



NON-FINANCIAL
GROUP REPORT
2023



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“We have a special responsibility to demonstrate the intelligent and responsible use of AI.”

— Marika Lulay, CEO of GFT Technologies SE



Dear reader,

The past year marked a decisive turning point in the evolution of technology: just as the advent of the internet revolutionised the way we access information and do business, the dynamic development of artificial intelligence (AI) promises to reshape our world to an unprecedented degree. This innovation conceals tremendous potential, but also uncharted challenges which we as a society must carefully navigate.

At GFT, we have always regarded ourselves as pioneers – keen to promote an open discourse on innovative and ethical technology development. With a view to safeguarding the success and resilience of our company and business model, we aim to be at the forefront of this new development. And our mission

goes far beyond the mere application of AI: we want to unlock the untold potential of AI for our clients while also establishing firm principles for its responsible use. These principles are being continuously refined in line with legislation and technological developments. Ultimately, “responsible AI” also means constantly weighing up the benefits and risks.

Launched in 2023, our GFT AI.DA Marketplace helps clients select and seamlessly integrate the right AI solutions for their needs. GFT has implemented over 200 AI projects over the past few years, and demand for predictive and generative AI technology is growing exponentially.

We are also continuing to expand our in-house AI expertise. Our “AI first” programme promotes a culture

in which employees familiarise themselves with AI and learn to use it responsibly. For example, we introduced GFT Assist, an AI-supported search engine for the intranet, and developed guidelines for the safe use of ChatGPT.

In view of this rapid technological change and the current volatile environment, it is all the more important for us to stick to our ambitious sustainability targets – for example, with regard to climate protection. We made encouraging progress in this regard in 2023. Our greenhouse gas emissions fell by 10 per cent year on year. In the CDP Climate Rating, our CDP score improved from C to B – exceeding the benchmark for the IT & Software Development segment. Our science-based emissions reduction targets for

Foreword

2030 were already confirmed by the independent Science Based Target Initiative in 2022.

Our “GFT Next” strategy, which has been evolving since 2017, promotes agile practices and responsible technological development. This safeguards our long-term profitable growth whilst ensuring compliance with social, environmental and ethical standards. Its main pillars are sustainability in software design and the nurturing of IT talents.

As part of the “Sustainability by Design” approach, our technological responsibility extends to designing accessible software that caters to the needs of people with disabilities. Our in-house “Inclusive Coding” community with around 100 developers is currently driving this topic forward. Launched in 2020, our GreenCoding initiative focuses on resource-efficient software programming and operation and helps raise awareness of this important topic through training. Our “Privacy by Design” approach ensures that data protection-related requirements and risks are embedded into IT systems right from the start – during the design process. In 2023, we were able to raise the number of experienced and skilled Privacy Engineers once again.

The expertise and commitment of our employees are vital to our success as an IT company. We therefore do everything we can to create a fair, safe and healthy working environment throughout the Group. An environment in which our employees can fulfil their potential and shape their own personal development. With firm principles on diversity and inclusion, we are committed to ensuring equal opportunities at all levels.

We are proud to have received the “Great Place to Work” award for the second time in a row in 2023 and strive to continuously improve as an employer. In the reporting period, we initiated a number of measures, such as modernising our career model, expanding our range of training opportunities and introducing local Diversity Equality & Inclusion programmes.

Our “Grow tech talent worldwide” initiative promotes IT talent inside and outside the company and aims to inspire more people to join the tech industry. In 2023, we emphasised our commitment to attracting and promoting women in particular with a series of events and initiatives.

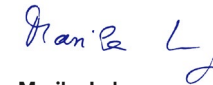
The core element of our employer branding campaign “Make your mark”, launched in 2023, is a commitment to empowering all employees to make a unique and lasting mark within our vibrant ecosystem. The international campaign – which incidentally has been very well received both internally and externally – has once again significantly strengthened the GFT employer brand.

The regulatory requirements for sustainability reporting continue to grow. Since 2022, environmentally sustainable economic activities have been defined by EU Taxonomy – a classification system designed to increase transparency, counteract greenwashing and channel funds into sustainable investments. The CSRD, which came into force in 2023, represents a further pillar of the EU’s sustainable finance strategy and regulates the obligations for sustainability reporting.

What does this all mean for GFT? The new regulations will impact the nature and scope of our reporting. However, we do not see this as a burden, but as an opportunity to put transparency and responsibility at the heart of our activities. This is reflected in our sustainability objective “Professional Integrity”. Sustainability aspects are being systematically integrated into our financial planning and management and are an integral part of our corporate strategy. This integrative sustainability management approach will lay the foundation for more qualitative sustainability communication.

To put it simply: the relevance of sustainability is growing, and this will be reflected in our reporting. Social, ecological and ethical aspects are a key component of our strategy and firm guard rails on our path to sustainable growth. I cordially invite you to join us on this journey and to help shape the digital future in a responsible manner.

Best regards,



Marika Lulay
CEO of GFT Technologies SE

About this report

About this report

In accordance with sections 315b and 315c HGB (German Commercial Code) in conjunction with sections 289c to 289e HGB, this unaudited non-financial report contains the relevant disclosures on environmental, employee and social matters, as well as on respect for human rights, and combating corruption and bribery.

The report contains information regarding environmentally sustainable economic activities in accordance with Art. 8 of Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation).

The website links used in this document contain further information and are not a constituent part of

this report. Exceptions are marked as such. The report was prepared on the basis of the GRI Standards (2022) of the Global Sustainability Standards Board (GSSB). The GRI Content Index can be found in the annex of this report. Moreover, in preparation for the implementation of the requirements of the EU's Corporate Sustainability Reporting Directive (CSRD), reference is also made in some cases to the European Sustainability Reporting Standards (ESRS).

The data and information contained in this report relate to the financial year 2023 (1 January to 31 December 2023) and correspond to the scope of consolidation for financial reporting. For a complete list of subsidiaries and other affiliated companies, please refer to section 3 of the notes to the consolidated financial statements.

The emission data in the section "Greenhouse gas emissions" (chapter 3 "Environment & technology") refer to the financial years 2022 and 2023 – a corresponding reference can be found in the text.


Figures stated in the section "Employees" (chapter 4 "Society & technology") correspond to the consolidated group used in financial reporting but only refer to active employment contracts.

The relevant financial information can be found in the combined management report and consolidated financial statements 2023. The corresponding documents are available at www.gft.com/financialreports.

A non-financial performance indicator for the GFT Group is the productive utilisation rate. Detailed information on this figure is published in the combined management report for 2023 (2.2 "Management system" and 2.4 "Personnel").

References to persons are to be understood as gender-neutral. For ease of readability, we refrain from using multiple mentions or paraphrases in certain passages – this does not imply any judgement.

The GFT Group



“Legislation and ethics are the guard rails on the path to an AI we can all trust. We believe that innovation and responsibility go hand in hand – they determine how we work and how we develop tailored solutions for our clients.”

— Dr Jochen Ruetz, Chief Financial Officer (CFO)

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The GFT Group



Sustainability at GFT

www.gft.com/sustainability

The GFT Group

GFT is a digital transformation pioneer. By leveraging next-generation technologies, we enable clients to boost their productivity with intelligent software solutions. We focus on Digital Finance, Enterprise AI & Data Solutions, and Platform Modernisation. GFT's strengths include deep technological excellence, a strong ecosystem of partners, and industry expertise. GFT talents create, implement and manage software applications to enable innovative businesses while complying with regulations.

Founded in 1987, GFT had 45 locations in 16 countries in Europe, Asia, North and South America at the end of the reporting period on 31 December 2023. An overview of all GFT locations is presented on the corporate website. The global GFT team comprised 9,134 full-time employees (2022: 8,842) and 1,140 freelancers (2022: 1,275). Details on the international distribution of employees are provided in the combined management report (2.4 "Personnel").

