

Alkemy

enabling evolution

Consolidated Non-Financial Statement in accordance with Italian Legislative Decree no.
254/2016

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Letter to stakeholders

Stakeholders,

We are very proud to share our non-financial statement with you for the third year.

2021 was an important year of major consolidation and growth. Having now turned ten, Alkemy has exceeded 95 million in turnover and more than 700 employees. However, 2021 was also the year during which we saw the results of our reorganisation and the industrialisation process launched in 2019 take concrete form, involving the crucial switch from start-up to scale-up.

We are, however, aware that the growth and evolution of our business is not possible without our people who are our very strength, our assets and our most important resource of all. The implementation of our objectives requires talents from all walks of life and areas. But we want people who combine talent and competence with our values, *good people*, as we like to call them.

For us, the industrialisation of our business model therefore also means structuring and encoding what has always been substantial and central for us. Alkemy is hinged on its people and on their unique features that enrich our community. It is important that Alkemy offers people a welcoming place in which to grow, work and learn, as well as a context to be proud of.

In growing, Alkemy seeks to stay true to its essence. Our ambition is to combine performance and competitiveness with a series of values that are essential to us. This is our alchemy. The combination of these founding elements represents the uniqueness and very role of Alkemy in society.

Alkemy wants to play a guiding role in the industry of value added services. We want to demonstrate that there is a different way of being a business, in which growth and profits give us the chance to increasingly confirm an ethical way of doing business. This is our first sustainability challenge.

This is why, in proceeding along our evolution with responsible management, we are defining policies and procedures that formalise the approach to sustainability topics relevant to us and our community, already hallmarks for Alkemy and on which we will report to you with the approval of the 2022 non-financial statement.

But this is not enough: today, we make the formal commitment to all of you to build and structure a sustainability plan, which supplements our business plan, defining important, ambitious targets for improvement, which take us to become leaders in sustainable development.

Duccio Vitali,

Chief Executive Officer of Alkemy S.p.A.

Methodological note

Reporting standards

The Alkemy Group (hereinafter also the “Group”) Consolidated Non-Financial Statement (hereinafter also referred to as the “Non-Financial Statement” or the “NFS”), prepared in accordance with Articles 3 and 4 of Italian Legislative Decree no. 254/2016 (hereinafter also the “Decree”), reports, to the extent necessary to ensuring the full understanding of the business activity, its performance, results and the impact it has on topics considered as relevant and envisaged by Art. 3 of Italian Legislative Decree no. 254/2016 with reference to 2021 (from 1 January to 31 December).

This Non-Financial Statement, which is published once a year, has been prepared according to the “GRI Sustainability Reporting Standards” (hereinafter the “GRI Standards”), published by the Global Reporting Initiative (GRI), according to the “GRI Referenced” approach. Finally, in order to facilitate the reader in finding information in the NFS, a GRI Content Index is given on pages 58-64.

The contents of the document, which reflect the principle of materiality or relevance, an element envisaged by the reference legislation and characterising the GRI Standards, refers to the material topics for the Group and its stakeholders.

In order to allow for the comparison of data over time and assess the performance of the Group’s business, a comparison with the previous year has been offered. The restatement of comparative data published previously, where present, is clearly indicated as such. Finally, in order to ensure a correct representation of performance and guarantee the reliability of the data, the use of estimates was avoided as far as possible and, where present, such estimates are duly reported.

With reference to the information envisaged by Art. 3, paragraph 3 of Italian Legislative Decree no. 254/2016, in view of the Group’s business segment, the following topics were not considered relevant in offering a representation of the corporate business:

- other atmospheric polluting emissions apart from greenhouse gas emissions;
- water consumption;
- human rights.

As regards the topic of human rights, despite the fact that they are not material for the context in which the Group operates, is overseen by the Code of Ethics introduced together with the Model 231, and aimed at recognising and respecting personal dignity, the private sphere and the rights of all employees.

For more information, please refer to the document “Code of Ethics” published on the company website <https://www.alkemy.com/governance/>.

Reporting boundary

With reference to the changes made in 2021 as compared with the previous year, we note that:

- on 6 April 2021, the binding agreement was completed, signed by Alkemy S.p.A. on 11 March 2021 for the acquisition of 51% of the quota capital of eXperience Cloud

Consulting S.r.l. ("XCC"), an Italian company specialised in Cloud Computing solutions, Gold Consulting Partner of Salesforce;

- on 23 April 2021, the shareholders' meetings of the two Mexican subsidiaries appointed Luca Nan, an Italian manager with considerable experience on the South American markets, as new CEO. He has been tasked by the Parent with consolidating business in Mexico and developing the Alkemy business model in that region. The greater focus on that area is confirmed by the resolution passed last 7 May by the shareholders' meeting of Ontwice Interactive Service s.l. (Madrid) to proceed with its spin-off, which was then completed last 9 September, through the conferral of two Mexican investee companies to the new entity, Alkemy South America s.l. with registered office in Madrid, which holds the capital of both the South American companies;
- on 11 June 2021, Alkemy S.p.A. acquired a further 31% of the quota capital of Design Group Italia (DGI) for the price of 1.3 million euros, paid through own funds; consequently, the Company now holds a comprehensive stake of 51%, giving it control over the share capital;
- on 8 July 2021, Alkemy S.p.A. acquired 30% of the residual quota capital of the subsidiary Nunatac S.r.l. from the two founding members and two managers, thereby becoming its sole shareholder.

The reporting boundary relates to the parent company Alkemy S.p.A. and the subsidiaries consolidated on a line-by-line basis at 31 December 2021, with the exception of XCC and DGI, which joined the Group's perimeter in 2021. Information is given on the group's structure on page 6 of this Statement.

The following exceptions are noted to the reporting boundary:

- Information on energy consumption (GRI 302-1) and CO₂ emissions (GRI 305-1 and GRI 305-2) regard only the Group's Italian companies (with the exception of XCC and DGI, which joined the Group's perimeter in 2021), insofar as the companies Alkemy Play S.r.l., Alkemy Play D.o.o., Alkemy SEE D.o.o., Alkemy Digital Hub D.o.o., Kreativa New Formula D.o.o., Alkemy Iberia S.L., Ontwice S. L., Ois Marketing Digital S.A. and Ontwice Interactive Service S.l. Mexico City are not significant in terms of consumption. Moreover, the data collection and monitoring systems in place at the remaining foreign countries do not, to date, allow for the timely collection of the information necessary for reporting on the indicators.

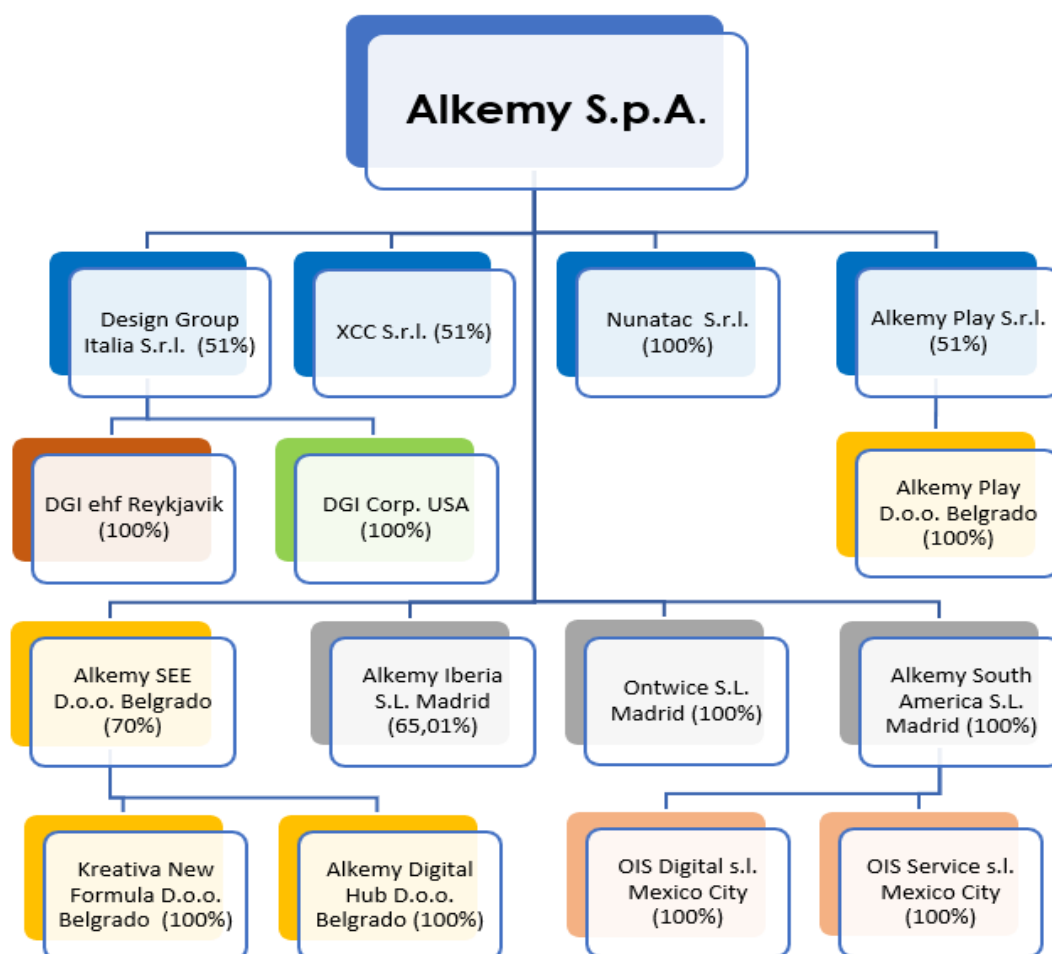
Approval and verification

The Statement was submitted for approval by the Alkemy S.p.A. Board of Directors on 22 March 2022 and was subjected to a limited assurance engagement (according to the criteria laid down by the standard ISAE 3000 Revised) by Deloitte & Touche S.p.A., in accordance with the provisions of Art. 3, paragraph 10 of Italian Legislative Decree no. 254/2016. The audit report is attached to this document. The limited audit did not cover the information required by Article 8 of European Regulation 2020/852.

Group profile

Established in 2012, the Alkemy Group operates to improve the market position and competitiveness of its customers, stimulating the evolution of the business model consistently with technological innovation and consumer conduct. Thanks to the competences of its people, the Group contributes towards the evolution of its customers' business, staying one step ahead of the transformations of the post-digital scenario.

The Group comprises the Parent Alkemy S.p.A., with registered office at Via San Gregorio 34 in Milan, and 15 direct or indirect subsidiaries in Italy, Serbia, Spain and Mexico.



In accordance with Articles 2497 *et seq.* of the Italian Civil Code, Alkemy S.p.a. manages and coordinates the companies of the Group and its direct and indirect subsidiaries, exercising control over such in accordance with Art. 2359 of the Italian Civil Code and consolidating their financial statements.

At 31 December 2021, the scope of consolidation was as follows:

Company name	% held	Operating offices
Alkemy S.p.A.	-	Italy - Milan, Rome, Turin, Cagliari, Rende (CS)
Direct subsidiaries:		
Alkemy Play S.r.l.	51%	Italy - Milan

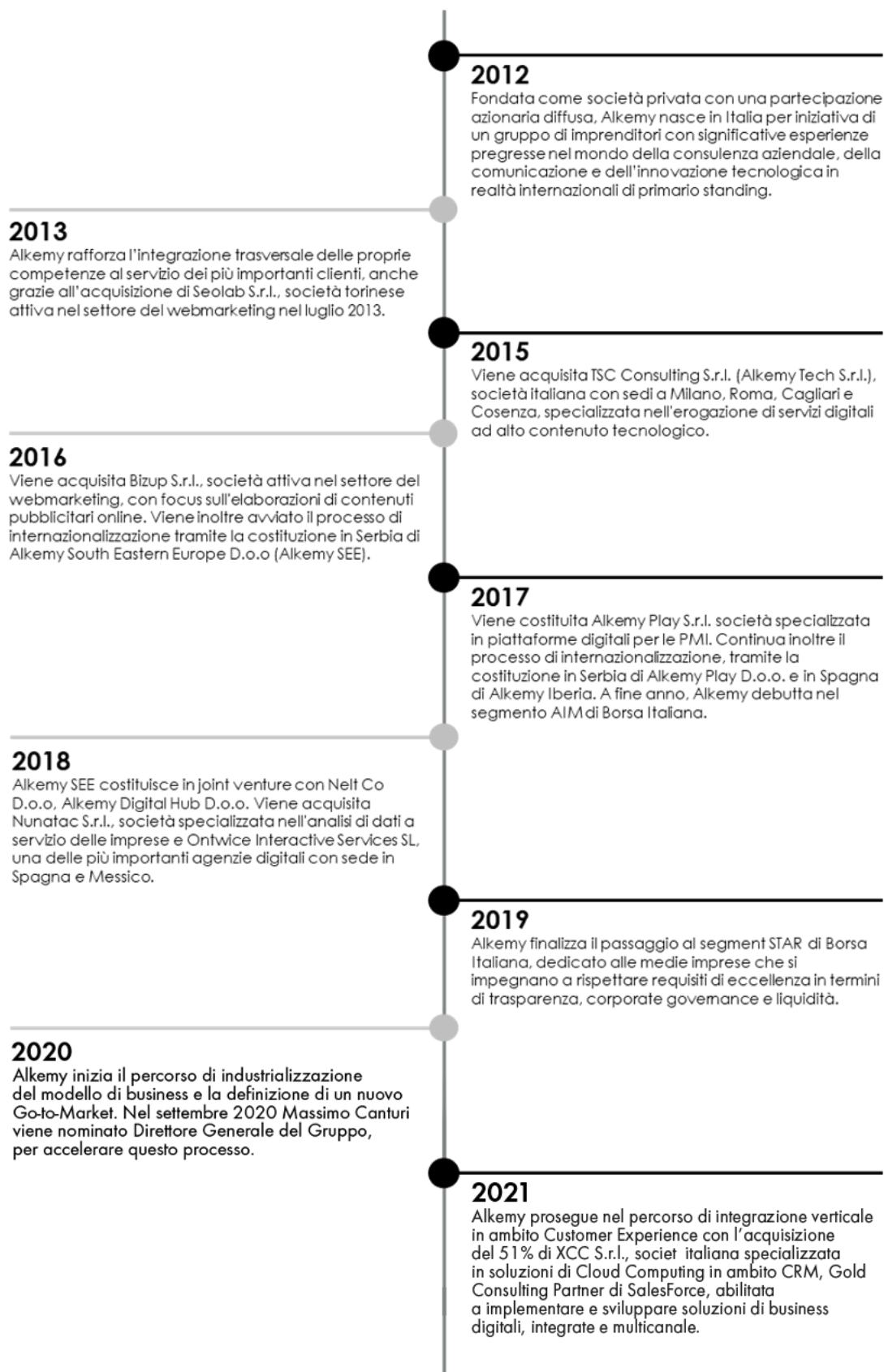
XCC S.r.l.	51%	Italy - Rome
Alkemy SEE D.o.o.	70%	Serbia - Belgrade
Alkemy Iberia S.l.	65%	Spain - Madrid
Nunatac S.r.l.	100%	Italy - Milan
Ontwice Interactive Service S.l.	100%	Spain - Madrid
Design Group Italia S.r.l.	51%	Italy - Milan
Alkemy South America S.L.	100%	Spain - Madrid
Indirect subsidiaries:		
Alkemy Play D.o.o.	51%	Serbia - Belgrade
Alkemy Digital Hub D.o.o.	70%	Serbia - Belgrade
Kreativa New Formula D.o.o.	70%	Serbia - Belgrade
Ontwice Interactive Service S.l. Mexico City	100%	Mexico - Mexico City
Ontwice Interactive Service Digital S.l. Mexico City	100%	Mexico - Mexico City
Design Group Italia Corp.	51%	USA - New York, Palo Alto
Design Group Italia EHF	51%	Iceland - Reykjavik

Through a sought-after diversification of the competences of its resources and the synergic manner in which they work on the individual projects, the Group is able to propose an integrated range of multiple services offering customised solutions to suit the needs of the various types of customers (industrial, financial and commercial). More specifically, the extensive portfolio of customers allows for a major diversification of the sectors serviced, such as, for example, consumer services, media, telecommunications and technology, fast-moving consumer goods, banks and financial services, utilities and fashion.

Thanks to a team of 614 employees, the Alkemy Group can integrate competences into the areas of Consulting, Data & Analytics, Digital Marketing, Technology, Brand Experience and Product & Space Design, with a range designed for the post-digital context, which covers the whole value chain from strategy to implementation.

