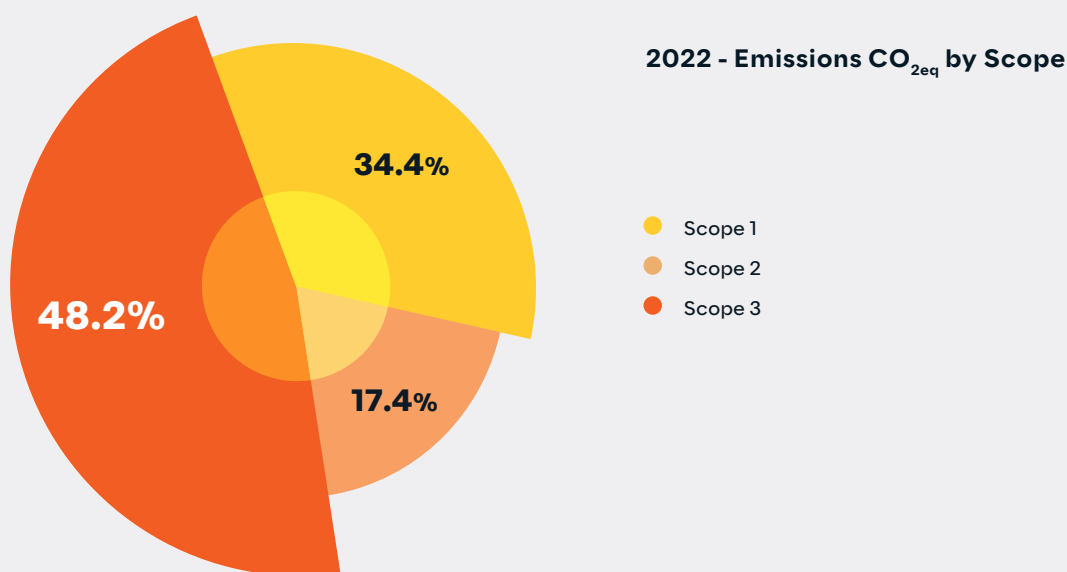
(5) The percentage of energy from renewable sources is calculated on the basis of specific contracts, where available, or assumed on the basis of national fuel mixes.

GHG gas emissions



The Group's greenhouse gas emissions derive from its office-based organisation and are thus due to the use of fossil fuels for heating, business travels, and purchase of electricity produced by third parties. The emissions deriving from Reply activities are thus very limited and linked to traditional assets such as electrical and heating plant. To report its emissions, the Reply Group has followed the five principles - relevance, completeness, consistency, transparency and accuracy - indicated in the GHG Protocol Corporate Accounting and Reporting Standard, balancing them according to its objectives.

The total emissions broken down by Scope (with Scope 2 Market-Based) are shown below.



The recovery of business travel, which is increasingly returning to pre-pandemic levels throughout Reply's territory, and the extension of Scope 3 reporting to include the upstream electricity component have changed the weighting of the contributions of the different scopes in terms of total CO_{2eq} emissions. In particular, Scope 1 has decreased in favour of Scope 3 compared to 2021 figures.

