



EMPOWER YOUR VISION

CONSOLIDATED NON-FINANCIAL STATEMENT

pursuant to Italian Legislative Decree no. 254/2016

2021

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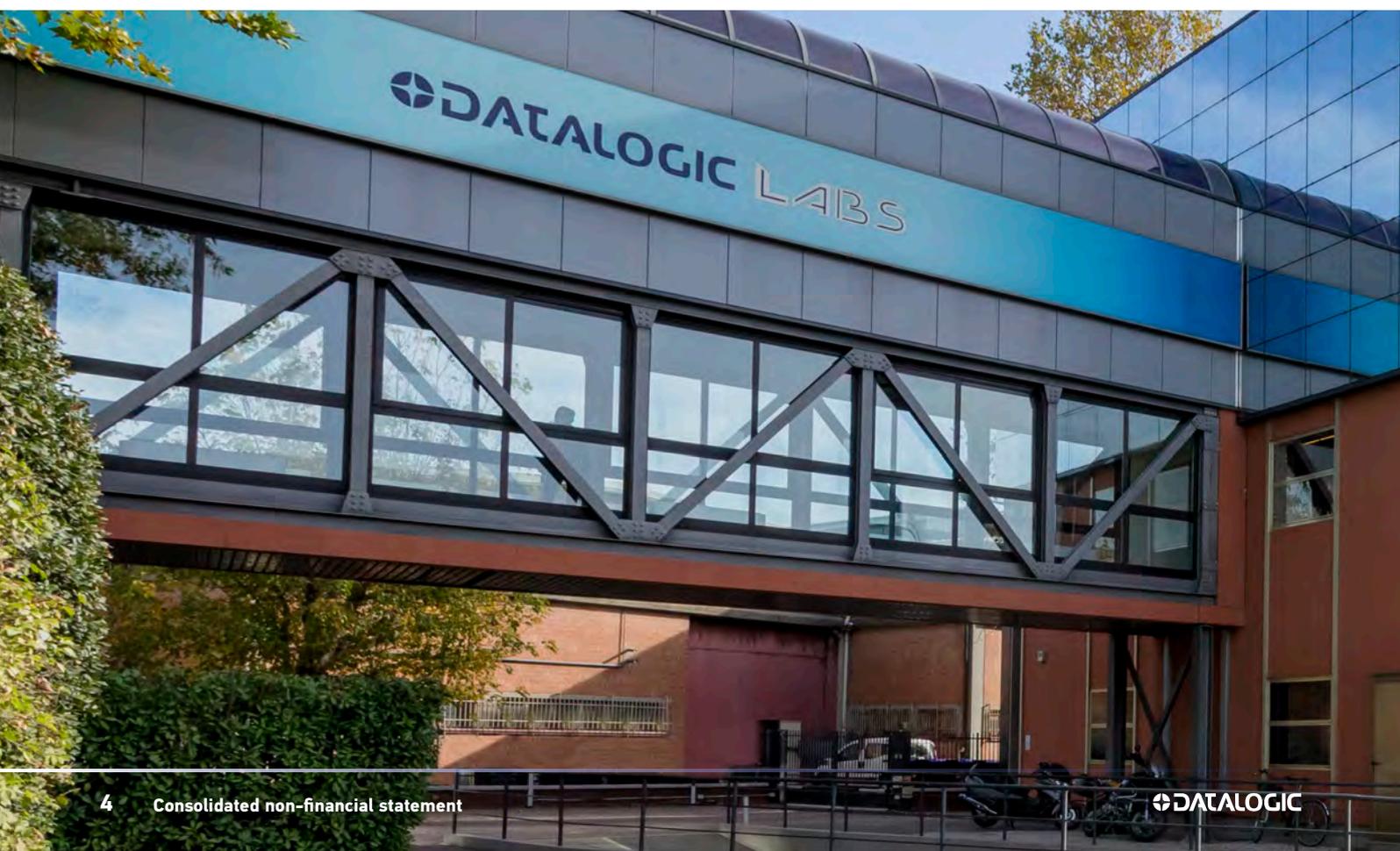
LETTER TO STAKEHOLDERS

Datalogic's Non-Financial Statement, now in its fifth edition, outlines our sustainability and resilience performance in an increasingly challenging post-pandemic scenario. Throughout 2021, our commitment to environmental, social and governance issues has firmly remained among our Group's priorities.

Reacting with strength and determination to the worsening global pandemic situation, Datalogic has renewed its commitment to protect the health and safety of all its employees and to support local communities in need. Our intervention was particularly relevant in the Asian area, especially at the Vietnamese site. Through a coordinated plan of targeted activities, the result of 0 contagions was achieved during the peak period of the epidemic in the country, guaranteeing health and safety in the workplace and the operational continuity of our activities.

The year 2021 marked the beginning of a period of extraordinary dynamism in the global world of work. In this context, Datalogic's focus on the enhancement of human resources, along with the development of long-term relationships with its employees, has taken on even greater importance. This business philosophy was also applied during 2021, further increasing employee retention.

In addition to the attention paid to personnel, the theme of innovation has always been one of the main drivers for the development of our business. Today, in order to respond to the demands of a market that is increasingly attentive to environmental issues, Datalogic's innovative spirit has directed its resources towards the integration of sustainability principles in the development of new products and services. Moreover, thanks to its internal environmental management systems, Datalogic has long since implemented a rigorous process



of identification, prioritisation and management of the main environmental impacts related to its activities.

As part of the Group's ongoing commitment to Corporate Social Responsibility issues, another important milestone reached in 2021 was the signing of the first "Sustainability Linked" loan. It incorporates, for the first time in Datalogic's history, multi-year "ESG" metrics and commitments tied to strategic targets in the areas of energy transition and social responsibility.

The various stages of developing the reporting areas of the Non-Financial Statement were accompanied by a structured process of Stakeholder engagement. Its purpose is the sharing of "material" themes and related indicators and the choral analysis of Datalogic's contribution to the pursuit of the Sustainable Development Goals of the United Nations 2030 Agenda.

In accordance with the value of transparency declared to the Stakeholder ecosystem, this process guaranteed the utmost inclusion of the various entities falling within Datalogic's sphere of influence.

Happy reading!



Valentina Volta
Group CEO





**THE GROUP, ITS HISTORY
AND OUR VISION**

THE GROUP, ITS HISTORY AND OUR VISION

Datalogic is a worldwide high-tech company focussed on innovation. Our huge investments in Research and Development, equal to 9.2% of the turnover, combined with a constant policy of territorial expansion and acquisitions, are the key elements that allow us to accompany our customers into the future.

In its 49 years of history, Datalogic boasts extraordinary results: a portfolio of 1,200 patents and patent applications in various jurisdictions, 8 Research and Development centers and 3 Datalogic Labs, 9 production and repair plants, over 450 engineers dedicated to the creation of new products and solutions.

Following our customer-centric strategy, we continue to support our customers as real partners in the new challenges imposed by a constantly evolving market. The Datalogic Group operates in the following four sectors: *Retail, Manufacturing, Transportation & Logistics, and Healthcare*. Anticipating customer expectations is a driver of fundamental importance, which translates into the search for continuous improvement of the customer experience.

With nearly 3,000 employees spanning the 5 continents, we firmly believe that people are our most important competitive asset. For this reason, the Datalogic Group is constantly searching worldwide for the best graduates from technical faculties, offering them many extremely favourable professional growth opportunities.




Vision

A world which Datalogic has identified, detected, inspected, marked and verified.




Mission

We aim to provide our customers in Retail, Manufacturing, Transportation & Logistics and Healthcare industries with the best quality and efficiency in automated data acquisition and process automation. This is possible thanks to advanced technology, innovative products, cutting-edge solutions and talented people.



2021 FINANCIAL HIGHLIGHT

	31.12.2021	% ON REVENUES	31.12.2020	% ON REVENUES	CHANGE	VAR. %	VAR. % AT CONSTANT EXCHANGE RATES
Revenues	600521	100.0%	479828	100.0%	120693	25.2%	26.4%
Gross operating margin (EBITDA) Adjusted	85692	14.3%	58324	12.2%	27368	46.9%	41.5%
Operating income (EBIT)	47014	7.8%	18407	3.8%	28607	155.4%	134.4%
Profit/(Loss) for the period	39540	6.6%	13882	2.9%	25658	184.8%	156.9%
Net Financial Position (NFP)	(26,060)		8218		(34,278)		

As of 31 December 2021, the Group's Revenues amounted to € 600.5 million, with an increase of € 120.7 million or 25.2% (26.4% at constant exchange rates) compared to € 479.8 million recorded in the previous year. Organic growth (net of the exchange rate effect and the acquisition of the MD Group) was 20.7%.

The Group closes the 2021 financial year by achieving an Adjusted EBITDA margin of 14.3% recording an increase in operating margin of 2.1 percentage points compared to the previous year (12.2% as of 31 December 2020) amounting to € 85.7 million (€ 58.3 million as of 31 December 2020), despite inflationary pressures and critical issues that are impacting the supply chain.

The Net Profit achieved during the year amounted to € 39.5 million (6.6% of revenues), up by € 25.7 million compared to € 13.9 million in 2020 (2.9% of revenues), highlighting the consolidation of the Group's economic recovery after the pandemic crisis.

On the financial front, the generation of operating cash enables the company to close 2021 with a Net Financial Debt of € 26.1 million after the acquisition of the MD Group, which generated a net financial outlay of € 35.0 million. Excluding the effects of the acquisition, the Net Financial Position would have been positive and equal to € 8.9 million.

In August 2021, Datalogic S.p.A. signed the first "Sustainability Linked" financing with a 7-year "roller coaster" formula. As part of the Group's renewed commitment to Corporate Social Responsibility issues, the loan agreement incorporates, for the first time in Datalogic's history, multi-year parameters and commitments in the "ESG" area, linked to strategic targets in the field of energy transition and social responsibility (for further details see the section "Beyond Governance: Management systems").

FROM ITALY TO THE WORLD: THE DATALOGIC HISTORY

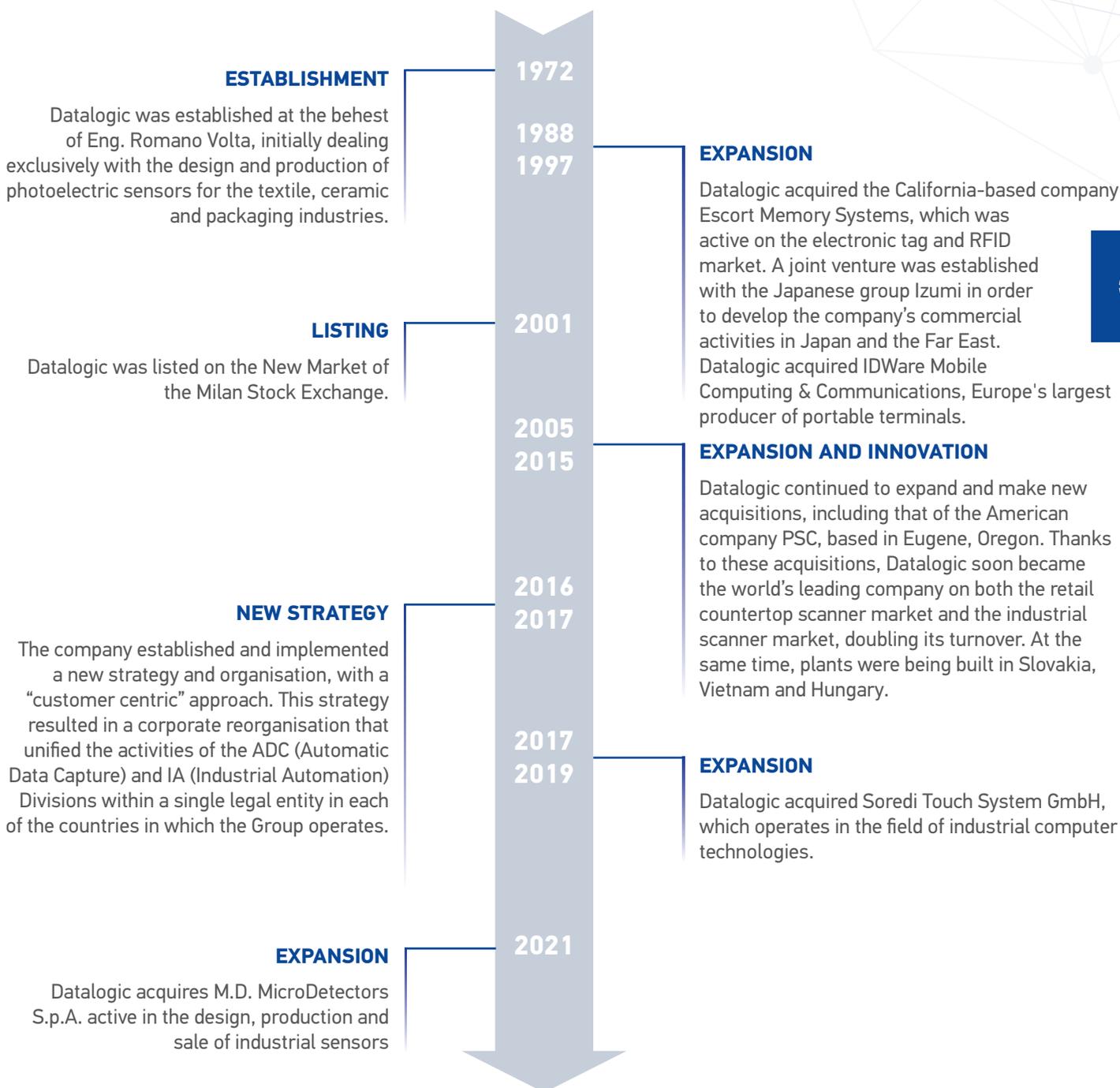
Today, the Datalogic Group is a global technology leader in the automatic data capture and factory automation markets, specialising in the design and manufacture of barcode readers, mobile computers, sensing, measurement and security sensors, machine vision and laser marking systems. But what is the journey that brought us here?

In the early 1970s, humanity witnessed the birth of several revolutionary inventions, from the floppy disk to the cell phone. In this climate of technological effervescence, a young engineer is at work in the parish of a rectory in Quarto Inferiore, on the outskirts of Bologna. His name is Romano Volta, a pioneering spirit who dreams of inventing something that will truly make a difference in the world. With this intention, he founded a new company, Datalogic, in 1972. The very first products are electronic devices, but quickly the activities focus on the design and production of photoelectric sensors for the textile, ceramics and packaging industries. Demand increases exponentially and it becomes necessary to create a larger structure: it is built in Lippo di Calderara and soon becomes Datalogic's headquarters.

On 26 June 1974, at a Marsh supermarket in Troy, Ohio, a clerk scans the first Universal Product Code on a pack of chewing gum with a Model A barcode reader (developed by Spectra Physics - now part of Datalogic). At that moment, Romano Volta realised the great potential of the barcode and decided to steer the company in that direction.

The rest of the story proceeds in leaps and bounds into the future. By constantly opening up new markets, following a policy of acquisitions and geographical expansion, creating cutting-edge products and solutions in the Manufacturing, Retail, Transportation & Logistics and Healthcare sectors, the Datalogic Group is expanding globally to develop an extensive and diversified product offering. It thus becomes the only true barcode company in the world.

Datalogic turns 50 in 2022, but the desire to innovate shows no signs of waning. On the contrary, it has become more intense. The desire to create devices that are increasingly responsive to the current and future needs of customers continues to drive us to explore new territories.



Products



FIXED RETAIL SCANNERS

The most complete countertop scanners available on the market, able to reduce the waiting time when checking out inside a store:

Bioptic scanner with horizontal and vertical reading window
 ~ Patented All-Weights™ scale plate ~ Integrated EAS functionality ~ Digimarc™ decoding software ~ Sapphire glass window.



MOBILE COMPUTER

State-of-the-art products in terms of robustness, ergonomics, processing technology and data acquisition:

Pocket-sized, handheld devices with full alphanumeric keyboard
 ~ Industrial PDAs ~ Gun grip terminals ~ Vehicle mounted computers ~ Middleware solutions for self-shopping.



RFID SYSTEMS

A wide range of UHF RFID devices available in different formats:

Scanning through handheld devices ~ Industrial fixed scanners ~ Inbound/outbound material management ~ Inventory in warehouses ~ Tracking and tracing of drugs, blood bags and samples in healthcare environments ~ Semi-passive UHF Tag logger for sensitive products.



VISION SYSTEMS

Our range of products also includes both hardware and software solutions:

Powerful smart cameras with industrial protection degree ~ Latest generation vision processors ~ Software Suite for more flexible management of vision systems ~ Outstanding ability to process images

FIXED RETAIL SCANNERS

MOBILE COMPUTER

RFID SYSTEMS

VISION SYSTEMS

OEM BARCODE R

We put customer center by the best



SENSORS AND SAFETY

The widest range of photoelectric sensors and safety devices for any type of application.

Luminescence, colour and contrast sensors ~ Slot sensors for label detection ~ Size and distance measurement ~ Type 2 and Type 4 safety light curtains ~ Safety laser scanners for static and dynamic applications.



SENSORS

SAFETY

HANDHELD SCANNERS

Automatic data collection devices with excellent performance and extreme reliability:

Corded or cordless - Laser technology - Linear or Area imaging technology - With strong standard or antimicrobial plastic - Green Spot technology for scanning confirmation.



HANDHELD SCANNERS

FIXED INDUSTRIAL SCANNERS

FIXED INDUSTRIAL SCANNERS

Designed for applications that do not require constant and continuous monitoring by an operator:

Barcode reading for tracking items ~ Omnidirectional stations for sorting and tracking operations ~ Image processing for inspection and quality control ~ OCR for recognition and OCV for verification ~ Easy integration into any industrial environment.



LASER MARKING SYSTEMS

LASER MARKING SYSTEMS

Ideal for automotive, electronics, marking of medical devices and in high precision metal machining:

Ultra-compact laser fiber solutions ~ Solid state and CO2 technology ~ Integration in both production lines and stand alone systems ~ Clear and permanent logos ~ 1D and 2D codes, serial numbers & dates on most materials.



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READERS

OEM BARCODE READERS

Ultra-compact 2D imager Scan Engines, featuring a high-speed sensor which enables image capture at a full 60 frames per second.

Applications

Our company is very high-tech and specialises in the design and production of barcode readers, mobile computers, RFID, detection, measurement and safety sensors, as well as laser vision and marking systems. Our cutting edge products are always used by the main retailers, most important airports, postal and shipping couriers, as well as major manufacturing and hospital industries.

Datalogic is organised by customer type with special sales and service teams for the Retail, Manufacturing, Transportation & Logistics and Healthcare sectors.

Retail

Datalogic is one of the leading providers of cutting-edge technology for the retail sector worldwide. Datalogic products maximise the retailer's productivity and efficiency, while at the same time improving the customer's experience, from distribution centre to warehouse, and all the way to the point of sale. Operations like receipt, storage, inventory, assisted sale, check-out and stock replenishment are carried out effectively and efficiently thanks to devices designed to be durable and reliable.

Manufacturing

Companies operating in the Automotive, Food & Beverage, Electronics and Warehouse Logistics can greatly benefit from the ease of use and reliability offered by Datalogic's identification devices, vision and marking systems, and sensors. Datalogic offers technologies designed to detect the presence of objects, to protect workers with safety light curtains, to ensure product quality through vision sensors, and to code items through laser marking. Process and product traceability is ensured thanks to fixed industrial scanners, manual barcode scanners, and mobile computers, which are capable of tracking items throughout the entire production chain, up until the time of distribution.





Transportation & Logistics

The world of logistics is a complex ecosystem of solutions, where added value is given by the precision and reliability of the service, be it shipping a suitcase, a parcel or a pallet. Shipment tracking and proof of delivery are some of the services that could not be offered without the use of Datalogic products. We are the only supplier in the world able to cover the entire logistics supply chain, from receipt to delivery. However, Datalogic solutions go beyond barcode reading. In fact, our customers are also able to measure items, identify a shape, a defect or a logo, as well as have access to an easy interface with the main operating systems. All these essential services create value throughout the logistics chain.

Healthcare

Datalogic solutions are used by hospitals, analysis laboratories, pharmacies, and in pharmaceutical production. Among the many applications in hospital, the main one is the bedside patient monitoring system. Some specific health care products are characterised by an antimicrobial plastic outer shell that prevents bacterial growth. They can be sterilised with aggressive agents.

The good scanning optical signalling - through a "green spot" (with or without acoustic signal) - is a very appreciated feature in a hospital environment. These solutions are offered by Datalogic directly or through Partners and Distributors.



Service Program

Datalogic offers a wide range of Service solutions; whatever service the customer needs, Datalogic can satisfy it thanks to appropriate customizations.



