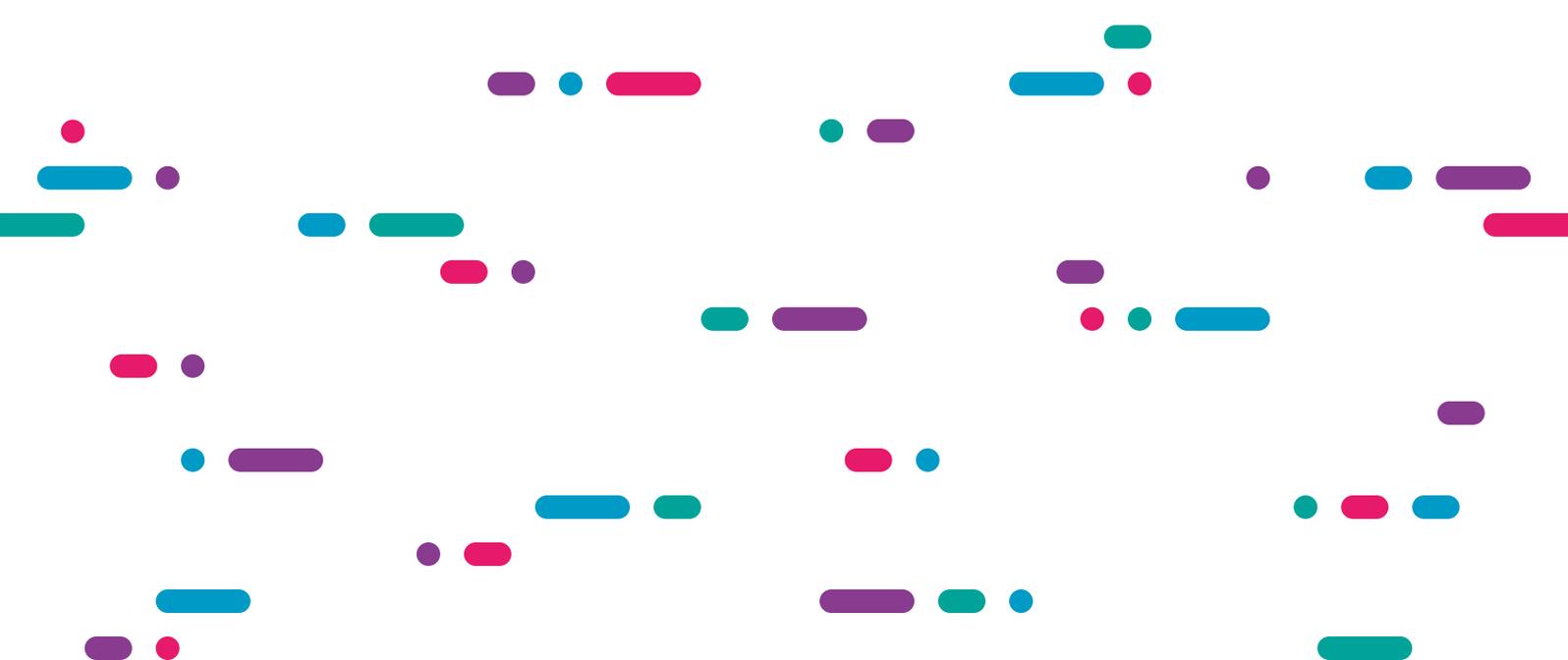




Sustainability Report 2020





**Technology to help businesses
communicate better and faster**

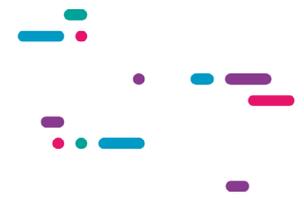


Table of Contents

Letter to Stakeholders	4
Notes On Methodology	6
1. Growens	7
2. Ethical Business Approach	20
3. Materiality Analysis	24
4. Economic Growth & Financial Performance	28
5. Response To The Covid-19 Emergency	37
6. Privacy & Cyber Security	48
7. Innovation & R&D	52
8. Relationship With Employees	71
9. Internal Communication & Engagement	84
10. Relationship With The Community	94
11. Relationship With The Environment	105
12. Relationship With Suppliers	111
13. GRI Content Index	113

Letter to Stakeholders

Dear Stakeholders,

In the new edition of the **Sustainability Report**, we are pleased to present an important update of the document that summarises the organisation's objectives, activities, impacts and results towards its Stakeholders.

It is difficult, if not impossible, to go over our 2020 ignoring the element that indelibly defined it - the **Covid-19 pandemic**. All of a sudden, the world woke up to a dystopian scenario, with shaken certainties and unreliable future outlooks. Like everyone else, we found ourselves disoriented in front of this new scenario and, in looking for a pivot to guide us in making unprecedented decisions, we found it in what has always been the engine of our Group: **people**.

As summarised in the **caring principle**, which constitutes one of the four corporate values, the care for our people has provided the guiding light for organisational, business and investment decisions. Also consistent with what our investors expect of us (described later in the Investor Survey results), in a 2020 full of uncertainties we gave the **utmost priority to the safety**, well-being and health of our employees, their families and communities, as a cornerstone for sustainable business growth.

As a result, we kept our workforce intact, continued the hiring process and supported individuals and families with special initiatives, flexibility and benefits. At the same time, we implemented **measures to support our customers**, helping them during the health and economic crisis with resources, free tools, deferred payment terms, discounts and email marketing templates.

We believe that the results of this choice are evident in the economic growth that the business has been able to ensure, and that a **truly sustainable approach** is the key to the future success of companies and countries.

In fact, in recent years the Group has made considerable efforts with regard to the **progressive integration of social and environmental issues** in defining corporate strategies, planning activities, measuring performance, reporting and communicating to all Stakeholders.

Well before the outbreak of the pandemic, we were convinced that it is now impossible for companies to ignore the countless factors that contribute to determine a decision-making process notwithstanding the scenario.

We need to **start thinking in terms of “ecosystems”**, rather than individual companies, and aim at creating shared value by adopting a long-term perspective.

This fundamental basic orientation - also summarised in the new corporate purpose - will guide the Group in facing the challenges ahead with a proactive, steadfast mind, in pursuing our objective of actively contributing to the **transition towards a new paradigm of progress** centered on the principles of sustainability and transparency.

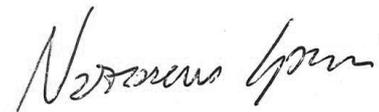
This is also what lies beneath our new name - which, as of 2021, sanctions the new brand identity of the Group: **Growens** embodies the principles of growth, organicity and intentionality. Hopefully, an auspicious *nomen omen*.



Matteo Monfredini
Chairman



Nazzareno Gorni
CEO



Notes On Methodology

Purpose of this document

This Sustainability Report is the second document produced by Growens S.p.A. to **transparently and consistently disclose** to all Stakeholders corporate values, strategies and performance directly related to its economic, social and environmental impacts.

The current Report is **issued on a voluntary basis** by the Company, which pursuant to Legislative Decree 254/2016 does not fall within the category of large public interest entities required to report their non-financial performance.

Sustainability represents a comprehensive and crucial share of Growens S.p.A.'s objectives, hence it was decided to draw up the Sustainability Report starting from the **2030 UN Agenda**. The 17 Sustainable Development Goals (SDGs) represent "common goals" to be achieved in areas relevant to sustainable development.

Scope

The scope of this Sustainability Report includes **all the companies of the Group** headed by Growens S.p.A., which market their products and services under the MailUp, Agile Telecom, Acumbamail, BEE and Datatrics brands globally. Any perimeter limitations are indicated with a footnote within the document.

Reporting process and standards

Growens has set up an **internal working group**, representative of the main company functions, in order to collect the information required for the Sustainability Report.

The Report covers the period **1 January - 31 December 2020** and was prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards) guidelines, according to the "Core" application level (please refer to the GRI Content Index).

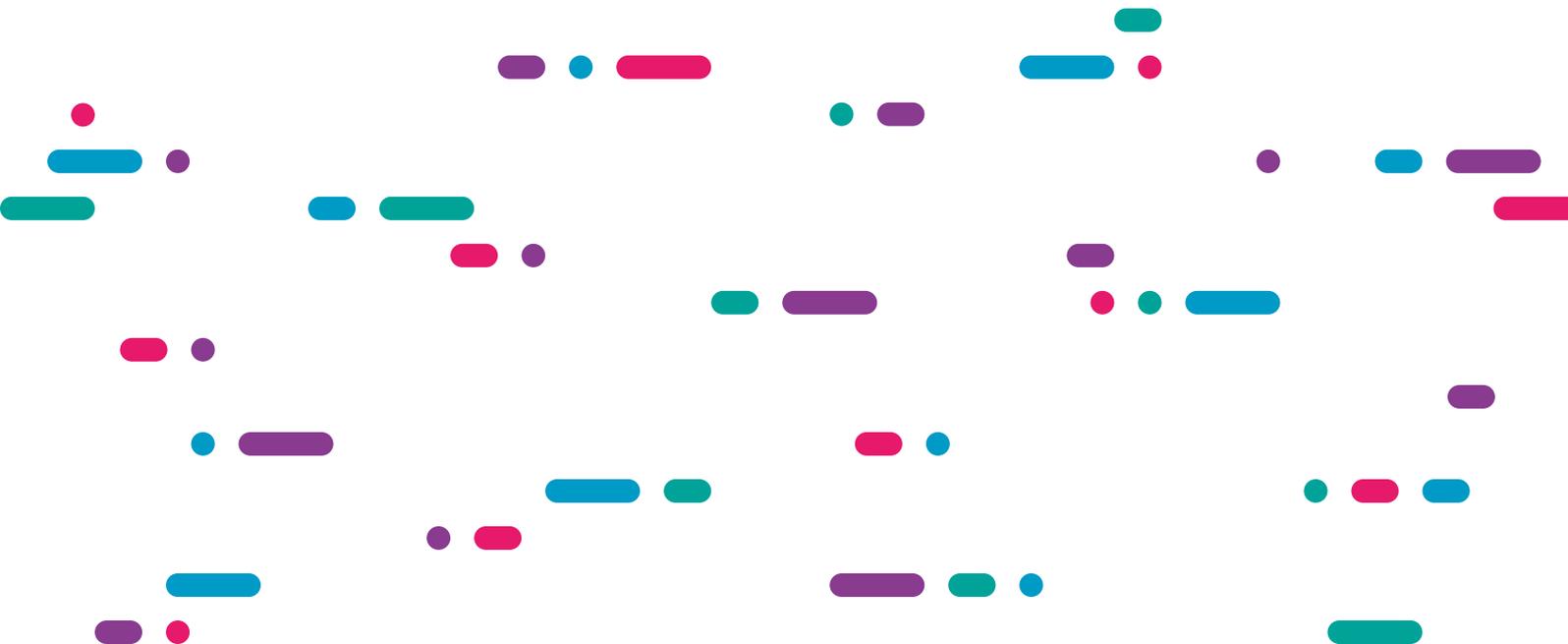
Any restrictions on disclosure are reported in the notes, as is the use of estimates and approximations in the calculation of the indicators. As required by the GRI Standards, the data collection phase was preceded by the so-called "Materiality Analysis", an activity aimed at **identifying significant issues** related to the economic, social and environmental area, which may influence the strategic decisions of the organisation and Stakeholders.

Any Stakeholder feedback is useful to improve the Company's sustainability commitment and reporting. For more information, please visit the corporate website growens.io.

1



Growens



About the Group

Growens (growens.io) is an integrated industrial group that creates **technologies for predictive marketing, mobile messaging and content creation**, meant for organisations wishing to communicate effectively with their customers.

Italian design, global vision, attention to the local communities where it is rooted - Growens Group is defined by passion and competence, by scalability and profitability for its investors, and by **innovation for its customers**.



Established in 2002 in Cremona, Italy



250 employees in 3 continents



5 languages spoken



25,500 customers in 115+ countries



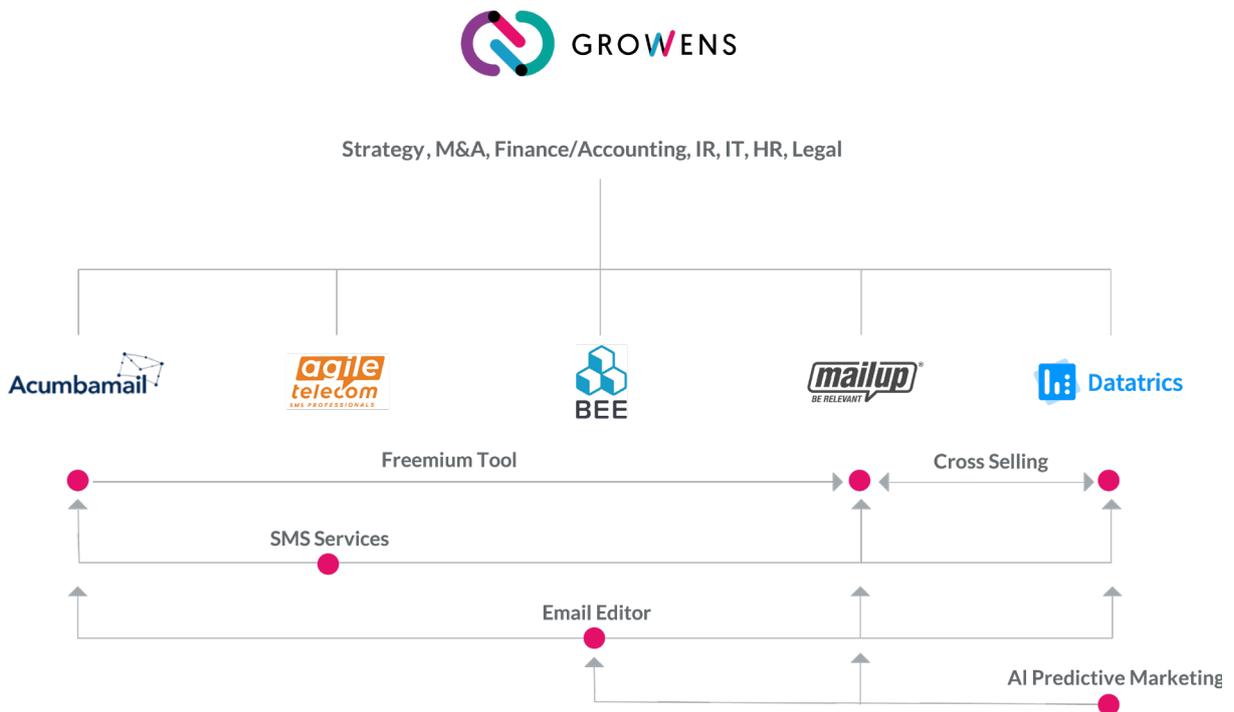
5 Business Units

Business Units

Born from the **technological research and business success of MailUp** (today Growens S.p.A.), the Group offers a wide range of solutions focused on messaging and data-driven omni-channel marketing automation, used by companies to communicate with their customers.

The Company **grew steadily and consistently** both organically and by acquiring both established and emerging companies: Acumbamail (Spanish and LatAm markets), Agile Telecom (SMS wholesale market) and Datatrics (artificial intelligence). The brand portfolio is completed by BEE – an email editor launched in 2014 in San Francisco as a complementary business line.

The Group is currently an international entity with **offices worldwide**.



MailUp

Advanced Marketing Automation features, bespoke consultancy, training resources and solid expertise. MailUp offers you and your company everything you need to shape **effective marketing strategies via Email, SMS and Messaging Apps**.

Established in 2003 in Cremona (Northern Italy), over the years MailUp has grown to become a market leader in Italy and earn international relevance. Today 9,200 companies worldwide trust MailUp as a strategic partner for their Digital Marketing activities.

In 2014 MailUp was admitted to trading on the AIM Italia market of the Italian Stock Exchange. After completing a number of acquisitions, it has become **the parent company of the Growens group**.

mailup.com



Acumbamail

A **Spanish-based SaaS email marketing provider**, it also offers SMS packages and transactional services with a freemium, self-provisioning business model suitable for micro and small businesses. It allows customers to create, send, and manage their campaigns by also tracking real-time performance.

acumbamail.com



Agile Telecom

Based in Italy, as an outright **wholesale SMS factory**, the telecom provider (OLO Other Licensed Operator) offers SMS delivery for both promotional and transactional messages: One-Time Password/ Notifications/ Alerts etc. Its numerous direct connections with carriers and operators globally as well as its proprietary technology ensure optimized delivery of top quality messaging.

agiletelecom.com



BEE

BEE is the **drag & drop email & landing page editor** developed by MailUp Inc., a wholly-owned subsidiary of Growens. Organised according to the dual company model, with a business team located in the San Francisco Bay Area, and a tech team in Italy, the company is focused on the development and commercialisation of an innovative, embeddable content editor for SaaS.

BEE provides **no-code design tools** that empower everyone to quickly create content that resonates. BEE's visual builders are used to design emails, landing pages, one-page sites, and more. They deliver fantastic design flexibility and a great user experience, combining granular control on design elements with handy features like editing content directly in mobile view. BEE is building on its **vision to help democratise content design**, with millions of monthly users in over 20 languages and from over 150 countries. BEE's design tools are available online at beefree.io and embedded in over 600 SaaS applications.

beefree.io



Datatrics

Established in the Netherlands in 2012, with the mission of aggregating marketing and technology to allow marketers to exploit the power of data and artificial intelligence, it currently sells a proprietary **AI-based predictive marketing platform** which can be used on a plug-and-play basis to create ever more relevant and omni-channel customer experiences, allowing marketers to increase customer returns.

datatrics.com



History

The Parent Company was established in 2002 in Cremona, Italy, as a small digital agency founded by **five young entrepreneurs**. Among the various digital products it developed, one in particular soon showed great potential: a **newsletter platform**, later renamed MailUp.

In 2009 the agency concentrated all its business on this platform, and in 2011 it became the **market leader in Italy**.

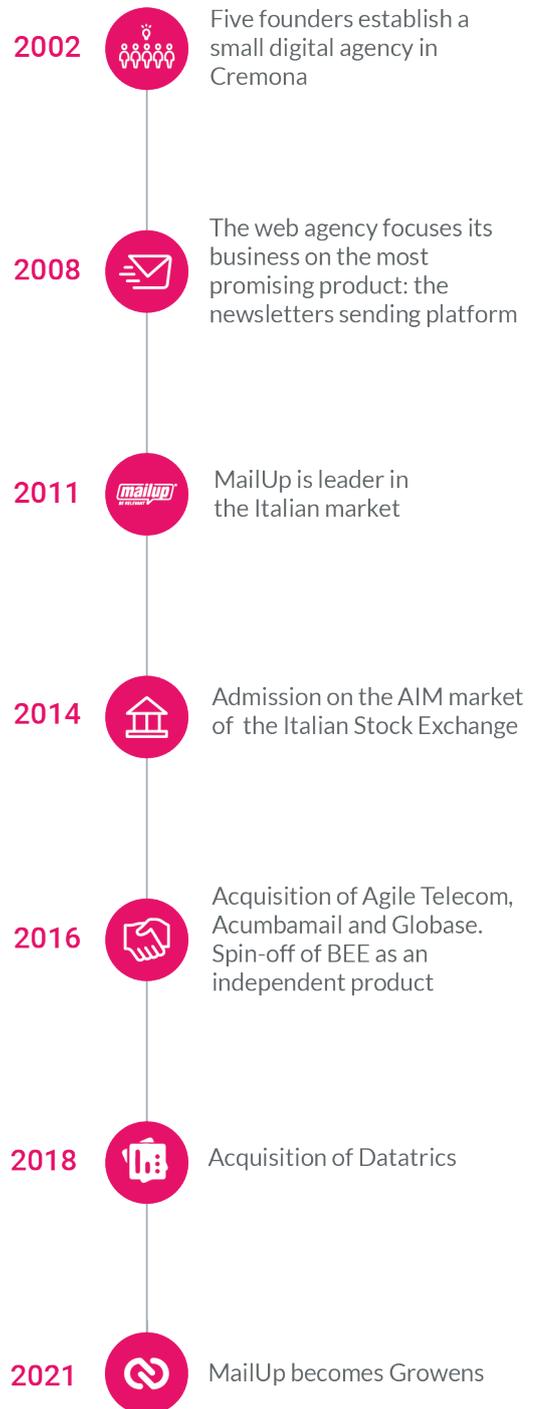
Following the **admission to trading** of its ordinary shares on AIM Italia in 2014, the Company has developed a **vertically integrated portfolio of brands and services** through both organic and external growth.

Between 2015 and 2018 it acquired Agile Telecom, Acumbamail, Globase and Datatrics, while **expanding internationally**. The product range is completed by the BEE startup, created as an internal project and subsequently developed as an independent business unit.

In 2017 the **MailUp Group brand was born**, which includes the parent company and the acquired companies, and which was rebranded to Growens in 2021.

The five founders are currently the **Group's controlling shareholders** (with individual shareholdings in excess of 10%, 50.1% of which are part of a shareholders' agreement) and part of the top management.

The main stages of the **growth path** are shown aside.



Vision, Mission, Values, Purpose

Our Vision

To be an internationally recognised innovator where passionate people create an ecosystem of data-driven solutions that help with the evolving ways of communicating with customers.

Our Mission

We bring growth and technological innovation to our customers and investors worldwide, thanks to ethical and easy-to-use marketing and communication tools, developed with passion by an international team.

Our Values

The four corporate values of Passion, Trust, Open-Mindedness and Caring guide our strategic choices and form the foundation for the Group's sustainable growth.



Our Purpose

We nurture healthy, sustainable marketing through innovative technologies that foster well-being, awareness and digital advancement for society, businesses and users.

Identified in 2020, the purpose statement provides **the reasons an organisation exists** in relation to society and focuses on the company's impact on communities.

It also provides a **strategic driver for sustainability decisions**, which are increasingly structural in the Company's practice.

The Company's impact was identified in its active contribution to improve and advance society through a specific way of doing marketing. **It nurtures positive marketing** by providing marketers with tools designed for this purpose.

The **notion of "well-being"**, in particular, encompasses a number of aspects:

- **Economic well-being** for those who choose our solutions (quality solutions that bring value and satisfaction to customers)
- **Emotional well-being** for end users: our solutions are designed to foster respect for end users, data protection and message relevance
- **Social and human well-being** for the communities where we are rooted and for the people that work with us at any level

Corporate Governance

The **governing bodies of Growens** are the Board of Directors (B.o.D.) and the Board of Statutory Auditors.

The management and governance model is **inspired by the principles and rationale of sustainability**, which represent the fundamental reference perspective, together with law and regulatory provisions.

The Governance system of the Group provides for the **direct involvement of executives** in economic, social and sustainability issues. This approach allows for the implementation of streamlined and rapid decision-making processes, which have always distinguished the Group's Governance.

The Board of Directors of the Parent Company also defines the **guidelines of the risk management and internal control system** in order to identify, measure, manage and monitor the main risks relating to the activities carried out by the various Group companies, identifying a risk level compatible with the strategic objectives.

BDO Italia S.p.A. is the appointed independent **audit firm**.

The Group's management is supported by a **structured reporting system** on business performance and the progress of key projects. This also allows the correct application of remuneration and incentive systems, with a view to supporting and enhancing merit and according to the degree of achievement of the set objectives, including those of an environmental and social nature.

The **Board of Directors** is made up of five members, three of whom are executive and one holds the independence requirements provided for by Article 148, paragraph 3, of Legislative Decree 58/1998 (TUF). The average age of the directors is 45 years. The presence of women is 20% (1 director).

The Board of Directors of Growens S.p.A. **met 7 times** during the 2020 fiscal year.

Composition of the corporate bodies of Growens S.p.A.

	Name	Role
Board of Directors	Matteo Monfredini	Chairman and CFO
	Nazzareno Gorni	Chief Executive Officer
	Micaela Cristina Capelli	Executive Director and Investor Relations Officer
	Armando Biondi	Non-executive Director
	Ignazio Castiglioni	Independent Director
Board of Statutory Auditors	Michele Manfredini	Chairman of the Board of Statutory Auditors
	Fabrizio Ferrari	Acting Auditor
	Giovanni Rosaschino	Acting Auditor



Left to right: Directors Armando Biondi, Micaela Cristina Capelli, Matteo Monfredini and Nazzareno Gorni.

Investor Relations

Since its admission to trading on the AIM Italia market in 2014, Growens S.p.A. has granted great importance and dedicated the **utmost care to Investor Relations activities**, namely those activities of communication and financial information between the Company and investors.

Hence the role of the appointed Investor Relations Officer responds to the Company's need for communication with the general public. In addition, the Investor Relations Officer performs her activities, also in coordination with other corporate and group functions, to **promote and improve the image of Growens and the Group's business activities, strategies and outlook** among financial operators, in particular professional institutional and qualified investors, both Italian and foreign.

The Investor Relations activity is **based on Growens' reporting ecosystem**, which includes several resources and teams co-operating closely to ensure accurate and timely reporting.

The tools employed are the following:

- **Board**, which allows the aggregation of management data with a specific focus on KPIs and other metrics
- **RDS**, as an accounting system
- **Zuora**, which provides billing and related KPIs

The **main players** involved in the collection, interpretation, drafting and communication of the data of the parent company and the Group are:

- The Chief Accounting Officer and team
- The Business Controlling Manager and team
- The Chairman and Chief Financial Officer
- The Chief Executive Officer
- The Executive Director and Investor Relations Officer
- The entire Board of Directors and the corporate and external bodies (Board of Statutory Auditors and independent auditors) responsible for the audit, control and approval of accounting data

The **outputs** of the above-mentioned system are:

- **The annual financial statements**, both individual and consolidated, fully audited by an independent audit firm
- **The half-year report**, both individual and consolidated, subject to a limited audit by an independent audit firm

- Disclosure of **quarterly sales data**, unaudited
- **Quarterly reports**, Q1 reports, and 9 months reports, unaudited

All such documents are **made available on the corporate website growens.io** immediately after approval, according to the corporate calendar published by the beginning of each financial year. This publication is announced by means of special press releases distributed (i) on official stock exchange channels (SDIR), (ii) on the Company website, (iii) to investor mailing lists, in Italian and English. After the publication of the annual, half-year and quarterly figures, the Chairman, the Chief Executive Officer and the Investor Relations Officer activate a **web-conference call** to comment on the results of the relevant period.

The aim of the above-mentioned reporting is to **provide accurate and timely information** on the performance of the relevant periods to all Stakeholders, including both individual and institutional, Italian and foreign investors.