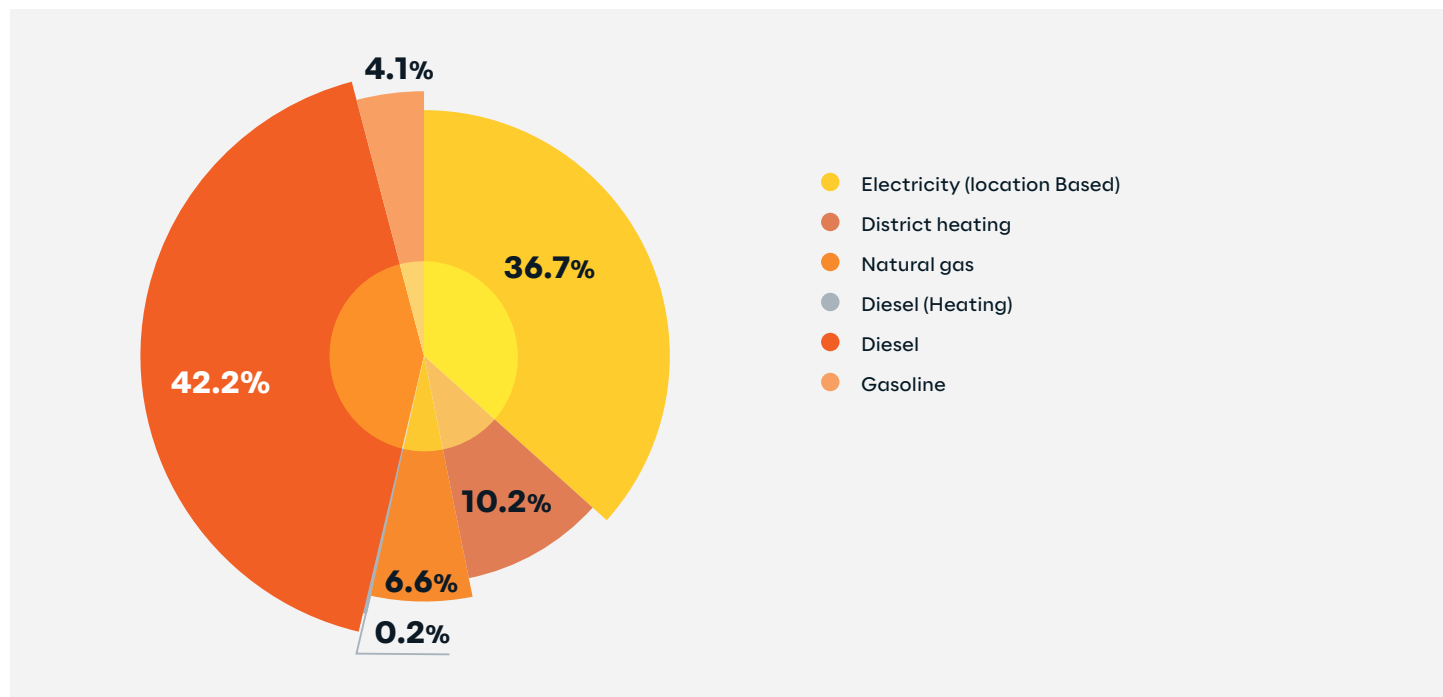
SCOPE	UNIT OF MEASURE	2022	2021	2020
Direct emissions (Scope 1)	ton CO _{2eq}	5,400 (-14%)	6,294	4,518
Indirect emissions (Scope 2) LOCATION-BASED	ton CO _{2eq}	4,757 (+22%)	3,898	3,831
Indirect energy emissions (Scope 2) MARKET-BASED	ton CO _{2eq}	2,738 (+13%)	2,416	2,367
Indirect energy emissions (Scope 3)	ton CO _{2eq}	7,578 (+152%)	3,011	n/d

SCOPE 1 AND 2

From the graph below, which shows the breakdown of total Scope 1 and 2 greenhouse gas emissions by source, it can be seen that:

- ▶ the main contribution comes from **fuel consumption** for company cars (46.3%)
- ▶ followed by **electricity** consumption for offices and technological and IT equipment (36.7%)
- ▶ the lowest contribution is from the **heating of the offices** using diesel and district heating (16.8%)

CO_{2eq} EMISSIONS (Scope 1 + Scope 2 Location-Based) BY SOURCE AT 2022



The changes compared to the 2021 values are mainly due to the correction of natural gas consumption and secondly to the increase in the number of company cars.

The tables below show the greenhouse gas emissions of:

- ▶ Scope 1, i.e. those directly deriving from the consumption of natural gas, diesel and petrol;
- ▶ Scope 2, i.e. those indirectly deriving from the consumption of electricity and district heating.