In April 2023, GFT acquired targens GmbH, a consultancy with expertise in banking, compliance and digital innovation based in Stuttgart, Germany. This included a software solution for banking clients called SMARAGD. It comprises the following components:

- Transaction Controlling & Monitoring (TCM) with real-time screening of payments & customer data
- Monitoring & Detection System (MDS) with rule-based monitoring of customers, payments & accounts

- Compliance Risk System (CRS) with daily detection of customer risks.

For 2024, GFT plans to pool all its software products in a new dedicated legal unit called GFT Software Solutions.

In its financial year 2023, the GFT Group generated revenue of €801.74 million (2022: €730.14 million). 73% of revenue was generated in the Banking sector (2022: 72%), 16% in the Insurance sector (2022: 18%) and 11% in the Industry & Others sector (2022: 10%). Adjusted earnings before interest and taxes (adjusted EBIT¹) amounted to €73.33 million (2022: €67.48 million) and pre-tax earnings (EBT) to €68.00 million (2022: €66.05 million).

In 2023, the GFT Group's total carbon footprint amounted to 19,641 tCO₂e (2022: 21,674 tCO₂e).

The parent company of the GFT Group (GFT) is the listed company GFT Technologies SE. It has a one-tier management and control structure with an Administrative Board as its management and control body.

The GFT Technologies SE share is listed on the Prime Standard segment of the Frankfurt Stock Exchange and in the SDAX index. The company's largest shareholders are company founder Ulrich Dietz (around 26%) and Maria Dietz (almost 10%).

Detailed information on business activities and the business model can be found in the combined management report 2023 in the chapter "Basic principles of the GFT Group". For a complete list of subsidiaries and other affiliated companies, please refer to section 3 of the notes to the consolidated financial statements.

As a service provider, we generate most of our added value ourselves. Our main suppliers are highly skilled IT specialists who support our core business. As our IT infrastructure purchasing is limited in scale, the possibility to audit suppliers or influence their business practices is restricted. In the case of services for our business operations, however, we are able to influence environmental and social criteria. Further information on the supply chain can be found in section 5 of the notes to the consolidated financial statements.

Sustainability in the GFT Group

Every company bears responsibility for its business and social environment. Corporate Social Responsibility (CSR) is the contribution that GFT makes to sustainable development. It is the process of integrating environmental, social and governance (ESG) aspects into our operations and strategic alignment, as well as a commitment to transparent reporting. Our "GFT Next" strategy, evolving since 2017, harnesses agile practices and responsible technological development to ensure long-term profitable growth while adhering to eco-friendly and ethical standards.

Launched in 2017, our corporate strategy "GFT Next" aims to diversify growth and align the company more closely with market trends in order to reduce dependency on individual clients. It focuses on profitable growth, delivery excellence and agile practices. A "glocal" structure fosters global collaboration with local accountability. Constant portfolio renewal is geared towards technological leadership. Strategic mergers and acquisitions and stakeholder value play a key role.

¹ Adjusted for special items from M&A activities and share price-based effects in connection with the measurement of variable management compensation.

The GFT Group



GFT AI.DA Marketplace
Enterprise AI & Data
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“GFT Next 2.0” advances this by incorporating AI, as evidenced by the launch of the AI.DA Marketplace in September 2023. The company’s strategy is evolving from technology sectors to business solutions in areas like Enterprise AI, NextGen Finance and Platform Modernisation. GFT’s global collaboration accelerates this technology uptake, emphasising generative AI’s transformative impact. The growing significance of blockchain technology was also anticipated, positioning GFT as a leader in emerging tech trends and innovation.

Integrating sustainability into the corporate strategy involves several key initiatives that align with GFT’s core values (see section “Professional integrity” in this chapter) and objectives. These are:

- Sustainable software design and algorithmic transparency.
- Training IT specialists not only in new technologies but also sustainable practices.
- Establishing clear policies that prioritise ethical practices and sustainability.
- Adopting a climate protection programme and promoting green infrastructure.

By weaving these sustainability aspects into the fabric of GFT’s corporate strategy, we can strengthen our commitment to social responsibility while continuing to innovate and lead in the tech industry. This approach not only addresses the environmental impact of our operations but also positions GFT as a forward-thinking and responsible leader, attracting and at the same time involving our key stakeholders – clients, partners, investors and employees.

CSR agenda

As a technology service provider, our CSR agenda focuses on sustainability in software design and the development of specialists with technological expertise. Our business activities are based on responsible corporate governance and an ambitious climate protection programme:

- Our **climate protection targets** (chapter 3 “Environment & technology”) are scientifically based and in line with the Paris Agreement on Climate Change: by 2030, operational greenhouse gas emissions (Scopes 1 and 2) are to be continuously reduced by 50% compared to the base year 2020. In addition, emissions along the value chain (Scope 3) are also to be reduced: these emissions are to be reduced by 60% per euro of value added by 2030 compared to the base year 2020.
- The **sustainability by design** objective blends three critical facets to address environmental, ethical-legal and social inclusion challenges within software development and technology application. “Green-Coding” emphasises environmental responsibility through resource-efficient programming to reduce environmental impact (chapter 3 “Environment & technology”). “Privacy by Design” embeds ethical and legal considerations by integrating privacy safeguards into the design of IT systems and business practices (chapter 1 “The GFT Group”). The “Inclusive Coding” initiative complements these by promoting accessible software and services for all, in particular for people with disabilities, ensuring technology serves as a tool for universal participation (chapter 4 “Society & technology”).

- Our **grow tech talent worldwide** objective (chapter 4 “Society & technology”) is aimed at promoting IT talent both externally and internally. Across company boundaries, GFT is committed to supporting various target groups within the global tech community in order to improve their future opportunities through the development and expansion of technology skills. Internally, we support the continuous development of our employees. We want to advance each and every one of our employees in order to position GFT as effectively as possible in the competition to attract the best talent. As an IT service provider, we generate most of our value added ourselves – the performance, expertise and motivation of our employees have a decisive influence on the quality of our services, client satisfaction and thus the business success of GFT. We believe that a working environment based on diversity, equality and mutual respect is the foundation for this approach.
- We drive sustainability in corporate governance with our **professional integrity** objective (chapter 1 “The GFT Group”). For us, this means achieving long-term profitable growth in compliance with applicable law and fair market conduct – in harmony with our ecological and social objectives and together with our stakeholders.

Responsibility & control

The **Administrative Board of GFT Technologies SE** is responsible for corporate strategy and all major decisions, including fundamental sustainability issues. It gives appropriate consideration to environmental and social objectives and systematically identifies and evaluates the risks and opportunities associated with social and environmental factors, as well as the ecological and social impact of the company’s activities. Moreover, the Administrative Board conducts a review of the annual non-financial report.

The GFT Group



For further information
please go to
www.gft.com/administrative-board

The Administrative Board comprises seven members, of which three are female (43%) and four are male (57%). The average board tenure in 2023 was 8.43 years. More information on the Administrative Board can be found in the combined management report 2023 (section 2, section 9) and in the Administrative Board Report.

GFT Technologies SE has three **Managing Directors**, of which one is female and two are male. They are appointed by the Administrative Board and responsible for executing corporate strategy, the operational management of the company, controlling and the implementation of risk management. The Managing Directors set sustainability KPIs and monitor their progress. Further information on the Managing Directors can be found in section 9 of GFT's combined management report 2023.

The **Group CSR Committee** is a Group-wide and cross-functional steering committee chaired by the CEO that supports and reports to the Administrative Board. It convenes three times a year to review progress on the CSR agenda at operating level and to discuss strategies to support the sustainability goals.

The **remuneration system** for the Managing Directors (for service agreements concluded since 2020) not only includes a growth and return target but also an ESG target as part of annual performance-related remuneration. These targets are set annually by the Administrative Board. In 2023, the ESG target comprised: training and education of employees (40%), promotion of external IT talent (30%) and training employees in GreenCoding (30%). Details on the remuneration system are presented in the Remuneration Report, published at www.gft.com/governance. Moreover, performance-related remuneration for several members of the senior management team also includes **sustainability targets**.

