Sustainability Report

TARGA TELEMATICS

VIASAT

2023

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Letter to stakeholders

NICOLA DE MATTIA ››
Targa Telematics' CEO

Dear readers,

In an ever-changing global context, Targa Telematics is a key player in advanced technological solutions for the promotion of a more sustainable mobility.

The commitment to sustainability is a cornerstone of our growth. In recent years, we have launched numerous initiatives to reduce our environmental impact, improve the quality of life of our employees and work with the communities in which we operate. These initiatives aim to foster fair and inclusive development.

In the past few years, we have faced a number of global challenges: from pandemics to international conflicts, including shocks in the raw material markets that reverberated through the supply chains of the electronics industry. Some of these still persist today and others will emerge in the future, but we are aware that we have **successfully overcome some of the most significant obstacles, thus laying the foundation for the current business expansion.**

The expertise gained over the years in the design and creation of Internet of Things (IoT) solutions for connected mobility has garnered us national and international recognition, enhancing our identity as an innovative and flexible tech company.

Every day we nurture a corporate culture that encourages innovation in every professional task, stimulating new ideas for performing our tasks and improving the delivery of our services. We strongly believe that this approach can make a difference in the long term, keeping Targa Telematics **among the best-performing players in the market while making the most of our human resources, which are the real strength of Targa Telematics.**

The growth that has characterized our entire journey has reached a new peak: in 2023 we have reached a turnover of 115 million euros, more than doubling previous economic results.

This is the result of the acquisition, made in May 2023, of the Viasat Group, an Italian leader in the field of automotive technology, which has established itself over the years as one of Europe's foremost providers of info-telematic and IoT services and solutions for the safety and protection of people, vehicles, and goods. The company also touted a notable presence in the insurance sector. This is the first operation of significant size carried out in our sector, marking a concrete step in the direction of market consolidation.

This acquisition allows us to make an important leap forward in terms of size, international presence, and expansion into key market segments: crucial elements for continuing to strengthen our competitive position and offering multinational clients an unprecedented range of services in the smart mobility field for international projects. **Targa Telematics' operations are thus expanding into eight additional countries with direct operations in Europe and South America and indirect operations in Africa, consolidating its presence in strategic markets and expanding it into new ones.**

The company is positioned as one of the leading global players in the field of IoT technologies and the development of digital solutions and platforms for connected mobility. This brings with it a great responsibility, as our impact on society becomes more and more substantial.

Aware of this significant evolution, now more than ever the company is committed to advance and enrich its **environmental, social, and governance (ESG) strategy.**

With the entry into force of the Corporate Sustainability Reporting Directive (CSRD) in January 2023 and the publication of the Delegated Acts of the new European Taxonomy, Targa Telematics is gearing up to comply with the European framework, providing its stakeholders with the tools to accurately assess the company's performance.

Every year we calculate our carbon footprint according to the GHG Protocol methodology with the aim of adequately and reliably measuring our emissions, identifying improvement actions at an organizational level, and compensating residual emissions. Although the acquisition of Viasat has necessarily increased the absolute number of climate-changing emissions, normalizing total group emissions to the number of employees shows a **reduction of around 40% in the emission intensity per person per year,** confirming that the expansion of the business has not significantly increased our relative emissions.

For the second year in a row, we were awarded the '**Silver Medal' for ESG performance by EcoVadis**, the world's largest provider of corporate sustainability assessments, achieving an overall score above the average for companies in the sector. A great achievement also made possible by improvements in supply chain management, including the introduction of the Supplier Code of Conduct.

We renewed our commitment to the development of a more sustainable society by renewing our membership of the UN Global Compact.

Furthermore, we firmly believe that people are the beating heart of our company and we continuously invest in the professional development of our teams through advanced and customized training programs. Continuous learning and professional development are essential for maintaining our competitive advantage and to prepare employees for future challenges. These efforts not only enhance individuals' skills, but also bolster their sense of belonging and engagement, contributing to a dynamic and stimulating working environment.

Another milestone for our policies was the development of **ISO 14001** environmental management processes and **ISO 27001** on cybersecurity, with extensions to include certifications **27017** for cloud services and **27018** for personal data processing. Finally, the Agency for National Cybersecurity (ACN) has certified Targa Telematics' digital platform for the development of **mobility solutions**, deeming it to be a highly qualified and secure service, accrediting it as a suitable provider for Public Administration.

We have already begun **integrating all ESG objectives at the corporate level, including in the newly acquired companies in May 2023.** However, we are aware that the coming year will see us further engaging in this process, which will include spreading the corporate culture, harmonizing governance procedures, integrating information services, obtaining group certifications, and developing innovative new products.

This report details our ESG actions and achievements, reflecting our transparent and accountable approach to all our stakeholders. We hope you will appreciate the progress we have made and share our vision of a more sustainable and innovative future.

Enjoy reading!

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Glossary

A

ARTIFICIAL INTELLIGENCE

A broad term to indicate systems or machines that imitate human intelligence.

ASSET

A business asset represents any resource of significant value, under possession or control of the company, which can bring economic benefits in the future.

B

BIG DATA ANALYTICS

The use of advanced analytical and processing techniques applied to large datasets (from terabytes to zettabytes) from different sources and types (structured and unstructured data), enabling accurate and fast decision-making.

C

CAR SHARING

The possibility of sharing a rental car - or one purchased through co-ownership - among multiple users, to reduce expenses and contribute to solving environmental and urban mobility problems.

D

DATA PRIVACY

The protection of data from being shared with third parties, also known as information privacy.

DATA PROTECTION

The process of safeguarding important information from damage, compromise, or loss, focused on backup and restoration.

DATA SECURITY

The defense of digital information against internal and external, harmful, and accidental threats. While data security specifically focuses on data protection, it also encompasses infrastructure security.

F

FLEET MANAGEMENT

All operational and administrative activities related to managing a corporate fleet.

H

HARDWARE-AGNOSTIC

Referring to our platform capable of receiving data in multiple formats or from multiple sources and processing them effectively.

INSURTECH

The digitalization process impacting the insurance sector, from policy underwriting to claims management, through technologies such as Big Data Analytics, Artificial Intelligence, and APIs.

I

INTERNET OF CARS

The potential of Internet of Things applied to the use of vehicles.

INTERNET OF THINGS (IOT)

The set of technologies based on physical objects (things) equipped with sensors, software, and other integrated technologies, aiming to connect and exchange data with other devices and systems over the internet.

KEY LESS

In this document, it refers to the proprietary technology developed by Targa Telematics, allowing the dematerialization of car keys, and enabling shared mobility services for companies, public mobility operators, and short and long-term rental providers.

K

M

MACHINE LEARNING

A subset of Artificial Intelligence (AI) that focuses on creating systems that learn or improve their performance based on the data they use.

O

OEM (ORIGINAL EQUIPMENT MANUFACTURER)

A company that produces a product under its own brand. In the automotive industry, this term generally refers to car manufacturers.

OPEN MOBILITY PLATFORM

Targa Telematics' Open Mobility Platform is an IoT platform for the automotive sector, used by car manufacturers and mobility operators. It collects and transmits telematics data from vehicles via advanced IoT devices, processing them with Artificial Intelligence algorithms, Machine Learning and Big Data analysis. It offers the control of connected vehicles, the use of digital services and the possibility of creating new mobility products.

S

SBD (SECURE BY DESIGN)

A software development methodology that allows integrating security protocols directly into the IT project development process.

SHARED MOBILITY

See car sharing.

SMART CITY

In smart cities - at least in those idealized in literature - there is a high level of connectivity, streets are traversed by electric and autonomous cars, intersections are regulated by intelligent traffic lights, and objects exchange information with each other through the Internet of Things. There are also extensive green spaces, smooth traffic, and the possibility of sustainable mobility through bike sharing, car sharing, and hybrid or electric vehicles. For these reasons, the smart city is dotted with sensors that generate a large amount of data, which can fuel more advanced and real-time services, enabling more efficient administration. The concept of the Smart City, therefore, goes beyond technological innovations and encompasses a new way of seeing urban reality, focused on citizen wellbeing and energy efficiency.

SMART MOBILITY

A concept that refers to the use of innovative technologies to improve efficiency, sustainability, and the transportation experience in urban areas. It is based on the idea of utilizing information and connectivity to optimize traffic flow management, reduce pollution, and enhance transport accessibility.

SVR (STOLEN VEHICLE RECOVERY)

It indicates the stolen vehicle recovery system. This type of system is designed to track and recover stolen vehicles. Typically, a vehicle with an SVR system has a GPS tracking device installed, enabling real-time monitoring of its location. When a vehicle is reported stolen, the authorities can activate the SVR system to locate the vehicle and coordinate recovery operations. The system can send location signals, speed information, and other relevant data to law enforcement, allowing them to monitor the vehicle and take appropriate actions for its recovery.

T

TACHOGRAPH

Electronic device installed on commercial and industrial vehicles circulating in the European Community area. It is an essential recording system to ensure the safety of drivers on the road and improve their working conditions.

CHAPTER 1

Targa Telematics

Our commitment to sustainability is rooted in our very history, in what we do every day and how we strive to make it possible.

The results achieved so far come from our intense and dedicated teamwork, from the constant commitment and passion with which everyone in the team approaches each project, and the desire to give back to our stakeholder communities the value we generate.

Corporate profile

ABOUT US

Targa Telematics arose from a pioneering culture of innovation. Established as the Elda Group's innovation laboratory, it has managed to be one step ahead of the future by responding effectively to market needs.

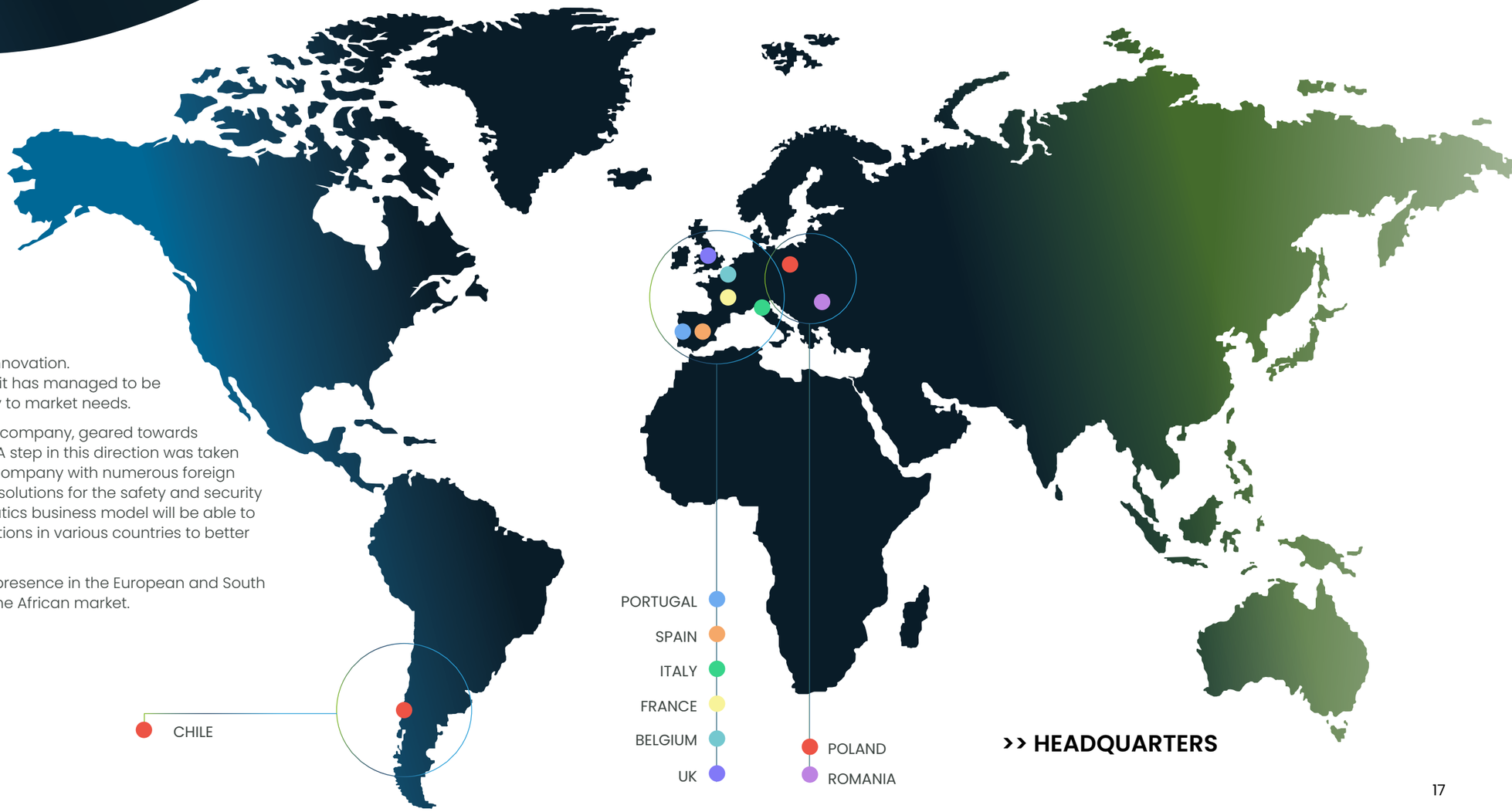
Today, Targa Telematics is an established technology company, geared towards international growth and expansion in the IoT market. A step in this direction was taken in 2023, with **the acquisition of Viasat SpA**, an Italian company with numerous foreign branches active in the field of info-telematics and IoT solutions for the safety and security of people, vehicles, and goods. Thus, the Targa Telematics business model will be able to accelerate the group's growth by leveraging its operations in various countries to better support international customers and projects.

The company operates at a global level with a direct presence in the European and South American markets, and through a reseller network in the African market.

Our international expansion was made possible thanks to the company's long tradition of **innovation and forward-looking vision.**

The late 90s and early 2000s saw the growth of technological opportunities related to the internet, wireless, and mobile technologies. This led to the birth of UbiEst, the original nucleus of the company, which started as an innovation laboratory operating in the IoT field and specializing in the development of web-based geolocation solutions. **In 2003**, the idea of focusing on services in the framework of the Software-as-a-Service (SaaS) model proved to be a winning one, and thus the **first Fleet Management solution** for B2B customers was developed. In 2014 it developed its own **car sharing** platform, and in 2015 its keyless technology, resulting in a rental product without the need for physical interaction with rental personnel.

Our know-how, consolidated over years of activity in the IoT sector and in particular in the field of connected cars, has made the company a benchmark in the industry.



TARGA TELEMATICS EVOLUTION

The company continues to evolve to this day, but **Targa Telematics**' **Mission** will not change; on the contrary, it has only been strengthened by **Viasat's acquisition**.

This mission involves **providing high-tech solutions** that meet the diverse needs of our customers by collecting and processing large amounts of data from connected vehicles.

Accurate data processing provides valuable information to various stakeholders, enabling them to make objective and timely strategic decisions. Thus, fostering a culture of 'data', so that the processes of corporate planning, implementation and review of mobility management can be made **simple**, **fast** and, above all, **efficient**.

Furthermore, this focus on process and outcome metrics also allows the customer greater control in the area of environmental sustainability and, consequently, in the GHG emissions of their company.

We firmly believe that this ambition, paired with our company values and with the experience gained over the years, can make a difference in the quality of provided services..

>> MILESTONES

2001

Foundation of **UbiEst**

2003

First web-based fleet management solution

2006

Acquisition of Targa Infomobility from **FIAT Group**

2012

Foundation of **Targa Drive**, specifically focused on insurance propositions

Solutions for the insurance market

Vertical solution for car rentals and leasing companies

2013

Tecnology

to access and decode CAN bus data from cars and LCVs

2014

Vertical Solution for corporate mobility

Car Sharing platform

2015

Targa Infomobility and Targa Drive merge and become **Targa Telematics**

Keyless car rental technology enabling deskless rental products

2018

New office in **Paris**

Peer-to-peer Car Sharing platform

2019

Targa Telematics and **UbiEst** merge

New office in **London**

2020

New office in **Lisbon**

2021

New office in **Madrid**

Investindustrial enters into Targa Telematics' capital

2023

Acquisition of **Viasat Group** later became **Viasat SpA**

Acquisition of **TRACKiT Consulting**

Acquisition of **Earnix's Drive-IT** division

>> OUR MISSION

*Developing innovative IoT and intelligent mobility solutions that benefit **people**, **businesses**, and the **environment.***

>> THE SOCIAL VALUES THAT GUIDE THE GROUP

DISCRIMINATION	**To eliminate** any form of discrimination on the grounds of gender, age, ethnicity, sexual orientation, political affiliation, language, or health status.
HUMAN RIGHTS	**To promote** and support the implementation of human rights, pledging not to be complicit in any way in the abuse of such rights.
HEALTH AND SAFETY PROTECTION	**To ensure** a safe and healthy work environment, in compliance with current legislation.
PROTECTION OF COMPANY ASSETS	**To protect** the preservation and functionality of corporate assets, including intellectual property.
CONFIDENTIALITY AND INTEGRITY	**To protect** sensitive data, maintaining absolute confidentiality of information and know-how concerning the company, suppliers, business partners and customers.
TRANSPARENCY	**To ensure** the proactive management and disclosure of possible conflicts of interest with the company.

In light of the acquisition of Viasat SpA, the dissemination of the **corporate culture** is one of the company's strategic objectives. Therefore, in agreement with the General Management, all departments take part in activities aimed at promoting team integration between Targa Telematics and Viasat, both vertically and horizontally, as well as in organizational processes and working methods. It is a daily challenge that shows positive results despite the inherent complexity of the operation, given the increase in the number of employees from 160 to the current total of **662**.

The development of **human capital** is one of Targa Telematics' strategic pillars. In an environment of growth, where the company often faces market evolutions, a consolidated human capital, with versatile employees who are able to adapt quickly, is essential to successfully navigate through these transitions. Targa Telematics fosters a pragmatic innovation model, which is not hampered by rigid corporate processes and where mistakes are tolerated, understood as a fundamental part of learning, and building innovation. The 2023 figures also bear witness to our growth in this respect.

>>HIGHLIGHTS

	2022	2023
PERSONNEL	160	662
RESOURCES EMPLOYED IN R&D	60	>100
HOURS OF R&D CAPITALIZED	48,293	100,350
EUROS INVESTED IN R&D	1.5 MLN	3.76 MLN
% OF EMPLOYEES WITH A DEGREE IN ENGINEERING AND COMPUTER SCIENCE	7.5%	16.2%

Thanks to its **continuous training** perspective, to the **Agile Method**, and to its **Performance Management system**, the company grows in synergy with the professional development of its own employees, achieving awards and acknowledgements that would otherwise be unattainable.

>> AWARDS / ACKNOWLEDGEMENTS 2023

AWARD 2023 Best Practices Company of the year in Europe - European Telematics Connectivity for Leasing, Rental and Ubi company of the year.	FROST & SULLIVAN
AWARD "Silver Medal" for ESG performance	ECOVADIS
AWARD Sustainability Leader - Digital sustainability category	IL SOLE 24 ORE
AWARD "Level B" Rating	SYNESGY
RECOGNITION Recognized as leading telematics service providers and ranked first in Europe Telematics for Rental and Leasing Fleets 2nd Edition	BERG INSIGHT
MENTION Sample Vendor in the Hype Cycle for Digital Life and P&C Insurance, 2023- Insurance Telematics 2.0; in "Emerging Tech Impact Radar— Human Machine Interaction Discrete Digital Twin of the Person" and in the report "Emerging Tech Impact Radar — The Metaverse" - "Digital Twin of the Person"	GARTNER
IMPRESA CHAMPION	ITALYPOST
CHAMPION OF GROWTH 2023	LA REPUBBLICA A&F AND THE GERMAN QUALITY INSTITUTE (ITQF)
LEADERSHIP OF GROWTH for having a predominantly organic growth	IL SOLE 24 ORE AND STATISTA

In 2023, Targa Telematics obtained important certifications for its activities:

- ISO 14001 - Environmental management
- ISO 27001 - Information security management
- ISO 27017 - Cloud services
- ISO 27018 - Personal data processing
- ISO 9001 - Quality management systems

>>

ISO 14001

ISO 27001

ISO 27017

ISO 27018

ISO 9001

Among all the honors listed, it is worth highlighting the Silver medal awarded for the second consecutive year by EcoVadis, the world's largest provider of **corporate sustainability** assessments. Targa Telematics achieved an overall score higher than the industry average, falling within the **25%** of the top scoring companies. In particular, the company increased its score in the area of sustainable procurement, thanks to which it now ranks among the **8% of the best companies examined in the sector of reference**.