C CONSULTING				
DA	DM	T	BX	PS
DATA & ANALYTICS	DIGITAL MARKETING	TECHNOLOGY	BRAND EXPERIENCE	PRODUCT & SPACE DESIGN
Attività dedicate al supporto alle aziende, nel miglioramento delle performance attraverso l'analisi dei dati disponibili (CRM, altri sistemi interni o fonti esterne) e l'implementazione di modelli di analytics	Attività di sviluppo strategie e governo di strumenti per la generazione di engagement e l'acquisizione di lead e clienti attraverso canali digitali, con o senza l'utilizzo di Media	Attività di progettazione, sviluppo ed esercizio di tecnologie per l'evoluzione digitale dei canali B2B e B2C, soluzioni front-end, CRM, Marketing Automation	Creare delle esperienze di brand uniche, cioè end-to-end dalla strategia, alla creatività, al design fino alla produzione, per aumentare attraction e retention delle customer base.	Attività basate su approccio Design Thinking e mirate alla creazione di valore attraverso disegno e progettazione di: Prodotti fisici e digitali, Destinazioni e spazi in cui persone e brand possano condividere esperienze significative

ALKEMY GROUP HISTORY



Mission and values

The Group was established to help the top management teams of medium and large companies to evolve and improve their business model, making the most of opportunities offered up by digital and technological innovation in general and consistently with the evolution of consumer conduct, so as to proactively manage change and be increasingly competitive on the market.

Alkemy is a business of people and the implementation of its mission calls for talent from various walks and areas of life.

To attract this talent, Alkemy has developed a new aggregation model, where people are able to fully express their capacity and feel truly at home in a company they feel is their own.

This model is based on three factors:

1. The affirmation that in Alkemy, we want people who combine talent and competence with our values and principles (*good people and people who are good*)
2. A founding principle of *Freedom & Responsibility*, which gives great autonomy and leaves a great deal of responsibility to all people
3. A broad-based ownership model where no one has (nor has ever had) the majority.

This context includes the values referred to using the acronym "EPIC":



ECCELLENZA

in tutto quello che facciamo,
con cura e qualità assoluta
anche nel minimo dettaglio.



PASSIONE

per il nostro lavoro, per le
nostre persone e, soprattutto,
per i nostri clienti.



INTEGRITÀ

nel nostro comportamento
e nel rispetto dei nostri valori.



CONCRETEZZA

nell'ottenere risultati concreti
e duraturi nel tempo.

The combination of these founding elements represents the uniqueness and very role of Alkemy. Indeed, Alkemy aims to affirm a new way of doing business, which combines ambition, performance, competitiveness, growth and profit with certain essential principles and values. Alkemy wants to show that there is a different, sustainable way of being a company, where growth and profits are not merely a means by which to remunerate shareholders but also the opportunity to increase the standing of an ethical way of doing business.

The business segments

The main market of the Alkemy Group is the Italian market, in addition to the foreign markets of the Balkans area (Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Montenegro, Albania,

Macedonia), those of the Iberian peninsula (Argentina, Brazil, Colombia and Mexico). The main markets are served through 15 subsidiaries (in addition to the Parent Alkemy S.p.A.) present directly in four different countries.



Business areas

In response to the continuous evolutions of the market on which the Company operates and to anticipate the needs of its customers, in February 2020, having laid the basis, in 2019, Alkemy modified its mission from "digital enabling" to "enabling evolution". In other words, the Company is now focussed in enabling the evolution of its customers' business, with a new offer for a post-digital scenario too, designed to stimulate the relevant progress and update.

Starting April 2021, with completion scheduled during the third quarter, a new Group organisation has started operating in Italy, structured by function (rather than competence), with the aim of ensuring a better focus on key accounts, with the establishment of a dedicated sales structure ("go-to-market"), supported by a pre-sales/business development unit and a delivery structure, whose priority aim is to execute projects/services offered commercially, through competence centres representing and applying the various disciplines practised within the Group, specifically:

> **Consulting:** the business unit comprises professionals with solid experience in strategic consultancy. It analyses, designs and quantitatively assesses (business case and business plan) innovative solutions aiming to transfer the customer's business model thanks to the use of the digital and omnichannel leverages, liaising closely with the CEOs and Executive Managers to

define innovative, alternative strategies by which to achieve significant results in the long-term.

> **Performance Marketing:** With the aim of speeding up on-line performance, the business unit offers Alkemy customers the know-how and most innovative tools to promote its on-line brands and products. It thus manages all planning and procurement activities for its customers on the main digital media, search engines and social media, determining the investments needed to strengthen and improve consumer perception of the brands and products and speeding up sales on proprietary and third party e-commerce channels, thereby overcoming conventional marketing approaches;

> **Technology:** this is Alkemy's technological soul and it is specialised in the design, development and operation of technologies for the digital evolution of the B2B and B2C channels, front-end solutions, CRM, CMS, Portals, Apps, etc. The business unit consolidates and strengthens Alkemy's mission, reinforcing technological competences and the capacity to oversee one of the areas enjoying greatest growth and development: that of Digital Transformation;

> **Data & Analytics:** the business unit is focussed on offering concrete support to businesses in order to improve their business performance through the analysis of data available (both that of CRM or of other internal systems, and data coming from all actions on the digital world) and the implementation of analytics models. The techniques used for data analysis range from traditional statistical analysis through to Advanced Analytics & Machine Learning, Real Time Next Best Action, Digital Customer Intelligence, Campaign Plan Optimisation, Data Environment Design, Implementation and Management

> **Brand Experience:** this business unit plans, designs and realises the enterprises' brand experience, in a fully integrated manner, putting the end consumer right at the heart through digital and physical touchpoints and more "traditional" forms of communication, with the ultimate aim of generating value both for our customer and the end consumer. Developing and transforming the touchpoints into a unique experience, which communicates consistently a strong, innovative, distinctive brand, Alkemy offers its services as an essential partner. The BU assists the customer in preparing and structuring brand strategies and creativity, advertising campaigns, products or services for commercial businesses and, in general, communication with consumers, including through the management of the corporate digitisation process using a BPO (Business Process Outsourcing) model for the digital processes.

> **Product & Space Design:** this is Alkemy's design business unit based on Design Thinking, focussed on the creation of value through experiential innovation. The unit designs and develops physical and digital products that impact everyday life but also destinations and spaces in which people and brands can interact and share significant experiences in an omnichannel logic. Analysing our customers' businesses, including their processes, culture and resources, we help them release commercial opportunities and innovate the end customer experience.

The various business units are involved in different ways according to the various projects and specific customer needs.

The supply chain

The Alkemy Group goes about its business through internet platforms and websites of subjects external to the Group, with which it signs, as applicable, suitable software licence and service contracts, according to texts including standard provisions for such contracts.

Below are the main categories of suppliers used by the Group:

- suppliers of digital and non-digital media spaces, used by the Group to procure advertising spaces;
- suppliers of technical assistance and digital IT services, such as cloud and software;
- suppliers of physical products, such as goods for e-commerce and consumable materials;
- suppliers of logistics services;
- suppliers of communication, creativity, editorial, graphic and managerial consultancy services.

With reference to the suppliers of media spaces, commercial contracts include "general conditions of supply" prepared by the supplier, to which reference is made when purchasing digital media directly from internet platforms.

With reference to suppliers of digital IT services, such as cloud and software, the procedure for establishing the commercial relationship starts with a "framework" offer that generally lasts for one year. This type of contract generally includes a faculty of withdrawal with 15 days' notice and, in some cases, a period of "flanking" involving outgoing technical consultants and new subjects that the Company will assign for carrying out the activities planned.

With reference to the other points, the Group does not generally prepare framework agreements with suppliers but rather, save where specific, continuous services are supplied, mainly enters into contracts for individual orders/projects, negotiating the terms individually, each time.

Governance and compliance

Corporate governance structure

Alkemy S.p.A. has adopted a traditional type governance system. The Shareholders' Meeting, the body in charge of expressing the shareholders' desires, therefore appoints both the Board of Directors and the Board of Auditors.

The Board of Directors, appointed by the Shareholders' Meeting on 25 June 2019, numbers 9 directors, of whom 67% are men and 33% women.

THE MEMBERS OF THE ALKEMY S.P.A. BOARD OF DIRECTORS AT 31 December 2021¹

MEMBERS	OFFICE	EXECUTIVE (YES/NO)	INDEPENDENT (YES/NO)	OTHER POSITIONS HELD
Alessandro Mattiacci	Chairman	Yes	No	
Vittorio Massone ²	Deputy Chairman	Yes	No	
Duccio Vitali	Chief Executive Officer	Yes	No	
Massimo Canturi ³	Director	Yes	No	
Riccardo Lorenzini	Director	No	No	
Giorgia Abelfino	Director	No	Yes	Control and Risks Committee
Giulia Bianchi Frangipane	Director	No	Yes	Control and Risks Committee Remuneration Committee
Andrea Di Camillo	Director	No	Yes	Control and Risks Committee Remuneration Committee
Serenella Sala	Director	No	Yes	Remuneration Committee

BREAKDOWN BY AGE BRACKET AND GENDER OF DIRECTORS AT 31 December 2021

	2020	2021

¹ At 31 December 2021, the Board of Directors has the same members as the Remuneration Committee at 31 December 2020.

² The director was coopted by the Board of Directors on 13 February 2020, in lieu of Matteo de Brabant, who had stood down, and appointed Deputy Chairman. The appointment was approved by the Shareholders' Meeting on 24 April 2020.

³ The director was coopted by the Board of Directors on 23 July 2020, in lieu of Francesco Beraldi, who had stood down, and appointed General Manager on 11 September 2020. The appointment was approved by the Shareholders' Meeting on 26 April 2021.

GENDER/AGE BRACKET	<30	30-50	>50	<30	30-50	>50
Man	0	1	5	0	1	5
Woman	0	2	1	0	2	1

In compliance with the recommendations on corporate governance given in the Code of Corporate Governance, the Company's Board of Directors has also established, duly approving their internal operating procedures, the following committees:

- Remuneration Committee: is in charge of duties regarding remuneration, in compliance with the provisions of application criterion of the Code of Corporate Governance;
- Control and Risks Committee: this performs the duty of competent committee in accordance with the Company's Related Party Transaction Procedure and assists the Board of Directors in assessing and making decisions relating to sustainability.

The Remuneration Committee numbers 3 members, of whom 33% are men and 67% women.

THE MEMBERS OF THE ALKEMY S.P.A. REMUNERATION COMMITTEE AT 31 December 2021⁴

MEMBERS	OFFICE	EXECUTIVE (YES/NO)	INDEPENDENT (YES/NO)	OTHER POSITIONS HELD
Serenella Sala	Chairman	No	Yes	Board of Directors
Giulia Bianchi Frangipane	Member	No	Yes	Board of Directors
Andrea di Camillo	Member	No	Yes	Board of Directors

The Control and Risks Committee also numbers 3 members, of whom 33% are men and 67% are women.

⁴ at 31 December 2021, the Remuneration Committee has the same members as the Remuneration Committee at 31 December 2020.

THE MEMBERS OF THE ALKEMY S.P.A. CONTROL AND RISK COMMITTEE AT 31 December 2021⁵

MEMBERS	OFFICE	EXECUTIVE (YES/NO)	INDEPENDENT (YES/NO)	OTHER POSITIONS HELD
Andrea di Camillo	Chairman	No	Yes	Board of Directors
Giorgia Abeltino	Member	No	Yes	Board of Directors
Giulia Bianchi Frangipane	Member	No	Yes	Board of Directors

The Alkemy S.p.A. Board of Auditors, appointed by the Shareholders' Meeting on 25 June 2019, shall remain in office for three financial years, i.e. until the date of the meeting called to approve the financial statements for the year ending at 31 December 2021 and comprises the Chairman, 2 regular auditors and 2 alternate members.

THE MEMBERS OF THE ALKEMY S.P.A. BOARD OF AUDITORS AT 31 December 2021⁶

MEMBERS	OFFICE	YEAR OF BIRTH
Mauro Dario Bontempelli	Chairman	1954
Gabriele Gualeni	Regular Auditor	1974
Daniela Bruno	Regular Auditor	1969
Marco Garrone	Alternate Auditor	1963
Mara Sartori	Alternate Auditor	1971

BREAKDOWN BY AGE BRACKET AND GENDER OF THE MEMBERS OF THE BOARD OF AUDITORS AT 31 December 2021

GENDER/AGE BRACKET	2020			2021		
	<30	30-50	>50	<30	30-50	>50
Man	0	1	2	0	1	2
Woman	0	1	1	0	1	1

More information about governance is given in the "Report on the Corporate Governance System" and in the "Alkemy S.p.A. Articles of Association", available from the "Corporate Governance" section of the company website www.alkemy.com.

⁵ at 31 December 2021, the Control and Risks Committee has the same members as the Control and Risks Committee at 31 December 2020.

⁶ at 31 December 2021, the Board of Auditors has the same members as the Board of Auditors at 31 December 2020.

Ethics and integrity

Alkemy S.p.A. has adopted the organisation and management model envisaged by Italian Legislative Decree no. 231/2001 (the "Model 231") with the aim of creating a system of rules to prevent the adoption of unlawful conduct held to be potentially relevant to the application of said legislation. To this end, Alkemy S.p.A. has also established a supervisory body in accordance with Article 6, paragraph 1, letter b) of Italian Legislative Decree no. 231/2001 (the "Supervisory Body").

Current rules on the prevention and fight against corruption, the National Anti-Corruption Plan and the issue of Italian Legislative Decree no. 231/2001 on "Regulations of the administrative liability of legal entities" ultimately meant that Alkemy needed to issue a Code of Ethics as an integral part of the organisation and control model. It comprises all the values and objectives aimed at assuring moralisation and economic efficiency in intra-corporate relations (senior management, management, employees and collaborators) and relations external to Alkemy S.p.A. (business and market). The Code of Ethics fosters unambiguous guidelines to conduct in compliance with rules governing the prevention of crimes, in respect of principles of transparency, impartiality, correctness and traceability relative to the decision-making process and cash flows.

Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01

Inspired by its values (Excellence, Passion, Integrity and Concreteness), in 2016, Alkemy S.p.A. updated its Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01. The organisational model aims to offer an organised system of provisions, procedures and controls with the declared aim of implementing a system of prevention. The model's main aims are:

- to make those operating within Alkemy S.p.A. and those with whom the company collaborates in any way and on any level, aware of the risks of the perpetration of the crimes envisaged by Italian Legislative Decree no. 231/01 and of the fact that committing such crimes damages the company as a whole;
- to firmly stress that unlawful conduct of any nature is strictly prohibited and very much condemned by Alkemy S.p.A. insofar as it is in conflict not only with the law but also with the ethical principles the company upholds in pursuing its mission;
- to develop a suitable system of preventive controls so as to exclude the possibility of anyone working within the entity potentially justifying their unlawful conduct by claiming ignorance of corporate directives and avoiding the possibility that, in normal cases, the crime may be caused by human error (also due to negligence or lack of expertise) in assessing company directives;
- to make it possible for the company to intervene with suitable provisions, to prevent or fight any unlawful conduct.

Code of Ethics

With the update of the Organisational Model pursuant to Italian Legislative Decree no. 231/01, Alkemy also equipped itself with a Code of Ethics, which constitutes all values, principles and lines of conduct that must inspire employees and collaborators of the Group in going about their work.

In accordance with the Code of Ethics, all Alkemy staff is called to behave loyally, impartially, diligently and fairly. All company business must be carried out with the utmost diligence, honesty, collaboration, fairness, loyalty, moral integrity and professional rigour, in observance of the laws, procedures and corporate regulations and in compliance with the Code of Ethics.

Anti-corruption

The Alkemy Group is firmly committed to going about its business transparently, honestly and ethically, in all countries where it works and refuses all forms of corruption.

The application and respect for the rules on the prevention of and fight against corruption impacts all the intra-company departments, senior management, management, employees and collaborators. The rules apply to external relations with customers and suppliers and relations with stakeholders in general, particularly where the need is seen to monitor economic and financial relations, with particularly close attention paid to conflicts of interest, relations with the competition, related parties and relations with the public administration.

To this end, starting 2020, Alkemy S.p.A. has re-mapped the risks, crimes and controls, analysing the business processes and identifying the activities that are exposed to risks resulting from the combination of "Crime risk" - "Implementation". More specifically, the mapping of risks, offences and controls and procedures was repeated, to include the latest new legislation: - Italian Legislative Decree no. 75/2020 (fraud in public supplies) (Embezzlement and abuse of office) (Tax offences), Italian Decree Law of 21/09/2019, Art. 1, paragraph 11 (violation of rules governing the cybernetic national security scope), Italian Legislative Decree no. 21/2018 (Racism and xenophobia). After the mapping, specific procedures were implemented, circumscribed to 18 protocols.

As mentioned previously, a collegial Supervisory Body has been appointed, tasked with overseeing observance of the Model 231, compliance with the Code of Ethics, its effectiveness in terms of preventing crimes, the implementation of provisions and, finally, its update. If any changes should be noted to the company structure and organisation or changes to the reference regulatory framework, the Supervisory Body has its own Regulation and reports back to the Parent's Board of Directors.

The absence of any events that are misaligned with the principles and provisions of the Organisational Model in 2021 too, is evidence of the effectiveness of the approach taken by the management in terms of preventing crimes and corruption. The periodic review of the instruments and organisational manner for the prevention of corruption, assures the effectiveness of the actions defined for the topic under review.