Inclusion of stakeholders

At GFT, we actively involve our stakeholders under the motto "Let's shape and simplify the digital world together." Our most important direct stakeholders are:

- **Clients:** as the recipients of our services, they are central to our business model.
- **Employees and freelancers:** being a people business, they are vital internal stakeholders.
- **Shareholders and investors:** as our financial backers, they are essential for funding.
- **CSR Committee:** this internal body plays a crucial supervisory and controlling role.
- **Main suppliers** (by spend): they are critical for providing GFT with the necessary goods and services.
- **Commercial partners:** they play a key role in our business activities.

We listen and respond to their needs and expectations via feedback from discussions with clients, partners and investors, as well as employee suggestions (see chapter "Society & technology", section "Employees"). Moreover, we assess our role in the

supply chains of our clients, as well as investor requirements. Communication is conducted via surveys, newsletters, PR, social media, meetings and events.

Authorities and **ESG rating agencies** are key indirect stakeholders and the broader context of **politics, society** and the **environment** is also considered.

Significant non-financial aspects and risks

The annually reviewed **materiality assessment** determines which aspects of our business activities have a decisive influence on sustainability aspects (inside-out or impact perspective) and which sustainability aspects have an impact on our business activities, our corporate strategy and our business model (outside-in or financial perspective). We analyse the environmental and social effects of digitalisation with sector-specific reference to the technology consulting sector and how GFT addresses these (new) challenges. We consider relevant topics and expectations from the perspective of our most important direct and indirect stakeholders.

We consider sustainability aspects to be material if they can, directly or indirectly, have a significant impact on the Group's financial² position and performance, as well as its reputation and resources, in the short-, medium- and long-term time horizons. From an impact perspective³, we also consider the direct and indirect effects of our business activities on all selected sustainability aspects in the short-, medium- and long-term time horizons.

Starting in the financial year 2024, GFT will be subject to the Corporate Sustainability Reporting Directive (CSRD). In order to meet these reporting requirements, we conducted a detailed **materiality assessment** in 2023 in accordance with the principles and criteria laid down in the European Sustainability

² Financial materiality according to ESRS 1 – 3.5 (§ 47-51).

³ Impact materiality according to ESRS 1 – 3.4 (§ 43-46).

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Reporting Standards (ESRS), specifically ESRS 1 section 3.

The starting point for the analysis were the topics used for the previous materiality assessment. These topics were then mapped with the ESRS and supplemented with any additional topics required by ESRS. Entity-specific topics that go beyond the requirements of the ESRS have also been included on the list: responsible technological development, information security & resilience, and data protection. To ensure that the most material topics within the sector had been considered, a peer analysis was conducted but did not lead to any further additions.

The IRO⁴ assessment was performed to fulfil the requirements under ESRS 1 section 3. The results of the IRO assessments were discussed internally at validation workshops with those responsible for the respective topics at GFT.

The assessment is based on the methodology outlined in ESRS 1. Suitable scales for assessing IROs according to the ESRS requirements were adopted as such from the existing scales in the Group-wide risk management system with regard to probability and financial impacts. The other scales were defined from 0 to 5.

For actual negative impacts, materiality is based on severity (assessed by the scale, scope and irreversibility of the impact), while for potential negative impacts it is based on the severity and likelihood of the impact.

In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.

For positive impacts, materiality is based on the scale and scope of the impact for actual impacts, or scale, scope and likelihood for potential impacts.

The materiality of risks and opportunities is assessed on the basis of a combination of the likelihood of occurrence and the size of the potential financial impact.

Finally, the material topics for GFT were derived from the impact and financial perspectives using a threshold value of 40% of the maximum possible valuation, both from an impact and financial perspective. Compared to 2022, we can generally confirm the list of sustainability aspects. Certain aspects were reformulated under the influence of the ESG trends and priorities defined by the GFT Group.

The frameworks we refer to are the GRI Standards (2022) of the Global Sustainability Standards Board (GSSB), the principles of the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (SDGs), in particular the sub-goals and indicators of the respective SDGs. A preliminary allocation to the ESRS has been added.

Sustainability risks are integrated into the Group-wide risk management system. Within this framework, an assessment was made for all significant sustainability aspects with regard to their probability of occurrence and the extent of the potential negative impact.

Table 1 Sustainability aspects

Matters acc. to 289c HGB	GFT sustainability aspect	GRI standards (2022)	UNGC principles	SDGs	ESRS
Environmental matters	GHG emissions	305	7, 8, 9	12.6, 13.2	E1 Climate Change
	Energy consumption reduction through services provided	No equivalent	8, 9	8.4, 9.4, 12.6	E1 Climate Change
Employee matters	Working conditions	403	3, 4, 5, 6	8.5, 8.8	S1 Working Conditions
	Remuneration	102–35, 102–36		5.1, 8.5	
	Training	404		4.3, 10.3	S1 Training
	Equal opportunity	405, 406	6	5b, 10.3	S1 Working Conditions, S1 Diversity
Social matters	Contributing to an inclusive society, including gender equality	No equivalent	1, 6, 9	4.3, 4.4, 5b, 12.6, 17.6	S1 Diversity
	Information security	418.1	10	16.10	Company-specific
Respect for human rights	Checking compliance	412	1, 2	8.7, 8.8	S1/S2
	Employee data privacy	No equivalent	1, 6	8.8, 16.10	S1
Anti-corruption and bribery matters	Combating corruption	205	10	16.5	G1 Business Conduct
	Fair competition	206	10	16.5	

4 IRO = Impacts, Risk and Opportunities.

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please go to
unglobalcompact.org

Risk management is an integral part of the Group-wide planning, controlling, and reporting process at GFT. It is the responsibility of the Global Risk Committee (GRC) headed by the Chief Financial Officer (CFO). Risks are assessed regularly, three times during the reporting period. The risk management process is audited annually by an external auditor.

No reportable risks from sustainability aspects pursuant to section 289c (3) sentences 3 and 4 HGB were identified in connection with our business activities or our business relationships. Detailed information on the GFT Group's risk management system is published in the risk report of the combined management report 2023.

Professional integrity

GFT attaches great importance to responsible corporate governance geared towards sustainable value creation. We do not regard corporate governance as a rigid set of rules, but rather as a continuous, value-based process. Our compliance management system, IT security and data privacy play an important role in this process.

We operate in a disruptive and multicultural environment that is changing extremely fast. Against this background, binding values and sustainable corporate governance are of crucial importance. Our common set of values summarises in five words what defines our identity as an innovative, client- and employee-focused technology company: CARING – COMMITTED – COLLABORATIVE – COURAGEOUS – CREATIVE. These "5 Cs" underpin our decisions, actions and behaviour and allow us to function as a team.

Our corporate values form the basis of our **approach to good corporate governance**. We define sustainable corporate governance as achieving long-term profitable growth in compliance with applicable law and fair market conduct and in line with our environmental and social objectives.

GFT has been a member of the **United Nations Global Compact**, the world's largest voluntary initiative for sustainable corporate governance since 2019. The **17 Sustainable Development Goals (SDGs)** adopted by all UN member states in 2015 are part of the 2030 Agenda – a universal call to action to end poverty, protect the planet and improve the lives and prospects of people around the world. We have identified nine SDGs that have a direct impact on our business model and on which we focus predominantly to measure our sustainability progress.

However, we see links to almost all of the SDGs in GFT's business activities, the local volunteering efforts of our employees that we support, and the systematic application of socially and environmentally responsible business practices.