Customized solutions and installations:
EASEOFBUILD program



Continued training:
EASEOFTRAIN program



Preventative Maintenance:
EASEOFPM program

Datalogic operates a global business, spread across five continents:



- 9 Production sites and repair centers
- 8 R&D Centers and 3 DL Labs
- Offices in 27 countries

For more information, visit: <https://www.datalogic.com/ita/azienda/partner-pa-2732.html>



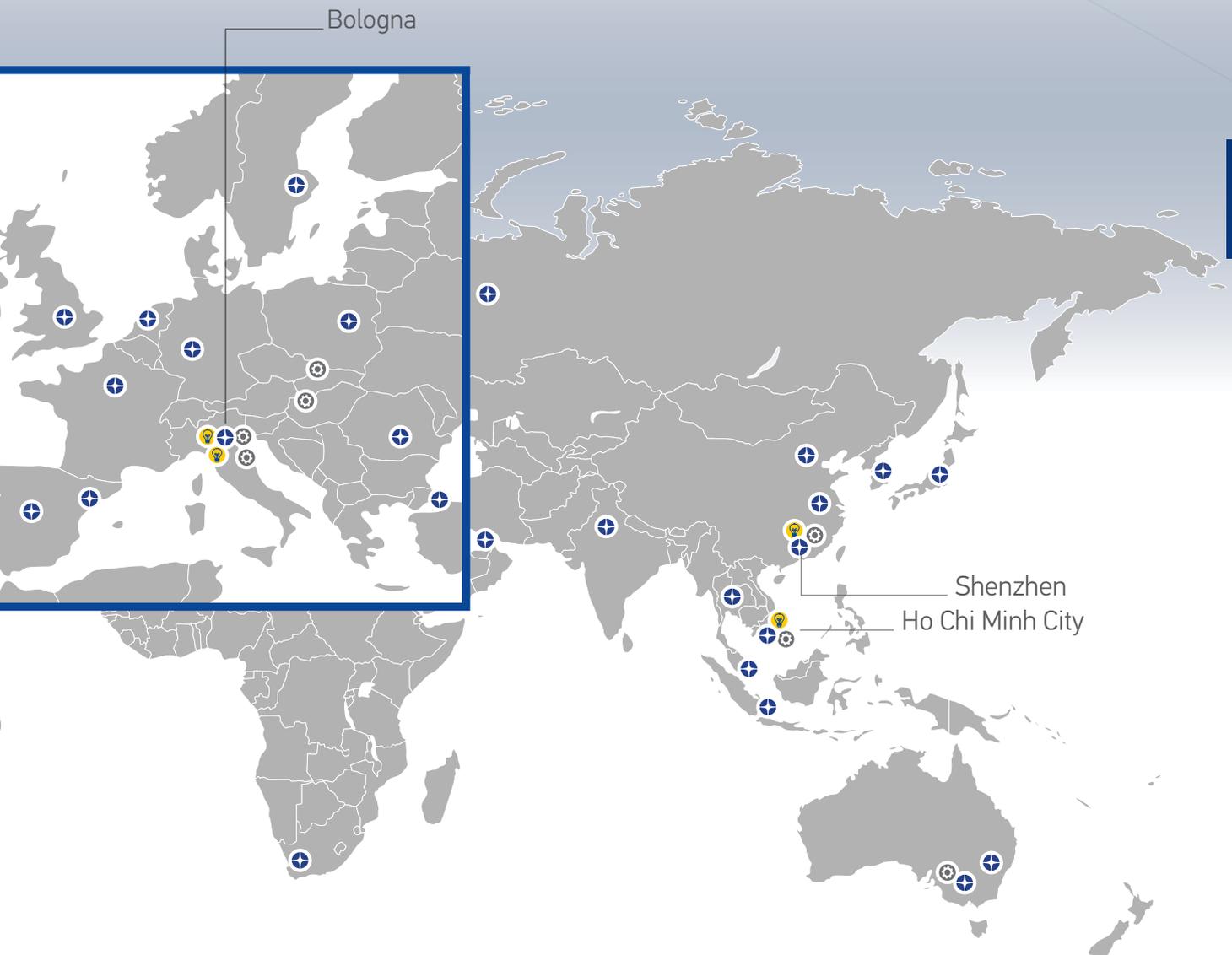
Technical support:
EASEOFSUPPORT



program
Extended service:



EASEOFCARE program
Customized application
management: **EASEOFDEV**
program





- Fair Working, Competitive and Tax Practices
- Economic and Finance Value Creation & Growth Strategy
- Anti Corruption
- Controversial Sourcing (conflict minerals, ...)

Incentivise lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all.

8

**DECENT WORK AND
ECONOMIC GROWTH**

A ROBUST STRUCTURE FOR RESPONSIBLE MANAGEMENT

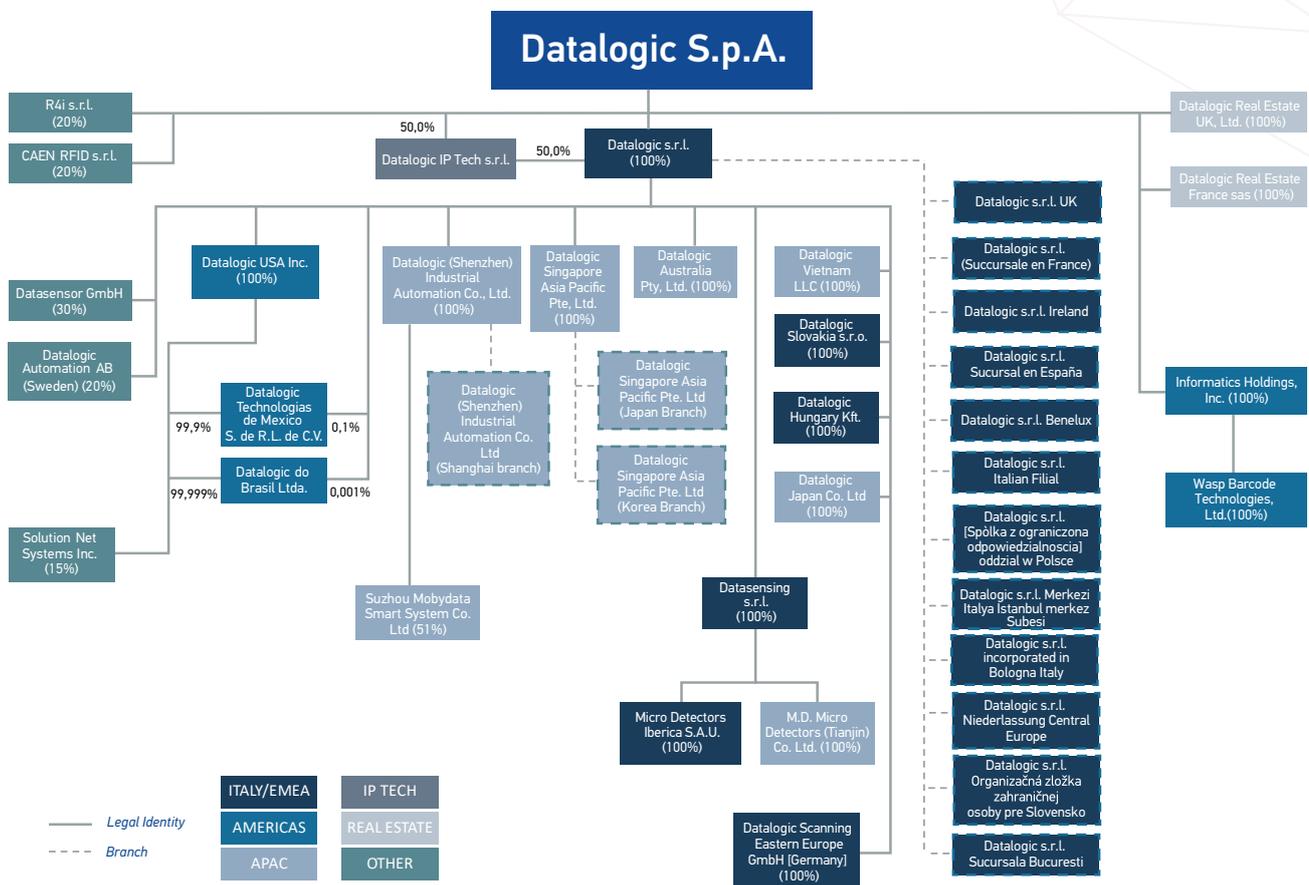
Datalogic is a worldwide leader in the sectors of automatic data acquisition and industrial automation. Also in 2021, it is confirmed among the main manufacturers of bar code readers, mobile computers, recording, measurement and safety sensors, and laser vision and marking systems.

It offers innovative solutions for a wide range of applications in retail, transportation and logistics, manufacturing and healthcare. With products used in over one third of supermarkets, points of sale, airports, and postal and shipping service centres around the world, Datalogic is a unique company offering solutions designed to simplify and improve everyday life.

Datalogic S.p.A. has been listed on the Euronext STAR Milan segment of the Italian Stock Exchange since 2001.

As a listed company, Datalogic takes great care to ensure that its corporate governance system is adequate and effective. The development of the decision-making and control structures is periodically reviewed in accordance with national and international best practices in corporate governance.

Group Structure¹



Datalogic S.p.A., with headquarters in Lippo di Calderara (Bologna), is the Parent Company, and is responsible for defining the vision, strategy, values and policies for the whole Group.

Also with the goal of helping to address future sustainability and innovation challenges at the industry level, Datalogic is a member of leading industry organisations. Among these Anie (The National Federation of

NOTES:

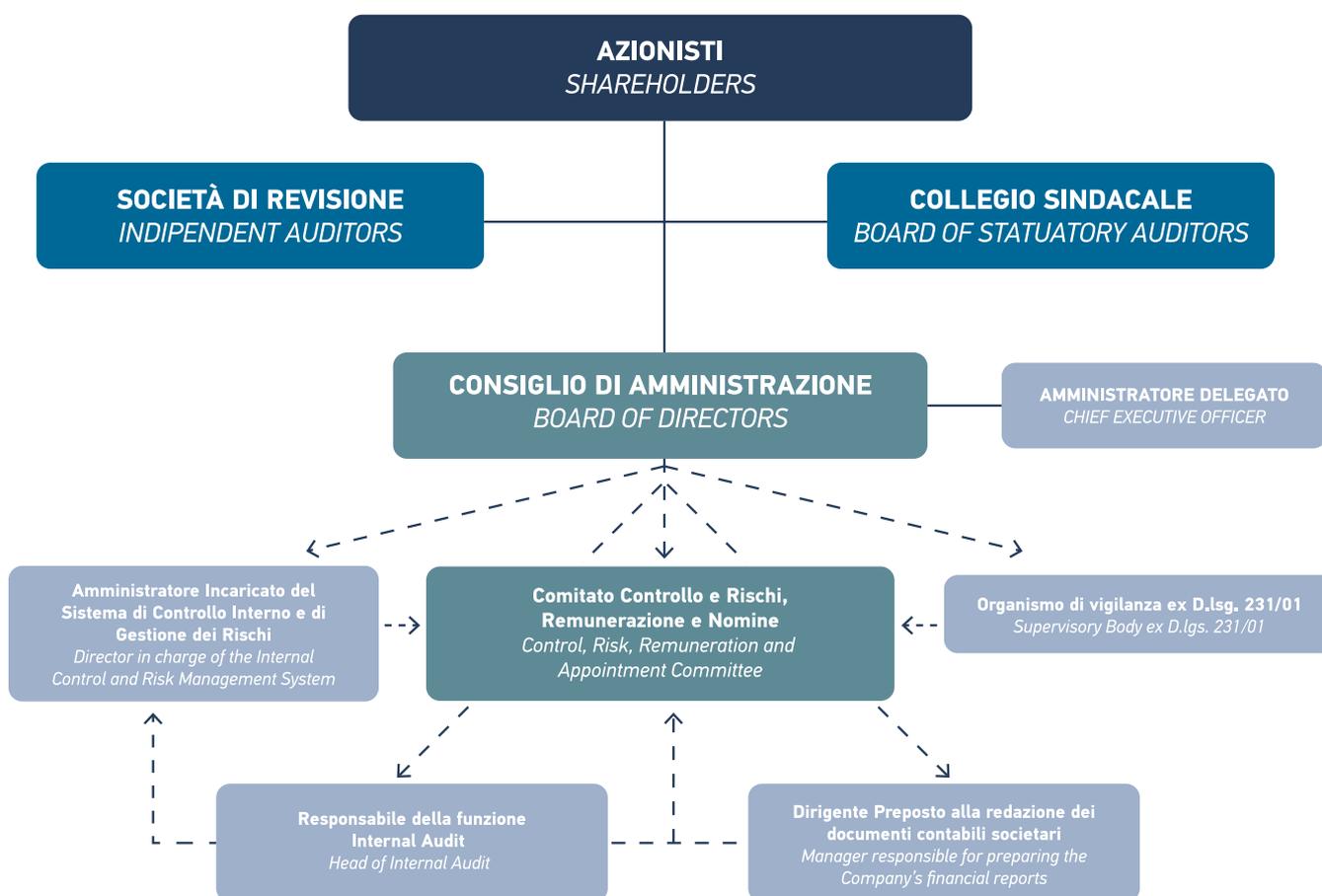
¹ For detailed information about the companies included within the scope of reporting for this NFS, please refer to the Methodological Note. On 1 March 2021, the acquisition was finalized through the subsidiary Datalogic S.r.l. of the entire share capital of M.D. Micro Detectors S.p.A. by Finmasi Group. M.D. Micro Detectors S.p.A. (now Datasensing S.r.l.): is a company based in Italy, active in the design, production and sale of industrial sensors.

Electrotechnical and Electronic Companies), CEI (Italian electronic committee), UCIMA (Association of Italian Makers of Automatic Packaging Machines), CNA (National Confederation of Artisans and Craftsmen and Small and Medium Enterprises), IEEE (Institute of Electrical and Electronics Engineers) and SPIE (International Society for Optics and Photonics).

Corporate Governance, effectiveness in the foreground

Datalogic has adopted a corporate governance model inspired by the principles of fairness and transparency in management and information; principles that are also realised through a continuous process of verifying their effective implementation and effectiveness.

The corporate governance structure adopted by Datalogic S.p.A. is illustrated in the following chart:



The listing on the Euronext STAR Milan segment of the Italian Stock Exchange, representative of listed Italian excellence, reflects the values of the Datalogic Group and is expressed in compliance with stringent requirements in terms of corporate governance (e.g. the presence of independent directors and committees within the Board of Directors, as well as the mandatory adoption of the organisation, management and control model envisaged under articles 6 and 7 of Italian Legislative Decree no. 231/2001), as well as in terms of the transparency and timeliness of its market disclosures.

With a resolution passed by the Board of Directors on 12 November 2020, Datalogic adhered to the Corporate Governance Code approved by the Corporate Governance Committee in January of 2020, which has been posted on the Borsa Italiana website, in the section dedicated to the Corporate Governance Committee: www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm.

As of 31 December 2021, the Datalogic S.p.A. Board of Directors consisted of 7 members, 4 of whom are independent:

- **Romano Volta**, Executive Chairman
- **Valentina Volta**, Chief Executive Officer
- **Filippo Maria Volta**, Non-Executive Director
- **Angelo Manaresi**, Independent Director and Lead Independent Director
- **Chiara Giovannucci Orlandi**, Independent Director
- **Vera Negri Zamagni**, Independent Director
- **Maria Grazia Filippini**, Independent Director

The average age of the Directors in office as of the date of this Statement is 61 years, with 2 Directors in the 30 - 50 age group, and 5 in the over 50 age group. Women constitute 57% of the Board Members (4 out of 7), including the Chief Executive Officer, proof of the company's constant commitment to gender equality.

For more information on the composition and duties of the corporate bodies and the relevant policies, please refer to the 2021 Report on Corporate Governance at the following link: <https://www.datalogic.com/ita/azienda/corporate-governance/documenti-societari/relazione-corporate-governance-irp-5422.html>.

Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01

Pursuant to Italian Legislative Decree no. 231/2001, Datalogic S.p.A. and its Italian subsidiaries continue to adopt an Organisation, Management and Control Model (for simplicity the “Model”) for compliance purposes.

The Model provides for a specific risk assessment with respect to potential offences and the internal controls put in place to protect them, and its dissemination and awareness is promoted with all recipients, who are required to cooperate in its full and effective implementation by immediately reporting any violations.

Datalogic S.p.A. and its subsidiaries also implement of mandatory training programs to guarantee that the employees have a complete knowledge of the Decree and the Model, even through the administration of evaluation questionnaires.

The boards of directors of Datalogic S.p.A. and its subsidiaries (Datalogic S.r.l., IP TECH S.r.l. e Datasensing S.r.l.) have appointed one Supervisory Body for each Company, in order to meet the requirements in terms of autonomy, independence, professionalism, and continuity of action. The Supervisory Body is vested with the powers of initiative and control necessary to ensure the effective and efficient supervision of the functionality and observance of the Model.

Making use of the competent corporate functions, the Supervisory Body carries out checks on the areas of activity deemed to be at risk of crime pursuant to Italian Legislative Decree no. 231/2001.

The Model is posted on Datalogic's website and can be accessed at the link: <https://www.datalogic.com/ita/azienda/corporate-governance/documenti-societari/modello-231-irp-5423.html>.



VALUE CREATION AND ECONOMIC GROWTH

The economic value generated and distributed represents the ability of a company to create wealth and distribute it among its stakeholders.

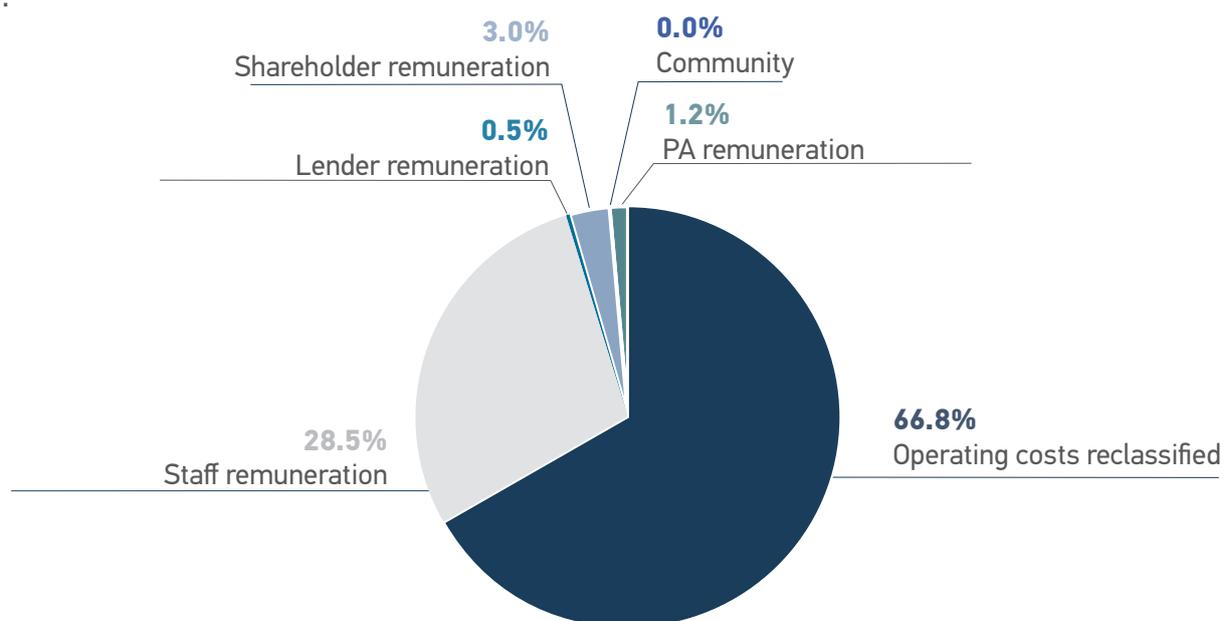
The economic value directly generated by Datalogic in 2021 is € 661.3 million, an increase of 43.3% compared to 2020. Of the economic value produced by Datalogic, 92% was distributed to stakeholders, both internal and external, and the remaining 8% is retained within the Group.

The Distributed Economic Value highlights Datalogic's ability to generate wealth in the period of reference, to the benefit of some stakeholders, while respecting the cost-effectiveness of management and the expectations of stakeholders: the two main components of economic value are represented by suppliers (operating costs), with 67% of the distributed economic value, and Datalogic employees, with 28%.

The retained economic value is calculated as the difference between the economic value generated and the economic value distributed: among other items, it includes depreciation, taxes and the operating result.

	2021	2020
Economic value directly generated²	661319	461546
Distributed economic value	609461	429451
<i>Operating costs reclassified</i>	407299	260478
<i>Staff remuneration</i>	173622	157152
<i>Lender remuneration</i>	3022	3038
<i>Shareholder remuneration³</i>	18161	9936
<i>Community Remuneration</i>	154	59
<i>PA remuneration</i>	7203	-1212
Economic value retained	51858	32093

The economic value generated includes not only revenues from sales and services but also other income for the year.



NOTES:

² Revenues differ from the amount reported in the Consolidated Financial Statements because they refer to revenues from sales and services plus other income.

³ The profit attributable to the Group distributed corresponds to the allocation of the result for the year of Datalogic S.p.A. as a dividend that the Board of Directors will propose to the Shareholders' Meeting convened for 29 April 2022.

For Datalogic Group, value creation comes through pursuing a sustainable growth strategy together with its partners, customers and stakeholders to meet the challenges posed by the major changes taking place in the future of the industry. In order to better manage this path of growth and development, Datalogic reaffirms its commitment to sustainability in many areas: from products to processes, from employees to the supply chain and the territories in which the Group operates, with the aim of actively contributing to the welfare of the planet, communities and people.

European Taxonomy

Based on article 8 of Reg. EU 2020/852 (hereinafter also referred to as the "Taxonomy Regulation"), starting with publications after 1 January 2022, non-financial companies are required to disclose in their non-financial statements or consolidated non-financial statements several parameters: from the share of revenues from products or services associated with economic activities considered environmentally sustainable to the share of capital expenditures (Capex) and the share of operating expenses (Opex) related to assets or processes associated with economic activities considered environmentally sustainable.

Specifically, an economic activity is considered environmentally sustainable if it contributes substantially to achieving one or more environmental objectives defined by the Taxonomy, such as climate change mitigation or adaptation, sustainable use and protection of water and marine resources, or the transition to a circular economy and the prevention and reduction of pollution, through to the protection and restoration of biodiversity and ecosystems. In addition, to be considered sustainable, an economic activity must not cause significant harm to any of the environmental objectives, must be carried out in accordance with minimum safeguards, and must comply with the technical criteria laid down.

Subsequent to the publication of EU Regulation 2020/852, the following regulatory updates have occurred to date:

- EU Delegated Regulation 2021/2139 of 4 June 2021 established the technical criteria according to which an economic activity is considered to contribute substantially to climate change mitigation and adaptation objectives;
- EU Delegated Regulation 2021/2178 of 6 July 2021, supplementing the provisions of Art. 8 of the Taxonomy Regulation, specified the contents, methodology and methods of presentation of the information that must be communicated. In particular, pursuant to Art. 10 of these Regulations, in the publications made between 1 January and 31 December 2022, the companies subject to the obligation to publish the Consolidated Non-Financial Statement (NFS) must disclose the share, compared to the total, of their revenues, capital expenditure (CapEx) and operating expenditure (OpEx) associated with economic activities that qualify as potentially sustainable ("eligible") from the environmental point of view; this assessment concerns only those economic activities eligible for the objectives of mitigation and adaptation to climate change, the only ones for which technical screening criteria have been defined so far, as specified above.