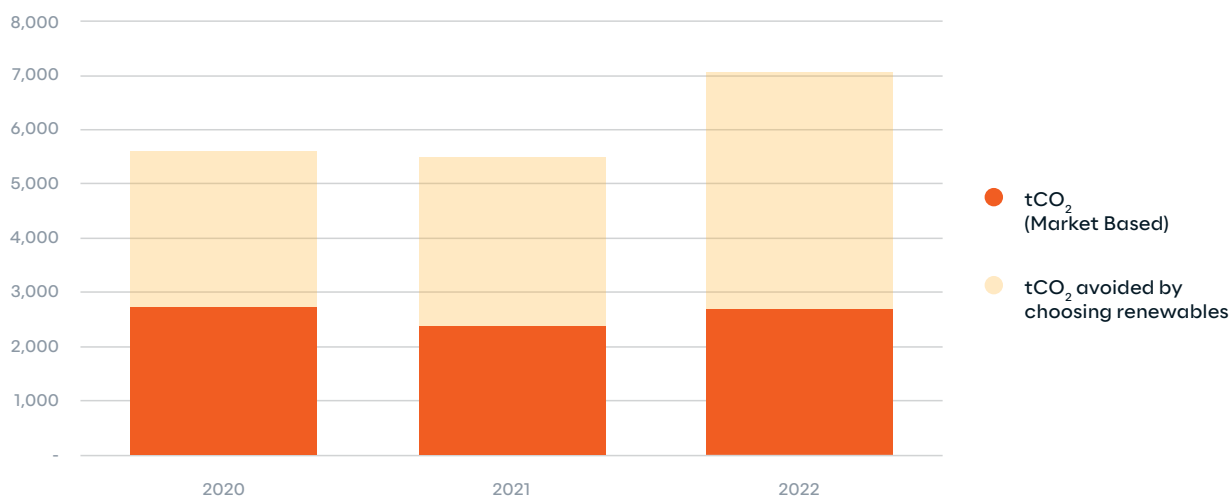
Indirect emissions were calculated according to two different methods:

- ▶ *Market-based*: reports emissions related to electricity and district heating with Guarantees of Origin that prove the energy origin. In the absence of these guarantees, the calculation was made with reference to the residual mix, which entails higher emissions than the emissions calculated with the Location-based method;
- ▶ *Location-based*: reflects the average intensity of emissions relative to the grids providing the energy.

When analysing the evolution of greenhouse gas emissions over the three-year period 2020-2022, there was:

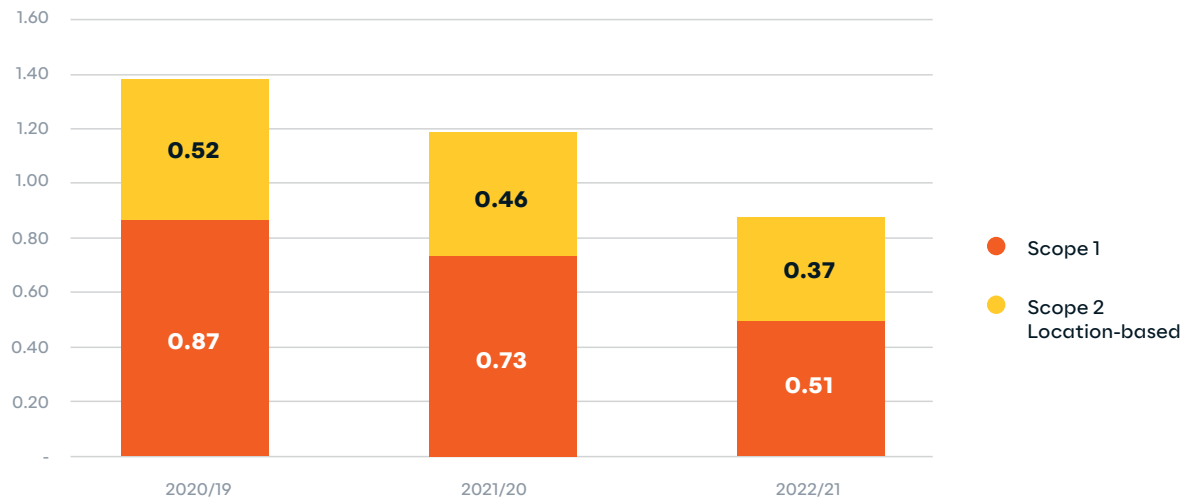
- ▶ a decrease in emissions for the Scope 1 part due to the error related to natural gas consumption for office heating in 2021 (as explained in the section CONSUMPTION);
- ▶ an increase in emissions for the Scope 2 part when taking into account the location-based approach. The overall increases for Scope 2 are explained by the gradual post-Covid-19 emergency return to offices in 2022.