For the GFT Group, **tax payments** are an integral part of responsible corporate governance. In accordance with its Group Tax Policy, GFT is committed to complying with applicable tax laws worldwide. In line with our values of CARING, COMMITTED and COLLABORATIVE, GFT management firmly believes that paying taxes is a social and ethical responsibility as well as a contribution to society in every country in which GFT operates. Our tax strategy is geared towards a legally compliant, tax-optimised structuring of matters across the Group. GFT does not pursue aggressive, inappropriate tax arrangements and – in accordance with the performance principle – pays taxes in those places where it creates value. In doing so, it strives to

maintain a cooperative, transparent and constructive relationship with the tax authorities.

Our corporate strategy is designed to deliver long-term profitable growth. It systematically takes into account environmental and social goals. Our "professional integrity" objective supports this strategy: we consistently address sustainability issues in the development of our management systems. In the course of our CSRD implementation process during the reporting period, we began the development of a data model to systematically integrate ESG-relevant data points into the data warehouse and ERP systems. Sustainability risks and opportunities were comprehensively assessed in accordance with the new ESRS. Internal policies and procedures were reviewed for ESRS compliance, while ESG due diligence processes focused on the development of automated standards for supplier management.

GFT did not make any financial or non-financial **political contributions** in the reporting period. In accordance with the German Lobbying Register Act ("Lobbyregistergesetz"), GFT is listed in the public lobbying register of Germany's Federal Parliament ("Bundestag"): [register entry "GFT Technologies SE" – \("Lobbyregister beim Deutschen Bundestag"\)](#).

For us, compliance with laws is not an objective, but a matter of course. A description of our Corporate Governance Principles can be found in the Corporate Governance Statement in our combined management report 2023.

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Compliance

We regard integrity as a crucial prerequisite for long-term success. Based on our corporate values, the [GFT Code of Ethics & Code of Conduct](#) pools the ethical principles and rules of behaviour for the GFT Group. These rules and guidelines are binding for all employees in all companies and countries. It is important to us that all employees know and understand these guidelines. This is our contribution to SDG 16.5 (Peace, Justice and Strong Institutions).

Compliance management system

The Administrative Board has appointed the Compliance Office to be responsible for Group-wide implementation of the compliance management system. The Chief Compliance Officer (CCO) reports regularly to the CFO, via quarterly reports to the Managing Directors and at least once a year to the Audit Committee of the Administrative Board.

The central aspects of our compliance programme relate to the prevention of bribery and corruption, as well as fraud, violations of competition law, money laundering and the financing of terrorism.

The Group-wide compliance guidelines are available via the intranet. In addition to the Code of Ethics & Code of Conduct, these include the Anti-Bribery & Corruption Policy, the Business Benefits Policy, the Conflict of Interest Policy and the Anti-Fraud Policy. In addition, the Antitrust Policy applies to employees in the areas of procurement and offer preparation. Employees who are entrusted with donations and sponsorship contracts are subject to the regulations of the Donation & Sponsorship Policy. We have therefore set clear internal controls and processes to handle business situations and consistently pursue a

zero tolerance approach to bribery and corruption in line with the principle of conducting all business in an honest and ethical manner.

Employees are encouraged to report violations of laws and Group policies. In the event of suspected misconduct, the Compliance Office leads the investigation. Various communication channels are available for reporting: by post, by email, by telephone and online via the whistleblowing tool offered to all employees. This is a web-based channel whose technology ensures anonymous reporting with a two-way communication mechanism.

Several local whistleblowing channels have been set up in order to comply with local requirements resulting from recent amendments to the EU's whistleblowing regulations. GFT protects any whistleblower from adverse treatment or retaliation, such as dismissal, disciplinary action, threats or other forms of adverse treatment if incidents are reported in good faith.

The Compliance Office regularly uses internal communication channels to raise awareness among employees. There is a mandatory online training course for all employees that covers all compliance-relevant areas: including the structure of the compliance management system, guidelines and documents, principles and guidelines, and compliance risks. In addition, examples are used to explain when, why and how to contact the Compliance Office. Employees must complete compliance training within 30 days of joining GFT and thereafter in a two-year cycle. In 2023, the training rate was 96% (above our 95% goal; 2022: 81%). The Compliance Office also trains relevant employee groups as needed and compliance topics are part of the training programme

for GFT's managers. All employees are obliged to disclose potential conflicts of interest internally in order to avoid actual conflicts of interest.

In addition to regular monitoring of existing business relationships, new business partners are also reviewed on a risk basis. Existing business partners are subject to an automatic system-supported review.

In 2023, there were no legal proceedings pending due to anti-competitive behaviour or the formation of cartels and monopolies.

Anti-corruption and bribery

We pursue a zero tolerance approach to bribery and corruption, as set out in our Group-wide Anti-Bribery & Corruption Policy. We also expect our suppliers to comply with these guidelines.

In certain high-risk situations, such as invitations, entertainment and gifts from business partners, prior approval must be obtained from the Compliance Office under specified conditions to avoid corruption and bribery. The corresponding detailed regulations and threshold amounts are defined in our Business Benefits Policy.

The Compliance Office did not receive any reports of corruption and bribery violations in 2023.

Risks relating to corruption and bribery

As the corresponding policies and approval processes are valid throughout the Group, we have defined a uniform framework and prevented any scope for interpretation. We assess the effects of corruption and bribery as moderate. Due to the

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measures described, we assess the occurrence as relatively unlikely. The risk is therefore low.

Cybersecurity & resilience strategy

The ongoing trend of digitalisation, including key technologies such as generative AI and cloud computing, make businesses increasingly dependent on information systems. The uninterrupted availability of data, IT systems and networks is key for success. Service outages can quickly cause high costs and reputational damage. Information security risks and specifically cybersecurity risks have become a constant threat for companies. Technical failure, human error, malicious attacks and natural disasters are the main risk factors. Managing such risks is crucial to ensuring business continuity.

GFT has a resilient business model thanks to its:

- **Geographically and organisationally highly distributed delivery processes**

Our network of international development centres enables us to serve our clients anywhere in the world. By taking advantage of all GFT capacities around the world, this model allows us to maintain business continuity in the event of outages.

- **Cloud-based virtual desktop**

Cloud-based applications in daily use permit access to all business data and information on any device with an internet connection. This ensures the continuity of communication and collaboration processes in the case of internal infrastructure problems.

- **Hybrid working as standard**

Working from home or “anywhere” offers the same level of performance as working from GFT offices. Our remote working infrastructure is appropriately sized, reliable and secure. It enables business continuity in the case of technical or facility problems at our GFT premises.

The aim of our **information security management** is to protect the information and information processing systems of GFT, as well as of our clients and partners. Ultimately, it is about safeguarding the company, its employees, and its tangible and intangible assets. Our cybersecurity & resilience strategy includes the components information security and business continuity.

Information security

GFT operates an **Information Security Management System (ISMS)**, headed by the Chief Information Security Officer (CISO). He is supported by the Information Security Manager at Group level and by Local Information Security Officers at country level. The ISMS provides a framework for security policies and procedures which are binding for the entire GFT Group – including all countries, client units, affiliates and respective governing bodies and personnel. The information security framework comprises all GFT corporate systems on the premises and in the cloud (IaaS, PaaS, SaaS).

The ISMS is certified according to the **ISO/IEC 27001:2013** standard for one GFT business unit. This standard is applied across the entire Group to ensure professional information security management. In turn, this also provides confirmation to clients of our ability to safeguard the confidentiality, integrity and availability of the information we manage.

Depending on client requirements and regulatory obligations, the **ISMS** allows a dynamic integration of sector-specific security requirements and certifications. For example, the German subsidiary GFT Integrated Systems is certified **according to TISAX** (Trusted Information Security Assessment Exchange), a standard for information security in the automotive industry based on ISO 27001.