Datalogic has therefore carried out an analysis of the economic activities carried out by the Group, in order to identify those to be considered "eligible" in relation to the objectives illustrated above, and to prepare the disclosures required by the reference regulations, also having regard to the interpretative clarifications provided by the European Commission in the form of "Q&A" in December 2021 and February 2022⁴.

NOTES:

⁴ "Draft Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets," published 02 February 2022



As a result of these analyses, it emerged that none of the Group's economic activities is currently eligible, and therefore all the turnover, investments and operating costs for the year 2021 are to be considered as "ineligible" (net of some Capex of insignificant amount and relating to energy efficiency upgrading activities of the buildings in use) as shown in the following table:

	REVENUES	COSTS	INVESTMENTS
Total (€ thousands)	600521	56208	67367
% of eligible economic activities	0%	0%	0%
% of ineligible economic activities	100%	100%	100%

In this regard, it should be noted that, in carrying out the above-mentioned activities of analysis and preparation of the disclosures relating to the Taxonomy, the Company's Management has adopted a prudential approach based on its understanding and interpretation, to the best of its current knowledge, of the applicable regulatory requirements.

In this context, the expected publication of the technical reference regulations for the additional environmental objectives defined by Art. 9 of the Regulations, as well as the intervention of further developments in the interpretation of the regulations, could lead to substantial changes in the assessments and the process of calculating KPIs for the next reporting year.

FAIR COMPETITION AND ANTI-CORRUPTION PRACTICES

In order to safeguard the principles of conduct aimed at ensuring business conduct integrity and compliance with the organisation's ethical values, Datalogic Group has adopted a comprehensive Code of Conduct⁵.

The Code of Conduct sets forth ethical principles and rules of conduct relevant to prevent crimes that may be committed by the companies of the Group and with the purpose of recommending, promoting or prohibiting certain conduct, also regardless of the regulatory requirements of the various countries in which Datalogic operates.

The Code of Conduct is complementary to the Organisation, Management and Control Model adopted by Datalogic and is addressed to:

- members of corporate bodies and directors of Group companies;
- employees and collaborators who, for any reason, act in the name and on behalf of one of the companies of the Group;
- external consultants and suppliers.

In order to ensure accessibility by all the stakeholders, the Code has been integrated within the training program provided to all new employees, and is available on the Datalogic website.

Email accounts and physical mailboxes for collecting reports regarding any violations of the Code of Conduct, as well as to serve as direct channels that guarantee anonymity for contacting the Supervisory Body, have been made available to all stakeholders.

In the year 2021, the risk analysis related to corruption episodes was carried out on 100% of the Datalogic Group's organisational processes.

In this regard, Group's internal control system and the safeguards of which it consists guarantee compliance with the main regulations concerning corruption and extortion crimes.

Also in 2021, there were no confirmed incidents of corruption in the Group, nor any pending or concluded legal actions regarding anti-competitive conduct and violations of antitrust regulations and relating to monopolistic practices in which the organisation was identified as a participant.



NOTES:

⁵For more information on the Group's Code of Conduct, visit the "Corporate Governance" section of the Datalogic website at the following link: <https://www.datalogic.com/ita/azienda/corporate-governance/documenti-societari/codice-etico-irp-5424.html>

SUSTAINABLE SUPPLY

Datalogic, having a globally distributed supply chain, pays close attention to several controversial sourcing issues:

- **Conflict minerals**

Datalogic is not involved in any activity that could in any way result in support for armed groups responsible for terrorism or acts of violence in the Democratic Republic of Congo.

As a further measure, the company contacted all suppliers and requested a declaration of adherence to the Electronic Industry Citizenship Coalition's (EICC) Code of Conduct, which contains a set of standards designed to ensure safe working conditions in the electronics industry supply chain, respect and dignity for workers, and ethical business activity that cares for the environment.

- **Denied Party Screening** (sometimes also referred to as Restricted Party Screening).

Through an IT tool, Datalogic periodically verifies the membership of its potential business partners in lists of sanctioned or unauthorized parties, in order to ensure that no regulations regarding export transactions are violated.

Government authorities, agencies and organisations have created more than 1,300 lists globally containing a list of companies or individuals with whom it is risky to engage in a business relationship. Causes can range from a history of corruption offenses, ties to terrorist organisations, or situations that threaten national security.

The process leading to the exclusion of business partners involves checking whether an organisation's employees, customers, vendors, suppliers, transactions, and data are among the lists of sanctioned or unauthorized parties.

FOR THE COMMON GOOD: FAIR TAX PRACTICES

The Datalogic Group has defined its tax approach by balancing compliance with business activities and ethical, social and sustainable development expectations. Datalogic, in compliance with the principle of "corporate responsibility", acts according to the values of honesty and integrity in the management of fiscal activity in each of the countries in which it operates. The approach to tax risk at the level of individual Group companies is aligned with, and inspired by, the Group's approach to risk.

The main objectives that the Group pursues are aimed at:

- contributing to public finances on a regular basis in full compliance with all applicable tax and contribution regulations;
- developing a corporate reputation with the tax authorities by activating tools and processes such as, for example, petitions for appeals or requests for rulings that allow for a transparent, collaborative and preventive relationship with the tax authorities;
- at the same time safeguarding the efficiency of management of the tax area with procedures that should reduce the risks of tax litigation and guarantee that social function by contributing to the development of the context, including the economic context in which it operates.

To this end, Datalogic, through the Group Tax Department, defines and guarantees compliance with the tax regulations applicable in the countries in which it operates, including the fulfillment of all transparency obligations envisaged by the regulations on the exchange of information between States.

The Group Tax Management structure is made up of a corporate area and several regional areas, supported by a network of consultants of primary renown and professionalism.

The corporate area also defines the domestic, international and supranational tax scenarios, and is responsible for promoting adequate and effective procedures for the proper fulfilment of the tax obligations and the correct and efficient taxation of the Group, also providing support to the Business functions to conduct business activities in full compliance with the tax regulations. This makes it possible to prevent risk profiles and at the same time encourage the spread of a tax culture among the Group's employees.

The Group Tax Department is committed to ensuring that its personnel receive the ongoing training necessary to carry out their duties (basic, advanced and specialised). The managers of the Tax function monitor and coordinate the training needs of their staff.

In order to ensure tax compliance, over the years Datalogic has equipped itself with the fundamental tools for managing tax activities and monitoring the relative risk profile. In particular, the following should be noted:

- **Code of Conduct**, which establishes the standards of conduct with which all the employees must comply (even in managing the tax aspects inherent to their activities) and constitutes an integral part of the contractual obligations that they are required to observe⁶;
- **Tax procedures related to the Patent Box and Transfer Pricing**, which describe the guidelines and principles useful for the management of tax activities and the governance of the risks associated with each area;
- **Organisational methodologies** to allow Datalogic to interface with the Tax Authorities in order to fulfil legal obligations or to initiate ruling processes in advance aimed at ensuring the transparent management of activities and instilling a useful dialogue with the Tax Authorities in order to prevent tax risk profiles from arising.

The system for assessing the effectiveness of the tax compliance management methods, as well as the analysis of the related results, is carried out through a system of checks and controls, both by internal bodies and functions of Datalogic, and by external parties such as for example the Boards of Statutory Auditors and the Supervisory Body.

With regard to the reporting of tax crimes, the various corporate departments are required to communicate any tax fraud offences committed by third parties, and of which they are formally notified, to the Group Tax Department.

The stakeholder engagement initiatives also consisted of the processes of collecting and acting upon the opinions of the same, within the context of various meetings with investors, for example.

NOTES:

⁶ In keeping with the principles upon which the Code of Conduct is based, Datalogic refrains from undertaking any operations, investments, products and other initiatives with the intent of avoiding and/or evading taxes, or obtaining undue tax benefits in violation of the law. The activities undertaken by the Group must be motivated by significant economic factors: it is forbidden for Datalogic employees to purchase or offer investments, products or other transactions, either in written or verbal form, based on a mere tax benefit for customers or for other counterparties; the information provided to the tax authorities and other relevant bodies must be correct, complete and truthful; it is forbidden to delay and/or hinder the activities carried out by said Authorities during the course of tax Audits or inspections.



Reporting by Country Datalogic Group *(Economic/financial data in € thousands)*

AREA	MAIN ACTIVITIES	EMPLOYEES	REVENUES FROM THIRD PARTIES	GROUP REVENUES ⁷	PROFIT (LOSS) BEFORE TAXES	PROPERTY, EQUIPMENT AND INVESTMENT PROPERTY	TAXES PAID	TAXES ACCRUED
APAC	<i>Sub Holding/Commercial Distributor</i>	747	95043	158618	11411	15031	- 179	- 1,172
EMEI	<i>Holding/Financial/Sub Holding/Producer/Real Estate</i>	1741	337785	330235	23939	64766	- 4,046	3562
AMERICAS	<i>Sub Holding/Producer/Commercial Distributor</i>	502	167692	6439	9041	21983	-56	- 7,241
	Total Group	2990	600521	495,291⁸	44391	101780	- 4,281	- 4,851

Regarding the reasons for the difference between the corporate income tax accrued on profits/losses and the tax due (GRI 207-4-b-x) and the statutory tax rate applied on pre-tax profits/losses, please refer to the details presented in the Group's Consolidated Annual Financial Report.

NOTES:

⁷ Intragroup transactions between the same tax jurisdictions were not taken into account as Intercompany revenues

⁸ Value before consolidation adjustments

Beyond Governance: Management Systems

Excellent products and services, worker safety, information security, attention and respect for the environment are priority objectives for Datalogic that are constantly monitored thanks to Management Systems certified by independent bodies and accredited for the specific standard.

An approach that ensures a systematic process of continuous improvement in line with the following international standards:

- ISO9001 "Quality Management System"
Datalogic Spa, Datalogic Srl, Datalogic USA Inc, Datalogic Vietnam LLC, Datalogic Slovakia Sro and Datalogic Hungary Kft.
- ISO14001 "Environmental Management System"
Datalogic Spa, Datalogic Srl, Datalogic Vietnam LLC, Datalogic Slovakia Sro and Datalogic Hungary Kft.
- ISO45001 "Occupational Health and Safety Management System"
Datalogic Spa, Datalogic Srl, Datalogic Vietnam LLC and Datalogic Slovakia Sro.
- ISO27001 "Information Security Management Systems".
Datalogic Spa, Datalogic Srl, Datalogic USA Inc and Datalogic Vietnam LLC.

For all interested stakeholders, all certificates are available in the "ISO Management System" section of the Datalogic website: <https://www.datalogic.com/ita/impresa/panoramica-dellimpresa/sistema-di-gestione-iso-co-217.html>



Following the underwriting of the first "Sustainability Linked" financing (see chapter "Financial Highlights"), Datalogic has initiated a project with the following objectives to be achieved by 2022:

- implementation and certification of a SA8000 Management System in Datalogic Spa, Italy;
- extension of the ISO14001 certification of Datalogic Srl to the site of Castiglione Messer Raimondo (TE), Italy.

A comprehensive look at integrated risk management

The aim of risk management at Datalogic is to preserve effectiveness, profitability and compliance along the value chain.

Among other things, Control, Risks, Remuneration and Appointments Committee (composed, in line with the provisions of the Corporate Governance Code, by 3 Directors, including 2 independent and 1 non-executive), is tasked with supporting the assessments and decisions made by the Board of Directors, with regard to the internal control and strategic risk management system, by conducting adequate preliminary work.

Operational risks associated with the achievement of strategic objectives are identified and periodically reassessed by the Group's management as part of the various Management Systems adopted. Risk management contributes to conducting business activities in accordance with company objectives, fosters informed decisions, the proper functioning of the corporate processes, the reliability of the information provided to the corporate bodies and the market, and compliance with the laws and regulations.

Annually, the Management Report provides an assessment of the Group's exposure to the various types of risk, including risks of a purely financial nature, as well as risks of a different nature that could impact the economic-financial position.

For more information on the 2021 Management Report, please refer to the Group Consolidated Annual Financial Report, available on the Group's website: <https://www.datalogic.com/ita/azienda/investor-relations-ire-5390.html>

Among the current and potential risks of a non-financial nature to which the Group could be exposed (present in the various internal risk analysis and assessment documents⁹), the risks associated with the issues that Datalogic recognises as "material" for the Group and its stakeholders have also been identified.

This mapping represents a first step in understanding how social, environmental and governance issues relating to personnel management, human rights or the fight against corruption can impact the effectiveness and sustainability of Datalogic's business model in the short, medium and long term.

NOTES:

⁹ In particular, the following documents were examined: risk activities surveyed within the context of the Organisation, Management and Control Model pursuant to Italian Legislative Decree No. 231/2001; the Risk Assessment Document (DVR) with reference to prevention and safety at the workplace, as established by Italian Legislative Decree No. 81/2008; analysis of the risks associated with the management of the environmental impacts identified in the ISO 14001 Management Systems, where present; analysis of the risks associated with occupational health and safety identified in the ISO45001 Management System, where present, and in the management reports prepared in compliance with the national regulations of the foreign countries where the company's production sites are present.

The main associated risks can be summarised as follows:

SCOPE OF ITALIAN LEGISLATIVE DECREE 254/16	MAIN RISKS	MONITORING TOOLS AND ACTIONS
<p>Aspects of corruption</p>	<p>The risks relating to active and passive corruption were analysed as part of a risk assessment activity, which involved Datalogic Group's management.</p> <p>This analysis took into account all company processes, including: sales and purchases, public financing and participation in tenders, recruitment of personnel, system and product certification processes.</p>	<p>With regard to the management of risks identified in the area of corruption and extortion, the company has:</p> <ul style="list-style-type: none"> defined and adopted the Group Code of Conduct, which establishes the ethical principles and behaviours which must be respected by the recipients; set up Group procedures to cover the majority of business processes exposed to risk; developed and implemented a system of delegations and powers of attorney, with a view to segregation of duties. extended the controls of the system relating to the Model pursuant to Legislative Decree no. 231/2001 to all Group companies; defined the control system relating to Law 262/2005 for the Group's Italian companies; developed and adopted appropriate Information Technology Tools to support all Group companies.
<p>Aspects relating to worker protection and human rights</p>	<p>The main risks identified relating to the Group's personnel and human rights include the lack of engagement of competent staff both during selection and management, risks related to the health and safety of workers and the lack of respect of human rights and gender diversity.</p>	<p>At the Group level, risk management with regard to staff and human rights is dealt with starting with the <i>Welcome On Board</i> stage.</p> <p>It is at this stage that the Group Code of Conduct, General Procedures and "Quality Policy" are shared with all the new Datalogic Group employees.</p> <p>Starting in 2022, the Datalogic Human Rights and Social Accountability Policy (published in late 2021 in the sustainability section of the Datalogic website¹⁰) will also be the subject of the <i>Welcome On Board</i>.</p> <p>These are accompanied by other Human Resource management tools, including Performance Reviews, training programs, and corporate welfare systems.</p> <p>Datalogic renews the ISO 9001 certification for the companies with the most complex processes on an annual basis.</p> <p>With regard to health and safety, specific procedures are applied at the company level, and are confirmed every year by the ISO45001 certification.</p> <p>The controls of the system relating to the Model pursuant to Legislative Decree no. 231/2001 have been extended to all Group companies.</p> <p>Datalogic S.p.A. launched at the end of 2021 a project to define, implement and certify SA8000 by 2022.</p>



NOTES:

¹⁰ <https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sostenibilita-co-4690.html>

SCOPE OF ITALIAN LEGISLATIVE DECREE 254/16	MAIN RISKS	MONITORING TOOLS AND ACTIONS
<p>Environmental aspects</p>	<p>Non-compliance with environmental regulations and accidents that could lead to the release of polluting chemicals - both into the soil and water - are the most significant risks assessed during the Group's production processes analysis.</p> <p>Risk related to climate change.</p>	<p>In order to mitigate risks related to environmental aspects, Datalogic has:</p> <ul style="list-style-type: none"> distributed to all group employees, and published on the Datalogic website, the Environmental, Health & Safety Policy¹¹; ISO14001¹² certification maintained in Datalogic plants in Italy, Hungary, Vietnam and Slovakia, where, together with the other production contexts of the Group, environmental aspects are managed in a timely manner included the risk of climate change within the corporate risk assessment model, in the Health Emergency and Disaster context, attributing to it the lowest value of the metric relating to the probability of occurrence. This assessment is periodically updated and is based on the type of activities carried out (essentially assembly of components) in the Group's plants, as well as in the maturity of the Environmental Management Systems implemented in all the main production sites (Italy, Vietnam, Slovakia and Hungary). It should also be noted that, to date, the Group's production sites have never been compromised or damaged as a result of natural phenomena attributable to climate change. At present, the Group does not therefore see a high risk profile in relation to climate change. The gradual move towards a low-carbon economy will not, in the Directors' expectation, have a significant impact on the business and the technological change that may result is not currently expected to have a significant effect on the market. Wherever possible, the Group adopts measures aimed at reducing greenhouse gas emissions due to its activities, for example by implementing energy efficiency measures in the buildings in use, rather than entering into agreements for the supply of energy from renewable sources.
<p>Aspects related to innovation, data and information security and Information Technology Business Continuity</p>	<p>With regard to innovation, in addition to the risk related to patent infringement, the inability to generate and provide innovative products and solutions represents the greatest risk.</p> <p>The violation of corporate information systems (through which customers, suppliers and employees are managed), through cyber attacks, is the main risk.</p>	<p>In order to minimize the risk associated with failure to produce innovative products and solutions and patent infringement, Datalogic has:</p> <ul style="list-style-type: none"> dealt with this issue in its Quality Policy and developed, and made operational, a series of procedures (e.g. New Product Development, Product Certification and Patent Marking); developed processes that enable them to create value through a continuous interrelationship with their customers (e.g. Voice of Customer). <p>Confidentiality, integrity and availability of data are the principles to guarantee, of which Datalogic has decided to define, implement and certify an Information Security Management System in compliance with the ISO27001 standard.</p> <p>The ISO27001 certification is related to Datalogic S.p.A., Datalogic Srl, Datalogic USA Inc and Datalogic Vietnam LLC. ISO27001 certificates are available on Datalogic's website under the ISO Management Systems¹³ section.</p> <p>In addition to this Management System (comprising Information Security Policy and various operating procedures), the risk of violation of company information systems is mitigated by the adoption of:</p> <ul style="list-style-type: none"> The Group Code of Conduct; In Vietnam, Italy and the United States, the Cybersecurity Committee and the Security Access Agreement. <p>Datalogic also periodically provides employees with training on IT security and GDPR issues.</p>

NOTES:

¹¹ <https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sostenibilita-co-4690.html>

¹² For Datalogic S.p.A, Datalogic S.r.l, Datalogic Vietnam LLC, Datalogic Hungary Kft and Datalogic Slovakia Sro.

¹³ <https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sistema-di-gestione-iso-co-217.html>

SCOPE OF ITALIAN LEGISLATIVE DECREE 254/16	MAIN RISKS	MONITORING TOOLS AND ACTIONS
<p>Aspects relating to the strategic, sustainability-oriented management of the supply chain</p>	<p>The main risks identified along the Group's supply chain are related to suppliers' violation of environmental, social and human rights regulations.</p>	<p>In managing risks attributable to the supply chain, Datalogic has developed several environmental and social responsibility topics within the following documents:</p> <ul style="list-style-type: none"> • Group Code of Conduct; • Various Policies available on Datalogic website, Sustainability section https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sostenibilita-co-4690.html • Group Procedures relating to the management of suppliers (in particular for suppliers of direct materials) • General Terms and Conditions of Purchase: • Framework contractual agreement signed with main suppliers.
<p>Aspects relating to customer relations</p>	<p>The main risk in this area is the lack of regulatory compliance, security and quality of the products and services offered to the customers.</p>	<p>In mitigation of the risks listed herein, Datalogic:</p> <ul style="list-style-type: none"> • Guarantees the execution of all tests required by European directives and regulations of the countries in which Datalogic markets its products. This is to ensure compliance and safety for the user and the installation environment; • Implemented high internal product-related quality standards; • Requires and obtains additional voluntary certifications and markings from third-party agencies for greater assurance of product safety (e.g. UL, CSA, ...). The third party ensures, through its own audits, compliance with security issues without conflicts of interest.





- Innovation (Product-Process)
- Data & Information Security
- Business Continuity

Build resilient infrastructure, promote sustainable industrialisation and foster innovation

9 BUSINESS, INNOVATION AND INFRASTRUCTURE

INNOVATION

At Datalogic, we believe that innovation is the essential driver for meeting the needs of our Customers in the Retail, Manufacturing, Transportation & Logistics, and Healthcare sectors. Always in the DNA of our company, innovation guides engineers and product marketing managers to constantly search for new ideas capable of revolutionising the experience of our customers. Our goal is to simplify their automated capture and tracking processes and make them more efficient, faster, safer and more reliable. This is why we use the most advanced technologies in the field of optomechatronics. For example, we design complex artificial intelligence algorithms for processing images on cutting-edge mobile and edge computing platforms.

In 2021, 12.5% of Datalogic's product turnover (Vitality Index) was generated by new products less than two years old, and 9.2% of its turnover was allocated to research and development activities to continue fuelling this virtuous circle.

Datalogic sees its Customers as partners with whom to create and maintain long-term relationships and achieve new goals. The Group's goal is to ensure Customer satisfaction by providing high quality and excellent quality-price ratio of products, continuous service improvement, expert consulting during the pre-sale phase, timely deliveries, and a prompt and effective after-sales technical service.

Revolutionary innovation

Creating innovative products and solutions has always been one of our main competitive factors. An effective innovation process - i.e. able to create real added value for the customer - that Datalogic pursues through consistent investments in Research and Development, preceded by a structured analysis of customer needs (Voice of Customer).