BOX - Mapping of risks relating to crimes of corruption

Alkemy S.p.A. has implemented a Management System that, once a risk matrix has been identified and all aspects analysed in respect of compliance with the main rules (Italian Legislative Decree no. 231/01, Italian Decree Law no. 81/08, Italian Legislative Decree no. 163/03 - GDPR, ISO9001:2015), in consideration of specific procedures issued by the company, ensures the training of the parties concerned, the verification of the implementation and effectiveness of the Protocols, their spread within and, if necessary, outside the company and periodic updates as risks changes, of rules, the company structure and the external political and economic context.

The Management System has the following steps:

- Periodic context analysis;
- Risk assessment and periodic verification;
- Risk treatment.

In relation to anti-corruption, the following Protocols are in force:

- PT1 - Management of relations with the PA
- PT3 - Cash flow management
- PT4 - Management of public procedures - Tender Code
- PT5 - Professional consultancy and appraisals
- PT6 - Management of donations, gifts and free loans to third parties
- PT7 - Management of advances and expense reimbursements
- PT18 - Subsidised finance

In relation to the work carried out by the Alkemy Group, there are no limits in respect of organisational size and dynamics nor indeed in respect of commercial and accounting aspects or even in relation to operative processes. The active management system has a modular structure that is extended to include new processes when the risk associated with them is assessed at least "medium". During the annual system review, crime risks are reassessed and, consequently, their management is regulated.

As regards the forthcoming actions, together with the Internal Auditing function, consideration will be given to including an International Assessment Body as part of the risk management system organisational structure, to implement ISO37001 certification on anti-corruption.

Risk analysis and management

Following its listing, the Group has embarked on a progressive process of organisational adjustment, with particular reference to its Internal Control and Risk Management System (the "ICRMS"), consistently with that envisaged by the Code of Corporate Governance. To this end, Alkemy has decided, amongst others, that starting 2020 it would be implementing an Internal Audit Department reporting directly to the Board of Directors, with the aim of strengthening the Company's Internal Control System and overseeing its operational, reporting and compliance risks, which may compromise the achievement of short- and medium/long-term objectives.

The Internal Audit Department Manager verifies that the Internal Control System is functional and adequate and operates in substantive compliance with the criterion of the Code of Corporate Governance. More specifically, the Internal Audit Manager shall:

- verify that the Internal Control and Risk Management System is functional and adequate;
- verify, both on an ongoing basis and in relation to specific needs and in compliance with best practices, the functioning and suitability of the Internal Control and Risk Management System, through an audit plan, approved by the Board of Directors, based on a structured process of analysis and prioritisation of the key risks;
- prepare the periodic reports containing suitable information about the activities carried out, how risk management is conducted and compliance with the plans defined to limit such risk. The periodic reports shall contain an assessment of the suitability of the Internal Control and Risk Management System;
- prepare timely reports on events of major importance;
- submit these reports to the Chairmen of the Board of Auditors, the Control, Risks and Sustainability Committee and the Board of Directors as well as to the Director in charge of the Internal Control and Risk Management System;



- verify, as part of the audit plan, the reliability of information systems including the accounting systems.

The IA Manager is not responsible for any operative area, depends hierarchically on the Board of Directors and has direct access to all information useful to performing the duties.

The Group has therefore identified the following risks connected with the material topics listed in the section entitled "Sustainability for Alkemy" of this Declaration.

Risks associated with information security, cyber attacks and possible unlawful conduct and/or fraud committed on the e-commerce platform

The Alkemy Group is exposed to the risk of suffering cyber attacks against its systems, which may entail unauthorised access to customer data, the use of such data (deliberate or otherwise), the theft, loss or destruction by current or previous employees, consultants or suppliers or third parties who have gained access to such, resulting in possible claims for compensation for damages and losses made by customers or of part of the turnover generated by such customers and negative impacts on the Group's reputation with accordingly negative consequences on the Group's business, prospects and economic, equity and financial position.

The infrastructures, computer systems and software are constantly exposed to the risk of intrusion by unauthorised third parties. In the event of an attack, a potential unauthorised access to the computer systems, or even merely an attempted intrusion, customers' perception of the security of the Group's infrastructures, computer systems and software may change and this may entail a loss of customers (including important ones) and a negative impact on sales of services.

Any misappropriation or unlawful use of such information, loss of data or communication of confidential and/or proprietary information or the tampering with such information may also constitute a breach, traceable to Alkemy and/or the Alkemy Group, of regulation governing personal data protection.

The Alkemy Group could, therefore, incur liability, with possible negative impacts on the Issuer and Group's business, prospects, reputation and economic, equity and financial position. Additionally, the Group is particularly exposed to the risk deriving from the continuous evolution of technologies and hacking techniques that can be used to gain unlawful access to, or to sabotage, the computer systems. Consequently, considering the rapid, continuous evolution of hacking activities, the Group may not be able to prevent or avoid any such attacks, the danger level of which is increased by the fact that they may not be detected until launched against a given target.



If the Group should incur liability deriving from unlawful, fraudulent and/or in general incorrect conduct by its customers on the e-commerce platforms, this may have a negative impact on the Group's business, prospects and economic, equity and financial position.

The Company believes this risk factor to be unlikely to occur and in any case with a low negative potential effect.

For information on the activities of the Alkemy Group and for a description of the measures implemented, reference is made to the Section on "Cybersecurity and data protection" of this Statement.

Risks associated with the function of the computer systems

The Group's activities could be negatively impacted by interruptions in the infrastructures and computer systems or attempted unauthorised access or breaches of its data security system.

The activities carried out by the Group are closely linked to the use of the infrastructures and computer systems, which are exposed to multiple operational risks deriving from equipment failures, interruptions to work or connectivity, programming errors, unlawful conduct by third parties and/or exceptional events that, if such should occur, may prejudice the correct function of the systems and force the Group companies to suspend or interrupt their activities, with consequent negative effects on the Group's economic, equity and financial position.

A key component of the Group's activities and of the segment in which it works, as well as one of the key factors of success is the capacity to benefit from (and maintain) a suitable IT infrastructure or infrastructure of technology dedicated to the development of services offered, which is able to guarantee a complete, constant aid to the provision of services offered to customers.

In this regard, the only application software used by the Group to manage the administrative systems is the SAP (System Application and Product in data processing), while the other systems, such as, for example, the Amazon Cloud, used to host the websites, consist of "as-a-service" software and does not, therefore, require the installation of any software.

Operational risks mainly regard IT equipment and tools (e.g. the Zulu software used by the Group in Channel Innovation activities) both owned by the Alkemy Group and by third parties used by the Group to provide certain services.

To this end, it is specified that the Group develops a specific disaster recovery plan and a security policy for each client, dedicated and calibrated to the project specifics.

The Company believes it unlikely that this risk factor will arise and expects any potential negative impact of such to be medium.



For information on the activities of the Alkemy Group and for a description of the measures implemented, reference is made to the Section on “Cybersecurity and data protection” of this Statement.

Risks associated with personal data processing

The Group is exposed to the risk that the personal data of employees or customers collected by the Group may be damaged, lost, removed, disclosed or processed for purposes other than those permitted.

The personal data of the employees and/or end users of the Group is stored in computer and physical archives at the offices of the individual Group companies under document management and archiving, equipped with functions necessary for preventing unauthorised external access or loss (total or partial) of the data, as well as for ensuring continuity of the service.

Any cyber attacks may entail the risk that certain confidential information relating to personal data could be unduly acquired, stolen or used, deliberately or otherwise, by current or previous employees, collaborators, third party consultants or anyone else who may have had access to such, with the possible consequent breach, traceable to the Group, of regulations on the protection of certain data and consequent negative effects on the Group's business and prospects, as well as on its economic, equity and financial position.

It is noted that the Group has taken all action necessary to comply with new legislation on personal data processing introduced in each European Union Member State with Regulation (EU) 2016/679, including the appointment of a Data Protection Officer. In 2020, the figure of the Chief Technology Officer was introduced. It cannot be excluded that the Issuer or other Group companies may breach applicable legislation in the future, with possible sanctions by the competent authority and consequent negative effects on the Issuer and Group's business, and reputation, as well their economic, equity and financial position.

The Company believes it unlikely that this risk factor will arise and expects any potential negative impact of such to be medium.

For information on the activities of the Alkemy Group and for a description of the measures implemented, reference is made to the Section on “Cybersecurity and data protection” of this Statement.

Risks associated with the protection of intellectual property

The Group may not manage to suitably protect its intellectual property, technological know-how and trademarks and may, consequently, breach third party intellectual property rights with possible negative impacts on the business, results and economic position.



The Group's success also depends on the use and importance of its intellectual property and, consequently, the capacity to protect such from potential third party breach. To this end, the Group protects its intellectual property rights in the territories in which it operates, registering its trademarks and internet domains and constantly monitoring the status of the individual registrations.

There can be no certainty that the action taken by the Group to protect the topic shall suffice to adequately protect the intellectual property relative to the conduct of business, with the consequence that third parties, including partners for joint research and development activities and customers benefiting from the services offered by the Group, may make undue use of methods, know-how, trademarks, trade secrets and other information of commercial value pertaining to the Group, so as to harm its related rights.

The Group may, therefore, see itself forced to take legal action against subjects whose activities have been carried out in breach of its intellectual property rights, with the consequence of needing to deal with costs connected with the onset and pursuit of the related proceedings. Any onset of such events and their direct and indirect consequences may have negative impacts on the Group and Issuer's business, prospects and economic, equity and financial position.

The Group may also be subject to disputes raised by third parties for alleged breach of their intellectual property rights in connection with the services supplied by it. These disputes may lead to lawsuits, or the need to enter into transactions that may worsen costs in a manner that has not been forecast by the Group, with consequent negative impacts on its business and economic-financial position.

The Company believes this risk factor to be unlikely to occur and in any case with a low negative potential effect.

For information about the Alkemy Group business, and a description of the measures implemented, please refer to the Section on "Innovation and R&D" of this Statement.

Risks associated with relationships with strategic suppliers

The Group is exposed to the risk of encountering difficulty in obtaining suppliers for internet platforms and websites to replace existing ones.

The Alkemy Group goes about its business through internet platforms and websites of subjects external to the Group, with which it signs, as applicable, suitable software licence and service contracts, according to texts including standard provisions for such contracts.

The Group may, therefore, not manage to find equivalent suppliers to existing ones, which guarantee the same quality of product and/or service, with consequent negative effects on the Group's business and operations or in any case to find such suppliers quickly, with the



consequent risk of delays in the definition of projects and other activities in progress. Any potential initiatives to be taken may entail expenses or difficulties (also in terms of replacement times and/or new investments), with consequent possible negative impacts on the business and prospects as well as on the Group's economic, equity and financial position.

The Company believes this risk factor to be unlikely to occur and in any case with a low negative potential effect.

For information about the Alkemy Group business, and a description of the measures implemented, please refer to the Section on "The supply chain" of this Statement.

Risks associated with the evolution of services in the digital sector and customer demands

The Group is exposed to the risk of being unable to promptly identify technological and digital solutions that are adequate to the evolution of technology and the increasing needs of customers.

The Group manages digital and technological transformation projects for medium-large enterprises and seeks to make a significant contribution towards the growth and development of its customers through the provision of services that can offer the support necessary to identify innovative solutions and growth opportunities in digital and technological evolution.

Therefore, the segment in which the Group operates is characterised by constant research and innovation of the services supplied, also with a view to identifying and anticipating the needs of customers and users (as the end customers of some of the Group's services) as well as quick, major technological changes and the constant evolution of the breakdown of professionals and skills to be aggregated into the provision of the services.

The Group's success therefore depends on the one hand on its capacity to continue to offer services with added value that meet the needs of both customers and end users, and, on the other, the Group's ability to identify new products and/or services ahead of its competitors.

The Company believes it unlikely that this risk factor will arise and expects any potential negative impact of such to be medium.

For information about the Alkemy Group business, and a description of the measures implemented, please refer to the Section on "Customer centricity" of this Statement.

Risks associated with the dependency of the Alkemy Group's business on key management figures, the loss of qualified resources and difficulty in finding new ones



The Group is exposed to the risk of a potential interruption to professional collaboration with certain senior figures or key members of its staff, and to the risk of being unable to attract and withhold highly qualified staff.

The Group's results and success depend considerably on the Parent's management team. As regards the senior figures, a key role is played by Alessandro Mattiacci and Duccio Vitali, who respectively hold the offices of Executive Chairman and Chief Executive Officer of Alkemy S.p.A.

Although in operative and managerial terms, the Group believes that it is equipped with a management team and structure that can reasonably assure continuity of business management, the link between the management and the Group remains a critical factor of its success. Therefore, although the Group has a management incentive system aimed at attracting, motivating and retaining the Group's key resources, it cannot be excluded that if multiple key figures in the Group should cease the office held to date, or the Group should be unable to attract, train and retain qualified managers, also in lieu of any that have stood down, these situations may have a negative impact on the Group's capacity to compete and grow and may impact the envisaged objectives, with possible negative impacts on the Group's business and growth prospects as well as its economic, equity and financial position.

Additionally, considering that the sector in which the Group operates is characterised by the need for the company to use highly-specialised staff with high technical and professional skills, the Group's success also depends on the capacity to attract and train staff with the required technical and professional skills and specialisation.

However, if the Group should encounter difficulty in procuring specialised staff or a significant number of specialised professionals or entire working parties dedicated to specific project types should leave the Group - and it is not possible to replace them quickly with qualified staff - the capacity for innovation and its growth prospects may suffer, with possible negative effects on the Group's economic, equity and financial position.

The Company believes it unlikely that this risk factor will arise and expects any potential negative impact of such to be medium.

For information about the Alkemy Group business, and a description of the measures implemented, please refer to the Section on "Attracting and gaining the loyalty of talent" of this Statement.

Customer centricity

The topic of Customer centricity is extremely important for the Group insofar as it is the main tool used to market and promote Alkemy's business and helps contribute towards building a positive reputation amongst customers.



The Group operates by aggregating within itself multiple competence centres, so as to be able to focus the business on the customer rather than on the individual competence and extract a greater value as the integrated result of all competences. This is why the Group can have a major impact on the development of customer competences, flanking them in the evolution of the business model and giving the innovation of the entire country system a strong boost.

The greatest impact of operating in a customer centric manner can be seen in terms of:

- customer satisfaction;
- revenue by customer;
- the degree of engagement of the various competence centres in customer management;
- national coverage customer dimension.

Additionally, as it is industry agnostic, Alkemy can develop the business model of all its customers, regardless of segment, concentrating on the innovation of the whole of the country system.

The Alkemy Group has taken initiatives aimed at increasing consideration and knowledge in respect of customer centricity, encouraging the involvement of all Group employees towards customers. Moreover, for employees managing and developing customer relations, Alkemy encourages accountability and responsibility in their regard.

More specifically, at end 2021, following the launch of the industrialisation process, the Marketing, Strategy & Alliances Department and 2 Sales Departments dedicated to hunting and farming, were created.

Additionally, in this area, the Group has implemented internal and external methods by which to measure customer satisfaction and performance remuneration/success fee models aiming to minimise the risk of the customer and ensure the accountability of its employees. Customer satisfaction is measured once a year through an NPS (Net Promoter Score) survey, which is sent to its customers. By using the NPS system, the Group can measure not only the degree of customer satisfaction but also if it is appreciated to the point where it is recommended by its customers.

Again in 2021, just like in 2020, a specific NPS survey was profiled in relation to current customers and those of higher potential for Alkemy. In addition, the contents of the survey administered were extended with questions aimed at assuring a greater understanding of the critical issues or appreciation expressed in regard to Alkemy's services. In 2021, the NPS survey was extended to all the main geographic areas in which the Group operates.

In 2021, Alkemy therefore identified the strategic customers in line with the above objectives in terms of impact on the country system, international cover and involvement of the Alkemy competence centres. These customers have been divided up into two customer clusters: TIER 1, TIER 2 and TIER3. To this end, weekly pipeline meetings are held, with the aim of assigning



each prospect customer a reference, to measure the cross-selling and up-selling of current customers and verify their performance status.

In order to make customer centricity even more relevant, the Group Academy has delivered training courses on the matter. Alkemy ACADEMY is an in-house training course intended for all Group employees, held by the management team and which aims to spread awareness of the culture, values and mission, and to ensure knowledge of all areas in which the Group's business develops.

The Academy promotes the knowledge and interaction with people of the various companies, insofar as it is open to employees of all Group companies and fosters a greater awareness of Alkemy's business and a more direct knowledge by all management.

Finally, the relevance acquired in recent years by customer centricity within the Group is proven by the fact that for employees dealing with customer management, performance assessment methods have been prepared that are based on the results achieved in respect of the objectives set (MBO, Management By Objectives), directly linked to the results and customer satisfaction.