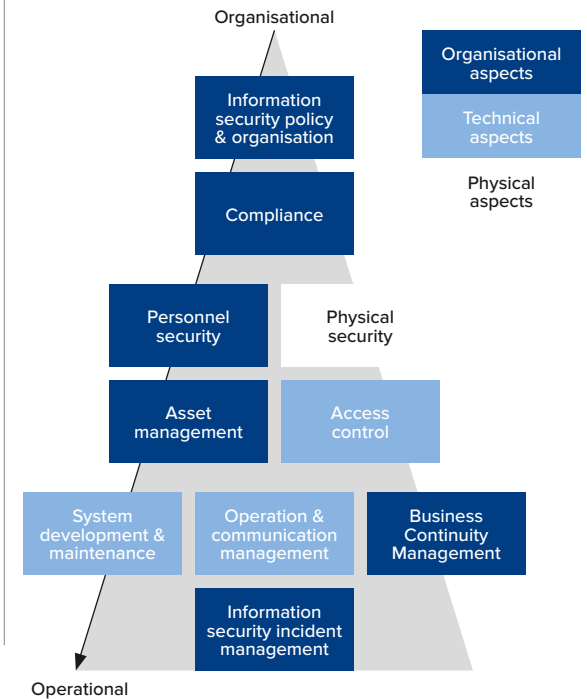


Figure 1: ISMS documentation areas and structure

The GFT Group

The **Privacy and Security Steering Committee** gives overall strategic direction by approving and mandating the data protection principles and axioms for the GFT Group. The body meets every 4 months. The current members are the Chief Financial Officer (Chairman), the Chief Privacy Officer (CPO), the Chief Information Officer (CIO), the Chief Information Security Officer (CISO) and the Chief Operating Officer (COO). Operational responsibilities are delegated to the CPO.

The **Security Operating Committee** oversees activities throughout the organisation, ensuring that suitable policies are in place to support the GFT Group’s security principles and axioms. The meetings of this body are chaired by the Chief Information Security Officer and held at least once a month. This committee also relies on feedback from the Information Security Manager, the Information Security Officer for each country, auditors, risk management, compliance, legal, human resources and other functions.

All GFT employees are responsible for the security of data, accounts and systems under their control. They must promptly report theft, loss or unauthorised disclosure of non-public information and computing equipment. The corresponding procedures are set out in our information security policies and standards. All documents are published on the intranet and are available to all GFT employees.

Effective **defence against cyber-attacks** depends on the fast interaction of people, technology and processes – and especially the “right” behaviour of people. The rise of hybrid work in particular marks a new era of complex, distributed IT environments in which the “right” behaviour of people is crucial. GFT applies the so-called **zero trust model**⁵ and has

vulnerability analyses conducted by third parties, including simulated hacker attacks.

Annual, mandatory **training** for all GFT employees and freelancers covers the topics of information security and business continuity basics enriched with current threats, countermeasures and awareness-raising topics. Training attendance is recorded on an ongoing basis, thus ensuring the reliable measurement of actual participation. In 2023, we successfully reached our training rate target of over 95%. We also

inform and sensitise our employees in their daily work to make them aware of current threats and empower them to follow a **clear escalation process** in the event of anything suspicious.

GFT runs a **Security Operations Centre (SOC)** which monitors our systems 24/7, coupled with an incident management procedure for incidents reported by our employees. In 2023, this model helped us avoid any catastrophic incidents and respond quickly to new vulnerabilities.

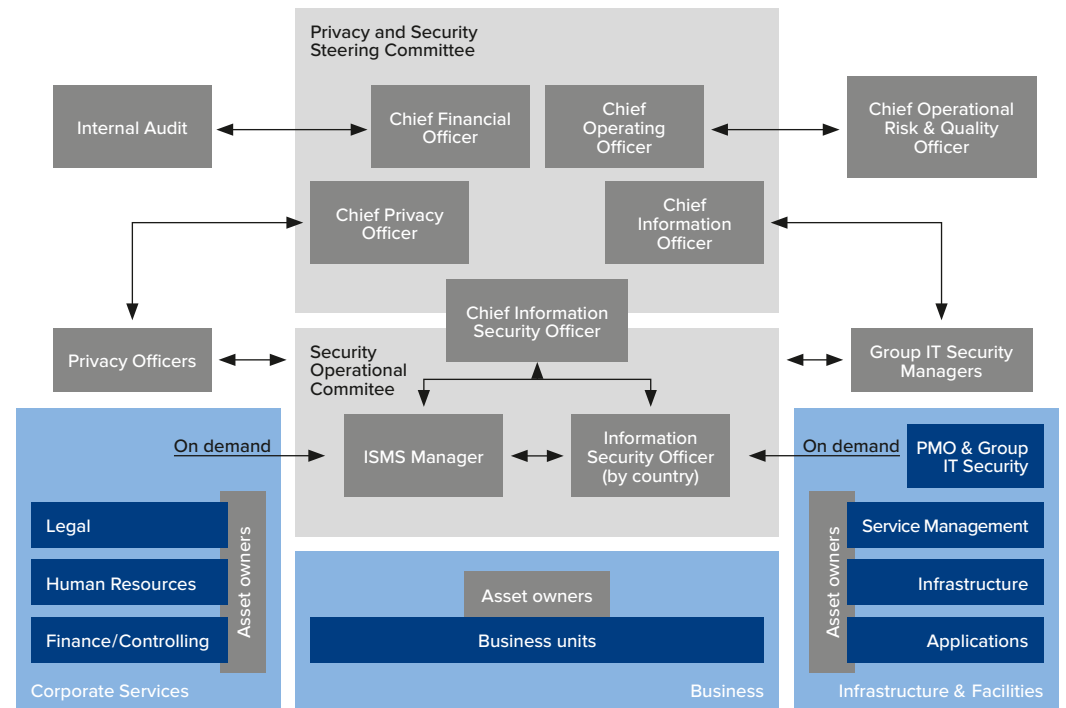


Figure 2: GFT’s Privacy & Security framework

⁵ “Zero trust” means that no user, no device and no application is trusted without verification. Without exception, all access to company resources or services, whether from internal or external sources, is permanently monitored and checked.

The GFT Group

Business continuity

Business Continuity Management (BCM) involves identifying and reducing risks arising from deliberate or accidental threats and their impact on central business processes and services. GFT has set up a Business Continuity Management System (BCMS) based on the principles of the **ISO 22301:2012** standard. This ensures that business operations are maintained following the failure of, or damage to, vital services, facilities or staff. The main objectives of our BCMS are to assure that:

- Key services are identified and protected, thus ensuring their continuity.
- GFT remains compliant with its regulatory and legal obligations, especially from client agreements.
- Tangible and intangible assets (including GFT's reputation) are protected in the case of incidents.
- Staff are trained in such a way that they can respond effectively in emergencies or disruptions and receive adequate support and information.
- Incident management and processes to recover IT services (disaster recovery) will be enabled and provide an effective response.

We test our business continuity and disaster recovery plans on an annual basis. In specific project business and depending on client requirements, additional business continuity requirements are integrated and/or implemented on a project-specific basis as far as possible in consultation with the client.

The Group-wide Business Continuity Plan centres around **Operational & Emergency Response Teams (OERTs)** at a local and global level. These teams aim to guarantee the safety of our staff and the continuation of client projects. The OERTs are responsible for coordinating our response in the event of a disruption to GFT's services. The Global OERT, headed by the Chief Operating Officer (COO), is the ultimate decision-making authority in such cases. It is responsible for evaluating and responding to business continuity incidents that affect the Group as a whole. It coordinates the local OERT committees in the countries, which are responsible for the command and control of all aspects of a crisis in their respective country.

Awareness of established strategies, reporting obligations as well as defined management directives ensure the efficient and effective handling of incidents. BCM training courses are therefore included in GFT's mandatory training catalogue and tracking with defined KPIs for 2024 (>95%) is in place.

Cybersecurity

GFT operates in a highly distributed and network-oriented environment in which the global internet is an essential component. Cybersecurity threats are not new to GFT and are an integral part of information security management and business continuity management.