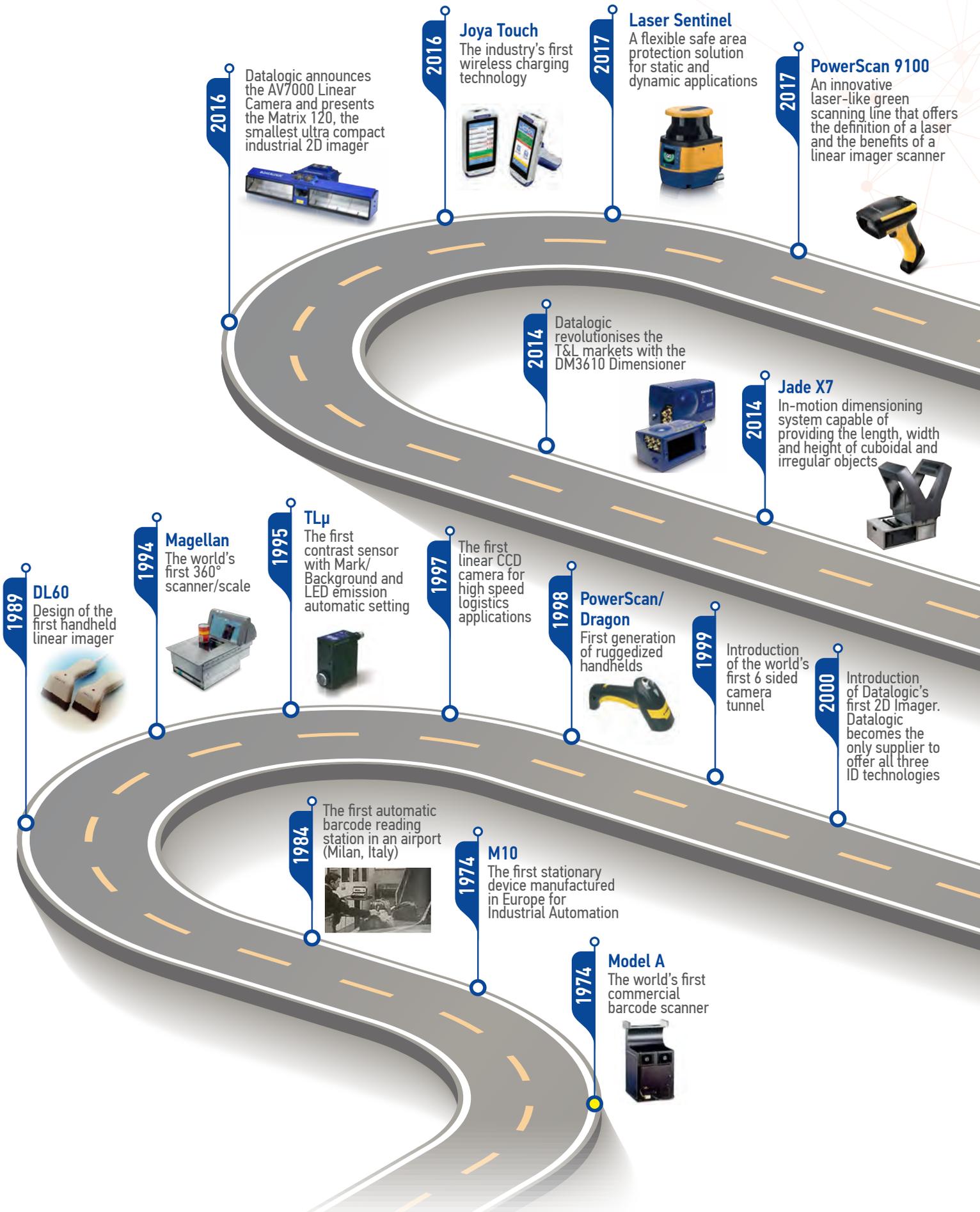
The task of safeguarding disruptive innovation is entrusted to the Datalogic Labs, our research laboratories, which handle on the one hand, the upgrading of the core technologies, and on the other, the design of the standard constituent elements, the "embryos" of the products of the future.

Two areas of research that, together, allow us to develop ideas that simplify complex tasks in truly new ways, while securing customer processes.

One example is wireless charging: a distinctive technology in Datalogic's handheld guns and terminals that involves the elimination of metal contacts. Their oxidation, in fact, represents one of the main factors of failure. Since contacts can harbour dust and germs, removing them also helps sanitize the device.



Other innovation "milestones" achieved by the Group are listed below:



2018

Wireless charging products

The Wireless Charging System is a ground-breaking feature for enterprise mobile computers and handheld scanners



2021

WebSentinel Plus Sentinel

Collect-monitor-analyze to keep top performances



2020

Skorpio X5

The most advanced key-based mobile computer



2020

Matrix 320

Empower your traceability, boost your productivity



2018

AV900

Industrial 9MP image-based code reader for transportation, logistics, distribution and airport applications



2013

Magellan 9800i

The world's first grocery checkout barcode scanner driven completely by high performance digital imaging



2010

The 1,000,000th Magellan unit

Datalogic produces its 1,000,000th Magellan fixed retail scanner

2010

Gryphon HC

Disinfectant-Ready enclosures with anti-microbial protection for use in the Healthcare industry



2020

Smart-VS

The smart vision sensor enabled with A.I. and empowered by machine learning assisted settings algorithms



2000

Gryphon

The world's first high performance linear imager with Green Spot technology



2003

Magellan 9500

The world's first scanner to scan and deactivate (EAS) in one motion



2010

Magellan 3200VSi

The world's first single-plane area imager



2004

Falcon 5500

The first integrated UHF RFID mobile computer



2006

Memor

The first pocket-size industrial mobile computer



2008

Joya

The first Self-Shopping Windows Device



In 2022, we celebrate the 50th anniversary of our founding, a company that has always been based on innovation.



In this spirit of innovation and invention, the "Leonardo da Vinci - Best Patent of the Year" award was also held in 2021, and once again an exceptional quality of patents was recorded.

The change in habits triggered by the pandemic and the rapid advancement of technology, particularly artificial intelligence, are two driving factors that are accelerating the transformation of the markets in which Datalogic operates, impacting the retail and logistics sectors. In this scenario, the award represents even more a way to thank all the inventors who have contributed to conceive and design new products and solutions for Datalogic: only through the hard work of our people, their commitment, their creativity, we can guarantee our success towards a sustainable future.

Innovation and sustainability

Our commitment to sustainable innovation was confirmed in 2021 with an important award. Datalogic was once again among the virtuous companies awarded by the CONAI consortium for the eco-design of packaging, an award given to those who have redesigned their packaging with an eco-sustainable perspective. The award was received for the packaging of the SG4 product, which was specifically designed with the aim of saving raw materials and optimising logistics.

Another example of sustainable innovation is WebSentinel Predict, which allows monitoring the mobile fleet in real time through cloud-based data collection. Thanks to predictive analysis, WebSentinel Predict allows replacing batteries only when they are actually exhausted: a simple but effective gesture to help optimize resources and preserve the environment.

Datalogic has also improved the software of its Android terminals, introducing new charging algorithms that ensure a longer life cycle for batteries.

The commitment of Research and Development will continue with a view to eco-sustainable innovation in 2022, through a program that envisages, among other things, experimenting with the use of non-virgin plastics for the production of mechanical parts of handheld products.

Innovation at the service of the healthcare sector

The barcode readers designed and produced by Datalogic for the healthcare sector are distinguishable by their external casings, designed for the specific needs of the industry. In particular, the silver ion additives included within the antimicrobial plastics of these readers prevent micro-organisms like germs and bacteria from growing. The additives thus reduce the risk of bacteria and other germs remaining on the devices' surfaces and being transmitted between doctors and patients.

In addition to containing antimicrobial substances, the casings used by Datalogic not only for barcode readers but also for mobile computers for medical use, are designed to withstand the professional detergents and disinfectants used in the healthcare industry. The cases are capable of withstanding the numerous daily cleaning required by standard hospital hygiene protocols.

The devices feature wireless charging, which lowers the risk of failures generated by oxidation of charging contacts, and the ergonomic design ensures that the devices fit easily on healthcare carts and reduces physical fatigue associated with repeated scanning.

In the modern healthcare industry, mobile computers and barcode scanners play an essential role in monitoring infections and ensuring patient safety. They ensure correct patient identification, while at the same time helping reduce the spread of infectious diseases. By having equipment made with antimicrobial materials capable of withstanding powerful disinfectants, and equipped with wireless charging technology, hospitals are able to become more efficient, while at the same time reducing the risk of secondary infections.

Open Innovation

Innovation at Datalogic is about developing resources, skills, technologies and processes within our community. At the same time, it is nourished by a fertile network of collaborations with strategic partners with whom it shares a path of Open Innovation aimed at generating ideas, developing innovative solutions and transferring them onto products. This is the case of the collaboration with two hi-tech giants of the calibre of Google and Qualcomm, and with Asian Original Design Manufacturers, which has allowed Datalogic to obtain the Android Enterprise Recommended certification for rugged mobile computers, the first European company to be able to boast this result in its sector.

Datalogic is one of the founders of the CRIT consortium, a private-owned company specialising in the research and analysis of technical/scientific information and the development of research projects. CRIT includes several important local companies that work together on technical, managerial and organisational problems and solutions by organising exchanges of best practices and specific benchmarking activities.

Datalogic is particularly attentive to the world of start-ups and scale-ups. In recent years it has launched several Proofs of Concept (PoCs) to experiment with new solutions.

Its interaction with the world of academia and with research centres is equally important.

In 2018, Datalogic signed a framework partnership agreement with the University of Bologna to carry out joint research, development and innovation activities in the field of data acquisition and processing. The partnership entails commissioned research activities, joint participation in regional, national, European, and international research contracts and programmes, and the funding of research grants and doctoral scholarships, as well as training activities, events dedicated to launching internships and introducing students to working life, and technology transfer and co-branding initiatives.

However, the partnerships with research centres are on an international scale, and aren't limited to the Bologna area alone:

- **ROSSINI** (RObot enhanced SenSing, INtelligence and actuation to Improve job quality in manufacturing): Datalogic is the leader and coordinator of the consortium set up in order to participate in the call to tender issued by the Horizon 2020 EU Framework Program on Effective Industrial Human-Robot Collaboration. The aim of the project is to develop an intrinsically safe hardware-software platform for the design and implementation of human-robot collaboration (HRC) applications in the production environment. By



combining innovative detection and identification, implementation and control technologies - developed by large industrial stakeholders who are world leaders in their respective technologies and on their target markets - and integrating them into an open development environment, the platform will allow for the creation of applications in which large robots and human operators will become members of the same team, thus improving work quality, production flexibility, efficiency and, consequently, productivity.

- **NO-LOSS:** project concluded in the reporting year on the design of optical technologies, funded through the Research & Innovation Marie Skłodowska-Curie Action, aimed at tackling challenges like the lossless acquisition of photons and the extraction of more in-depth information from images;
- **FLUTE:** Datalogic is the beneficiary of a funding of the Emilia Romagna region to develop new machine vision and laser marking products geared towards maximum flexibility, usability, ease of installation and configuration, as well as eco-sustainability. The project aims to fill a gap created within the Industry 4.0 context, or rather the difficulty that complex technologies like artificial vision and automation have in penetrating production chains where the generational change has not yet occurred, and where there is a significant shortage of specialised personnel.
- **SCAVA:** SCaVa is a Datalogic project carried out in collaboration with CRIT, a technology innovation center. The approach applied to the project represents a keystone in the validation of safe interaction between robots and workers on the factory floor.
SCaVa completes the activity carried out within ROSSINI.
The activity is funded within the COVR Awards, a call promoted by the COVR project and funded by the Horizon 2020 Program, coordinated by the Danish Technology Institute and participated by STIIMA-CNR. This project addresses the safety of collaborative robots (cobots) in industrial environments and aims to develop tools and methodologies to test, measure and validate the use of cobots in accordance with applicable safety standards.

DATA & INFORMATION SECURITY, A FUNDAMENTAL ASSET

Data and information are a fundamental asset for Datalogic and the resilience of systems and technological infrastructures is a priority both in relation to internal networks and to the services provided to customers.

Data and information are mainly stored on computer media and it is essential to ensure their security, in a world where different types of risks can generate damage or loss of information with the potential interruption of business, such as breaches of security systems (cybercrime), failures, accidents or bad practices.

It is therefore essential to be able to rely on accurate management of internal information systems, adopting all the necessary cyber security measures.

To guarantee adequate and continuous monitoring of national and international regulatory developments, the correct management of sensitive data, the protection of data and information, and in order to ensure their integrity, confidentiality and availability, Datalogic has implemented an Information Security Management System (ISMS).

In 2021, Datalogic achieved ISO27001 certification for the seventh consecutive year in the ICT and remote customer support domain with no non-conformities, demonstrating its commitment to continuously consolidate its security management system.

During the audit phase, six major security incidents were certified, primarily involving a cyber attack on perimeter systems, various phishing activities - including a social engineering activity aimed at obtaining a fraudulent change of a supplier's IBAN - and PC theft. Incidents were handled without impacting data or users, ensuring business continuity.

In the pursuit of continuous improvement in the management of IT incidents, Datalogic has recently started to use an external Security Operation Center (SOC) service that includes Security Monitoring, Threat intelligence, Managed Detection and Response and Early warning services.

With the support of technology and service partners, Datalogic is increasingly engaged in a continuous Vulnerability Management activity aimed at limiting the risk that structural defects in source and executable code, and in operating environments, may become gateways for hackers, thus generating impacts on systems and software and, consequently, on business continuity.

In order to increase the training and awareness of employees on corporate security, structured courses and training briefs are organised on various topics such as GDPR, phishing, netiquette or cyber threats, according to the necessary levels of depth, and findings from internal and external audits and any other significant event are shared.

Datalogic has also signed a memorandum of understanding with the Postal Police to contribute to the fight against cybercrime and has set up an interdepartmental committee (Cybersecurity Committee), made up of representatives of various company functions, for the analysis and management of cyber risks related to products and business areas.

In keeping with the European Data Protection Regulation (GDPR), Datalogic organises training sessions aimed at providing information on the obligations and requirements related to the new legislation.

The Human Resources department is responsible for managing and updating the personal data processing register for the Datalogic Group companies, as well as for ensuring the use and application of the privacy documentation.

Datalogic adopts a specific procedure to report any data breaches to the Guarantor Authority within the terms of the law, which, once again this year, did not need to be activated since, at global level, there were no episodes of loss or theft of customer data or complaints.

Furthermore, to ensure compliance with the data and information protection requirements along the entire value chain, Datalogic has adopted an additional document for supply contracts (SAA - Security Access Agreement), which specifies the security requirements to which the supplier must comply with a guarantee of the integrity of the company's information and technology resources.



INFORMATION TECHNOLOGY BUSINESS CONTINUITY

A further factor in the development of data security is the creation of an organic business continuity plan. Datalogic has had a technological disaster recovery plan in place for years and this year, decided to extend the concepts beyond the strictly technical sphere, involving all company departments in maintaining business continuity in the event of a disaster.

For this reason, the Business Impact Analysis (BIA) was improved and completed, taking advantage of the richer classification of so-called mission critical services within the Group's Change Management DataBase (CMDB). In addition to providing for the management of classic disaster scenarios (destruction of data centers, extended power failure, etc.) the new BIA also includes new adverse cases, such as the complete encryption of corporate data in the face of a ransomware attack, and for each of these cases, it provides a specific plan of action within the broader Business Continuity Plan.

The effectiveness of the Business Continuity Plan has been verified and all the Key Performance Indicators (KPIs) have reached their targets, passing with flying colors the analysis of the third-party auditors for the purposes of ISO 27001 certification.



- Health & Safety
- Welfare & Wellbeing
- Products Quality & Safety

Ensure healthy lives and promote well-being for all at all ages.

3 HEALTH AND WELL-BEING

TOP PRIORITY: HEALTH AND SAFETY OF OUR WORKERS

Human resources are the most valuable asset for the sustainable growth of an organisation. For this reason, our Group places the protection of the safety, health and physical and mental well-being of our staff and collaborators among the top priorities to be pursued and monitored.

Datalogic is therefore committed to ensuring work environments for its workers and collaborators that are compliant with the most stringent health and safety standards.

Datalogic provides healthy and welcoming working conditions, and conducts continuous monitoring and control activities to ensure the protection of the health and safety of the people who work and collaborate with the organisation.

The Health and Safety Policy is shared with all stakeholders on the Datalogic website¹⁴ and requires the company to undertake various activities. Continuous prevention in terms of health and safety in the workplace and environmental protection is implemented, in compliance with applicable legislation and other requirements to which the organisation has decided to adhere.

A continuous improvement approach is also adopted in pursuit of the "zero accidents" and "zero occupational illnesses" objective, while also raising staff awareness to maintain a high level of interest in these issues.

During 2021:

- *Datalogic Slovakia has been certified to the ISO45001 standard;*
- *The Italian companies (Datalogic S.p.A., Datalogic S.r.l and Datalogic IP Tech S.r.l) have completed the transition from OHSAS18001 to ISO45001;*
- *Datalogic Vietnam LLC has successfully passed the ISO45001 recertification visit*



Of the Group's employees, 54% are covered by an Occupational Health and Safety Management System, certified by accredited third parties.

In the Asia Pacific (excluding Vietnam) and Americas areas, where an Occupational Health & Safety Management System is not in place, Datalogic has created Health & Safety committees composed of managers from Human Resources and Operations.

The committees are responsible for discussing, evaluating and taking appropriate actions to address the risks identified at the various Datalogic sites under their jurisdiction, as well as sharing, managing and monitoring training activities to ensure compliance with both local regulations and Group standards. They also define, implement and monitor improvement actions, and manage national or international emergencies.

The path of continuous improvement and the constant and timely adaptation to the national regulations attest to the constant monitoring of this issue among all Datalogic Group Companies.

With regard to the identification, analysis and treatment of risks linked to Health and Safety issues, as anticipated, each company of our Group has defined and implemented adequate management models in relation to the organisational and social context in which it operates.

NOTES:

¹⁴ The Group EH&S Policy is published on the Datalogic website <https://www.datalogic.com/upload/pages/quality/PoliticheSostenibilita/DatalogicGroupEHSPolicy.pdf>

Prevention as a key factor: risk identification and analysis, screening, and health surveillance

Datalogic implemented models for the analysis, identification and management of workplace health and safety risks. In this regard, Italy has implemented appropriate risk identification processes compliant with the mandatory requirements established by the Consolidated Law on Safety, or rather Italian Legislative Decree no. 81/2008. The key document underlying these processes is the general DVR (Risk Assessment Document), which identifies all the possible risks present within a site.

There is a specific DVR, on the other hand, for each specific risk (e.g. chemicals, noise, vibrations, electromagnetic fields, work-related risks).

To further protect workers, appropriate risk mitigation measures are then identified and implemented based on the outcomes of the process.

With regard to the specific Italian context, the risk assessment documents are entirely drawn up by the Health & Safety function and are signed by the Employer, the Workers' Safety Representative (RLS), and the Company Doctor.

In Italy, health surveillance activities are managed under the aegis of the Company Doctor in collaboration with the Health & Safety function. The latter draws up a health protocol based on a thorough analysis of all tasks within the organisation and the relative risks associated with the tasks.

The protocol is applied through periodic visits, the frequency of which is determined based on the level of exposure to the specific risk and contains the list of specific assessments for each job. All the results of the assessments are kept by the Company Doctor in compliance with the privacy policy, while the suitability assessments are sent to the company and filed by the Health & Safety function. In the case of prescriptions to be adopted for workers, the latter are implemented as indicated by the Company Doctor.

In addition to the health services required by law, the workers also have access to a free medical clinic, which can be used for any medical consultations, even unrelated to their work activities. The service is always free.

Datalogic also promotes free campaigns to prevent certain diseases, such as cancer. In addition to this, all workers at Datalogic's sites in Italy have access to a health agreement for diagnostic tests and examinations, medical treatment and surgery. The workers can access these services via the Metasalute website.

In consideration of the continuing health emergency from SARS-COV-2, the Metasalute Fund renewed the Integrative Health Plan "Protection of pandemic influenza syndromes (Covid-19)". Active as early as February 2020, the Plan supports all workers with concrete financial help and the guarantees included are extended free of charge to all Datalogic employees.

Information and Training: the basis for improvement

Datalogic considers training a strategic means for guaranteeing adequate work performance in compliance with the most stringent health and safety protection requirements.

All Group companies periodically manage information and training activities on health and safety issues, based on the results of risk assessment activities, internal or external monitoring and on the occurrence or otherwise of critical events (near misses, accidents, context). The courses are developed in compliance with the mandatory legislation of the country of reference.

In Italy the training obligation is defined by Legislative Decree 81/08, and are reaffirmed by the State-Regions Agreement of 7 July 2016, which amends and supplements the provisions of the 2011 Agreement. Datalogic is aware that safety training is mandatory for all of its workers, meaning not only the employees, but also

the supervisors and managers. At the same time, our Group is aware of the right of workers to be informed about any potential workplace risks, to be instructed on the use of the equipment, and to be made aware of the prevention procedures made available to the workers by the company. In fact, only workers who have acquired adequate knowledge and skills can be considered capable of handling and resolving emergency situations. For this reason, the Group ensures that workers and collaborators are trained, informed, and instructed on safety matters, and that they participate in the safety training programs, which are held during work hours and at no cost to the workers themselves.

Programs are tailored to the level of risk inherent in the specific job. They include an overview of the risks in Datalogic's operating context, insights into the risks associated with specific tasks, knowledge of the rights and duties of workers, supervisors, and managers, and knowledge of procedures and measures for handling emergencies.

The training takes place at the start of the employment relationship, upon reassignment to new duties, or when new machinery and new work procedures are introduced, and periodic refresher courses are provided. Thanks to the work carried out by the HSE office, Datalogic S.r.l., Datalogic S.p.A. e Datalogic IP Tech S.r.l. define a thorough health and safety training plan for new employees, office workers, operators, managers, emergency teams and designated AED (Defibrillator) staff.

Datalogic also organises training courses on the use of Personal Protective Equipment and specific training initiatives for the use of some dangerous machinery, such as X-ray or laser machines.

The effectiveness of all the courses is assessed by holding learning verification tests. In 2021, to mitigate the risk of infection associated with the Covid-19 pandemic, some of these courses were held in e-learning mode.