Furthermore, the company received a **Level B rating from Synesgy**, a global digital platform for gathering information and assessing the ESG performance of companies in Italy, Europe and around the world.

In addition to this, Targa Telematics is **committed to the UN Global Compact**, a pact made by CEOs and the United Nations for a sustainable global economy. By signing this pact, the company commits itself to act according to the **10 principles of the Global Compact**, communicating the results achieved through the annual "Communication on Progress" (COP) disclosures.

WHOM WE ARE ADDRESSING

Targa Telematics is a leading global player in the field of IoT and the development of digital solutions and platforms for connected mobility. The company - for over twenty years - has been bringing to the market a range of **telematic, smart mobility and IoT platform technology solutions**. These solutions serve short- and long-term rental companies, financial companies and large fleets, transport, and logistics companies, ranging from insurance telematics to asset and fleet management systems, from remote diagnostics and telemetry of vehicles, professional and construction vehicles, to airport vehicle management.

Through the interaction between people and connected devices, Targa Telematics' services enable customers to achieve **economic and environmental sustainability goals.**

The recent acquisition of **Viasat SpA strengthens Targa Telematics' leadership** as a key player in the Italian and European markets, as well as in South America and Africa, expanding the range of innovative technologies in the context of increasingly international projects.

WHAT WE DO

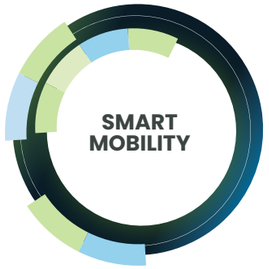
Targa Telematics develops **personalized IoT-based mobility solutions**, based on the customer's particular requirements. Operationally, this approach means co-creating the solution with the customer, drawing from a broad portfolio of micro-services that can be freely composed according to specific needs, thus being able to offer tailor-made solutions for each individual customer (*link >> Parag. Innovation and Continuous Improvement*).

The method employed for developing solutions is the **Agile Methodology**, based on consecutive sprints aimed at implementing a strategy of incremental release of software functionality. In addition, the company boasts a hardware-agnostic digital platform that allows to easily read and manage data from multiple sources, from original equipment boxes to after-market boxes, and then to normalize, integrate and compare them with historical data to derive relevant information for customers. In addition, it provides a **vast ecosystem of partners** and offers its own **array of services** to complement the final product.

The R&D teams who work in direct contact with our customers for the development of various solutions have **20%** of their budget allotted to the implementation of innovative functionalities, looking beyond a short-term return on investment. Thus, encouraging the technical teams to make each project a choral journey towards innovation.

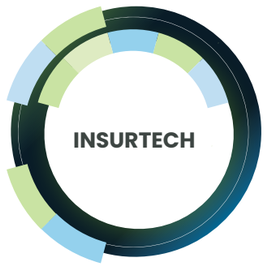
Targa Telematics provides a comprehensive **suite of solutions** that can be tailored **to meet the specific needs of the customer**. These solutions can be categorized as:

›› To effectively manage fleets consisting of cars, light commercial vehicles, professional vehicles, simple and articulated trucks, in a simple and fast way. **Effective fleet management** meets the needs of cost control, increasing operational efficiency, providing safety for people, vehicles, and goods, ensuring compliance with company regulations and European standards, and pursuing sustainability goals. Leveraging data-streams generated by both OEM and aftermarket devices, the solutions support fleet managers in making effective decisions in a timely manner, improving **operational and economic performance**.

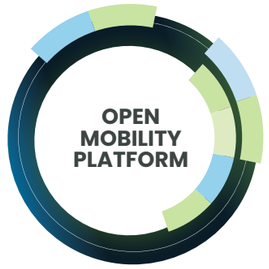


›› Targa Telematics supports its partners in the **co-creation of digital Smart Mobility solutions** to enable sustainable modes of transport, including electric, optimizing fleet management, and reducing the carbon footprint. Private companies and mobility operators can benefit from Targa Telematics' know-how and technology **to develop their own innovative mobility products**. The applications reduce operating costs, exhaust emissions and traffic congestion. They also include vehicle search tools, booking, billing, payment, control, and service management systems.

In addition, through road flow monitoring and modeling services aimed at developing predictive models, it is possible to **proactively manage** urban mobility to make it more **efficient** and **sustainable**.



›› Constant technological research has enabled the development of dedicated **Insurtech** applications that meet the needs of Insurance Companies, Insurance Brokers and Intermediaries, and private and corporate customers. Insurtech solutions aim to reduce fraud, facilitate claims management, and provide greater protection for motorists and all operators in the sector. The most popular services include **accurate and automatic accident reconstruction**, predictive **theft protection** of a vehicle, SVR service that enables **fast recovery** of stolen vehicles, eCall and bCall for **medical and mechanical assistance**. Insurers can leverage Targa Telematics' Insurtech solutions to build policies based on vehicle usage (UBI), such as pay-per-use and pay-as-you-drive, creating flexible products that adapt to the needs of the end customer.



›› Targa Telematics' **Open Mobility Platform** is an automotive-specific IoT platform, already adopted by car makers and primary mobility operators. Advanced IoT devices collect and transmit telematics data from vehicles. This data is then transmitted to the Open Mobility Platform, where it is processed using Artificial Intelligence, Machine Learning, and Big Data analysis algorithms. This solution allows customers to leverage our **know-how** and our **technology**, providing them with access to the control system of connected vehicles, related digital services, and the possibility of **creating new mobility products**.

Targa Telematics' solutions are 'turnkey', backed by fast project delivery and complemented by a wide range of operational services such as Assistance, Help Desk, and installation. A **consultative approach** that emphasizes efficient relationship management between internal product teams, customer objectives and dialogue with the **company's partner ecosystem** (+100) helps maintain **high product quality** and **reliability**.

Governance and supervision

THE CORPORATE STRUCTURE

The history of Targa Telematics begins in **Treviso** in the year 2000, with the **establishment of UbiEst**, the innovation lab of the Elda Ingegneria Group, specializing in the Internet of Things. UbiEst developed web technologies for geomarketing, call centers, geolocation, and mobile applications. In **2003** the first Fleet Management solution for the business market was launched. In **2006**, after the acquisition of Targa Infomobility from the FIAT Group (now Stellantis), Elda expanded its range of infomobility and telematics services. In **2008**, UbiNav, the online GPS navigator for smartphones, was developed. In **2012**, Elda entered the insurance industry with Targa Drive and collaborated with SFR, a French mobile network operator, to offer location-based services.

THE VALUE OF DATA IN STRATEGIC DECISIONS

Data has a crucial value in the mobility of the future: it will be the foundation on which even more efficient fleet management will be built, as well as being the basis for the development of new innovative services in the field of connected mobility. Most next-generation vehicles already incorporate connected sensors that allow information such as geolocation, the driver's driving style, vehicle health status, or the need for maintenance to be collected in real time and sent to Cloud platforms.

Against this backdrop, and with a clear vision of how connected mobility will develop over the next few years, Targa Telematics has decided to invest in a particularly distinctive market strategy, forging strategic partnerships with all OEMs in the market to integrate their data flows.

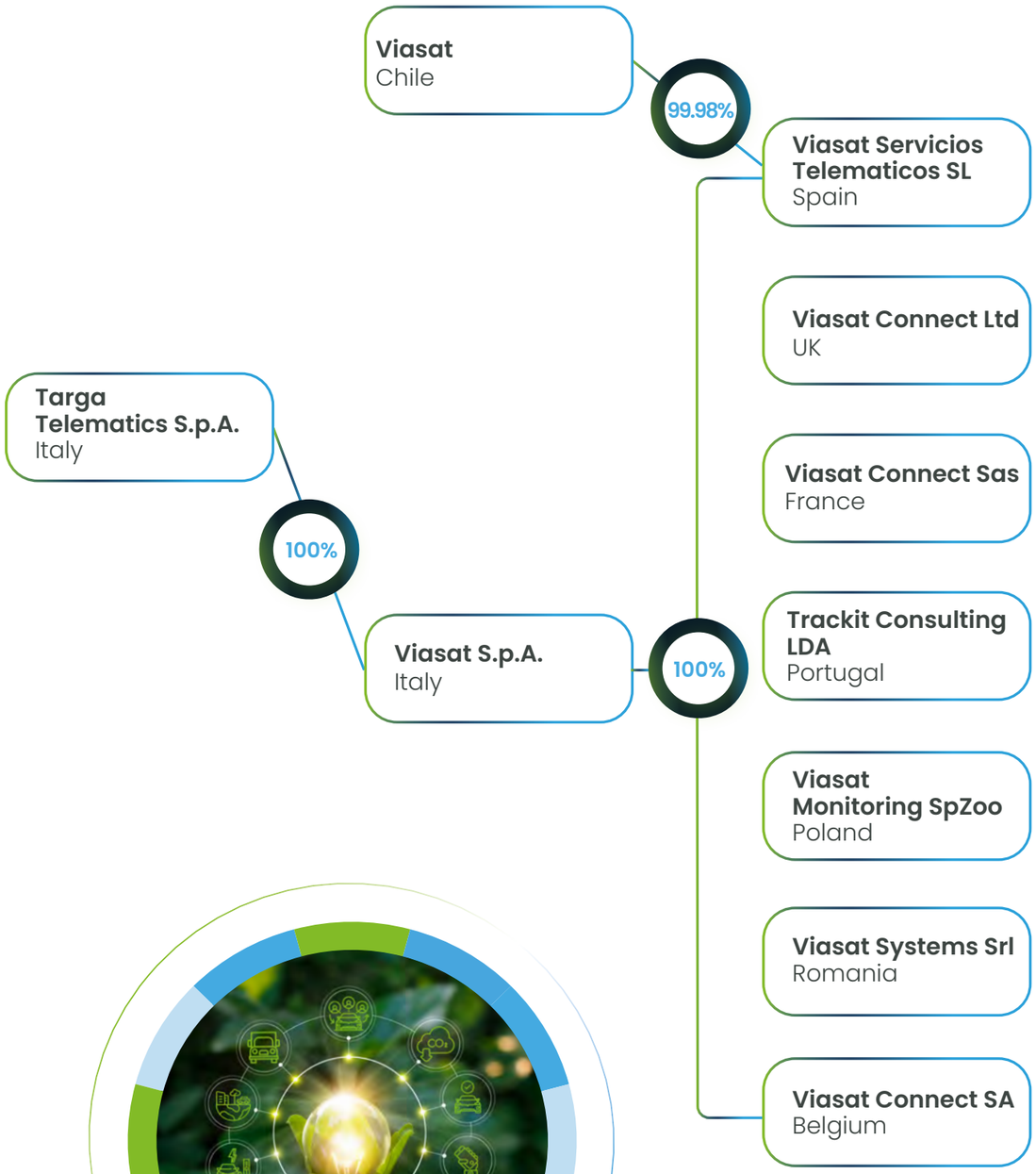
In **2015**, Targa Infomobility and Targa Drive merged under the new Targa Telematics brand, which developed "Keyless" technology to enable deskless rental products. The company also solidified its position in the airport sector by offering a digital platform for managing ground service equipment (GSE). In **2018**, the IT company launched a new peer-to-peer car-sharing platform. The company grew in terms of governance, employees, customers, and revenue, expanding its operations both in Italy and abroad, opening offices in **Paris** in **2018**, and **London** in **2019**.

It was also in **2019** that Targa Telematics and UbiEst merged into a single company. The new entity, which retained the name of Targa Telematics, inherited the legacy of the two innovation leaders in smart mobility, positioning itself as a tech company specializing in the development of digital solutions for telematics and IoT platforms for mobility operators. The company opened a new office in **Lisbon** in **2020**, and in **Madrid**, Spain, in **2021**.

Aiming to accelerate growth, in June **2021** Targa Telematics was acquired by an independently managed investment company indirectly held by Investindustrial Growth L.P. ("Investindustrial"). The entry of Investindustrial, made it possible for Targa Telematics to consolidate itself in the Italian market and to expand to the European one. Moreover, the strong harmony between Investindustrial and Targa Telematics on ethical and **ESG** principles increasingly characterized the company's business development.

In May **2023**, Viasat Group, which later became Viasat SpA, an Italian leader in the automotive field, was acquired by Targa Telematics. With the acquisition of Viasat SpA, Targa Telematics expanded its global reach to **8 countries**: by controlling Viasat SpA - Italy, its foreign affiliates have also become integrated into the corporate structure, resulting in the creation of a major European player in the field of IoT and Smart Mobility.

As of **2023**, Targa Telematics is subject to direct and joint control by various entities. The Board of Directors adopted the 2021-2025 development plan and defined annual budgets. Among the various shareholders, Elda Group and - indirectly - Investindustrial are included.



OUR GOVERNANCE MODEL

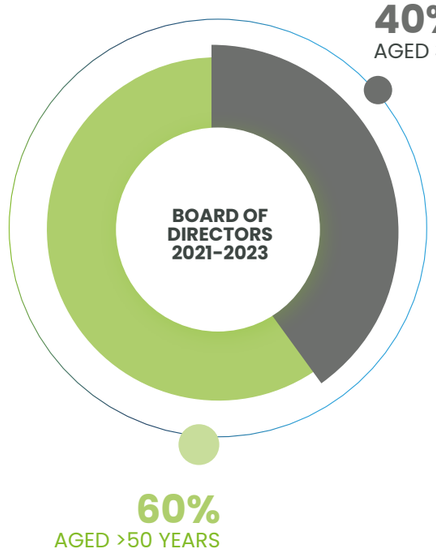
The Targa Telematics group operates through the central headquarters in **Treviso and Turin**, its main corporate offices, where the top management of the company resides for organizational, governance and control functions, both for the Italian and international markets. The administration system consists of the **Board of Directors** and the **Board of Statutory Auditors**.

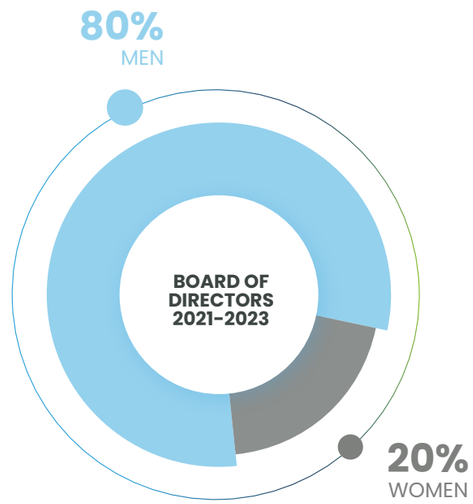
The **Board of Directors**, the executive body, consists of **5 members**: President, CEO, Vice President, and two directors. In addition to the legal and statutory responsibilities, the Board is responsible for the ordinary and extraordinary management of the company and can perform all acts deemed appropriate and lawful for achieving corporate purposes.

In 2023, an **ESG committee** was established (*link >> Parag. The ESG Committee*) for which Targa Telematics CEO Nicola De Mattia is directly responsible. ESG performance is monitored by the Board of Directors, and has been concretely enhanced, along with other corporate activities.

The Board of Directors was appointed by the Ordinary General Meeting of the company in **September 2021** and will remain in office until the next approval of the financial statements for the year ending **December 31, 2023**.

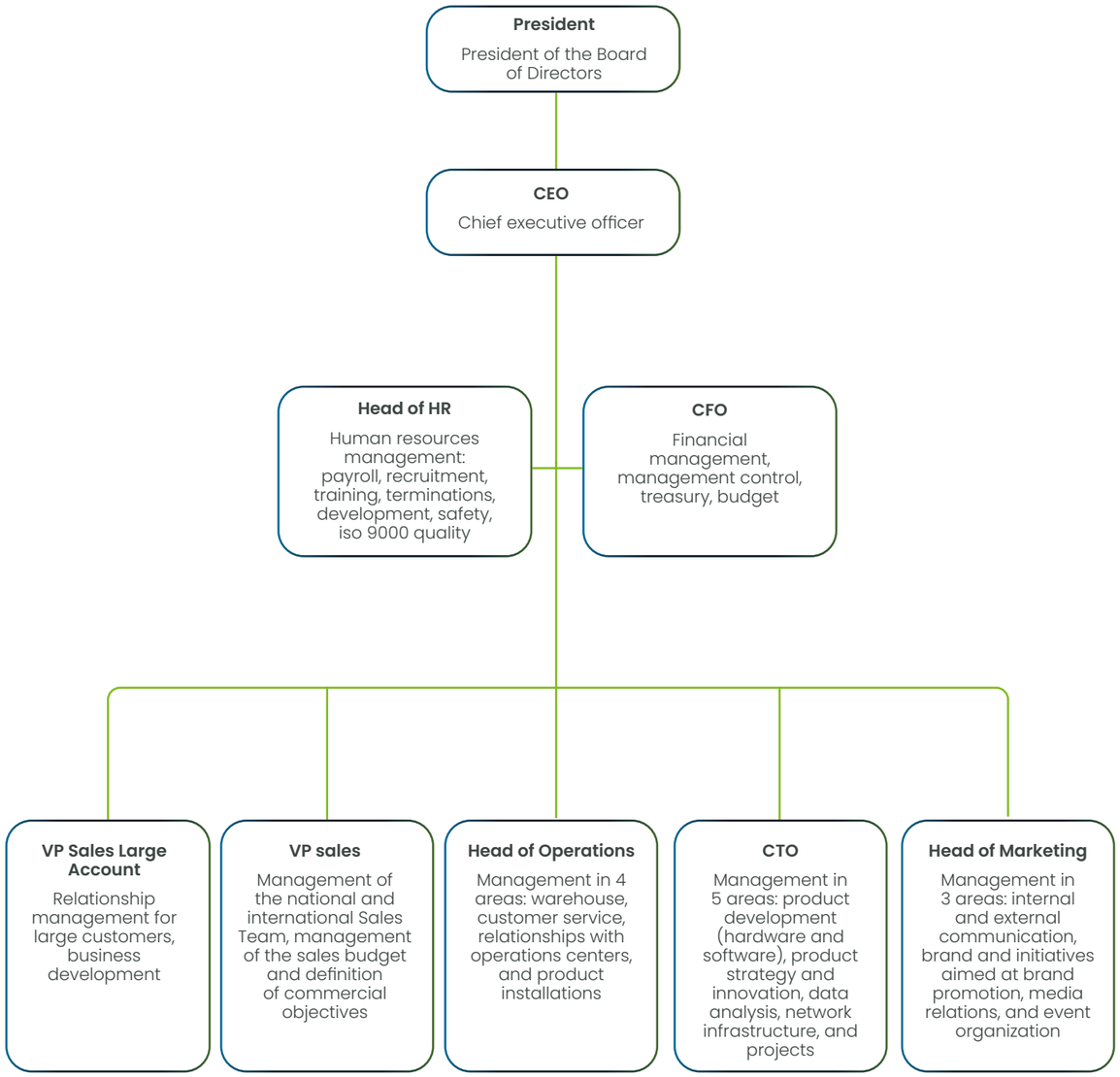
Abroad, after the acquisition of Viasat, the group operates through **8 different companies** led by Country Managers who report directly to the VP Sales of the parent company. Although monitored, the foreign companies have autonomy in the development of local business, periodically reporting the results obtained to the headquarters in Italy.





