

# Sustainability Policy

 APPAROUND



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## INTRODUCTION

Apparound S.p.A. (hereinafter also “Apparound” or “The Company”) is a software company based in Pisa. It develops and sells a Configure Price Quote (CPQ) software system, an all-in-one sales tool that supports sales representatives generating accurate and error-free quotes for orders.

Apparound considers sustainability aspects, such as environmental protection, focus on employees’ professional development and well-being, integrity in conducting business operations and ensuring data privacy, combined with innovation and digitalization, as key drivers of continuous improvement that guarantee achievements over time and strengthen economic performance and reputation.

The Sustainability Policy (hereinafter also “The Policy”) represents Apparound’s commitment to integrate sustainability principles within its business model. The document is built on three key pillars (Environmental, Social and Governance) declined on six sustainability priorities inspired by international sustainability sector standards (i.e., Sustainability Accounting Standards Board, SASB) and relevant Sustainable Development Goals (SDGs), as defined by the United Nations in the 2030 Agenda. For additional information on reference frameworks and standards, please refer to the [Reference Frameworks and Standards section](#).

## OBJECTIVES OF THE POLICY

The Policy is aimed at communicating both to internal and external stakeholders how the Company manages its six sustainability priorities: *Protecting the environment and using resources efficiently, Valuing human resources, Fostering diversity & inclusion, Ensuring employees’ well-being, health & safety, Managing digital ethics and Maintaining high business ethics’ standards* (the “six sustainability priorities”) and describes key initiatives implemented and planned to drive ongoing improvement.









The six sustainability priorities on which the Policy is based, have been identified through a materiality analysis exercise<sup>1</sup>, conducted by reviewing potential external pressures and by directly engaging with internal stakeholders. For additional information on methodology, please refer to the [Methodology section](#).

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<sup>1</sup> The Materiality analysis exercise is aimed at identifying material or relevant topics: these are defined as areas that that may reasonably be considered important for reflecting the organization’s economic, environmental, and social impacts, and/or influencing the decisions of stakeholders.



## THE SIX SUSTAINABILITY PRIORITIES

	<b>Priority</b>	<b>SDGs' reference</b>	<b>Description</b>
<b>E</b>	<b>Protecting the environment and using resources efficiently</b>	 	Active commitment to reduce the environmental impact along the entire value chain in particular by implementing initiatives to reduce direct and indirect greenhouse gas (GHG) emissions and office waste.
<b>S</b>	<b>Valuing human resources</b>		Continuous enhancement of the selection and recruitment process to attract best talents. Promotion of a corporate culture that encourages continuous learning and skills' development, employees' empowerment, and involvement to retain talented workforce and support the innovation process within the Company.
	<b>Fostering diversity and inclusion</b>	 	Strive for maintaining a diverse and inclusive workplace (regardless of gender, age, cultural background, skills, race, religion, sexual orientation, and disability), ensuring access to the same opportunities for all employees.
	<b>Ensuring employees' well-being, health &amp; safety</b>		Ability to maintain a healthy and safe work environment by ensuring occupational health and safety management and implementing welfare activities, also beyond regulatory compliance.
<b>G</b>	<b>Managing digital ethics</b>		Management of risks related to the collection, storage, sharing, and use of sensitive, confidential, and/or proprietary data of customers or users. Ensure compliance with data privacy regulations, to minimize data privacy risks, such as information security breaches and data loss.
	<b>Maintaining high business ethics' standards</b>		Encourage an ethical attitude in the conduct of business, ensuring that business practices are in line with the highest standards and international declarations of ethics and integrity through training and promotion of anti-corruption practices.



## Protecting the environment and use resources efficiently

Although Apparound activities are office-based, thus generating a limited impact on the environment, the Company is committed to reduce it through the sustainable management of energy resources.

Apparound seeks to reduce electricity consumption and related Greenhouse Gas (GHG) emissions<sup>2</sup> (indirect emissions, Scope 2) generated by office activities, for instance by selecting its office-building according to energy criteria (e.g., buildings holding LEED Certification<sup>3</sup>, “A” Energy Class Certification, etc.).

Apparound is furthermore committed to reduce the amount of office waste produced. The core business of the Company itself, i.e., the CPQ software system, allows for the digital replacement of paper documents (catalogs, brochures, leaflets, technical data sheets, and contracts) and signing documents electronically, avoiding unnecessary paper waste.

With respect to the re-use of old electronic devices, the Company seeks to extend their lifespan by adopting a circular approach, for instance, by donating laptops to local schools, once not suitable for business use.

## Valuing human resources

As the IT sector is characterized by rapid changes, investing on human resources, both in terms of talent attraction and employees’ retention, plays a major role for Apparound.

Talent attraction is carried out through several channels, including partnerships with local professional institutes, the Universities of Pisa and Florence and the Schools of Excellence by, for instance, collaborating to organize training events for Masters’ students and by participating at career days and jobs fairs. In addition, Apparound engages students in internship projects and company visits to introduce them to the job market.

Apparound fosters the development of its talents starting from the on-boarding phase, when new hires are introduced to the Company by a senior buddy and the team leader that act both as coaches and mentors. During the on-boarding, they and are given access to the Company’s Academy process, which provides a 360° training on Apparound’s expertise areas.