TOTAL SCOPE 2 CO₂EQ EMISSIONS - ENERGY MIX COMPARISON



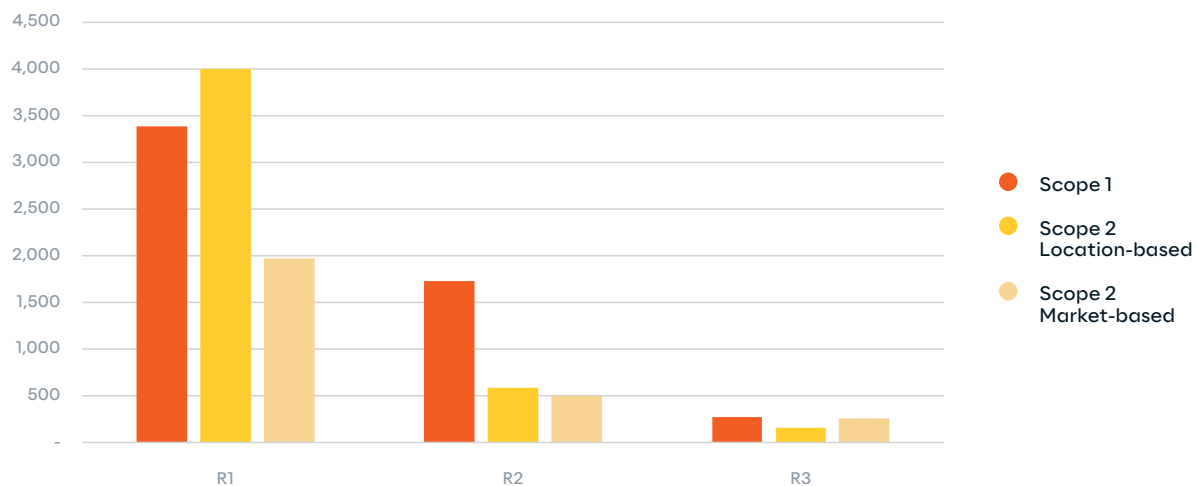
The positive impact of using energy from renewable sources is evident from the Scope 2 Market-Based analysis: the translucent area in the graph represents the share of emissions that would occur in the absence of “green” contracts, while the translucent area highlights the actual emissions component for Reply.

CO₂EQ EMISSIONS PER EMPLOYEE (tCO₂eq)



The analysis of the intensity of emissions in relation to the number of employees of the Group shows an overall reduction, greater for Scope 1 (also due to the correction of natural gas consumption) and less for Scope 2, which can be explained by the increase in the number of Reply employees.

CO₂EQ EMISSIONS BY REGION IN 2022 (tCO₂eq)



The extensive use of district heating in Region 1 led to an increase in indirect Scope 2 emissions compared to the other Regions.

DIRECT (SCOPE 1) AND INDIRECT ENERGY (SCOPE 2) CO₂EQ EMISSIONS BY REGION IN 2022

SCOPE	UNIT OF MEASURE	R1	R2	R3	TOTAL
Direct emissions (Scope 1)	ton CO ₂ eq	3,392	1,727	281	5,400
Indirect energy emissions (Scope 2) LOCATION-BASED	ton CO ₂ eq	4,007	585	166	4,757
Indirect energy emissions (Scope 2) MARKET-BASED	ton CO ₂ eq	1,977	501	261	2,738