Even for employees not managing customers directly, part of the remuneration is linked to the business values, including the excellence of the work carried out on customers, and integrity.

The work done over the years, also thanks to the feedback collected, with respect to customer centricity, have noted the value of a possible further organisational and process strengthening for 2021-2022. Indeed, at end 2021, two new departments were established dedicated to customer development: Marketing, Strategy & Alliances and two Commercial Departments dedicated to hunting and farming.



Sustainability for Alkemy

Sustainability route

Starting from 2019, the Group has launched its sustainability route, publishing the first Non-Financial Statement, through which it intends to offer a disclosure on its performance in economic, social and environmental liability.

Today, the Group intends to proceed along this evolutionary route towards responsible management, characterised by an ever increasing understanding and development in respect of sustainability topics, through the definition of two more, subsequent stages of maturity:

- the definition of policies and procedures aimed at structuring the Group's approach to the various sustainability areas relevant to the organisation;
- the development of a process by which to define short- and medium/long-term sustainability objectives and a periodic monitoring plan on the progress made on activities intended to help achieve such.

ESG Policies

The Group undertakes to define ESG Policies that provide a structured description of the Group's approach to the relevant sustainability aspects and the connected integration process. It takes the form of a tool in support of the strategic process in ESG and communication to all stakeholders. These policies will be developed in 2022 and a disclosure will be given on the Group's website and in the 2023 NFS.

More specifically, the Group has identified the following areas and related policies on which to develop this route:

- Diversity & Inclusion, aimed at defining guidelines to eliminate and avoid any form of discrimination and improve inclusion within the organisation
- Green Office and Mobility, to define guidelines and reward systems for conduct that respects the environment both within the workplace and in respect of travel methods.
- Anti-Corruption, on the basis of Italian Legislative Decree no. 231 and international guidelines, to define the principles to be followed on a Group level in terms of anti-corruption and anti-money laundering in all Group activities considered to be at risk of such.



- Supply chain, for the definition of a process by which to assess suppliers, aimed at assuring their compliance with the Sustainability principles pursued by the Group (e.g. respect for the environment, human rights, health and safety and business integrity).
- Human rights, structuring, on the basis of international standards, guidelines for the respect and protection of human rights (abolition of child labour, compulsory labour, protection of the freedom of association, etc.) along the Group value chain.

Sustainability Plan

In taking this route of evolution, the Group looks to outline a Sustainability Policy, aimed at formalising a governance structure (e.g. strategic guidelines, roles and responsibilities, control systems) and define, in Q1 2023, a plan setting out short- and medium/long-term sustainability objectives and KPIs.

More specifically, on the basis of the Policies, of an ESG assessment, the materiality analysis and the Sustainable Development Goals (SDGs) to which the Group can contribute, the main areas of intervention will be identified and KPIs and actions developed that aim to improve Alkemy's sustainability performance.

Materiality

Starting from 2019, the Group has launched its sustainability route, publishing the first Non-Financial Statement, through which it intends to offer a disclosure on its performance in technical-economic, social and environmental liability.

As part of the activities preliminary to the definition of the material topics, Alkemy has identified the following stakeholders through an internal analysis, of the context and reference segment, which considered the best practices on a national and international level and the main sustainability frameworks (Global Reporting Initiative, UN Sustainable Development Goals):





The topics reported on in this NFS, identified through a materiality analysis, have been identified taking into account both the interests of the Alkemy Group and those of its stakeholders.

Below is a list of the material topics identified following the materiality analysis performed by the Group, with a comparison with respect to the requirements of Italian Legislative Decree no. 254/2016:

MATERIAL TOPICS	TOPICS Italian Legislative Decree no. 254/16
Governance and compliance	
1) Business ethics	Respect for human rights Fight against corruption
2) Anti-corruption	Respect for human rights Fight against corruption
3) Customer centricity	Social
Technical and economic responsibility	
4) Customer data security and privacy	Social
5) Capacity for innovation, research and development	Social
Social responsibility	
6) Diversity and inclusion	Staff-related Respect for human rights
7) Staff training and development	Staff-related
8) Attraction and gaining the loyalty of talent	Staff-related
9) Occupational health and safety	Staff-related Respect for human rights
Environmental responsibility	
10) Energy consumption and energy efficiency	Environmental
11) Environmental emissions	Environmental

For each of the topics shown in the table above, the scope of impact has been identified and their reconciliation with the GRI standards given on the last few pages of the document.



MATERIAL TOPICS	SCOPE OF IMPACT		Reconciliation with GRI topic
	Where the impact occurs	Type of impact	
Business ethics	Alkemy Group	Generated by the Group	Tax
Anti-corruption	Alkemy Group	Generated by the Group	Anti-corruption
Customer centricity	Alkemy Group	Generated by the Group	N/A
Customer data security and privacy	Alkemy Group, Suppliers	Generated by the Group and directly connected through a business relation	Customer privacy
Capacity for innovation, research and development	Alkemy Group, universities and research centres	Generated by the Group and to which the Group contributes	N/A
Diversity and inclusion	Alkemy Group	Generated by the Group	Diversity and equal opportunities
Staff training and development	Alkemy Group	Generated by the Group	Training and education
Attraction and gaining the loyalty of talent	Alkemy Group	Generated by the Group	Employment
Occupational health and safety	Alkemy Group	Generated by the Group	Occupational health and safety
Energy consumption and energy efficiency	Alkemy Group, Electricity suppliers	Generated by the Group and directly connected through a business relation	Energy
Environmental emissions	Alkemy Group	Generated by the Group	Emissions



Economic and technical responsibility

Economic-financial results

Listed on the “High-Requirement Securities Segment” (STAR) of the Euronext Milan Borsa Italiana stock exchange starting 17 December 2019, the share capital of Alkemy S.p.A. (the Group holding company) is represented by 5,685,460 ordinary shares, with a unit value at 31.12.2021 of €22.70 (for a capitalisation of €129,059,942.0).

The Alkemy Group closed 2021 with a net total value of revenue of € 95,185 thousand, as compared with € 74,932 thousand in 2020, thereby recording an increase of 27%.

Revenue realised in Italy came to € 64,140 thousand, accounting for approximately 67% of the total (€ 53,257 in 2020, equal to approximately 71%), while that recorded abroad came to € 31,045 thousand, or 33% (€ 21,675 thousand in 2020, or 29%).

Amidst this complex, still uncertain context, but in which we are in any case starting to see signs of a recovery, the general business performance was very much positive. The Alkemy Group closed to the year with 27% growth in revenue and income, of which 20% organic, over the previous year and with a considerable improvement seen in margins, resulting in consolidated adjusted period EBITDA of € 10,535 thousand (€ 6,195 thousand in 2020).

As an independent company that leads the digital transformation in the reference geographical areas, Alkemy has a range of services necessary to businesses that want to leave the crisis behind them in a winning position and be competitive on tomorrow's market. The recent evolutions linked to the COVID-19 emergency are forcing businesses to adapt and transform more and more quickly, drastically rethinking their business models taking a digital approach and reinventing the relationship with the new consumers.

For more information on the Group's economic-financial data, please refer to the “Report on Operations” published on the company website <https://www.alkemy.com>.

Tax transparency

In line with the principle of transparency that inspired the preparation of the GRI standard 207 on tax management, Alkemy's approach is one of extreme diligence in dealing with tax matters, insofar as it acknowledges the importance of the contribution that the Group can make to the government of the countries in which it operates, in terms of making available resources for the supply of services to the community and sustainable development. Therefore, all assessments regarding direct and indirect tax take an accruals approach, both in terms of the sense of responsibility towards the shareholders and towards the Group's stakeholders.



The Group uses independent professionals of proven experience for its tax matters, so as to guarantee the correct calculation of tax payable, also benefiting from the presence of the control bodies envisaged by legislation, such as the Board of Statutory Auditors and Independent Auditors, assigned, amongst other tasks, to perform the necessary audits.

Under the scope of the Model 231 adopted by the Group, in 2020, the Supervisory Body introduced a new protocol relative to the tax offences pursuant to Italian Law no. 157/2019, amended by Italian Legislative Decree no. 75/2020.

The scope of the economic-financial data considered to respond to the disclosure required by the GRI 207-4 is in line with the consolidation scope of this document. It is also specified that the value of property plant and equipment other than cash and cash equivalents considers the amount of assets, net of cash.

TAX AT 31 DECEMBER 2021

Paese	Società	Attività	Numeri dipendenti	Attività materiali diverse da disponibilità liquide e mezzi equivalenti	Ricavi da vendite a terze parti	Ricavi da operazioni intra gruppo con altre giurisdizioni fiscali	Utile (perdita) ante imposte	Imposte	Imposte pagate
Italia	Alkemy S.p.A. Nunatac S.r.l. Alkemy Play S.r.l.	- Innovazione tecnologica e digitale - Servizi di data analysis, big data e predictive modelling - Servizi di comunicazione digitale per PMI	386	86.368	56.637	1.429	2.111	296	162
Spagna	Ontwice S.L. Madrid Alkemy Iberia S.L. Alkemy South America S.L.	- Servizi digital, communication e media - Servizi di marketing	103	8.661	15.221	386	2.689	642	437
Messico	Ontwice Interactive S. de Mexico S.A. OIS Marketing Digital S.A.	- Servizi digital, communication e m	98	3.193	14.535	0	1.012	282	239
Serbia	Alkemy SEE D.o.o. Kreativa New Formula D.o.o. Alkemy Digital Hub D.o.o. Alkemy Play D.o.o.	- Consulenza strategica dell'advisory digitale - Servizi di marketing - Realizzazione di piattaforme digitali destinate a PMI	27	1.356	1.411	240	73	15	0
			614	99.577	87.804	2.055	5.884	1.235	838



TAX AT 31 December 2020

Paese	Società	Attività	Numero dipendenti	Attività materiali diverse da disponibilità liquide e mezzi equivalenti	Ricavi da vendite a terze parti	Ricavi da operazioni infragruppo con altre giurisdizioni fiscali	Utile (perdita) ante imposte	Imposte	Imposte pagate
Italia	Alkemy S.p.A. Nunatac S.r.l. Alkemy Play S.r.l.	- Innovazione tecnologica e digitale - Servizi di data analysis, big data e predictive modelling - Servizi di comunicazione digitale per PMI	353	52.924	52.348	295	147	93	59
Spagna	Ontwice S.L. Madrid Alkemy Iberia S.L.	- Servizi digital, communication e media - Servizi di marketing	100	18.772	12.335	305	2.044	547	408
Messico	Ontwice Interactive S. de Mexico S.A. OIS Marketing Digital S.A.	- Servizi digital, communication	56	2.923	8.621	105	683	224	85
Serbia	Alkemy SEE D.o.o. Kreativa New Formula D.o.o. Alkemy Digital Hub D.o.o. Alkemy Play D.o.o.	- Consulenza strategica dell'advisory digitale - Servizi di marketing - Realizzazione di piattaforme digitali destinate a PMI	25	1.556	621	384	(324)	13	2
USA	Alkemy USA Inc. in liquidazione	Inattiva	0	35	0	0	(6)	0	0
			534	76.210	73.925	1.089	2.544	877	554

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Paese	Società	Attività	Numero dipendenti	Attività materiali diverse da disponibilità liquide e mezzi equivalenti	Ricavi da vendite a terze parti	Ricavi da operazioni infragruppo con altre giurisdizioni fiscali	Utile (perdita) ante imposte	Imposte	Imposte pagate
Italia	Alkemy S.p.A. Nunatac S.r.l. Alkemy Play S.r.l.		33	33.444	4.289	1.134	1.964	203	103
Spagna	Ontwice S.L. Madrid Alkemy Iberia S.L.		3	(10.111)	2.886	81	644	95	29
Messico	Ontwice Interactive S. de Mexico S.A. OIS Marketing Digital S.A.		42	270	5.914	(105)	328	58	154
Serbia	Alkemy SEE D.o.o. Kreativa New Formula D.o.o. Alkemy Digital Hub D.o.o. Alkemy Play D.o.o.		2	(200)	790	(144)	397	2	(2)
USA	Alkemy USA Inc. in liquidazione		0	(35)	0	0	6	0	0
			80	23.367	13.879	966	3.340	358	284

Innovation and R&D

In the Alkemy ecosystem, Research and Development is a very important element in the company's value and structure. More specifically, the company uses the Alkemy Lab as a vehicle by which to promote innovation and research and development at Group level.



Research, cutting-edge technology and technical and strategic competences are the ingredients used by the Lab to act as an innovation driver. From the blockchain to artificial intelligence, design thinking and rapid prototyping and from hackathons to smart objects, Alkemy Lab is the hub of a network of start-ups, businesses, universities, co-working, hubs and innovative agencies that allow it to enrich and renew the range of Alkemy products and services.

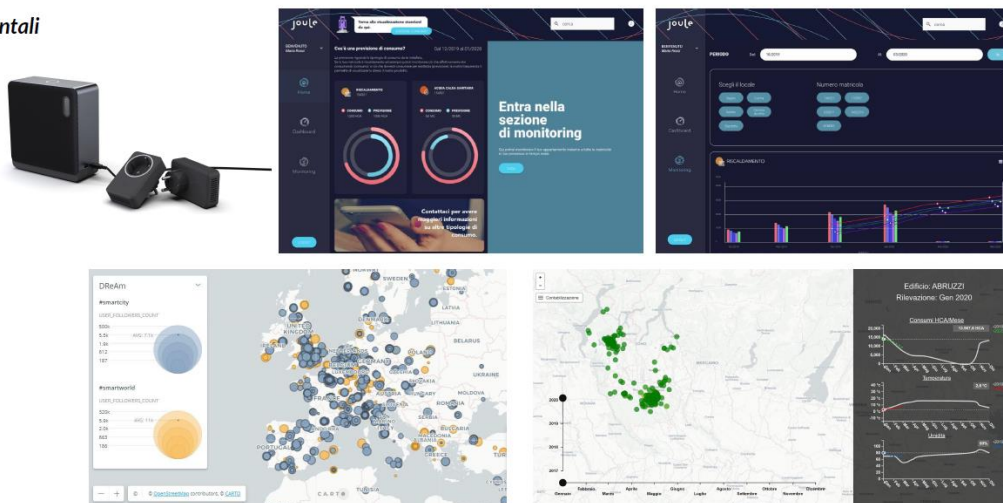
The topic of research and development is a transversal topic with various aspects. The main ones include:

Environmental aspects

Alkemy has built and monitors software engines and innovative instruments for smart cities and smart metering topics. The company develops machine learning algorithms applied to Ambient Intelligence: vertical structuring of the data analysis for the recording of public opinion based on social conversations on the topic of the environment. Research ranges from climate change to domestic comfort, pollution in cities, the function of mobility services and energy savings.

Alkemy designs installations that apply new *Phyigital* interaction models tried out on sustainability, green deal and the circular economy.

Aspetti ambientali

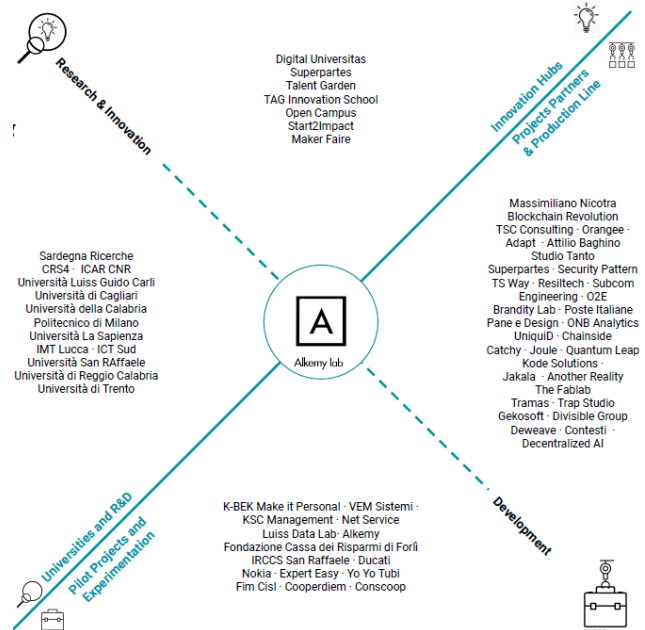
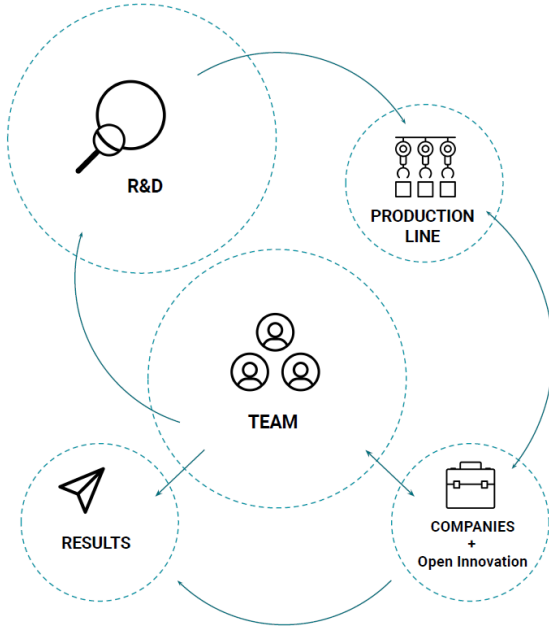


Social and cultural aspects

The research and development team builds qualified, continuous relations with universities and research centres, with the innovative fabric made up of incubators, start-ups and the R&D sectors of large companies. These relations include: University of Cagliari, University of Calabria, Polytechnic University of Milan, University of Trento, IMT Lucca, Luiss Guido Carli, Talent Garden, Open Campus, CRS4 research centres, CNR and the FabLab network. The creation and



development of new competences and professionalism is particularly important, on emerging technologies such as AI and Machine Learning, AR/VR, Blockchain, IOT and Voice.