In addition, the Company issues press releases to **disclose mandatory price sensitive information**, as well as all communications aimed at promptly providing shareholders and the market with any relevant news concerning the Group. During 2020, **54 financial press releases** were issued.

54 financial press releases

All accounting and financial documentation and press releases issued by the Group are drafted and **published in both Italian and English** and made available on the corporate website growens.io, also fully available in bilingual versions on a voluntary basis.

Periodically, the Chief Executive Officer and the Investor Relations Officer participate in both **individual and group presentations and meetings** to present the Group and its performance. Updated presentations are published on the website under growens.io/en/presentations/.

In 2020 the Group **met 138 current and prospective investors** during 31 plenary meetings (conferences) and individual meetings (non-deal roadshow days) in Milan, Lugano, Frankfurt, London, New York, mainly held in virtual mode.

138 meetings with current & prospective investors

Investors can also subscribe to a **monthly newsletter** that gathers the main financial news.



[Subscribe to the newsletter](#)

The Group is assisted by **three corporate brokers**, who produce independent research and assist the Company in sales and financial marketing activities, thereby contributing to the dissemination of the equity story and the generation of contacts with current and potential investors. The equity research reports, all issued in English, are available on the website at the section growens.io/en/analyst-coverage/.

During 2020, **19 equity research reports** were published.

19 equity research reports

Investor Survey

On 30 June 2020, the Company announced the launch of the **first Investor Survey**, as part of its program of activities aimed at improving engagement and relations with its investors.

The anonymous questionnaire, addressed to all investors, aims to **identify the perception of investors with respect to certain key issues**, concerning topics such as communication, business and listing venue.

The survey was closed on 5 September 2020 and received **43 responses**.

The survey results indicate **general satisfaction with the financial communication** and confidence in **growth drivers** through international expansion and acquisitions. Moreover, at business level, corporate strategy and investor expectations seem to match consistently.

Satisfaction with communication & growth drivers

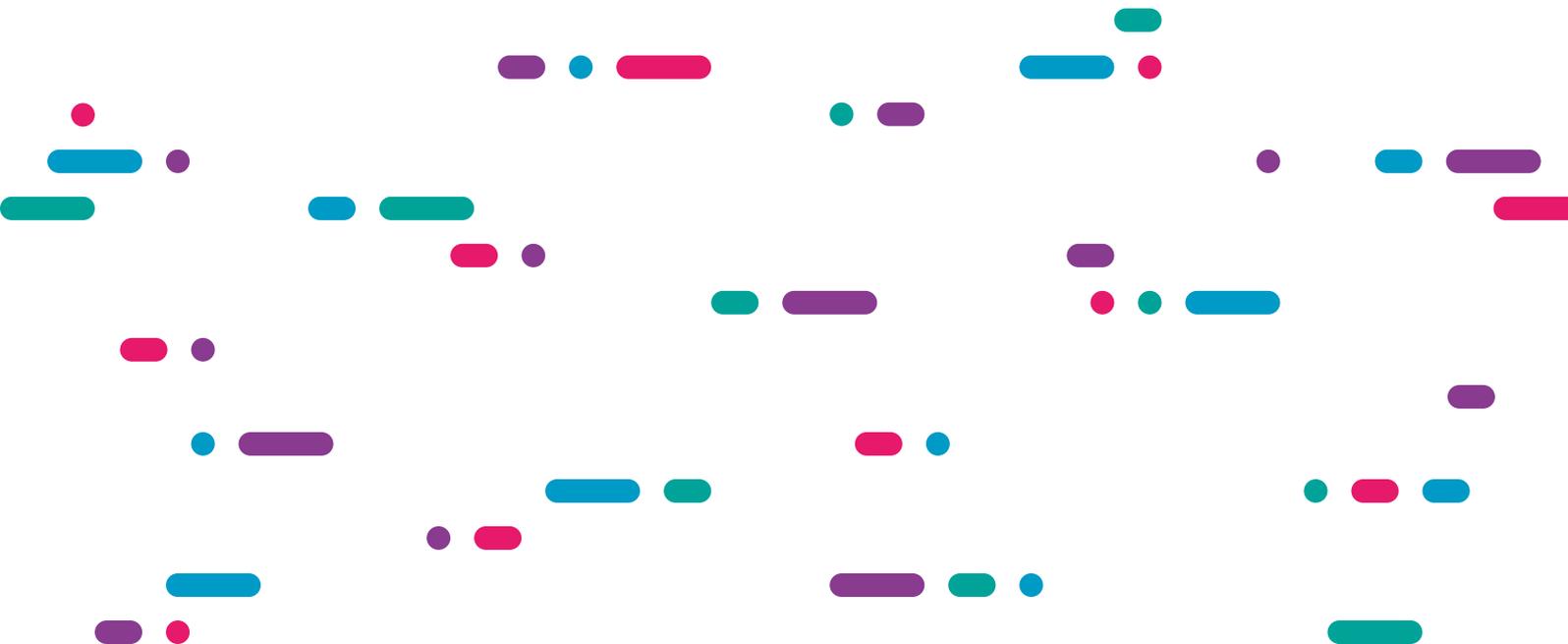
On the other hand, dissatisfaction emerges with respect to the **share liquidity and listing venue**, which are not considered in line with the size, activities and potential of the Company.

In terms of profiling, the majority of investors who responded to the Survey are located in Italy, are individual/private and have an average invested amount of less than EUR 500,000.

2



Ethical Business Approach



Anti-Corruption, Fair Competition & Legality

In order to **ensure fairness and transparency** in the conduct of business and corporate activities, also from a prudential perspective, Growens has adopted the **Organisation, Management and Control Model** envisaged by Legislative Decree no. 231 dated 8 June 2001, containing the "Discipline of the administrative liability of legal entities, companies and associations, including those without legal personality", pursuant to Article 11 of Law no. 300 dated 29 September 2000.

Since 2015, the Company has implemented the provisions of Legislative Decree no. 231/2001 and has a **Supervisory Body organised in council form** which has the task, among others, of controlling its application by the entire organisation.

2015: introduction of a Supervisory Board

Through specific contractual clauses, the Company requires all its partners and suppliers not to carry out (and to ensure that their employees do not carry out) criminal conduct as envisaged by Legislative Decree no. 231/01, to respect (and ensure that its employees respect) the **provisions contained in the Code of Ethics**, a fundamental element of the 231 Model adopted, by having read the contents of the same and by declaring the awareness that the violation of the provisions therein contained entails for the company the right to terminate the contractual relationship.

Also thanks to those measures, **no case (real or potential) of active or passive corruption** occurred in the fiscal year (and never since its foundation).

No cases of active or passive corruption

Legality Rating

The AGCM (the Italian Competition and Market Authority) granted the Company a **legality rating** with a score of ☆ ☆ + + , just one step away from the maximum score of 3 stars.

As of January 2021, the Authority granted the **maximum score of three stars** thanks to the integration of the additional reward requirement of the adoption of a Corporate Social Responsibility system.

The legality rating is a synthetic indicator of a company's **compliance with high standards of legality** and thorough attention paid to lawful business management.

The purpose of the rating is to **reward companies that comply with the law**, are transparent and operate according to sound ethical principles, allowing access to specific advantages and benefits regarding reputation, granting of loans by Public Administrations and access to credit.



The legality rating is a certification that allows the company that owns it to **obtain certain advantages** relating to the following spheres.

Reputation

The company is **included in a public list** on the AGCM website and the rating is automatically entered in the chamber of commerce registration. The company can also advertise obtaining the rating to enhance its business opportunities, transparency in external relations and on the market, as well as its corporate image with Stakeholders.

Granting Of Loans By Public Administrations

The Decree provides for various **reward systems** that can lead the company that has a legality rating to:

- A preference in the ranking
- Get an additional score
- Benefit from a reserve of a portion of the allocated financial resources.

Credit Access

The company in possession of the legality rating can **obtain benefits** in relation to:

- Reduction of the time and costs of the investigation
- Determination of economic conditions of disbursement (such as lower interest rates)
- In addition, credit institutions that fail to take into account the rating assigned when granting loans to businesses are required to report the Bank of Italy on the reasons for the decision taken.

3



Materiality Analysis



Materiality Analysis

Through the Sustainability Report, Growens sets the goal of **identifying the aspects of material relevance for Stakeholders**, in order to provide them with an adequate response. For the second year, the company has carried out a process of updating the "materiality matrix", which aims to intercept the topics to be covered in the reporting.

The **methodology** used for updating the matrix and defining the potentially relevant issues provided for:

- **An internal analysis** based on a number of internal public and non-public sources
- **An internal engagement activity** via the administration of a survey
- **An industry analysis** and research with other external sources, in order to identify other potentially relevant issues.

The analysis identified **12 material aspects** for the industry where Growens operates. Each of them, through the use of qualitative-quantitative scales, was assigned a score from 1 to 4, in terms of "Relevance for the Group" and "Relevance for Stakeholders".

Such dimensions respond to the need to identify, for each aspect, the **degree of relevance** as perceived by the Stakeholders and the **degree of related commitment** that the company has undertaken or will undertake.

The **most significant aspects** for the Group totalled a score above the so-called "materiality threshold" (>2.5).

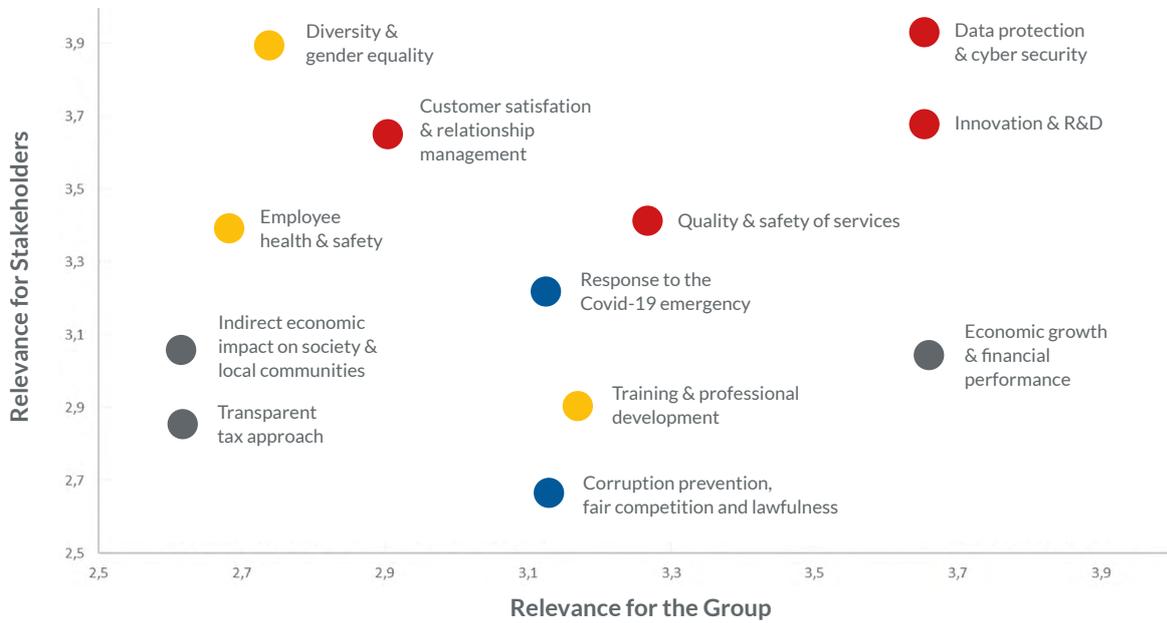
Growens **confirms its commitment** to the most relevant issues for the Company and the sector in which it operates.

This year the Company has decided to include in the online survey a **new topic concerning Covid-19**, given the immediate response it gave in facing the emergency situation with dedicated tools and practices, and in responding to the new needs expressed by the market and by its Shareholders.

In addition, a further topic was included to investigate the Stakeholders' perception on **transparent tax approach**.

In the following page is a **reconciliation table** of the resulting material topics and the objectives of the 2030 UN Agenda, which the company is committed to achieving over time. The table also details the categories of Stakeholders potentially affected by each aspect.

2020 Materiality Matrix



Governance

- Corruption prevention, fair competition and lawfulness
- Response to the Covid-19 emergency

Social Responsibility

- Diversity & gender equality
- Employee health & safety
- Training & professional development

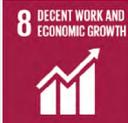
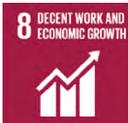
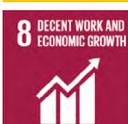
Economic Responsibility

- Indirect economic impact on society & local communities
- Economic growth & financial performance
- Transparent tax approach

Services & Customers

- Data protection & cyber security
- Innovation & R&D
- Customer satisfaction & relationship management
- Quality & safety of services

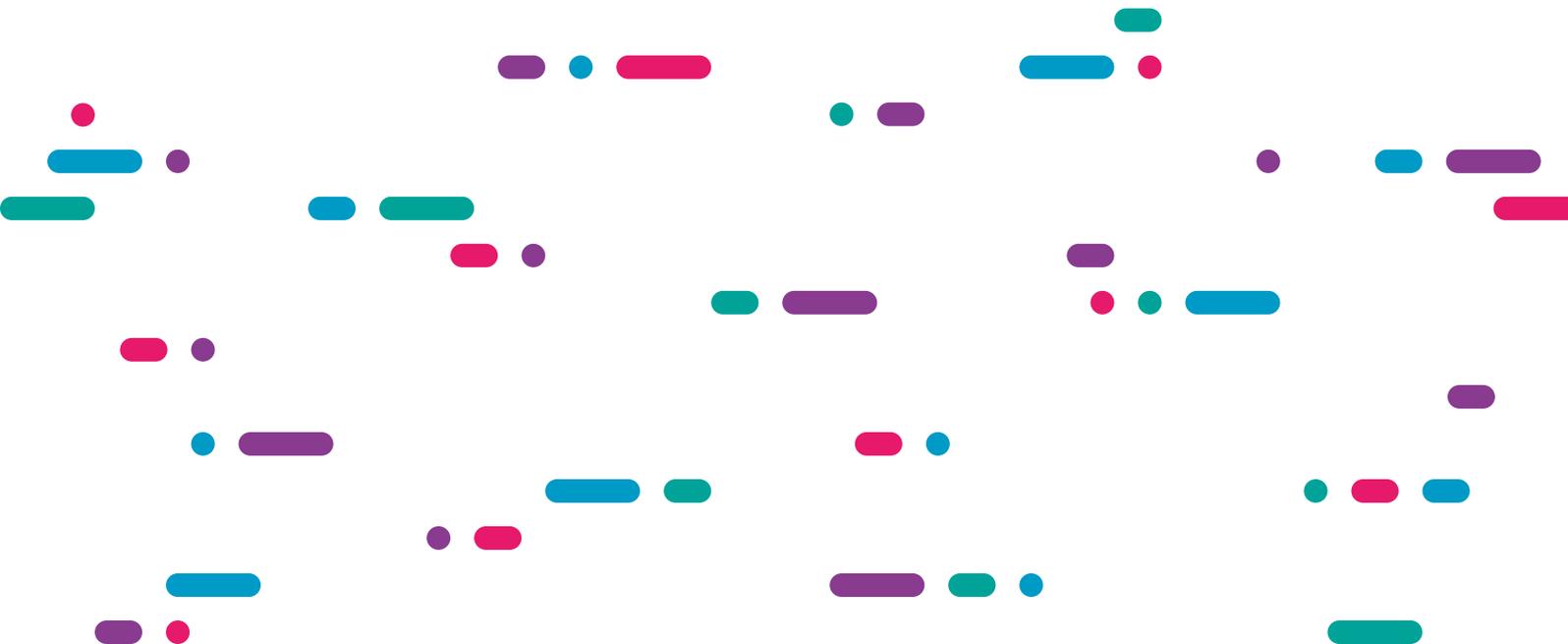
Material Aspects Reconciled With SDGs

Area	Material Aspects	Impacted Stakeholders	SDG
Governance	<ul style="list-style-type: none"> Corruption prevention, fair competition and lawfulness Response to the COVID-19 emergency 	<ul style="list-style-type: none"> Employees & Collaborators Customers End users Suppliers Institutions Investors 	8 DECENT WORK AND ECONOMIC GROWTH 
			10 REDUCED INEQUALITIES 
			16 PEACE, JUSTICE AND STRONG INSTITUTIONS 
Economic responsibility	<ul style="list-style-type: none"> Indirect economic impact on society & local communities Economic growth & financial performance Transparent tax approach 	<ul style="list-style-type: none"> Employees & Collaborators Customers End users Institutions Collectivity 	8 DECENT WORK AND ECONOMIC GROWTH 
			12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
			9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
Social responsibility	<ul style="list-style-type: none"> Diversity & gender equality Employee health & safety Training & professional development 	<ul style="list-style-type: none"> Employees & Collaborators Suppliers 	3 GOOD HEALTH AND WELL-BEING 
			4 QUALITY EDUCATION 
			5 GENDER EQUALITY 
Services & customers	<ul style="list-style-type: none"> Data protection & cyber security Innovation & R&D Customer satisfaction & relationship management Quality & safety of services 	<ul style="list-style-type: none"> Collaborators Customers End users 	7 AFFORDABLE AND CLEAN ENERGY 
			8 DECENT WORK AND ECONOMIC GROWTH 
			12 RESPONSIBLE CONSUMPTION AND PRODUCTION 

4



Economic Growth & Financial Performance



Generated and Distributed Economic Value

The distribution of added value represents the conjunction between the economic and the social profile of the Group’s management and makes it possible to analyse **how the wealth created is distributed** to the benefit of the entire system with which the Company interacts.

In 2020, the **Economic Value Generated** equalled **EUR 65,323,638**, most of which distributed to the various Stakeholders with whom the Group comes into contact in the performance of its activities. The distribution is made in accordance with the economic efficiency of management and the expectations of the Stakeholders.

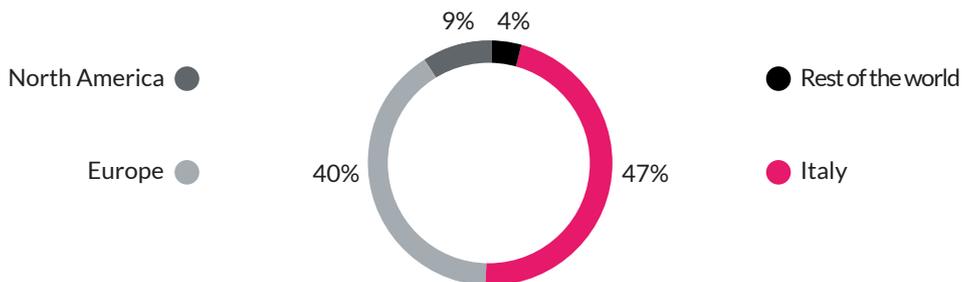
The **Economic Value Distributed**, equalling EUR 62,735,299, represents **96%** of Economic Value Generated which, in addition to covering operating costs incurred during the year, is used to remunerate the socio-economic system with which the Company interacts, including employees, investors and the community, through charitable contributions.

Lastly, the **Economic Value Retained**, which accounts for about **4%** of the Economic Value Generated, represents all the financial resources dedicated to the economic growth and stable equity of the corporate system.

The cost of Group personnel includes **staff that carries out research and development activities** on the MailUp, Datatrics and Agile Telecom platforms and on the BEE editor (software development and IT technological infrastructure employees) with multi-year utility, which has been capitalised as Software Development and subsequently amortised over five years.

The following graph shows the **geographical distribution** of 2020 revenues.

Geographical distribution of 2020 revenues



Economic value generated and distributed (EUR)

	31.12.2020	31.12.2019 ¹
Revenues	63,701,333	17,100,68
Other income	1,532,255	1,042,980
Financial income	90,050	2,006,250
Total economic value generated by the Group	65,323,638	20,149,915
Operating costs	48,970,557	7,967,146
Staff wages and salaries	13,026,718	8,073,640
Remuneration of lenders	86,084	59,254
Remuneration of investors	-	-
Remuneration by the Public Sector	636,219	173,913
External donations	15,721	17,939
Total economic value distributed by the Group	62,735,299	16,291,893
Receivables and write-downs	142,215	277,246
Exchange rate differences	182,775	22,442
Value adjustments of tangible and intangible assets	1,868,113	858,424
Value adjustments of financial activities	154,510	-
Depreciation	3,412,025	2,224,121
Provisions	-	-
Reserves	564,927	2,192,638
Economic value retained by the Group	2,588,339	3,858,022

¹ Figures for 2019 refer to the sole Parent Company Growens S.p.A., and haven't been updated following the expansion of the reporting scope.

Investment Grants for Research and Development

During 2020, the Company pursued its **research and development activities**, continuing the operations started in 2019 and directing its efforts also into new projects.

For the development of such projects, Growens obtained **government subsidies of approximately EUR 680,000**, corresponding to the disbursement of activity progress reports #1 and #2 of the “ICT Agenda Digitale” call for the parent company, totaling EUR 611,947.96, and further subsidies related to training, for both MailUp and Agile Telecom, for EUR 67,681.16.

EUR	2020	2019
R&D tax credit and tax credits for tenders	168,042.27	390,368.88
Grants for investment, research and development and other funds	679,629.12	68,144.49

The **significant variation** in the above table between tax credit figures for 2019 – inclusive of Agile Telecom for ease of comparison – and 2020 is due to the lower amount of R&D credit accrued in the current year compared to the previous one, while the increase in contributions derives from the first reports of the “ICT Agenda Digitale” call, launched in 2020.

The activities for which these funds were used are described below.

Research & Development

The bulk of the funds received is related to the financing of **investments in research and development activities**, which represent a strategic asset for MailUp's business and are focused on software development and innovation of the MailUp multi-channel digital marketing platform in cloud.

The subsidiary Agile Telecom is also developing several projects to **improve the technological infrastructure** for sending and receiving SMS.

Digital Innovation 4.0

In 2020, the Group developed a strategic project for the **implementation of a new ERP**, to be completed in 2022. The project stems from the need to evolve from a dispersed, uneven information management to a unified, consistent information management not only among corporate functions, but also among all Group business units.

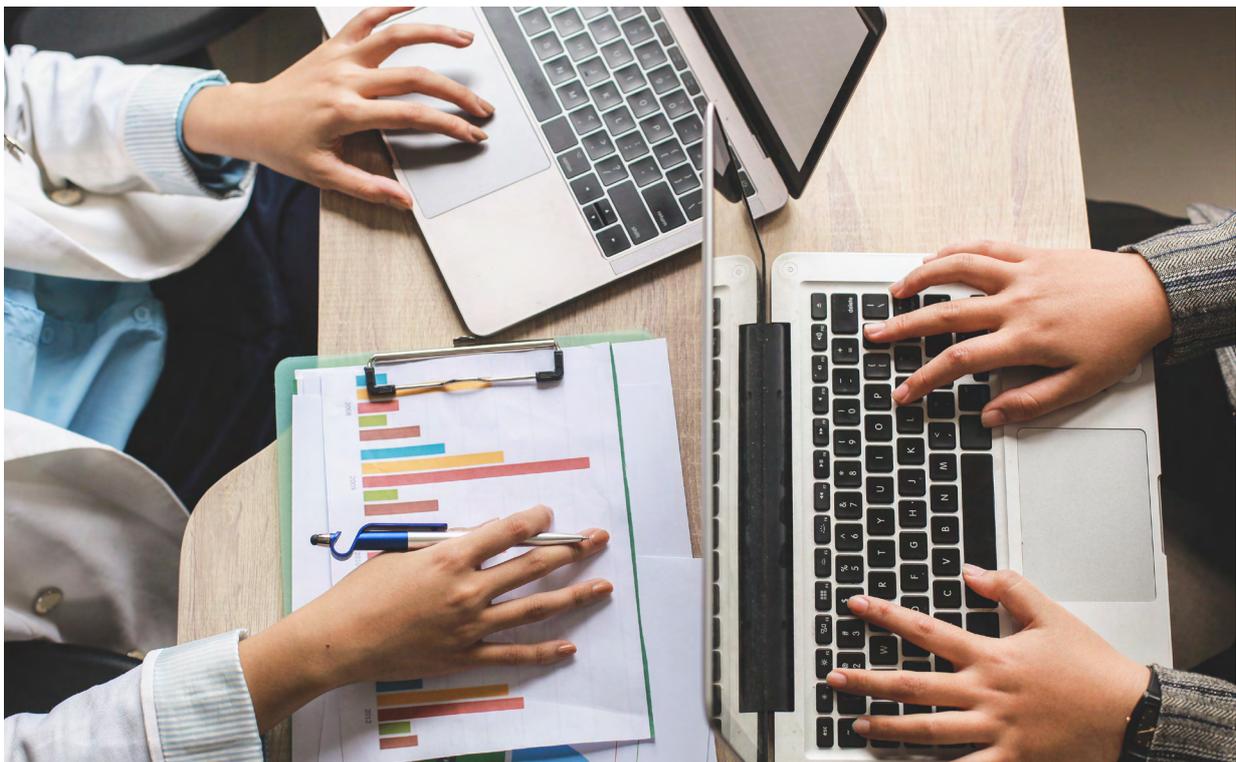
Digitisation voucher - dispensing

A financing measure for micro, small and medium-sized enterprises that provides financial resources, by way of granting a "voucher" not exceeding EUR 10,000, aimed at the adoption of **measures for the digitisation of business processes** and technological modernisation.

In particular, the Company used this voucher for the adoption of smart working for its employees.

Training courses

Contributions received from Enterprise, Executives funds and Inter-professional funds for the **continuous training** of the Company's staff.



Transparent Tax Approach

Taxes constitute the main revenue source for the government and public entities; such revenues allow Governments to offer their citizens essential services such as education, security and the healthcare system. In 2020, with the outbreak of the Covid-19 pandemic, taxes have become paramount for the Governments in order to be able to **implement income support policies** for the most affected categories and ensure healthcare services.

Growens is aware of the social role it plays, not only in terms of employment, but also by virtue of the taxation it must bear on the wealth it produces. It is precisely **paying taxes that constitutes one of the active elements of the social responsibility** borne by Growens, a responsibility that is expressed in compliance with tax rules and legislation as a whole.

Growens undertakes to **comply with the tax legislation of the countries in which it operates**, ensuring that the spirit and purpose of the relevant law or legal system are observed. In cases where the fiscal discipline raises interpretative doubts or application difficulties, a reasonable line of interpretation is pursued, making use of external professionals and dialogue with the tax authority.

Compliance with country-specific tax legislation

A very significant part of Growens' activities is carried out in Italy, where most of its taxes are paid, the Company **never having pursued a tax planning policy aimed at shifting its taxation to so-called "tax havens"**. Hence, Growens' approach to taxation is based on transparency and full compliance with local regulations, with a specific care toward intercepting any regulatory changes to comply within the expected timescales.