The national and international **organizational models** are illustrated below:

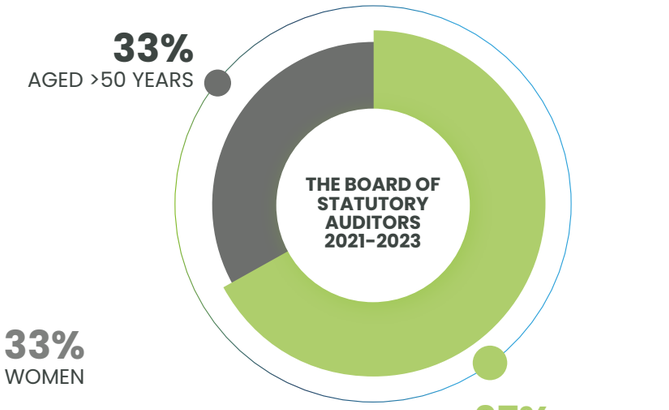
>> ORGANIZATIONAL MODELS

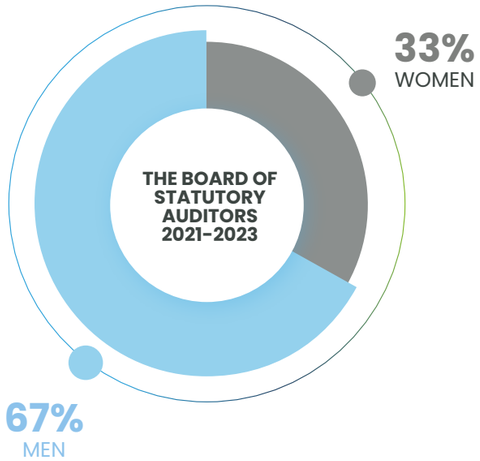


The organizational structure of Targa Telematics grants key corporate figures the appropriate powers to act for the **optimal management** of operations, always in keeping with a **continuous improvement** perspective. Non-conformities are thus promptly detected and corrected.

The Board of Statutory Auditors, appointed by the Ordinary General Meeting, is responsible for supervising the adequacy of the organizational, administrative, and accounting structure applied by the company's directors and its validity. It consists of 3 regular members and 2 alternates.

The Board has been appointed in **September 2021** with a term lasting until the next approval of the financial statements on December 31, 2023. All members of the Board meet the independence requirements. None of the members of the corporate bodies belong to protected categories, and all meet the legal requirements to hold their respective roles.





The legal audit of the financial statements and the semi-annual report of the Board of Directors is entrusted to an accredited Audit Firm.

Company policies

All activities of the Targa Telematics group are undertaken in full observance of the company's **Code of Ethics**, which defines the **business ethics** to which the company constantly aspires. The Codes of Ethics finds its inspiring principles in the National and EU directives on environmental and social matters and aligns itself with the principles proclaimed in the Universal Declaration of Human Rights, the European Convention on Human Rights, along with the fundamental Conventions of the International Labor Organization and the OECD Guidelines. Furthermore, the Italian Constitution also proved to be a crucial point of reference for the drafting of the text (*link >> parag. Internal Values*).

The contents of the Code of Ethics are monitored by the President of the Board of Directors and the Chief Executive Officer, who are responsible for the effective implementation of the Code.

For Targa Telematics, business development finds additional value if it pursues conduct that is compliant and favorable to the **rights of the communities** that, for whatever reason, interact with the group. At every level, daily relations with stakeholders are inspired by the principles of transparency, good faith, loyal cooperation, honesty, fairness, impartiality and absolute compliance with the laws and regulations in force in Italy and in the countries where it operates.

The Code of Ethics also guides other company policies, such as those relating to: Whistleblowing, the Modern Slavery Statement, the Code of Conduct for Suppliers, Cybersecurity and Policy information security. (*link >> parag. Internal Values*)

In particular, in the course of 2023, the steps to be followed for the activation of protocols inherent to **Model 231** were defined, which will partly modify the Code of Ethics and the handling of reports of breaches of conduct (Whistleblowing).

The **Whistleblowing Policy** provides a framework through which employees, customers and commercial partners can report any known or suspected inconsistencies and/or violations of the company's ethical principles.

This policy is a milestone for the group, applied in Italy and Poland, as well as a quality assurance tool of our operations. The defined policies are adequately disclosed internally and externally in accordance with specific procedures, while at the same time allowing the possibility of suggesting improvements, which are then collected and taken into account when updates are made.

ECONOMIC PERFORMANCE

The company has been characterized by **steady organic growth** since 2014, which has also been consolidated by the opening of Targa Telematics shareholding base to the Investindustrial fund, leading to the acquisition of Viasat SpA and the leap forward that has led the group to become a **leading player in Europe**, and one of the main ones worldwide.

This operation is the first of considerable size completed by operators in the sector. This was also a victory in terms of commercial offer, resulting from the high **product synergy** between the two companies. Furthermore, the **international expansion of operations** will allow Targa Telematics to provide greater local support in several countries, enhancing the Group's partnership with its multinational customers. Customer retention is also one of the strategic objectives of the company, which it has pursued since its foundation.

Finally, the historical **relationships of trust** with our suppliers continue to be consolidated, through **strategic partnerships**, to share common goals and competitive and mutually beneficial supply agreements.

>> HIGHLIGHTS

	2022	2023
TURNOVER	56 MLN	115 MLN
CONNECTED ASSETS (FLEET + INSURANCE)	2.5 MLN	3.5 MLN
HELP DESK	GLOBAL COVERAGE WITH A EUROPEAN FOCUS	GLOBAL COVERAGE
CLIENTS	+950	45,000
MARKET AREAS	EMEA	GLOBAL

>> EUROPEAN LEADER

115 M
Turnover 2023

>100
R&D Engineers

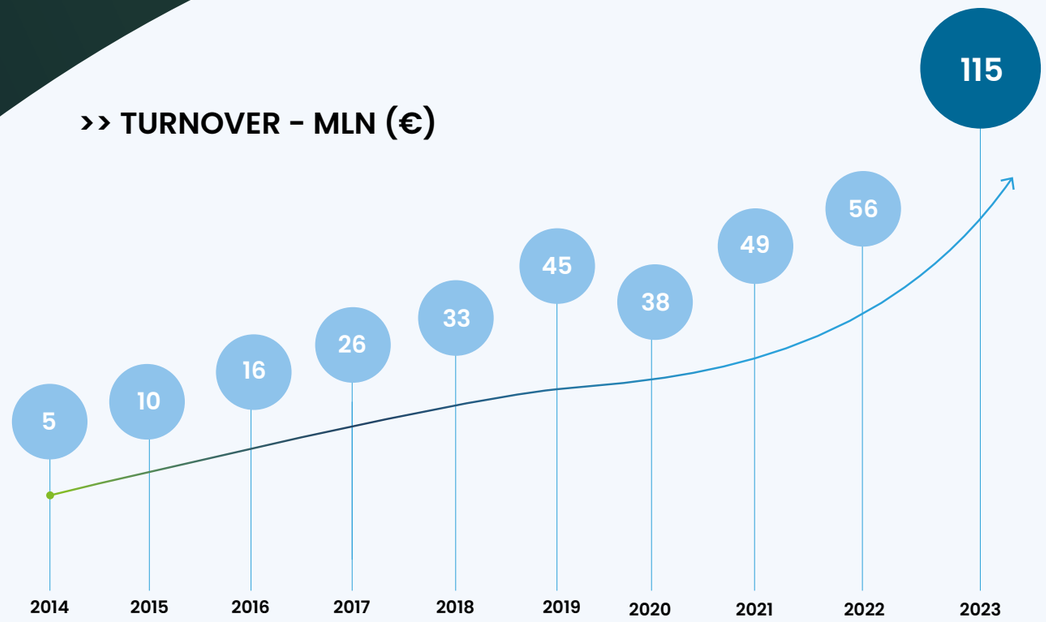
50
Commercial distribution in 50 countries

3.5 M
Connected Assets

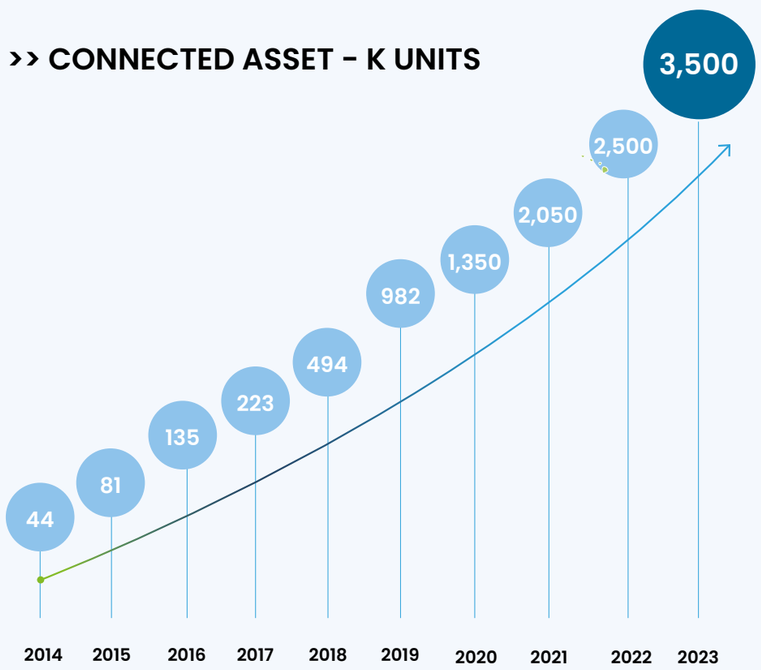
662
Employees

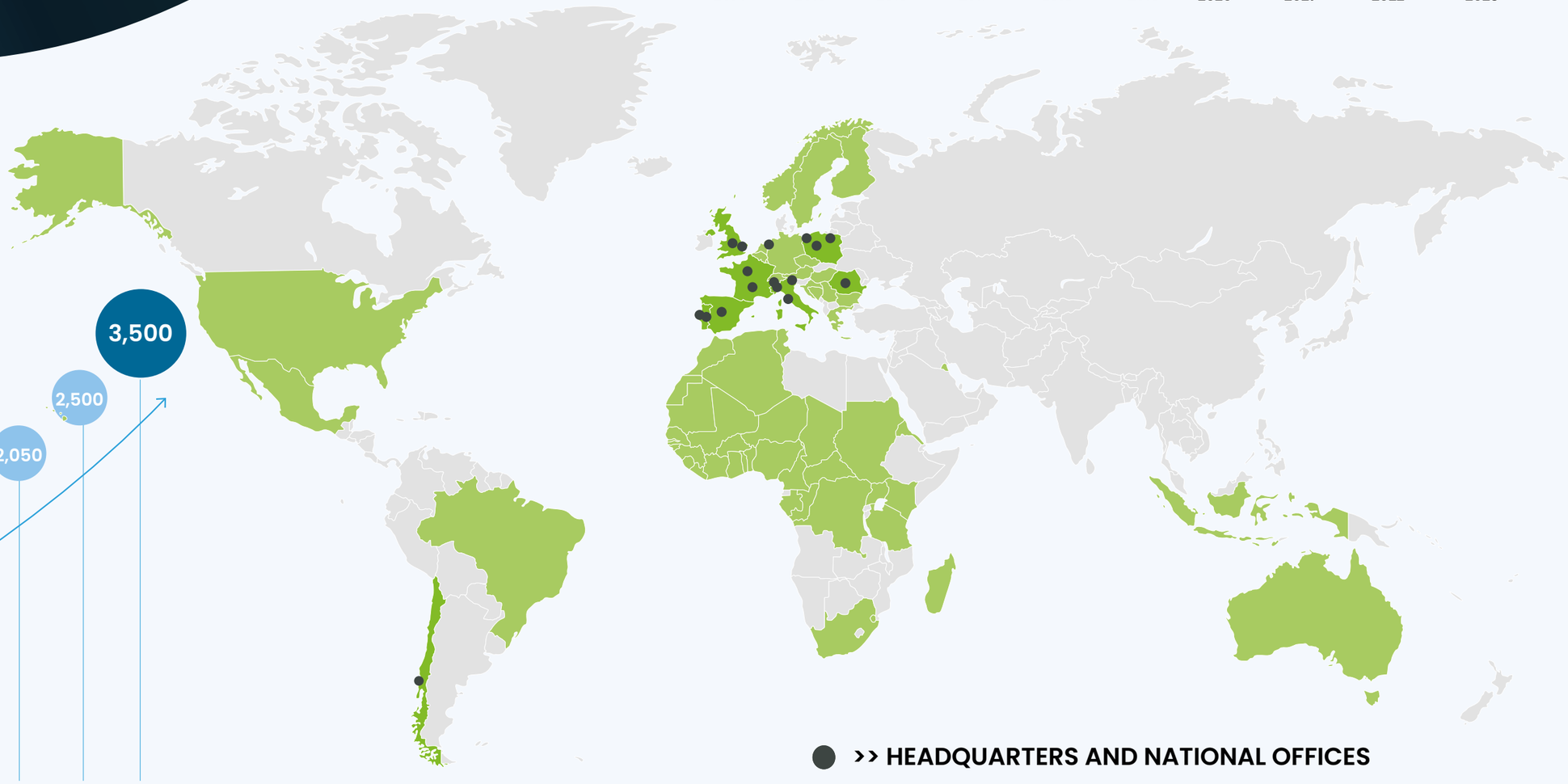
9
Direct countries

>> TURNOVER - MLN (€)



>> CONNECTED ASSET - K UNITS





>> HEADQUARTERS AND NATIONAL OFFICES

CHAPTER 2

Our plan for the future

Targa Telematics' Action Plan is based on a series of concrete and thoughtful steps that have, over time, resulted in a corporate strategy oriented towards the responsible management of its impacts on the three ESG action areas: people, business model and environment.

At the core of the Plan is the impact materiality analysis, conducted in 2022 according to GRI standards; this analysis made it possible, through the direct involvement of Targa Telematics' main stakeholders, to identify the issues that are most relevant to the corporate strategy in the field of sustainability *(link >> Materiality Analysis: methodology and results).*

The material issues were classified under the **three ESG pillars** and aligned with **Sustainable Development Goals** (SDGs), so as to refer to a common and shared framework of environmental and social goals.

These three pillars are **closely interconnected and dependent on each other**, representing the foundations of the Action Plan upon which Targa Telematics bases its investment decisions and actions, ensuring that every initiative undertaken is aimed at achieving measurable positive impacts where they are most needed.

>> ESG PILLARS

>> Creating a work environment based on the principles of diversity and inclusion, developing talents and skills.

Fostering an inclusive, collaborative, and honest culture, balancing work, and private life

Welcoming and developing a talented, energetic, and diverse workforce.

Supporting the development of leaders with high innovative capabilities.

>> Co-creating a new sustainable mobility with our customers.

Being the brand of choice for customers.

Growing customer engagement and business.

Increasing the uptake of our shared mobility solutions by customers.

Being a leader in mobility innovation.

>> Achieving sustainable mobility through the best technologies.

Reducing Targa Telematics' environmental impact.

Contributing to a more sustainable mobility for a better planet.

By prioritizing investments in activities and initiatives that align with these strategic areas, **around 325,000€ was invested in achieving ESG targets** over the course of 2023.

For the achievement of these objectives, an **investment plan** of more than 400,000€ has been defined for 2024, a **30% increase on what was already invested during 2023.**

Thanks to this approach, integrated and structured over time, Targa Telematics has aligned its industrial plan with the SDGs, outlined in Agenda 2030, pursuing its Mission **to develop innovative IoT and smart mobility solutions for the benefit of people, businesses, and the environment.**

HIGHLIGHTING PRIORITIES: MATERIALITY ANALYSIS

Materiality analysis is the tool through which Targa Telematics has defined and prioritized the material themes on which to intervene, **giving concreteness and measurability to its corporate strategy in the three ESG areas**: **people**, **business**, **and environment**.

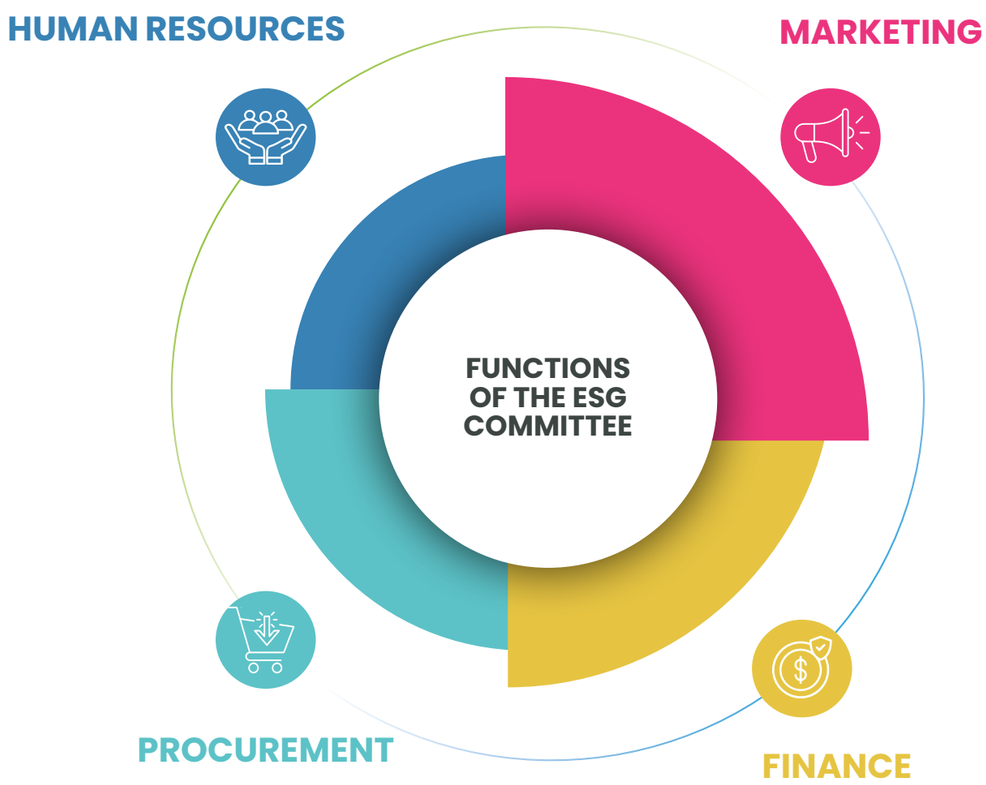
The analysis, conducted in 2022, was performed according to the **Impact Materiality** approach, as outlined in the **GRI Standards**. This approach aims to identify the most significant impacts, real or potential, defined as "**material themes**", which in turn serve as essential indicators to guide the company's sustainability strategy towards achieving its goals.

The process of conducting the Materiality Analysis can be summarized in the following main steps:

1. ›› IDENTIFY AND INVOLVE KEY STAKEHOLDERS
2. ›› ASSESS MATERIAL ISSUES AND THEIR IMPACT RELEVANCE
3. ›› DEFINE THE MATERIALITY MATRIX

The ESG Committee

In 2023, in line with a continuous improvement perspective in its sustainability strategy, Targa Telematics established an **ESG committee**, an internal body which arose organically and horizontally, which sees the direct involvement of **top management of all corporate functions**.



As part of the long-term implementation of the Action Plan, the committee plays a crucial role in aligning all corporate functions **to the definition and achievement of Targa Telematics' sustainability objectives**, ensuring consistency and cohesion in the company's approach to ESG action areas. After these goals have been set, they are then monitored and evaluated over the course of **monthly meetings**, where planning is then updated for subsequent approval by the CEO.

Thanks to its horizontal structure and the participation of the heads of the various corporate functions, the committee fosters an **integrated and global vision** of ESG initiatives, promoting cross-functional collaboration and the adoption of sustainable practices in all areas of Targa Telematics' operations.

Preparing for EU Taxonomy

Among the foundations of Sustainable Finance is the **European Taxonomy**, which came into effect on 12 July 2020 with Decree n° 2020/852. This piece of legislation plays a key role in supporting companies, financial market participants and intermediaries in aligning their investment strategies **with the EU's environmental objectives**.