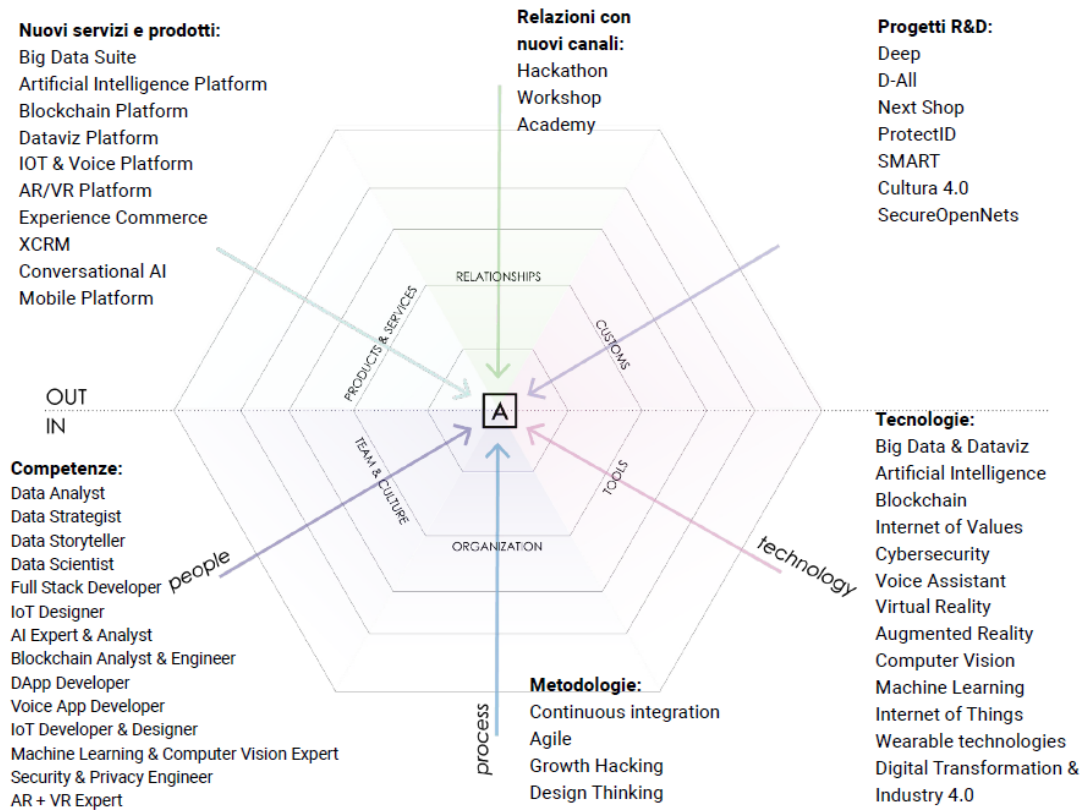
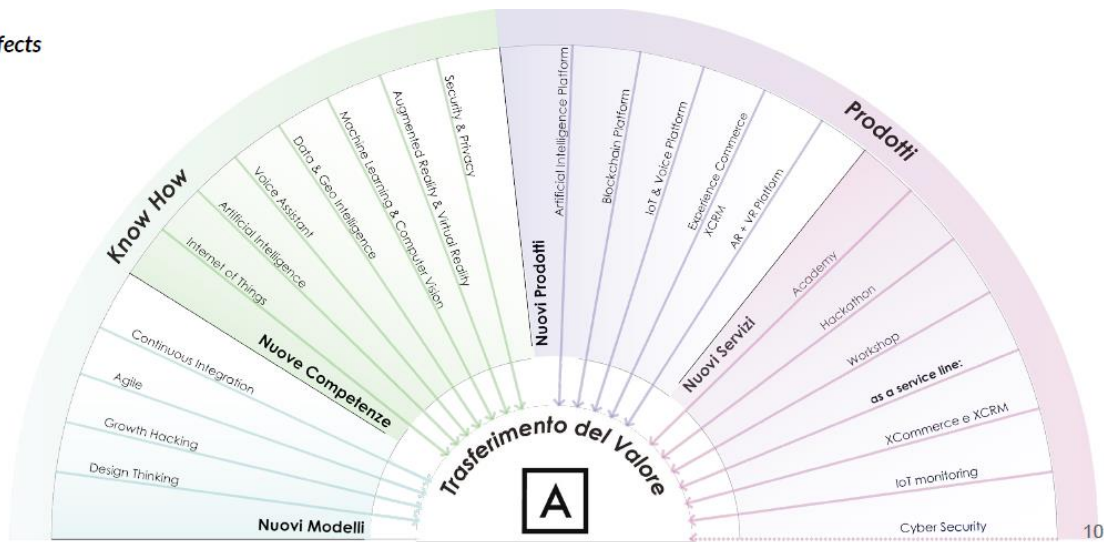


Internal effects of network aspects

The innovation circuit in Alkemy is configured to all intents and purposes as an important network effect phenomenon, because it contributes towards the growth and expansion of value of the various areas of Alkemy, ranging from data driven strategy to service design and brand experience.



Network effects



Economic aspects

R&D helps assure Alkemy's growth through grants and subsidised rate loans for the Group's research and innovation.



Alkemy's R&D also impacts a broad spectrum of corporate structures and areas, namely:

Human Resources

Thanks to the R&D programmes and projects, which enabled the creation and continuous input, the company relies on a group of talents and innovators, an essential corporate asset for growth and development, which works by interacting with all areas of the business.

Orders

The virtuous chain cycle sparked by R&D allows for the application and use on the field of models, engines, highly-innovative tools, involving customers and partners in all phases of the business life cycle.

Products

The direct fallout of R&D activities and the Alkemy innovation lines has led to the creation of new products, which have enriched the already competitive company offer. More specifically, we refer to Data and Geo Intelligence products, Smart Object in the Internet of Things, Blockchain applications such as Membership, Secure, decentralised identities, Smart contracts, Augmented and Virtual reality platforms and Vocal applications. Below are some examples of products developed in this area:

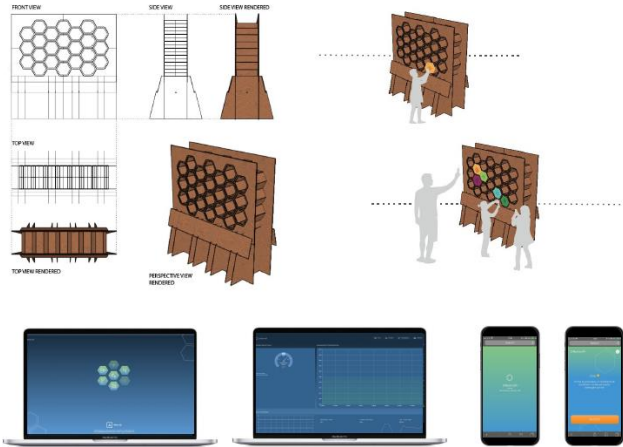
1. Scala



MEET SCALA .

Scala è il primo prototipo di **hands-free speaker** munito di sensoristica per la rilevazione dell'home comfort e dedicato alla gestione ecologica delle smart home. Attraverso **un'interfaccia vocale** in italiano Scala fornisce agli utenti la possibilità di ricevere aggiornamenti real time sui consumi quali acqua, elettricità e gas, nonché informazioni riguardo all'ambiente domestico raccolti dai sensori on-board (temperatura, umidità, qualità dell'aria). I dati relativi all'**home comfort** sono associati direttamente a quelli sui consumi ed inviati alla piattaforma di smart metering Joule che si occupa della contabilizzazione dei consumi. Scala propone una nuova esperienza di gestione e monitoraggio del comportamento dell'utente fornendo un riscontro sia vocale che visivo per una migliore consapevolezza delle abitudini di consumo delle risorse e del conseguente impatto sull'ambiente.

2. DReAm/r



IoT

Ambient Intelligence

Data Analysis

Augmented Reality

MEET DReAm/r

DReAm/r integra la **Realtà aumentata** e l'**IoT** attraverso una installazione interattiva.

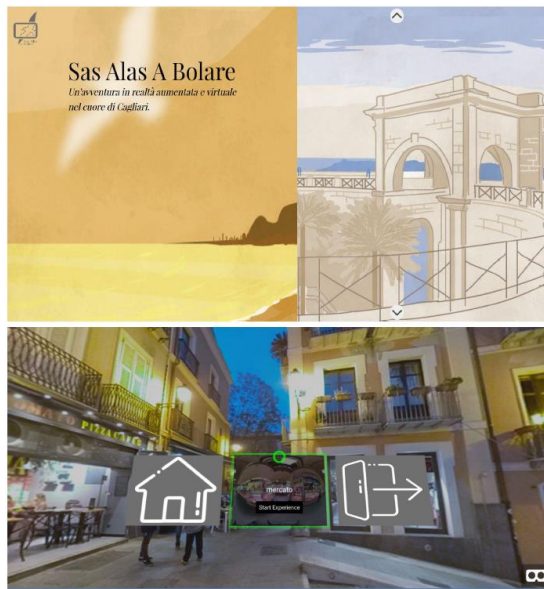
Lo scopo è realizzare una **esperienza immersiva di eLearning sui Bio-materiali** come sostituti dei materiali plastici.

DReAm/r è un'installazione composta da una struttura verticale a moduli esagonali componibili, detti token. Un token rappresenta un elemento naturale e riciclabile che può essere combinato con altri materiali compostabili (token).

L'esperienza ha avvio con una interazione reale: l'utente crea una combinazione di token sull'installazione. Attraverso il proprio device, ciascun token inquadrato in realtà aumentata restituisce un bio-materiale 3D che può essere combinato con altri,

I dati relativi all'esperienza e all'installazione interattiva (ambient intelligence) sono disponibili online sulla **DreAm/r Dashboard**.

3. Sas Alas A Bolare



Augmented Reality

Virtual Reality

Turismo immersivo

Gaming 3D Object

MEET Sas Alas A Bolare

Sas Alas A Bolare è un'avventura immersiva in realtà virtuale e aumentata ideata per valorizzare la città di Cagliari.

Grazie a un percorso coinvolgente che coniuga avventura romanzesca e dinamiche interattive del **gaming**, intrecciando elementi della tradizione sarda con le **tecnologie immersive**, i visitatori, reali e virtuali, sono guidati alla scoperta della città: l'esperienza di **realtà aumentata e virtuale** offre nuove modalità di scoperta del territorio e delle leggende tradizionali cagliaritane e sarde. La città con le sue bellezze, i cagliaritani, le loro usanze e la loro cultura, sono raccontati con gli occhi e l'animo di un viaggiatore che le raccoglie e le ammira.

Sas Alas A Bolare è stata realizzata grazie a **AR/VR Platform Builder**, una piattaforma #madeinAlkekm, ideata per semplificare la creazione di esperienze immersive che permette la definizione progressiva degli elementi che costituiscono la scena virtuale.



4. Joule



IoT

Blockchain

AI voice

Big Data

MEET JOULE.

Smart Metering by Design

Un ecosistema che si occupa di **Smart Metering, Monitoraggio e Previsione dei consumi**, integrato con i servizi della suite **Joule 4.0** per la gestione dell'energia. Joule lavora in architettura cloud integrando servizi e componenti Google con motori e tecnologie Open Source. **Sensori, connettori, apparecchi di misurazione, aggregatori di segnali, antenne, smart objects** sono gli elementi di base che raccolgono e forniscono i dati secondo i paradigmi dell'**Internet of Things e dell'Intelligenza Artificiale**. Joule controlla e gestisce gli impianti domestici e industriali, contribuendo a migliorare l'impatto ambientale, l'efficienza nei consumi e la spesa per l'energia.

5. Membership by Blockchain



Ethereum

Wallet

WebApp

Metamask

MEET Membership by Blockchain.

Il prodotto **Membership by Blockchain**, sviluppato all'interno del progetto Secure Open Nets, prevede l'evoluzione della loyalty card / tessera fedeltà / tessera univoca personale che attesta l'appartenenza a un gruppo, movimento, centro culturale ecc. in modelli digitali in cloud e utilizzo della tecnologia blockchain.

Il primo sperimentatore del prodotto è il **sindacato Fim-Cisl**. L'obiettivo è digitalizzare attraverso il paradigma della tokenizzazione il processo di tesseramento e ottenere una tessera digitale (**non fungible token ERC721**) da accompagnare/sostituire a quelle cartacee distribuite ai tesserati. La tessera sarà pubblicata sul registro distribuito (distributed ledger) e gestita attraverso una dApp (decentralized app) su tecnologia blockchain.



6. Skill Voice



Joule 4.0
Casa intelligente
★★★★★ 0

DISATTIVA SKILL

Inizia dicendo

"Alexa, avvia festival del buon vivere"

"cosa è il festival del buon vivere"

Deck

Joule - Energia sotto controllo.

Examples of voice commands:
 "Alexa, turn on Welcome Home"
 "Alexa, turn off my Bedroom Siren"
 "Alexa, turn on my Chili Train"
 "Alexa, turn on the TV"

Voice

Skills

Amazon

Big Data

MEET Skill Voice .

Alkemy Lab ha sviluppato due **Skill Voice** per Amazon Alexa.

La prima skill sviluppata è stata la **Joule Skill Joule**: un nuovo componente del sistema integrato Joule IoT. Aiuta gli utenti ad interagire con la piattaforma Joule, ottenendo informazioni utili riguardanti il proprio consumo d'energia.

Una seconda skill sviluppata è stata la **Skill del Buon Vivere**, creata in occasione del Festival del Buon Vivere a Settembre 2019. L'obiettivo della skill è distribuire utili informazioni riguardanti l'agenda della settimana, migliorando l'esperienza di fruizione degli eventi in programma.

Services

Consultancy services also benefit from R&D results, thanks to which new designs have been shaped of management services, designs and strategies based on methodology frameworks like Agile, Scrum, Design Thinking and Growth Hacking.

Finance

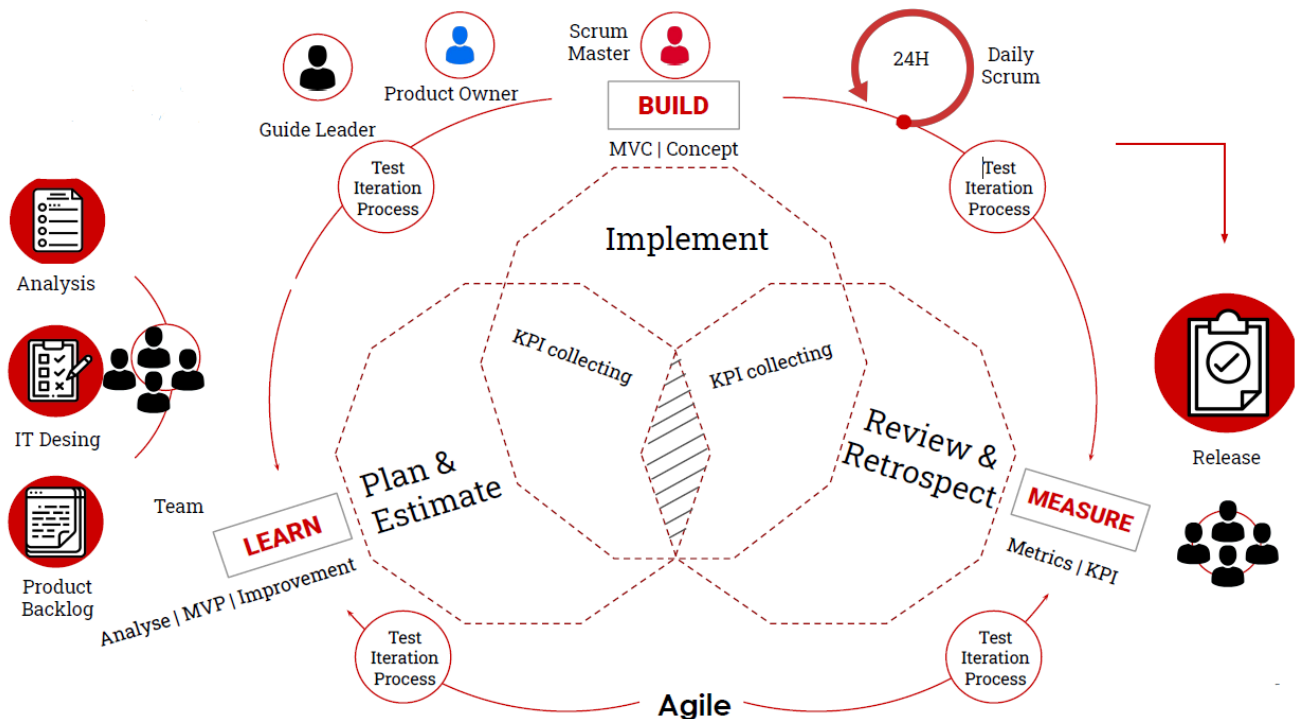
During the year, the Group launched various initiatives in research and development (R&D), with the continuation of a project that had started in previous years, incurring costs for both personnel expense (296 thousand euros) and external consultancy (51 thousand euros), for a total of 347 thousand euros (1,531 thousand euros in 2020), down 1,184 thousand euros on the previous year. For this project, assisted by a Special Finance tender, the parent company Alkemy S.p.A. recognised grants for 124 thousand euros (478 thousand euros in 2020).

