

Letter to Stakeholder

by **Maximo Ibarra**

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The year 2022 saw many factors at play at the political, economic and social level, which further tested the transformational capacity and resilience of companies.

The effects of the pandemic, which have not yet been fully overcome, the seriousness of a war in Europe, which sadly continues to rage on, and the actions taken by central banks in an attempt to limit price inflation, are leading us to predict a highly complex scenario over the coming months, in which it will be fundamental to identify the right priorities.

In these circumstances, it is necessary to abandon a conservative approach and privilege decisions that strengthen competitiveness: the digital and environmental transition, energy efficiency, training, a new way of organizing work, the demographic crisis and the implementation of new cutting-edge technologies, so that they become really inclusive and help us to simplify work and our personal lives, are some of the main policies that should be guiding us in the near future and are consistently present in the strategy of the Group that I have the honor of leading.

The year 2022 was an important one for the establishment of Engineering in the Italian public and economic fabric as a reference industrial player in the digital transformation, but also in the company's path of consolidating sustainability projects based on ESG targets and shared with stakeholders, customers and shareholders.

We are seeing the effects of this commitment in 2023 and therefore wanted to provide an account of them already in the pages of this Report. Over the last few months, all ESG-related topics experienced an increasingly significant upgrade: from Diversity-Equity & Inclusion to welfare, occupational health and safety, the environment, privacy issues and IT security.

Over the last year, we continued to promote the digital transition to foster innovation and sustainability in our internal processes and services as well as in institutions and businesses. We made additional investments in the development of our professional skills and in the external spread of IT Education. With over 33,000 training days, our Academy is one of the leading Corporate Schools on Information Technology in Italy: and just recently we obtained the Best HR Team Award of HRC, which ranked our Company in first place in the Learning category.

Our upskilling and reskilling courses, in conjunction with employer branding and talent attraction strategies, and along with our intense research activity, enable us to offer innovative, high-quality solutions and services to more than one thousand customers operating in a variety of sectors, from the Public Administration to the private sector.

Our company's mission is led by the desire to bring about a profound change that makes it possible to face environmental, social and economic challenges in line with the objectives of the United Nations Sustainable Development Goals and the principles of the UN Global Compact, with which we have renewed our membership every year since 2021, participating in the initiatives promoted, such as the Target Gender Equality Accelerator. Our commitment is oriented towards improving living conditions, promoting universal, safe access to medical treatment, optimizing energy resources and introducing innovative services, with a view to contributing to a fair and inclusive society. Engineering is a robustly human capital Group that values and encourages talent and personal well-being. We have developed and consolidated our 2022-2025 HR strategy by introducing strong Diversity, Equity & Inclusion oversight. We aim with conviction, also through targeted initiatives, at creating an inclusive environment that values

differences as factors for innovation, creativity and development.

In 2022, women made up over 31% of the Group's employees: a significant share, which we aim to increase even further, with the goal of reaching 35% by the end of 2025. In the course of the year, we hired around 1800 people in Italy, including more than 500 women. Young people under 30 years of age have increased by 33%. 2022 was also a year full of initiatives that bore fruit in the early months of 2023: reorganization processes were introduced to improve the company's job architecture and personnel policies, with initiatives aimed at encouraging the hiring of people with disabilities, as well as welfare actions intended to make Engineering an inclusive and open place.

We also developed and implemented highly sophisticated internal management and control systems intended to guarantee the utmost security and integrity of the data that our customers and partners entrust us with. We collaborate with industry experts and adopt the most advanced technologies to protect our infrastructure, systems and sensitive data. Furthermore, we have taken actions to promote IT security awareness amongst our employees and associates.

In terms of governance, in 2022 Engineering added to its Code of Ethics following a rigorous gap analysis. In particular, the Group's commitment to rejecting all types of recourse to or support of the use of child labor was made even clearer; the reference to the freedom of association was reinforced; a reference to the international regulation on respect for human rights was explicitly included, through compliance with the conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights, international standards on human rights and national legislation on labor and non-discrimination.

In 2022, we also attributed even greater significance to sustainability in our company's governance, actively involving the top management in this process and, progressively, every level of the organization. This decision accelerated the achievement of important objectives, such as lower Data Center electricity

consumption - linked to the effects of energy efficiency projects and an increase in the share of energy from renewable sources. Indeed, we have certified 89% of our electricity supply as coming from renewable sources; we have embarked upon a sustainable procurement path, which in 2023 gave rise to our partnership with Open-es as lead company and the progressive involvement of our supply chain in ESG factors.

In April 2023 we launched a project to develop a decarbonization strategy and plan for the Group companies at global level, which calls for the establishment of emission reduction targets aligned with the SBTi framework (Science-Based Target initiative), by the end of 2024. The 2022 Sustainability Report aims to tell the story of how our commitment today is rooted in every aspect of our policies and procedures and is integrated into our business. The digital transformation, which represents the core business of Engineering, is a key lever capable of providing answers to social and environmental challenges, including for our customers. Sustainability is not only a business responsibility, but also a shared challenge in our value chain, which will therefore require the collaboration of all of our stakeholders, with which we will be even more open to dialog in 2023, to build partnerships to achieve shared goals, including as part of sustainability networks such as the Foundation for Digital Sustainability, of which Engineering is a member.

The complex challenges that await us require participation and collaboration, and can represent an opportunity for improvement if we are ready to embrace change and reconsider entrenched models. Engineering will continue to be on the front lines in supporting research into the most efficient transformation models and the development of collaborations with leading industry operators, pursuing these goals with the full support of shareholders and sharing the process with our main stakeholders, customers, suppliers and employees.

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