Being proactive: worker participation and reporting

All Datalogic operating offices around the world have activated specific channels to report dangerous and risky situations. The most used tool is the organisation of monthly meetings to receive reports, questions and suggestions.



At Italian sites, the Workers' Safety Representative (RLS) is periodically elected, as provided for by Legislative Decree 81/2008. Its task is to acknowledge and report all employee reports to the Health & Safety function, participate in the risk assessment and take part in periodic meetings on issues relating to the health and safety of workers.

For workers, the first point of contact for health and safety issues is therefore the Manager. In other cases, workers can directly contact the Responsible of the Service of Prevention and Protection (RSPP) that answers to every request and signal. In other situations, the workers can refer to their supervisors, who are responsible for monitoring the work of all the workers, and reporting any hazardous situations to the RSPP.

Emergency management: SARS-CoV-2 a test of resilience

Emergency management processes are in place at all Datalogic sites worldwide. In Italy there is a specific Emergency Plan, which deals with all possible types of emergency (fire, earthquake, flood, landslides). A test simulating emergencies is organised on an annual basis at each site and which prepares the emergency team and all workers present in the best possible way.

In addition to the initiatives related to the SARS-CoV-2 emergency (see below), Datalogic regularly holds awareness-raising campaigns on safety and health issues, and continuously conducts medical screening and health surveillance initiatives in order to protect its workers.

Also in 2021, Datalogic addressed the pandemic by ensuring all measures to reduce the risk of infection including:

- Sanitisation of environments and their continuous aeration;
- Interpersonal distancing;
- Daily temperature check and vaccination certificate;
- Daily distribution and mandatory mask use;
- Limitation of attendance at common areas;
- Adoption of smart working;
- Continuous sanitisation of the tables in the company canteens;
- Training and information to all workers
- Creation of a Covid Committee.

The Covid measures have allowed a progressive and planned return of a large part of the workers to the company, while still keeping smart working active for all company functions for which it is sustainable and, always and in any case, on a voluntary basis.

Datalogic also managed a number of initiatives to reduce the risk of contagion and complications from SARS-CoV-2, which were deemed relevant and appropriate following analysis of different local contexts. In particular, the Group's Italian companies took part in the free vaccination campaign organised by Confindustria Emilia, which was extended to all family members of employees and collaborators, and the cost of anti-SARS-CoV-2 tests was reimbursed to all employees without a vaccination certificate. All employees at the Vietnamese site were given two free doses of the vaccine and tested.

The experience in Ho Chi Minh site (Vietnam): contrast SARS-CoV-2

In 2021, the Vietnamese site distinguished itself for the numerous health screening, prevention and surveillance initiatives held for all its personnel.

During the third quarter of 2021, the Vietnamese government, given the surge in contagions and considering the risk of a major impact on the country's economy, issued a protocol called "3 On Site" for all companies operating in Ho Chi Minh City.

Employees who freely and voluntarily decided to adhere to this model worked, ate and lived in the factory.

Throughout the period in which the law has been in force, thanks to a constant and continuous dialogue between employees and management, in addition to providing the necessary care Datalogic has provided safe and risk-free housing and food to all persons working within the site and has defined and carried out an entertainment program to protect the psychophysical well-being of its employees: recreational evenings, various entertainment, artistic activities and many sports. Social distancing was guaranteed.

Employee adherence to the protocol was free and voluntary, and Datalogic ensured regular communication between employee and family. At the conclusion of the experience, the Vietnamese site effectively implemented all measures and there were no reports of infections within the site in the third quarter of 2021.



Accidents: always the focus of attention

Datalogic continuously monitors the number and type of accidents occurring at all sites. In Italy this continuous monitoring is formalised on a periodic basis and in the event of an accident, the organisation carries out an accurate analysis of the causes to implement all the treatment and mitigation actions to reduce the risk of a further occurrence.

The risk analyses carried out and the systematic monitoring of the data concerning injuries and occupational diseases have shown that, within the context of Datalogic Group, none of the workers are engaged in activities with a high injury rate or a high risk of specific diseases.

2021 employee injuries are related to car accidents (collisions between two cars), various falls and only one of these occurred in the smart working environment.

With regard to injuries to outside workers, most are related to welding activities in production.

Injury indices of employees and external workers¹⁵

	2020		2021	
	EMPLOYEES	EXTERNAL WORKERS	EMPLOYEES	EXTERNAL WORKERS
Number of deaths	0	0	0	0
Number of serious injuries	2 ¹⁶	0	0	0
Number of total injuries	13	0	8	3
Total hours worked¹⁷	5222469	549200	5469464	809854
Serious injury frequency rate	0.38	0.00	0.00	0.00
Total injury frequency rate	2.49	0.00	1.46	3.70

Also in 2021, Datalogic was forced to address the risk of SARS-COV-2 contagion at all Group sites by taking specific management and control measures to mitigate the specific risks present in each country.

In Italy, Datalogic dealt with the pandemic by guaranteeing all measures aimed at reducing the risk, in compliance with the protocols issued by the Ministry of Health. According to Italian regulations, the risk of SARS-COV-2 infection is a biological risk. In the first instance, Datalogic has drawn up a specific Covid Risk Assessment Document, which assesses the risk of contagion within the organisation and is valid for all Group sites in Italy. At the same time, appropriate rules were distributed within the Group with the measures to be put in place to counter the emergency.

NOTES:

¹⁵ Included are injuries that generate: death, work incapacity (absolute or partial), limitations on transfers, medical treatment, first aid, even if they do not generate days of absence from work. Injuries in transit with cars owned by the employee are excluded. The frequency rates for the injury indices were calculated as follows: (Number of injuries / Number of hours worked) x 1,000,000.

The data relating to the Health and Safety of external workers include only the category of the Contract workers and not other types of non-employee workers who operate at Group sites and/or under the Group's control, in view of their significance and the availability of such data over which the Group does not exercise direct control.

¹⁶ Following a process of improving the reporting system, the 2020 data for serious injuries and total work-related injuries have been restated from those published in the previous NFS.

¹⁷ Regarding the calculation of hours worked by employees, it should be noted that for some Group companies the exact figure is not available and therefore an estimate was made on the basis of contractual working hours. Specifically, compared to the 2021 figure, the estimated number of hours is approximately 3% of the Group's total hours.

Some of the key measures and actions put in place by the organisation:

- intensification of cleaning activities by an authorised external company, with particular regard to the toilets, changing rooms, and refreshment areas;*
- sanitisation of the premises every two weeks;*
- continuous ventilation of all the premises;*
- limitation of the external staff's movements within the company's facilities. Access to the company by external suppliers limited exclusively to those authorised by the reference Manager, and with mandatory compliance with the 1 meter social distancing rule;*
- prohibition for road hauliers to enter the company. Waiting outside at a safe distance or on board the vehicle until loading and unloading is completed;*
- limitation of work-related travel as much as possible;*
- adoption of smart working;*
- temperature checks before entering the premises;*
- daily distribution of face masks;*
- provision of disinfectants in different areas of the sites;*
- reorganisation of canteen shifts to avoid crowds and limitation of seats to ensure social distancing of at least one meter;*
- continuous sanitisation of the tables in the canteen.*

Workers were continuously informed by means of posters and sending newsletters. Datalogic has also established a Covid Committee, which meets periodically to discuss issues and initiatives related to mitigating the risk of SARS-COV-2 infection.



WELL-BEING INSIDE AND OUTSIDE THE COMPANY

Datalogic has structured a corporate welfare system that bears witness to the attention the company pays to its human resources, and represents an additional loyalty-building element. The welfare system is applied to all types of employees, including part-time and fixed-term contracts.

For 2021, employee health insurance policies for Italy, the USA and APAC continue to be in place to support the medical needs of employees and their families. For all Italian employees of the Group, Datalogic has equipped itself with a new IT platform to convey corporate welfare initiatives. Through the platform, which is totally paid for by the company, the employee can take advantage of goods and services at favourable conditions and conventions for leisure time.

As for the USA, for employees, health insurance is one of the most valuable benefits. The 2021 program included three medical plans to give employees the flexibility to choose the best option for their needs and budget. All plans offer comprehensive and affordable coverage for a wide range of health care services; the flexibility to use any medical facility, with lower costs for in-network choices; free in-network preventive care with services such as annual physicals, immunisations and wellness exams; prescription drug coverage; and financial protection through annual caps at the employee's expense.

For APAC employees, Datalogic has put in place inclusive welfare packages to take care of the physical and mental health of its employees, in part because of the unique "3 on site" experience in Vietnam.

In Vietnam, the company also provides a space for physical activities (such as badminton and table tennis) and social interaction for all levels of employees. Such welfare programs are appreciated by our employees and a high rate of participation in organised activities is recorded. During the current SARS-CoV-2 pandemic, local and regional environmental, health and safety committees have coordinated quickly and closely to provide regular information updates, educational talks, flexible and remote work schedules, and provision of PPE devices to ensure our employees are safe and secure.

In China, our employees are required to undergo comprehensive annual health screenings and enjoy commercial medical coverage that includes the most significant health risks.

In 2021, the Human Resources structure managed the effects of a progressive re-entry related to the SARS-CoV-2 pandemic crisis in all countries where it is present. In particular, the SARS-CoV-2 Emergency Committee, dedicated to the drafting of safety protocols on the basis of the most updated regulations or indications received from the health authorities where Datalogic is present, continued to operate.

We recall three significant measures:

- In Italy, in June 2021, Datalogic joined the Confindustria Emilia initiative aimed at setting up an inter-company vaccine hub. The hub delivered both the first dose of vaccine, in the weeks between June and July, and the second dose in the weeks following. The company provided both vaccines and tests for SARS-CoV-2 detection free of charge.
- In Vietnam, for the adoption of extraordinary productive measures with the agreement of the health and labour authorities (3 on site model). The agreement stipulated that in order to ensure continuity of production while minimising worker travel, the company must provide on-site, food and accommodation for workers, with the obligation to fully meet living standards comparable to those outside.
- For the Plano US site, incentives such as gift cards were made available to encourage adherence to the vaccination campaign and additional leave to be allocated to vaccination day and recovery from potential symptoms.

Measures to contain the SARS-CoV-2 pandemic have had a profound impact on labour relations management. To help colleagues cope with the uncertainties on this front, the Human Resources team has made itself available to individuals placed under restrictions (isolation/quarantine) by the Health Authority. The latter are followed individually from the moment of the ascertained positivity until the return to service.

Smart Working in 2021

Datalogic has worked to secure work environments for personnel with tasks that cannot be performed remotely while, where possible, encouraging the adoption of a remote work mode, which has become structural in nature after the 2021 summer break resumption.

As of September 2021, any Datalogic employee whose duties can be performed remotely can work 20% of their weekly hours in smart working.

In the latter part of the year, Datalogic launched a flexibility pilot project under which a large number of employees experienced remote work for percentages ranging from 40% to 60% of their weekly hours.

Finally, for colleagues in particularly fragile health situations, Datalogic offers the advice of the company doctor, as well as the possibility to work remotely with special facilities compared to the policy applied to other staff. The same better treatment is reserved for workers who assist a cohabitant in a situation of fragility.



Family-work balance and parenting

Datalogic adopts standards of excellence also in the area of family-work balance and parenting, offering its employees better conditions than those provided by the CCNL. In the supplementary company contract, the company has agreed on an allowance for the first three months of parental leave that is 25 percentage points higher than the national standard, as well as a contribution for the attendance of day nurseries for the children of its employees.

All employees with children ages zero to 3 are eligible for a bonus to cover daycare tuition costs. This contribution promotes effective and efficient reintegration for workers returning from maternity leave, as well as improving work-life balance.

In the same vein, non-productive personnel are granted flexibility to enter (from 8 to 9.30) and therefore to leave work, in addition to remote activation on request for work, where compatible with the job.



Respect for employees' rights

The Group's Business Ethics, which has been put into practice through the tools and procedures contained within the Code of Conduct, allows laying out development pathways that are respectful of individuals, and that have positive impacts on productivity, creativity and innovation.

Valuing diversity also contextualises equal opportunities for development and treatment within the organisational structures. This Ethics allows eliminating the risk of human rights violations in all the countries in which Datalogic operates.

In Italy, this aspect is doubly guaranteed by the application of national collective agreements, in the specific case of the Metalworking Industry CCNL.

There were no cases of employee discrimination also in 2021.

In 2021, 18.19% of employees were trained on the new Human Rights and Social Accountability policy¹⁸ for a total of 45 hours¹⁹. Training was only provided at the end of the year following the publication of the new policy on 23 December 2021.

NOTES:

¹⁸ The Human Rights and Social Accountability policy is published on the Datalogic website <https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sostenibilita-co-4690.html>

¹⁹ Training time is estimated by considering 5 min as the average time for each participant.

A contribution to healthcare: Franco Pannuti Eubiosia Award - XIII Edition

Fondazione ANT Italia is a non-profit organisation, present and recognised throughout the country, whose mission is to provide free specialised medical assistance, at home, to cancer patients.

On 24 November 2021, Datalogic received the Mobile Ambulatory and Prevention award during the award ceremony of the XIII edition of the "Franco Pannuti Eubiosia Award", the recognition that Fondazione ANT "dedicates to the realities that contribute to its mission, making it possible to offer medical-specialist home care to 10,000 cancer patients and thousands of cancer prevention visits to citizens every year".

Datalogic received the award for participating in the fundraising to finance the new ANT Mobile Ambulatory (the "Solidarity Bus"), a project strongly desired to respond to the growing demand for prevention visits by the population.

On this occasion, Datalogic also donated to ANT a hybrid vehicle for healthcare teams.

Other contributions

Casa Santa Chiara

Datalogic has long supported this non-profit social cooperative, which provides disabled people with work opportunities and social inclusion, ensuring them hospitality in dedicated facilities (five day centers, a dozen family groups and a vacation home in Cadore).

In 2021, Datalogic again offered its support to this meritorious organisation. Specifically, it has made a significant contribution to the construction of the new center for people with disabilities that will be built in the Villa Pallavicini area. A social-rehabilitation day center and a residential facility will be built, named after Aldina Balboni.



Renzo Cappellesso, General Service Manager Datalogic, and Raffaella Pannuti, President ANT

IPSSER

Fondazione IPSSER (Fondazione Istituto Petroniano di Studi Sociali) operates in the field of educational, cultural and research activities, with specific reference to human promotion, personal and family services and social and economic issues. More specifically, the Foundation promotes studies and research in the field of anthropological sciences and social sciences, with particular reference to the sectors of social and health policies and social services, and training initiatives aimed at operators in the field of social and health services. Datalogic, always interested in supporting social research activities, has supported the IPSSER Foundation with a considerable donation.

National Federation of Knights of Labour and National Federation of Masters of Labour

As every year, Datalogic has offered its contribution to two realities that are historically very dear to it, namely the National Federation of Knights of Labour and the National Federation of Masters of Labour.

THE BASIS FOR SUCCESS: QUALITY AND SAFETY OF PRODUCTS

Product Quality and Safety are fundamental values for Datalogic. Every day Research and Development, Engineering and Quality are committed to maintaining high product standards, both in terms of quality and safety.

Starting from the definition phase of a new product specification, the project Core Team identifies and evaluates the risks and all applicable mandatory and voluntary regulations with a special focus on Product Safety regulations.

100% of Datalogic products undergo this type of assessment process.

These checks guarantee the conformity of the new Product with the identified regulations, and with the internal reference standard. They are carried out at different moments during the product life cycle:

- *During the development phase, thanks to specific tests carried out in internal or external laboratories;*
- *During the first batch of production, thanks to the Manufacturing Validation Test (production process validation);*
- *During mass production:*
 - ✓ *Functional test performed on 100% of the products according to the specifications;*
 - ✓ *On-going Reliability Test (product reliability);*
 - ✓ *Product Audit (samples of the products are taken from the warehouse and examined to verify their conformity).*

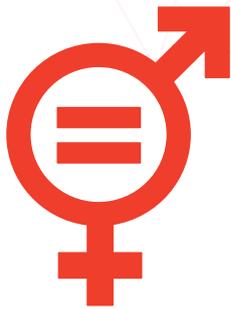


Also in 2021, there were no non-compliances in terms of impacts on the health and safety of customers caused by products.

PROTECTION OF HEALTH AND SAFETY THROUGHOUT THE VALUE CHAIN

Datalogic envisages a series of measures aimed at ensuring the highest safety standards for suppliers who provide their services at or on behalf of Datalogic.

Contractors are informed about the risks present in its premises through the Single Document on Interference Risk Assessment (DUVRI) drawn up by Datalogic, as client, and based on the Risk Assessment Document (DVR) containing preventive measures on the risks present in the Company's worksites. In the specific case in which the duration of the contract exceeds five annual man-days per year, the contractor is required to draw up the Operational Safety Plan (POS), which describes the best countermeasures to be adopted in the worksite activities in order to safeguard the workers' physical safety, and to provide appropriate supplementary documentation proving compliance with the legal requirements and standards for the workers' safety and protection.

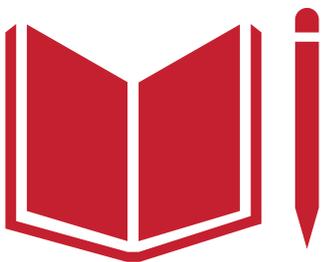


- Equal Opportunities

Achieve gender equality and empower all women and girls.

5

**GENDER
EQUALITY**



- Employees Training and Development

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

4

**QUALITY
EDUCATION**



THE DATALOGIC PERSONNEL

Human capital is one of the central elements in the pursuit of development goals.

The Human Resources function, in particular, carries out its mission through an articulated organisation.

The Global Human Resources Director is supported by the Centers of Expertise (COEs), which are responsible for defining and overseeing policies, functional processes, and technical components of expertise.

COEs define standards and KPIs on processes such as talent acquisition, development and training (Talent Management), organisational and systems development (Organisation and Systems), and management of compensation and incentive systems (Total Rewards).

The implementation of strategies and the management of professional families is delegated to three regional structures (EMEA, APAC and AMERICAS). Regional Human Resources manages and pursues the development of people and also ensures the timely implementation of policies and processes, defining all necessary local regulatory, contractual and cultural adaptations.

To help achieve the business strategy, the Human Resources function focuses its efforts on continuous process improvement. These include the commitment to ensure the contribution of new skills through selection and recruitment, a critical factor for innovation, product strategy and long-term competitiveness. The function also oversees onboarding, training, talent development and performance management. These are processes considered fundamental in which our Group has decided to invest to support the overall growth process.

Employee turnover

In 2021, the company reported an overall turnover of 14.6%.

Due in part to focused retention efforts, there is an improving trend from the previous two years, which showed turnover rates of 16% for 2020 and 19% in 2019, respectively. The turnover rate for the Americas improved on the previous year (23.5% following a 2.6% decrease). In particular, there is an overall female turnover in 2021 of 13.1% against 17.2% in 2020.



Turnover rate by geographical area, gender and age group²⁰

	2020			2021		
	MEN TURNOVER RATE	WOMEN TURNOVER RATE	TOTAL TURNOVER RATE	MEN TURNOVER RATE	WOMEN TURNOVER RATE	TOTAL TURNOVER RATE
Total	15.4%	17.2%	16.1%	15.6%	13.1%	14.6%
EMEA	12.3%	20.2%	15.5%	15.3%	11.5%	13.6%
Americas	26.7%	24.2%	26.1%	23.8%	22.3%	23.5%
APAC	11.4%	8.0%	10.0%	9.5%	13.7%	11.3%

NOTES:

²⁰ The turnover rate is calculated as the ratio between the total number of resources let go in 2021 (total, by gender and age group), and the total number of employees (total, by gender and age group) as of 31/12/2021. The number of the resources let go does not include resources transferred between different Regions.

	2020				2021			
	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL
Total	17.4%	15.5%	16.4%	16.1%	20.8%	13.8%	12.8%	14.6%
EMEA	26.5%	14.2%	13.9%	15.5%	33.3%	12.6%	8.4%	13.6%
Americas	27.5%	32.3%	21.6%	26.1%	27.3%	25.1%	21.6%	23.5%
APAC	9.1%	11.0%	0.0%	10.0%	9.4%	12.1%	12.0%	11.3%

THE VALUE OF DIVERSITY

2990 

As of 31 December 2021, the Group has 2,990 employees, an increase of approximately 6% from 2,826 in 2020. The increase is partially due to the acquisition of MD Micro Detectors in March 2021.

Total employees by geographical area and gender as of 31 December

	2020						2021					
	MEN	%	WOMEN	%	TOTAL	%	MEN	%	WOMEN	%	TOTAL	%
Total Employees	1766	62%	1060	38%	2826	100%	1797	60%	1193	40%	2990	100%
EMEA	933	33%	640	23%	1573	56%	981	33%	768	26%	1749	59%
Americas	405	14%	119	4%	524	18%	374	12%	112	4%	486	16%
APAC	428	15%	301	11%	729	26%	442	15%	313	10%	755	25%

The number of employees increased in EMEA (+11.2%) and APAC (+3.6%), while confirming a decrease in AMERICAS (-7.2%), where the consequences of a post-pandemic trend known as the Great Resignation, i.e. the willingness of many workers to seek autonomous and flexible forms of employment, are being felt.

Employees by profession and gender as of 31 December

	2020			2021		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total Employees	1766	1060	2826	1797	1193	2990
White Collars	1384	507	1891	1373	516	1889
Blue Collars	382	553	935	424	677	1101

Employees by profession and age group as of 31 December

	2020				2021			
	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL
Total Employees	465	1622	739	2826	466	1719	805	2990
White Collars	194	1127	570	1891	180	1119	590	1889
Blue Collars	271	495	169	935	286	600	215	1101

63.2% of Datalogic's employees are white collar workers, i.e. workers who perform clerical duties.

In 2021, 90.2% of the employees held open-ended contracts²¹, an increase compared to 2020.

The ratio of permanent to temporary employees remained substantially stable. Although 97.9% of employees have full-time contracts, there has been an increased use of part-time forms of employment to meet a greater demand for flexibility in part due to post-pandemic phenomena.