Approach based on transparency & full compliance

The tax control governance is entrusted to the Administrative Department which, through the use of adequately trained and competent staff and with the support of external consultants, monitors the correctness of operations and applies the appropriate legislation. Any requests by the tax authorities are handled within the appropriate information flow and are met by the Group with **total transparency and a constructive approach**.

In 2020, **no tax disputes** were recorded.

No tax disputes

Awards & Recognition

In 2018-2020, Growens' growth and successes have been internationally recognised with the inclusion in prestigious rankings, as detailed below.

Deloitte Technology FAST 500 EMEA

For the **third consecutive year**, the growth of Growens was awarded by the inclusion in Deloitte's Technology FAST 500 EMEA ranking.

With an average sales growth rate of 323% over the period FY2015-FY2018, the Group ranks among the **fastest growing European high-tech companies**.



The company was also included in the 2017 and 2018 rankings, moving from the 471st place in 2017 to 346th in 2018, to **350th in 2019**.

Growth Leaders 2021

Growens entered the **Growth Leaders 2021**, the ranking of 400 Italian companies which achieved the highest average compound sales growth rate in the 2016-2019 period.

The list is created and managed by the Italian **financial newspaper IISole24Ore**, in collaboration with Statista, the German statistics web portal providing economic data and market research.

Growens was invited to participate in the selection together with **thousands of potentially relevant companies**, both private and publicly traded, identified and evaluated by Statista according to certain requirements including a minimum size, the verification that the compound growth of the turnover over three years was mainly organic, and the company's independence.



The company ranks **239th**.

Small gems by IISole24Ore

Growens was included in a list of small gems by IISole24Ore, the leading Italian financial newspaper.

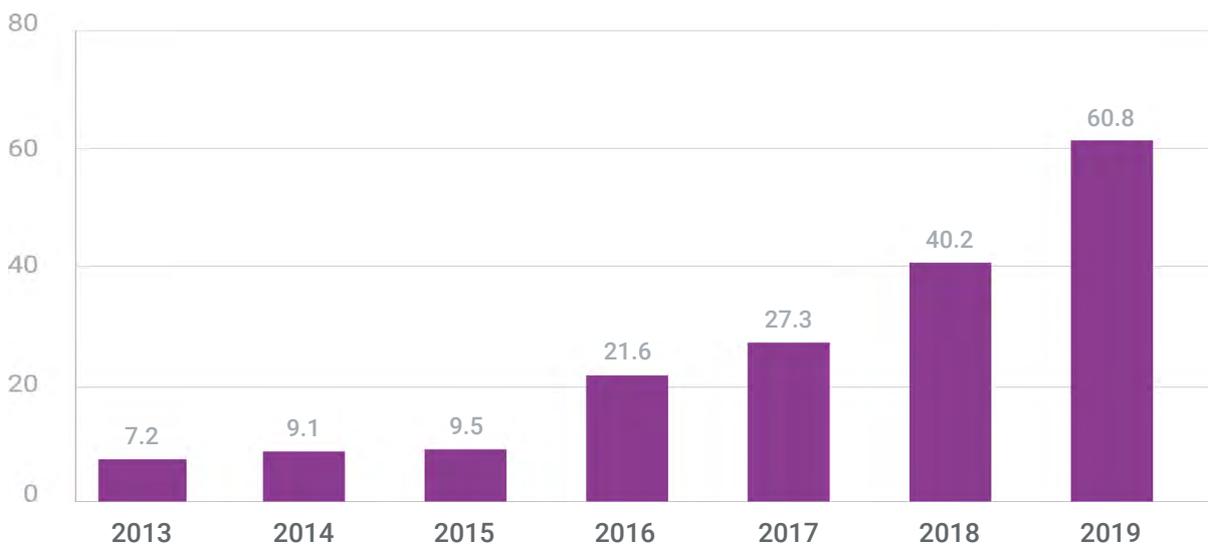
The Company was part of the manual to choose the **best Italian small caps with the Buffet method** which, in addition to taking into consideration the analysis of the financial statements and the product or service sold, considers direct knowledge of the management as a decisive element for a company's inclusion in the portfolio.



The Group has made five acquisitions in the last few years, most of which abroad. Turnover reached EUR 61 million in 2019, about half of which achieved overseas - +51% if compared with the previous year, with a **7.9% EBITDA** (gross operating margin).

Despite the **explosive growth**, the company continues to make profits and produce cash: the capitalisation is 70 million, or 12 times the EBITDA.

Annual Revenues (million EUR)



Top 20 Most Innovative Companies to Watch 2020

In 2020 BEE was included by Business Worldwide Magazine in its prestigious ranking of the the **Top 20 Most Innovative Companies to Watch 2020**.

Now in its second year, the Business Worldwide Magazine (BWM) 20 Most Innovative Companies to Watch Ranking awards companies that the judging panel describes as “trailblazing.” This means they are going out there **ahead of the competition** by trying something new. This could be in terms of practice, strategy or product.

Another criterion taken into account is scalability, or each company’s **potential to grow** in the future. BEE has shown an impressive growth trend, posting a +59% nine month growth in 2020 vs 2019, led by the success of the BEE Pro product.

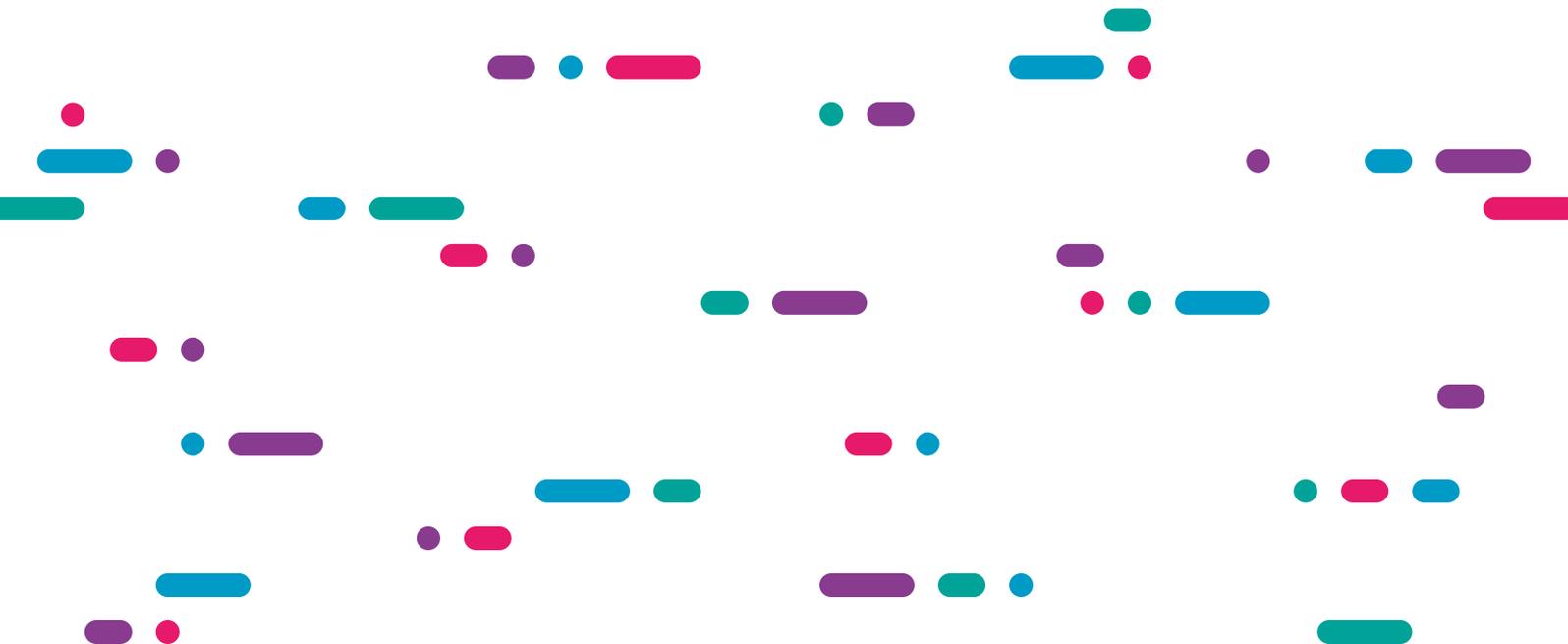
BEE empowers organisations to **quickly create powerful emails** with its award-winning editor and its extensive range of vibrant, simple to use templates.



5



Response To The Covid-19 Emergency



Response To The Covid-19 Emergency

2020 was deeply influenced by the **outbreak of the Covid-19 pandemic**, which had a significant impact on business, organisational aspects and the community in a broad sense globally.

Growens' response to the spread of the pandemic was focused on three main directions:

- **Absolute priority** to the health and safety of employees and collaborators
- **Preservation** of planned strategic investments
- **Remodeling** of collaborative and organisational mechanics to ensure full operation

Below, after a brief description of the business contingency plan put in place, we describe the **activities put in place to respond to the health emergency** with reference to employees and collaborators, customers and the community.



Contingency Plan

In March 2020 the Board of Directors, in collaboration with Business Unit directors and the Control and Management team, analysed the **possible impacts of lockdowns** on the revenues of the Group's platforms.

A number of scenarios were simulated through a risk-based approach which led to the **identification of new targets** compared to those envisaged in the 2020 budget.

Simulation of scenarios through a risk-based approach

Consequently, Business Unit directors were asked to **reshape investment-related cashouts**, which led to reductions exclusively where the effectiveness of the investment itself was at high risk or otherwise impossible as a result of the contingent situation (for example marketing events).

A decision was made **not to reduce existing staff** and to proceed with the liquidation of annual incentives (annual bonuses & MBOs) and the payment of previously-budgeted salary increases.

No staff reductions

At the same time, a **revision of the hiring plan** was requested, favouring strategic roles with a direct impact on the development of the business.

New hirings according to strategic priority

A plan for the **disposal of holidays and residual leave days** was put in place, with the aim of minimising the impact of increased holiday funds and/or the liquidation of unused leave.

All the above led to the **development of a contingency plan** shared between the Board of Directors and Business Unit directors, which was then followed by two subsequent reviews (in July 2020 and October 2020) with the aim of closely monitoring the performance of the Group, **seizing all opportunities for business growth** and development in an opportunistic way, in a situation where any business development forecast was made extremely complex by the global health crisis.

Initiatives In Favour Of Employees And Collaborators

The **safety of employees and collaborators** has been the main driver of actions from the beginning of the pandemic.

The entire Italian workforce was **mandatorily asked to work remotely** on Monday 24 February 2020, following the very first cases of Covid-19 reported in Italy.

Italy: full remote since February 2020

On 18 March 2020, following the increasing restrictions at international level, also employees located in the **United States, the Netherlands, Spain and Denmark** were asked to switch to full remote work.

Other offices: full remote since March 2020

Since then, such obligation has **rigorously followed the local regulations** of each Country in terms of Covid-19 prevention measures.

Thanks to **pre-existing corporate policies and culture linked to remote working**, activities and projects were able to continue at the usual pace. In the Milan and Cremona offices, flexible work was introduced in 2018, therefore **employees were prepared** from a technological, infrastructural and emotional standpoint.

While little changed for the BEE team (distributed by nature over different time zones), other teams and business units were heavily impacted by the sudden switch to remote work. In fact, in Spain, the Netherlands and Denmark, employees were not used to extended forms of remote work: entire teams were forced to **make a decisive leap in a handful of hours**.

Hence the **need for additional resources and policies**, to fill the gaps and provide the necessary guidelines for teams less accustomed to remote dynamics, in order to ensure serene and productive work.

Additional resources & policies to support the transition

Some of the initiatives adopted are listed below.

Remote Collaboration Tools

To allow employees to carry out their work activities in full remote mode, the Company has promoted the use of **digital tools for collaboration** (already widely used before the pandemic), providing training and support in this regard.

The following tools are used on a daily basis:

- Google Workspace for collaborative creation and sharing of documents
- Google Meet for virtual meetings
- Slack for instant communication
- VPN to ensure controlled and secure access to business environments and services
- GoToWebinar for internal and external webinars and presentations
- Atlassian suite for project management and as a corporate intranet
- 3CX switchboard for remote management of telephone landlines
- Miro for collaborative projects and workshops
- Userzoom for remote usability tests

Psychological Counseling Desk (Talk Now)

The Covid-induced emergency brought routines and life as we used to know it to a halt. This was experienced by many as an **amplifier of already unstable or otherwise fragile personal situations**, which normally can be effectively addressed through a psychological support path.

In this context, a psychological counseling desk was made available to all Group employees, with the main objective of allowing people to **overcome temporary difficulties caused by moments of transition and change**, evolutionary processes, or personal/family crises.

In a totally confidential way, employees were supported by **certified professional psychologists and psychotherapists**.

Remote Work Handbook

The international spread of Covid-19 forced the Company to **destructure physical offices** and recreate them in every employee's home. Not only – the change had to happen overnight.

To support a smoother transition, during the first days of lockdown Growens published a **Remote Work Handbook** for its employees – a nimble resource meant to help everyone get up to speed and comfortable with working and being productive from home.

A resource meant to help the transition to remote work

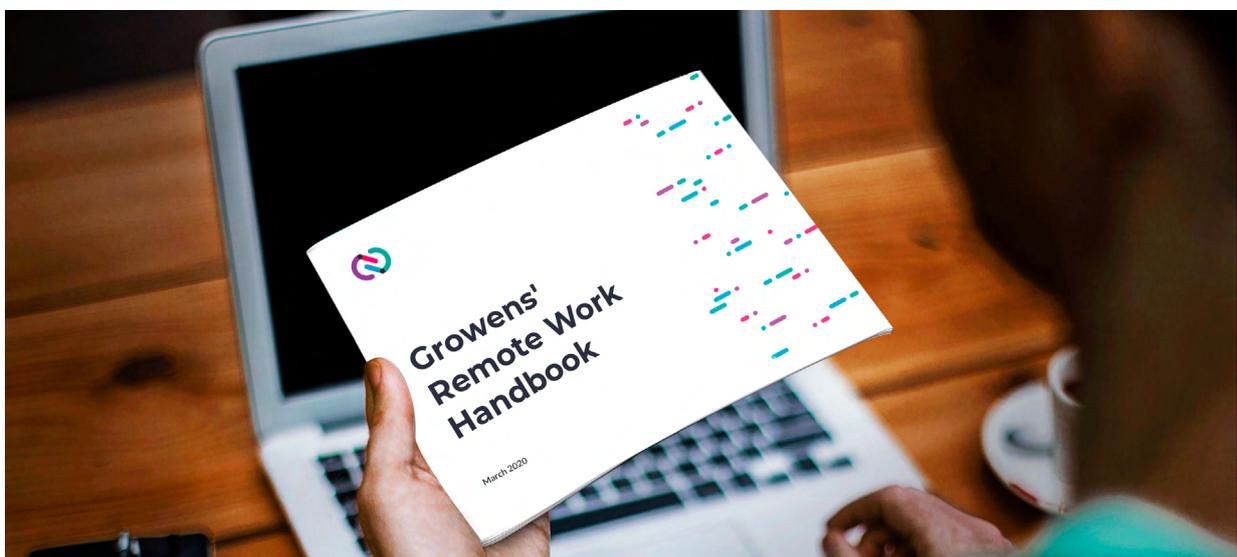
The Handbook follows the *caring principle* (one of the four corporate values) and includes:

- Best practices on **how to set up a dedicated work space**, how to successfully conduct a remote meeting, and what productivity apps are available to speed up projects and activities
- **Psychological and emotional aspects** (limited mobility, isolation, augmented stress, exhaustion, etc.)
- Aspects of **physical wellbeing** related to working in a confined environment

After an excellent internal reception, the Handbook was made available to the general public.



[Download the Handbook](#)



Engagement Initiatives

Among the main challenges brought on by the lengthy absence from the offices, **staff morale and team cohesion were of primary concern**, as undermined by isolation and generalised uncertainty.

Growens entrusted the delicate task of supporting the emotional balance of the corporate population to the Value Team, a group of employees from different business units who collaborate to **develop a shared corporate culture** and generate value through the proposition of constructive ideas.

Challenges & Social Moments

With the aim of encouraging conversations and sociability despite the distance, the Value Team created several projects, including a series of **thematic challenges open to all employees**, where to share their way of dealing with forced home working.

An important initiative consisted in the **weekly "Coffee for Travelers"**: a thirty-minute gathering on Google Meet, where employees could travel, even if only with their imagination, through the stories of their colleagues.

In addition, thematic Slack channels were created to give life to **lively internal communities**, centred around topics such as cooking, games or books.



Team Building Activities

In a context where remote work predominates, with most of new hires being onboarded remotely, a special attention was put into the **few, thoughtfully organised in-person meeting occasions** that the pandemic allowed.

Team building day-long retreats were organised during the summer, allowing employees to get to know each other, interact and **break down the wall of an exclusively digital experience**.

In locations surrounded by nature and **in full compliance with health and safety regulations** in force, recreational activities complemented brainstorming sessions.



Initiatives In Support Of Customers

To help companies cope with the Covid-19 emergency, Growens and some of its business units structured a **program of dedicated activities and initiatives**, in accordance with the *caring* principle which is one of the Group's core values.

BEE initiatives

To support companies who struggled with the Covid-19 emergency, BEE published **tips and guidelines** on how to effectively communicate with their audiences on its popular email design blog and created three free email templates to be used as a starting point for **crisis-related corporate communication**.

Templates, articles
and 3 months free

In addition, new subscriptions to its recently released Page Builder got the **first three months free**.

MailUp initiatives

To support companies in ensuring business continuity and keeping relationships alive, the MailUp business unit organised a **threefold activity plan** based on training, best practices and teamwork.

Training, best
practices & remote
teamwork

From March to May 2020:

- It granted its customers free access to the [MailUp Video Academy](#) training hub
- Set up a number of online training webinars
- Made available certain platform features for free aimed at streamlining remote collaboration.

The **complete list of activities** is available at the web page mailup.it/superiamo-le-distanze/.

“The Impact Of Covid On E-commerce” White Paper

MailUp combined the results of two researches - one by MailUp itself and the other by B2c eCommerce Observatory from the Politecnico di Milano University's School of Management - to provide a **snapshot of the lockdown's impact on e-commerce**.

The MailUp study sought to **identify any email marketing trends** caused by the health emergency that suddenly hit Italy between February and March.

To do so, the research examined **1,092 e-commerce campaigns** launched between 1 January and 7 June 2020, comparing them with the same period of the previous year.

The main evidence of the survey of the B2c eCommerce Observatory from the Politecnico di Milano University's School of Management clearly shows that the health emergency had a **double effect on e-commerce**.

On the one hand, it certainly **made some operations more difficult**. On the other, it **promoted expansion** by attracting market segments that purchased exclusively offline until a few months earlier.

The white paper (in Italian) can be downloaded from the [MailUp Academy website](#).



Initiatives In Support Of Communities

Donations

To financially support local communities, during the pandemic Growens contributed to support a number of **associations and organisations**:

- **ASST** (Health & Hospital Network) of Cremona, the city where the Group was born and which proved to be among the most severely affected by the emergency in Italy
- **Italian Civil Protection**
- **LifeLong Medical Care**, an organisation that provides community healthcare services in the Oakland area, including emergency services to the local homeless population
- Weekly, BEE buys **Gift Vouchers** from restaurants in Oakland to support local businesses

"A Domicilio" app

During the months of the Covid-19 emergency, even the simplest activities – like grocery shopping – became a major challenge for many people. Local communities had to reorganise themselves quickly and innovatively to **ensure basic services for citizens** and minimum operations for commercial activities.

To provide concrete help, Growens put its know-how and technology at the service of local communities, actively contributing to the "A Domicilio" project. A Domicilio (Italian for "Home Delivery") is an **online platform connecting users and local businesses** that provide home deliveries through accessible and centralised contacts and useful information.

The platform is **free of charge** both for the participating merchants and end users.

To support the project, Growens acted in two directions. It lent its skills and know-how, and on the other hand it **guaranteed the free use** of the email and SMS sending platform of its MailUp business unit.

Thanks to it, A Domicilio can enhance its communication, develop promotion strategies and **give voice to the project**.

Goal: to support citizens and local businesses during lockdowns

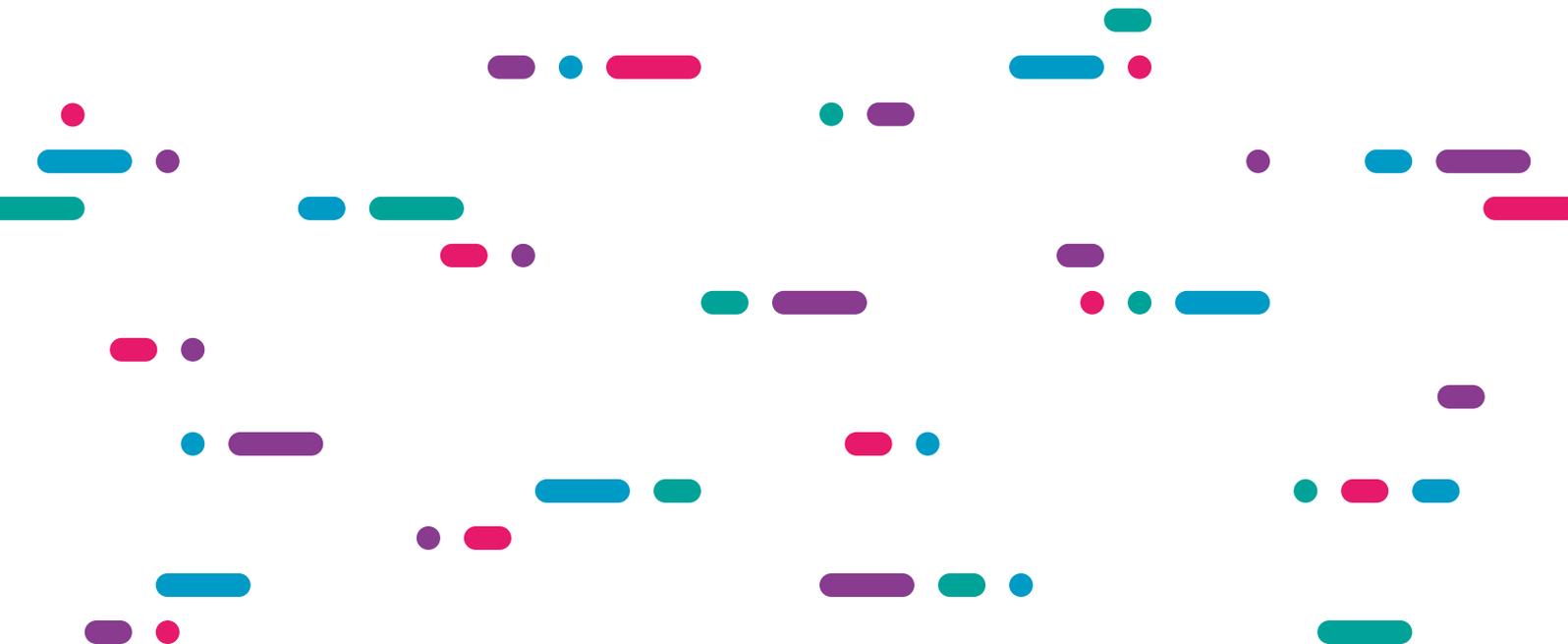


Discover more [on the project](#)

6



Privacy & Cyber Security



Privacy & Cyber Security

Growens pays the utmost attention to **guaranteeing data and privacy protection** for all its Stakeholders.

In line with an approach of total transparency, in 2020 the Company implemented certain important measures to **ensure better management of personal data** and to improve the security of its infrastructure.

It has therefore, as described below:

- **Appointed** a Data Protection Officer (DPO)
- **Approved** a Group privacy model
- **Started** a comprehensive Cyber Security project

Appointment of a Data Protection Officer (DPO)

Growens is fully aware of the **importance that the processing of personal data** has for its business model, as well as the impact that improper management of such data can have on the data subjects.

In this context, for the purposes of better management of the Group's business, Growens deemed it appropriate to **appoint a Data Protection Officer (DPO)**, i.e. a highly qualified, independent and experienced figure in the field of personal data protection, to perform this function in favour of MailUp first and of the entire Group secondly.

To this end, in March 2020, at the end of a long selection process, Growens appointed the **ICT Legal Consulting** law firm as DPO.

During 2021 it is expected that **all companies belonging to the Group will formally appoint** ICT Legal Consulting Law Firm as their DPO and communicate the contact details of the Data Protection Officer to the relevant supervisory authorities.

Personal data security is paramount for the Group's business

Appointment of ICT Legal Consulting

Group Privacy Model

As part of the compliance activities carried out in 2020, a new "Organisational model for the protection of personal data" was reviewed and prepared, as a tool for **aligning the policies of the companies belonging to the Group** and demonstrating that personal data are handled in accordance with applicable Regulations.

One model for all Group companies

In particular, the Model reflects the position that the Group undertakes to adopt in relation to the **processing of personal data**.

It contains policies and procedures aimed at establishing a **comprehensive internal framework on personal data processing** – rules, standards and guidelines that employees and staff must follow –, and it also showcases the measures put in place to comply with the applicable privacy and data protection laws.

The aim of the Model is to guarantee a **consistent, solid level of protection to the personal data** processed in the context of the activities carried out by the Group, regardless of where such activities may take place.

In 2021 it is expected that each company belonging to the Group formally proceeds to approve the Model, following a granular localisation activity aimed at **implementing any local regulatory requirements**.

Compliance with local regulatory requirements

Cyber Security Project

It is universally recognised that security is not a product but a **continuous process**, as confirmed by modern corporate technologies for cybersecurity. A careful analysis based on experience and practical evidence shows that security and confidentiality are two features of the business system that require not only dedicated resources, but also **periodic reviews, re-evaluations and re-actualisation**.

Operating in a complex and dynamic environment, Growens has become increasingly aware of the fundamental **importance of Information & Cyber Security** for the achievement of its business objectives.

In such context, in 2020 the Group launched an **Information & Cyber Security Risk Assessment** aimed at:

- **Identifying** the main Information & Cyber Security risks for the business
- **Assessing** the level of maturity of the Information & Cyber Security control system in relation to an ISO/IEC standard and an ENISA enactment
- **Identifying** areas of intervention and mitigation actions to reduce risk

Such actions, to be carried out in 2020 and 2021, allow to **relate the implemented security measures** with the actual criticality of the applications and information managed therein. The goal is to balance the constraints required by security measures with the impact on user operations and required investments.