The purpose of the Taxonomy is to establish what the EU's environmental objectives are, so as to clarify which economic activities are compatible with them, directing and supporting the financing of those economic activities that are in line with the objectives of the **European Green Deal**.

>> THE ENVIRONMENTAL OBJECTIVES OF THE EUROPEAN TAXONOMY

- CLIMATE CHANGE MITIGATION
- CLIMATE CHANGE ADAPTATION
- SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES
- TRANSITION TO A CIRCULAR ECONOMY
- POLLUTION PREVENTION AND CONTROL
- PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

Targa Telematics recognizes the Taxonomy as an essential **classification and transparency** tool to align its economic activities with the European Union's sustainable development objectives.

For this reason, in view of the **alignment process** to the Directive, Targa Telematics is **actively monitoring the Delegated Acts** to identify potential economic activities falling within the scope of the Taxonomy and making all the necessary efforts to prepare for the future reporting of the required qualitative and quantitative data.

CHAPTER 3

Valuing people

The principle of socially responsible business represents the first of the three essential pillars of Targa Telematics' Action Plan for Sustainable Development, which aims to enhance human capital.

It is the people of the group who make possible, with their creativity, imagination and planning, the constant creation of innovative tailor-made solutions, thus positioning Targa Telematics as a leading player at the national and international level in the field of Information Technology and connected vehicles.

The company, therefore, gives absolute priority to valuing its employees.

Internal values

Shared values form the foundation of Targa Telematics' approach to creating a **fair**, **inclusive** and **open** work environment. These values underpin every corporate initiative, ensuring that the Group's decisions and actions promote the merit and skills of all its people, including directors, auditors, employees, and collaborators.

These values were first defined in 2016, when Targa Telematics, taking inspiration from Peter A. Schein's concept of "organizational culture", began the process of outlining corporate Values and Behaviors.

***Organizational culture** is the coherent set of fundamental assumptions that a group has invented, discovered or developed while learning how to deal with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and therefore worthy of being taught to new members as the correct way to perceive and think about those problems.*

>> Organizational Culture and Leadership, 5th Edition, Peter A. Schein, 2016, Wiley

THE FIRST SPARK

Schein's definition of '**organizational culture**' sparked the process of **defining corporate Values and Behaviors**. This pivotal moment triggered an in-depth reflection on organizational culture, laying the foundations for a shared **identity** recognised by all members of the company.

TRANSCRIPTION OF VALUES

In **2016**, employees of the R&D Department identified the set of **distinctive values** and behaviors that characterize Targa Telematics, and which are the essential ingredients of the organization's **success** and **development**. Therefore, they simply transcribed what was already evident and shared, making explicit the principles that guided our **daily actions**.

PERMANENT FOUNDATIONS

Today, **Values** and **Behaviors** continue to be the cornerstone of our corporate culture and the driving force behind the continuous development of people and the organization. They represent the principles we seek in those who join our company, ensuring that our identity and values remain **consistent** and **strong over time**.

>> VALUES

In order to establish a common and **shared framework** of social responsibility, the principles of Targa Telematics are inspired by those contained in the Universal Declaration of the United Nations, the Fundamental Conventions of the International Labor Organization, and the OECD Guidelines.

Over time, the company has committed itself to respecting and adhering to these principles, defining its **internal company codes and policies** (*link >> Parag. Company policies*). These documents are the foundations on which Targa Telematics has sought to build an ethical and sustainable corporate culture, focused on the well-being of employees and society as a whole.

>> WHISTLEBLOWING PROCEDURE

Encourages all employees, customers, or others commercial partners to report any ethical concerns, ensuring confidentiality and protection for those who report such violations.

>> SUPPLIER CODE OF CONDUCT

Defines the principles with which suppliers working with Targa Telematics and its subsidiaries must comply, adhering to the company's approach to sustainable development.

>> CODE OF ETHICS

Promotes ethical behavior and social responsibility, embracing transparency, good faith, loyal cooperation, honesty, fairness, impartiality, and full compliance with local laws.

>> MODERN SLAVERY STATEMENT

Reinforces Targa Telematics' commitment to prevent all forms of slavery and human trafficking in all its business activities and supply chains.

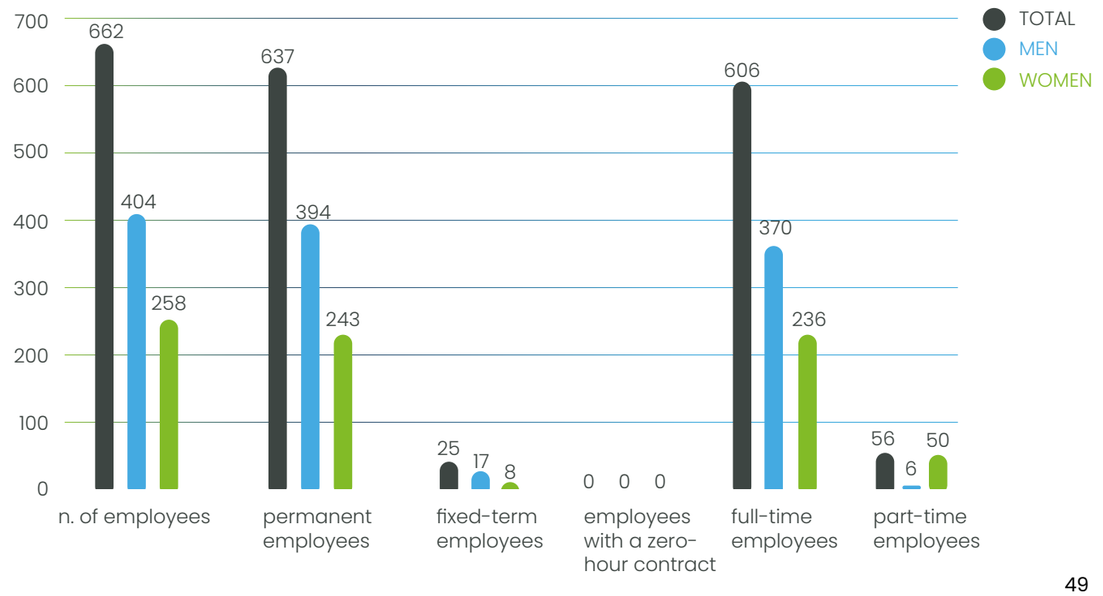
2024 OBJECTIVE: MANAGEMENT MODEL 231

To strengthen the ethical and legal principles guiding the company, Targa Telematics has made it its 2024 goal to develop an Organizational Model 231. This management system represents a crucial tool for ensuring greater regulatory compliance, preventing any form of corporate wrongdoing. Its implementation is part of the broader Social Sustainability strategy, which aims to strengthen corporate responsibility and adherence to rigorous ethical and legal standards.

Our work group

In 2023, our work group consisted of **662 employees,** an increase of more than four times compared to 2022, when the number of company employees stood at 160. This growth stems from the recent acquisition of Viasat Spa by Targa Telematics, with a significant increase in both the presence of physical locations at the international level, and the overall employee count.

>> EMPLOYEES BY GENDER AND EMPLOYMENT CONTRACT



This kind of exponential increase, which took place over the course of just one year, represents a real challenge for the company: in this regard, Targa Telematics is committed to spreading **the same corporate culture** within the newly established perimeter of the group, which came to be after the acquisition of Viasat Spa.

To date, Targa Telematics is proud to state that **96%** of its employees **have a permanent contract**; in fact, the company believes in the validity of long-term investment in the development of internal resources, so as to promote the loyalty and professional growth of those who are part of Targa Telematics.

Of the total number of employees, 58.4% are Italian collaborators who benefit from collective bargaining agreements that comply with the National Collective Labor Agreement for Metalworking, Electronics, and IT industries in Italy; the remainder make use of equivalent agreements adopted in the European countries. This practice, however, does not apply to the 4.7% of staff residing in the United Kingdom, where no form of collective bargaining exists at the national level. However, our British colleagues enjoy levels of protection comparable to those provided by the Italian national contract, which include working hours and freedom of association, as well as supplementary health benefits.

All employees and managers, with the exception of those working in roles that are incompatible to it, have the option to request **smart working**, **with a company average per person of 312 hours**. However, due to the nature of the business, **full-remote working is generally not feasible**. Indeed, Targa Telematics believes that daily interactions in the workplace encourage the exchange of ideas between different functions, thus contributing to increased business performance and the creation of a more positive work environment.

FEMALE WORKFORCE

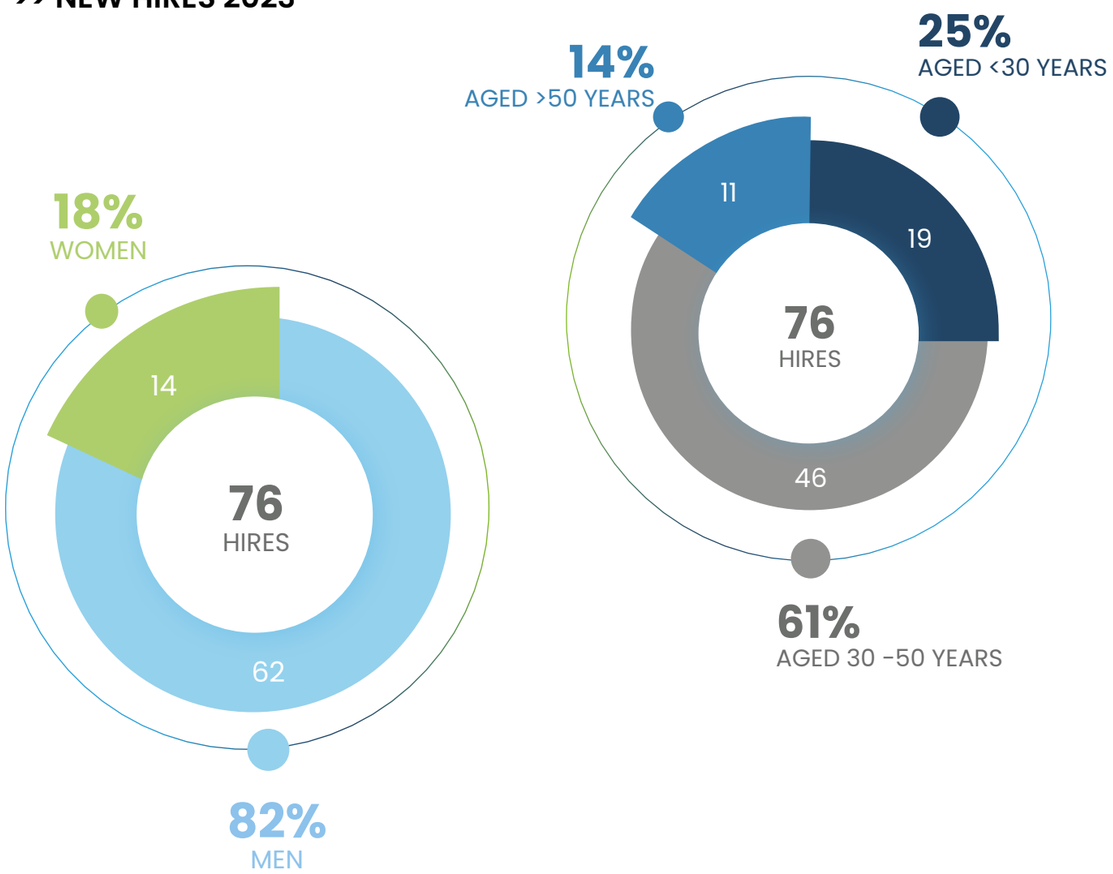
Women constitute **40%** of the total workforce, for a total of 258 individuals.

Although the company saw an exponential increase of **681%** in female employment since 2022, thanks in part to the acquisition of Viasat, gender balance data highlights a gender disparity within our organization, due to the **under-representation of female graduates with STEM degrees**.

To address this disparity, Targa Telematics has introduced a **financial incentive** for recruitment agencies that submit female candidates for technical roles, with the aim of increasing the recruitment of women in these fields.

Over the course of 2023, thanks to our HR department's continued efforts, **18.4% of new fixed-term hires have been women employees**, an increase of 133% since 2022.

>> NEW HIRES 2023



Furthermore, **internship opportunities in STEM roles were offered to 6 women,** representing 33% of the total internship positions.

›› Ingenio Women's Graduation Thesis Award

Continuing on from the previous year, Targa Telematics was **Ambassador of the Ingenio Women's Graduation Thesis Award** in 2023, a project of the National Council of Engineers conceived to **promote female engineering professionals**.

This project aims to reward recent graduates who have defended brilliant graduation theses in Engineering, **championing women working in technical fields and addressing the issue of their under-representation in STEM disciplines**.

The initiative is in line with the SDG's, in particular Goal 5, which aims to "**Achieve gender equality and empower all women and girls**".

Targa Telematics is committed to supporting this project to actively contribute to overcoming **gender discrepancies** and earnings gap, as these inequalities persist in the automotive environment. The objective is to ensure that female graduates are granted **equal opportunities** to **enter the workforce** and fair economic treatment, just as their male colleagues do. This initiative aligns with the company's commitment to being a beacon of social responsibility.

INCLUSION AND DIVERSITY

In its effort to foster a diverse and inclusive work environment, Targa Telematics is actively committed to ensuring equal opportunities for all employees.

Currently, 5.2% of employees are persons with disabilities, and the company works constantly to ensure that they enjoy access to all the resources and opportunities they need to contribute fully to the achievement of its objectives. In support of this commitment, a number of policies have been implemented *(link >>Parag. Company policies)*, including the Code of Ethics, a Human Rights and Anti-Slavery Policy and a whistleblowing policy that allows employees to report any unethical or discriminatory behavior confidentially and safely.

Our commitment ensures that these values are firmly rooted in the corporate culture and the daily actions of Targa Telematics.

THE FUNCTION OF HUMAN RESOURCES

The Human Resources Team plays a pivotal role at Targa Telematics, guiding the process of selecting and hiring new talent **in full compliance with the values and ethical standards held by the company**.

The policies that inform our employee and collaborator selection process are based on the principles of **inclusion**, **skill enhancement** and **equal opportunities**, free of any kind of favoritism or facilitation.

With this approach, opportunities are thus offered to **capable**, **competent** individuals who are **eager to grow professionally**, ensuring them a fair and proportionate salary based on their skills and individual capabilities, with employment contracts drawn up in compliance with existing laws and collective bargaining agreements, without any violation of labor regulations.

To ensure that the process takes place according to uniform evaluation standards, the head office in Italy **supervises the entire selection process**, including the recruitment of personnel for foreign branches.

Selection process

The selection process is designed to find the professional profiles that fit the company's needs, ensuring that each individual hired makes a significant contribution to the company's mission and objectives.

This process is particularly important, considering that it was thanks to the talent of its human assets that Targa Telematics was able to establish itself as one of the main players in its sector. Therefore, each stage of the selection process has been carefully designed to assess the candidates' professional and relational skills as accurately and objectively as possible, while also considering creativity and design ability, elements that have always distinguished our team.

The selection process consists of two main phases: a first introductory interview, the same for all roles, followed by a second, personalized assessment phase, tailored to the specific area of interest within the company.

SELECTION PROCESS:

Interview aimed at assessing the candidates' soft skills, motivation and personal expectations. In the final stage, knowledge of technical topics relevant to the role and responsibilities of the position sought is explored. If necessary, the level of knowledge of English or other languages, such as Spanish, Portuguese or French, is also assessed.

R&D	SALES	REMAINING CORPORATE AREAS
Includes a targeted test to assess the candidate's critical reasoning (**hard skills**), followed by an evaluation of technical skills and identification of any training gaps that need to be addressed.	A **business case** is given to candidates, the complexity of which varies according to their experience and seniority level.	Consists of a **second interview** to explore in detail any technical aspects relevant to the position in question.

Skills Evaluation

SOFT SKILLS	HARD SKILLS	LANGUAGES

Before embarking on the selection process, **all candidates are informed about the assessment procedure**, including the tools used, the timing and the objectives. At the end of each selection phase, constructive feedback is given to each interviewee. In addition, Targa Telematics offers its employees the opportunity to apply internally for vacant positions, thus **promoting skill development** and **internal mobility**.

In 2023, Targa Telematics hired **76 new resources**, an **85%** increase over 2022.

A CULTURE OF FEEDBACK

Over the years, Targa Telematics has consistently nurtured a **culture of feedback**, with the aim of more efficiently integrating new resources, enhancing skills and creating customized training programs.

The objective was the development of a unique performance management system that promotes individual employee responsibility, by clearly aligning goals and expectations. The feedback management system involves the definition of a set of annual work objectives for each internal team, which are subsequently monitored and evaluated over time. This allows each employee to **align themselves with the company's goals with greater ease** and to identify positive aspects and areas for improvement in their work, in turn improving their work skills.

Focusing its attention on **managerial figures**, Targa Telematics has set up 'new manager assimilation' tools for newly hired managers, or for those who request them. These tools involve receiving **anonymous and transparent feedback on one's managerial style** through collaboration with the Human Resources department. This not only provides a clear indication of the manager's areas of strength and improvement, but also constitutes what could be called a 'pass check' for the organization itself, allowing it to assess internal corporate climate and the effectiveness of its talent management and growth system.

Alongside professional goals, **individual development plans** lasting 6 or 12 months are drawn up, if necessary, to address any gaps in employees' soft skills. This ensures that all members of Targa Telematics adhere to the values of **collaboration and mutual respect** set out in the company's Code of Ethics, helping to foster an open and collaborative work environment for all.

>> 2024 OBJECTIVE: EXTENSION OF THE CULTURE OF FEEDBACK

With the acquisition of Viasat Spa, the company perimeter has expanded considerably, bringing with it a significant influx of new resources. In line with a vision of cohesion and shared corporate identity, Targa Telematics has set itself the key objective of **extending the culture of feedback** to the new perimeter of the Group, involving more and more people in regular performance appraisals: the company objective is to reach **50%** of employees involved **by 2024** and **70% by 2025**.

>> Opportunities for Dialogue

Targa Telematics' culture gives priority to **direct dialogue** and to **collaboration** among all parties, also thanks to the **Agile Method** (*link >> Parag. Developing the business*).

For this reason, feedback management is not a unidirectional process, but rather a **two-way communication channel**, in which employees are just as encouraged to give their feedback on the company **through dedicated surveys**, reporting their degree of satisfaction with the work performed and the company environment.

In these instances, each employee is asked to give their rating on a scale of 1 (very bad) to 5 (very good).

In 2023, the result of the survey showed an engagement level of **76%** (up to 96% in the case of France) of the people involved, with an average rating of **3.96** (testifying an **upward trend** compared to 2022, when it stood at 3.87).

A concrete example of constant dialogue between employees and Targa Telematics is the **quarterly survey**, which is administered to the R&D department to assess the degree of employee satisfaction with regard to **workload management**, **skills enhancement** and the **work environment**.

In previous years, survey results had highlighted the need for employees to have more spacious and comfortable work environments. Therefore, in 2022, work began on the extension of the Treviso offices, which was **successfully completed in 2023** (*link >> Parag. Health, Safety and Welfare Policies*).

Thus, this feedback process is essential not only for monitoring the well-being of employees, but also for **easily identifying concrete solutions to specific problems**, increasing the degree of satisfaction of all people involved. The HR department (*link >> Parag. The Function of Human Resources)* plays a pivotal role in this process: they are the first to receive survey results and take the initial steps in identifying, and then implementing solutions, intervening promptly in the event of problematic situations.

Health, Safety and Welfare

HEALTH AND SAFETY AT WORK

Occupational health and safety are at the forefront of responsible internal human capital management. It is for this reason that Targa Telematics pledges to ensure a safe and healthy work environment for all its employees, in keeping with the highest safety and hygiene standards. In particular, compulsory training is conducted on health-related risks in the workplace and on best practices, updated to align with recent international standards and according to the mandatory cycles required by Law 81/2008 (the next update is scheduled for 2025). The aim is to **foster a culture of safety**, making employees aware of risks in the workplace and encouraging responsible behavior.