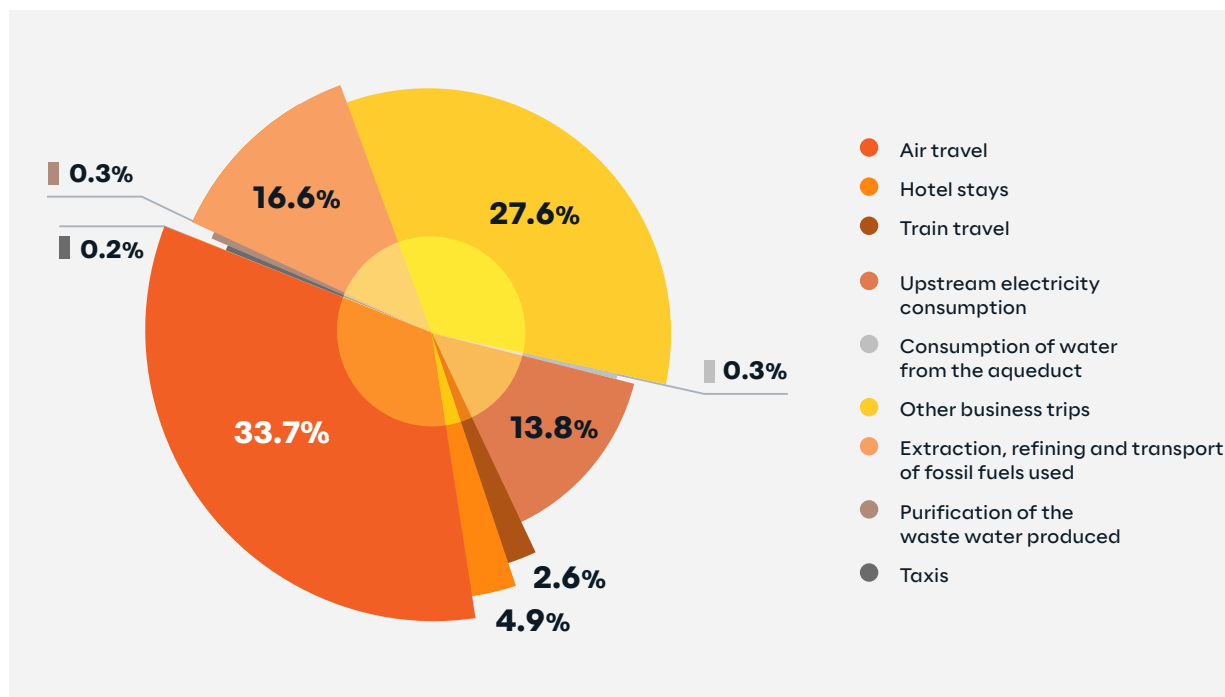
SCOPE 3

The calculation of Scope 3 emissions takes into account greenhouse gas emissions that are not under the direct control of the company, but that are indirectly linked to Reply's value chain, in particular the upstream activities of the Group's business. The identification of emission sources was guided in particular by the company's defined strategy of identifying and understanding the risks and opportunities associated with emissions in its value chain, in order to set reduction targets, monitor performance and improve information to its stakeholders, thereby increasing the level of reporting transparency.

The emission categories identified with respect to the indications of the GHG Protocol are as follows:

- ▶ Business travel: emissions from air travel, train travel, hotel stays, taxis and other business trips, which mainly include reimbursement of expenses for travel by personal car and fuel used for rental cars;
- ▶ Emissions related to the production of fuel and energy (fuel and energy related activities) not included in Scope 1 or Scope 2: upstream emissions from electricity consumption for offices and district heating (introduced in 2022), gas and diesel for heating, diesel and petrol for company cars, emissions associated with the extraction, refining and transport of fuels before combustion (well-to-tank);
- ▶ Purchased goods and services: with consumption of water from the aqueduct;
- ▶ Waste generated in operations: purification of the waste water produced.