The assessment activity was conducted on the security management system of the Growens business units based in Italy, the USA and the Netherlands. Using an **ISO/IEC standard and an ENISA emanation** as references, the following areas were analysed:

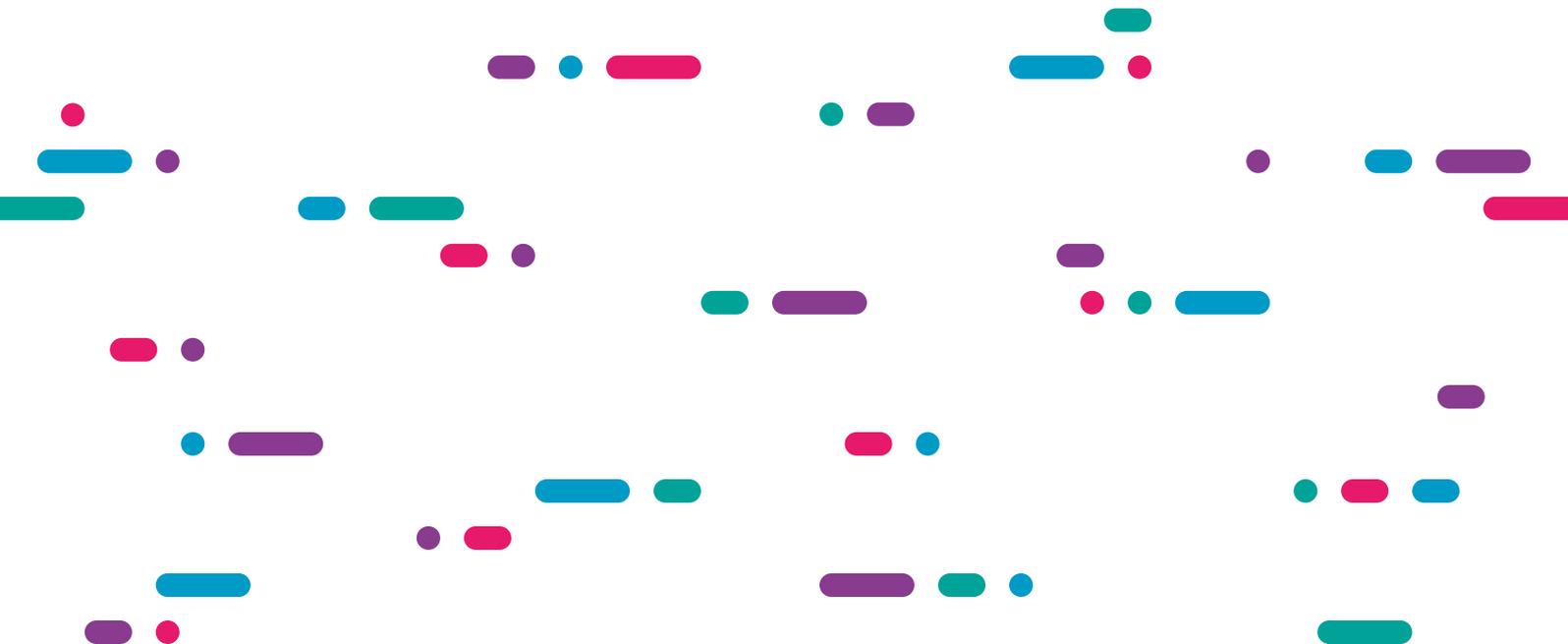
- **Organisation** – assessment of the Information & Cyber Security readiness from a capacity (resources and distribution) and capability (skills and competences required) standpoints. Communication and awareness towards users were also taken into consideration, as they constitute a decisive element for the effectiveness of the Security management model.
- **Processes** – assessment of the Security management processes and procedures, such as vulnerability management, change management, incident management.
- **Technology** – assessment of Security technologies (e.g. SIEM, Anti-APT, anti-malware, IPS, etc.) and their degree of effectiveness; identification of any additional or integrative technological solutions.

The activities were carried out in a coordinated manner, integrating and maximising the actions identified through the Group Data Protection Compliance model.

7



Innovation & R&D



Innovation & R&D

Innovation, research and development are **structural components of Growens' corporate DNA**. The nature of the business and the context within which Growens operates require maximum endeavours and readiness in terms of evolution in order to remain competitive and to provide customers with the best possible experience.

For Growens, **constant investment in innovation** affects core business areas, such as its technological infrastructure, the development of new products and solutions, means of interaction with customers, and an increasingly efficient working methodology.

Technology Innovation

The last few years witnessed the growth of the Group by leveraging business development and new acquisitions. In 2017, the IT department was created as a **corporate centralised structure** to support the growth of the business units, by unifying enterprise tools, guiding technological choices of the BUs, making the BUs independent in the development of their products, based on **principles of scalability and performance improvement**. In the current context, the IT department provides business units the experience, infrastructure, tools and data to achieve their goals.

A New Organisational Structure

In 2020 a **new organisational structure** was implemented for the IT department, in order to better respond to the increasingly complex needs of the business units and the market.

The project involved the design of a **new big data analysis center of excellence** and the introduction of new key roles. The new department structure includes four teams:

- **Digital Workplace** – Manages tools for modelling how the entire organisation works, and development tools for building applications unique to the organisation
- **Technology Innovation** – Reflects the business consideration of improving business value by working on technological aspects of the product or services
- **IT Procurement** – Finds, negotiates and acquires goods & services from external sources
- **Data & Analytics** – Manages, analyses, and extracts value using analytical technologies and methods

The introduction of a Data & Analytics department to **manage big data to bring business value** marked a decisive change of pace in the data-informed strategy of the entire Group.

NIMP Program – New Innovative Multilateral Platform

In 2018, MailUp was awarded EUR 5.1 million in funding as part of the **three-year Research and Development project** named NIMP - New Innovative Multilateral Platform, developed as part of the Digital Agenda of the Italian Ministry of Economic Development.

This program has enabled the Company to **improve its competitiveness in the marketing relations sector** aimed at improving multi-channel services and collaboration.

The planned investments are aimed at creating **new services and functionalities integrated with the MailUp platform**, such as real-time content customisation, automation and multi-channel services (SMS, email, chat, etc.), with the aim of making customer loyalty strategies available to customers through consumer engagement.

The program is composed of different phases and has provided for **5 Implementing Objectives (IOs)**, including one of Industrial Research and four of Experimental Development.

1. Study of infrastructure and architecture on containers
2. Development of the new delivery software architecture
3. Automatic functional tests and review
4. Implementation of multi-channel platform functionality
5. Testing and analysis of the entire platform

The **degree of progress** of the various objectives as of 30 May 2020 (date of the latest interim technical Report) is shown below.

	IOs - Implementation Objectives	Completion stage
1	Study of the container infrastructure and architecture	100%
2	Development of the new delivery software architecture	100%
3	Automatic functional tests and review	100%
4	Implementation of multi-channel platform functionality	75%
5	Testing and Analysis of the entire platform	63%

Datacenter Migration From Persico to SUPERNAP

The **migration of the datacenter** from Cremona/Persico to Siziano/SUPERNAP is currently one of the macro-projects managed by the Technology Innovation team.

The migration activities involve the transition from the current situation, in which the infrastructure is equally divided between the "Persico 1" and "Persico 2" rooms of the Cremona datacenter, to a scenario in which the **new datacenter will house the on-prem MailUp send component**, while staying well connected with the most recent room in Cremona which will serve as Disaster Recovery site.

The new SUPERNAP datacenter, in addition to guaranteeing a 100% SLA on some key parts of the infrastructure (for example the power supply), is compliant with the **most stringent Network Security and data access protection standards**.

The datacenter is classified as the **most advanced in Italy** and is Tier IV Facility, Tier IV Design and Tier IV Gold Operations compliant (certifications issued by the Uptime Institute).

By renovating the machine stock, not only at the computation level but also at the networking level, and redesigning the infrastructure by eliminating some bottleneck or no longer useful elements, MailUp will **guarantee a much higher quality standard** to its customers and a good margin of resources reserved for growth in the medium term.



Product Innovation

In its complexity, 2020 tested and forced the Group to adapt to a new, unexpected scenario. Growens strived to carry out its projects amidst difficulties, unforeseen events and isolation, **achieving important goals** and recording encouraging numbers.

The success of a technological product is directly proportional to its ability to **innovate, improve and adapt** to the evolution of both customer needs and market scenarios.

The **development and constant improvement** of the solutions offered to customers are therefore central to Growens' strategy.

MailUp

During 2020, the Product & Technology department of the MailUp business unit was entirely revised in its organisation, moving from an approach by technological component to "**end-to-end**", **cross-functional teams**, with the following objectives:

- Improve orientation towards solving real customer problems
- Reduce bottlenecks and inefficiencies in the software development process
- Support future growth
- Improve focus and prioritisation
- Support team members' specialisation, bringing to higher quality solutions in less time
- Promote team empowerment and autonomy

The team also introduced **software development performance metrics** that will provide a guiding light for the next few years. Such metrics enable a **continuous improvement approach** with the twofold objective of:

- Increasing value delivery rate
- Improving delivered value quality

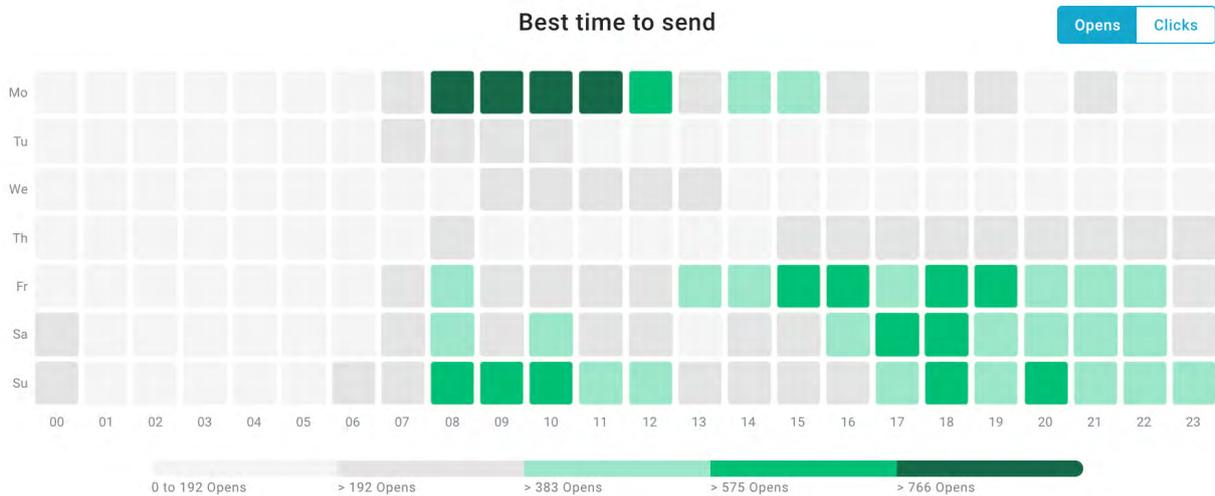
The **main new releases** of the MailUp product are listed in the following pages.

New Statistics Area

In early 2020 MailUp introduced a new version of the Statistics area, redesigned and turned it into an even more effective and useful analysis tool for **monitoring past, present, and future campaigns**.

Over the year, many new insights were gradually introduced, such as **database composition** in terms of engagement, meant to make this tool even more flexible, customisable and effective.

 Discover the brand new [Statistics area](#)



New PEC+ (Certified Email Address) Feature

October 2020 saw the introduction of a new version of PEC+, to support Italian companies and professionals to comply with the **new regulations** in place in terms of Certified Email Address.

MailUp wanted to assist its customers in this transition by offering them a new feature of the platform, which **centralises all emails in one place**, streamlining the management of internal and external company communications.

New Features Of The Email & Landing Page Editor

In 2020 the **email and landing page editor** was enriched with several innovations and features. Here are the most prominent:

- A new 6-column row layout to take advantage of larger widths
- HTML block optimization for the use of scripts to ensure better compatibility with embedded content
- The possibility of collapsing the sidebar for more space and working with greater widths
- Page width expansion up to 1440 px
- Horizontal scrolling of the stage
- The possibility to insert a menu with links to different web pages or landing page content, plus options to send emails, SMS texts, or calls

Security Hardening

Specialised third-party suppliers were commissioned to complete a security assessment with the aim of **strengthening the entire chain linked to the product**, in the awareness that security is as strong as its weakest link.

Following such assessment, it was decided to operate with interventions both at a technological and process level, in order to **reduce the probability of incidents** and/or reduce their impact should they occur.

Datetrics

The Datetrics solution grew richer in 2020 thanks to the addition of a **new Insights component**. This new feature provides Datetrics users with interesting insights about their visitors and customers, to **create even more touch points within journeys or campaigns** to target those customers or visitors with a personalised message. The new insights component consists of two sections: Acquisition and Retention.



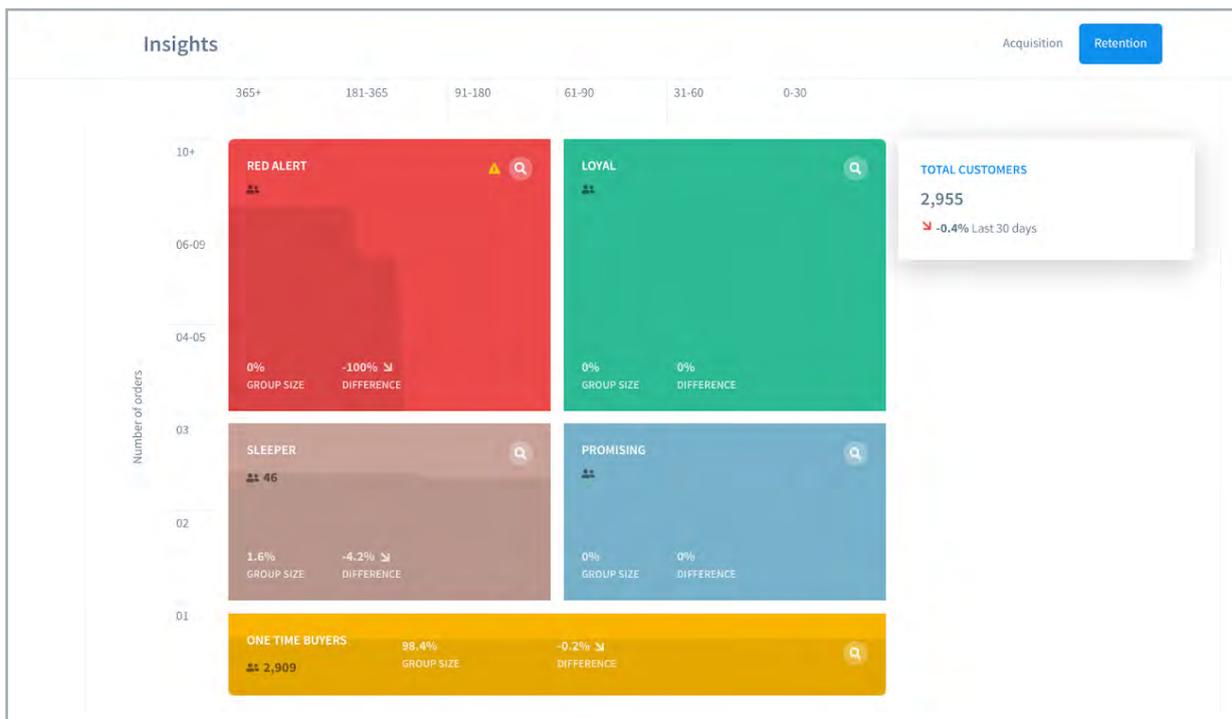
More about [Datetrics Insights](#)

Acquisition

Acquisition is specifically built to provide an **overview on website visitors**. The combined use of Datetrics algorithm (grouping visitors in four different buying phases) and other parameters (such as customer type, persuasion type, technology, source of traffic & UTM) provides an in-depth view of website traffic and insights on **how to convert visitors into new customers**.

Retention

Retention is created to give an **overview of customers**, including loyalty segmentation and lifecycle analytics. All customers for a year-to-date are placed in a retention grid group segmented on their last purchase date and the number of purchases. More info is given on group size and how this has changed compared to 30 days before.



Agile Telecom

During 2020, Agile Telecom finalised the development of IMSI.io, an innovative Android application for **verifying the correct delivery of SMS** even in areas not directly covered by proprietary devices.

Over the years, with the ever increasing growth of web and mobile applications (Android and iOS), the **demand for A2P** (application to person) and **P2P** (person to person) messages, especially via SMS, has increased exponentially.

It has become central to **two-factor authentication and automatic notification processes** in a number of industries (order tracking, web banking, transactional communications, etc.), as well as in marketing communication.

The purpose of the project is to offer a service that guarantees, with the greatest possible precision, the **delivery of A2P and P2P text messages** in reasonable times for the customer on all country-specific networks where Agile Telecom customers send their SMS traffic.

This occurs through **direct connection with carriers** (international telephone operators) and/or with Agile Telecom partners who can take charge of the message for final delivery in specific countries.

The way IMSI.io works is simple: any user can download the app on their mobile device and **consent to receive test text messages**. For each SMS received, the user will receive a small fee (equal to € 0.01).

In this way, a **win-win situation** is generated, in which the user's earnings correspond to a real-time test for the company.

Growth of A2P and P2P message demand

 Discover [IMSI.io](https://www.imsi.io)

Acumbamail

In 2020 Acumbamail developed and launched Gumbamail, a user-friendly extension to **create and send mailing campaigns directly from Gmail**. Gumbamail brings to Gmail the advanced features usually offered by professional Email Marketing software.

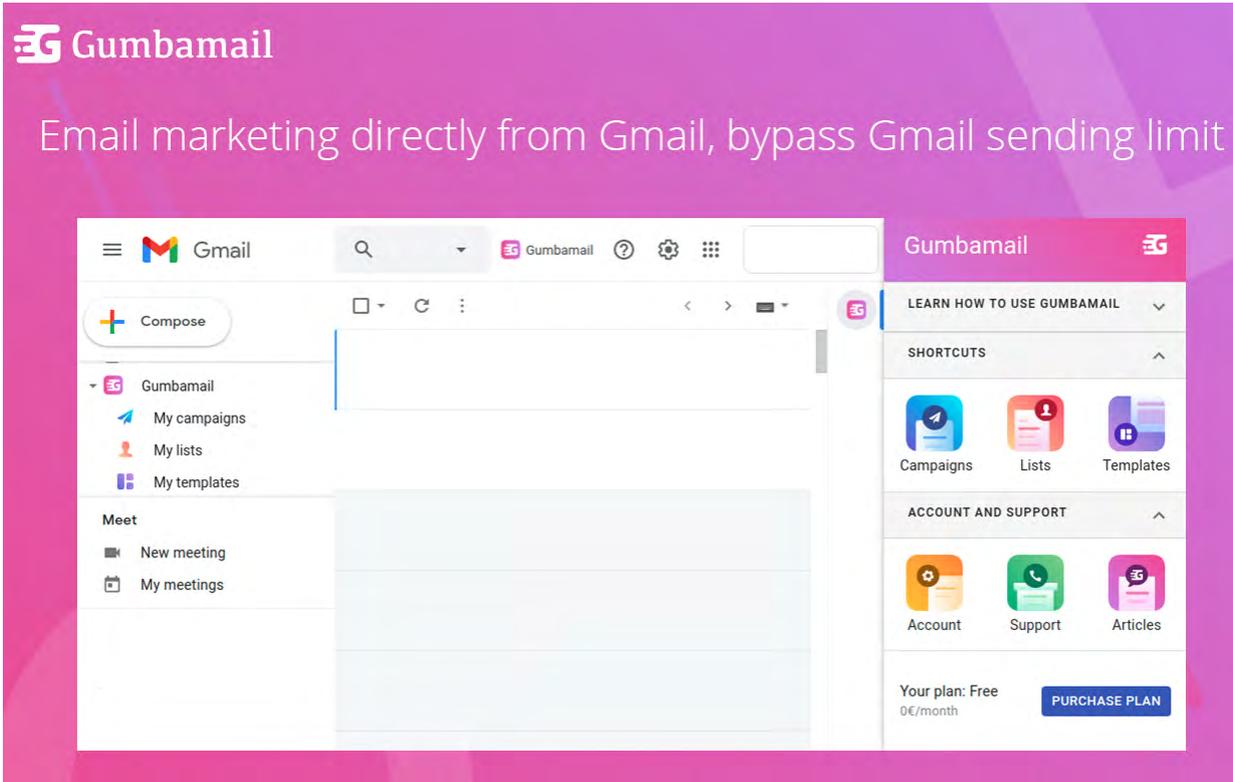
 [Explore Gumbamail](#)

It enables companies to tell their subscribers all about their news, offers, promotions, and exciting content **without switching context from Gmail**.

Its template editor creates **responsive designs** tailored to a brand's own identity while ensuring the optimal visualisation of content across different devices.

With Gumbamail, users can **import their subscriber lists** from a CSV file, a Google spreadsheet, or a contact list from Gmail, and manage their active and unsubscribed subscribers with an easy-to-use and intuitive platform.

Unlike other similar applications, Gumbamail allows for **unlimited sending volumes**.



Gumbamail

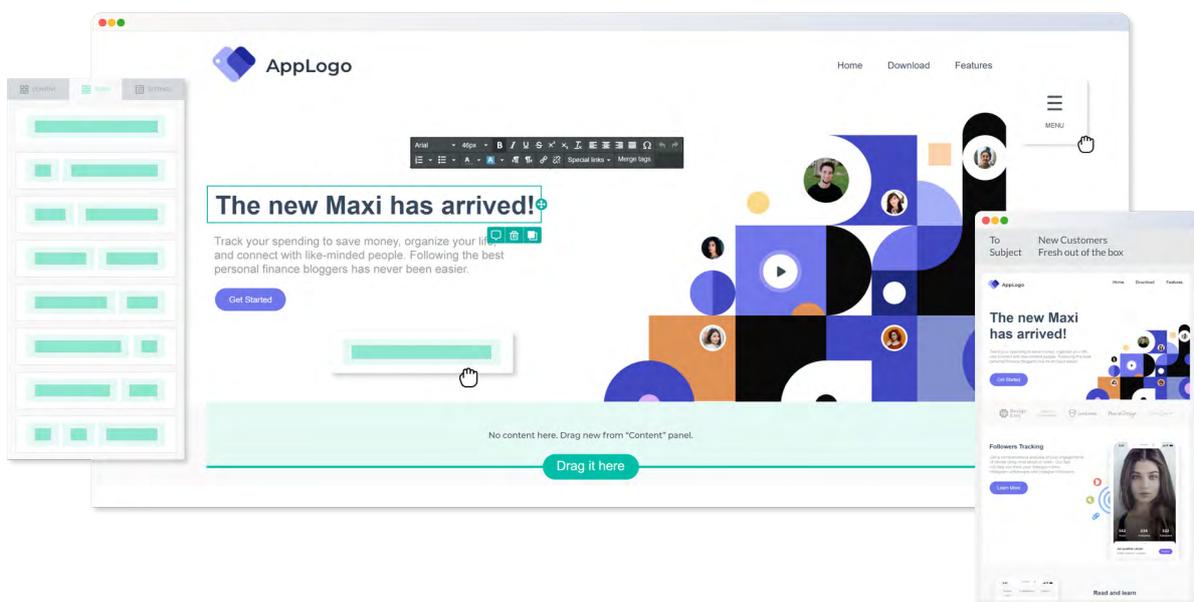
Email marketing directly from Gmail, bypass Gmail sending limit

BEE

The continuous improvement effort of the BEE platform responds to the dual objective of **creating greater value for users** and making this value immediately perceptible, with the ultimate aim of improving business KPIs throughout the customer's life cycle.

Here follow the **main innovations introduced in 2020** by the BEE team:

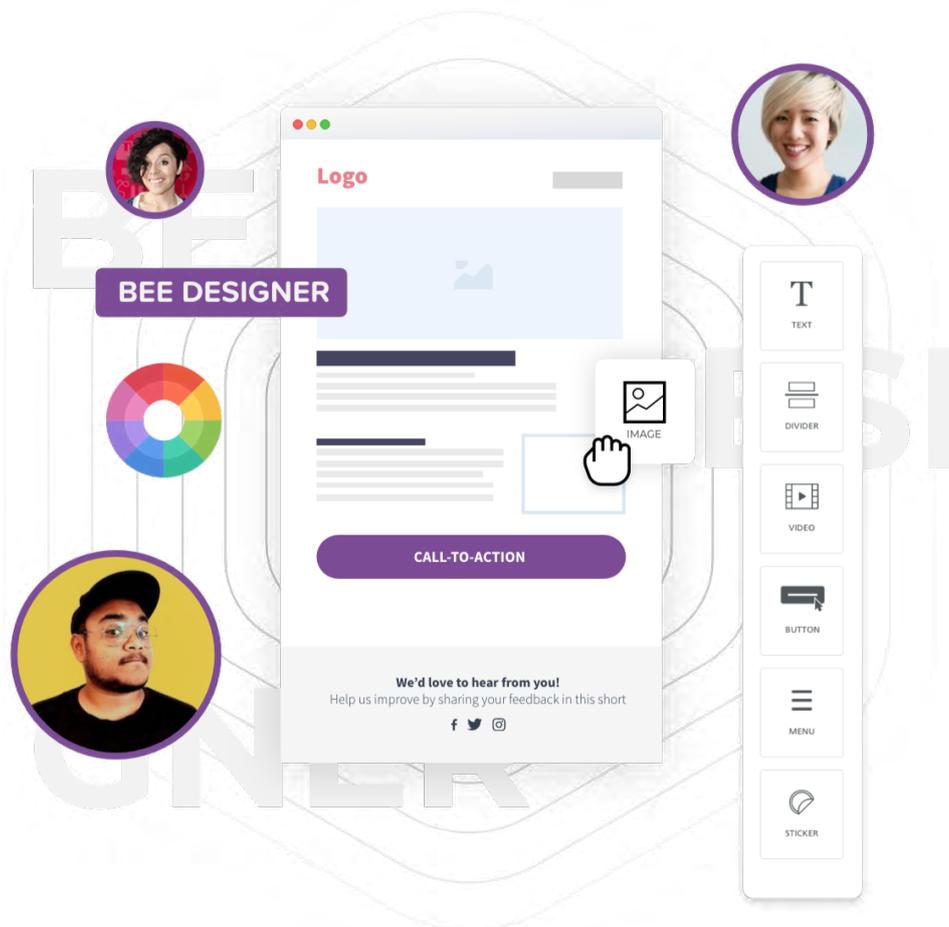
- **Page Builder:** drag & drop tool for the simple and effective creation of landing pages for marketing campaigns
- **Co-editing:** enables real-time collaborative work when building content with BEE. Multiple users may edit a message or page at the same time and see what each other is doing.
- **Commenting:** collaboration tool for asynchronous, visual collaboration when multiple contributors work in BEE in commenting and interacting on specific points of the message
- **Updated and expanded template catalog:** the drag & drop email template catalog was redesigned and enriched, and now offers over 600 ready-to-use and fully customisable templates


 Discover the [Page Builder](#)


Other innovations concern widgets for **new types of content** available within the editor, improved column management in the message, advanced features for mobile optimisation and enhanced options for email branding.