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<sup>2</sup> A carbon footprint, also known as Greenhouse Gas (GHG) inventory, is the total amount of GHG emissions, expressed as CO<sub>2</sub> equivalents (CO<sub>2</sub>e), which are directly or indirectly associated with a product, service, or organisation. GHG emissions can be grouped into three scopes: scope 1 (direct emissions, associated e.g., with fuel combustion in boilers, furnaces, vehicles etc.), scope 2 (indirect emissions from energy consumption) and scope 3 (indirect emissions occurring along the whole company supply chain).

<sup>3</sup> LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. The rating system scores range from “certified” (40-49 points earned), to “platinum” (80+ points earned).



The Company supports the development of employees' skills through a continuous feedback culture and a bi-annual performance review system, aimed to identify additional training needs and foster the individuals' professional growth.

The work environment and the level of employees' satisfaction are periodically monitored through the Great Place to Work® survey<sup>4</sup>.

## Fostering diversity and inclusion

Apparound actively promotes workforce diversity and fights any form of discrimination based on gender, ethnicity, age, and sexual orientation by offering equal opportunities.

The Company acknowledges that the Software and IT services sector is characterized by an uneven gender distribution mainly due to the low rate of women graduating from STEM disciplines (Science, technology, engineering, and mathematics). For this reason, Apparound encourages female engagement in IT-related topics, by organizing women-in-tech events and by having female brand ambassadors to share their experience in tech-seminars and career days at partner universities.

## Ensuring employees' well-being, health & safety

Apparound is aware of the importance of guaranteeing and maintaining a safe and healthy work environment.

In addition to complying with national occupational health and safety standards, as defined by the L. Decree 81/2008<sup>5</sup>, the Company is committed to minimize health and safety risks related to improper posture while carrying out office activities, by providing trainings on how to organize an ergonomic workstation and by supplying its employees' computer monitors and office chairs to carry out remote-working activities safely.

The Company is likewise determined to foster a positive work environment in order to minimize the risk of work-related stress, by organizing frequent team buildings events and promoting sport and leisure activities. Work is organized in a hybrid mode (office and remote work) to guarantee both a good work-life balance and ensure moments of conviviality among employees.

## Managing digital ethics

Given the nature of its business operations, data security and customer privacy are crucial for

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<sup>4</sup> Great Place to Work is a work-environment survey that measures the "Trust Index" of the Company, indicating the extent to which the organisation is considered to be a great workplace by employees. The index is the average score obtained across 5 dimensions: credibility, respect, equity, pride and cohesion.

<sup>5</sup> The Italian Consolidated Safety Act (Legislative Decree 81/2008)



information protection and company reputation.

Apparound acknowledges the importance of implementing the highest information security standards that ensure data protection in line with GDPR (General Data Protection Regulation).

The Company has adopted an integrated quality and information security management system ISO 19001 and ISO 27001 certified, through which Apparound aims to optimize information security as well as reduce risks associated with data breaches.

In order to formalize the approach adopted by the organization for maintaining the confidentiality, integrity, and availability of the data handled, Apparound has appointed an Integrated Management System Manager and has drafted of an information security policy.

### Maintaining high business ethics' standards

Apparound recognizes the need to adopt an approach inspired by highest standards of ethical behavior to conduct business operations in conformity with relevant laws and regulations both at national and international level.

The Company adopts a Code of Ethics, which constitutes the declaration of corporate values, principles, and rules of conduct applicable to all employees.

In the framework of the formalization of a solid ethical structure, Apparound implemented a 231 Organizational Model pursuant to Legislative Decree no. 231/2001.



# FINAL NOTES

## Scope of application

The Sustainability Policy applies to Apparound S.p.A.

The Company encourages its suppliers to follow the commitments and best practices contained in this document, where applicable.

## Reference Frameworks and Standards

The Sustainability Policy is inspired by the following international frameworks and Standards:

- Sustainability Accounting Standards Board, SASB
- Sustainable Development Goals (SDGs)
- GRI Standards

Furthermore, the Policy has been drafted in accordance with the following existing internal policies and procedures:

- Apparound's Code of Ethics
- Apparound's Quality Policy, aligned to the ISO 9001 Standard
- Apparound's Information Security Policy, aligned to the ISO 27001 Standard
- Quality and information security procedures constituting Apparound's Integrated Quality and Information security Management System

## Methodology

The materiality exercise to define Apparound sustainability priorities, shaping the structure of this Policy, was performed by considering both external and internal stakeholders' pressures and expectations in accordance with the GRI reporting principle of materiality.

The analysis of the relevance for external stakeholders included the review of the SASB for the sector Software & IT Services and a context analysis of key ESG sector trends, clients' pressures and a review of sector's peers material topics, as indicated in publicly available policies and reports.

The definition of internal priorities for Apparound was based on a direct engagement with internal stakeholders (employees covering the role of line managers), through a workshop.

Sustainability topics were ranked in a materiality matrix that resulted in the identification of six sustainability priorities considered to be the most relevant, both for Apparound and the external stakeholders.





## Disclosure

The Sustainability Policy is published in the section “Sustainability” on the corporate website <https://www.apparound.com/about-us/sustainability/>.

## Approval and update of the policy

The Sustainability Policy was approved by the Board of Directors of Apparound S.p.A. on 16.12.2022. The document will be subject to revision and/or amendment whenever necessary with respect to substantial changes in Apparound's business or Sustainability strategy.