INDIRECT (SCOPE 3) CO_{2eq} BY TYPE IN 2022

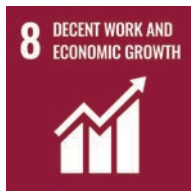


INDIRECT (SCOPE 3) CO_{2eq} BY REGION IN 2022

Categories		EMISSIONS for scope 3 (t CO _{2eq})			
		R1	R2	R3	Total
Business Travel	Air travel	2,101.8	429.1	25.3	2,556.2
	Train travel	117.5	34.0	47.2	198.7
	Hotel stays	273.2	79.7	17.1	370.0
	Taxis	6.1	15.5	0.0	21.6
	Other business trips	1,950.5	139.0	0.0	2089.5
	Total Business Travel	4,449.2	697.2	89.6	5,236.0
Purchased goods and services	Consumption of water from the aqueduct	10.9	1.8	0.7	13.4
	Total Purchased goods and services	10.9	1.8	0.7	13.4
Waste generated in operations	Purification of the waste water produced	19.9	3.2	1.3	24.4
	Total Waste generated in operations	19.9	3.2	1.3	24.4
Fuel and energy related activities	Extraction, refining and transport of fossil fuels used	802.8	388.6	69.3	1,260.7
	Upstream electricity consumption	904.0	89.5	49.6	1,043.1
	Total Fuel and energy related activities	1,706.8	478.1	118.9	2,303.9
Total		6,186.9	1,180.3	210.5	7,577.7



Waste management



Reply is an organisation based on activities of a purely intellectual nature, therefore there are no significant environmental impacts either upstream or downstream of its value chain. Indeed, Reply does not carry out activities that require incoming raw materials, nor does it produce specific waste related to the production of its business services, therefore there are no critical aspects related to possible environmental impacts on the management of special waste. In terms of waste generated within the organisation that is strictly related to office activities, we note electronic equipment (e.g. laptops, printers, etc.), better known as **WEEE** (Waste from Electrical and Electronic Equipment). In the Italian perimeter, Reply manages this type of waste with a set schedule based on precise contingent needs. Suppliers are qualified by following internal asset reuse and disposal procedures, which include verification of the legal requirements for carrying out this type of activity. In addition, to manage the disposal of electronic equipment, there are KPIs within the Environmental Management System and managed by the ICT function that track both purchased laptops and those that are disposed of and donated. One of Reply's future objectives is to make the waste management process more structured and widespread in order to reduce the generation of hazardous waste to a minimum.

As mentioned above, to integrate and improve the circularity of goods, Reply has decided to continue donating laptops that are still functional but inadequate for internal technical/operational needs. In 2022 in Italy there were several initiatives where Reply was involved in donating electronic equipment, both internally to employees who requested it and externally to various charities, for a total of 846 laptops that were put to new uses.

As far as **municipal waste** is concerned, all offices have special recycling bins, and by 2023 Reply is committed to introducing recycling bins for all types managed locally (e.g. plastic, paper, organic, metal) in a comprehensive way in all its locations.

Reply encourages employees not to use disposable cups and, where possible, to use their own reusable cups, to considerably reduce the impact of waste. Furthermore, in 2022 Reply has set itself the goal of eliminating single-use plastic in all offices in line with the European SUP (Single Use Plastic) directive which regulates its use. In addition, compostable cups for coffee and tea are expected to be introduced by 2023, and plastic stirrers will be replaced with other compostable materials so that they can be used by staff. Similarly, there are plans to replace still water bottles with organic ones, which are disposed of in organic waste, and to replace sparkling water bottles with aluminium cans, which are disposed of in metal waste. Over time, these initiatives will make it possible to increase the amount of waste destined to have a second life, as reusable by-products.

Reply also demonstrates its focus on the environment by reusing promotional materials, such as roll-ups, which are 80% recycled to create limited edition gifts distributed to employees who have actively contributed to the initiatives.

Reply is committed to achieving zero-waste status by 2030 with the aim of reusing and recycling where opportunities exist in e-waste. To achieve this goal, Reply will donate, reuse or recycle 100% of electronic waste such as computers and servers.



Reply is strongly focussed on the issue of sustainability also through **Reply to the Earth**, a programme designed both to involve Replyers through activities and initiatives and to raise employee awareness to ensure they have a solid and tangible focus in their daily work. As part of the Reply to the Earth programme, the Social Network function proposes activities aimed at involving local internal communities on specific issues such as sustainable mobility or the use of recycled materials. The focus on environmental issues has also generated numerous internal initiatives; in Turin, for example, a plogging challenge was organised with the aim of collecting and properly disposing of litter left along the road and in the green areas around one of Reply's offices, thus providing the city's community with a cleaner environment.

On Earth Day 2022, an **upcycling competition** was launched open to all employees, who were asked to create and display their own recycled object to win a gift made from recycled promotional material. The aim was to show support for environmental protection and to encourage reuse and upcycling behaviour in everyday life.