The majority of the company's tasks are carried out in an office environment, involving employees falling under the category of "video display terminal users", i.e. those with a low health and safety risk. Approximately 1% of them, i.e., five employees in Turin, work as warehouse workers, using work equipment such as pallet trucks to handle materials. These workers, falling under the category of "**workers at height**", are subject to annual medical examinations and blood tests.

In Italy, the coordination of health and safety activities is entrusted to the **Quality**, **Health**, **and Safety Manager**, who also acts as Responsible for Prevention and Protection Service (**RSPP**). In our foreign offices, Supply Chain Managers (Country Managers) are supported by local consultants.

The company monitors the application of occupational health and safety policies through a dedicated structure coordinated by the RSPP, which sets up monitoring systems and periodic reports. To **facilitate access to medical services**, appointments are scheduled during working hours and at the employees' usual locations. Furthermore, each employee is enrolled in the health fund provided for by the collective agreement, while for those abroad, local regulations apply, with the addition of supplementary insurance in England.

In 2023, Targa Telematics **expanded its review of safety policies** to include all company locations in Italy, England, and Poland, thus ensuring a uniform and aligned approach in the geographies mentioned.

HOURS WORKED

1,071,572

INJURIES

3

OF WHICH SERIOUS

0

ACCIDENT SEVERITY RATE

0.1%

(-92% compared to 2022)

CORPORATE WELFARE

Each year, to guarantee a work environment that not only enhances professional skills but also promotes psychophysical well-being and personal satisfaction, Targa Telematics provides its employees in Italy, including middle managers, with a **corporate welfare plan**.

Through a **dedicated online portal**, employees have the possibility to **autonomously manage the selection of offered benefits**. These benefits, within the limit of the amount set by the CBA or the company itself, range from medical and educational services to cultural and sports activities, including supplementary insurance packages in addition to those provided by national contracts. These tailor-made solutions are designed to contribute not only to individual well-being but also to that of the employees' families.

In 2023, Targa Telematics made available to employees of its Italian offices (excluding Viasat Spa offices) a maximum amount exceeding the 1,500€ mandated by law, an investment designed to increase employees' purchasing power and support their families. Over the year, almost all employees took advantage of the services offered by the platform, using 96.85% of the available resources, affirming the importance and usefulness of the corporate welfare plan in meeting the personal and family needs of employees.

›› Case Study 1: Office Expansion and Corporate Welfare.

In 2022, Targa Telematics embarked on an ambitious **corporate welfare improvement project**, in response to requests from the annual company climate survey conducted among employees. The activity consisted in **expanding the offices** at the Treviso headquarters, in order to guarantee a more comfortable and functional environment for the staff.

The project, completed in 2023, led to a 250-square-meter expansion and a substantial investment in preparing both owned and rented spaces, which included renovation and furnishing work. In addition to the expansion of the offices, special attention was paid to **improving the common areas** dedicated to breaks, providing larger and more comfortable areas for relaxation and refreshments. In particular, special areas were created for lunch breaks and other breaks during the workday, ensuring a welcoming and pleasant environment for all employees.

›› KPI ON TOTAL PROJECT

+250
square meters of space

81%
of resources invested in office expansion

19%
of resources invested in renovation and furnishing work

TRAINING AND TALENT DEVELOPMENT

In order to ensure the growth and success of Targa Telematics, it is a priority to continue **investing in the development and strengthening of internal skills**, both professional and relational. This commitment aims to create unique **know-how** and, at the same time, a stimulating and dynamic work environment, in line with the company's values of social responsibility.

This approach not only makes it possible to cultivate excellence and innovation in people employed at all levels of the company but makes it also possible to **define annual company growth objectives**, identifying any 'training gaps' at an early stage.

Every year, the HR department conducts an analysis to assess training needs in the various countries, in order to tailor training proposals to employees' needs.

In Italy, in particular, an analysis of the needs of each corporate function is carried out, integrating these needs with a series of proposals from the Human Resources department. The set of identified needs and proposals formulated by HR is subsequently translated into a well-defined **training package**, which includes the drafting of a budget and the prioritization of activities.

Also, thanks to funding from various sources, including Fondimpresa and the European "Nuove Competenze" fund, more than **16,500 hours of training** were provided to the group in 2023, a substantial increase over 2022. In particular, the objective of extending training activities to almost the entire company perimeter of Viasat Spa was achieved, reaching more than **90% of Viasat employees**.

Furthermore, more than half of all employees (**63%**) were able to make use of the training courses, aimed at developing professional skills on various topics, including:

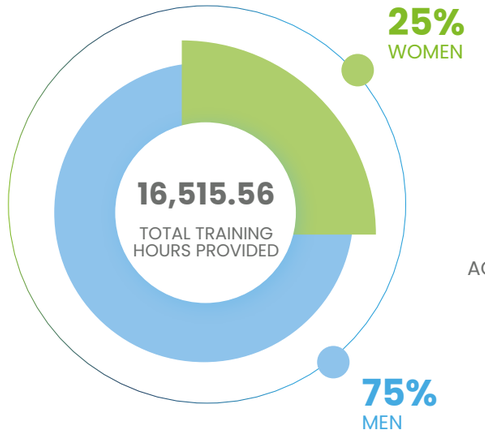
>> PROFESSIONAL SKILLS (E.G., MACHINE USE, IT TRAINING)

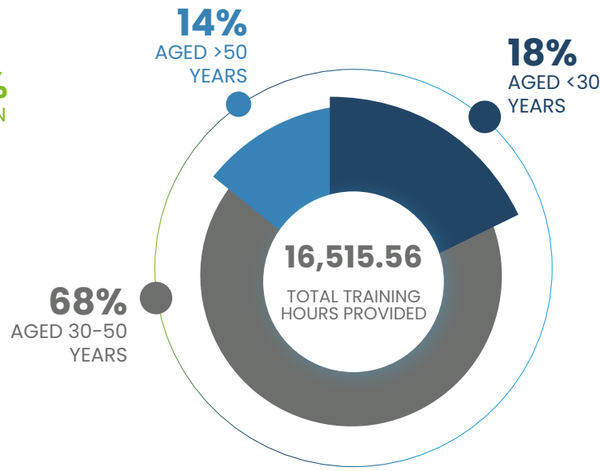
>> DIVERSITY AND INCLUSION / EQUAL OPPORTUNITIES

>> IT SECURITY

>> PROFESSIONAL DEVELOPMENT

>> TRAINING FIGURES 2023





>> Enhancing Language Skills: Business English

Each year, we offer intensive "**Business English**" courses to selected employees aimed at **enhancing their language skills** necessary to successfully face global professional challenges. Taught by qualified experts, these courses provide participants with a valuable opportunity to improve their intercompany communication skills, facilitating international collaboration and bolstering Targa Telematics' global presence.

Responsible Impact

For each pillar of the ESG Action Plan, Targa Telematics has chosen to adopt a **twofold perspective** that takes into account both internal and external impacts. In its aim to enhance its human capital, the company is committed to extending positivity **beyond its corporate boundaries**, involving external stakeholders. This means, concretely, **promoting the economic and social well-being of the surrounding communities**.

TIES TO COMMUNITIES

Every year, Targa Telematics works to create shared value in local communities, investing in the education of young people and funding local cultural and sports projects. These initiatives aim to promote the **economic, social, and cultural growth** of the communities in which it operates, consolidating ties with the territory and contributing to shared growth.

›› Investing in the Future: Training Programs and Internships

Targa Telematics believes in the potential of young people and actively works to support them in their training and professional growth. The company offers various **internship and work/study training** opportunities to aid young people in developing practical skills and gaining work experience.

Internships for the School-Work Alternation program: a collaboration with local high schools to offer work experience in a professional setting through dedicated internships. During these internships, which last about two weeks, students are supported by personnel employed in scientific and humanistic areas. In 2023, seven boys and girls from the Collegio Vescovile Pio X were welcomed by the company.

Curricular Internships: opportunities offered at undergraduates who wish to research their thesis on projects carried out at Targa Telematics. The most recent of these interns, who graduated in Automation Engineering from the University of Padua in 2022, defended his thesis on a project developed at the company and was then hired full-time.

Extra-curricular internships with the prospect of employment: the company offers extra-curricular internship opportunities, with the possibility of being hired for those who demonstrate strong commitment and skills during this formation period. These internships generally last six months and are an opportunity for young people to enter the workforce and prove their worth.

›› INTERNSHIP 2023

18	12	6
TOTAL	MEN	WOMEN

This year, besides the internships offered, Targa Telematics continued its active collaboration with universities, including the **Politecnico di Milano** and **Politecnico di Torino**, to promote job opportunities and **develop strategic partnerships** in the technology sector. Furthermore, a company page was created on LinkedIn to promote 'life at Targa' and offer a space where people can discover job opportunities.

>> Alpine Skiing: a Sporting Tradition

Sponsoring **Alpine Skiing** is for Targa Telematics a **tradition deeply rooted in the very fabric of the region**, embodying the values of determination, commitment, and team spirit that we consider fundamental to face the challenges of life, work, and sport.

Continuing its commitment from previous years, in 2023 Targa Telematics reaffirmed its partnership with **three Alpine Skiing champions**, including a Paralympic athlete, who formed **Team Targa**: Zrinka Ljutić, River Radamus and Renè De Silvestro. These athletes represent the absolute best in their sport and are a source of pride for the company, which supports them on their path to success.

This year also saw the continuation of the year-long partnership with the **Druscié Ski Club of Cortina**, a prestigious sports association that Targa Telematics has been supporting for years, with the aim of promoting and supporting young Alpine skiing talents. The decision to sponsor the club and its athletes stems from a shared passion for this sport and a commitment to values and objectives, focused on the growth and development of new generations.

RENÈ DE SILVESTRO >>

CITTÀ DELLA SPERANZA FOUNDATION

This year, for the Holiday season, Targa Telematics renewed its commitment to solidarity by delivering 450 Christmas hampers to its employees, (doubling the number distributed in 2022).

This gesture, besides celebrating the holidays, takes on a deeper meaning: the baskets, purchased from the Città della Speranza Foundation, represent a donation by Targa Telematics to this renowned national and European institution, which excels in pediatric research, early diagnosis, and cutting-edge therapies for children. The Foundation is actively engaged in involving citizens and institutions to concretely improve the conditions of young patients suffering from oncohaematological diseases.

Each hamper, along with its food products, included a certificate, explaining the reason for and importance of this donation, with the intention of making all employees aware of the weight of this gesture.

TELEMATICS IN THE SERVICE OF SECURITY

As a leading company in the field of connected mobility, Targa Telematics **works to improve safety** inside and outside cities, helping to reduce traffic accidents, supervise driver behavior and prevent illegal activities such as vehicle theft.

Today, the majority of modern cars are equipped with embedded connected sensors, which allow remote collection of vehicle data. This allows data from OEMs and aftermarket devices to be collected, engineered, and standardized through Targa Telematics' digital platform (*link >> Parag. What we do*). Analyzing information gathered from IoT technologies and connected vehicles or smart infrastructures not only helps increase productivity and control costs, but also contributes to creating a detailed view of urban mobility, leading to better road reorganization, **playing a key role in preventing risk and increasing road safety**.

›› Case study 2: Global Safe Insurance Broker offers its dealers the SVR service from Targa Telematics.

In 2023, a partnership was formed with **Global Safe Insurance Broker,** an insurance brokerage company of the AON Group and a leading company in risk management and insurance and reinsurance brokerage.

The aim of the partnership was to integrate, among the solutions offered by Global Safe Insurance Broker to its clients, Targa Telematics' **Stolen Vehicles Recovery** (SVR) service.

The SVR service, based on twenty years of experience in the telematics sector, stands out for its reliability and effectiveness in the use of advanced *Artificial Intelligence and Machine Learning* algorithms at the base of the platform, offering one of the best recovery rates on the market. In addition, thanks to the presence of 24/7 Operations Centers, we are able to quickly coordinate with law enforcement agencies throughout Europe for the recovery of stolen vehicles.

" The partnership established with Targa Telematics stems from our long-standing commitment to listening to our customers, be they dealers or end customers, to find new services that can make a difference and continuously improve our insurance offer. Thanks to this agreement, our affiliated dealers will be able to enjoy all the advantages of Targa Telematics services to formulate increasingly innovative insurance proposals. "

Andrea Cantamessa Chief Executive Officer of Global Safe

›› Case Study 3: Targa Telematics digitalizes Europ Assistance Italia's roadside assistance.

In 2023, Targa Telematics entered into a partnership with **Europ Assistance Italia to improve road safety and the efficiency of assistance interventions.**

Europ Assistance Italia, part of the Generali Group, manages up to 4,000 roadside assistance interventions per day, with peaks of 80,000 per month during the summer. To optimize these interventions, Targa Telematics has developed a mobile app that will become the 'digital heart' of operations management. Thanks to this solution, drivers in the Europ Assistance network will be able to share data on the current mission to Europ Assistance systems and platforms in real time, simplifying the dispatch of assistance requests. Assistance vehicles will be equipped with telematic devices, and the data collected will be analyzed to improve the management of interventions, monitoring their progress, and assessing performance.

This innovation provides **several benefits:**

REAL-TIME MONITORING OF OPERATIONS

EFFICIENCY WITH PROCESS AUTOMATION

IMPROVED INTERVENTION PERFORMANCE

In addition, customers will benefit from a high-quality service and an optimal user experience.

The partnership thus represents a significant step forward in the digitization of roadside assistance and in Targa Telematics' commitment to **improving road safety through advanced technological solutions.**

CHAPTER 4

Developing the business

The ability to continuously collect and process data is a critical success factor, enabling rapid and reliable decision-making in any process of business change and evolution.

Innovation and Continuous Improvement

Targa Telematics plays a fundamental role in supporting its customers on this path of innovation, through a wide range of activities, providing and integrating skills and tools with those already possessed by the company. In addition, it guarantees significant savings in project development time, great flexibility in aligning customers' mobility offerings to the needs of a changing market, and maximization of return on investment.

The need to anticipate and satisfy **customer needs** (*link >> Parag. What we do*) leads to the conception of innovation as a tool for continuous improvement. This process is well defined within the Agile Method, now adopted at a corporate level, which makes customer engagement at every stage a strong point of IT development. The **Agile Method** is an approach to software development and to project management characterized by an iterative and incremental process. It is designed to be flexible and adaptable, responding quickly to changes and customer needs. It is based on the continuous release of small, tangible results (incremental development), allowing constant comparisons and alignment with the customer, thus improving their satisfaction. A constantly open channel of communication is maintained between **product management teams**, customers, and partners in the mobility ecosystem, developing cutting-edge solutions to support our customers identifying the challenges of digitization, optimization of internal processes and the need to innovate their mobility product portfolio.

Product management is therefore the driving force behind the company's innovation, taking stock of all the projects carried out, classifying what has been learnt, what is actually useful for the customer, and what can be put to good use.

Worthy of note among the many innovative products developed by Targa Telematics is the **Corporate Car Sharing** (*link >> Box Case Study*), which is experiencing an uptick in demand in response to the ESG requirements that large companies have to meet.

Another element of innovation concerns the collection and integration of OEM data, a real revolution in the automotive field. The Data Act passed at the end of 2023 by the European Union will entail huge investments by large car manufacturers to comply with the legislation. By 2027, cars equipped with telematics connections will represent around 94% of the total, and proper data sharing will be a must-have. Thanks to strategic partnerships developed with OEMs, such as the Renault Group (*link >> Box Case Study*), the company is able to provide fleet managers and drivers with an increasing number of digital services, simplifying the provisioning process in vehicles by integrating data streams from each manufacturer's on-board systems.

Targa Telematics has attained significant milestones in data management activities:

>> METRICS

	2022	2023
PROCESSING CAPACITY (BILLIONS OF DATA)	28.7	45
STORAGE CAPACITY (PETABYTES)	1	1.2
CLOUD DATA	100%	100%

The digital solutions brought to the market by the company are made possible thanks to the **training** (*link >> Parag. A Culture of Feedback*) provided to the R&D teams. Best practices and technological developments are thus absorbed by human capital in a structural and timely manner.

>> TRAINING PROVIDED (% OF TOTAL)

	2022	2023
SKILLS NEEDED FOR THE JOB	73%	28.20%*
CYBER- / DATA SECURITY	2%	2.70%
PROFESSIONAL DEVELOPMENT	24%	63.50%
OTHER	1%	0.50%

** The difference is attributed to an increase in the employee base due to the acquisition of Viasat Group in 2023.*

Business development also passes through the **procurement** of what is needed for the provision of software and hardware services. Targa Telematics has always maintained its competitive edge **by fostering strong relations with suppliers**, always aiming to reflect the company's values. Within this framework, alignment activities are carried out between the Viasat and Targa Telematics teams regarding the processes of the Procurement Office.

At the operational level, **audits** are coordinated based on the adopted **quality system**. Currently, activities are carried out on a sample basis, either quarterly or monthly depending on the results of previous audits.

Finally, the internationalization of activities is a valuable aspect in the agreements of Targa Telematics' companies in matters relating to the supply chain. The code of conduct for suppliers (*link >> parag. Company policies*) will continue to be the cornerstone of the Quality strategy and, in the long term, the company aims to extend it to almost all **major suppliers**. Currently, **26%** of suppliers with an economic value exceeding 100,000€ have signed the Code of Conduct.

Simultaneously, the aim will be to structure a supply chain by sea, instead of by air, thus reducing GHG emissions.

>> Case Study 4: Leasys Chooses Targa Telematics for I-Share, the Corporate Car Sharing Solution.

Corporate Car Sharing represents an evolution from the traditional corporate fleet model. This new approach integrates the well-established concept of long-term rental with vehicle management and sharing within the company, aiming to reduce the overall number of company vehicles and lower costs in the short term. In this regard, Targa Telematics has leveraged its extensive expertise by providing the necessary technologies to support Leasys in swiftly implementing and expanding its offering of new mobility products to the Italian market. Thus I - Share was born, the fully customized digital solution for monitoring the status of vehicles, equipped with key-less technology, improving their efficiency in terms of Total Cost of Ownership, and greening the fleet by reducing CO_2 emissions.

" The shared use of company cars is a growing trend, motivated by cost containment reasons, but also by an increased awareness on everyone's part to contribute to a more sustainable mobility. We support our customers in the development of increasingly advanced applications to monitor the status of vehicles, improve their efficiency in terms of Total Cost of Ownership and reduce CO_2 emissions. With our digital platform, specifically for the automotive sector and smart mobility, we can support them in implementing and expanding the offer of new mobility products in a very short timeframe. "

Massimiliano Balbo di Vinadio – LA VP Sales of Targa Telematics

›› Case study 5: Strategic Partnership with Renault for Data Integration.

Thanks to an agreement with the Renault Group, Targa Telematics will be able to integrate "Renault Easy Connect for Fleet" into its platform, thereby enabling the management of the majority of car models and light commercial vehicles produced by the automotive group.

The partnership involves the direct integration of data flows from the fleet into the Targa Telematics platform. This integration will enable the development of new mobility services based on embedded devices, supporting Targa Telematics' offering, using mileage, fuel consumption, EV data, GPS position and other information.

Data Management

Targa Telematics' challenges in this area are manifold and increasingly complex; as it expands its global operations, the number of active users grows, and local support is established in the countries where it operates.

The acquisition of **Viasat Group** entailed, on the one hand, business development and, on the other, an increased focus on **Security**, an increasingly stringent and sensitive issue. Actions carried out during 2023 led to the achievement of **ISO 27001 certification** for Targa Telematics with **extensions 27017**, a reference for general security controls for users and cloud service providers, and **27018**, a reference for the processing of personal data in the Cloud and cloud service providers, and **extension 27018**, a reference for the processing of personal data in the Cloud.

The **VERA v.6** information security assessment methodology used by Targa Telematics was helpful in achieving the ISO certifications. This methodology involves several steps in which the subject of the analysis, the potential harm to the company, and the possible threats are identified, allowing the risk to be calculated and possible containment actions to be taken.