Furthermore, in 2020 BEE promoted the creation of an **international Designer Partner Program** - a vibrant community of professionals from all over the world, who contribute to updating and expanding the catalog of templates proposed by BEE.

Explore the [Designer Community](#)



Human-Centered Design innovation

For Growens 2020 marked the start of a process aimed to transform the way it thinks, does and communicates design, with the ultimate goal of **becoming a true design organisation**.

This started with the **creation of a Group Design department** to orchestrate and uplevel the design processes and skills within the entire organisation, cross-functionally and across all business units.

As soon as it was created, the new department set out to:

- **Bring intentionality and humanism** to the way the Group designs products, services and experiences
- **Create a Human-Centred Design (HCD) culture and practice**, in order to find new ways to create business value

Within Growens, the **design business value** is delivered by:

- Creating consistent and effective experiences
- Making useful and desirable products
- Orchestrating seamless and meaningful services

for **current and future customers**, users, and for other employees.

The Group Design strategy covers three years and focuses on **five key pillars**: user experience, cross-functional talent, continuous iteration, analytical leadership, and design ops.

				
User experience	Cross-functional talent	Continuous iteration	Analytical leadership	Design Ops
Break down internal walls between physical, digital, and service design	Make user-centric design everyone's responsibility, not a siloed function	De-risk development by continually listening, testing, and iterating with end users	Measure and drive design performance with the same rigor as revenue and costs	Orchestrate and optimize design processes and craft in order to amplify design's value and impact at scale

With the design maturity level of the Group in need to be upleveled, new processes must be implemented. Such processes are inspired by **ISO standards 27500** (*The human-centred organization*) and **9241** (*Ergonomics of human-system interaction – 210 and 220*), although adapted to the specifics of each business unit within the Group:

- **Process 1:** Ensure business unit focus on human-centred quality
- **Process 2:** Enable HCD across projects and systems
- **Process 3:** Execute human-centred design

In 2021, or the second year of the three-year program, the goal will be to **formalise design as a scalable function**, moving beyond basic participatory design processes through shared ownership, role clarity, joint accountability, and more documentation of what are now more substantial design practices.

This will enable design to **support more complex product ecosystems** while integrating into equally complex internal operating structures.

Business Value

Being human-centered offers **several business benefits**:

- **Improved** operational effectiveness and efficiency on projects and increased likelihood of achieving business objectives in a timely manner
- **Products** and services that are easier to understand and to learn how to use, thus, increasing uptake and reducing support costs
- **Increased** accessibility for staff and customers
- **Greater** responsiveness to customers and to the market

Such benefits can **lead to**:

- **Enhanced** customer confidence and trust with increased customer loyalty
- **Increased** owner, shareholder, and member confidence and trust and enhanced reputation
- **Greater** staff confidence and trust which help to improve motivation and loyalty, as well as reduce staff turnover

These, in turn, lead to better organisational performance which may include **organisation's financial performance**, customer experience, and service.

User Testing Culture

One of the five pillars the design practice stands on within the Group is continuous iteration. Designers know that the only way to **de-risk development** is to continually listen, test and iterate with users.

For this reason, since January 2020 several platforms were adopted in order to support and leverage the practice of **observing, listening and testing with real users** outside the company through:

- Surveys
- Interviews
- Analytics and behavioral tracking
- Tree testing
- Card sorting
- A/B testing
- Click testing
- Live intercepts
- Quantitative and qualitative usability testing

Since user testing is performed before development, designers can test ideas and **narrow margins of error** before costly iterations.

Minimise errors before costly iterations

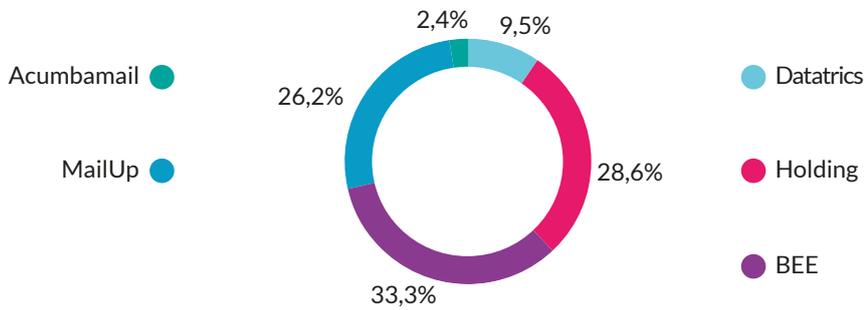
The ROI of a single usertest study is much higher than QA and for this reason the Group decided to **invest in remote user testing tools** that are accessible to the entire workforce (designers, researchers, product managers, developers, marketers) who want to test ideas before development.

The new **user testing practice democratisation** in 2020 resulted in 4 trainings (6 hours) for **48 Group employees**, both designers and non-designers, with follow-ups for specific needs.

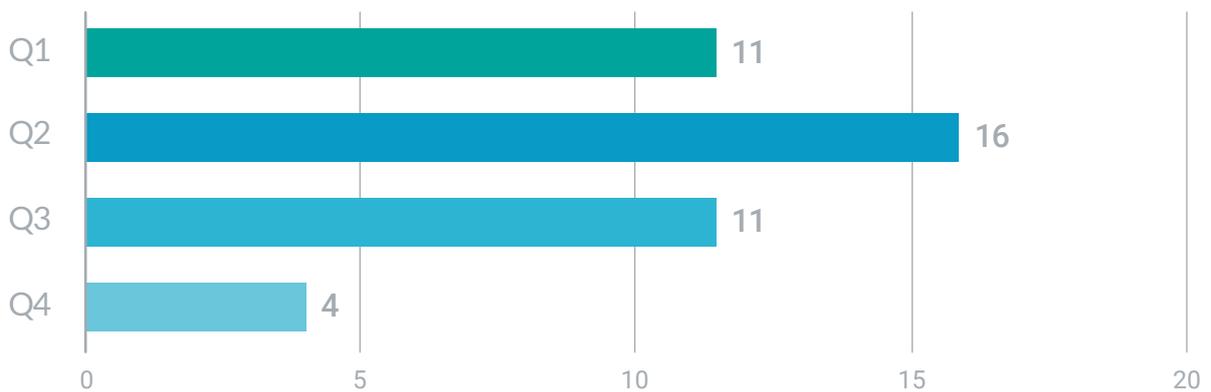
4 training sessions for 48 Group employees

The following page summarises the **project results** one year after its kick-off.

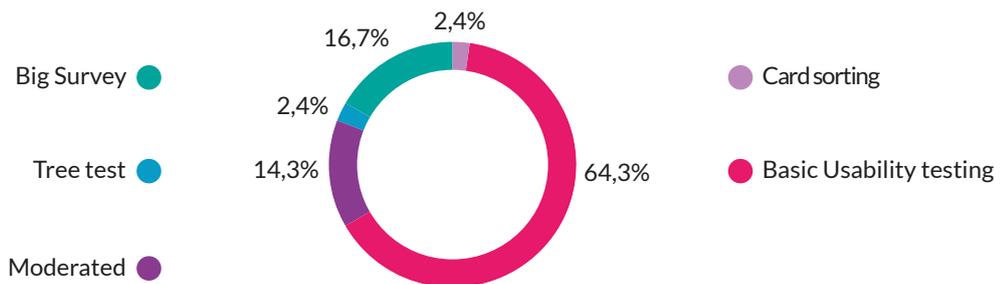
Percentage of researches per business unit



Count of studies per 2020 quarter



Type of study



Acumbamail Case Study Featured In The Nielsen Norman Group Report

In 2020, Nielsen Norman Group published the 5th edition of their *UX Metrics and ROI* report, which featured a case study related to the business unit Acumbamail, alongside brands such as Atlassian, Shopify and Luxottica. The report collects 44 real-life case studies highlighting how teams have used UX metrics to assess the impact of their design changes.

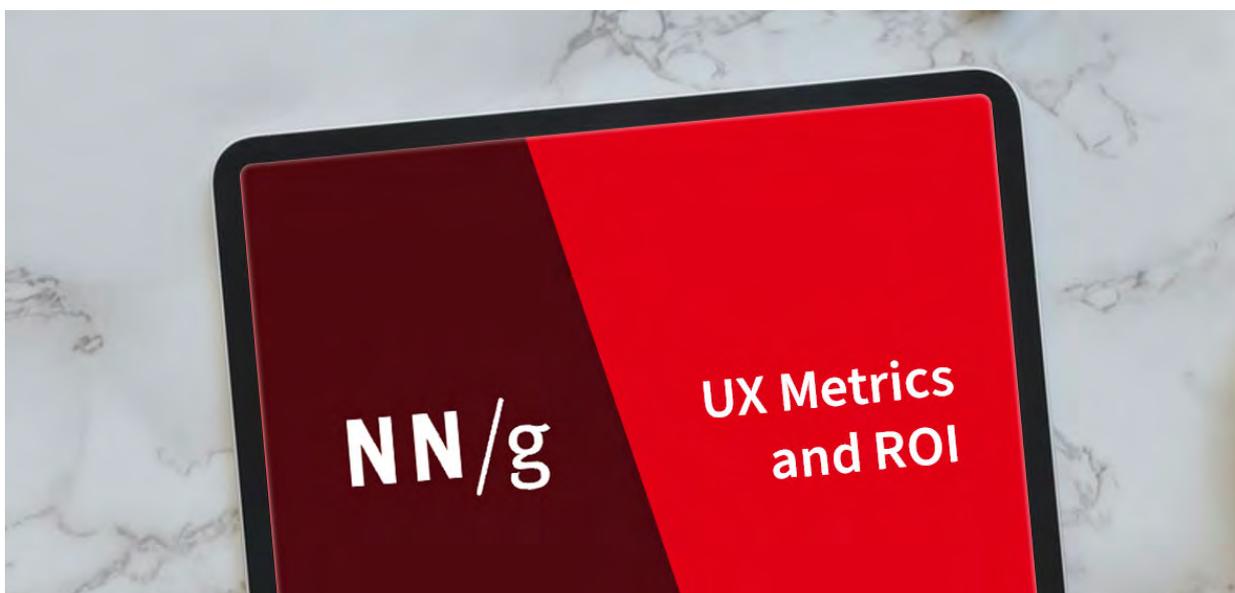
The case study covered a **strategic experiment** carried out jointly by the central Group Design department and the local Acumbamail Design team, with the final aim to **improve usability and ultimately business metrics** on the Acumbamail website.

The goals were set as follows:

- **To improve** conversion rates of both paid subscriptions and free accounts
- **To enhance** the frictionless approach
- **To solve** all the usability problems in the step between the pricing page (or the primary CTA in the website) and the landing on the platform.

The process involved a first step (testing to understand), a second step (redesign), and a third and final step (test to validate).

Once the problems had surfaced, the teams moved on to **redesign the affected website areas** and to test whether the changes brought the desired results.



During the different phases of the project, some **specific metrics were tracked** with dedicated tools, namely quantitative usability testing and Analytics.

Metrics

Methodology:

Qualitative usability testing, Analytics

Metric: Time on task for subscribing

Before: 3 min 54 sec

After: 3 min 30 sec

Improvement Score: 11%

Percent Change: -10%

Metric: Conversion rate for subscribing

Before: 9.5%

After: 11.6%

Improvement Score: 22%

Metric: NPS survey

Before: 1

After: 51

Improvement Score: 5,000%

Design is a way for improving business KPIs. The tracking of such ROI has an effect on many levels:

- It demonstrates the value of design efforts
- It shows how design changes impact the bottom line
- It can increase the trust on design and designers
- It increases the design maturity of our organisation

So no matter the size of the revenue, a good design **improves what matters to users** and business.

Crowdtesting with AppQuality

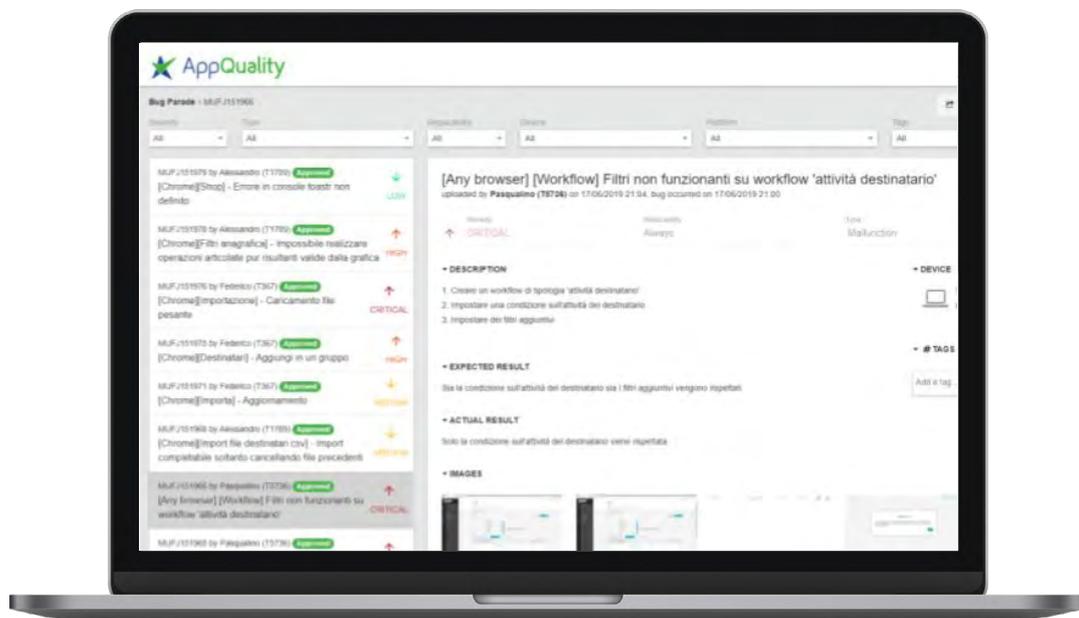
Growens sought a **Crowdtesting Project Management Provider** for the MailUp mobile and web digital products.

AppQuality has created a methodology (Crowdtesting) to meet the needs related to digital service quality of its customers and partners, and to **test and optimise digital experiences**.

It allows to **study and optimise usability**, to deepen end users' feedback and to better understand how the MailUp platform operates, **by leveraging the collective knowledge of a community of online testers** (the "Crowd").

All crowdtesting and quality verification activities are vertical, intensive but not exhaustive, and offer MailUp a **vision of the problems that the platform presents** and the ways in which real users interact with the application itself. AppQuality allows to leverage the professionally managed, geographically distributed and interconnected community of testers via its Crowd platform used by **tens of thousands of testers** for testing apps, websites and other digital products.

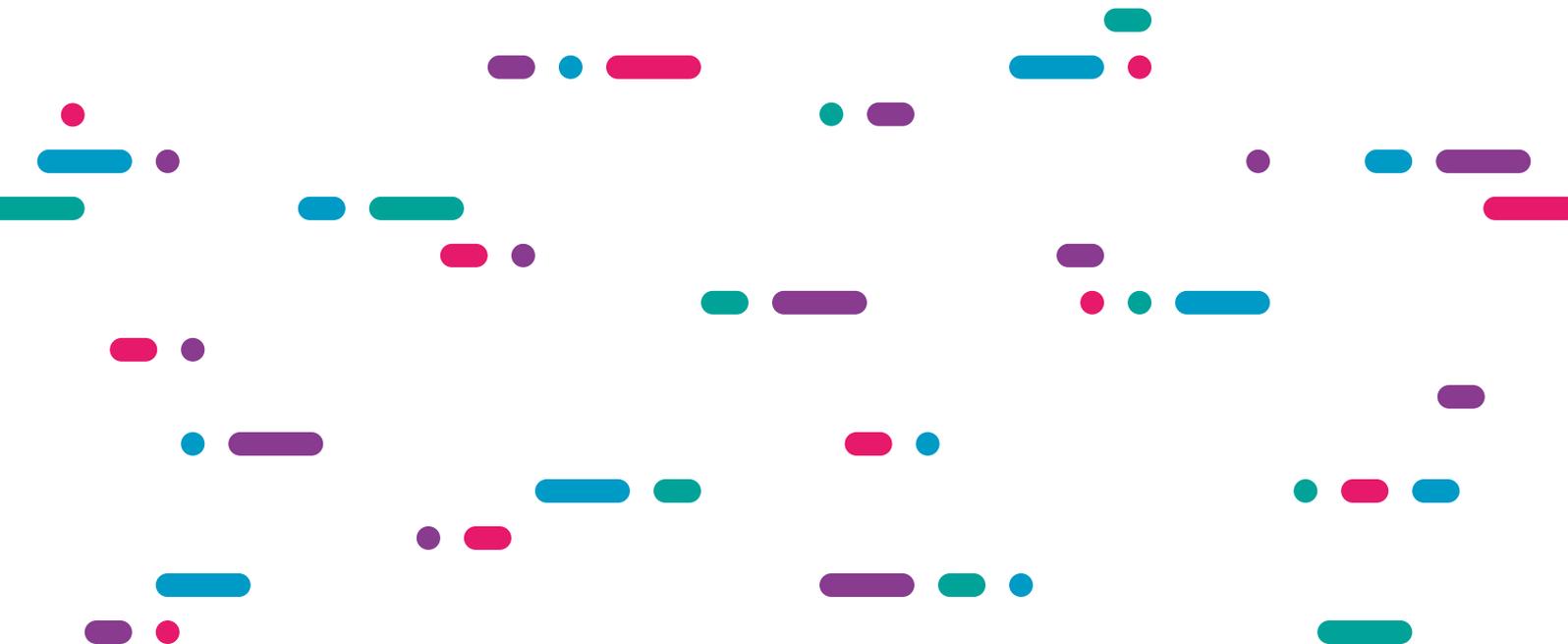
The testing process with the Crowdtesting methodology involves, in the first instance, that the digital product is shared with the Crowd. The application is distributed through the AppQuality proprietary management platform, and **qualitative and quantitative feedback is collected** to identify any improvement areas.



8



Relationship With Employees



Growens considers people a strategic resource placed at the heart of the service offered, so it values the work and experience of its employees by ensuring optimal working conditions, respect for human rights and transparency in the staff selection process.

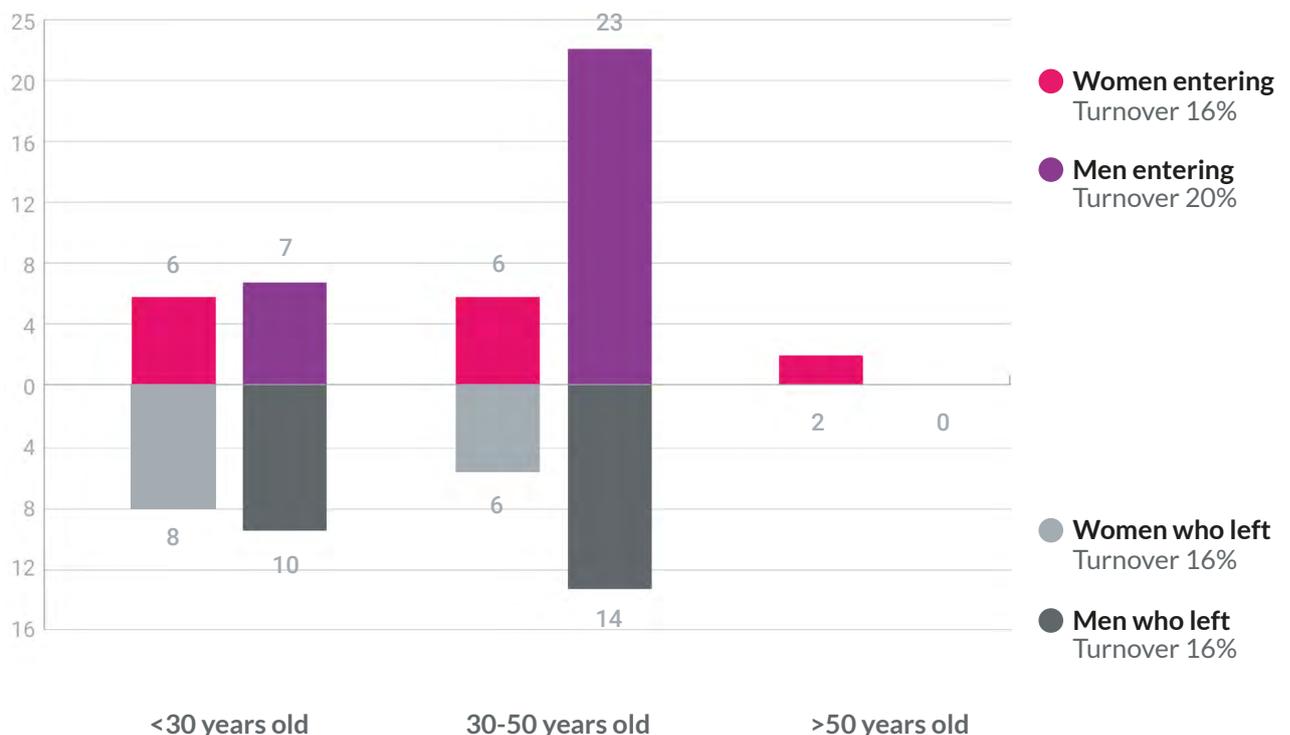
The Group deems essential that every employee contributes to the value creation and development of the organisation in an environment that promotes well-being, merit and development of people in line with the principles and values of the company.

The real value is to involve employees in the definition of corporate strategies through the construction, sharing and implementation of innovative management and organisational change policies.

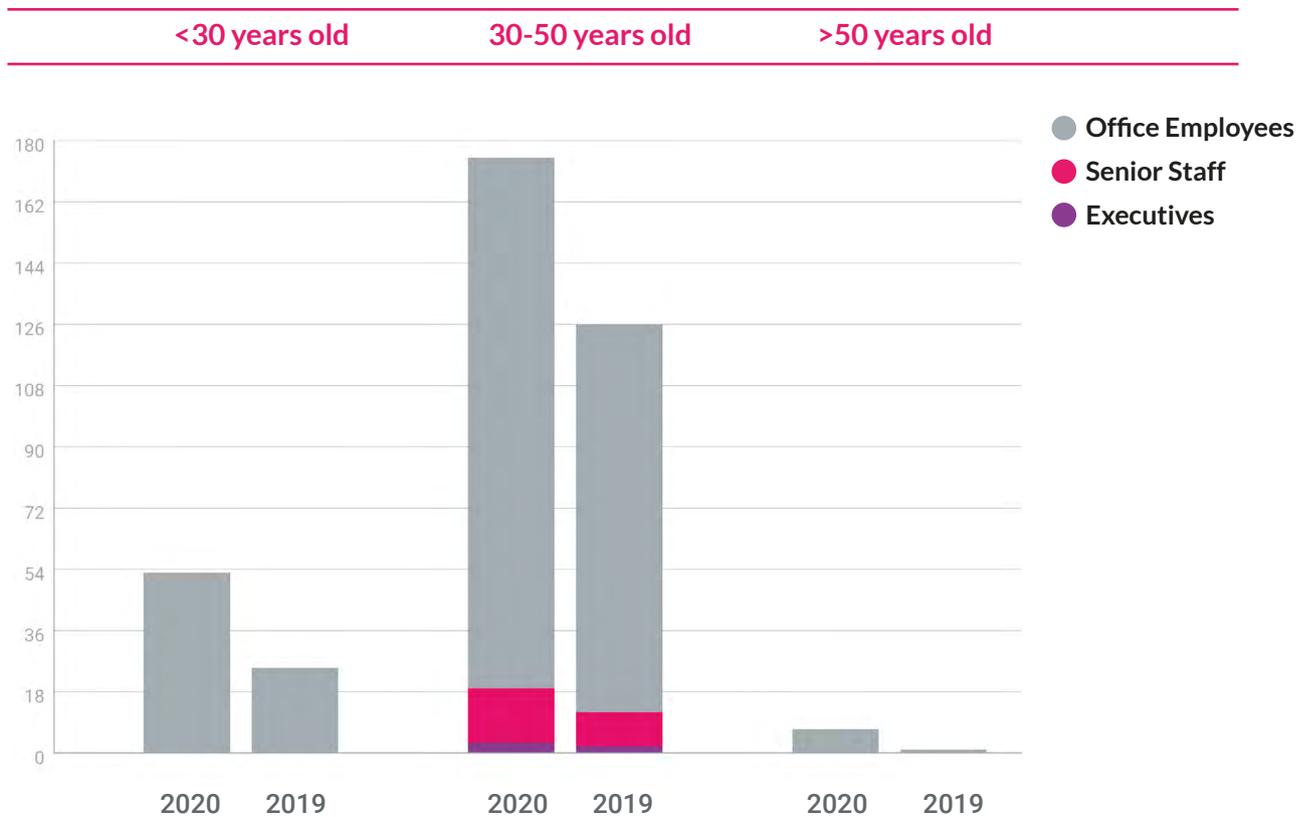
Employment relationships are governed by the provisions of the Italian Civil Code (Codice Civile) and the National Collective Employment Agreement covering 78% of the staff. As of 31 December 2020 Growens had 235 employees. The Company usually entrusts certain activities to third parties: in 2020, 17 external collaborators were appointed.

Below is selected summary data to provide a complete overview of the composition of Growens' staff.