Total Employees by contract type (open-ended or fixed-term), and gender as of 31 December

		2020			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total Employees	N	1766	1060	2826	1797	1193	2990
Open-ended	N	1592	975	2567	1626	1072	2698
	%	90.1%	92.0%	90.8%	90.5%	89.9%	90.2%
Fixed-term	N	174	85	259	171	121	292
	%	9.9%	8.0%	9.2%	9.5%	10.1%	9.8%



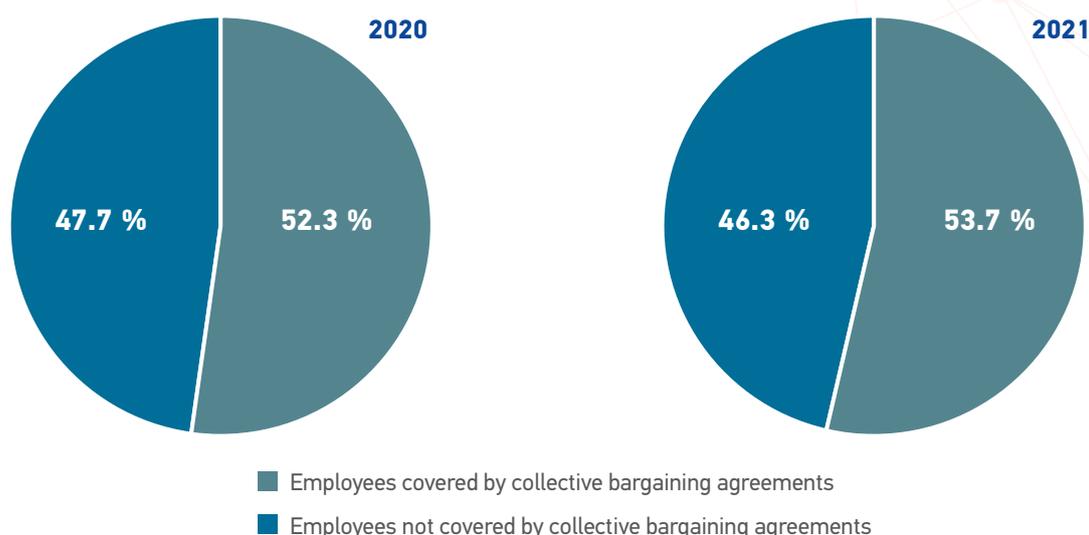
Employees by contract type (full-time or part-time), and gender as of 31 December

		2020			2021		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total Employees	N	1766	1060	2826	1797	1193	2990
Full-time	N	1760	1005	2765	1791	1137	2928
	%	99.7%	94.8%	97.8%	99.7%	95.3%	97.9%
Part-time	N	6	55	61	6	56	62
	%	0.3%	5.2%	2.2%	0.3%	4.7%	2.1%

NOTES:

²¹ In contexts outside Italy, permanent or open-ended contracts are stipulated.

Employees covered by collective bargaining agreements with the trade unions as of 31 December²²



TALENT ENHANCEMENT

Talent is the final result of a perfect mix of leadership, distinctive skills, and the consistency between the individual's behavioural and the company's characteristics. Identifying and managing it is a determining factor in fulfilling Datalogic's mission and creating value for customers, shareholders and all other stakeholders.

The main challenge for Datalogic is attracting, developing and retaining these technical and managerial skills. For this reason, our people strategy is based on three pillars represented by Talent Acquisition, with the aim of attracting and selecting the most suitable candidates for the role; Talent management to support the most talented individuals in their excellent performance in the most critical organisational positions; People Development, with the aim of offering career opportunities and development plans aimed at hiring, retaining the most deserving resources and increasing their critical skills for the business.

Percentage of Newly Hired Personnel by geographical area, gender and age group in 2021²³

	2020			2021		
	RATE NEWLY HIRED PERSONNEL TOTAL MEN	RATE NEWLY HIRED PERSONNEL TOTAL WOMEN	RATE NEWLY HIRED PERSONNEL TOTAL	RATE NEWLY HIRED PERSONNEL TOTAL MEN	RATE NEWLY HIRED PERSONNEL TOTAL WOMEN	RATE NEWLY HIRED PERSONNEL TOTAL
Total	7.6%	6.8%	7.3%	13.1%	14.1%	13.5%
EMEA	5.8%	3.6%	4.9%	12.8%	14.8%	13.7%
Americas	9.2%	15%	10.5%	15.8%	15.2%	15.6%
APAC	10.0%	10.3%	10.2%	11.5%	11.8%	11.7%

NOTES:

²² The chart shows the percentage distinction between employees covered by collective bargaining agreements and employees recruited in countries that do not have a collective bargaining agreement.

²³ The newly hired personnel rate is calculated as the ratio between the total number of hired resources in 2021 (total, by gender and age group), and the total number of employees (total, by gender and age group) as of 31/12/2021. The number of the hired resources doesn't include resources transferred between different Regions.

	2020				2021			
	RATE NEWLY HIRED PERSONNEL < 30 YEARS OLD	RATE NEWLY HIRED PERSONNEL 30 - 50 years old	RATE NEWLY HIRED PERSONNEL < 50 YEARS OLD	RATE NEWLY HIRED PERSONNEL TOTAL	RATE NEWLY HIRED PERSONNEL < 30 YEARS OLD	RATE NEWLY HIRED PERSONNEL 30 - 50 years old	RATE NEWLY HIRED PERSONNEL < 50 YEARS OLD	RATE NEWLY HIRED PERSONNEL TOTAL
Total	15.9%	6.2%	4.3%	7.3%	31.5%	11.9%	6.6%	13.5%
EMEA	11.6%	4.7%	2.5%	4.9%	45.0%	12.1%	5.6%	13.7%
Americas	24.4%	13.0%	6.7%	10.5%	47.7%	17.5%	8.9%	15.6%
APAC	17.7%	6.3%	8.7%	10.2%	17.6%	9.3%	4.0%	11.7%

The continuation of the pandemic situation during 2021 had a heavy impact on the approach to talent management. Like so many other companies, Datalogic has had to completely redesign its strategy to ensure execution even in an environment of uncertainty and volatility. Specifically, the strategic action development guidelines defined below were adopted.

Talent acquisition

The director has provided for the conclusion of framework agreements with recruiting companies specialized in the search of technical-scientific profiles and the development of Employer Branding through the consolidation of the presence on social media, with the intent to strengthen the active search of specific profiles for strategic growth in the field of innovation.

In particular, it should be noted that during 2021, the advertisements published by Datalogic have totalled 5.9 million spontaneous views, on two search portals counted among the most qualified worldwide.

Partnerships with universities have also continued with faculties that train mechanical, electronic, software and IT engineers, developing programs to place new graduates in the company. These include MECOP (Multiple Engineering Cooperative Program), a program developed to attract students from Oregon State, Oregon Tech, Portland State and University of Portland and FET (Fresh Engineer Training) in Vietnam, which aims to attract young recent graduates to participate in selection processes aimed at placing and training talent with technical specialisations.

Talent management

The Young Talent Program (first session scheduled for 2022) is divided into 3 paths aimed respectively at developing personal effectiveness, leadership and business skills and understanding of organisational mechanisms, through a simulation of different Datalogic scenarios.

Also started the redesign of the architecture of roles and responsibilities to ensure:

- the clear definition of role expectations,
- the possibility of making salary comparisons (salary benchmarks), thanks to the services made available by specialised companies,
- the development of vertical and horizontal career opportunities that enhance the performance of talent. Career paths for technical and sales functions have been defined in 2021.



People Development

The digitalisation of the onboarding process confirms the desire to maximise the learning curve for new hires. The progressive improvement of the experience and the increase of effectiveness pass through the creation of a digital visitation format of the museum and the Monte San Pietro plant, to ensure an immersive experience. The program can also be used by colleagues who, due to travel restrictions, are unable to participate in the onboarding experience.

Execution of the digital training program with 632 course assignments in 2021 was made possible by the selection of highly qualified programs and partners. In particular, a managerial course aimed at increasing awareness of the leadership styles used was activated.

Based on an experiential approach and enriched by artificial intelligence algorithms, the program was awarded the Global EdTech StartUp Award, which gathers and rewards the best global start-ups in the EdTech field.

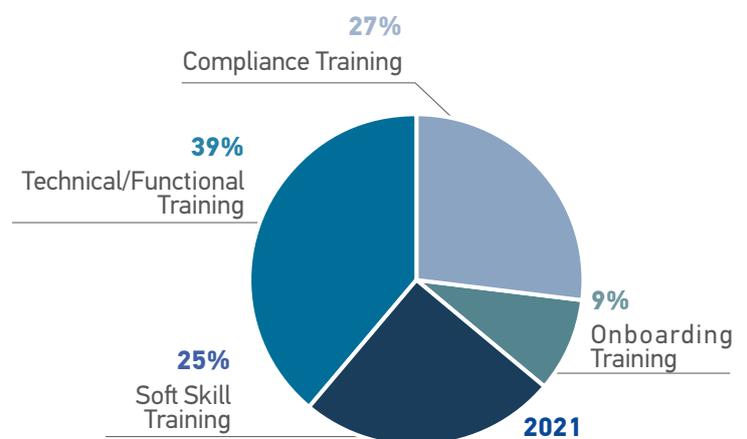
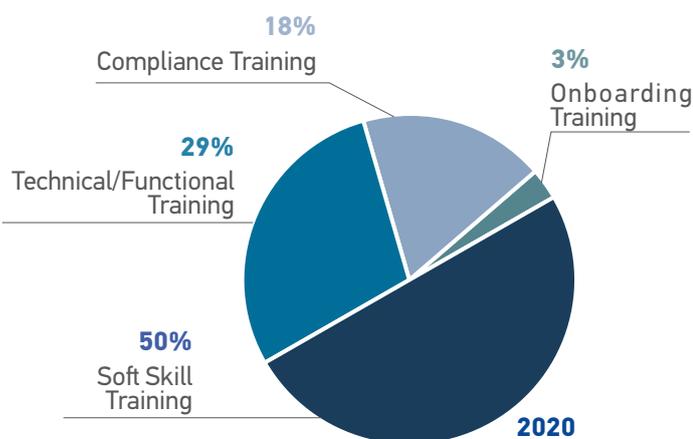
Average hours of training by gender

	2020	2021
Men	1.12	5.9
Women	1.92	8.3

Average hours of training by profession²⁴

	2020	2021
White Collars	0.91	4.68
Blue Collars	2.51	12.23

Types of training provided



NOTES:

²⁴ Training for Blue Collars is managed independently by the Operations department within each Plant.

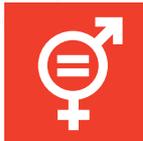
Performance management is an ongoing process, the key players in which are the white collars and their managers involved in evaluating their performance. The process helps to keep the expectations of the company and collaborators aligned, enhancing the commitment and contribution of individuals.

It consists of the following specific phases:

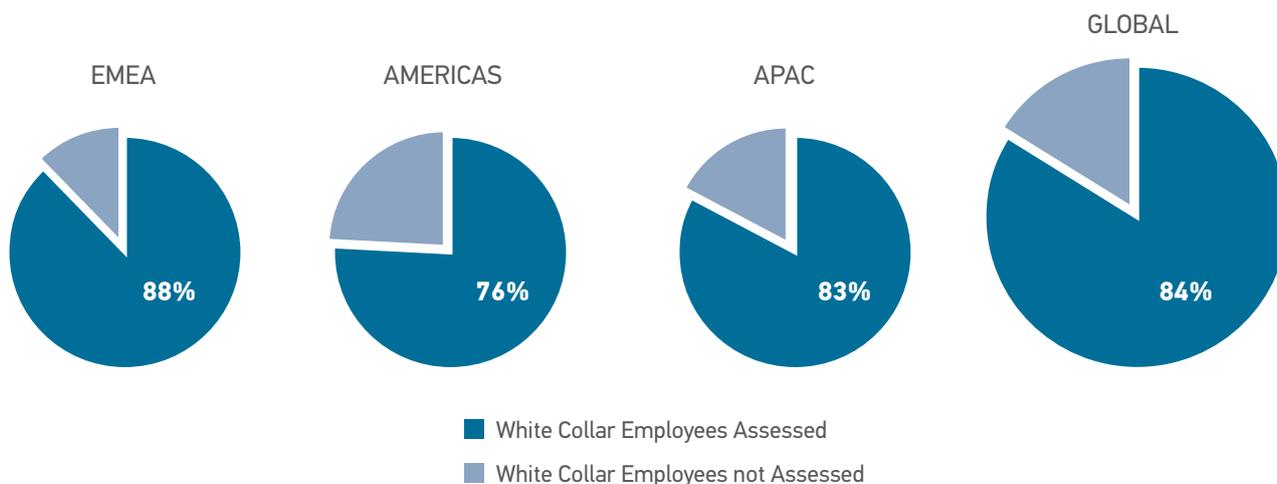
1. **Target setting:** at the beginning of the year, each employee defines their own objectives, after discussion with their line manager, to ensure that expectations are aligned and are consistent with the business objectives.
2. **Mid-year Review:** in the middle of the year, each employee has the opportunity to adjust their objectives and receive intermediate feedback from their line manager.
3. **Self-assessment:** during this time frame, the employee is given the opportunity to perform a self-assessment and to express his/her point of view regarding the achievement of the established objectives and the work conduct he/she has adopted based on the corporate values.
4. **Manager Evaluation:** this is the phase in which a manager is responsible to assess his/her team members' performance and behaviour.
5. **Calibration:** this phase is aimed at ensuring the application of the same assessment criteria by the managers in the various groups within the individual departments, as well as among different departments. It takes place by holding open discussions, first at the department level, and then at the corporate level.
6. **Feedback and Goal Setting:** this is the final phase of the performance review process. During a 1-on-1 meeting, the manager provides feedback to the employee regarding their assessment, highlighting their strengths and areas for improvement, and setting new goals for the following year.

The assessment phases are linked to the company's corporate and behavioural objectives and are closely linked to the company's values.

To ensure proper performance assessment, it is required that all employees involved in the process, have accrued at least six months of service during the fiscal year. For assessments related to fiscal year 2021²⁵, employees who meet these conditions are 84% of the total.



White Collars who underwent performance review in 2021



NOTES:

²⁵ It should be noted that, in order to provide a more representative figure, data relating to the workforce as of 31/12/2020 was utilised, as the performance assessment process carried out in 2021 refers to the workforce in place as of 31/12/2020.



- Waste management
- GHG Emissions
- Energy Management
- Management of Impact related to Product Life Cycle

Take urgent action to combat climate change and its impacts.

13 COMBATING CLIMATE CHANGE



OUR COMMITMENT TO THE ENVIRONMENT

Datalogic considers the protection of communities and the environment a core community value. For this reason, it has always been committed to operating in compliance with current regulations, applying the best available technologies.

The management of the risks and potential impacts associated with environmental management activities is focused upon the production plants, identified as the most significant areas of activity for this purpose due to both the types of activities carried out and the number of people they employ.

With regard to the 2021 reporting period, the data collected and disclosed in this NFS refer to the following facilities²⁶:

- Monte San Pietro – BO (Italy);
- Castiglion Messer Raimondo - TE (Italy);
- Lippo di Calderara, BO (Italy);
- Modena (Italy);
- Trnava (Slovakia);
- Balatonboglár (Hungary);
- Ho Chi Minh City (Vietnam);
- Eugene (USA);
- Plano (USA);
- Hatfield (USA)

A Facility Manager is in charge of monitoring the environmental aspects associated with the production sites.

Overall, taking into account the types of activities carried out at the Group's various facilities and the consolidated Environmental Management Systems implemented at the sites, the environmental risk level has been assessed as low.

Thanks to the Environmental Management Systems, Datalogic constantly monitors the environmental aspects of its operations, and maintains an approach aimed at ensuring the continuous improvement of its processes' environmental performance.

Maintenance and recertification audits were successfully passed during 2021 at the following Group sites:

- Ho Chi Minh City (Vietnam);
- Trnava (Slovakia);
- Balatonboglár (Hungary);
- Monte San Pietro (Italy);
- Lippo di Calderara di Reno (Italy).

Also for 2021, despite the fact that the production activities do not entail high levels of energy use, as they mainly consist of component assembly operations, energy consumption was nevertheless the most significant environmental aspect associated with the operation of Datalogic's facilities and offices around the world.

The main area of environmental risk to which the facilities are subject, which has nevertheless been assessed as "unlikely", is possibility of chemical spills, resulting in the potential for water and soil pollution. In order to minimise impact and probability, specific safeguards are defined in accordance to ISO14001.

In 2021, there were no instances of non-compliance with the environmental laws and regulations at any of the Group's sites worldwide.

NOTES:

²⁶ Compared to the 2020 perimeter, the environmental data perimeter has changed as follows:

- The Jundiai (Brazil) sites were excluded as they closed in December 2020 and Telford (USA) as it closed in the first half of 2020;
- Sites in Plano (USA) and Modena (Italy) have been integrated.



Reducing paper use: DHL Paperless Trade project

DHL Paperless Trade is a free service that allows shippers to provide the necessary export documents (such as commercial invoices or free export declaration proformas) in digital format by uploading them during the creation of shipments.

This service eliminates the need to manually print and attach documents, saving time and money and preserving the environment.

Datalogic joined the DHL project starting in December 2021, implementing this service at all major manufacturing sites. The pilot project was launched at the Slovakian site, as the Group's European distribution center, and was subsequently extended to the other sites.

ENERGY AND GREENHOUSE GAS EMISSIONS: A GOAL NOT TO FAIL

In view of the significant environmental aspect linked to energy consumption, Datalogic constantly monitors this area and is committed to researching solutions that reduce its impact, albeit moderate, considering that the Group's processes are not energy intensive.

In this context, as explained in more detail below, in 2021, the Group carried out some limited energy efficiency work on its buildings, and entered into a contract with a local supplier in order to acquire electricity produced from renewable sources for the Vietnamese plant.

The energy consumption is broken down into direct and indirect consumption. Direct consumption considers natural gas for heating, diesel for heating and fleet, LPG and gasoline for fleet.

Indirect consumption, on the other hand, regards consumption resulting from the use of electricity.

Direct and indirect energy consumption (GJ)²⁷

	2020	2021
	GJ	GJ
Direct energy consumption from non-renewable sources	16387	23121
<i>Natural Gas</i>	14525	20694
<i>Diesel</i>	16	15
<i>LPG</i>	1847	2412
Energy consumption of the car fleet	1251	1780
<i>Diesel</i>	1182	1677
<i>Petrol</i>	69	103
Indirect energy consumption	45794	56620
<i>Electricity purchased from non-renewable sources</i>	45794	51143
<i>Electricity purchased from renewable sources</i>	0	5477
Total energy consumption (no car fleet)	61181	79741
Total energy consumption (with car fleet)	63432	81521

NOTES:

²⁷ The following conversion factors were used to calculate the energy consumption in GJ:

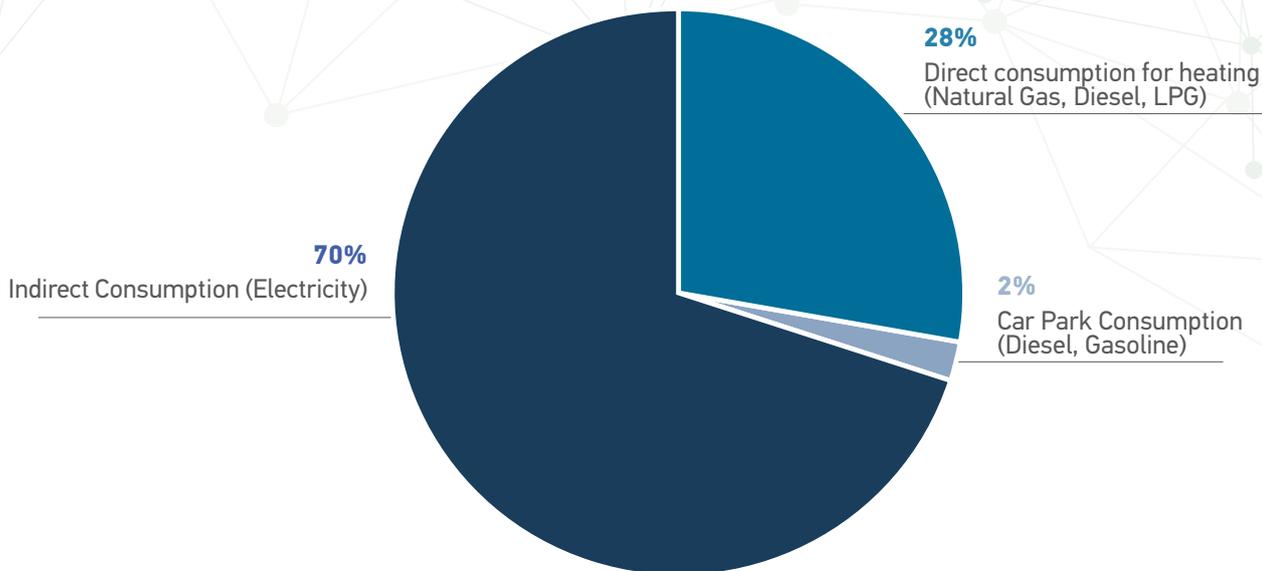
- Natural Gas: for the year 2020 is 44.76 GJ/t (source: DEFRA 2020), for the year 2021 is 45.03 GJ/t (source: DEFRA 2021)
- Heating diesel: for the year 2020 is 42.57 GJ/t (source: DEFRA 2020), for the year 2021 is 42.57 GJ/t (source: DEFRA 2021)
- LPG: for the year 2020 is 45.94 GJ/t (source: DEFRA 2020), for the year 2021 is 45.94 GJ/t (source: DEFRA 2021)
- Electricity: constant of 0.0036 GJ/kWh.
- Automotive diesel: for the year 2020 is 42.64 GJ/t (source: DEFRA 2020), for the year 2021 is 42.47 GJ/t (source: DEFRA 2021)
- Gasoline: for the year 2020 is 43.83 GJ/t (source: DEFRA 2020), for the year 2021 is 43.8 GJ/t (source: DEFRA 2021)

Total consumption was 81,521 GJ of which 33.3% was consumed at Italian sites, compared to 63,432 GJ in FY 2020 (+29%).