From a practical point of view, Targa Telematics could certify the two companies separately, which would simplify operations. Instead, the company has set its sights on a 2024 plan to integrate **ISO 27001** and its extensions, for both Targa Telematics and Viasat, thus guaranteeing the **highest quality for the information security management system**.

As a further goal for 2025, we aim to extend the group-wide certification to companies abroad, officially validating the security processes we already implement.

It is along these lines that, following the acquisition of Viasat, a plan was drawn up to integrate the cybersecurity approaches of the two companies, conducting a **gap analysis** using shared evaluation metrics. At the theoretical level, much value was placed on sharing the design method for cybersecurity, i.e., **Secure by Design** practices that strengthen security protocols starting from the basic IT infrastructure building blocks. At the operational level, the integration of **activity documentation processes** took place, while on the IT side, work was done on the development of a single infrastructure. Finally, the top cybersecurity roles, such as the Data Protection Officer (DPO), the Chief Technical Officer (CTO) and the Chief Information Security Officer (CISO), are being standardized at the **corporate level**, in order to have an integrated and coordinated system for data protection.

>> ROLES AND RESPONSIBILITIES

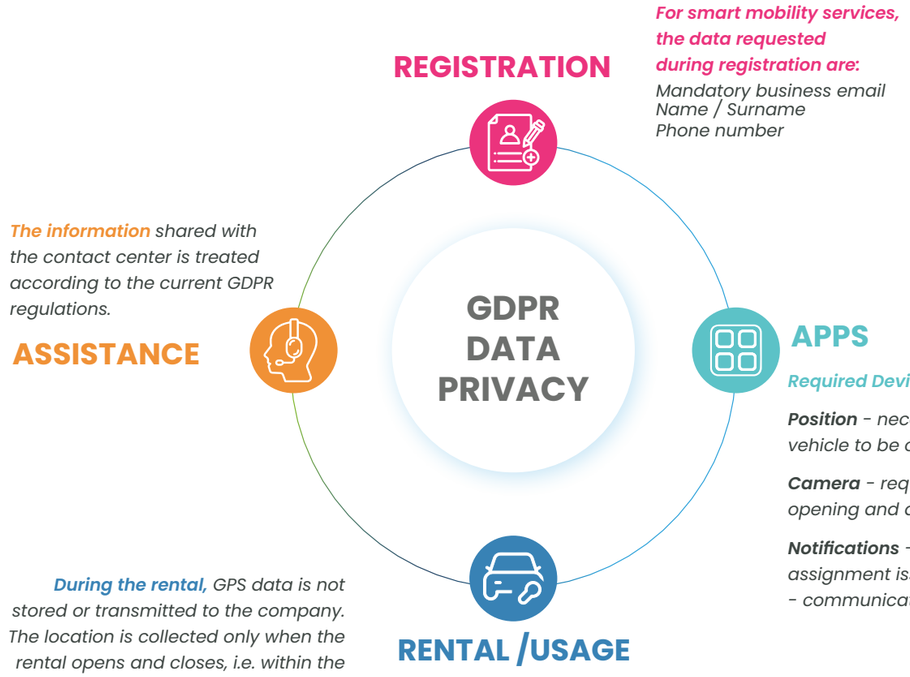
The commitment in place is the migration of Viasat data and that of the other countries to a **single server farm** already in use by Targa Telematics, securing the data and uniformly assessing the group's cybersecurity defenses through third parties. In the course of this process, the company will update the information for customers concerning the security, reliability, and certifications[1] of the external provider we use.

The issue of privacy represents another important aspect closely linked to the context of data and IT security activities described above. Specifically, the *Information Security Policy* was extended to Viasat companies and a **training course was planned at the corporate level for all Group companies**. Following the training, a verification process will begin for the acquired information and processes, aiming to develop a corrective action plan for continuous improvement.

A crucial activity to ensure the continuity of the services offered, in accordance with the **GDPR regulations**, was the creation of a corporate package of privacy-related documents, including the *Data Processing Agreement*, the *Record of Processing Activities*, and the *Data Process Impact Assessment*, illustrated in the Privacy Policy for the end customer.

[1] ISO 27001 - 27017 - 27018 e ACN (Agenzia Cyber-Sicurezza Nazionale).

>> GDPR & DATA PROTECTION



Finally, a crucial achievement was obtaining certifification from the Italian National Cybersecurity Agency (Agenzia italiana per la Cybersicurezza Nazionale - ACN) on the services, Apps and Platforms offered by Targa Telematics. Currently, the company is a **telematics provider**, accredited by the ACN to operate in the public sector. Thus, Targa Telematics' customers have an additional guarantee on the robustness of data management, ensuring secure processing that safeguards data confidentiality and availability at all times. In accordance with the corporate plan of certification integration, the company aims to **extend ACN recognition to the group perimeter** in the near future, thus including Viasat services.

Economic growth and local development

With the expansion of the Group, several investments have been made to expand and **upgrade the company offices** (*link >> Case Study – Office Expansion and Corporate Welfare*). The search for highly qualified profiles to enhance service development led Targa Telematics to sign agreements with universities for **curricular and extracurricular internships** (*link >> Case study - Investing in the Future: Training Programs and Internships*), aimed at integrating interns into the company workforce. In order to bring the best talent into its team, the company offers an **average salary of around twice** the basic pay of the metalworking collective agreement.

These three factors together paint a picture in which the economic value generated by Targa Telematics is partly transmitted to the territory in which it operates, promoting the long-term development of the communities connected to it. In fact, the growth of Targa Telematics acts as an **important economic multiplier**, making the company responsible for these impacts.

CHAPTER 5

Limiting impacts

At Targa Telematics we develop **solutions for connected mobility**, which are embedded in a sector that plays a **key role** in the **ecological transition**.

Over the past three years, several initiatives have been implemented to reduce impacts, focusing on areas under the direct control of the group. Notably, in 2023 Targa Telematics achieved its ESG goal of using at least 25% of electricity from renewable sources, reaching 26%. Other significant interventions include:

- The **constant monitoring of energy and water consumption** in the main offices
- The dissemination of a **digital office culture** that limits the use of paper documents, disposable packaging, and non-reusable packaging
- The adoption of **FSC paper** for materials that need to be printed
- The use of **LED coverage on part of lighting fixtures**

Targa Telematics aims to spread a **culture of sustainability** among its employees, integrating it into company policies (*link >> Quality Policy*) and extending it to **its suppliers**, encouraging the adoption of environmental protection policies aligned with those of the **Code of Ethics** (*link >> Code of Ethics*). In 2023, Targa Telematics established a supplier code of conduct approved by PwC. To date, 26.4% of material suppliers have signed the code, with the goal of increasing the percentage over the years to at least 55% by 2026.

In line with **its commitment to reducing environmental impacts**, since 2022 Targa Telematics has been quantifying its Group-wide carbon footprint using the GHG Protocol[2] methodology, with a threefold objective:

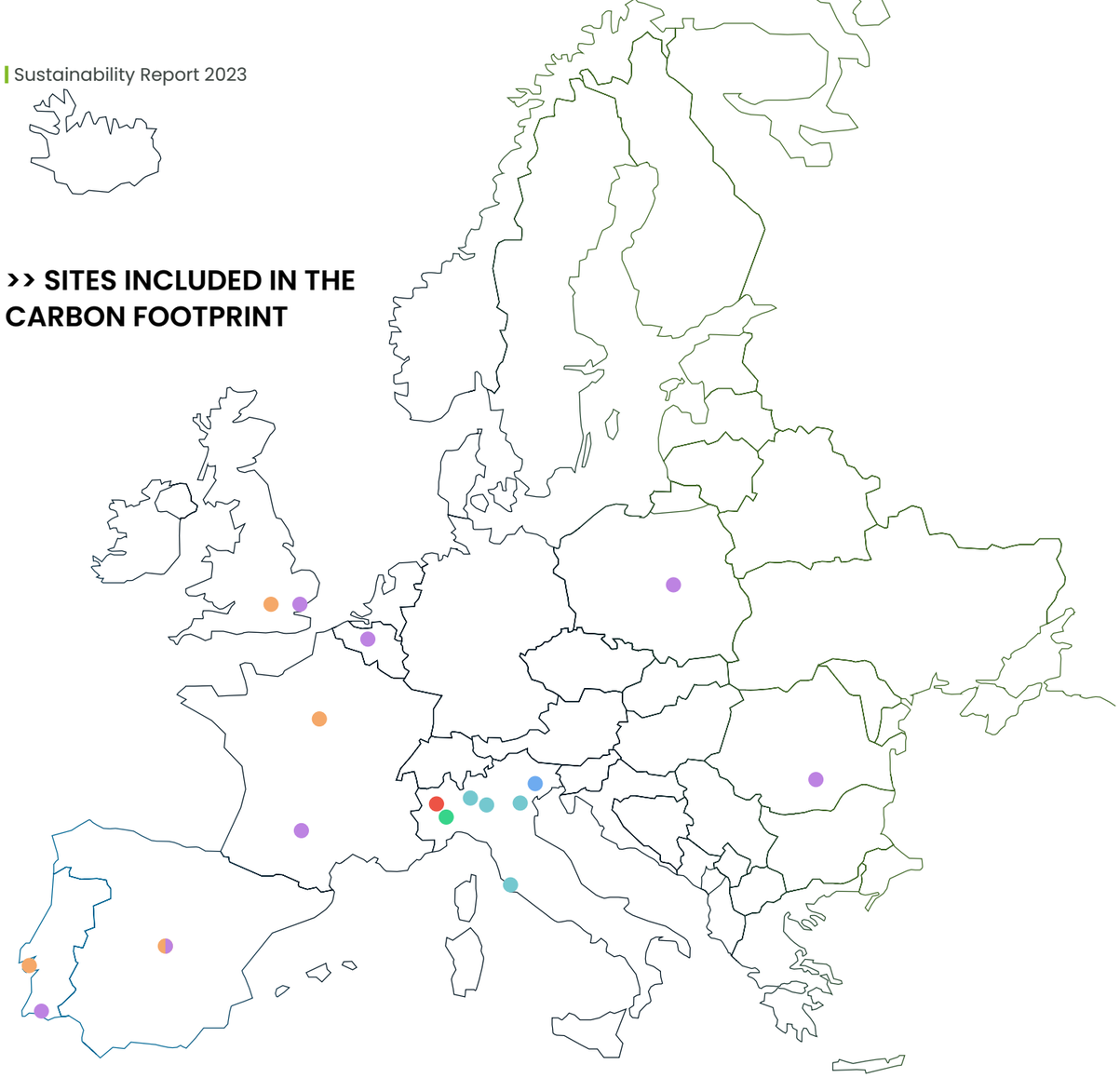
1. **MEASURING** EMISSIONS ADEQUATELY AND RELIABLY, WHILE BEING AWARE THAT THE ENVIRONMENTAL IMPACT OF TARGA TELEMATICS' TECHNOLOGIES IS DECIDEDLY MARGINAL COMPARED TO THAT OF VEHICLE PRODUCTION OR USE
2. **IDENTIFY** CONCRETE OPPORTUNITIES FOR IMPACT REDUCUCTION AT THE ORGANIZATION LEVEL
3. **COMPENSATING** RESIDUAL SCOPE 1 AND 2 EMISSIONS WITH A VIEW TO CARBON NEUTRALITY

[2] The calculation is conducted according to dedicated guidance:

- WBCSD/WRI GHG Protocol, Corporate Accounting and Reporting Standard, following the operational control approach;

- WBCSD/WRI, Technical Guidance for Calculating Scope 3 Emissions - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard (version 1.0).

>> SITES INCLUDED IN THE CARBON FOOTPRINT



- **TARGA TELEMATICS HEADQUARTERS** IN TREVISO
- **TARGA TELEMATICS WAREHOUSES, OFFICE AND CONTACT CENTER** IN TURIN
- **TARGA OFFICES** IN LONDON, PARIS, LISBON, AND MADRID

- **VIASAT HEADQUARTERS** IN VENARIA REALE (TURIN)
- **VIASAT OFFICES** IN ROME, BUSTO ARSIZIO, NOVENTA PADOVANA, TREVIGLIO
- **VIASAT OPERATIONAL SITES** IN MONTAUBAN, SOUTHEND ON SEA, MADRID, SETUBAL, WARSAW, BUCHAREST, BRUSSELS, LAS CONDES (SANTIAGO)

The results are shown with a brief commentary to facilitate interpretation, along with a comparison with the previous year; **Viasat's acquisition has increased the intensity of overall emissions, so the baseline will become significant from 2023-2024**.

Details of the quantitative data according to the GRI classification are available in the appendix (link >> GRI Tabs) for easy reading.

>> Towards *Carbon Neutrality*

As a complement to Targa Telematics' initiatives to manage and reduce its absolute greenhouse gas ("GHG") emissions, the company has since 2022 purchased carbon credits to neutralize ("offset") its residual Scope 1 and 2 operational emissions. The company's primary climate mitigation approach is to reduce its absolute carbon emissions over time. Through the purchase of carbon credits, Targa Telematics also provides carbon financing to climate mitigation projects beyond its value chain. As each credit corresponds to the removal of one ton of CO_2 equivalent (CO_2e), the Company can – under voluntary carbon market standards and guidance – claim it has reached carbon neutrality (Scope 1 and 2) in a given year by purchasing credits to offset its residual emissions.

From the outset, the two projects from which Targa Telematics has purchased carbon credits are the "Great Bear Forest Carbon" and the "Guatemalan Conservation Coast" projects. These two projects were chosen because of their strong credentials on environmental and biodiversity issues as well as their social initiatives:

Great Bear Forest Carbon project, Canada[3]

The Great Bear Forest covers c. 6.4 million hectares of north and central coast in British Colombia in Canada and is home to the First Nations people who have inhabited this land for up to 10,000 years. This rare and rich ecosystem is also home to rare species of plants and animals (including the Kermode Bear). The aim of this project is to improve forest management in the region, generating emission reductions through the protection of forest areas that were previously designated, sanctioned or approved for commercial logging. The project activities include changes in land-use legislation and regulation that result in the protection of forest areas and reduction of harvest levels.

Guatemalan Conservation Coast project, Central America[4]

The Guatemalan Conservation Coast program works to address the drivers of deforestation through effective law enforcement, land-use planning, education, economic opportunities, and sustainable agroforestry initiatives. Some of the most important project achievements to date are the protection of 30 threatened tree species including the Baird's tapir and West Indian manatee, the protection of 54,157 hectares of threatened forest in the Mesoamerican Biological Corridor and the creation or support of 487 jobs for indigenous and local communities.

[3]The Great Bear Forest Carbon project is registered at the British Columbia Registry under three different projects: Great Bear (South Central Coast) 104000000011319, Great Bear (Haida Gwaii) 104000000011559 and Great Bear (North and Central-Mid Coast) 104000000012798.

[4]The Guatemalan Conservation Coast project is registered with Verra, REDD+ Project for Caribbean Guatemala under the name The Conservation Coast 1622; it applies the Verra Verified Carbon Standard (VCS Standard v4.3 VM0015) and the Climate, Community and Biodiversity Standards v.3.1.

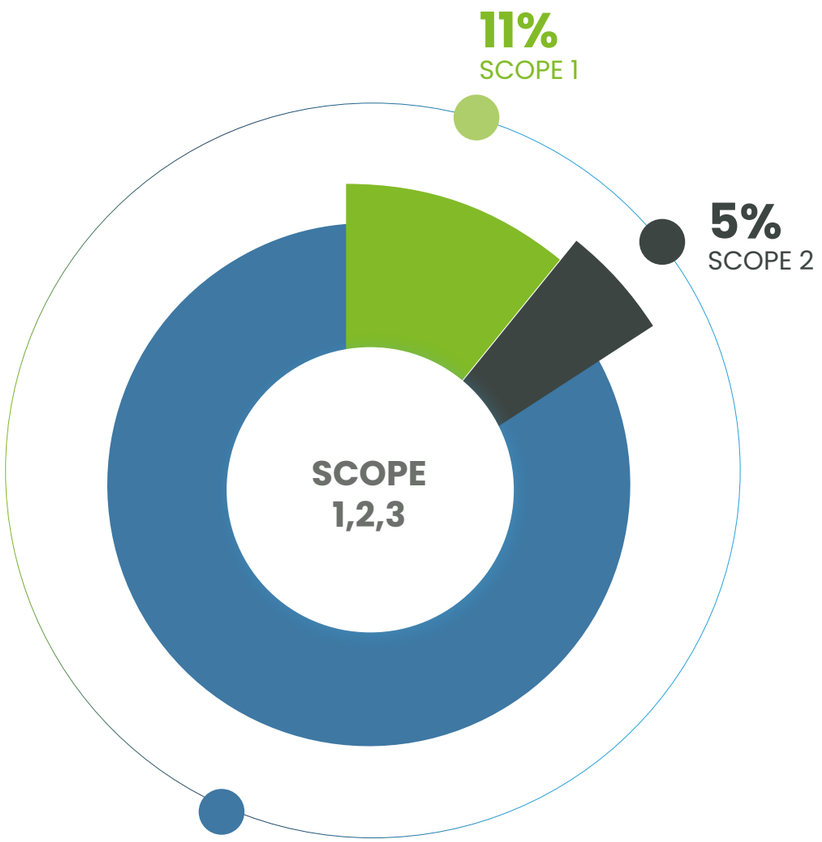
Carbon Footprint calculation: a market-based approach[5]

The total **greenhouse gas equivalent emissions** associated with 2023 activities is **6,607 t CO_2 equivalent**. The figure marks a strong increase compared to 2022, due to the integration of Viasat; it should be noted that the percentage contribution of the 3 purposes remains almost constant, linked to the fact that Viasat's acquisition did not radically change the group's business and the distribution of emissions among the different clusters.

Normalizing the group's overall emissions per employee shows a **reduction of more than 50% in emission intensity per person per year**, underscoring that **business expansion has not significantly impacted relative emissions but rather has contributed to the efficient delivery of value with respect to CO_2 intensity.**

>> MACRO-CLUSTER

	GHG EMISSIONS – MARKET-BASED APPROACH [tCO_2 EQUIVALENT]	CONTRIBUTION TO TOTAL	EMISSION INTENSITY [tCO_2 PER EMPLOYEE]
SCOPE 1			
2023	727	11%	-
2022	276	8%	-
SCOPE 2			
2023	335	5%	-
2022	90	2%	-
SCOPE 3			
2023	5,545	84%	-
2022	3,368	90%	-
TOTAL			
2023	6,607	100%	10
2022	3,734	100%	23



[5] In the "market based" approach, emissions associated with electricity are quantified according to the specific mix used by the different suppliers; any renewable energy supply contracts are applied and counted for Italian sites, while for foreign sites a national residual mix is applied, which includes renewable energy exchanges certified with guarantees of origin in the energy balance.

SCOPE 1 - DIRECT EMISSIONS OF THE ORGANIZATION

Scope 1 includes **all emissions directly generated by Targa Telematics' activities**. The main contributor to this scope is the combustion of energy carriers, both for stationary purposes (heating of our premises and offices) and for mobility purposes through company-owned vehicles. For the year 2023, no fugitive GHG emissions were recorded in the air-conditioning and cooling systems of the various locations.

>> MACRO-CLUSTER

	CONTRIBUTION TO TOTAL CCF*	SPECIFIC CATEGORY	GHG EMISSIONS [tCO_2 EQUIVALENT]	CONTRIBUTION OF THE SPECIFIC CATEGORY TO THE MACRO-CLUSTER
SCOPE 1				
	11%	Heating of offices and premises	**136**	**2%**
		Use of company-owned vehicles	**591**	**9%**
		Fugitive emissions of refrigerant gases	**0**	**0%**

**Corporate Carbon Footprint. (CCF).*

SCOPE 2 - DIRECT EMISSIONS OF THE ORGANIZATION ASSOCIATED WITH ELECTRICITY

Scope 2 encompasses **all emissions attributable to electricity purchased to carry out various activities**. This cluster includes electricity consumption for offices (lighting, power supply, cooling) and consumption for company-owned data centers. The value of the impact is **very low when compared to overall consumption** (*link >> GRI Tabs*) due to the extensive use of renewable energy supply contracts under the GO scheme, confirming the Group's commitment to minimizing the impact associated with its activities[6].