Details of inbound and exit turnover as at 31 December 2020 (no. of individuals by age group)



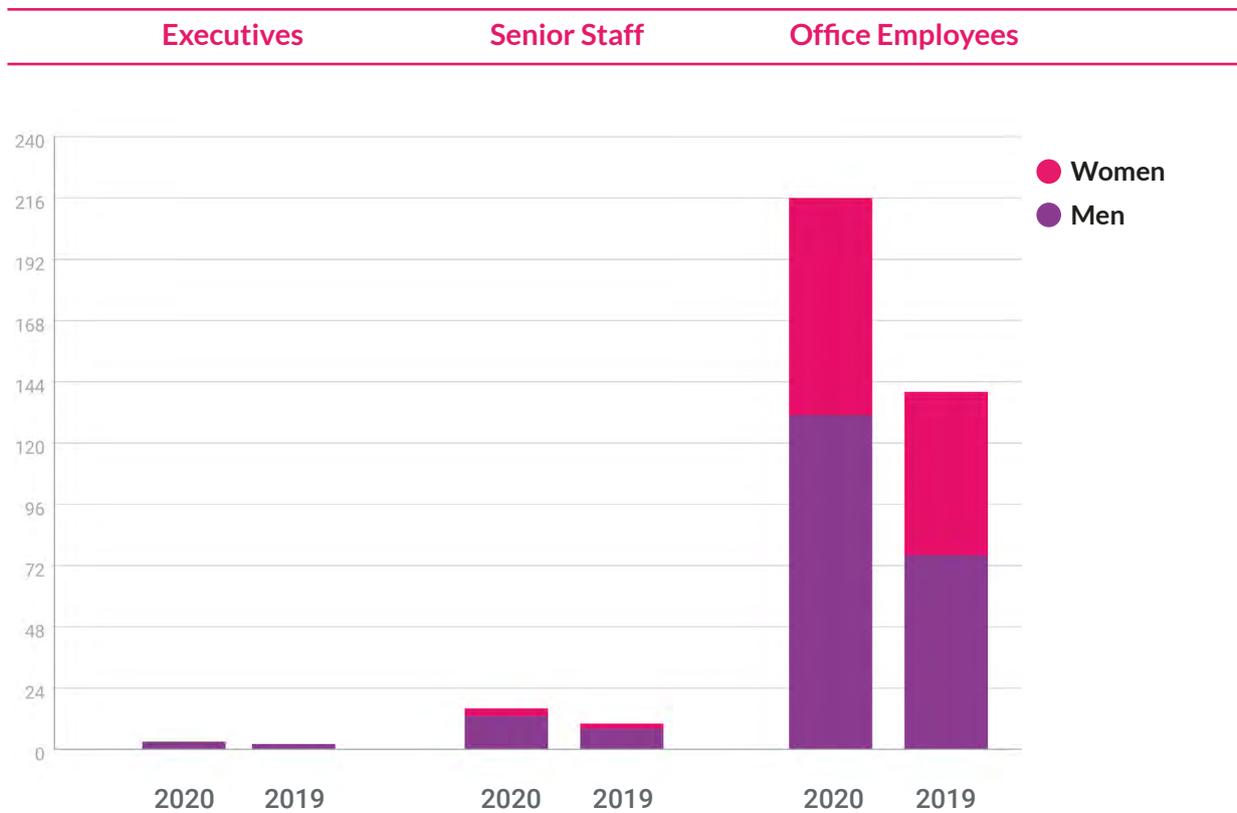
Number of employees by age group and professional qualification*



	2020				2019			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0	3	0	3	0	2	0	2
Senior Staff	0	16	0	16	0	10	0	10
Office Employees	53	156	7	216	25	114	1	140
Total	53	175	7	235	25	126	1	152

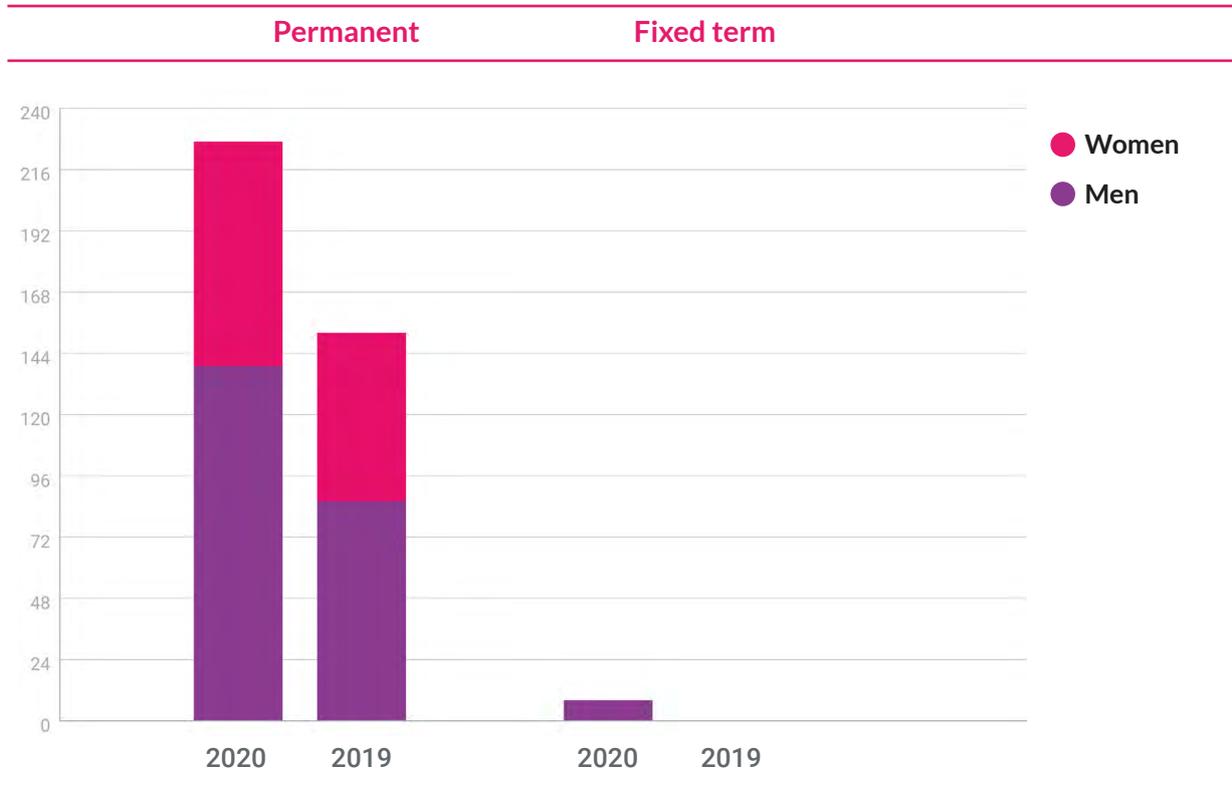
* In this and the following tables comparing 2020 and 2019 data, please note that 2019 data refer only to the parent company Growens S.p.A., while 2020 data include all the Group companies.

Number of employees by gender and professional qualification



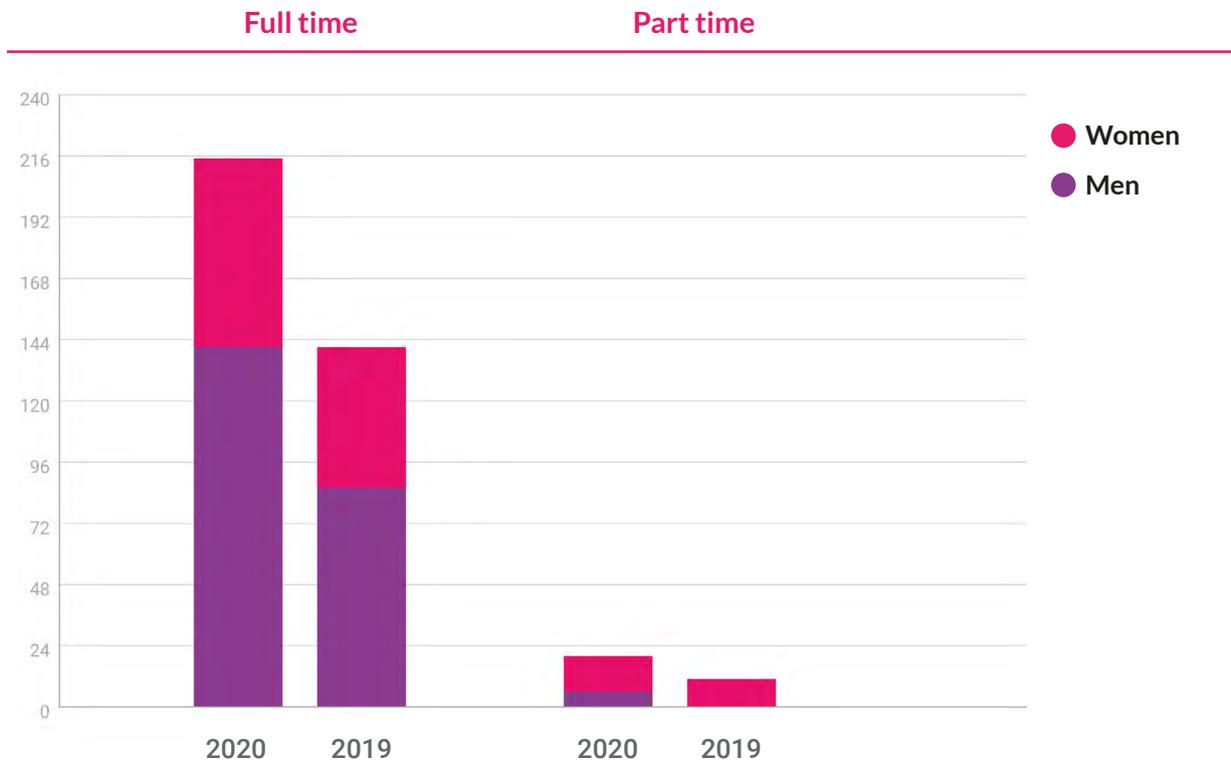
	2020			2019		
	Men	Women	Total	Men	Women	Total
Executives	3	0	3	2	0	2
Senior staff	13	3	16	8	2	10
Office Employees	131	85	216	76	64	140
Total	147	88	235	86	66	152

Number of employees by gender and type of contract (permanent - fixed term)



	2020			2019		
	Men	Women	Total	Men	Women	Total
Permanent	139	88	227	86	66	152
Fixed term	8	0	8	0	0	0
Total	147	88	235	86	66	152

Number of employees by gender and type of contract (Full time - Part time)



	2020			2019		
	Men	Women	Total	Men	Women	Total
Full time	141	74	215	86	55	141
Part time	6	14	20	0	11	11
Total	147	88	235	86	66	152

Health and safety of employees

The protection of human resources is one of the fundamental principles of Growens' Code of Ethics: the **safety, health and well-being of employees** and all the people who, for whatever reason, work for the Group, are its core values. The Company, through management software, manages payments and communications to its employees and monitors information such as accidents, illness and attendance. **No accidents at work or while travelling** were recorded during the 2020 fiscal year, similarly to 2019.

In Italy, the Company is supported by an external Head of Prevention and Protection Service who is responsible for updating the Risk Assessment Document, performing site audits, holding periodic meetings and evacuation simulations. All employees take **mandatory safety training** through an online platform and the People & Culture department monitors the need for periodic training renewal.

Employee Benefits

In line with the *caring* value, in 2020 the Company offered **benefit solutions for its employees**, as detailed below.

Supplementary Pension Provisions

For what concerns supplementary pension provisions, the Company created a **welfare scheme** in partnership with Crédit Agricole and Amundi.

The agreement is accessible to all Italian employees. The Company undertakes to pay a **contribution equal to 4% of the total annual salary** assumed as the basis for the calculation of the Severance Indemnity Scheme (TFR), against a minimum contribution of the employee of 0.55% of the Gross Annual Salary in addition to the TFR accruing on the date of joining.

Welfare Platform

In order to create a flexible and innovative work environment that contributes to a better balance between private and professional life, to increase people's motivation and promotion of their well-being, the Company offers its employees a **flexible and innovative corporate Welfare tool** that meets a wide range of needs.

In 2020, the **Jointly platform** was implemented. Employees can create custom packages of flexible benefits, choosing from a wide range of services tailored to individual and family needs. The platform also enables payments into pension funds, supplementary health services and payments into MBA - Copertura Sanitaria Integrativa (Supplementary Health Coverage) thanks to the registration of Group companies.

People Development

Growens heavily invests in the training of its employees as it considers training fundamental for the **professional development and expansion of the skills** present in the company.

In case of a new hiring, a specific training course on issues related to the Italian Legislative Decree 231/2001 is required. The course, in e-learning mode, illustrates the general principles of the decree and provides guidance on the **Model and Code of Ethics** adopted by Growens. The general and special parts of the model are published on the Company intranet and are always accessible to all employees.

2020 saw the prosecution of the "Performance Management 4.0" training course, with the aim of strengthening a **culture of feedback and a goal-driven work approach**. Furthermore, several Coaching Labs and Courses on Agile Methodology were carried out internally, aimed at streamlining People Managers' work organisation.

Half of the allocated budget was dedicated to **certifications in the Technology field**, on a number of programming languages. In addition, **internal training** was provided on programming languages, specific software programs, communication, use of internal tools, accounting and design.

Furthemore, many courses were carried out through the UDEMY online platform.

Number of training hours by work level

	2020			2019		
	Men	Women	Total	Men	Women	Total
Managerial staff	357	139	496	449	82	531
Professional staff	676	309	985	2,324	1,369	3,693
Total hours of training provided	676	309	1,481	2,773	1,451	4,224

Please note that 2020 figures are significantly lower as core investments were directed towards employee certifications rather than courses (35 vs. 6 in 2019), and certification hours are tracked separately.

MailUp Evolution

In view of its ambitious growth objectives, in 2020 the MailUp business unit focused on an important **organisational evolution project** that relied on:

- **Implementing** a new strategic structure and new roles (Sales Director, Customer Value Manager, Head of Product & Technology)
- **Streamlining** customer-lifecycle-related domains, by unifying the CRM, Customer Support and Customer Care teams in a single Customer Value Management (CVM) department
- **Defining** new processes and responsibilities aligned with the new business & market objectives
- **Analysing and updating** the skills needed to implement the new strategy
- **Introducing** new methodologies and skills from the market, unlocking a new opportunity for development and growth for all employees

New key roles and strategic processes

Starting May 2020, after the onboarding of the new key roles mentioned above, MailUp started the **deployment process** of the new organisational structure.

In this context, the Group People & Culture department was called upon to **guide and support this implementation process**.

Through a series of interviews and workshops involving all Stakeholders, a RACI ("Responsible, Accountable, Consulted, Informed") matrix was identified to **control the new processes**, and to manage communication and ownership issues among involved parties in a structured fashion.

The project outcome led to the **definition of a Governance Model** which will support the business unit in the evolution process governance, by embracing innovation as one of the main drivers of change, development, goal monitoring and results.

Definition of a Governance Model

Total Rewards Program

One of the goals of the People & Culture function is to contribute in value creation and in the organisation's development by establishing an **environment that promotes merit, well-being and people development** in line with corporate values.

Following this vision, in 2020 the People Team launched a Total Rewards Program, in order to increase performance and identify talent pipeline through a **transparent and meritocratic compensation model**, with a clear business goal: motivated, engaged people bring better business results.

A Total Rewards Program **encompasses processes of compensation, recognition, talent development and work life** that, in combination, lead to optimal organisational performance, also enhancing attraction and engagement processes.

The program created by Growens focuses on **four areas**, which embrace the main key pillars of human resources:

- **Compensation & Benefits**, linked to the definition of a remuneration structure
- **Recognition**, mainly embodied in the performance management process
- **Talent Development**, which includes all processes related to people's career development
- **Work life**, including wellness and wellbeing activities

Specific processes and initiatives were defined for each of these areas, and will be gradually enriched and expanded.

With the Total Rewards Program, the company **intends to improve**:

- **Attraction**: a clear and transparent compensation model increases talent attraction and improves the Group's employer branding. Consequently, hiring times are reduced and selection costs decrease.
- **Motivation and involvement**: disengagement has been shown to be linked to poor performance. An effective way to motivate and involve people is to increase meritocracy through a structured and fair system for all.
- **Retention**: people's turnover has a direct impact on the balance sheet. Its cost is high not only financially but also in terms of skills, knowledge and talents. When actively involved, employees are more likely to stay in the company for a longer time.

Introduction Of A Leadership Model

An intense growth path in the last few years has led the Group to face an ambitious challenge: **transitioning from an entrepreneurial to a managerial mindset.**

In order to achieve this goal, acquisitions and revenues are not enough. To keep a competitive edge on the market, **leaders must be aware of their professional and personal purpose**, work together for a common goal and build a solid, sustainable business in the long term.

This scenario gave life to the Leadership Model Project in 2020 - an aspirational model composed of values, behaviours and skills **required of people who have a leading role** in the organisational context.

The model stems from an innovative methodology based on the concept of **purpose-driven leadership**, as a means to spread corporate culture at all organisational levels through the roles of People Managers and through their motivation, as the main drivers towards achieving shared objectives.

A Three-Level Process

The model design followed a **three-level process.**

1. Investigation into the methods of actions, through interviews with the Top Management (*top down action*)
2. Investigation into the purpose of actions, through dedicated workshops with all People Managers (*at level action*)
3. Investigation into the expectations of actions, through a survey to the entire corporate population (*bottom up action*)

Following the completion of all three levels, collected insights were structured, **finalised into a leadership model** through a wrap-up workshop with the Top Management, and communicated to the entire Group population.

Training & Group Coaching Program

In the first half of 2021, a **training and group coaching course** dedicated to 53 people managers is planned to support them in embracing the new model and **evolving into development-oriented leaders.**

Leadership Behaviours as Growens People Manager

Caring

I feel responsible for how we work

I invest time & effort in building and maintaining a healthy workplace, where people treat each other with fairness and respect.

I focus on measuring results

I work hard to find the right KPIs and measure the performance of direct reports, striving to create the conditions for that performance to improve.

Open Mindedness

I believe in experimenting

I have a positive approach, I try new things, I allow others to experiment, I learn from mistakes, and I improve processes as a result.

I can see the bigger picture

I look beyond current successes & failures, recognizing today's challenges, and identifying tomorrow's larger opportunities

Passion

I promote your growth

I represent the Group and its values, I communicate effectively and I commit every day in inspiring and motivating people, with a focus on supporting their professional growth.

I encourage collaboration

I promote collaboration, champions idea & skill sharing - both at the team and the group level - and I work to break down silos.

Trust

I'm someone you can trust

I'm a reliable person, I'm transparent in the sense that I provide clear directives and I'm consistent in the communication and approaches adopted.

I'm willing to trust you

I firmly believe in others, I take time to identify their best skills, and I'm comfortable with delegating more responsibilities to them over time.

Career Ladder

The Career Ladder project is linked to the broader Total Rewards Program. It is part of the People Development area and represents one of the basic processes for establishing a people development system based on the **principles of transparency and meritocracy**.

A Career Ladder represents the **professional path** that each person undertakes within the company, consisting of **vertical or horizontal movements** and triggered alternatively by new organisational needs or by individual desire for growth.

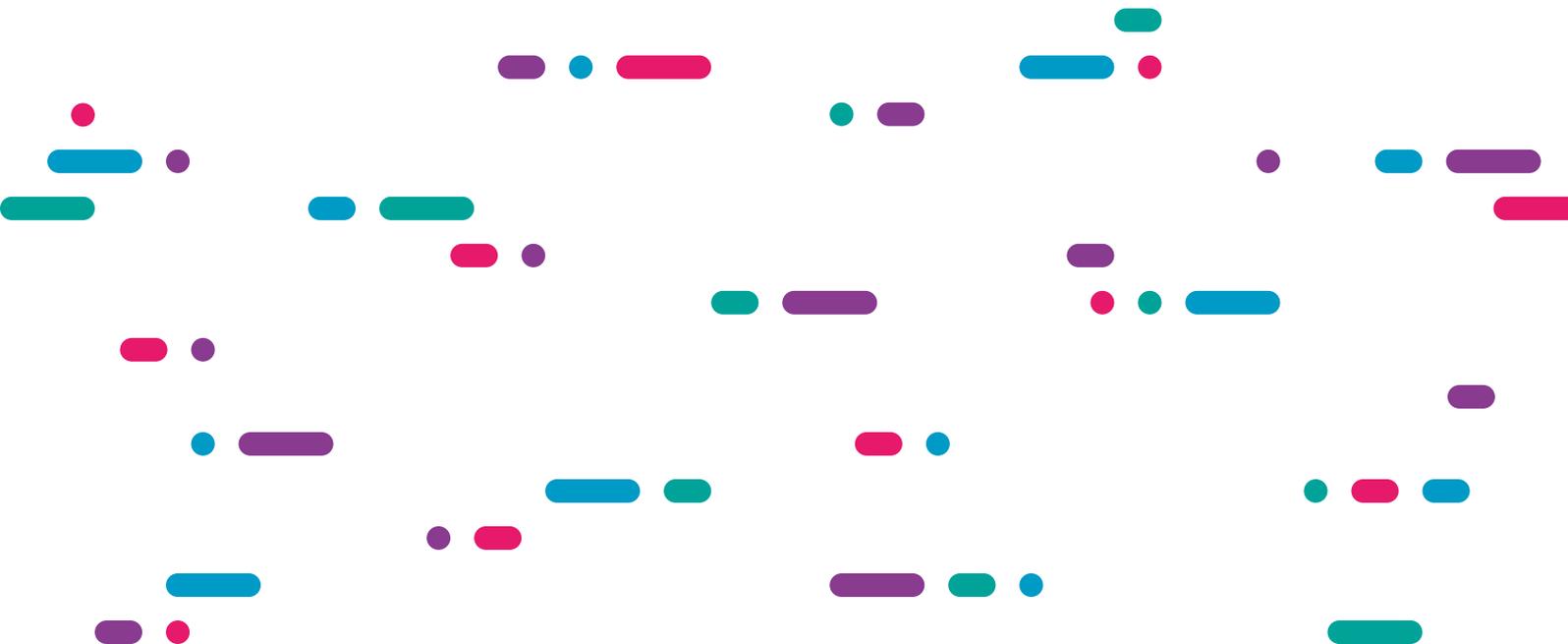
A centrally built and standardised Career Ladder for all business units allows people to have a **comprehensive vision of the paths** available to them.

All employees can browse the roles currently existing in the company and their prospective growth, and can make **conscious, informed decisions** on their own career path.

9



Internal Communication & Engagement



Internal Communication & Engagement

Fostering and **promoting a meaningful conversation with all internal Stakeholders** is at the heart of Growens' culture. In 2020, internal communication and engagement were closely linked to the management of the Covid-19 emergency.

In addition to the extraordinary activities described in chapter 5, the Group worked **constantly and strategically** in view of the following objectives:

- **Ensuring transparency** on business and organisational choices through a timely, intentional disclosure
- **Supporting employees' morale and motivation**, promoting active engagement and support their sense of belonging to the company

In order to achieve these goals, a number of communication and engagement activities were put in place along **a threefold line**:

- **Top-down**: disclosure of strategic decisions, vision, results and corporate evolution by the top management, addressed to all employees
- **Bottom-up**: engagement of the company population at all levels in playful and social activities
- **Horizontal**: creation of cross-business unit themed communities, to encourage knowledge sharing and unhook organisational silos

Top-Down Initiatives

Group Update Webinar

Twice a year, the publication of the full-year financial statements and the half-year report is followed by an **internal webinar addressed to the company population** as a whole.

The event is held virtually in order to be accessible from all over the world. In it, CEO Nazzareno Gorni and Chairman Matteo Monfredini share the **Group's recent results in terms of business** and share performance, the rationale behind strategic choices, and their vision for the future evolution of the Group. In detail:

- **Spring Group Update Webinar** / 9 April 2020: 178 registered employees, 83% attendance rate
- **Autumn Group Update Webinar** / 15 October 2020: 185 registered employees, 78% attendance rate

"Meet The CEO" event

The "Meet The CEO" event is a key moment during the onboarding of new hires. It is meant to **promptly connect them with the top management** and create a positive experience of sharing and belonging.

On a quarterly basis, the "Meet The CEO" event involves CEO Nazzareno Gorni and all the recent hires across all Business Units for two hours. For the occasion, the CEO introduces himself and the Group, **narrating its history, vision and values**, and then leaving ample space for questions and networking.

In 2020, **five "Meet The CEO" events** were held, all in virtual mode due to the restrictions imposed by the Covid-19 pandemic.



"Business Unit Touchdown" event

The "Meet The CEO" event is complemented by a similar **business unit-specific event**, where each Business Unit director greets and onboards their new hires.

Held every three or six months (depending on the hiring plan), such events deep-dive into the **history, strategy, results and objectives** of each individual Business Units in detail.

In addition to the new hires of each unit, these events are **open also to new hires** from Holding departments and to current employees.

In 2020, **five "Business Unit Touchdown" events** were held, all remotely.

CEO Letter

As mentioned in chapter 5, the following needs immediately surfaced during the very first weeks of the **Covid-19 pandemic outbreak**:

- **To keep the entire company population updated** in a precise, timely and controlled manner on strategic business decisions related to the progress of the pandemic
- **To make the presence** and proximity of top management perceived in a strong and intentional way, both from a human and a business standpoint
- **To prevent panic** and control the narrative, by avoiding the spread of fake or misleading news inside and outside the Group
- **To create a direct**, straightforward, transparent channel of communication meant to spark questions and conversations

Goals:
transparency,
intentionality,
openness

The means chosen to meet these objectives was identified in an **email signed by CEO Nazzareno Gorni**, sent weekly to all employees as a personal email.

Weekly email
signed by the CEO

The CEO Letter was received with great enthusiasm by the Group population, who appreciated the **effort of transparency and commitment**.

For this reason, the CEO Letter has since become an integral part of the Group's **regular top-down internal communication** strategy, with updates on strategic plans and significant news.

In 2020:



16 CEO Letters were sent



90% average open rate

Bottom-Up Initiatives

“Let’s Buddy Up” Project

With the aim of promoting **better and faster integration of new hires** within the Company, with the “Let’s Buddy Up” project each new hire is **assigned a buddy** to be at their side during the first weeks at work.

The goal is to welcome new employees and to actively support their choice to join the Group, by providing them with a **clear and reliable reference point** for their onboarding in terms of non-work related issues.

Buddies are in charge of organising **informal social aggregation activities** for new hires, of answering general questions relating to daily life in the company, and of acting as a bridge for the creation of a social network with new colleagues.

All employees are **encouraged to volunteer** to become buddies, depending on their workloads. In 2020, **23 people** served as buddies for new hires.