To defend ourselves against cyberattacks, the risks and threats are regularly assessed and appropriate countermeasures are implemented. These include technical, administrative and organisational controls. The main building blocks which enable GFT to operate in a cybersecurity-centric working environment that is both safe and flexible are defined by the following pillars:

- **ISO 27000 alignment:** GFT is committed to international standards and aligns its security practices with ISO 27000.
- **Hybrid operational model:** supports both office and remote work, ensuring business continuity and security in the post-COVID era.
- **Zero trust network:** GFT adopts a zero trust approach for enhanced security across all user and client devices.
- **Modern cloud-based desktops:** advanced cloud solutions for secure and efficient data access and management.
- **Rigorous asset management:** centralised inventory of assets with detailed information handling standards.
- **Stringent personnel security:** NDAs and comprehensive security training for all personnel.
- **Access control management:** role-based access control with strong password standards and multi-factor authentication.
- **Secure development and operations:** certified methodology for software development and standardised change management procedures.

The GFT Group

The **IAPP Vanguard Award EMEA** recognises dedication, passion and pioneering work in shaping the future of data protection and privacy. Awarded to GFT's Chief Privacy Officer in 2023, it also underlines our commitment to making data protection an integral part of our daily business operations.

[More >>](#)

- **Proactive threat management:** including advanced encryption, threat protection, active monitoring and regular vulnerability assessments.
- **Compliance and incident response:** GFT meets legal requirements with the aid of regular reviews and training, and has efficient incident management processes in place.

In addition to preventive measures, it is essential to recognise attacks at an early stage and take reactive measures.. Incident detection and response are vital for protection and the mitigation of any impact.

Should an incident occur, our approach includes, but is not limited to:

- Enabling communication between teammates.
- Setting up an alternative basic infrastructure.
- Keeping key internal services running.
- Being able to conduct specialised forensic analyses.
- Maintaining pre-defined recovery strategies.

The findings of the security authorities and Microsoft (our main cloud provider) on existing attack scenarios are continuously fed into the monitoring system to assess, detect, prevent and respond to cybersecurity threats.

Data protection & privacy

At GFT, data protection & privacy is rooted in the respect of human rights and aims to foster trust in the digital transformation. Led by the Chief Privacy Officer, who has been honoured with the prestigious IAPP Vanguard Award EMEA, our team is responsible for the seamless integration of data protection across all operations. We ensure transparent data handling through strong policies, comprehensive training and a firm commitment to Privacy by Design and Responsible AI practices.

The **data protection & privacy framework** of the GFT Group is based on respect for human rights and dignity, as well as the corresponding legislation, in order to foster trust in the digital transformation for the greater good of GFT's clients, partners and employees. It is based on the following pillars:

GFT Group Data Protection Team:

the Chief Privacy Officer (CPO) leads the GFT Group Data Protection Team & Network whose members facilitate the integration of data protection into GFT's everyday business operations at group and local level, as well as its internal and external client-facing activities. It drives uniform data protection practices within the Group and at the interfaces with clients, partners and suppliers (SDG 16.10). The CPO, his deputies and Function Privacy Officers take care of data protection requirements at Group level, while Local Privacy Officers and their deputies take care of data protection requirements at a local level and on behalf of the CPO.

In 2023, GFT's CPO was honoured with the prestigious IAPP Vanguard Award EMEA. The award is presented to individuals in five different regions of the

world and recognises exceptional leadership, knowledge and creativity in privacy and data protection.

The International Association of Privacy Professionals (IAPP) is the largest and most comprehensive global information privacy community and resource.

Founded in 2000, the IAPP is a not-for-profit organisation that helps define, promote and improve the privacy profession globally. The award also demonstrates GFT's commitment to data protection: we regard data protection as an integral part of our everyday business operations.

All Privacy Officers are assembled in the Privacy Officer Committee which represents the core element of the GFT Group Data Protection Team and serves as a bridge between Group Data Protection and Local Data Protection. Privacy Engineers are responsible for privacy-related topics in engagements/proposals to which they were assigned. They might also be asked for an opinion by the Function/Local Privacy Officers in cases where their technical expertise is required (see section "GFT Group Privacy by Design Approach" for more information).

GFT Group Data Protection Policy & Guidelines:

our rules are based on the GFT Group Values and the GFT Group Data Protection Statement "We consider Data Protection as an integral part of everyday business operations". The objective of the GFT Group Data Protection Policy and Guidelines is to establish and maintain an adequate and common level of data protection within the GFT Group and at its interfaces with clients, suppliers and partners. The GFT Group Data Protection Policy covers all types of GFT Group operations in all business functions and processes, all legal units directly or indirectly affiliated with GFT Technologies SE, and all countries where the GFT Group maintains operations (SDG 16.10). In particular,

The GFT Group

the GFT Group Data Protection Policy and Guidelines are relevant for those countries which do not have data protection-related legislation and/or an acceptable level of data protection. In 2023, an excerpt from the internal GFT Group Data Protection Policy was published on the corporate website.

We want to ensure efficient and standardised processing in compliance with legal requirements and in recognition of the rights and freedoms of the data subjects in support of a global operations model. We conduct internal audits of data protection policy compliance and have integrated data protection & privacy as a regulatory risk in GFT's Group-wide risk and compliance management system.

GFT complies with applicable **labour and social standards** (see chapter 4 section "Employees" > "Employee rights"). We respect the **right to privacy** of our employees (SDG 16.10). This is regulated in our GFT Group Data Protection Guideline for Handling of Employee Data, which is a refinement of the overarching GFT Group Data Protection Policy. The guideline provides both guidance for GFT personnel involved in the processing of employee data and transparency for all GFT staff regarding how their data is handled.

GFT Group Data Protection Training and Awareness: the application of GFT Group Data Protection Policy & Guidelines in everyday business operations is facilitated by GFT Group Data Protection Training & Awareness Measures. The training strategy for data protection consists of a mandatory set of training

courses called "Data Protection Foundation" which is complemented by optional training tailored to specific topics and/or job roles (e.g. Privacy Engineers or HR Managers). The completion of "Data Protection Foundation Training" is mandatory for all employees and freelancers across all divisions and countries (even in countries where there are no legal requirements). Both mandatory and optional Data Protection Training measures contain a quiz, of which a specified percentage of the questions must be answered correctly to pass successfully. The GFT Group's data protection training pass rate improved from 80% in 2022 to 95% in 2023, despite the continuous growth of the GFT workforce. The Data Protection Training programme at GFT is enhanced with ongoing awareness initiatives. In 2023, there was a heightened focus on the responsible use of generative AI, expanding on previous topics like data management and cyber security. (see GFT Group Data Protection Responsible AI Approach). Further training and awareness measures are added as appropriate if required by client needs, regulatory developments, organisational changes or the need to tailor a topic to a specific audience.

GFT Group Data Sharing Framework:

the digitalisation of business processes is accelerating, as is the adoption of cloud-based tools, artificial intelligence and other modern technologies. Common standards are needed to regulate the increased sharing and transferring of personal data between different GFT entities from different countries, continents, legal regimes and jurisdictions. It is necessary to ensure legal compliance and security for many processes that are subject to constant change and

development associated with the Group's dynamic business activities. In response, the GFT Group has implemented a unified and easily adjustable approach to the sharing of personal data within the Group: the GFT Group Data Sharing Agreement provides a modular legal framework for the safe and lawful transfer of personal data within the GFT Group. This is ensured by binding all GFT legal units to the highest data protection standards – even in countries which do not have data protection-related legislation and/or a level of data protection comparable to the European General Data Protection Regulation (GDPR). The frequent updates to the GFT Group Data Sharing Agreement in 2023 reflect the Group's dynamic expansion and the changing regulatory landscape.