>> MACRO-CLUSTER

	CONTRIBUTION TO TOTAL CCF	SPECIFIC CATEGORY	GHG EMISSIONS [tCO_2 EQUIVALENT]	CONTRIBUTION OF THE SPECIFIC CATEGORY TO THE MACRO-CLUSTER
SCOPE 2- MARKET BASED				
	5%	Electricity consumption	**335**	**5%**

[6] Guarantees of Origin (GO) represent the most robust scheme to regulate renewable electricity supplies. This ensures that the energy purchased comes from a renewable source according to the criteria set by the national energy market authority.

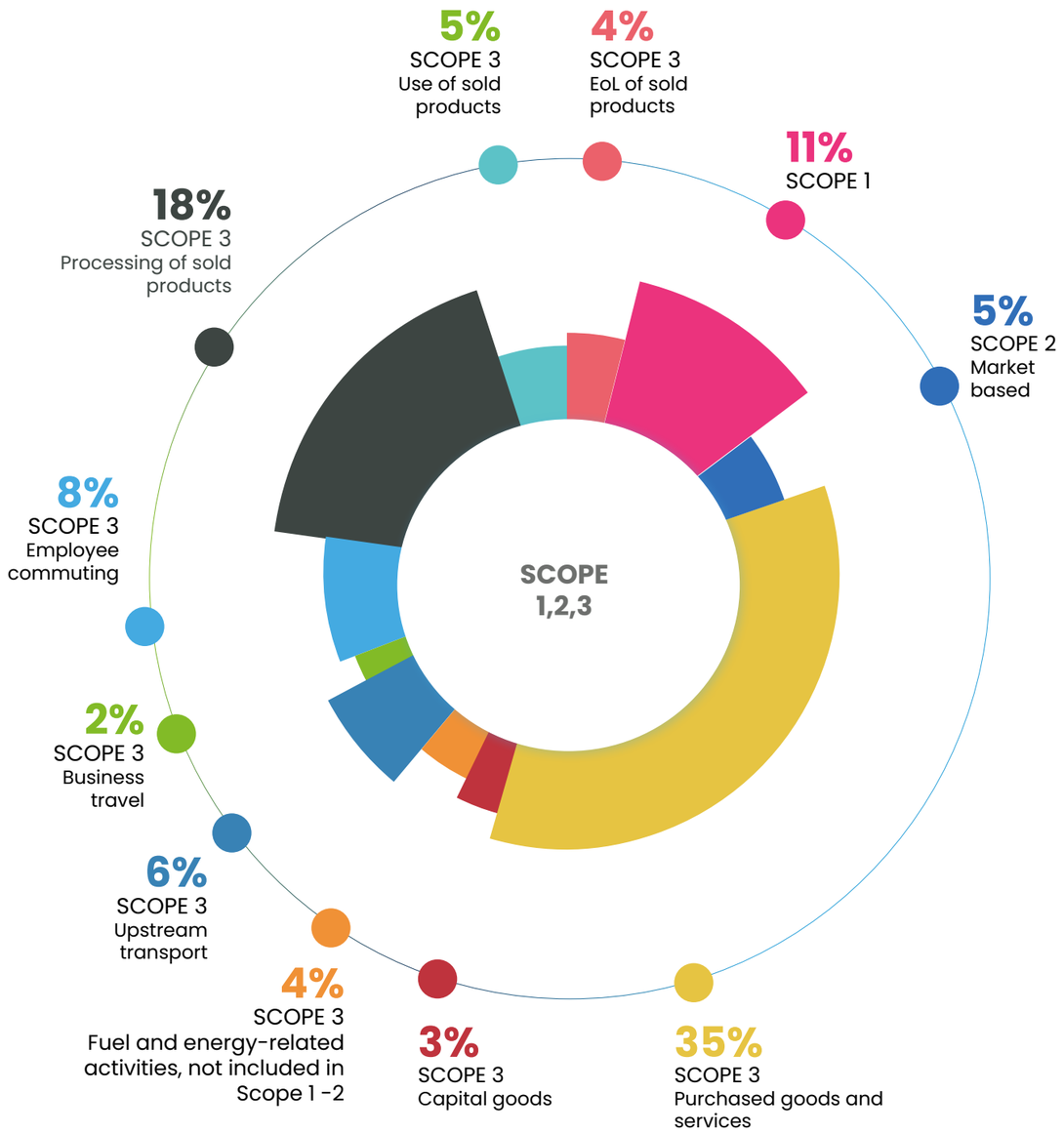
SCOPE 3 - INDIRECT EMISSIONS OF THE ORGANIZATION

Scope 3 includes **all emissions not directly attributable to operations, but associated with leased services, purchased components, and all those activities that are outsourced at an administrative/economic level but are essential to the smooth running of the business**. In line with general trends at the level of the Corporate Carbon Footprint, scope 3 represents the **most significant cluster** as it includes a **vast number of outsourced activities**, confirming the value generated by Targa Telematics' activities on the territory.

In this macro-cluster, the greatest impacts are concentrated in category **3.1 - Purchased Materials**, which includes the electronic components necessary for the production of devices installed in vehicles. Product transformation and processing represent the second most significant item, while the impacts associated with the remaining categories are evenly and marginally distributed.

>> MACRO-CLUSTER

	CONTRIBUTION TO TOTAL CCF	SPECIFIC CATEGORY	GHG EMISSIONS [tCO_2 EQUIVALENT]	CONTRIBUTION OF THE SPECIFIC CATEGORY TO THE MACRO-CLUSTER
SCOPE 3				
	84%	3.1 Purchased goods and services	**2,290**	**35%**
		3.2 Capital Goods	**217**	**3%**
		3.3 Fuels and energy carriers not related to Scope 1 and 2	**285**	**4%**
		3.4 Upstream transport distribution	**368**	**6%**
		3.5 Waste production and disposal	**15**	**<1%**
		3.6 Business travel	**130**	**2%**
		3.7 Employee commuting	**527**	**8%**
		3.9 Transport and product delivery	**3**	**<1%**
		3.10 Processing of sold products	**1,157**	**18%**
		3.11 Use of sold products	**299**	**5%**
		3.12 End-of-life treatment of sold products	**254**	**4%**



Carbon Footprint Calculation: a location-based approach [7]

In accordance with GHG protocol standards, emissions quantified according to the location-based approach are also reported. The general trend of emissions and their distribution in the macro-clusters **do not differ significantly from the market-based approach.**

>> MACRO-CLUSTER

	GHG EMISSIONS - LOCATION-BASED APPROACH [tCO_2 EQUIVALENT]	CONTRIBUTION TO TOTAL
SCOPE 1		
2023	727	11%
2022	276	8%
SCOPE 2		
2023	311	5%
2022	57	1%
SCOPE 3		
2023	5,538	84%
2022	3,359	91%
TOTAL		
2023	6,576	100%
2022	3,692	100%

[7] In the location-based approach, emissions associated with electricity are quantified according to the national electricity mix. Therefore, renewable electricity supply contracts are not included in this calculation.

Reducing emissions through sustainable mobility

Targa Telematics operates as a provider of technological solutions in the field of mobility. In this sector, **the fight against climate change and the emission of pollutants** into the atmosphere (UN SDG No. 13, "Climate Action") **are crucial elements that contribute to the ecological transition.**

Through our development methodology, the company aims to offer state-of-the-art technological solutions for data acquisition and the development of metrics and KPIs that enable efficient mobility. With this in mind, we believe in technological neutrality. Targa Telematics, alongside its customers and partners, strives to cultivate a widespread **culture of data measurability**, serving as a solid foundation for making informed, fact-based decisions. In this vision, **every user represents an agent of change**, whose informed and virtuous behavior can contribute to achieving the climate targets set by international bodies and local authorities in the markets in which we operate.

A concrete example of how Targa Telematics' technologies can contribute to decarbonization is represented by **fleet management and smart mobility solutions**: monitoring of vehicle performance for efficiency, data analysis to facilitate the management of electric vehicles and their recharging, fleet optimization through car and bike sharing solutions, are just some of the tools that the company provides for the mobility sector.

Targa Telematics is convinced that the increasingly widespread adoption of these technologies represents a concrete solution to optimize its customers' mobility and, consequently, contribute positively to climate protection.

The company uses available IoT technologies to acquire data from moving vehicles and AI technologies to develop algorithms seeking to make driving, maintenance, and general vehicle management more efficient.

›› Case Study 6: Green fleet management.

Together with **SAP Labs France**, a joint project was launched to accelerate **digital transformation** as well as the **transition to electric power** for rental companies, corporate fleets, and airport service vehicles.

Targa Telematics provided the latest know-how and proprietary technology in AI Machine Learning, Internet of Things, and data analytics.

Sap Labs France is part of a network of SAP research centers focused on the development and continuous improvement of major SAP solutions. SAP Labs contributed their expertise in the field of vehicle electrification and provided their platforms to build, activate and manage electric vehicle charging networks with integration into end-to-end billing processes on a single platform.

The aim of the project is to support customers in electrification and fleet management. It is a solution that guarantees the company **a lower environmental impact**, thanks to an assessment of the entire fleet and the vehicles that can potentially be replaced with electric models. An internal analysis showed that **70% of the vehicles in a large fleet could easily be replaced by electric cars**.

Thanks to the integration between Targa Telematics' digital platform and SAP Labs France's Open E-Mobility platform, the solution provides fleet managers with advanced tools to plan and book charging stations, taking into account charging time and desired power. This will ensure the precise allocation of charging costs between the workplace, the home and public charging points, regardless of the vehicle's brand or charging station. In addition, it will improve the use and battery life of electric vehicles in the fleet.

In order to optimize the corporate fleet and increase its sustainability, the project can be complemented with the implementation of a Corporate Car Sharing solution with keyless access to the latest electric vehicle models, perfecting charging capabilities through the Open E-Mobility platform.

" When I announced in 2015 my intention to convert the entire company car fleet to electric within five years, I received a lot of criticism. Today, 92% of our employees are happy drivers of electric vehicles and Open E-Mobility has been instrumental in this change. "

Hanno Klausmeier, Managing Director
of SAP Labs France.

" We are particularly pleased to have initiated this synergy with an innovative player like SAP Labs, which shares our approach to innovation and environmental sustainability. The future of fleets will also be influenced by digital solutions, supporting customers' operations, and offering considerable benefits in terms of achieving business and environmental KPIs. Through this partnership, we continue to invest in R&D to support rental companies and corporate fleet managers on their journey towards digital transformation and vehicle electrification. "

Alberto Falcione, Vice President Sales
of Targa Telematics

Appendix

This is the second sustainability report produced by Targa Telematics. The data and information herein refer to the financial year ended on December 31, 2023, and the reporting scope includes the following entities:

- Headquarters in Treviso;
- Operational and commercial branch in Turin;
- Commercial branches in Paris, Madrid, Lisbon, London, Rome, Warsaw, Bucharest, Bruxelles, Montauban

The document was prepared in reference to the GRI Standards, as provided by the Universal Standard GRI 1: Fundamental Principles 2021, paragraph 3.

The indicators used, besides being partially reported within the body of the document - alongside the text - to better guide the reader in connecting textual contents with related disclosures, are also listed in the *>> GRI Content Index.*

The data and information reported in this document were collected through interviews and sending data collection forms. The structure of the document and the contents of the report were shared and validated by the heads of the various business functions.

The data are presented in comparative form with 2022 performance to allow an assessment of performance trends over time; calculation methodologies are provided in the notes accompanying the information tables.

The document has not been subjected to third-party verification and will be available on the website of Targa Telematics and Investindustrial, in compliance with the principles of transparency and wider circulation of information. Comments, requests and opinions on this report can be sent to email: *esg@targatelematics.com.*

MATERIALITY ANALYSIS: METHODOLOGY AND RESULTS

1. Stakeholder Engagement

Sustainability is increasingly recognized as an essential lever for creating **shared value** in the long run. However, for this value to be effectively shared and maximized, it is crucial to consider **the expectations and interests of the various stakeholders**. This is because each stakeholder, in its uniqueness, brings different perspectives, needs, and goals that are essential in developing a business strategy that is genuinely **inclusive** and **sustainable** over the long term.

Open and continuous dialogue, the ability to listen, and the active participation of the various stakeholders are part of Targa Telematics' daily approach to establishing constructive, satisfying, and lasting relationships with those who have a direct or indirect interest in the company's operations and results. For this reason, their involvement could not be missed in implementing the Materiality Analysis.

First, the heads of business areas have identified, with the external collaboration of InvestIndustrial's sustainability team, the main stakeholders of Targa Telematics, summarized by general categories in the *Figure below*.

Once identified, a corporate figure was determined for each type of stakeholder who, by expertise and role, was capable of acting as their spokesperson. This work made it possible to move on to the next phase, dedicated to identifying the main material issues of Targa Telematics.

2. Identification and assessment of material issues

The process consisted of several steps for **assessing material issues** and their **impact relevance**. First, potentially **material ESG themes were mapped**, taking into consideration the company profile, that of competitors, the reference and sustainability context, and adopted principles and standards.

Once material issues were identified they were **assessed and prioritized** according to their importance and relevance. This assessment was not one-sided, but rather took into account several factors, including the internal (strategic priority) and external (expectations and concerns of customers, investors, and the target community) perspectives. This inclusive approach ensured that all stakeholders' concerns were considered.

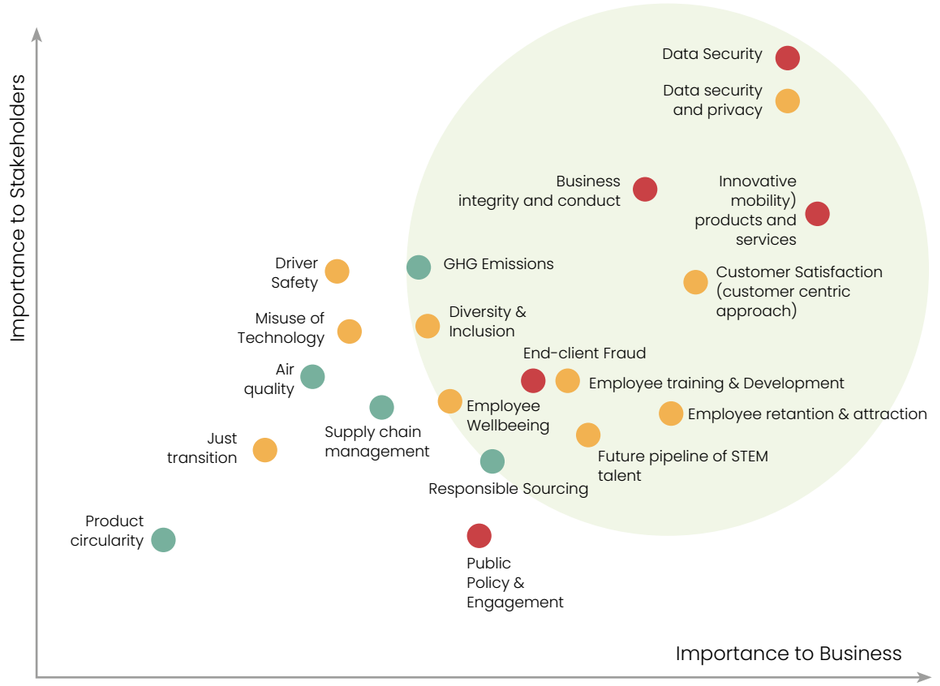
Finally, a materiality threshold was set, providing an explicit parameter for identifying issues that required special attention and management.

MATERIAL TOPICS
Data security
Data security and privacy
Innovative (mobility) products and services
Business integrity and conduct
Customer satisfaction (Customer Centric Approach)
Employee retention and attraction
Driver safety
GHG emissions
Employee training and development
Future pipeline of STEM talent
End-client fraud

3. Definition of the Materiality Matrix

In this last stage, the process focused on comparing information from the business context analysis and internal and external viewpoints to define the **Materiality Matrix.**

More specifically, the results from the previous stages of the materiality analysis were integrated, considering **impact assessments** and **management priorities**. The goal was to create a visual representation of the identified material themes, enabling a clear understanding of the risks and opportunities associated with each theme. This tool, the Materiality Matrix, played a **crucial role in providing strategic guidance** for the company, empowering and enabling the planning and implementation of targeted actions to enhance business performance on the **three ESG pillars** underlying Targa Telematics' Action Plan.



>> STRATEGIC PILLARS

PEOPLE	CUSTOMERS*	CORPORATE*	ENVIRONMENT
Employee training and development	Security and data privacy	Data security	GHG Emissions
Employee retention and attraction	Customer satisfaction (customer-centric approach)	Integrity and business conduct	
Future STEM talent pipeline	Ending customer fraud	Innovative (mobility) products and services	
Diversity and inclusion	Driver safety		
Employee well-being			

*In defining our strategic plan *>> Our plan for the future*, the two pillars Customers and Corporate were unified into the Business pillar.

The outcome of the analysis has been approved by the BOD in its final version as reported below.

PRIORITY	PILLAR	MATERIAL TOPIC	TOPIC DEFINITION ACCORDING TO TARGA TELEMATICS
1	Business	Data Security	The protection of digital information and the infrastructure that manages it, from the risks of unauthorized internal and external access and intentional and/or accidental threats.
2	Business	Data Privacy	Protection and guarantee of the fundamental right of the individual about the confidentiality and control of sensitive, personal information or anything pertaining to the private sphere.
3	Business	Product and service innovation	Ability to design and develop high-tech digital solutions to collect and analyze useful data to make cities, and the vehicles that run through them, more connected and sustainable.
4	Business	Business ethics and responsibility	Ensure ethical and responsible business conduct based on risk assessment, throughout the value chain.
5	Business	Customer satisfaction	Ensuring the highest possible level of customer satisfaction through agile processes of co-creating customized solutions.
6	People	Human resource attraction and development	Attracting and nurturing talent, fostering a sense of initiative, creative approach and team spirit as enablers of innovation.
7	Business	Road and driver safety	Ensure road and driver safety through the development of innovative technology and awareness programs.
8	People	Training and skills upgrading	Continuous development and alignment of knowledge, technical skills, and personal abilities with respect to market demands and everyone's aptitudes.
9	Environment	Air quality	Contributing to the improvement of atmospheric air quality by reducing the emissive impact of transportation means and habits.
10	Environment	GHG emissions	Greenhouse gas emissions associated, directly or indirectly, with our activities.

>> SOCIAL DIMENSION - ADDITIONAL DATA AND INFORMATION

GRI 2-7

	2022			2023		
Employees by gender and employment contract as of 31/12[8]	M	F	TOT	M	F	TOT
Number of employees	127.67	31.85	159.52	404	258	662
Permanent employees	127.67	31.85	159.52	394	243	637
Fixed-term employees	2.0	-	2.0	17	8	25
Non-guaranteed hourly employees (formerly "on call")	-	-	-	-	-	-
Full-time employees	127.67	31.85	159.52	370	236	606
Part-time employees	0.5	0.75	1.25	6	50	56

2022

Employees by location, gender and type of contract as of 31/12[9]	IT		PT		ES		FR		UK		TOT
	U	D	U	D	U	D	U	D	U	D	
Number of employees	116.66	30.75	3	-	3	-	2.66	1	2.35	-	159.42
Permanent employees	116.66	30.75	3	-	3	-	2.66	1	2.35	-	159.42
Fixed-term employees	-	-	-	-	-	-	-	-	-	-	-
Non-guaranteed hourly employees (formerly "on call")	-	-	-	-	-	-	-	-	-	-	-
Full-time employees	116.16	30	3	-	3	-	2.66	1	2.35	-	158.17
Part-time employees	0.5	0.75	-	-	-	-	-	-	-	-	1.25

[8]Data for 2022 were calculated on the basis of the FTE (Full-Time Equivalent) method, while data for 2023 are calculated on the basis of the number of heads (headcount).