On these activities, in 2021 the Parent company accrued a tax credit of 60 thousand euros.

R&D contributes towards the formulation and supply of the new line of Alkemy services and contents, which concentrates on the Academy training offer available to Group employees. In addition to mainly technological contents, the research and development lines have configured, as part of the Academy, methodological sessions of great interest on the market, such as Agile and Scrum, Design Thinking and Growth Hacking.



Additionally, governance uses the Agile/Scrum methodology applied to team management and research cases, pilots and trials. A great many different tools are used, which are efficient and distributed and help monitor and track the research lines and objectives to be achieved: messaging programs (Slack, Telegram, Whatsapp), tracking and ticketing tools (Trello, Redmine, Jira) and continuous deployment and delivery and test automation platforms. The adoption of data-driven models is important for the definition of new innovative lines offered by the company, including products, services and business strategies.



The sharing of particularly innovative hard and soft skills in traditional market segments, was implemented mainly in Customer Relationship Management (CRM) and Data Science, allowing the company to prepare new, challenging offers, also in economic terms and go-to-market.

The commitment and achievement of results in R&D activities is hinged on the capacity to engage the team, which takes place through performance review policies, management by objectives and the net promoter score. The adoption of the Open Innovation model by means of events, aggregating moments, co-design, sharing of experience, participation and testimonials at public events also successfully maximises the results and commitment of research, also in an open dialogue with stakeholders.

Finally, Alkemy's objectives set in terms of R&D are measured and managed using proactive, continuous monitoring and tracking tools. For each investment line or research project, right



from the conception and design phase, the specific development objectives and results indicators are identified and potentially divided up by phase (i.e. interim, final). The type of indicators, which ranges from qualitative and other quantitative indicators, adopts various international standards, such as, for example, the technology readiness level.

Cybersecurity and data protection

The growing level of digitisation has increased the risk connected with cyber threats. Indeed, today an increasing number of cyber threats derive from the evolution and growing complexity of computer systems and a greater vulnerability of the ICT infrastructure and applications forces businesses like Alkemy to adopt systems and procedures that are able to guarantee high levels of security in processing data and sensitive information, within and outside the organisation.

The Group does not pursue a business that envisages the processing and/or management of a large quantity of data within, because, in going about its activities, it is only responsible for processing data on behalf of its customers when providing services and does not instead operate as the proprietor of the data.

In order to safeguard and protect the data and information it finds itself handling as best possible, the Alkemy Group has carried out all the activities envisaged by European Regulation 679/2016 (the GDPR). In order to meet the requirements of this legislation, in 2018, the Alkemy Group appointed a Data Protection Officer tasked with overseeing and guaranteeing the correct processing of data and information, in line with current legislation.

In 2020, as announced in 2019, a CTO (Chief Technical Officer) was hired to implement to controls envisaged to obtain ISO 27001 certification relative to information security measures and implement internal data management systems.

As part of adjustment to comply with current legislation, Alkemy S.p.A. has also introduced multiple technical and organisational data protection policies, including the Data Regulation Policy, the Internal Regulation Policy and the Privacy Policy, able to guarantee security in the Group's processes and activities.

Finally, the principles of confidentiality and privacy are established in the Parent's Code of Ethics, which provides its employees and collaborators with a full list of information defined as confidentiality (exclusively the property of Alkemy) and, therefore, which is subject to confidentiality restrictions.

In addition, in 2021 training courses were delivered on the GDPR to all Group employees, in addition to specific training sessions dedicated to employees holding positions that involve processing data.



As proof of the Group's commitment to safeguarding data and information, in 2021, just like in 2020, no complaints were received in relation to privacy breaches from customers or data losses.

Number of substantiated complaints concerning breaches of customer privacy and losses of data of customers		
	2020	2021
Number of complaints received from third parties in relation to cases of privacy breaches of customers	0	0
Number of complaints received from regulatory entities relative to cases of privacy breaches of customers	0	0

In 2021, there were no data breaches, just like in 2020.

Leaks, losses or thefts of identified customer data		
	2020	2021
Total number recorded of customer data leaks, thefts or losses	0	0



Environmental responsibility

The Alkemy Group is aware of the need to make responsible use of its energy and environmental resources. The commitment towards these topics is based on the principles included in the Code of Ethics, which demands that its employees and collaborators take part in the risk prevention and environmental safeguarding process.

Use of energy is a material topic for the Group insofar as it can have significant impacts on the environment and possibly consequently impact climate change, a topic that gives rise to growing concern and which requires the collaboration of various stakeholders (public, private, local communities, etc.) if it is to be successfully broached.

The Group has identified and circumscribed for its business type, the businesses with an environmental impact, which mainly relate to the consumption of energy resources for heating⁷ and lighting offices, to run computers for work and for fuel to power company cars.

Alkemy's business in fact consists of the provision of services to customer businesses, which are supplied at the offices of the various Group companies and, to a limited extent, also at the offices of the customers, before COVID-19 and mainly at homes in smart working mode as a consequence of the pandemic. This is why use of energy is limited to the above-specified areas.

In 2021, energy consumption traced to the Group's Italian companies totalled 1,514 Gj from non renewable sources (+25% on the 1,211 in 2020, -6% on the 1,612 Gj in 2019), of which 61.5% from consumptions of diesel and petrol used for company cars and the remaining 38.5% from the consumption of electricity.

ENERGY CONSUMPTION BY TYPE⁸

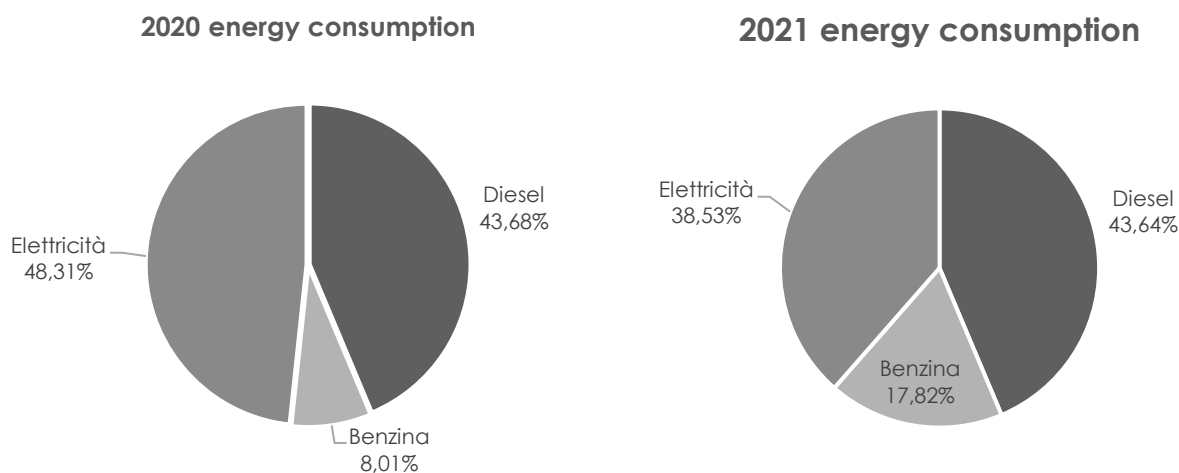
Type of energy	Unit of measurement	2019	2020	2021
Diesel	litres	21,079	14,755	17,299
	Gj	804	529	661
Petrol	litres	51	3,003	7,851
	Gj	2	97	270
Electricity	kWh	223,785	162,520	162,004
	Gj	806	585	583
Total	Gj	1,612	1,211	1,514

⁷ With regards to energy consumption for heating offices, to date, the data collection and monitoring systems do not enable a timely collection of the information necessary to report on the data.

⁸ The conversion into Joules was calculated using "Defra - UK Government GHG Conversion Factors for Company Reporting" 2021.



In relation to fuel consumption, rules of conduct are outlined that can impact the everyday choices of Group employees. For example, use of public vehicles in the city is encouraged rather than private cars or taxis and, where possible, train travel is preferred over air travel.



In 2021, the Group's Italian companies produced a total of 112 tonnes of CO_{2e} (+13% on the 99 tonnes of CO_{2e}, -17% on the 135 tonnes of CO_{2e} produced in 2019). These emissions are divided up into:

- Direct emissions - Scope 1: emissions deriving from the use of energy, as fuel used for the car fleet;
- Indirect emissions - Scope 2: emissions deriving from the generation of electricity purchased.

In 2021, direct Scope 1 emissions due to direct energy consumption (diesel and petrol) came to 61 tonnes CO_{2e} (+39% on the 44 tonnes CO_{2e} in 2020, +11% on the 55 tonnes of CO_{2e} in 2019).

Indirect Scope 2 emissions, calculated using the location based method⁹ instead came to 51 tonnes of CO_{2e}¹⁰ (-7.3% on the 55 tonnes of CO_{2e} produced in 2020, -36% on the 80 tonnes CO_{2e} in 2019), while those calculated taking a market based approach¹¹ instead came to 74 tonnes of CO_{2e}¹² (-2.6% on the 76 in 2020, -32% on the 109 tonnes of CO_{2e} produced in 2019).

⁹ The location based method reflects the average intensity of emissions deriving from the total national production of electricity and envisages the use of average emission factors relative to the specific national energy mixes for the production of electricity.

¹⁰ The data calculated using the location based method is expressed in non-equivalent carbon dioxide; however, the percentage of methane and nitrogen protoxide has a negligible effect on the total emissions of greenhouse gases (CO₂equivalents), as can be seen from the reference technical literature.

¹¹ The market based method envisages the use of emissions factors defined by contract with the electricity supplier. Emissions were therefore calculated using the emissions factors that represent the residual national mix.

¹² The data calculated using the market based method is expressed in carbon dioxide equivalent for 2019, whilst the 2020 and 2021 data is in non-equivalent carbon dioxide; however, the percentage of methane and nitrogen protoxide has a negligible effect on the total emissions of greenhouse gases (CO₂equivalents), as can be seen from the reference technical literature.

CO₂¹³ EMISSIONS

Type of energy	Unit of measurement	2019	2020	2021
Direct emissions - Scope 1	tCO _{2e}	55	44	61
Indirect emissions - Scope 2 - Location based	tCO _{2e}	80	55	51
Indirect emissions - Scope 2 - Market based	tCO _{2e}	109	76	74
Total emissions - Location based	tCO_{2e}	135	99	112
Total emissions - Market based	tCO_{2e}	164	120	135

The decline that in 2020 involved both energy consumptions and CO_{2e} emissions was very much impacted by the COVID-19 emergency and the consequent lock-downs, which limited travel to and use of offices, hence FY 2019 is taken as the comparative period, with respect to which 2021 consumptions are lower.

The Group is committed to increasing the use of Cloud-based services (over proprietary servers) in order to improve use of the hardware, in the case of Cloud-based services, which would reduce energy consumption with a corresponding positive impact on the environment.

¹³ To calculate emissions, the following emission factors were used:

- Scope1: Scope1: "Defra - UK Government GHG Conversion Factors for Company Reporting 2021";
- Scope2 - Location-Based: "Confronti internazionali 2019" (2019 International Comparisons) published by Terna;
- Scope2 - Market-Based: "The Association of Issuing Bodies - Residual Mixes and European Attribute Mix 2020 v 1.1".



Social responsibility

The Alkemy Group acknowledges the importance of the centrality of its people and considers them a primary factor in its business success.

The Group aggregates under a single roof resources from very different backgrounds and sources, ranging from strategic consultancy to data analytics, performance marketing and technology; contexts with very different logics and engagement and retention methods.

This diversity is a value and therefore needs to be preserved, maintaining the principles and key elements over time, which the common thread in the professional experience in Alkemy.

At 31 December 2021, the Group had a total of 614 employees, up 15% on the 534 recorded in 2020, almost all (99% in 2021, 97% of 2020) hired on permanent contracts, working every day with commitment, competence and passion. In addition to this, there are 162 external collaborators (up on 2020, when there were 109), of whom 29 are trainees, 0 temporary workers, 118 external consultants and 15 other types of collaborators, making for a total workforce of 776.

Employees are mainly used at the Group's Italian companies, which hire approximately 63% of the total Group employees, a percentage that reduces on 2020 (66%), followed by Spain, which uses around 17% (19% in 2020), Mexico with around 16% (as compared with 10% in 2020) and, finally, Serbia, with the remaining 4% (5% in 2020).



GROUP EMPLOYEES BY TYPE OF CONTRACT, GENDER AND REGION AT 31 December 2021

Region	Indeterminato	Determinato	Totale	Indeterminato	Determinato	Totale
	2020			2021		
Italia						
Uomo	182	2	184	218	0	218
Donna	167	2	169	168	0	168
Totale	349	4	353	386	0	386
Spagna						
Uomo	44	5	49	47	1	48
Donna	49	2	51	50	5	55
Totale	93	7	100	97	6	103
Messico						
Uomo	25	0	25	50	0	50
Donna	31	0	31	48	0	48
Totale	56	0	56	98	0	98
Serbia						
Uomo	14	1	15	9	1	10
Donna	8	2	10	17	0	17
Totale	22	3	25	26	1	27
GRUPPO						
Uomo	265	8	273	324	2	326
Donna	255	6	261	283	5	288
TOTALE	520	14	534	607	7	614

Finally, the Group pays close attention to the needs of its people, in particular with reference to those linked to the conciliation of personal and working life, where possible seeking to offer solutions that suit the individual and professional needs of its people. This is shown by the presence of 17 part-time employees (down on the 20 of 2020), equal to 3% (down on the 4% in 2020) of Group employees, of whom 82% (an increase on the 75% of 2020) are women.

GROUP EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER AT 31 DECEMBER 2021

Genere	Full-time	Part-time	Totale	Full-time	Part-time	Totale
	2020			2021		
Uomo	268	5	273	323	3	326
Donna	246	15	261	274	14	288
Totale	514	20	534	597	17	614

Diversity and inclusion

The Alkemy Group is firmly convinced that an inclusive workplace that optimises all diversities (gender, background, sexual preferences, age), is not only an imperative in terms of values,



but also a critical success factor for the business. Because diversity is innovation, creativity and the possibility of major impact.

Diversity is very important in a young, multicultural context as is that in which the Group operates. Indeed, as stressed by its Code of Ethics, the Group promises to offer trust and equal opportunities to all, drawing no distinction according to ethnic origin, religion, opinions, nationality, gender, physical conditions, age and social conditions, so as to guarantee a fair, non-discriminatory treatment based on criteria of merit and values of equality, tolerance and mutual respect.

In order to create a real business culture, it is essential to cultivate diversity and inclusion with the same conviction with which we support the other business priorities. Diversity in Alkemy is not only valued but forms the very basis for the organisational culture.

As proof of the Group's attention paid to the topic of diversity, female staff number 288, accounting for approximately 47% (vs 49% in 2020) of all Group employees, whilst men total 326, an increase on the 273 in 2020, constituting the remaining 53% of Group employees. Additionally, at 31 December 2021, 7 employees working for the Group's Italian companies belong to protected categories, up on the 5 present in 2020.

In terms of a breakdown by professional category of employees, at 31 December 2021, approximately 84% (an increase on the 81% in 2020) come under the category of office workers. Instead, the categories of middle managers and managers respectively account for approximately 14% (down on the 16% of 2020) and 2% (down on the 3% of 2020) of total employees.

The Group sets itself the important object to increase the number of women in managerial positions, which at 31 December 2021 equates to approximately 26% (down on the 2020 30%) of all management and middle management. Continuing on from 2020, quantitative KPIs were introduced, which envisage a minimum number of women on the management team (the Group's first and second lines). In favour of this objective, in 2021, as established starting 2019, close attention was also paid during recruiting, resulting in the hiring of a considerable number of women during the year. More specifically, in continuing on from that introduced in 2020, with the definition of the new recruiting process, quantitative KPIs were used, with the aim of encouraging gender equality and the globalisation of candidates during the selection process. The short-list of candidates to permanent positions must include at least one woman and at least one must be of foreign nationality.