GFT Group Data Protection Incident Handling:

a personal data breach may, if not addressed in an appropriate and timely manner, result in physical, material or non-material damage to natural persons such as loss of control over their personal data or limitation of their rights, discrimination, identity theft or fraud, financial loss, reputational damage or other significant economic or social disadvantages. GFT has therefore established a global Information Security and Data Protection Incident Handling Process which obligates every GFT employee to report any event which may lead to a data breach without hesitation. A qualified team will respond quickly to the reporter of the event, check to which extent information security and data protection standards have been compromised and implement an action plan to prevent high risks for the rights of potentially affected individuals. In 2023, there were no critical data

The GFT Group

protection incidents caused by GFT. However, there was one notable data protection incident which was caused by a GFT client⁶. In 2023, all data protection incidents, including the aforementioned notable ones, were successfully managed and any high risk of harm to individuals prevented. The SMARAGD software solution was also acquired in the course of acquiring targens GmbH in 2023. For banking clients, SMARAGD ensures compliance with regulatory requirements, combats financial crime and prevents money laundering. There were no data protection incidents related to SMARAGD in the year under review.

GFT Group Privacy by Design Approach:

with “Privacy by Design”, all data protection requirements are to be integrated into IT systems right from the start, in the so-called design process. Privacy by Design is relevant for GFT from an internal processing perspective as well as from a client perspective. As a producer of products, services and applications, GFT considers the relevance of Privacy by Design when developing and designing such products, services and applications with due regard to the state of the art. GFT ensures that stakeholders of such products, services and applications have the possibility to express Privacy by Design-related expectations and that these expectations are fed into the development and design process. GFT’s Privacy by Design approach was initiated in 2020, shaped by a workshop with Privacy by Design expert Jaap-Henk Hoepman. Our approach is outlined in the GFT Group Data Protection Policy in general and more specifically in the GFT Group Data Protection Guidelines on Privacy

by Design. The first volume (Basic) of the Privacy by Design Guidelines was issued in 2022, followed by the second volume (Intermediate) in 2023.

At GFT, specifically trained Privacy Engineers implement GFT’s Privacy by Design approach in relevant projects. In 2022, GFT’s COO sponsored a Group-wide campaign to embed Privacy by Design into our core business processes. More than 1,500 employees participated in the “Basic” campaign in 2022, which highlighted the proactive consideration of data protection risks when using future technologies and in complex IT projects and the principles of data economy and pseudonymisation. The initiative continued in 2023 with the “Intermediate” campaign, targeting 250 of the previous audience. The objective is to increase the number of skilled and qualified Privacy Engineers and to improve the timely consideration of privacy requirements and privacy-related risks in software development activities, as well as the integration process for software products.

For 2024, we are planning the next level of the Privacy by Design campaign (“Advanced”). In addition, we will conduct Privacy by Design assessments for the SMARAGD software solution acquired in 2023.

GFT Group Data Protection Responsible AI Approach:

GFT is committed to safe and responsible use of AI within the organisation. Triggered by the ban of ChatGPT by the Italian Data Protection Authority in March 2023, GFT’s Chief Privacy Officer spontaneously launched a Responsible AI Governance Taskforce. The interdisciplinary team developed guidance for the responsible use of ChatGPT, applicable for the entire GFT Group. It covers the use of ChatGPT for text generation and processing. The next steps are to update the guidance in line with upcoming data protection regulatory requirements regarding the development and use of AI.

Artificial intelligence applications such as ChatGPT are powerful tools and can significantly enhance productivity. However, uninformed or inappropriate use can lead to unexpected and undesirable outcomes. We recognise the necessity for clear instructions to ensure our employees can leverage the full potential of ChatGPT while avoiding the risks. Already in 2020, GFT Group Data Protection issued a guideline focusing on the responsible use of AI and Machine Learning (ML)-related technologies which was derived from the ACM⁷ Statement on Algorithmic Transparency and Accountability. In 2021, GFT Group Data Protection issued a respective guideline on pseudonymisation.

⁶ One of GFT’s clients accidentally caused confidentiality violations of personal data related to some GFT employees involved in engagements with those clients. This incident did not therefore fall into the category of a “substantiated complaint” as described by the GRI. According to GRI Disclosure 418-1 (2016), “substantiated complaint” is defined as “written statement by regulatory or similar official body addressed to the organization that identifies breaches of customer privacy, or a complaint lodged with the organization that has been recognized as legitimate by the organization”.

⁷ Association for Computing Machinery, the world’s largest professional association for computer scientists with nearly 110,000 members.

EU Taxonomy



“The EU Taxonomy provides a framework for embedding sustainable practices into our operations and processes. It inspires us to make a positive contribution to environmental and technological progress.”

— Jens-Thorsten Rauer, Managing Director Group Chief
Executive Central and Western Europe

┌ EU taxonomy

21	Taxonomy eligibility
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EU Taxonomy

Disclosure according to EU taxonomy

The EU Sustainable Finance Taxonomy (EU Taxonomy) is a classification system established by the European Union to guide companies in navigating the transition to a low-carbon, resilient and sustainable economy. It aims to increase transparency and provide clarity on which activities can be considered environmentally sustainable, supporting the EU's Green Deal objectives and its commitment to achieving carbon neutrality by 2050.

The taxonomy¹ sets out the economic activities eligible for contributing to environmental objectives (**taxonomy-eligible**) and provides alignment criteria to determine whether an economic activity can be considered environmentally sustainable (**taxonomy-aligned**). Assessing the degree of alignment of a company with the taxonomy provisions requires verifying the performance of its activities against the technical screening criteria. According to Regulation 2020/852/EU, taxonomy-aligned economic activity must demonstrate significant contribution to the achievement of at least one of the environmental objectives set out in the Regulation, do no significant harm (DNSH) to the rest of the environmental objectives, and meet certain minimum safeguards².

Since 2023, the technical screening criteria for all environmental objectives are available. The latest

delegated act, published in the Official Journal in November 2023 sets out the economic activities (and corresponding technical screening criteria) which can contribute to the following environmental objectives: sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems. With regard to these activities, only eligibility is to be assessed for this 2023 report.

Additionally, amendments were made to the two previously published delegated acts and the economic activities described therein, possibly contributing to the objectives of climate change mitigation and climate change adaptation. With regard to these activities, the eligibility and alignment are to be assessed for this 2023 report.

In accordance with Regulation 2020/852/EU, GFT is required to disclose information on how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable, in particular the following:

1. The proportion of their revenue derived from products or services associated with economic activities that qualify as environmentally sustainable (taxonomy-aligned).
2. The proportion of their capital expenditure (CapEx) and the proportion of their operating expenditure (OpEx) related to assets or processes associated with economic activities that qualify as environmentally sustainable (taxonomy-aligned).

¹ The taxonomy refers to several regulations including: Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 ("Regulation 2020/852"), Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives ("Regulation 2021/2139" or "Technical Screening Criteria"), Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation ("Regulation 2021/2178").

² Minimum safeguards ensure that companies operating sustainably meet certain standards on human and labour rights, corruption, taxation and fair competition, to prevent purely green investments from being labelled as "sustainable" while violating social standards or engaging in corrupt practices.

EU Taxonomy

Taxonomy eligibility

To assess taxonomy-eligible revenue, CapEx and OpEx, we performed a review of our business activities against the technical screening criteria of all taxonomy economic activities contributing to the six EU environmental objectives. The list of activities qualifying for the taxonomy eligibility was defined as a result of a comprehensive review of our operations, engagements and solutions delivered to our clients in 2023. The analysis was performed with the participation of experts from global purchasing, finance, CSR and delivery management. The result of this analysis is presented in table 2:

Table 2 Summary of taxonomy-eligibility analysis – revenue

Taxonomy-eligible economic activity	Environmental objective	CapEx/OpEx/revenue	Code	Summary
4.1. Provision of IT/OT data-driven solutions	Transition to a circular economy	Revenue	CE4.1	Projects based on SPHINX OPEN solution (for more information please refer to the text below)
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Climate change mitigation	CapEx	CCM6.5	Leasing and operation of passenger vehicles used by our employees

Taxonomy-eligible revenue was identified in accordance with the definition of point a) of taxonomy economic activity: 4.1. “Provision of IT/OT data-driven solutions” (transition to a circular economy environmental objective).