[9] Data for 2022 have been calculated using the FTE (Full-Time Equivalent) method.

2023

Employees by location, gender and type of contract as of 31/12[10]	IT			PT			ES			FR			UK		
	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT
Number of employees	225	160	385	14	4	18	28	26	54	23	14	37	19	13	32
Permanent employees	219	157	376	10	4	14	34	20	54	19	13	32	19	12	31
Fixed-term employees	7	2	9	4	0	4	0	0	0	4	1	5	0	1	1
Non-guaranteed hourly employees (formerly "on call")	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-time employees	186	152	338	14	4	18	33	15	48	23	14	37	19	11	30
Part-time employees	5	42	47	0	0	0	1	5	6	0	0	0	0	2	2

2023

Employees by location, gender and type of contract as of 31/12[10]	BE			PL			RO			CL			TOT
	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT	
Number of employees	12	2	14	40	16	56	15	8	23	28	15	43	662
Permanent employees	12	2	14	39	16	55	15	8	23	27	11	38	637
Fixed-term employees	0	0	0	1	0	1	0	0	0	1	4	5	25
Non-guaranteed hourly employees (formerly "on call")	0	0	0	0	0	0	0	0	0	0	0	0	0
Full-time employees	12	1	13	40	16	56	15	8	23	28	15	43	608
Part-time employees	0	1	1	0	0	0	0	0	0	0	0	0	54

[10] The 2023 data is calculated from the number of heads (headcount).

	2022	2023
Employees as of 31/12 by job title (absolute n°.)		
Executives	-	8
Managers	18	87
Employees	135	555
Workers	6	12
Total	159	662

	2022	2023
Employees as of 31/12 by age group (absolute n°)		
Employees tot.	159	662
<30	32	81
30-50	106	448
>50	21	133

GRI 401-1

	2022		2023	
Hiring as of 31/12 (N°. and %)	n° of hirings	% of the total	n° of hirings	% of the total
GENDER				
Male	37	86.1%	62	82%
Female	6	13.9%	14	18%
Total	43		76	
AGE				
<30	28	65.1%	19	25%
30-50	13	30.2%	46	61%
>50	2	4.7%	11	14%
Total	43		76	

	2022		2023	
Terminations as of 31-12 (n° and %)	n° terminations	% of the total	n° terminations	% of the total
GENDER				
Male	14	77.8%	69	66%
Female	4	22.2%	35	34%
Total	18		104	
AGE				
<30	4	22%	13	13%
30-50	13	72.5%	70	67%
>50	1	5.5%	21	20%
Total	18		104	

HIRING AND TURNOVER RATE	2022	2023	Δ%
Hiring rate	27%	27%	0%
Turnover rate	7%	10.6%	3.6%

EMPLOYEES BELONGING TO PROTECTED CATEGORIES [11]	2022	2023	Δ%
Employees percentage	7%	5.2%	-25.7%
Please note that there are no representatives of this category in the governing bodies			

GRI 405-1

	2022			2023		
Percentage of employees by job title, gender and age group as of 31/12 [12]	M	F	TOT	M	F	TOT
EXECUTIVES	-	-	-	87.5%	12.5%	100%
<30	-	-	-	-	-	-
30-50	-	-	-	25%	-	-
>50	-	-	-	62.5%	12.5%	-
MANAGERS	88.86%	11.2%	100%	65.5%	34.5%	100%
<30	5.66%	-	5.6%	-	-	
30-50	55.5%	5.6%	61.1%	47%	18.4%	
>50	27.7%	5.6%	33.3%	18.4%	16.1%	
EMPLOYEES	77.8%	22.2%	100%	59.1%	40.9%	100%
<30	18.5%	3.7%	22.2%	10.9%	3.2%	
30-50	51.8%	17%	68.8%	39.6%	29.2%	
>50	7.58%	1.5%	9%	8.5%	8.5%	
WORKERS	100%	-	100%	100%	-	100%
<30	83.3%	-	83.3%	16.7%	-	
30-50	-	-	-	58.3%	-	
>50	16.6%	-	16.7%	25%	-	

[11] According to current legislation, disabled persons belong to these categories. The number varies according to the number of employees and according to tables provided by CBA.

[12] Data for 2022 have been calculated on the total number of FTE (Full-Time Equivalent) employees, while data for 2023 are calculated on the basis of the total number of heads (headcount).

GRI 403-9

EMPLOYEE INJURY RATES AS OF 31/12[13]	2022	2023	Δ%
Number of recordable injuries	1	3	+200%
Of which fatal/severe consequences	-	-	-
Of which commuting	1	1	-
Recordable work injury rate[14]	0.78%	0.37%	-52.6%
Days lost due to injury[15]	3	19	+533%
Total hours worked	255,261	1,062,858	+316%

GRI 404-2

TRAINING PROVIDED (% OF TOTAL)		
Scope	2022	2023
Professional development	24%	63.5%
Technical Specialist	73%	28.2%
Cyber security	2%	2.7%
Other	-	0.5%

TRAINING	
Total training hours	16,515.56
PERCENTAGE OF TOTAL HOURS, DIVIDED BY GENDER AND AGE AS OF 31/12	
Male	75%
Female	25%
<30	18%
30-50	68%
>50	14%
Average number of training hours/year per employee	25.1

[13] Data for 2022 were calculated based on the Full-Time Equivalent (FTE) method, while data for 2023 are calculated based on the number of heads (headcount).

[14] The rate is calculated by multiplying the number of recordable accidents by 200,000 divided by the total number of hours worked.

[15] This includes both days lost as a result of an accident and days lost as a result of unforeseen accidents leading to work interruptions.

>> ECONOMIC DIMENSION - ADDITIONAL DATA AND INFORMATION

ECONOMIC AND FINANCIAL PERFORMANCE	2022 (K€)	2023 (K€)
Net sales	55,401	114,360
Net revenue	50,411	110,275
EBITDA	13,146	22,944
Inventories	15,721	29,324
Number of suppliers*	1.5	5

**Numeric value*

GRI 201-1 (a)

ADDED VALUE[16]	2022 (K€)	2023 (K€)
Directly generated economic value: Sales revenues	53,974	116,473
Distributed economic value divided by: Operating costs	29,376	59,364
Employee compensation	11,116	33,139
Payments to capital providers	200	3,185
Income taxes (Italy and abroad)	402	-732
Donations and liberalities	41	45
Economic value retained	12,839	21,470

[16] In the context of sustainability reporting, added value expresses the company's ability to generate value (indicator of economic performance) and, at the same time, satisfy the economic interests of ke stakeholders (indicator of distributed wealth).

>> ENVIRONMENTAL DIMENSION - ADDITIONAL DATA AND INFORMATION

GRI 302-1 (a)

COMPANY	COUNTRY	HEADQUARTER	UNIT	NATURAL GAS HEATING 2022	NATURAL GAS HEATING 2023
Targa Telematics	Italy	Treviso	Sm^3	8,201	10,267
Targa Telematics	Italy	Turin	Sm^3	2,556	2,660
Viasat Group	Italy	Venaria Reale	Sm^3		11,733
Viasat Group	Italy	Noventa Padovana	Sm^3		952
Viasat Group	Italy	Rome	Sm^3		4,687
Viasat Group	Italy	Busto Arsizio	Sm^3		557
Viasat Group	Belgium	Bruxelles	Sm^3		3,942
Viasat Group	Poland	Warsaw	Sm^3		17,154
Viasat Group	Romania	Bucharest	Sm^3		4,102
Total			Sm^3	11,057	55,054
Total			MJ	429,454	2,176,361

GRI 302-1 (a-b)

ITEM	UNIT	2022	2023
Diesel	l	70,630	43,376
Gasoline	l	12,040	33,048
GPL	l	0	1,689
Electricity	kWh	3,317	3,628

GRI 302-1 (c)

ITEM	UNIT	2022	2023
Total power consumption (group)	kWh	205,169	1,009,186

GRI 302

ITEM	UNIT	2022	2023
Total power consumption (group)	MJ	738,608	3,633,070
Total heat consumption, natural gas (group)	MJ	429,454	2,176,361
TOTAL	MJ	1,170,342	5,809,431

GRI 305

ITEM	UNIT	2022	2023
Total water consumption (group)	million liters	0.926	4.159

GRI 306

TOTAL WASTE	UNIT	2022	2023
To recycling	kg	373	30.13%
To energy recovery	kg	202	12.47%
To incineration	kg	789	25.55%
To landfill	kg	1,641	31.85%
TOTAL	kg	3,005	20,760

>> GRI INDEX

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
GENERAL INFORMATION				
GRI 2	**2-1 Organizational Details**			
	2-1 a Company Name			Targa Telematics Spa
	2-1 b Ownership and Legal Form			Targa Telematics Spa
	2-1 c Headquarters			Via Enrico Reginato 87, 31100 Treviso (TV), Italy
	2-1 d Countries of Operation			Chapter “Targa Telematics”
	2-2 Entities Included in the Organization’s Sustainability Reporting			pp.28-29
	2-3 Reporting Period, Frequency, and Contact Point			
	2-3 a Reporting Period and Frequency			January 1 - December 31 2023; Annual Report
	2-3 c Publication Date of this Document			September 2024
	2-3 d Contact Email			esg@targatelematics.com
	2-6 Activities, Value Chain, and Other Business Relationships			
	2-6 (a) The Sectors We Operate In			Targa Telematics Spa
	2-6 (b) Our Value Chain (Activities, Products, Services, Markets, Suppliers, Customers)			Targa Telematics Spa
	2-7 a Employees			Appendix
	2-9 Structure and Composition of Governance			Governance and supervision
GRI 2	**2-12 Role of the Highest Governance Body in Managing Impacts**			
	2-12 a Role of the Highest Governance Body and Executives in Developing, Approving, and Updating Purpose and Sustainable Development Strategies			Our plan for the future
	2-14 Role of the Highest Governance Body in Sustainability Reporting			
	2-14 a Responsibility of the Highest Governance Body in Reviewing and Approving Sustainability Reports			Methodology note - Materiality Analysis
	2-16 Communication of Issues (that Affect or Might Affect Stakeholders and Business Conduct)			
	2-16 a How the Highest Governance Body is Informed			Code of Ethics
	2-22 Statement on Sustainable Development Strategy			Letter to stakeholders
	2-23 Company Policies			Governance and supervision
	2-24 Application of Principles Embedded in Company Policies			Governance and supervision
	2-26 Methods for Seeking Clarifications or Raising Concerns Regarding Business Conduct			Governance and supervision

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
GENERAL INFORMATION				
GRI 2	**2-27 Compliance with Laws and Regulations**			
	2-27 a Significant Cases of Non-Compliance and Related Sanctions			In the reporting period examined, no cases of noncompliance were found and no penalties were paid
	2-29 Stakeholder Engagement Approach			Materiality Analysis - Stakeholder Engagement.
	2-30 Collective Agreements			
	2-30 a % of Total Employees Covered by Collective Agreements			p.50
	2-30 b Determining Working Conditions for the Remaining Portion (Not Covered by Collective Agreements)			p.58
GRI 3: Material topics 2021	**3-1 Process for Determining Material Topics**			Materiality Analysis
	3-2 List of Material Topics			Materiality Analysis
GRI 3: Material topics	3-3 1 - Data Security		9	pp. 75-77; SASB index
	3-3 2 - Data Privacy		9	pp. 75-77; SASB index
	3-3 3 - Innovation of Products and Services		9	Innovation and Continuous Improvement; SASB index
	3-3 4 - Business ethics and responsibility	1-10	5,8,9,10,12,13	pp. 46-48; SASB index

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
MATERIAL TOPICS				
GRI 205: Anti-corruption 2016	**205 - 1 Assessment of Operations for Identifying Corruption Risks**			All locations are involved; the risks are those outlined in the Code of Ethics
	205 - 2 Communication and Training on Anti-Corruption Regulations and Procedures			Currently, only communication activities are planned, not training activities. The communication activities involve only the members of the governance bodies and employees without any exceptions based on location or position.
	205 - 3 Confirmed Incidents of Corruption and Remedial Actions Taken.			No cases have been recorded to date
GRI 206: Anticompetitive Behavior 2016	206-1 Legal Actions Related to Anticompetitive Behavior, Trust Activities, and Monopolistic Practices			No cases have been recorded to date
GRI 3: Material topics 2021	**3-3 5 - Customer Satisfaction**	8		Innovation and Continuous Improvement
	3-3 6 - Attraction and 8 - Human Resources Development	1-7	10	Valuing People; SASB Index
GRI 401: Employment 2016	401-1 New Employee Hires and Employee Turnover			pp. 54 - 55; 62 - 63;
	401-2 Benefits for Full-time Employees not Available to Temporary or Part-time Employees			pp. 58 - 59

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
MATERIAL TOPICS				
GRI 403 Health and safety at work 2018	**403-1 Occupational Health and Safety Management System**			p.58-59
	403-2 Hazard Identification, Risk Assessment, and Incident Investigations			
	403-2 a Processes Used to Identify Hazards and Risks			p.58-59
	403-2 b Assessments and Corrective Actions			p.58-59
	403-3 Occupational Health Services			p.58-59
	403-5 Worker training on health and safety at work			p.58-59
	403-6 Promotion of Worker Health			p.58-59
	403-9 Workplace Accidents			p.58
	403-10 Occupational Illnesses			p.58-59
GRI 404: Training and education 2016	**404-2 Employee Skill Development Programs**			
	404-2 a Types and Scope of Programs			p. 60-61
GRI 405: Diversity and equal opportunity 2016	**405-1 Diversity in Governance Bodies and Among Employees**			p.29-50-51
GRI 3: Material topics 2021	3-3 7 - Road and Driver Safety			p.65-67
	3-3 9 - Air Quality and 10 - GHG Emissions			84
GRI 305: Emissions 2016	**305-1 Emissions Scope 1**			84
	305-1 (a) Gross Value of Direct GHG Emissions (Scope 1) in Metric Tons of CO_2 Equivalent.			84
	305-1 (b) Included Greenhouse Gases in the Calculation.			81
	305-1 (d) Base Year for the Calculation			81
	305-1 (e) Source of Emission Factors and Percentages of Global Warming Potential (GWP) Used or Reference to GWP Source			81
	305-1 (g) Standards, Methodologies, Assumptions, and/or Calculation Tools Utilized			81
	305-2 Emissions Scope 2			84
	305-2 (a) Gross Value of Indirect GHG Emissions from Energy Consumption (Scope 2) Based on Geographic Location in Metric Tons of CO_2 Equivalent			89
	305-2 (b) Gross Value of Indirect GHG Emissions from Energy Consumption (Scope 2) Based on Geographic Location in Metric Tons of CO_2 Equivalent.			84
	305-2 (c)Included Greenhouse Gases in the Calculation.			81
	305-2 (d) Base Year for the Calculation			81
	305-2 (e) Source of Emission Factors and Percentages of Global Warming Potential (GWP) Used or Reference to GWP Source			81
	305-2 (g) Standards, Methodologies, Assumptions, and/or Calculation Tools Utilized			81

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
MATERIAL TOPICS				
GRI 305: Emissions 2016	**305-3 Emissions Scope 3**			84
	305-3 (a) Gross Value of Other Indirect GHG Emissions (Scope 3) in Metric Tons of CO_2 Equivalent			84
	305-3 (b) Included Greenhouse Gases in the Calculation			81
	305-3 (d) Other Indirect GHG Emission Activities and Categories (Scope 3) Included in the Calculations			88
	305-3 (f) Source of Emission Factors and Percentages of Global Warming Potential (GWP) Used or Reference to GWP Source			81
	305-3 (g) Standards, Methodologies, Assumptions, and/or Calculation Tools Utilized			81
OTHER INDICATORS USED				
GRI 201: Economic Performance 2016	**201-1 Direct Economic Value Generated and Distributed**			
	201-1 (a) The Direct Economic Value Generated and Distributed (DEV&D) according to the principle of economic competence	10	8	Appendix
GRI 302: Energy 2016	**302-1 Internal Energy Consumption within the Organization.**	7,8,9	7,9,12,13	
	302-1 (a) Total Consumption of Non-Renewable Fuel, including types of fuels used			Appendix
	302-1 (b) Total Consumption of Renewable Fuel, including types of fuels used			Appendix
	302-1 (c) Total Consumption of Electricity, Heating, and Cooling Energy			Appendix

STANDARD GRI	DISCLOSURE	UNGC	SDGS	REFERENCES/NOTES
OTHER INDICATORS USED				
GRI 303: Water and effluents 2018	**303-5 Water Consumption**	7,8,9	9,12	Appendix
	303-5 (a) Total Water Consumption in Megaliters	7,8,9	9,12	Appendix
GRI 306: Waste 2020	**306-1 Waste Generation and Significant Waste-Related Impacts**			Appendix
	306-3 Generated Waste			Appendix
	306-3 (a) Total Tonnes of Generated Waste, with a Breakdown by Composition			Appendix
	306-3 (b) Contextual Information			Appendix
	306-4 Non-Landfilled Waste			Appendix
	306-4 (a) Total Weight of Non-Landfilled Waste, and Breakdown by Composition			Appendix
	306-4 (b) Total Weight of Hazardous Non-Landfilled Waste, and Breakdown by Recovery Type			Appendix
	306-4 (c) Total Weight of Non-Hazardous Non-Landfilled Waste, and Breakdown by Recovery Type			Appendix
	306-5 Landfilled Waste			Appendix
	306-5 (a) Total Tonnes of Landfilled Waste, and Breakdown by Composition			Appendix
	306-5 (b)Total Tonnes of Hazardous Landfilled Waste, and Breakdown by Disposal Operations			Appendix
	306-5 (c) Total Tonnes of Non-Hazardous Landfilled Waste, and Breakdown by Disposal Operations			Appendix

INDEX SASB

SASB is a U.S. nonprofit organization (as of August 2022, controlled by the IFRS Foundation's International Sustainability Standards Board—ISSB) that sets financial reporting standards. SASB standards enable organizations to provide industry information on sustainability-related risks and opportunities that could reasonably be expected to affect their ability to generate value in the short, medium, or long term.

In this report, a number of indicators from the SASB Software and IT Services standard (ed. 2018) were considered applicable and relevant to Targa Telematics' business.

	CODE	METRIC	U.M.	2022	2023	NOTE
Activity metrics	TC-SI-000.A	number of licenses or contracts	Milions	2.5	3.5	Connected Assets
		percentage in cloud	%	100	100	
	TC-SI-000.B	data processing capacity	Billions	28.7	45	N° of messages processed per year
	TC-SI-000.C	data storage capacity	Petabyte	1	1.2	
		percentage outsourced	%	100	100	

	CODE	METRIC	U.M.	2022	2023	NOTE
Data privacy	TC-SI-220a.1	Description of policies and practices related to user privacy			pp. 76-77	
	TC-SI-220a.3	Total amount of economic losses as a result of Legal proceedings associated with user privacy	€	0	0	
	TC-SI-220a.4	(1) number of requests from law enforcement agencies with respect to user data (2) number of users for whom information was requested	#	1,241 1,241	3,167 3,167	for more information >> *Cybersecurity and data privacy (our website)*

	CODE	METRIC	U.M.	2022	2023	NOTE
Data security		Number of breaches	#	0	0	0
	TC-SI-230a.1	percentage of breaches involving personally identifiable information	%	0	0	
		numero di utenti interessati	#	0	0	
	TC-SI-230 a.2	Description of the approach to identifying and addressing data security risks, including the use of standard third-party cybersecurity				pp. 75, 76

	CODE	METRIC	U.M.	2022	2023	NOTE
Selection, management and enhancement of qualified human resources	TC-SI-330a.2	Human resources involvement	%	79	76	
Protection of Intellectual Property and Competitive Behavior	TC-SI-330a.2	Total amount of economic losses as a result of Legal proceedings associated with anticompetitive behavior	€	0	0	
Risk management related to service interruptions	TC-SI-550a.1	problemi tecnici rilevati	#	12	46	
		Service interruptions detected	#	12	13	

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