GROUP EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER AT 31 December 2021



Categoria professionale	2020			2021		
	Uomo	Donna	Totale	Uomo	Donna	Totale
Dirigenti	13	2	15	12	2	14
Quadri	57	28	85	61	23	84
Impiegati	203	231	434	253	263	516
Totale	273	261	534	326	288	614

Almost all (59%, down on the 62% booked in 2020) of the Group's employees fall within the 30 - 50 years old age bracket, with 36% (up on 2020, when it was 32%) in the under 30 years old bracket. The residual 5% are employees aged over 50.

GROUP EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE BRACKET AT 31 December 2021

Categoria professionale	2020				2021			
	<30 anni	30-50 anni	>50 anni	Totale	<30 anni	30-50 anni	>50 anni	Totale
Dirigenti	0	10	5	15	0	9	5	14
Quadri	10	62	13	85	2	69	13	84
Impiegati	160	257	17	434	220	283	13	516
Totale	170	329	35	534	222	361	31	614

Attraction and gaining the loyalty of talent

The Group has always paid particularly close attention to the search and selection of the very best talents, based on two key principles: that they are PEOPLE GOOD for the specific competences and experiences and GOOD PEOPLE in line with our business culture and values, which are the "extras" in our alchemy.

The Group has always put people right at the heart of its decisions, aiming to guarantee the best possible conditions to each and every one of them, in which to do their work to the best of their ability in an inclusive, stimulating workplace where everyone feels they are making a contribution first hand towards the achievement of the corporate objectives.

This occurs also thanks to the constant promotion of internal communication activities, led by the various members of the leadership team, and of various internal initiatives connected with the spread of awareness of our culture and values.

During the recruiting process, we not only measure the technical skills of candidates through specific interviews held by our first and second lines, but we also check for the cultural and behavioural fit of the candidate, with an initial interview with the People & Culture HR Department.

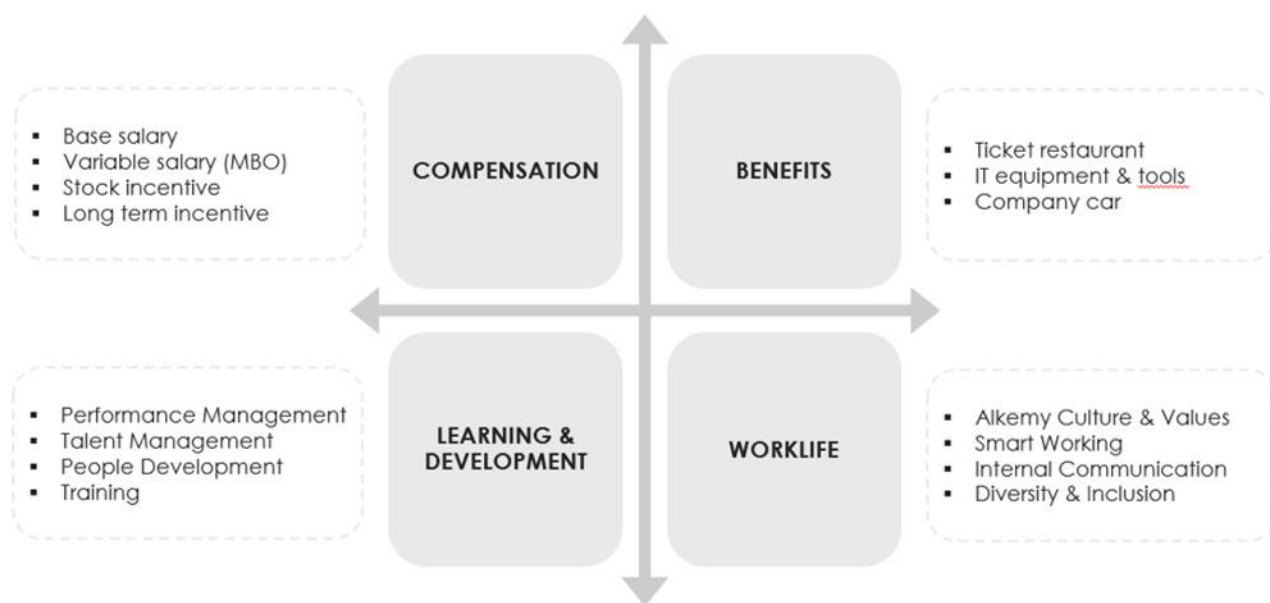


Once a year, in November and December, our people are asked to complete a self-assessment on the degree to which the objectives assigned for that year have been achieved, as well as giving an overall opinion on their own performance. This card is then sent up to the managers, who fill in the assessments, involving anyone able to make a contribution and who may have a different perspective to that of the employee.

In addition to the performance assessment carried out for the current year, the managers also indicate the employee's objectives for the following year. The assessments should also point out aspects for improvement and the growth path as a whole.

Individual assessment interviews with each of our people are planned for February the following year. During the assessment, in addition to the assignment of formal objectives by the managers (Chief Executive Officer, Managing Director and Director), and verifying their partial or complete achievement, in respect of the year that has passed, any individual changes to remuneration and level are also notified. The process is coordinated by the People & Culture Department.

Alkemy's People Strategy is based on a total reward system. This term is used to refer to the set of remuneration and incentive systems adopted with a view to attracting, motivating and retaining talent, guiding conduct according to the values and principles of the Group's organisational culture, towards the forecast corporate objectives.



All employees are entitled to the same types of benefits, with no distinction drawn between full- and part-timers. In general, on an Italian level, the following corporate welfare initiatives apply:

- two portals containing employee discounts;
- ATM convention to simplify transport for employees;



- basic medical insurance;
- Fondo est is also open to fixed-term employees;
- Smart working.

In 2021, welfare initiatives introduced in 2020 continued for our employees, including new partnerships and additional benefits aimed at improving our all-round employee experience.

We are also firmly convinced that assuring our organisation greater flexibility, guaranteeing greater autonomy for our people and holding them accountable thanks to a definition of work by objectives, can help conciliate personal and working lives and, at the same time, foster individual growth and productivity.

This is why, even back in 2019, Alkemy had chosen to introduce smart working options for our employees, in open mode (with no limit to the number of days, as long as approved by the manager), taking a key step towards consolidating its organisational culture model based on principles of freedom and responsibility.

The flexibility achieved by the working model has meant that in 2021, just like in 2020, the Group found itself ready to address the COVID-19 emergency and consequent lock-downs without actually suffering any decline in productivity, guaranteeing all employees the possibility of working from home, equipped with adequate tools and in complete safety.

I principi guida dello Smart Working in Alkemy

FIDUCIA

Cambio di mindset da «controllo» a «fiducia» – principio alla base della nostra cultura organizzativa.

FLESSIBILITA'

Della nostra struttura aziendale, nel nostro approccio alla gestione del lavoro e nei confronti delle nostre persone.

AUTONOMIA

A tutte le nostre persone nel definire modalità e tempi di esecuzione della prestazione lavorativa fuori sede.

RESPONSABILITA'

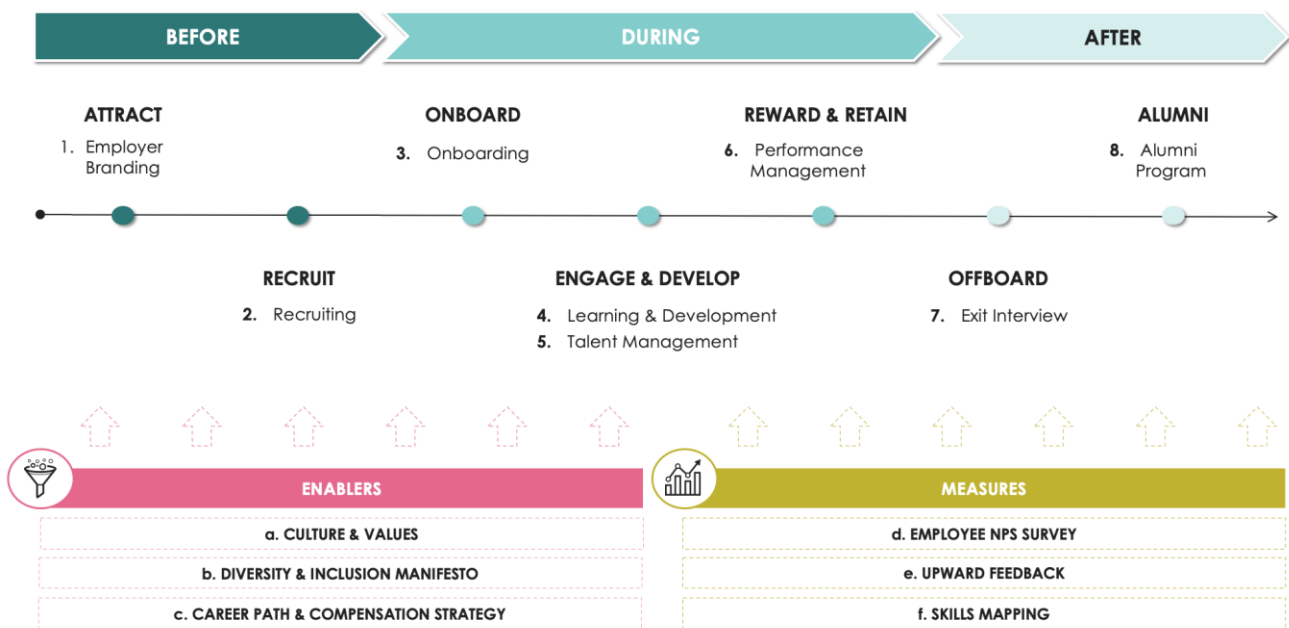
Nel raggiungimento dei risultati concordati, secondo i tempi stabiliti e cosciente del lavoro da svolgere da soli o in team.



Starting 2020, the Group's People & Culture function pooled all eight touchpoints characterising the people's route in Alkemy, from talent attraction through to exit, formalising the Alkemy Employee Experience (AEX).

The aim of the Alkemy Employee Experience is to put the people right at the heart of the organisation and create the very best conditions for a journey in which everyone can fully release their potential and achieve their professional goals, promoting an inclusive, stimulating workplace in which everyone feels authorised to make a concrete contribution towards Alkemy's success.

AEX Journey | The 8 key touchpoints



Finally, the Alkemy model is based on a strong investment by management, hence stock incentives are seen as key leverage. Since it was first established in 2012, two stock option plans have been launched, involving around seventy managers and employees. In view of the success of the initiative, we are currently examining the possibility of introducing a subsidised share purchase plan for Alkemy employees.

Staff training and development

The Group sees training as the main tool by which to value and develop its people. Our approach has always been one of continuous learning, which consists of promoting the



continuous growth of the baggage of skills and knowledge held by our resources, adjusting it to the rapid evolution of the digital and technological context. Additionally, we stimulate our people to seek continuous training and consolidation of their soft skills through the delivery of dedicated training courses open to the whole company population.

Alkemy is lucky enough to aggregate people with very diverse professions and backgrounds under a single roof and has always promoted a culture of sharing and “contamination” to guide the growth of our people in acquiring competences that differ and complement their own vertical path.

In particular, all Training, People Development, Performance e Talent Management, Company Culture, Internal Communication and Diversity & Inclusion activities are managed by the Alkemy People & Culture department.

Together with the management and through liaising with the HR Operations Department, it is responsible for designing and planning a series of training % development initiatives and actions.

In 2021, the Group continued on with the activities started in 2019, increasing the investments in training staff, with the definition of an extensive training catalogue that can be accessed freely by all employees.

In addition, starting 2020, each employee was equipped with a “training wallet”, namely a personal voucher worth €500, which can be used to finance participation in any course or workshop, freely chosen, delivered outside the Group.

In 2021, all training continued uninterrupted with the use of e-learning platforms.

Multiple objectives are set by these initiatives, including:

- to assure the personal and professional growth of all resources, focussing on motivation, corporate climate and performance;
- to identify and manage talents within and outside the Group, thereby developing them;
- to promote employer branding;
- to ensure talent retention.

Training is coordinated and planned by the HR Operations and People & Culture Departments and involves the whole organisation on different levels, from top management to the more junior resources, staff and first line.

On the basis of this organisation, and as mentioned previously, for the last three years, the Group has been promoting the development of the Alkemy Academy, a internal training path open to all Group employees, held by the management team and setting the aim of spreading awareness of the internal culture, values and mission as well as assuring full knowledge of all areas in which the business develops.



Through Alkemy Academy, in 2021, continuing on from 2020, the Group delivered 10 specific training courses, involving 12 in-house teachers, with an average of between 50 and 70 participants per lesson, a further increase on the 2020 attendance figures. Indeed, the fact that lessons were held entirely on-line meant that attendance was far higher.

More specifically, in 2021, continuing on from 2020, training hours were delivered dedicated to reinforcing the main soft skills and developing the vertical competences that characterise the various Group functions. Recurring courses on public speaking, time management, resilience and assertive communication were run, and English and Spanish language courses were delivered constantly.

All teams carried out specific technical training according to the roles and areas to which they belong. Reskilling has been carried out for some members of the Tech team on the Salesforce technology, which helps strengthen the team of the subsidiary XCC, also in terms of offering support on an in-house project. All resources have also been offered a training wallet worth €500, which can be spent on specific training of the role, as well as for studies and refresher courses.

In the Data area, the in-house academies continued on from last year, training new graduates and the training process was also launched on XCC in 2021.

During the year, selections were held for the second edition of the Alkemy Talent Programme, with disbursement expected for 2022.

As further evidence of the Group's commitment to developing the skills of its employees, in 2021, more than 14,000 training hours were delivered to all professional levels, more than 60% more than in 2020 when there were 9,000 hours. Per capita training hours came to 23.8 in 2021 (16.9 in 2020), of which 19.7 hours for men (18.2 in 2020) and 28.5 hours for women (15.4 in 2020).

TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER AT 31 December 2021

Categoria professionale	2020			2021		
	Uomo	Donna	Totale	Uomo	Donna	Totale
Dirigenti	296	92	388	0	0	0
Quadri	1093	533	1626	680	382	1.062
Impiegati	3.590	3.405	6.995	5.735	7.813	13.548
Totale	4.979	4.030	9.009	6.415	8.195	14.610

AVERAGE HOURS PER CAPITA OF TRAINING BY PROFESSIONAL CATEGORY AT 31 December 2021



Ca tegoria professiona le	2020	2021
<i>Dirigenti</i>	25,9	-
<i>Quadri</i>	19,1	12,6
<i>Impiegati</i>	16,1	26,3
Tota le	16,9	23,8

AVERAGE HOURS PER CAPITA OF TRAINING BY GENDER AT 31 December 2021

Ca tegoria professiona le	2020	2021
<i>Uomo</i>	18,2	19,7
<i>Donna</i>	15,4	28,5
Tota le	16,9	23,8

The Group is extremely attentive towards the matter of optimising its talents. In this Area, 2021 saw the continuation of the Alkemy Talent Management Programme, launched for the first time in 2019 with the aim of identifying the best talents and helping assure their growth and development within Alkemy. The programme seeks to be a unique experience for our talents, offering training and growth, in contact with the management and the entire pool of talents. It is a talent experience intended as an accelerator of development for all those wishing to release their full potential and strive towards ever more ambitious results, making a first-hand contribution towards the Group's success.

The Group's approach to talent management adheres to the principles of transparency and involvement, so that everyone is aware they can satisfy their ambitions and develop their potential in a participatory professional environment that is stimulating and assures constant growth.

Talent in Alkemy is a resource that stands out from the others, which can make the difference, which emerges both through technical skills and communication and leadership qualities. Talent is also an enabler of other talent: it searches for it, optimises it and makes it available to the common objective. Talent is not only part of our alchemy, it is its hallmark.

The Group offers its talents:

- a mentoring system, launched in December 2019, whereby they are flanked by a member of the company's senior management team. The aim of the mentor is to guide the talent through the development of their own professional objectives, assisting them throughout the talent experience.



- technical and managerial training delivered starting 2020, which involves, for each talent chosen, the planning of dedicated individual and specific technical training courses.
- preferential access to cross initiatives, such as job rotation, special corporate projects and experiences abroad.

At the same time, talents are required to play an active role, becoming the real AMBASSADORS of Alkemy: the aim is to spread the Group's culture and be an example of our alchemy - for all our people and customers. The talent must be a leader of values and skills, an example of responsibility and concreteness, both for their team and all Alkemy people, but also an enabler of others' excellence, optimising individual talents and competences and leveraging on diversity to the service of the common objective. The talent must also help make Alkemy the "BEST PLACE TO WORK", making proactive suggestions for ideas and initiatives by which to improve the workplace and corporate climate more and more.

Occupational health and safety

Protection of health and safety at work is, for a company like Alkemy, extremely important, and indeed it is also sanctioned in the Code of Ethics. Improving conduct and increasing the corporate culture of preventing incidents and damages that can occur during work is a commitment that the Group pursues fervently and constantly with a view to offering ever safer workplaces for its people.