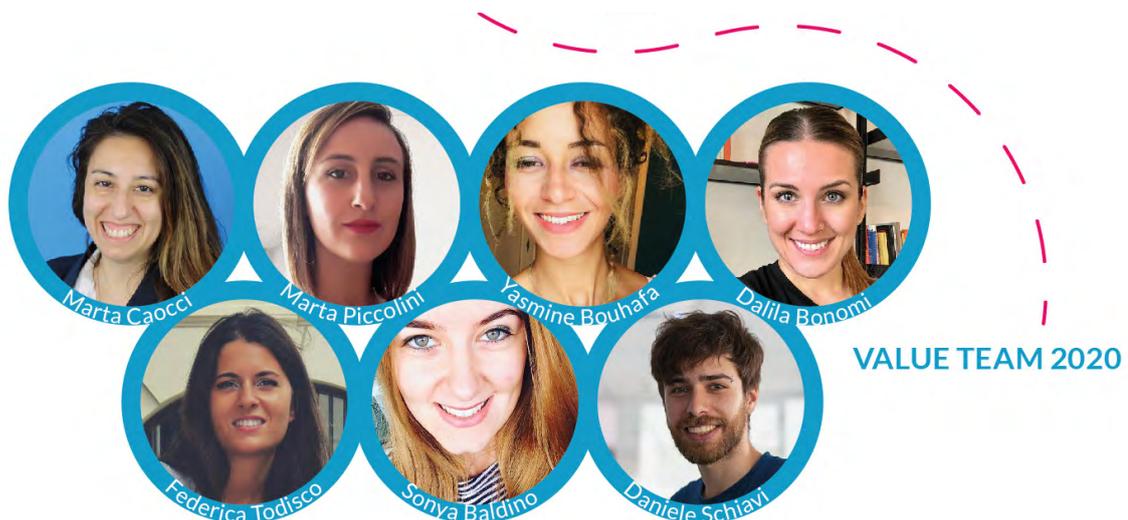


Value Team

The Value Team is a **cross-organisational group of people** on a mission to support the development of a shared corporate culture and to generate value through cross-industry, constructive ideas.

The true meaning of this group is to **help people become active members and promoters of the company**, by encouraging them to take care of and be responsible for its growth, by bringing in their points of view and needs, and by coming up with collective solutions.

The underlying belief is that innovation doesn't come from one lone genius, but instead stems from teamwork, different experiences, new perspectives and points of view: this is the foundation of this **7-member team**.



In normal times, this Team is of fundamental importance in the Group as it **creates engagement** and allows employees to really make a difference by improving the work environment and by turning corporate values into actual initiatives.

During the 2020 lockdown months, the feedback collected by this team provided a **key starting point for the decisions** to be made.

The team acted as a **bridge between the people and the management**, gathering needs, fears and requests that perhaps, without a solid bottom-up reference point, would have been lost or would not have had the same impact on final decisions.

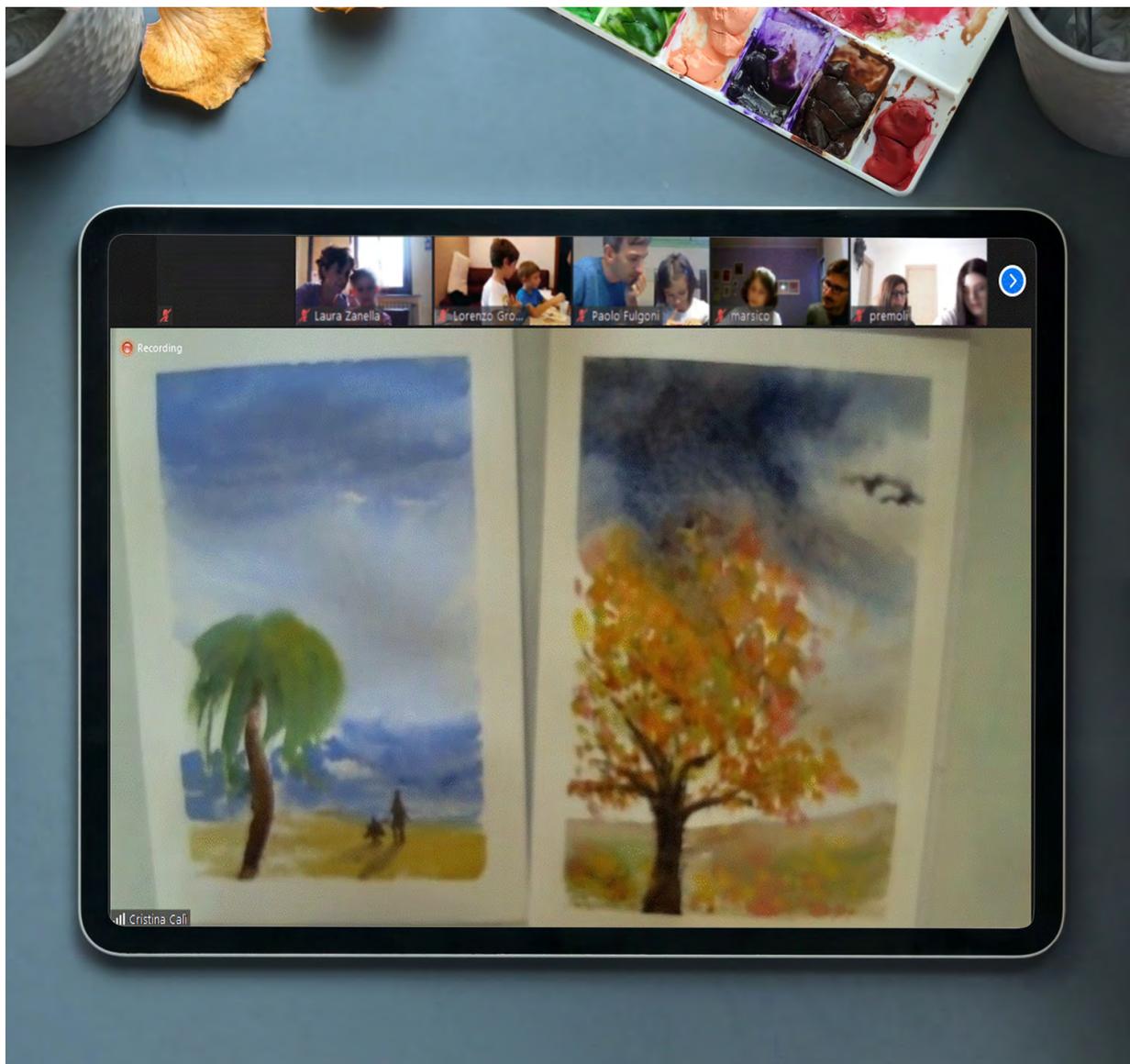
Including people with different roles, nationalities, seniority and skills, the Value Team provides a **small yet powerful source of diversity** that can help bring new and more inclusive ideas on transverse processes.

“Watercolour Explorations” Family Lab

In collaboration with Cristina Cali, actress and watercolourist, the “Watercolour Explorations” lab involved employees and their families in a **creative and dynamic activity**, especially aimed at children and teenagers.

During this virtual workshop, dedicated to the **exploration of watercolour** in a playful and yet technical way, attendees discovered simple ways to paint, explored shapes and colours, and learned useful tricks related to watercolour painting.

The one-hour meeting **took place virtually** on Google Meet.



Internal Communities

In 2020, the Design and IT departments devised new ways to **promote conversations and knowledge sharing** among Group and business unit professionals. They created two internal communities with an **international, multilingual, multi-skill and multi-background profile** - the Design and Tech Communities.

The presence of content-specific yet cross-organisational communities is of great importance given the structure of the Group, where central departments interact with technical and design departments at business unit level, and must therefore **prevent the risk of silos** and mutual opacity on skills, projects and results.

Content-specific, cross-organisational communities

Such internal communities are distinct, albeit with similar objectives and activities:



Design community

- Horizontally connects all Group designers
- Addressed to employees only
- Knowledge sharing on design methodologies and news among designers
- Updates on internal activities



Tech community

- Direct communication to all parties interested in tech topics
- Addressed to employees and open to outsiders
- Updates on tech activities and news for a wider audience

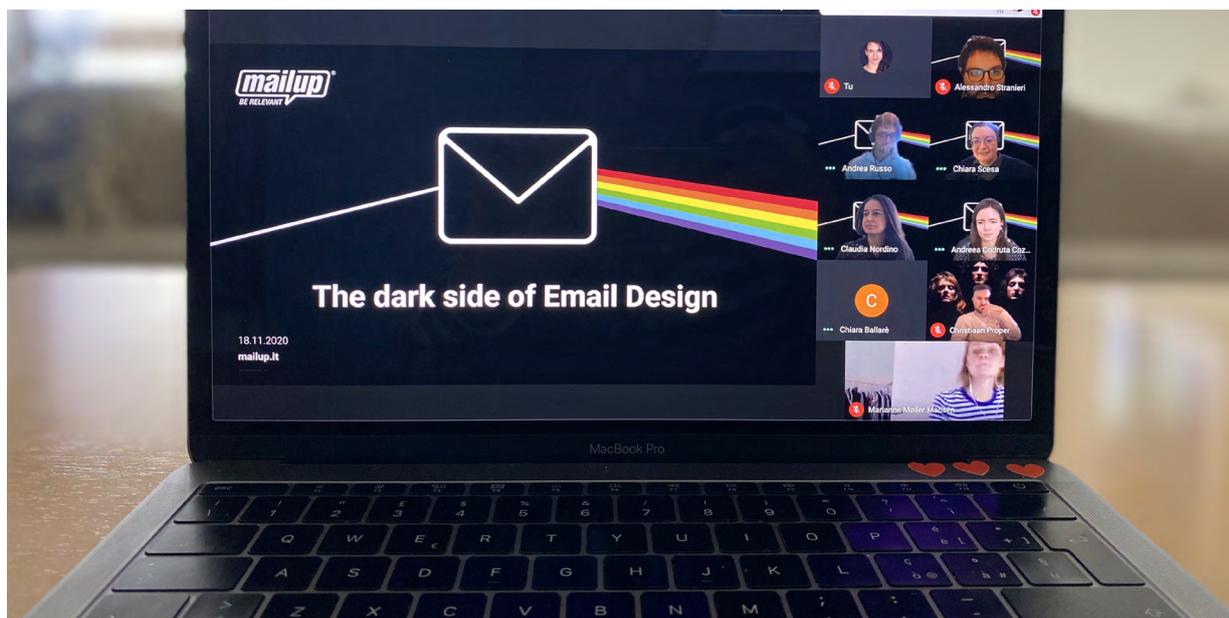
The active **promotion of a culture of dialogue and listening**, in addition to the creation of a peaceful and safe environment, ensures that everyone in Growens has the opportunity to propose new ideas and to enrich the whole corporate ecosystem.

Thanks to the communities, employees have the opportunity to spend time on **upskilling activities** that are complementary to their daily work, with a **direct impact on personal satisfaction and growth**.

Goals: employee growth, satisfaction & retention

Design Community

A Design Community is an environment for designers and non designers that allows **cross meetings and pollinations** in an associative and not hierarchical way. Its activities are based on values derived through a collaborative process from the higher corporate values.



In the Design Community, **designers spread informal knowledge on tools and methods**, or share insights gathered at external conferences. They also work at creating a Design Archive, where they collect design courses, specific design documents, and a digital design book stack.

They discuss case studies, deep dive into specific topics in order to make them more accessible to others, and have the **proper space to safely suggest innovative projects and ideas**.

The Design Community delivers value not only to designers, though. It is a valuable asset meant to **enrich the whole Group**. This is achieved, for instance, by creating a Method Bank and a case study library, open to anyone within the organisation in need of leveraging the know-how already available.

Since its establishment in 2020, the Design Community championed the **following activities**:

- **4 virtual community-only events**, where designers got to know each other and discuss their projects
- **2 open Lunch & Learn events**, which involved four speakers and about 30 participants to present design topics to a wider audience, in an informal and collaborative way. The first two events were chosen by the community itself: “The dark side of email” and “Design accessibility”.

Tech Community

At Growens, the technology R&D component is key to business development. For this reason, in 2020 a number of projects took off, aimed at sharing internally and externally (to support brand positioning) the **corporate technical know-how** and a general awareness on ongoing projects and activities.

Tech Summit

The Tech Summit is an **internal conference** stemming from a collaborative idea. Every six months, it offers an occasion to **share technology-related projects and processes** with other teams and business units, to jump-start conversations, debates and new ideas. The conference is designed for in-presence participation in Italy, with live remote connection for colleagues from other countries. In 2020:

- 2 Tech Summits, one in presence and one remote
- 11 speeches
- 85 participants

Tech Corner

The Tech Corner is a **monthly internal newsletter** that updates all Group employees on the main news from the IT department, such as completed projects, new tools available, new procedures, events and much more. Its goal is to streamline the information flow relating to IT topics, to boost process and tool adoption, and to **raise awareness** on the team's projects and goals.

Established in June 2020 in cooperation with the Corporate Communications team, the Tech Corner was **issued six times in 2020** with the following results:

- 66% average open rate
- 13% average click-through rate

Tech Blog

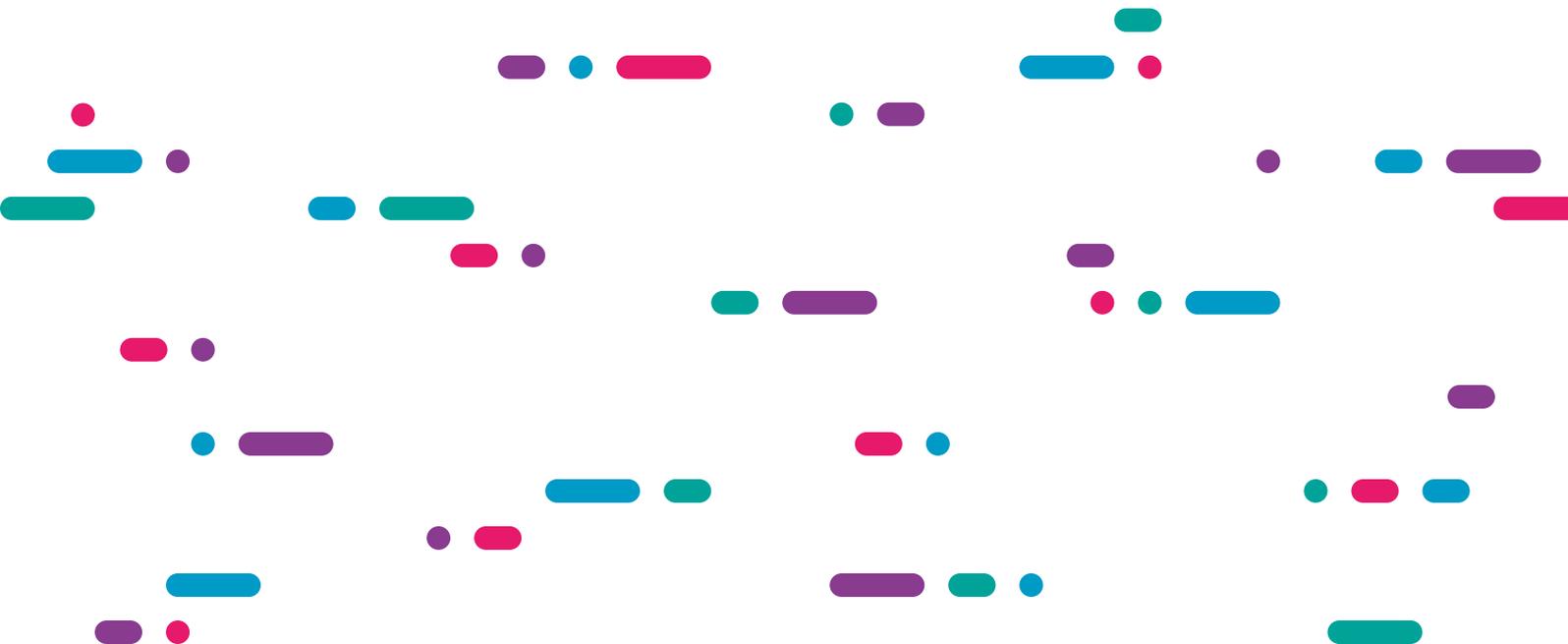
The Tech Blog is Growens' **technical blog on Medium**. Stemming from the idea of two IT department members, it aims at positioning Growens as a **reference point within the global tech community**, by disclosing information on its methodologies, projects and technologies. In 2020:

- 7 articles published
- 1,510 article views

10



Relationship With The Community



Relationship With The Community

Growens supports **social integration initiatives** aimed at promoting sport, competition and physical well-being at local and national level. Over the years, the Group has established a large number of collaborations with various sports associations, including:

- Pallacanestro Varese basketball club
- Vanoli Basket Cremona basketball club
- K3 Triathlon Cremona sports club
- Il Torrazzo Cremona Golf club

The company also supports bodies and associations engaged in **social and environmental sustainability**, and in the development of entrepreneurial culture. At both local and national level, the Group guarantees all these organisations the **use of its platforms free of charge** or in exchange for symbolic services.

Supported associations, who share the same principles as Growens, included in 2020:

- **Parent Project**, an association of patients and parents of children with Duchenne and Becker muscular dystrophy, which works to improve treatment, quality of life and life expectancy for children affected by the disease
- **Fondazione Giacomo Ascoli** works in favour of children and teenagers who undergo treatment for onco-haematological diseases
- **Eubrasil**, a Brussels-based non-profit association, which aims to support the development of good business relations between the European Union and Brazil, also promoting political and cultural ties
- **Treedom**, a web platform that allows to plant a tree remotely and witness its growth online. The objective of Treedom is to raise public awareness on environmental issues and fight against deforestation through a direct and simple, but concrete, participation with immediate impact
- **Tapirulan**, a Cremona-based cultural association with the aim of promoting contemporary artists through the free exhibition of their works on the website tapirulan.it and through the organisation of events, exhibitions and competitions.
- **Italian Agile Movement**, a non-profit, social advancement association of professionals and academics driven by the desire to promote smart culture and smart practices on the Italian territory.
- **Novel-T Tenniscup**: in collaboration with the sports center of the University of Twente in The Netherlands and a student association, Novel-T organises a tennis tournament specifically for students and innovative companies
- **WIRWAR** business gaming 2020, an annual gaming event for businesses and students
- **Menzis Singelloop Enschede 2020**: a foot race organised at the Enschede ring road

Solidarity Projects by Paola Gianotti

Since 2019, the MailUp business unit has supported the competitive activities and solidarity projects of Paola Gianotti, cyclist, motivational speaker and coach, with the aim of **raising awareness on the value of sport**, women’s empowerment and the importance of road safety for those who practice sports (and not only).

Paola Gianotti is an Economics graduate, backpacker and sportsperson. When she had to close her company in 2012, she reinvented herself by deciding to cycle around the world to **beat the Guinness World Record** as the fastest woman to have circumnavigated the globe. She obtained two other Guinness World Records for cycling through Japan in 2017 and for cycling through 8 states in 43 days in 2016.

In April 2020 MailUp sponsored and promoted **Paola Gianotti’s fundraiser** for the purchase of surgical masks to be given to the Regina Margherita Children's Hospital in Turin, Italy.

The fundraiser was launched within a 12-hour live broadcast during which Paola Gianotti **cycled 366 km** on rollers, connecting live from her home with several guests, including a MailUp team member.

-  12 hour-ride
-  33 guests
-  366 km covered
-  EUR 5,207 raised
-  10,600 face masks donated





CRIT

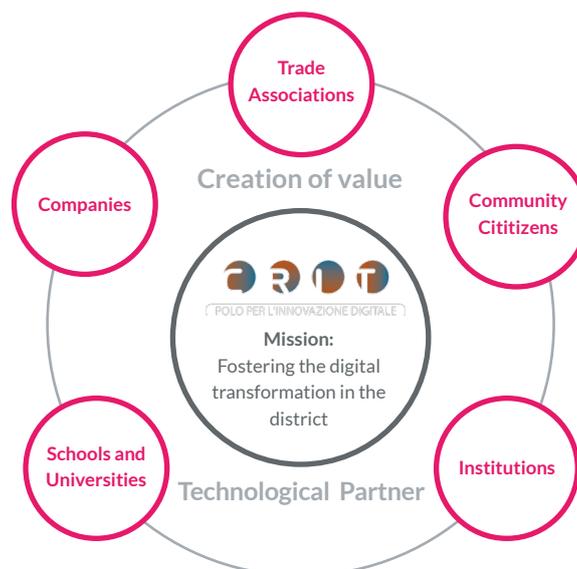
CRIT - Cremona Information Technology is a non-profit consortium established in 2012 by selected Cremona-based companies operating in the ICT sector (A2A Smart City - former Linea Com, MailUp and Microdata Group), participating in a roundtable created by the Politecnico di Milano - Campus di Cremona.

Growens holds 33% of the CRIT. It purchased shares for EUR 2,000 in the CRIT consortium when it was established, and then increased its stake by EUR 100,000 following its transformation into a limited liability consortium in 2016 to relaunch its growth project.

In July 2017, CRIT moved its operational and administrative headquarters to the **Polo per l'Innovazione Digitale** in Cremona, the new building in which the Growens offices are also located.

The Group firmly believes in the potential and importance of the project, so much as to **invest not only financial resources** but also its own human resources.

In fact, Growens regularly provides employees free of charge to CRIT to carry out a number of activities, **from strategic coordination to project management** for some projects/events, to trainers.



Ecosystem
that creates and fosters competence, excellence and innovation

Goals
- Economic, social and cultural development
- Improve the quality of life, competitiveness and appeal of the district

Creation Of Digital Culture

The Group believes in **digital culture as a fundamental driver for collective growth**. Along with its business units, Growens is at the forefront in developing educational and training activities in the Digital Marketing field.

MailUp Academy

The MailUp Academy is the **upskilling reference point for Digital Marketing professionals** in Italy. It offers a wealth of digital resources such as ebooks, white papers, reports, webinars, video courses and vertical focuses, developed with the contribution of internal MailUp specialists and testimonials or influencers from the digital world. It also offers in-presence workshops.

In 2020 its resources grew even richer thanks to the addition of the **new MailUp Data reports**. In 2020 MailUp produced and published:



Articles

- 102 articles
- 838,268 blog views



Ebooks, White Papers, Reports

- 6 ebooks, 2 white papers, 1 report
- 14,363 total downloads



Webinars

- 31 webinars
- 17,078 attendees



Video Academy

- 1,831 subscribers



Workshops

- 1 workshop (the program was put on hold due to the pandemic)
- 10 attendees



Email Marketing Yearly Report

In the Email Marketing landscape, MailUp enjoys an exceptional position to observe **industry trends, habits and behaviours**.

Every year, by analysing the volume of email messages - shy of 14 billion - in transit through its platforms, MailUp is able to extract **unique data and market insights**.

Data are processed by the in-house Data & Analytics team and **made available to the public in a Yearly Report** (Osservatorio Statistico) that can be downloaded free of charge.

The Report offers a **granular, transparent comparison of message performances** by cross-checking a number of criteria: message type (DEM, newsletter, transactional), recipient type (B2B, B2C, B2B+B2C) and industry. Such partitions are based on the classifications indicated by customers in their own platforms.

The analysis takes into account the main email indicators (delivery rates, open rates and click-through rates), showcasing them in **useful comparative tables** that allow each marketer to compare their performance to the industry-specific average values.



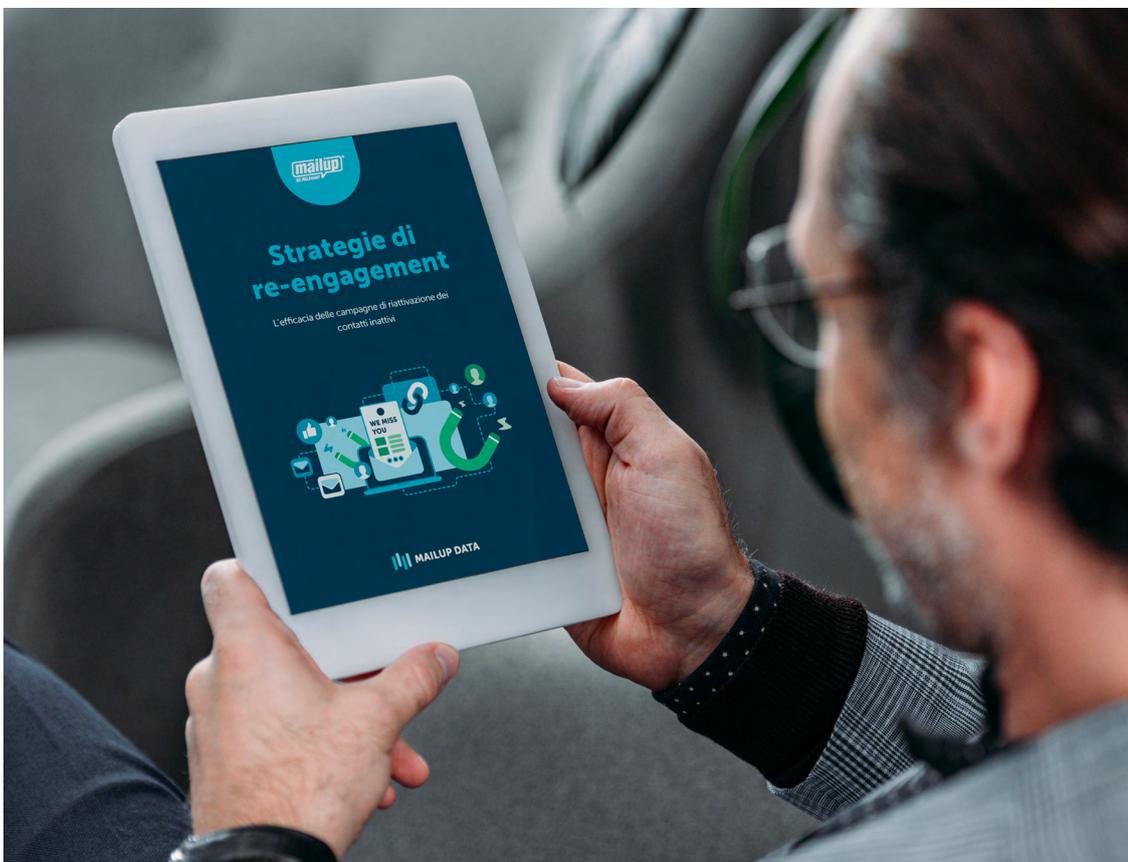


"MailUp Data" Series

In order to provide its audience with **increasingly accurate in-depth resources**, in 2020 MailUp released the brand new MailUp Data reports - a series of reports to be downloaded free of charge, aimed at examining trends, behaviours and mechanics related to specific topics of email marketing.