The increase in consumption is primarily due to the large increase in productivity compared to 2020 when, due to the pandemic some sites were idle at certain times of the year. Additional factors were the gradual return of workers in attendance at all locations and the acquisition of the new manufacturing site of M.D. Micro Detectors S.p.A. in Modena, as well as the inclusion in the reporting perimeter of the plant in Plano (US), belonging to the company Informatics Holdings, Inc.

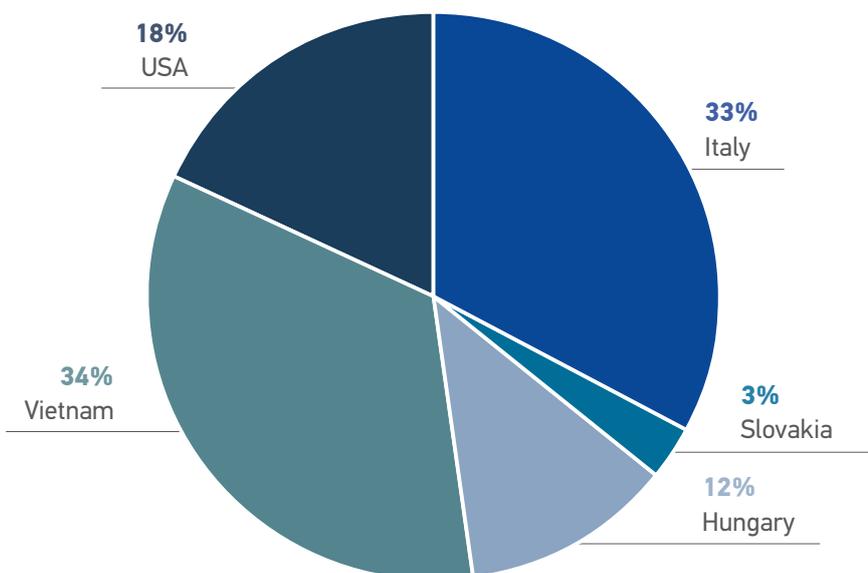
As far as energy consumption is concerned, electricity represents the prevailing share (70% of the total) and only in Europe has natural gas been used significantly and LPG to a lesser extent.

2021 energy consumptions



In terms of electricity consumption alone, the countries with the highest consumption are Italy, Vietnam and Slovakia, where the main production sites are located.

Electricity consumption 2021



Analysing the consumption of electricity in Italy in 2021 (13,703 GJ), we find that compared to 2020 (consumption: 12.548 GJ) there was an increase of 9 %.

As regards the consumption of the company fleets (diesel and petrol), only the cars of the company fleet have been included in the reporting perimeter (excluding those leased and for mixed use). Italy, Slovakia, Hungary and the USA have a fleet of cars.

With regard to the 2021 impact energy efficiency measures, Datalogic managed the following activities:

- replacement of lighting systems with LEDs;
- stipulation of an agreement for the supply of electricity generated from renewable sources with a local operator, in exchange for the concession to the latter of the surface of the roof of the Vietnamese plant for the installation (at the end of December 2020) of a photovoltaic system, owned by the same counterparty, with a capacity of 1,200 kWh. Specifically, during 2021, the Vietnamese site used 19,082 GJ of electricity: 71% from the national grid and the remaining 29% produced by the PV plant and sold to Datalogic by the local operator mentioned above. As a result, there has not only been a decrease in costs, but also a 42% decrease from 2020 in tCO₂ emissions into the atmosphere from non-renewable sources.

With regard to direct (Scope 1) and indirect (Scope 2) emissions for the entire Datalogic group, those relating to direct and indirect energy consumption are reported, explaining the emissions of the car fleet.

Direct and indirect emissions (ton CO₂e)

	2020	2021
	TONNES OF CO ₂ equivalent	TONNES OF CO ₂ equivalent
Direct emissions (Scope 1) – excluding car fleet	940	1317
<i>Derived from Natural Gas</i>	820	1161
<i>Derived from Diesel</i>	1	1
<i>Derived from LPG</i>	118	154
Emissions – Car fleet	89	127
<i>Derived from Diesel</i>	84	117
<i>Derived from Petrol</i>	5	10
Indirect Emissions (Scope 2) – location-based	6536	7740
Indirect emissions (Scope 2) – market-based	6911	5783

WASTE AS A RESOURCE: WASTE MANAGEMENT

Waste management in Datalogic is based on the principle of reducing waste production, by implementing and improving business processes, and on that of increasing material reuse activities in order to contain incineration (non-recyclable materials) and reduce sending to landfills, while respecting legislative compliance and the technical-qualitative characteristics of Datalogic processes and products.

At all Datalogic sites, waste is managed in accordance with mandatory regulations. Each site keeps track of the hazardous and non-hazardous waste that it generates.

At all sites, waste is managed according to regulations. Each site keeps track of the hazardous and non-hazardous waste that it generates. The types of waste produced concern materials from production processes, maintenance (ordinary and extraordinary) and laboratory activities, or any demolition.

In 2021, the Group's total waste amounted to 1,040,093 kg compared to 704,834 kg in the previous year (up 32%). The increase is attributable to the gradual resumption of operations at Datalogic sites after the pandemic emergency.

The waste produced is divided as follows according to its destination:

Waste by type and disposal method

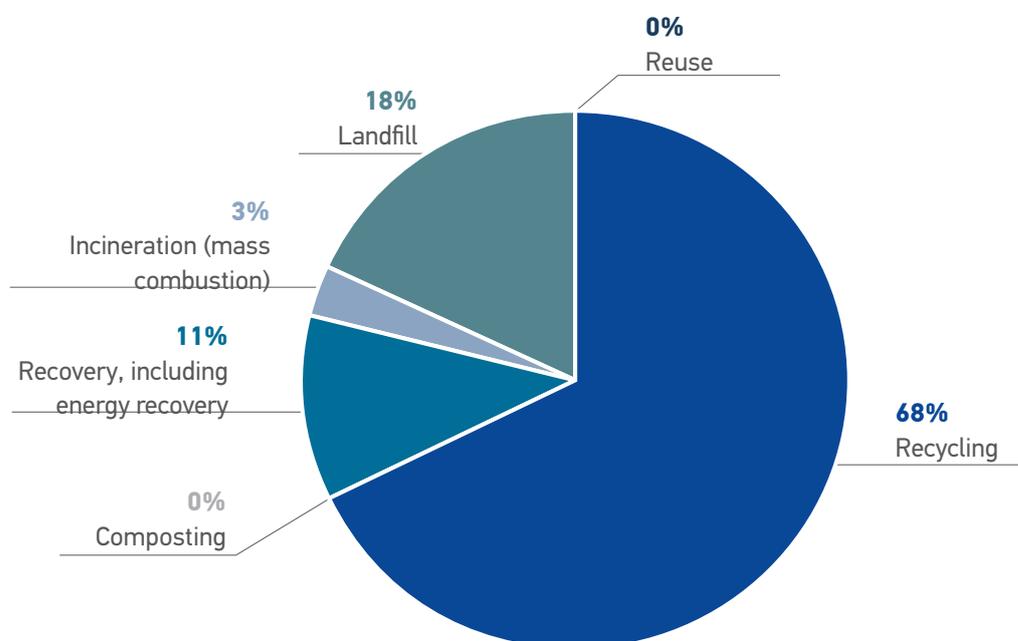
	Destination of the waste	2020 kg	2021 kg
Hazardous waste	<i>Reuse</i>	0	0
	<i>Recycling</i>	677	979
	<i>Composting</i>	0	0
	<i>Recovery, including energy recovery</i>	904	513
	<i>Incineration (mass combustion)</i>	9331	20132
	<i>Landfill</i>	866	1799
	Total hazardous waste	11778	23423
Non-hazardous waste	<i>Reuse</i>	1107	576
	<i>Recycling</i>	526247	705823
	<i>Composting</i>	2165	789
	<i>Recovery, including energy recovery</i>	66660	109912
	<i>Incineration (mass combustion)</i>	0	13112
	<i>Landfill</i>	96877	186458
	Total non-hazardous waste	693056	1016670
TOTAL WASTE PRODUCED		704834	1040093

Of the waste produced by the Group, 98% falls into the category of non-hazardous waste.

The breakdown of waste generated in 2021 by destination is described in the table below:

Allocation of waste 2021	kg	%
<i>Reuse</i>	576	0.1%
<i>Recycling</i>	706802	68.0%
<i>Composting</i>	789	0.1%
<i>Recovery, including energy recovery</i>	110425	10.5%
<i>Incineration (mass combustion)</i>	33244	3.2%
<i>Landfill</i>	188257	18.1%
TOTAL	1040093	100%

Allocation of waste 2021



MANAGING LIFE CYCLE IMPACTS, A CHALLENGE FOR THE FUTURE

The environmental impact of our products, with a life cycle oriented approach, is one of the areas of research and innovation to which Datalogic is most highly committed. In particular, this implies attention to the eco-design aspects of the product, the analysis and development of innovative packaging solutions, and end-of-life management initiatives.

Datalogic has redesigned its processes to ensure the compliance of its Products with the RoHS Directive (Restriction of Hazardous Substances); WEEE Directive (Waste Electrical and Electronic Equipment); and REACH Regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals).

Applying the WEEE Directive, Datalogic minimises the environmental impact of electrical and electronic equipment during the course of its life cycle, and when it becomes waste.

Thanks to the RoHS Directive, Datalogic contributes to the protection of the environment, human health and the prevention of hazardous waste by limiting the use of hazardous substances (lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls-PBB or polybrominated diphenyl ethers-PBDE) in new electrical and electronic equipment put on the market from 1 July 2006.

Thanks to the REACH Regulation, Datalogic is helping better protect people and the environment against the potential risks associated with chemical substances, while at the same time increasing the competitiveness of the EU's chemical industry. The regulation also promotes alternative methods for assessing the potential hazards associated with the substances, to reduce the number of tests carried out on animals.

The adoption of a recovery and recycling system offers the user of electrical and electronic equipment the possibility to deliver free of charge equipment and batteries, which have reached the end of their life, to the appropriate municipal waste collection centres, or to return them to the retailer according to the following procedures indicated on the Datalogic website ²⁸



In 2021, for the third consecutive year, the commitment to environmental protection was further reaffirmed when Datalogic was announced as an awardee of the 2021 CONAI tender for Packaging Ecodesign (further information available in the Innovation section).

NOTES:

²⁸<https://www.datalogic.com/upload/pages/quality/PoliticheSostenibilit%C3%A0/Datalogic%20RoHS%20-%20Reach%20-%20Conflict%20mineral%20policy.pdf>



- Sustainable Procurement
- Customer Satisfaction

Strengthen the means of implementation and revitalize the global partnership for sustainable development.

17

**PARTNERSHIP
FOR OBJECTIVES**



DATALOGIC SUPPLIERS, PARTNERS FOR THE DEVELOPMENT OF ENVIRONMENTAL AND SOCIAL PERFORMANCE

Datalogic considers collaboration with its suppliers a strategic means for ensuring the competitiveness, growth and sustainable development of the entire value chain, both upstream and downstream.

Suppliers are divided into two categories: suppliers from whom Datalogic purchases direct materials, i.e. those that are used in production, and those from whom Datalogic purchases "indirect" goods and services that make up all other purchases, i.e. professional services, logistics, marketing and communications, transportation and travel expenses, and other material purchases.

Total number of suppliers and purchases (in €) by type of supplier

	2020				2021			
	SUPPLIERS	%	PURCHASES €	%	SUPPLIERS	%	PURCHASES €	%
Total Suppliers	3816	100%	235400197	100%	4602	100%	343816829	100%
Direct Suppliers	633	17%	165661228	70%	653	14%	281216186	82%
Indirect Suppliers	3183	83%	69738969	30%	3949	86%	62600643	18%

2021 is marked by a 46% increase on direct supplier purchasing, compared to 2020.

The increase is due to higher demand for Datalogic products and a consequent increase in the quantities of raw materials and semi-finished products required for production. An insignificant portion is motivated by the price increase generated by the emergent situation to component shortages that characterised 2021 compared to 2020.

Datalogic has assessed a low level of risk relating to the non-compliance of suppliers of materials intended for their production processes (direct purchases), both with regard to environmental and social issues.

The risk of non-compliance with the local regulations, the commitment to environmental protection, and respect for human rights are mitigated thanks to a well-structured supplier evaluation process, which is carried out during the qualification phase, and during the monitoring of the performance levels and the agreed standards.

In the "general conditions of purchase" or in the "Code of Conduct" (both available on Datalogic's website), there are explicit references to the instances of compliance with mandatory regulations and REACH and RoHS regulations, for the verification of environmental aspects, as well as respect for human rights and workers' rights, also in terms of conflict minerals (more on this in the SDG 8 section) and, finally, reference to the principles of fairness and ethical principles.

Also in 2021, there were no instances of non-compliance with the contractual conditions of a magnitude that resulted in a discontinuation of the supply relationship and the consequent termination of contract.

The introduction of new suppliers in Datalogic is regulated by a group process called "Direct Material Suppliers Search, Select and Qualification" which, for the categories considered relevant from the point of view of criticality, foresees from the first steps the collection of information regarding the management of environmental and social aspects.



The information is recorded on a Supplier Self Evaluation & Supplier Quality verification questionnaire, in order to allow Datalogic to conduct an initial assessment and screening of the potential candidates.

In case of a positive outcome, Datalogic decides whether or not to proceed with a qualification audit, which is aimed at verifying the responses provided in the self-assessment questionnaire, and checking a series of additional requirements mapped out in the Supplier Evaluation Questionnaire.

In 2021, Datalogic used environmental and social criteria in 71.43% of the qualification processes for new suppliers eligible for this assessment²⁹.

In addition to the qualification audits, Datalogic also carries out monitoring audits on its suppliers according to an annual plan, which is prepared based on criteria of relevance, performance and priorities. Environmental and social aspects are also evaluated during this second type of audit thanks to the application of the self-assessment questionnaire.

In particular, when planning each audit, the suppliers are reminded that the Datalogic Code of Conduct is always part of Datalogic's implicit requirements and constitutes an integral part of the audit criteria.

Maintenance audit checklists also include the assessment of environmental and social aspects.

CUSTOMER EXPERIENCE: OUR MAXIMUM COMMITMENT

Resources dedicated to Research and Development play a central role in Datalogic, but technology is not an end in itself and must be developed based on customer needs.

In 2021, Datalogic consolidated the processes aimed at gathering the needs, perceptions and proposals of customers at multiple moments during the customer journey, to provide a concrete response to their needs and guarantee a direct connection between commercial and new product development figures.

Understanding and meeting customer expectations is a key factor in fuelling ongoing customer experience improvement initiatives, also aimed at aligning Datalogic's offerings with what's really important to customers.

In this context, Datalogic carries out an annual monitoring of the experience offered to its Customers through several tools:

- "Customer Bulletin" (VOC) report to share, summarise and analyse the complaints received.
- Major improvements made in the reporting year:
 - Increase the frequency with which this report is made available to all stakeholders;
 - Sharing done in a more pillar-by-pillar fashion within the organisation and with special involvement of the R&D and Product Quality teams.
- Launched new reporting on Critical Customer Complaints to more closely monitor any critical issues encountered in the field and resolve important technical problems in a more efficient and transparent manner. Thanks to the implementation of this new process, it is possible to carry out a precise analysis of the root causes and manage all the necessary corrective actions under the guidance of the Quality function and the collaboration of all the various company functions that can make a contribution on each specific issue.

NOTES:

²⁹ According to the "Direct Material Suppliers Search, Select and Qualification" procedure, the Datalogic suppliers to whom the questionnaire for the evaluation of sustainability issues (Environment, Health & Safety) is to be administered are those belonging to certain categories considered relevant from the point of view of the criticality of the supplier (e.g. brokers and distributors are excluded).

- “Net Promoter Score” (NPS) indicator for the evaluation of loyalty concerning business-to-customer relationship.

2020	2021
44	43

The one-point variance between 2021 and 2020 is evidence that Datalogic was able to maintain its previous level of customer satisfaction despite significant issues related to the continued state of emergency for Sars Covid 2 and the component shortage that characterised 2021.

Value 43 is the result of the questionnaire administered to more than 3,000 business contacts.

It is worth mentioning the dynamic feature of the survey that, with its aim to give voice to our contacts by measuring customer satisfaction, asked them to analyse the aspects that require greater care and attention throughout the Customer interaction process.

- "Instant Surveys", surveys available to customers to express their appreciation of the quality of the service offered and the methods used by the company interlocutor with whom the interaction took place. This tool was created to detect actual customer satisfaction in the shortest possible time, and to intervene quickly when the customer's expectations are not aligned with the level of service provided.

Also of note are the digital transformation initiatives undertaken by Datalogic in 2021, which saw positive impacts on the automation of certain activities related to sales order management. This has freed up time to devote to higher value-added activities for both the customer and the Datalogic operator.

Datalogic has also confirmed the Net Promoter Score (NPS) for 2021 as a performance indicator of customer satisfaction, used by many Fortune 500 companies.





MORE INFORMATION



Total employees by geographical area as of 31 December

	2020		2021		Δ % '21 vs. '20
	N	%	N	%	
Total Employees	2826	100.0%	2990	100.0%	5.8%
EMEA	1573	55.7%	1749	58.5%	11.2%
Americas	524	18.5%	486	16.3%	-7.3%
APAC	729	25.8%	755	25.3%	3.6%

Employees by gender and age group as of 31 December

	2021							
	EMEA		Americas		APAC		TOTAL	
	N	%	%	N	N	%	N	%
Total employees	1749	100.0%	486	100.0%	755	100.0%	2990	100.0%
Men	977	55.9%	374	77.0%	442	58.5%	1793	60.0%
Women	772	44.1%	112	23.0%	313	41.5%	1197	40.0%
Under 30 years old	192	11.0%	44	9.1%	233	30.9%	469	15.7%
30 to 50 years old	1036	59.2%	183	37.7%	497	65.8%	1716	57.4%
Over 50 years old	521	29.8%	259	53.3%	25	3.3%	805	26.9%

Employees by profession and geographical area as of 31 December

	2021							
	EMEA		Americas		APAC		TOTAL	
	N	%	%	N	N	%	N	%
Total employees	1749	100.0%	486	100.0%	755	100.0%	2990	100.0%
White Collars	1104	63.1%	422	86.8%	363	48.1%	1889	63.2%
Blue Collars	645	36.9%	64	13.2%	392	51.9%	1101	36.8%
Total Men	977	100.0%	374	100.0%	442	100.0%	1793	100.0%
White Collars	804	82.3%	328	87.7%	240	54.3%	1372	76.5%
Blue Collars	173	17.7%	46	12.3%	202	45.7%	421	23.5%
Total Women	772	100.0%	112	100.0%	313	100.0%	1197	100.0%
White Collars	300	38.9%	94	83.9%	123	39.3%	517	43.2%
Blue Collars	472	61.1%	18	16.1%	190	60.7%	680	56.8%
Total Employees under 30 years old	192	100.0%	44	100.0%	233	100.0%	469	100.0%
White Collars	92	47.9%	32	72.7%	56	24.0%	180	38.4%
Blue Collars	100	52.1%	12	27.3%	177	76.0%	289	61.6%
Total Employees 30 to 50 years old	1036	100.0%	183	100.0%	497	100.0%	1716	100.0%
White Collars	666	64.3%	169	92.3%	284	57.1%	1119	65.2%
Blue Collars	370	35.7%	14	7.7%	213	42.9%	597	34.8%
Total Employees over 50 years old	521	100.0%	259	100.0%	25	100.0%	805	100.0%
White Collars	346	66.4%	221	85.3%	23	92.0%	590	73.3%
Blue Collars	175	33.6%	38	14.7%	2	8.0%	215	26.7%



Percentage of employees by professional category, gender and age group as of 31 December

	2020			2021		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total Employees	62.5%	37.5%	100.0%	60.0%	40.0%	100.0%
White Collars	73.2%	26.8%	66.9%	72.6%	27.4%	63.2%
Blue Collars	40.9%	59.1%	33.1%	38.2%	61.8%	36.8%

	2020				2021			
	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL	< 30 YEARS OLD	30 TO 50 YEARS OLD	> 50 YEARS OLD	TOTAL
Total Employees	16.5%	57.4%	26.2%	100.0%	15.7%	57.4%	26.9%	100.0%
White Collars	10.3%	59.6%	30.1%	66.9%	9.5%	59.2%	31.2%	63.2%
Blue Collars	29.0%	52.9%	18.1%	33.1%	26.2%	54.2%	19.5%	36.8%

Direct and indirect energy consumption and car fleet (GJ)

	2020		2021	
	GJ	%	GJ	%
Total consumption - Without car fleet	62181	98 %	79741	98 %
Direct energy consumption - Car fleet	1251	2 %	1780	2 %
Total consumption - with car fleet	63432	100.0%	81521	100.0%

Direct consumption by type

	2020		2021	
	GJ	%	GJ	%
Natural Gas	14525	88.6 %	20694	89.50%
Diesel	16	0.1%	15	0.06%
LPG	1847	11.3 %	2412	10.4%

Direct consumption by type - car fleet

	2020		2021	
	GJ	%	GJ	%
Car fleet - Diesel Consumption	1182	94.5%	1677	94%
Car fleet - Petrol consumption	69	5.5%	103	6%

Emissions related to energy consumption (tonnes CO₂ e)

	2020		2021	
	TONNES OF CO ₂ equivalent	%	TONNES OF CO ₂ equivalent	%
<i>Direct CO₂ Emissions (Scope 1)</i>	940	100%	1317	100%
<i>Indirect CO₂ Emissions (Scope 2) – Location-Based</i>	6536	100%	7740	100%
<i>Indirect CO₂ Emissions (Scope 2) – Market-Based</i>	6911	100%	7119	100%

Emissions related to energy consumption (tonnes CO₂ e)

	2020		2021	
	TONNES OF CO ₂ equivalent	%	TONNES OF CO ₂ equivalent	%
<i>Natural Gas Emissions</i>	820	87.3%	1161	88.2%
<i>Diesel Emissions</i>	1	0.1%	1	0.1%
<i>LPG Emissions</i>	118	12.7%	154	11.8%

Detail of emissions related to direct energy consumption (tonnes CO₂e) of the car fleet

	2020		2021	
	TONNES OF CO ₂ equivalent	%	TONNES OF CO ₂ equivalent	%
<i>CO₂ emissions for the car fleet only (Petrol)</i>	5	6%	10	8%
<i>CO₂ emissions for the car fleet only (Diesel)</i>	84	94%	117	92%





METHODOLOGICAL NOTE

In compliance with the provisions of article 5, paragraph 3, letter b, of Italian Legislative Decree no. 254/2016, Datalogic Group has prepared this Consolidated Non-Financial Statement, hereinafter NFS, which is a separate report from the Management Report.