Water management

Although the management of water resources did not emerge as a material topic in the materiality analysis due to the nature of the Group and its business, Reply believes that water resources are an important aspect to be monitored, keeping track of data related to its consumption, as reported below.

It is noted that Group water consumption refers solely to the use of water for hygiene and sanitation at the various offices of Group companies as well as their use in terms of technology, such as air-conditioning and fire protection systems. Given the volumes of water used, type of use and geographical location of offices, the impact on water resources are deemed negligible.

The increase in consumption is mainly due to the transition to the use of actual consumption data as opposed to estimated data in previous years.

WATER CONSUMPTION BY REGION

REGION	UNIT OF MEASURE	2022 WATER CONSUMPTION	2021 WATER CONSUMPTION
R1	m ³ /year	73,233	47,900
R2	m ³ /year	11,875	10,744
R3	m ³ /year	4,674	5,063
TOTAL	m³/year	89,783	63,707

Research and innovation: make forward



Reply offers high technology services and solutions in a market where the innovation element is of paramount importance; in fact, research and continuous innovation are a fundamental asset, both to support customers and partners in the process of adopting new technologies and to continue to offer cutting-edge services, thus responding to new market needs.

“Make forward” means being aware of technologies and trends as they emerge, exploring their potential and learning how to exploit them rather than chase them. That is why at Reply several **cross-functional teams** (Communities of Practice), globally, specialise in the study of technology trends and identify the optimal way to apply them to existing products and services to ensure that they are always highly innovative and design new applications. In order to achieve these objectives, Reply dedicates resources to research and development activities, which are expensed during the year, including the development of proprietary platforms.

In 2022, 16 cross-functional teams were actively involved in innovation activities (3 of which were new for further topics to be analysed, such as “Electrified Mobility”), involving a total of more than 380 responders from more than 100 Group companies in 7 villages.

The **research and insights** that Reply regularly produces and publishes cover all sectors and include the latest innovation trends, highlighting the Group’s commitment to innovation and research. These analyses are complemented by a series of **webinars** in which Reply specialists present the latest news from the main industrial sectors, the new technological solutions available on the market and the main technological challenges facing companies. In 2022, more than 20 whitepapers and 40 articles were published and innovation topics were discussed in 78 webinars and more than 110 events and conferences external to Reply.

- Costs related to the maintenance and repair of buildings and IT equipment incurred during the year. This category includes the cost of employees involved in maintenance and repair activities as well as maintenance contracted out to third parties. Within the maintenance and repair accounts, building renovations similar to the concept of “building renovation” mentioned in the Disclosure Delegated Act have also been included;
- The cost category associated with the “day-to-day servicing of assets”⁽³⁷⁾, was considered to refer to costs related to the cleaning of facilities.

The result of these analyses determined a value of Euro 20,218 thousand, which represents 1.3% of total operating expenses. The low value of the aforementioned ratio is an indication of the low relevance of taxonomic cost categories (mainly focused on the maintenance of assets and thus aimed at asset-intensive companies) compared to a business model that sees personnel costs as the greatest part of its operating costs. As required by the Delegated Disclosure Act, therefore, the KPI relating to OpEx is to be considered **immaterial**.

- **numerator:** although the KPI is immaterial, the Group has chosen to disclose the KPI in question only in relation to the eligible activities directly carried out, i.e. 8.1 - Data processing, hosting and related activities - and 8.2 - Programming, IT consultancy and related activities. For these activities, specific maintenance costs, short-term leases and non-capitalised R&D costs have been identified. Similarly to capitalised expenses, operating expenses for which it was not possible to extract data from the management systems on a timely basis were identified using an allocation driver based on the percentage weighting of revenues.

KPI EVALUATION OPEX GENERATED BY NOT ENABLING GROUP ACTIVITIES

Activity	OpEx (€ thousand)	OpEx share (%)
8.1 Data Processing, Hosting and Related Activities	1,888	9.3%
8.2 Programming, IT consultancy and related activities	5,129	25.4%

(37) Clarification provided by the answer to question 12 of the FAQ published by the European Commission on 02/02/2022.