In 2020, the **first three volumes** of the series saw the light:

- The first issue investigated email campaigns performance variation with respect to **sending times** on a monthly, daily and hourly basis, also considering the effects of the pressure exerted on individual recipients.
- The second issue deep-dived into the **phases of a recipient's life cycle**, highlighting the most recurring changes in terms of engagement with brand communications.
- The third issue of the series examined the **behaviour of inactive users** in a database and the effectiveness of the most common re-engagement strategies.



Email Design Blog

The BEE business unit makes **free training resources** available to its user base (both customers and non-customers).



Visit the [Email Design Blog](#)

Its Email Design blog features articles, tutorials, and **insights into email design practices**. In 2020, it gathered over 400,000 new users, with a + 65% increase in traffic year over year.

BEE also offers **video tutorials** on its Youtube channel and user guides to support customers in the correct use of the BEE product.

Resources in Spanish

The Acumbamail business unit maintains a **blog in Spanish on Email Marketing topics**, and not only. For the business unit, the blog is also the place to report on company projects and values, with a view to transparency.



Visit the [Acumbamail blog](#)

In 2020, the articles totaled approximately **190,000 visits**.

The blog is complemented by free resources available on the Acumbamail website, including an **email marketing course** (viewed by 644 people in 2020), downloadable graphic resources, ebooks and video tutorials, designed not only for customers but for a wider audience interested in Digital Marketing.

Media Relations

Over the years, Growens has entered into numerous agreements with the media for the **dissemination of its editorial postings**. The channels used include blog posts, press releases, DEM, newsletters, advertising banners, social posts.

Active media partners in 2020 included Engage, Ninja, Job in Tourism, DailyNet, Digitalic, Key4Biz, Il Giornale delle PMI, Economy, MarkUp.

The Company regularly posts **press releases** on various topics, such as the presentation of a new product, the publication of an editorial post, collaboration with a new client or new recognitions from international trade bodies.

Such press releases are complemented by those aimed at **communicating financial news**, such as annual and interim financial reports.

Social Media Activity

Growens has a **presence on the main social media** through its business unit and Holding channels.

On such channels, it undertakes to **provide updates to its Stakeholders** on news and activities and to provide assistance in relation to its products and services.

The data below shows the **follower base** of the individual social profiles of the Group companies.

2020 - Number of followers by social channel and business unit

	Holding	MailUp	Acumbamail	BEE	Agile Tel.	Datatrix	Total
Facebook	314	41,157	1,691	670		271	44,103
YouTube	35	1,650		1,790			3,475
Twitter	69	5,719	2,632	1,331			9,751
LinkedIn	3,476	11,060	949	816	1,019	2,371	19,691
Instagram	461	879		723		461	2,524
Telegram		111					111
Pinterest				2,291			2,291

Collaborations With Schools, Universities And Research Centers

Consistently with its *caring* and *open-mindedness* values, Growens strives to actively **give back its digital and technological expertise to schools, universities and research institutions.**

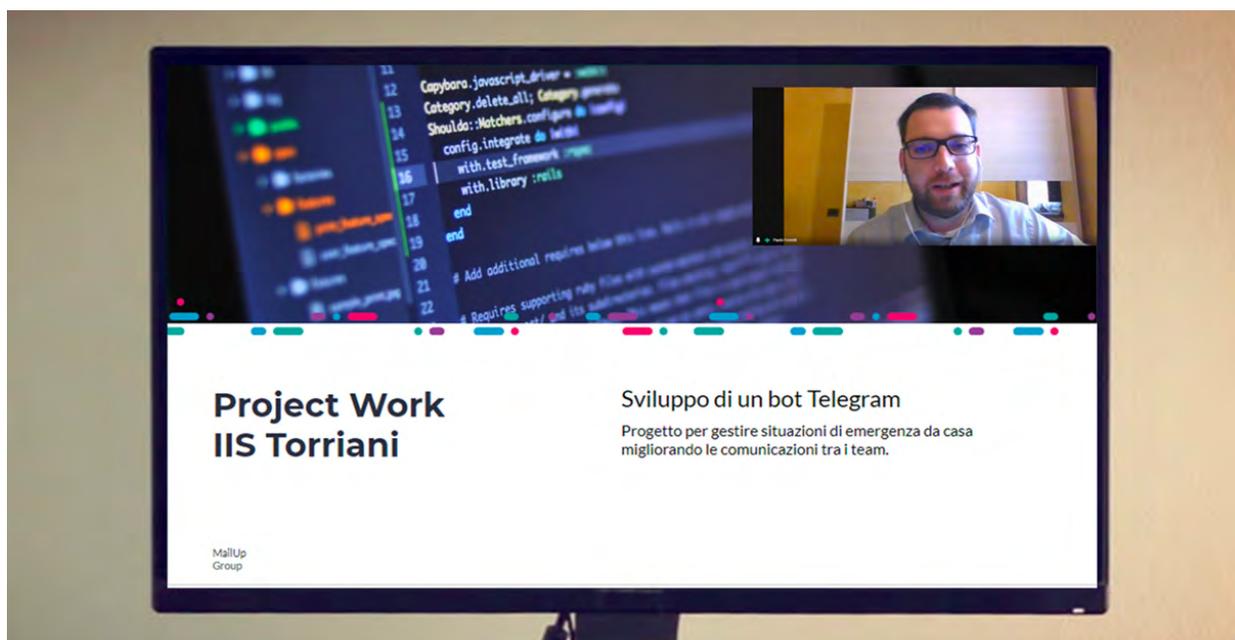
Reinventing Distance Learning During Covid-19

With the aim of reducing the social and economic impact of Coronavirus through innovative solutions and services, many initiatives of digital solidarity were born from companies, startups and associations that intend to **promote digitalisation.**

In this context, Growens strived to **bring value** not only to its employees and customers, but also **to students** and the education system at large.

To contribute to the educational cause during the lockdown periods, which forced students to remote class attendance, Growens **organised a completely remote Project Work** in collaboration with the J. Torriani Institute of Higher Education in Cremona, Italy.

During a two-hour session, students worked in groups with the aim of identifying the correct series of steps to **create a responsive Telegram bot**, under the expert guidance of a Growens Developer.



Osservatori Digital Innovation – Politecnico di Milano

In 2020 the Company sponsored two research projects curated by the **Politecnico di Milano School of Management**.

It promoted a research project on **Omnichannel Customer Experience**, which aims to support companies in understanding the potential offered by an omnichannel approach, providing ideas and guidelines on how to implement it concretely, overcoming existing barriers, and identifying opportunities for its use, concrete benefits and measurement systems to support such strategies.

The Company furthermore supported a research on **B2C Ecommerce** focusing on the impact of the pandemic on ecommerce email marketing activities, as described in greater detail in chapter 5.

Partnership With Retail Institute Italy

In 2019 MailUp started a collaboration with **Retail Institute Italy**, a non-profit association founded in 2016 and member of the National Retail Federation, the world's largest retail body that includes the most important industry players among its members.

Retail Institute Italy carries out **researches, events, training courses and services** dedicated to the retail market in its broadest sense.

The partnership between MailUp and Retail Institute Italy provides for the production of editorial posts and the organisation of educational events focused on the **digital dimension of the retail sector**.

In 2020, MailUp and the Retail Institute co-hosted the **online seminar “Retail Marketing in 2020. New scenarios and digital strategies”** - a morning-long conversation on the hottest trends in the retail world. The event, moderated by MailUp and by Retail Institute Italy Chairman Marco Zanardi, included testimonials from Nielsen TAM, Shopfully and Negozi Pellizzari.

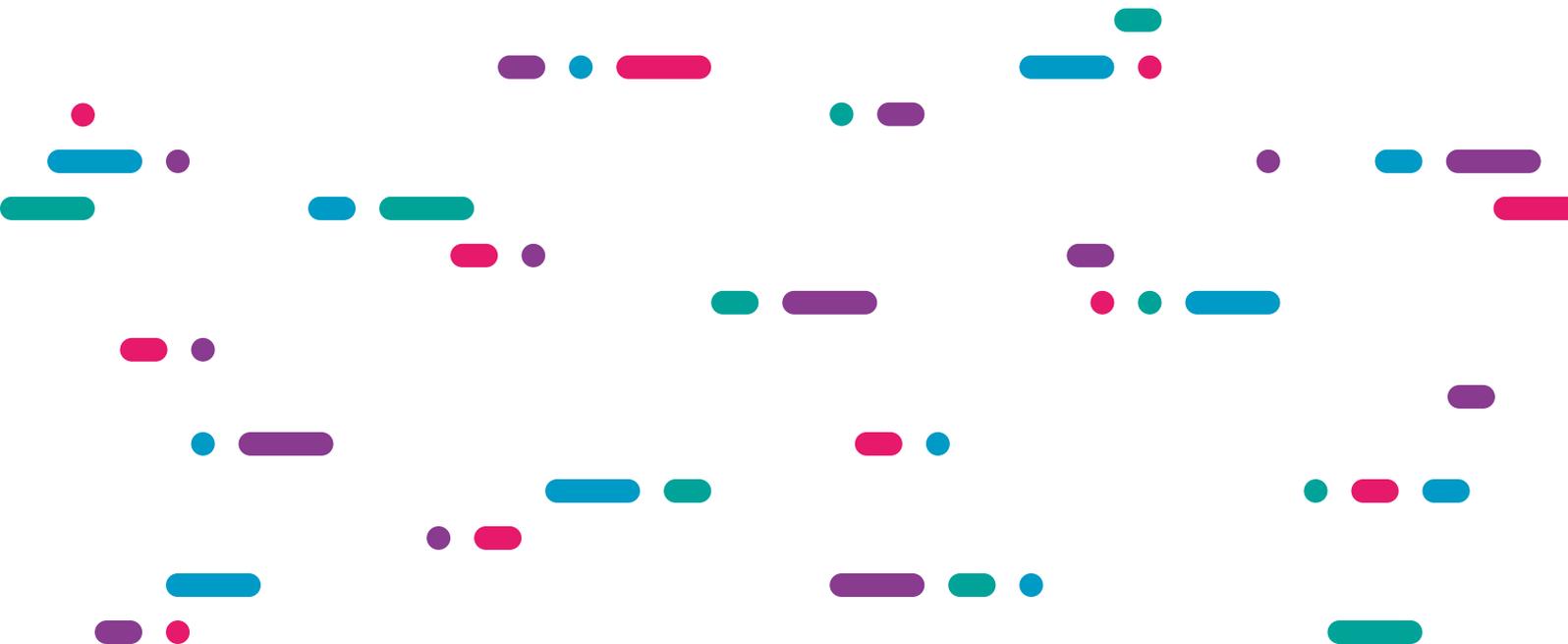
Free Tools For Schools And Universities

Acumbamail offers a free account and the possibility to use all the platform features to **all schools and universities** that require it, such as comercioymarketing.es or San Sebastian High School.

11



Relationship With The Environment



Growens' Environmental Approach

Growens strongly believes in social responsibility and observes the **commitment to a better environment daily**.

Saving energy, optimising resources and offsetting harmful emissions to our planet are an integral part of the way of life and business approach at Growens, which promotes a **culture of responsible use of environmental resources** inside the Group and attention to recycling and proper waste disposal, involving all employees in the careful management of separate waste collection.

Growens enforces behaviours based on the **protection of all energy resources**. Business units minimise use of paper materials for promotional purposes, selected whenever possible from productions in full compliance with international standards that ensure proper forest management.

Group offices around the world are designed according to advanced principles of eco-sustainability, in order to **minimise any form of environmental impact**. In particular, the Milan and Cremona offices are housed in new buildings, engineered with the utmost attention to environmental performance.

The Milan building is **NZEB** - Nearly Zero Energy Building and **LEED Gold** certified.



The Cremona headquarters present a sophisticated system of **smart rooftop solar panels**, as described below.

Smart Flower Solar Panels

The Group headquarters in Cremona are located on the top floor of the building in via dell'Innovazione Digitale 3, with about 1,000 square meters of well-exposed terraces – the ideal context for the installation of a **traditional 50 kWh/year solar plant** and **two smart flowers** capable of producing up to an additional 12,000 kWh/year.

The smart flowers constitute an "intelligent" solar energy production system: the solar panels automatically move to **follow the sun throughout the day**.

In this way **energy production is estimated to increase by +40%** compared to traditional fixed solar panels (roof- or floor-mounted).



Energy consumption

The following is a summary of the 2020 annual trend in **energy consumption**² (GJ).

Energy Consumption³

		2020	
		Total	Total GJ
Diesel	l	7,342.7	264.2
Gasoline	l	15,712.6	515.7
Electric power	kWh	218,746.5	787.5
Renewable sources	kWh	78,771.6	-
Non-renewable sources	kWh	139,974.9	-
Total energy consumption	GJ	1,567.4	

In 2020 Growens self-produced **68,929 kWh of energy from solar systems**, 61.4% of which was self-consumed and the remaining part was sold into the grid.

Emissions

CO₂ emissions derive from the consumption reported in the previous paragraph. As specified below, CO₂ emissions are partly offset by planting trees.

Growens calculates its carbon footprint in terms of CO₂ by **reporting direct greenhouse gas emissions** (Scope I), resulting from fuel consumption for the operation of its own means of transport or under the full management of Group's companies.

Direct GHG emissions (Scope I)⁴

		2020	
		Total (l)	tCO ₂ e
Fuel consumption emissions		23.055,3	56,1
Diesel		7.342,7	19,7
Gasoline		15.712,6	36,37

² The data shown refer only to 2020, as it was not possible to retrieve 2019 information at Group level.

³ The conversion factors used to transform energy quantities into GJ are taken from the 2020 Defra (UK Department for Environment, Food and Rural Affairs) database, updated annually, and from the Unit converter - International Energy Agency.

⁴ The conversion factors used to transform the different energy quantities into GJ are taken from the 2020 Defra (UK Department for Environment, Food and Rural Affairs) database.

Offsetting The Environmental Footprint By Planting Trees

Offsetting CO₂ Emissions

Growens **offsets part of the carbon dioxide emissions** produced by its business process activities with the creation of new forests in different areas of the planet, in collaboration with Treedom.

Every year Treedom calculates the number of **trees necessary to neutralise the carbon dioxide emissions** of the MailUp business unit and Holding departments in Milan and Cremona. The following areas are accountable for the environmental impact: transport, power consumption, water consumption, fossil fuel consumption, waste, printed materials.

The first year of the offsetting project (2007) saw 2,715 square mt of new forests planted, capable of absorbing the 4.2 tons of carbon dioxide then produced by MailUp.

Since the **introduction of the Treedom project in 2012:**

- 1,305 trees planted
- in 9 countries around the world (including Cameroon, Malawi, Senegal, Kenya, Argentina, Cuba and Thailand)
- 391.8 CO₂ tons offset



Explore the [Growens forest](#) on Treedom

Sustainable Christmas Gifts To Employees

On Christmas 2020, the Company chose to strengthen its environmental commitment by **gifting each employee a tree** through the Tree-Nation platform. The forest thus created was then enriched with **further 60 trees** donated directly by the top management.

Here are a few figures about the Growens forest with Tree-Nation:

- 312 trees planted
- in 2 countries (Kenya and Brazil)
- 119.9 CO₂ tons offset
- 0.4 hectares of reforestation



Explore the [Growens forest](#) on Tree-Nation

Cloud Sustainability

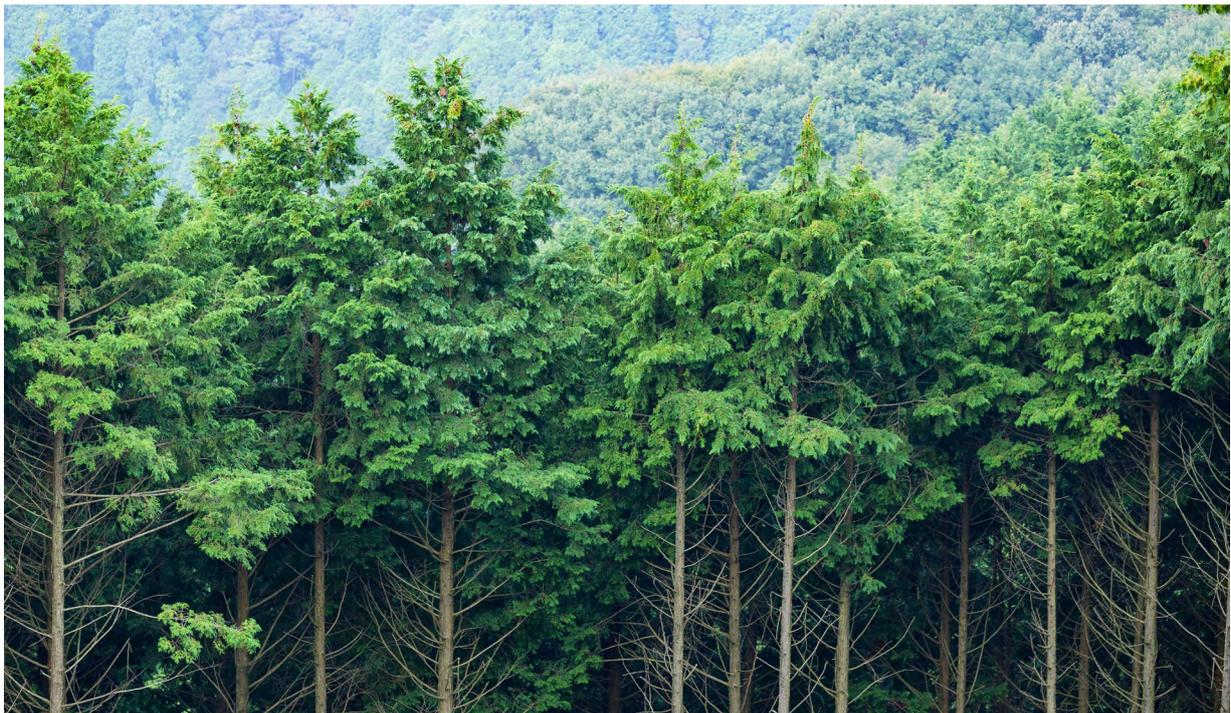
For its cloud infrastructure, Growens relies on Amazon Web Services (AWS), which is committed to managing its activities in the most environmentally friendly way possible and to **achieving 100% renewable energy use** for the entire global infrastructure.

Results from a study by 451 Research show that the AWS infrastructure is **3.6 times more energy-efficient** than the median of US enterprise datacenters surveyed. More than two-thirds of this benefit can be attributed to the combination of a more **energy-efficient server population** and much higher server utilisation.

AWS datacenters are also more energy-efficient than corporate sites thanks to **comprehensive efficiency programs** that involve every aspect of the facility.

AWS has initiated several renewable energy projects and initiatives to **improve water use efficiency** and reduce the use of drinking water for cooling data centers.

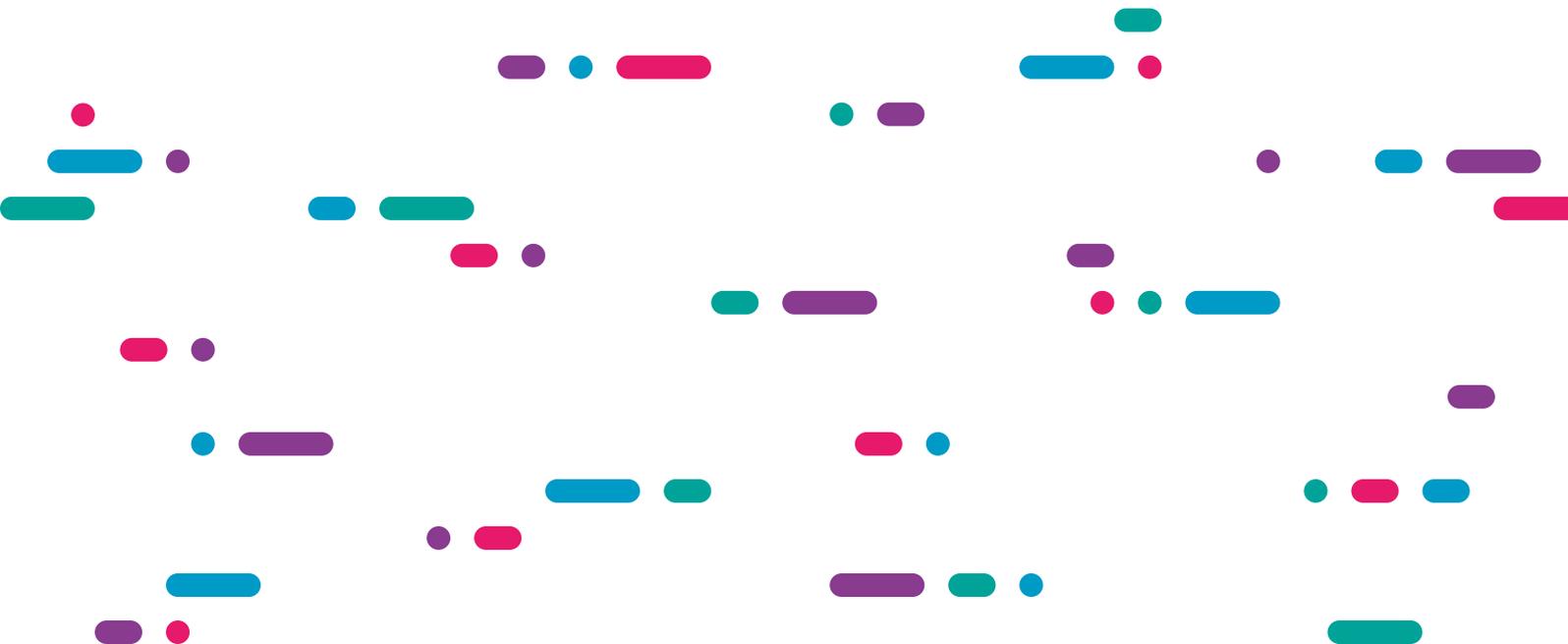
AWS develops the Group's **water use strategy**, evaluating climate models for each AWS region, local water management and availability, and the opportunity to conserve drinking water sources.



12



Relationship With Suppliers



Relationship With Suppliers

During 2020, Growens maintained relationships with **1,084 suppliers** (including 6 intercompany suppliers) for a total turnover of EUR 54,897,319.15. Among the main ones in terms of purchasing volumes there are 106 service, licensing and consultancy providers of various kinds, **60% from Italy** and 40% from abroad (EU and non-EU).

There are no particular increases in new suppliers compared to 2019. The number of new suppliers is historically high, as many supplies are **one-off or non-recurring**.

	2020
Number of suppliers	1,084
Expenses for suppliers (EUR)	54,897,319.15

The selection process for suppliers is carried out through **clear, specific and non-discriminatory procedures**, by applying objective, traceable and transparent parameters linked to the quality of the products and services offered. Growens develops contractual relationships with suppliers possessing the characteristics that guarantee a good degree of **reliability and efficiency**.

For each purchase, Growens and its subsidiaries request and **compare several offers** through an assessment and selection process that involves potentially eligible suppliers.

The supplier is chosen by the department or business unit manager on the basis of **qualitative and economic criteria** (price, technical expertise, response times, proven track record, etc.). Upon receipt of the contract from the supplier an analysis is carried out, especially for new suppliers or high-worth contracts. If the Legal department suggests amendments of removal of clauses, contractual negotiations are initiated (sometimes the Legal department is directly involved) to make amendments to the supply contract.

Some specific supplies require filing of the DURC (Documento Unico di Regolarità Contributiva - Single Document of Regular Payment of Pension Contributions) to verify the regularity of **payment of social security contributions**. In addition, for semi- or unstructured suppliers, e.g. IT freelancers, developers or occasional event speakers, simplified and customisable contract formats are made available.

⁶ Data refer to Growens' suppliers object of an average order equal to or greater than EUR 27,000.00 in 2020.

13



GRI Content Index



GRI Content Index

GRI Standard Title	GRI Disclosure number	GRI Disclosure Title	Page number /Note
GRI 102: General Disclosure – Organizational Profile 2016	102-1	Name of the organization	Cover
	102-2	Activities, brands, products, and services	8
	102-3	Location of headquarters	9
	102-4	Location of operations	9
	102-5	Ownership and legal form	15
	102-6	Markets served	9;10;11
	102-7	Scale of the organization	9
	102-8	Information on employees and other workers	71-86
	102-9	Supply chain	112
	102-10	Significant changes to the organization and its supply chain	In 2020, there were no significant changes to the organization and its supply chain.
	102-11	Precautionary Principle or approach	21;22
	102-12	External initiatives	45-47-95-101
GRI 102: General Disclosure 2016 – Strategy	102-14	Statement from senior decision-maker	4;5
GRI 102: General Disclosure 2016 - Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	13
GRI 102: General Disclosure 2016 - Governance	102-18	Governance structure	15-16
	102-21	Consulting stakeholders on economic, environmental, and social topics	27
	102-26	Role of highest governance body in setting purpose, values, and strategy	15-16
GRI 102: General Disclosure 2016 – Stakeholder engagement	102-40	List of stakeholder groups	25
	102-41	Collective bargaining agreements	72
	102-42	Identifying and selecting stakeholders	25;26
	102-43	Approach to stakeholder engagement	25;26
	102-44	Key topics and concerns raised	26

GRI 102: General Disclosure 2016 – Reporting practice	102-45	Entities included in the consolidated financial statements	9
	102-46	Defining report content and topic Boundaries	6
	102-47	List of material topics	26
	102-48	Restatements of information	In 2020, the reporting scope was extended to all Group companies
	102-49	Changes in reporting	In 2020, the reporting scope was extended to all Group companies
	102-50	Reporting period	6
	102-51	Date of most recent report	2020
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	6
	102-54	Claims of reporting in accordance with the GRI Standards	6
	102-55	GRI content index	114-116
102-56	External assurance	-	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	6
	103-2	The management approach and its components	8;14;17;21;29;33;38;49;53;72;77;85;95;106;112
	103-3	Evaluation of the management approach	8;14;17;21;29;33;38;49;53;72;77;85;95;106;112
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	29
	201-4	Financial assistance received from government	31
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	31
	203-2	Significant indirect economic impacts	110
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	21
	205-3	Confirmed incidents of corruption and actions taken	In 2020 there were no episodes of corruption.

GRI 207: Tax 2019	207-1	Approach to tax	33
GRI 302: Energy 2016	302-1	Energy consumption within the organization	108
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	108
	305-2	Energy indirect (Scope 2) GHG emissions	108
	305-5	Reduction of GHG emissions	108
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	72
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	77
GRI 403: Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	77
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	78
	404-2	Programs for upgrading employee skills and transition assistance programs	79-81
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	73;74
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	During the reporting period, no new suppliers were selected, assessed on the basis of social criteria
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period there were no cases of privacy violations and the loss of customer data.



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