This NFS for the 2021 financial year covers the period from 1 January to 31 December 2021, and includes Datalogic S.p.A. (the Parent Company) and all the companies consolidated line-by-line in the Consolidated Financial Statements (within this document, the terms “Datalogic Group”, “Group” and “Datalogic” refer to all the companies included within the scope of consolidation), as illustrated in the tables below.

COMPANY	LOCATION	% OWNERSHIP
<i>Datalogic S.p.A.</i>	Bologna - Italy	Parent Company
<i>Datalogic Real Estate France Sas</i>	Courtabeuf Cedex - France	100%
<i>Datalogic Real Estate UK Ltd.</i>	Redbourn - England	100%
<i>Datalogic IP Tech S.r.l.</i>	Bologna - Italy	100%
<i>Informatics Holdings, Inc.</i>	Plano Texas - Usa	100%
<i>Wasp Barcode Technologies Ltd</i>	Redbourn - England	100%
<i>Datalogic (Shenzhen) Industrial Automation Co. Ltd.</i>	Shenzhen - China	100%
<i>Datalogic Hungary Kft</i>	Balatonboglar - Hungary	100%
<i>Datalogic S.r.l.</i>	Bologna - Italy	100%
<i>Datalogic Slovakia S.r.o.</i>	Trnava - Slovakia	100%
<i>Datalogic USA Inc.</i>	Eugene OR - Usa	100%
<i>Datalogic do Brazil Comercio de Equipamentos e Automacao Ltda.</i>	Sao Paulo - Brazil	100%
<i>Datalogic Tecnologia de Mexico S.r.l.</i>	Colonia Cuauhtemoc - Mexico	100%
<i>Datalogic Scanning Eastern Europe GmbH</i>	Langen - Germany	100%
<i>Datalogic Australia Pty Ltd</i>	Mount Waverley (Melbourne) - Australia	100%
<i>Datalogic Vietnam LLC</i>	Vietnam	100%
<i>Datalogic Singapore Asia Pacific Pte Ltd.</i>	Singapore	100%
<i>Datasensing Srl</i>	Modena - Italy	100%
<i>M.D. Micro Detectors (TIANJIN) CO., LTD.</i>	Tianjin - China	100%
<i>Micro Detectors Ibérica,S.A.U.</i>	Barcelona - Spain	100%

Compared to the NFS relating to the financial year as at 31 December 2020, we note the entry into the scope of consolidation of the companies Datasensing S.r.l. (formerly known as M.D. Micro Detectors S.p.A.), M.D. Micro Detectors (TIANJIN) CO., LTD. and Micro Detectors Ibérica,S.A.U., the acquisition of which was completed on 1 March 2021 through the subsidiary Datalogic S.r.l.

For the purposes of the 2021 NFS, environmental and social data for all of 2021 were considered.

Each year the scope of the reporting of the environmental data and information is defined based on an assessment of the materiality of the sites with respect to their environmental impact, excluding sites that carry out exclusively office activities and are characterised by a low presence of people.

With regard to the 2021 reporting period, the environmental data collected and disclosed in this NFS refer to the following facilities:

- Monte San Pietro – BO (Italy);
- Castiglion Messer Raimondo - TE (Italy);
- Lippo di Calderara, BO (Italy);
- Trnava (Slovakia);
- Balatonboglár (Hungary);
- Ho Chi Minh City (Vietnam);
- Eugene (USA);
- Hatfield (USA);
- Plano (USA);
- Modena (Italy).

The Plano facility (referable to Informatics Holdings, Inc., which has become significant as a result of size growth) and the Modena facility (referable to the acquired company M.D. Micro Detectors S.p.A.) have been included in the scope of environmental data since 2021.

This document has been prepared in accordance with the GRI Standards: Core option. In this regard, it should be noted that, with regard to the Topic GRI 306 (Waste), the Group has adopted the most updated version released in 2020 by the GRI.

Datalogic has defined the material aspects in terms of impacts (Group and stakeholders), based on a structured process of materiality analysis described in the paragraph "Stakeholder dialogue and materiality analysis" below.

With regard to the information required by Art. 3, paragraph 2 of Italian Legislative Decree no. 254/16, it should be noted that, in view of the business sector, the following were not relevant to ensuring an understanding of the company's activities:

- Group water consumption. These consumptions are not relevant considering both the production activity and the impacts produced by it. Datalogic's offices and production facilities do not involve significant water use;
- pollutant emissions other than greenhouse gas emissions. Datalogic's manufacturing operations do not generate such emissions.

The NFS is published on an annual basis, and includes a comparison with the information provided for the previous years, if significant. The process of drawing up the NFS was coordinated on a Group-wide level by Corporate Quality. The corporate departments, on both a centralised and local level, were involved in reporting the policies, the risks generated and suffered, the management and organisation models, and the data and information necessary for the preparation of the NFS.

Any restatements of previously published comparative data are clearly indicated as such. In order to ensure the reliability of the data, the use of estimates was limited as far as possible. Wherever estimates are utilised, they are based on the best methodologies available, and are marked accordingly in the document.

Datalogic S.p.A., as a company required to prepare the Consolidated Non-Financial Statement pursuant to EU Directive 95/2014 (implemented in Italy by Legislative Decree 254/2016), has the obligation to include in that document, as of publications occurring after 1 January 2022, the disclosure required by the regulations relating to the so-called "EU Taxonomy" (EU Regulation 2020/852 and related Delegated Regulations) in relation to the eco-sustainable activities conducted by the Group.

Pursuant to Article 10 of EU Delegated Regulation 2021/2178 of 6 July 2021, this disclosure for 2021 concerns the proportion, compared to the total, of the Group's turnover, investments and operating costs pertaining to activities eligible for the Taxonomy with reference to climate change mitigation and adaptation objectives, as covered by the annexes to EU Delegated Regulation 2021/2139 of 4 June 2021, as well as certain qualitative information.

Please refer to the section entitled "European Taxonomy". It should also be noted that the limited review of this NFS performed by the Independent Auditors Deloitte & Touche S.p.A. does not extend to this disclosure.

This document was approved by the Datalogic S.p.A. Board of Directors on 10 March 2022.

The NFS is also subject to a limited assurance engagement (according to the criteria set out in ISAE 3000 Revised) by Deloitte & Touche S.p.A.

The 2021 NFS is available on the Datalogic website: <https://www.datalogic.com/ita/azienda/panoramica-dellazienda/sostenibilita-co-4690.html>

For more information or clarifications, or for any questions you may have, please contact Datalogic Group via the "contact us" section of the website, at: <https://www.datalogic.com/ita/contatti-cth-4467.html>.

STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS

This NFS is intended to provide information on environmental and social issues relating to personnel, respect for human rights, and the fight against active and passive corruption.

Datalogic, using the GRI Standards as a reference, has activated a materiality analysis process (as required by GRI Standard 101 - Foundation) to identify relevant stakeholders and issues using a dual perspective. Aspects related to risks/opportunities that:

- could impact the organisation's ability to generate long-term value (financial perspective);
- and/or reflect potentially significant impacts of the organisation on the environment and society (impact perspective).

Dialogue with Stakeholders

The stakeholder mapping and engagement process undertaken for the preparation of Datalogic's 2021 NFS was guided by the methodology recommended by the AA1000 Stakeholder Engagement Standard - Accountability, a reference framework for design, implementation, quality verification and communication of stakeholder inclusion programs.

The process was guided by the principles of:

- relevance: what is important for Datalogic and its stakeholders;
- completeness: understanding and management of the stakeholders' actual impacts, needs, perceptions and expectations;
- compliance: response consistent with the topics relevant for the stakeholders and for Datalogic. Datalogic's main stakeholders are the following:



STAKEHOLDERS	ENGAGEMENT FREQUENCY	TERMS OF ENGAGEMENT	MAIN EMERGED ISSUES
Shareholders/ Financial Community	Continuous	<ul style="list-style-type: none"> • Conference call both for sharing results and at the request of investors. • Conference call with analysts and investors. • Price sensitive communications via SDIR and publications on the Corporate website. 	<ul style="list-style-type: none"> • Relevance of transparency of financial information and company performance. • Possible impacts generated by regulatory changes on the achievement of strategic objectives and macroeconomic trends.
Customers	Continuous	<ul style="list-style-type: none"> • Constant dialogue with customers via "Customer Relationship Management" tool. • Miscellaneous Activities: Net Promoter Score, on-site services offered, in-person and web-based events, focus groups. • Voice Of the Customer to gather and understand customer needs and expectations. 	<ul style="list-style-type: none"> • The importance of Innovation and product quality. • Elements on which to pursue continuous improvement of both the product and the service offered.
Suppliers	Continuous	<ul style="list-style-type: none"> • Audits and visits (web-based and in-person). • Conference Call. 	<p>The importance of innovation and quality of materials and services offered.</p> <p>In 2021, the main issue was managing the shortage of key commodities (plastics, metals, ...).</p>
Repair service partners	Continuous	Conference calls for sharing and monitoring performance and for business reviews.	<ul style="list-style-type: none"> • Confirmation of the focus to be placed on support and training activities provided to partners. • Special focus on customer response time.
Employees	Continuous	<ul style="list-style-type: none"> • Constant dialogue across functions. • Performance assessment. • Collection of training needs. • In-house climate surveys. 	Professional growth, recognition, safe and inclusive working environment.
Political-economic communities and institutions	At regular intervals	<ul style="list-style-type: none"> • Dialogue and participation in technical committees. • Periodic consultation. 	<ul style="list-style-type: none"> • Activities and controls to ensure compliance. • Economic and technological development. • Creating value and safeguarding health and safety.
The Scientific community	Continuous	<ul style="list-style-type: none"> • Participation in research and development projects. • Participation in seminars and technical committees. 	Managing and monitoring activities to ensure continuous technological progress.

In continuity with the activity carried out in the previous reporting period, and on the basis of the results of an analysis of the external and internal context of the organisation that allowed to identify the main risks and opportunities emerging in the current post-pandemic scenario, Datalogic started in September 2021, the mapping and identification of the main categories of stakeholders to be involved in the calibration process of the material issues to be reported in the 2021 NFS.

As a result of the analysis, it was decided to involve directly, as they were particularly representative of the viewpoint outside the organisation:

- 30 investors of Datalogic S.p.A.;
- 4.981 direct customer contacts (up to 10 contacts for the first 1,000 customers in terms of revenue);
- 413 suppliers (active in the last 12 months with an expenditure equal to or greater than € 10,000);

On the other hand, the internal point of view of the organisation was expressed by directly involving 455 employees belonging to the N-2 and N-3 hierarchical levels of all the Group's business functions.

Lastly, 10 representatives of Top Management were involved in the validation of the materiality analysis and in the calibration of the weights to be attributed to the material topics.

The materiality analysis

Prior to the stakeholder engagement phase, the relevant themes to be submitted to stakeholder evaluation were identified, starting from the material themes of 2020, revisiting them in some cases in their wording and integrating them with those emerging from the context analysis carried out in the preliminary phase.

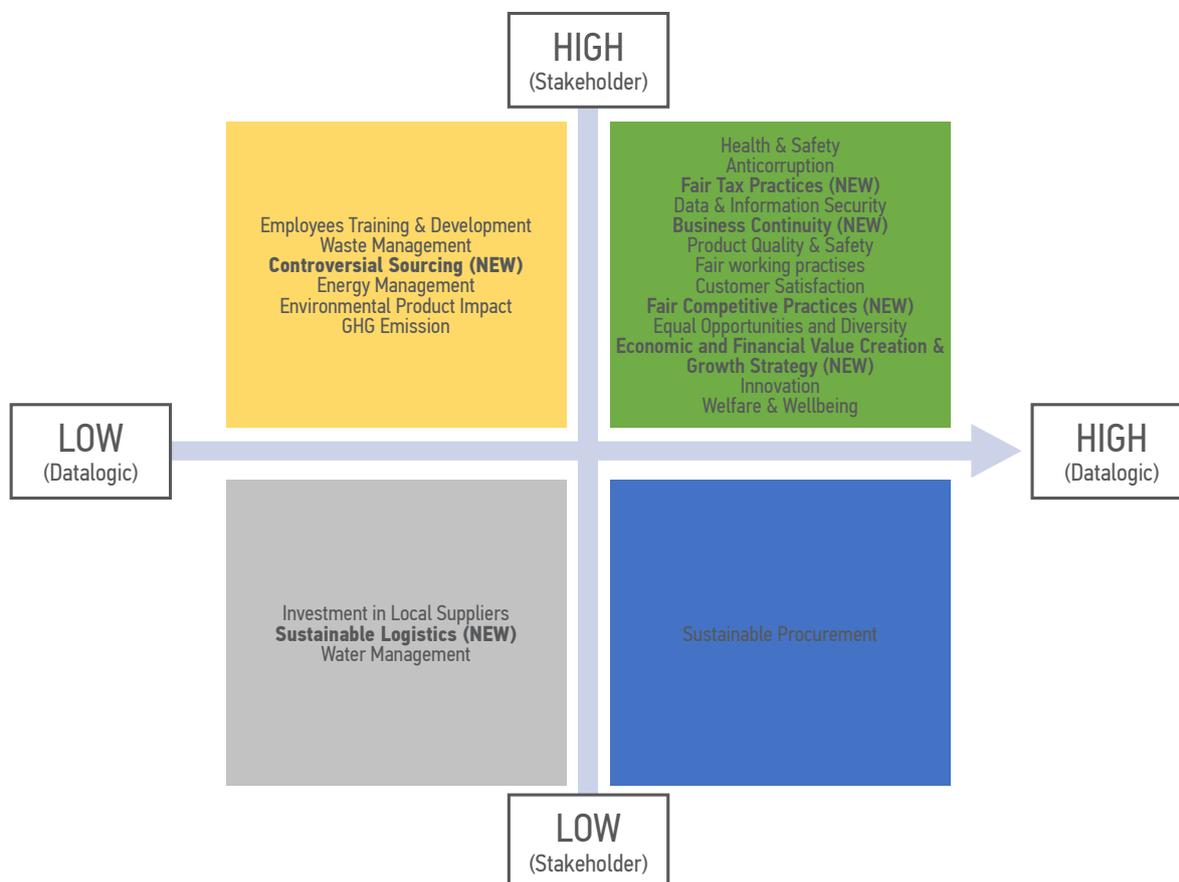
Specifically, compared to 2020, for 2021:

- it was decided that the theme of "Health & Safety" should no longer be divided into two separate themes, Safe working conditions and Health and wellbeing at workplace. This distinction, in fact, is to be contextualized in the previous reporting period. In 2020, given the pandemic emergency, it was deemed necessary to give stakeholders more space to express new information requests in relation to the issues generated by the pandemic event and the initiatives launched in response to the health emergency.
- the themes of Wellbeing and Employees Training & Education have been divided into the broader concepts of Welfare & Wellbeing and Employees Training & Development, respectively. In addition, the topic of Employees Retention & Attraction was considered transversal.
- the themes of Energy Management and CO₂ Emissions Reduction have been respectively declined into the broader concepts of Energy Management and GHG Emissions.

During the engagement phase, the stakeholders involved analysed the list of relevant issues and assigned a score to each of them through the completion of an assessment questionnaire. This allowed for an assessment of the importance to internal and external stakeholders of the above issues. The processing of the data and the assessments collected led to the updating of the materiality matrix and to the identification of the material issues to be reported in the 2021 NFS.

The results of the materiality analysis were initially validated through a collective meeting held with all the Company's Department Managers, and were subsequently approved by the Group's CEO. At the end of the process, material issues were identified for the Datalogic Group and its stakeholders; they are reported in the chart below and fall in the green, yellow and blue areas.

In the graphic representation below, the horizontal arrow represents the Relevance of the economic, environmental and social impacts of the issues, while the vertical arrow represents their Influence on stakeholder assessments and decisions.



The analysis performed resulted in the identification of the following new material themes with respect to FY 2021:

- Economic and Financial Value creation & Growth Strategy;
- Business Continuity;
- Fair Tax Practices;
- Fair Competitive Practices;
- Controversial Sourcing (Conflict Minerals).

Moreover, with respect to the results obtained from the processing of the questionnaire scores, the relevance for Datalogic of the Sustainable Procurement material theme was increased on the basis of the considerations that emerged from the discussion with the representatives of top management, who considered it important in light of future projects currently being evaluated.

For the sake of clarity, a reconciliation has been made between the material topics and the relative GRI Topic Disclosures, indicating the relevant scope and any limitations for each of them.

PILLAR	MACRO THEME	RELEVANT ASPECT (SUBJECT TO EVALUATION)	GRI TOPIC SPECIFIC STANDARD	SCOPE	
				WHERE THE IMPACT OCCURS	DATALOGIC'S ENGAGEMENT
GOVERNANCE	Innovation	Innovation (product, process)	n/a	Group	Caused by the Group
		Management of Impacts related to Product Lifecycle	n/a	Group	Caused by the Group
	Relationships with clients, suppliers, employees	Customer Satisfaction	n/a	Group	Caused by the Group
		Data and Information Security	GRI 418 - Customer Privacy	Group	Caused by the Group
		Product Quality and Safety	GRI 416 - Health and safety of customers	Group	Caused by the Group
	Sustainable Supply Chain	Sustainable Procurement	GRI 308 - Supplier environmental evaluation GRI 414 - Supplier social evaluation	Production plants for direct material purchases	Caused by the Group
		Controversial Sourcing (conflict minerals)	n/a	Production plants for direct material purchases	Caused by the Group
	Economic Growth	Economic and Financial Value creation & Growth Strategy	GRI 201 - Economic performance	Group	Caused by the Group
		Business Continuity	n/a	Group	Caused by the Group
	Integrity and Ethics	Anti-corruption	GRI 205 - Anti-corruption	Group	Caused by the Group
		Fair Competitive Practices	GRI 206 - Anti-Competitive Conduct	Group	Caused by the Group
		Fair Tax Practices	GRI 207 - Taxes	Group	Caused by the Group
	ENVIRONMENTAL	Management of environmental impacts	Energy Management	GRI 302 - Energy	Production plants
GHG emissions			GRI 305 - Emissions	Production plants Providers of electrical power	Caused by the Group and directly connected to the Group through commercial relations
Waste Management			GRI 306 - Waste	Production plants	Caused by the Group and to which the Group contributes
SOCIAL	Human Capital	Welfare & Wellbeing	GRI 401 - Employment	Group Employees	Caused by the Group
		Employee Training and Development	GRI 401 - Employment GRI 404 - Training and Education	Group Employees	Caused by the Group
	Human and Labor Rights	Fair Working Practices	GRI 412 - Evaluation of respect of human rights	Group Employees Suppliers	Caused by the Group
	Equal Opportunities and Diversity	Equal Opportunities & Diversity	GRI 405 - Diversity and Equal Opportunities	Group	Caused by the Group
	H&S	Health and Safety	GRI 403 - Health and Safety	Group employees and contract workers	Caused by the Group and directly connected to the Group through commercial relations

Contribution to Sustainable Development Goals

In 2020, Datalogic decided to refine the materiality analysis process, with a strategic analysis even being conducted in relation to the 17 Sustainability Goals of the United Nations 2030 Agenda.

The strategic positioning analysis was carried out within the context of a multi-stakeholder workshop supported by the SDG Lens tool (<https://store.veracity.com/sdg-lens-sustainable-development-self-assessment-tool>), in order to prioritise the SDGs according to the specific strategic and operational ecosystem with which Datalogic interacts. The granularity of the analysis conducted through the tool made it possible to achieve the level of detail of the individual targets of the SDG system.

This project task made it possible to arrive at a shared identification of the reference targets for Datalogic, reported according to the global metrics, with the support of an engagement and structured analysis methodology that legitimised the identification of the priority SDGs to be included within the NFS, correlating them to the various material topics.

In order to perform the strategic positioning analysis (useful for correlating the material topics with the UN SDGs), a workshop was organised in which the representatives of the Environmental, Health & Safety H&S Italy, Corporate HR, Marketing & Communications, Procurement, and Internal Auditing departments were asked to reflect on the impact and contribution that Datalogic's activities have had on the pursuit of the 2030 Agenda's universal Goals.

In 2021, the strategic positioning analysis was revised in light of the new material themes, identifying the SDGs to which Datalogic can contribute most relevantly based on the guidance in Linking the SDGs and the GRI Standards (2021, Global Reporting Initiative).





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409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	On the basis of the procedures and records relating to supplier management, there is no significant risk on the use of forced or compulsory labour at the main suppliers of the Group	
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**INDEPENDENT AUDITOR'S REPORT
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,
PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND
ART. 5 OF CONSOB REGULATION N. 20267 OF JANUARY 2018**

**To the Board of Directors of
Datalogic S.p.A.**

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Datalogic S.p.A. and its subsidiaries (hereinafter "Datalogic Group" or "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree and approved by the Board of Directors on March 9, 2022 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European taxonomy".

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

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

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

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

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

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

Auditor's Independence and quality control

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

Auditor's responsibility

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

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

Specifically we carried out the following procedures:

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

4. understanding of the following matters:

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

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

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

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

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

- at the parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the following companies and sites, Lippo di Calderara di Reno (BO) headquarters for Datalogic S.p.A., Monte San Pietro (BO) production site for Datalogic S.r.l., Eugene (USA) production site for Datalogic USA Inc. and Ho Chi Minh (Vietnam) production site for Datalogic Vietnam LLC, which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits or remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

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

Our conclusion on the NFS of Datalogic Group does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "European Taxonomy".

DELOITTE & TOUCHE S.p.A.

Signed by
Alberto Guerzoni
Partner

Bologna, Italy
March 29, 2022

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