Health and safety are not only a workers' right, but also an interest for both companies, which apply 81/08 legislation in Italy and guarantee a comfortable and, therefore, more productive environment, and for society as a whole, which thus finds itself bearing lesser social costs for occupational diseases and injuries. What is so important is that through suitable information and training, safety at work is considered "normal" behaviour, naturally, without any real effort being required. In this sense, Alkemy does everything it can in respect of 81/08 legislation in terms of a service context and a population of video terminal operators.

In 2021, continuing on from 2020, Alkemy delivered several courses on training for occupational health and safety, for a total of 248 hours of training devoted to this subject, as compared with 112 hours in 2020, as well as, as per the calendar established, having trained Safety Representatives and the Workers' Safety Representative (WSR). In 2021, 111 medical check-ups were held and 3 site inspections in workplaces (Milan, Turin, Rome) with the Appointed Physician, the Prevention and Protection Service Manager (PPSM) and the WSR. In 2020, no medical check-ups had been performed. From January to June 2021, employees were then offered a free Covid-19 screening service, for a total of 420 lateral flow tests performed in the company.



As evidence of Alkemy's commitment to preventing and protecting the health and safety of its employees, in 2021, as in 2020, there were no injuries at work in any of the Group companies.

NUMBER OF INJURIES IN THE GROUP AT 31 December 2021¹⁴

Number of injuries	2020	2021
Total number of fatal incidents associated with injuries at work	0	0
Total number of serious injuries at work (excluding deaths)	0	0
Total number of injuries at work recorded	0	0

NUMBER OF HOURS WORKED BY GROUP EMPLOYEES AT 31 DECEMBER 2021¹⁵

Hours worked	2020	2021
Hours worked by employees	938,770	1,123,455

GROUP INJURY RATES AT 31 December 2021

Rates	2020	2021
Rate of deaths caused by injuries at work	0	0
Rate of serious injuries at work (excluding deaths)	0	0
Rate of injuries at work recorded	0	0

In the future, Alkemy intends to invest further in accident prevention and health and safety at work in order to prevent material damages that can put the organisation at risk of survival and, ultimately, to establish an image of excellence and reliability.

¹⁴ The scope of information about health and safety and the related injury indicators only includes the staff of Group companies.

¹⁵ For some of the Group companies, it was not possible to obtain the number of hours worked and the figure was estimated.



Management of the COVID-19 emergency

From March to September 2020, all employees in all Alkemy offices, started working efficiently from home, in full support of customers, continuing to work effectively as a team, thanks to the tools and equipment they had already been assigned. In fact the Group had already introduced smart working as an option back in 2019, and this meant that it was well prepared to react immediately to the emergency situation.

During this type, all offices were prepared for the subsequent return: constant cleaning and specific sanitisation, signalling of the stations that can be used at return, purchase and preparation of PPE, preparation of signs and information for employees, just as shown below.

During 2021, all Italian and foreign companies of the Group continued their work almost entirely from remote, also in line with the instructions given by the various local governments on the prevention of the spread of the pandemic, which differ in the various regions and countries in which the Group has its offices and businesses. Completion of the vaccination campaign in Italy, to which most of the Group workers have gladly adhered, in any case helped work to partially resume *in situ*. The Group's management continues to monitor the events related to the pandemic, in order to be able to intervene promptly to protect the health and safety of workers and the business.



Rientro in ufficio post emergenza | Linee guida per tutte le sedi Alkemy

COSA	COME
1 UFFICI	<ul style="list-style-type: none">• Sanificare tutti gli spazi prima del rientro e prevedere pulizie due volte al giorno con disinfettante specifico.• Acquistare guanti e mascherine da distribuire all'ingresso.• Predisporre gel disinfettante per utilizzo continuativo in ogni sede/piano.• Acquistare misuratore di temperatura elettronico.
2 ACCESSI	<ul style="list-style-type: none">• Organizzare allestimento uffici secondo le direttive. Vietare l'utilizzo delle aree comuni e degli ascensori.• Sviluppo APP di prenotazione della postazione di lavoro: rientro su base volontaria, prevista turnazione per orari di ingresso e giornate di presenza in ufficio.• Accesso consentito se autorizzati dal responsabile, muniti di DPI e autocertificazione
3 PERSONE	<ul style="list-style-type: none">• Divulgare l'informativa sulla sicurezza aggiornata con le istruzioni di dettaglio per il rientro (comportamenti e precauzioni).• Mettere a disposizione un professionista per un supporto psicologico alle nostre persone da attivare in modo discreto e autonomo.• Distribuire lunch box in ufficio per i presenti in sostituzione del buono pasto fino alla riapertura di bar e ristoranti.



Rientro in ufficio post emergenza | Informativa esposta in tutte le sedi

MISURE PREVENTIVE STRAORDINARIE PER CONTENERE IL RISCHIO COVID-19 NEGLI AMBIENTI DI LAVORO CON RIFERIMENTO AL PROTOCOLLO DEL 24 APRILE 2020 VALIDE IN TUTTE LE SEDI ALKEMY

1. MISURE IGIENICO-SANITARIE

- Restare al proprio domicilio in caso di sintomi influenzali e febbre oltre i 37.5°
- Restare al proprio domicilio in caso di contatti recenti (entro 14gg) con soggetti positivi
- Lavarsi spesso le mani
- Evitare abbracci e strette di mano
- Mantenere la distanza interpersonale di almeno 1 mt
- Indossare la mascherina in occasione di spostamenti all'interno degli uffici e contatti sociali
- Areare spesso i locali in cui si lavora

2. MISURE ORGANIZZATIVE

- L'accesso agli uffici e la modulazione/turnazione degli orari di lavoro, vanno sempre preventivamente concordati con il proprio responsabile
- Utilizzare solo le postazioni di lavoro identificate dal bollino verde
- Non è consentito incontrarsi negli spazi comuni dove sia difficile rispettare il distanziamento minimo di 1 mt, quindi nelle aree break, aree fumatori, sale riunioni, bagni ed antibagni
- Le riunioni in presenza sono sospese
- Le trasferte sono sospese
- E' vietato l'accesso a visitatori e fornitori esterni, ad eccezione dell'impresa di pulizie, che vi accede periodicamente per attività di pulizia e sanificazione

3. MISURE INFORMATIVE

- Attenersi alle direttive aziendali e alle informazioni divulgate a livello di Gruppo
- Fare riferimento alle fonti istituzionali di comunicazione, per non alimentare le fake news ed il senso di insicurezza generale: il Ministero della Salute / l'Istituto Superiore della Sanità / l'Organizzazione Mondiale della Sanità (OMS)

Starting September 2020, the Health Protocol was introduced in all Group sites (and is still in force), for the return to work of Alkemy resources while limiting the risk of COVID-19, with the following objectives:

“In order to organise the gradual return of staff to the workplace, this document identifies the criteria and measures aimed at protecting worker health and safety in the workplace. These criteria and measures will be updated according to the indications that are progressively communicated by the Institutions and Health Authorities, as well as according to the results of the monitoring of the measures adopted and the health status of the workers that will be carried out by the competent figures, limited to the COVID-19 emergency period”.



European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)

On the basis of Article 8 of Reg. EU 2020/852 (hereinafter also referred to as the “Taxonomy Regulation”, starting from the publications after 1 January 2022, non-financial companies are required to disclose various parameters in the non-financial statement or consolidated non-financial statement: from the portion of turnover that comes from products or services associated with economic activities that are considered to be environmentally sustainable to capex and the portion of opex relative to assets or processes associated with economic activities that are considered to be environmentally sustainable.

More specifically, an economic activity is considered to be environmentally sustainable if it makes a substantive contribution towards achieving one or more environmental objectives defined by the Taxonomy, like climate change mitigation or adjustment, the sustainable use and protection of water and marine resources, or the transition towards a circular economy and the prevention and reduction of pollution, through to the protection and restoration of biodiversity and ecosystems. In addition, in order to be considered sustainable, an economic activity must not cause significant harm to any of the environmental objectives, must be carried out in respect of the minimum safeguarding guarantees and must comply with the technical criteria envisaged.

Following the publication of Regulation EU 2020/852, to date, the following regulatory updates have been made:

- Delegated Regulation EU 2021/2139 of 4 June 2021 set the technical criteria according to which an economic activities is considered as making a substantive contribution to climate change mitigation and adjustment objectives;
- Delegated Regulation EU 2021/2178 of 6 July 2021, in supplementing the provisions of Art. 8 of the Taxonomy Regulation, specified the contents, methods and manners of presenting the information to be disclosed. More specifically, in accordance with Art. 10 of such Regulation, in publications made between 1 January and 31 December 2022, companies required to publish the Consolidated Non-Financial Statement (NFS) must provide a disclosure on the portion, with respect to the total, of their revenues, capex and opex that can be classified as potentially sustainable (i.e. eligible) in environmental terms; this assessment only regards the economic activities that are admissible to the climate change adjustment and mitigation objectives, the only ones with regard to which to date, technical screening criteria have been defined, as specified previously.

In order to fulfil these disclosure obligations, Alkemy has performed an analysis of the economic activities carried out by the Group in order to identify those to be considered as “eligible” in respect of the foregoing objectives and prepare the disclosure required by the reference legislation, also in respect of the interpretation clarifications supplied by the European Commission in the form of “Q&As” in December 2021 and February 2022¹⁶.

Upon completion of this analysis, it has been seen that at present, none of the Group’s economic activities are eligible and, therefore, all turnover, investments and opex for FY 2021 should be considered as “not eligible”, as shown in the table below.

¹⁶ “Draft Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets”, published on 2 February 2022



	Revenue	Costs	Investments
% of economic activities eligible	0%	0%	0%
% of economic activities not eligible	100%	100%	100%

In this respect, please note that when going about the above analysis and preparation of the taxonomy disclosure, the company's management team took a prudent approach overall, based on its understanding and interpretation, at the state of current knowledge, of the applicable regulatory requirements.

The disclosure given in this chapter of the NFS will be updated in view of the expected publication of the reference technical regulations for the additional environmental objectives defined by Art 9 of the Taxonomy Regulation and further evolutions in its interpretation, which may result in substantive changes to the assessment and calculation process of the KPIs for next year's reports.

Significant subsequent events

The evolution of operations in 2022 will mainly still depend on exogenous factors connected with both the conclusion of the pandemic emergency, with the elimination of consequent restrictions and the start towards "normal" and the evolution of the war in the Ukraine and correlated general economic impacts, heightened by the inflation generated by the diffused increase in the price of commodities and, in particular, energy products. If this market situation currently has no direct impact on Alkemy, insofar as it provides services and does not operate in either the Ukraine or Russia, it may have indirect fallout: indeed, some of its customers may suffer greater difficulties brought about by the war, with possible impacts on the purchase of the services offered by the Group.



GRI Content Index



GRI Standard	Disclosure	Page number	Notes and omissions
GRI 102: General Disclosures			
Organizational profile			
GRI 102-1	Name of the organization.	6	
GRI 102-2	Activities, brands, products and services.	10-11	
GRI 102-3	Location of headquarters.	6	
GRI 102-4	Location of operations (the number of countries in which the organization operates and the countries in which the organisation has activities or in which the activity carried out is particularly important with respect to the sustainability issues discussed in the document).	6-7, 10	
GRI 102-5	Ownership and legal form.	13	
GRI 102-6	Markets served (including the geographical coverage, fields of activity and type of customers and recipients).	10-11	
GRI 102-7	Scale of the organization.	6-7, 10-11, 32,	
GRI 102-8	Information on employees and other workers (number of employees by contract and gender).	48-49	
GRI 102-9	Supply chain.	12	



GRI 102-10	Significant changes to the organization and its supply chain (in the reporting period).	4-5	
GRI 102-11	Precautionary Principle or approach.	19-26	
Strategy			
GRI 102-14	Statement from senior decision-maker.	3	
Ethics and integrity			
GRI 102-16	Values, principles, standards, and norms of behaviour.	9, 16-18	
Governance			
GRI 102-18	Governance structure.	13-15	
GRI 102-22	Composition of the highest governance body and its committees.	13-15	
GRI 102-32	Highest governance body's role in sustainability reporting.	14	
Stakeholder engagement			
GRI 102-40	List of stakeholder groups.	29	
GRI 102-42	Identifying and selecting stakeholders.	29	
Reporting practice			
GRI 102-45	Entities included in the consolidated financial statements.	5	



GRI 102-47	List of material topics (identified in the analysis for establishing the reporting scope).	29-31	
GRI 102-48	Restatements of information (and reasons for the changes).	4-5	No revisions are highlighted with respect to the data published in the previous report.
GRI 102-49	Changes in reporting (and limitations with respect to the previous reporting period).	30-31	No changes are highlighted with respect to previous reporting periods on the list of material topics and topic perimeters.
GRI 102-50	Reporting period.	4	
GRI 102-51	Date of most recent report.	-	The previous NFS was published on 30 March 2020
GRI 102-52	Reporting cycle.	4	
GRI 102-54	Claims of reporting in accordance with the GRI Standards.	4	
GRI 102-55	GRI Content Index	66-73	
GRI 102-56	External assurance.	74-76	
GRI Standard	Disclosure	Page number	Notes and omissions
GRI 200: ECONOMIC SERIES			
Topic: Anti-corruption			



GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	16-18	-
103-3	Evaluation of the management approach	16-18	-
GRI-205: Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	-	No episodes of corruption occurred in 2019, 2020 and 2021.
Topic: Tax			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	32-34	-
103-3	Evaluation of the management approach	32-34	-
207-1	Approach to taxation	32-34	-
207-2	Tax governance, risk control and management	32-34	-
207-3	Stakeholder engagement and management of tax concerns	32-34	-
GRI-207: Tax (2019)			
207-4	Country-by-country reporting	33-34	-
GRI 300: ENVIRONMENTAL SERIES			
Topic: Energy			



GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	45-47	-
103-3	Evaluation of the management approach	45-47	-
GRI-302: Energy			
302-1	Energy consumption within the organisation	45-47	
GRI-305: Emissions			
305-1	Direct/Scope 1 GHG emissions	46-47	
305-2	Energy indirect/Scope 2 GHG emissions	46-47	
GRI 400: SOCIAL SERIES			
Topic: Employment			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	52-53	-
103-3	Evaluation of the management approach	52-53	-
GRI-401: Employment (2016)			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	52-53	-



Topic: Occupational health and safety			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	59-61	-
103-3	Evaluation of the management approach	59-61	-
GRI-403: Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system	59-61	-
403-5	Worker training on occupational health and safety	59	-
403-9	Work-related injuries	60	-
Topic: Training and education			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	55-59	-
103-3	Evaluation of the management approach	55-59	-
GRI-404: Training and Education (2016)			
404-1	Average hours of training per year per employee	57-58	-
Topic: Diversity and equal opportunities			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-



103-2	The management approach and its components	50-52	-
103-3	Evaluation of the management approach	50-52	-
GRI-405: Diversity and Equal Opportunity (2016)			
405-1	Diversity of governance bodies and employees	14, 50-52	-
Topic: Customer privacy			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	-
103-2	The management approach and its components	43	-
103-3	Evaluation of the management approach	43	-
GRI-418: Customer privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	43-44	-
Topic: Customer centricity			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	
103-2	The management approach and its components	26-27	
103-3	Evaluation of the management approach	26-27	
Topic: Capacity for innovation, research and development			
GRI-103: Management Approach (2016)			
103-1	Explanation of the material topic and its boundary	31	



103-2	The management approach and its components	35-42	
103-3	Evaluation of the management approach	35-42	

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND ART. 5 OF CONSOB REGULATION N. 20267/2018

To the Board of Directors of
Alkemy S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Alkemy S.p.A. and its subsidiaries (hereinafter "Alkemy Group" or "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on March 22, 2022 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "*European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)*".

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative ("GRI Standards"), with reference to the selection of GRI Standards, which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards, with reference to the selection of GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "ISAE 3000 Revised"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art. 3 of the Decree and taking into account the adopted reporting standard.
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree.
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of Alkemy Group;

4. understanding of the following matters:

- business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a) of this report.

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

In particular, we carried out interviews and discussions with the management of Alkemy S.p.A. and with the employees of Nunatac S.r.l. and OIS Service S.l. Mexico City and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- for the following companies, Alkemy S.p.A, Nunatac S.r.l. e OIS Service S.l. Mexico City, which we selected based on their activities, their contribution to the performance indicators at the consolidated level, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of Alkemy Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with article 3 and 4 of the Decree and the GRI Standards, with reference to the selection of GRI Standards.

Our conclusion on the NFS of Alkemy Group does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph *“European Taxonomy (Reg. EU 2020/852 and related Delegated Regulations)”*.

DELOITTE & TOUCHE S.p.A.

Signed by
Vittorio Camosci
Partner

Milan, Italy
March 31, 2022

This report has been translated into the English language solely for the convenience of international readers.