The definition of the activity is as follows³: “The activity manufactures, develops, installs, deploys, maintains, repairs or provides professional services, including technical consulting for design or monitoring of:

a) software (149) and information technology (IT) or operational technology (OT) systems (150), including artificial intelligence (AI) based solutions, such as for automated machine learning, built for the purpose of remote monitoring and predictive maintenance, including systems for:

- i) remotely collecting, processing, transferring, and storing data from equipment, products or infrastructure during their use or operation,
- ii) analysing the data and generating insights about the operational performance and condition of the equipment, product or infrastructure,
- iii) providing remote maintenance and recommendations about measures required to avoid operational failure and maintain the equipment, product or infrastructure in an optimal operating condition and prolong their useful life and reduce resource use and waste”.

Based on the eligibility assessment result, SPHINX OPEN is considered to correspond with the definition of the taxonomy economic activity 4.1. “Provision of IT/OT data-driven solutions”. SPHINX OPEN is engineered to offer a comprehensive digital twin platform which integrates with IT and OT systems. It is designed for the development, deployment and

maintenance of systems that leverage real-time data for operational efficiency and sustainability. SPHINX OPEN facilitates the remote collection, processing, transferring and storing of data from various equipment, products or infrastructure. It integrates data across diverse systems into a centralised data model and allows analysis of captured data to generate insights about the operational performance and condition of equipment, products or infrastructure. The platform is designed to offer predictive maintenance capabilities by using AI and machine learning to forecast potential scenarios and improve decision-making. This includes providing recommendations for measures to avoid operational failure and maintain equipment in optimal operating conditions, thus extending their useful life and reducing resource use and waste. (For more information see chapter 3 “Environment & technology”).

Taxonomy-eligible CapEx was identified in 2023 in accordance with the definition of taxonomy economic activity 6.5 “Transport by motorbikes, passenger cars and light commercial vehicles” (climate change mitigation environmental objective).

No taxonomy-eligible OpEx was identified in 2023.

³ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (europa.eu), p. 67

EU Taxonomy

In accordance with Regulation 2021/2178/EU, non-financial undertakings and financial undertakings are required to disclose information on eligibility and alignment of nuclear energy and gas-related activities referred to in Sections 4.26, 4.27, 4.28, 4.29, 4.30, 4.31 of Annexes I and II to Delegated Regulation 2021/2139/EU as presented in table 3.

Table 3 Disclosure of the information referred to in Article 8(6) and (7) of Regulation 2021/2178 relating to nuclear and fossil gas economic activities

Nuclear energy-related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas-related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Since our economic activities are not related to nuclear energy and fossil gas referred to in Sections 4.26, 4.27, 4.28, 4.29, 4.30, 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, further disclosure of the information referred to in Article 8(6) and (7) of Regulation 2021/2178 related to nuclear and fossil gas economic activities is considered to be non-applicable.

Taxonomy-alignment

Referring to the information provided at the beginning of this section of the report, to fulfil the alignment requirements, eligible activities must demonstrate a significant contribution to the achievement of at least one of the environmental objectives set out in the Regulation, do no harm to the rest of the environmental objectives and meet certain minimum safeguards.

Revenue

Based on the performed analysis of economic activities, the share of taxonomy-eligible revenue in 2023 is 0.6%. However, no assessment of taxonomy-alignment of revenue was performed. In line with regulatory requirements, for new taxonomy economic activities published in 2023 disclosure in this report was limited only to the eligibility assessment. Revenue from economic activities under 4.1 “The provision of data-driven IT/OT solutions”, which we have classified as taxonomy-eligible, was published in 2023 as part of the new environmental goal – transition to a circular economy. The results of the taxonomy alignment assessment will be disclosed in the report for the 2024 financial year.

For the purposes of this year’s reporting and in adherence to disclosure requirements, the eligibility of the

new activity, for which alignment has not been assessed, is disclosed as taxonomy-eligible but not environmentally sustainable (i.e. taxonomy-aligned) activity. For more information see table 4. For more information on taxonomy-eligibility see section Taxonomy-eligibility in this chapter.

Capital Expenditure and Operating Expenditure

A portion of the CapEx related to the activity 6.5, “Transport by motorbikes, passenger cars and light commercial vehicles”, related to electric vehicles, meets the substantial contribution and DNSH criteria and also complies with minimum safeguard requirements. As a result, this portion of CapEx is considered as aligned.

Based on the performed analysis of economic activities, the share of taxonomy-aligned CapEx in 2023 was 0.43%.

Our taxonomy-alignment assessment was performed as a result of a compliance review with the participation of internal managers. Each economic activity qualified as taxonomy-eligible was verified in order to establish if it contributes substantially to one or more of the environmental objectives, does not significantly harm any of the environmental objectives, is carried out in compliance with the minimum safeguards, and complies with technical screening criteria.

Leased electric vehicles (category N1) were classified as taxonomy-aligned. Leased non-electric cars including hybrid cars were classified as taxonomy non-aligned (emissions higher than 50g CO₂/km). Additionally, to be aligned with the regulation, the two highest populated classes in fuel efficiency and the highest populated class in external rolling noise

EU Taxonomy

must be met. According to our analysis, not all electric cars met these criteria.

Based on the performed analysis of economic activities, the share of taxonomy-eligible OpEx in 2023 was 0%, therefore no taxonomy alignment review was performed.

GFT fulfils the criteria for minimum safeguards by possessing and implementing solutions and procedures that align its operations with the principles and recommendations outlined in key regulations and recommendations. These include the OECD Guidelines for Multinational Enterprises, the United Nations Guidelines on Business and Human Rights as well as the ten Principles of the United Nations Global Compact, alongside conventions and declarations concerning human rights and fundamental work principles and rights as defined in the EU Taxonomy. Please refer to the respective sections in this report for more information on actions aimed at human rights (chapter 4 “Society and technology”), anti-corruption, tax and regulation compliance (chapter 1 “The GFT Group”).

Calculation of key performance indicators

Revenue Key Performance Indicator (Revenue KPI)

For the share of taxonomy-eligible revenue, the taxonomy-eligible revenue is considered in relation to the total revenue of the GFT Group.

In this process, the denominator takes into account all the revenue generated by the Group companies. This revenue, as disclosed in the consolidated income statement, amounted to €801.74 million in the financial year 2023.

Based on the performed review of our economic activities, the share of taxonomy-eligible revenue amounted to €4.78 million, which is 0.6% of total revenue. For more details, please refer to the taxonomy-eligibility section and table 4 below.

Capital Expenditure Key Performance Indicator (CapEx KPI)

For the share of taxonomy-eligible capital expenditure, the taxonomy-eligible capital expenditure is considered in relation to the total relevant capital expenditure of the GFT Group.

According to the Taxonomy Regulation, the denominator of the key figure for capital expenditure is calculated by taking into account all additions to intangible assets, equipment on operating leases and property, plant and equipment, as well as additions to rights-of-use assets as defined in International Financial Reporting Standard (IFRS) 16 including the additions to the named assets within the framework of corporate acquisitions. Goodwill acquired is not taken into account here. If a divestment is planned, capital expenditure on non-current assets is only taken into account until the point in time at which they were first classified as available for sale or disbursement in accordance with IFRS 5. The relevant additions to the assets to be taken into account amounted to €14.4 million in the financial year 2023.

Based on the performed review of our economic activities, the share of taxonomy-eligible CapEx amounted to €4.11 million (28.6% of total CapEx) and the taxonomy-aligned share of CapEx amounted to €0.062 million (0.43% of total CapEx). For more details, please refer to the taxonomy-eligibility section and table 5.

Operating Expenditure Key Performance Indicator (OpEx KPI)

Based on the performed analysis of economic activities, the share of taxonomy-eligible OpEx in 2023 was 0%.

For the share of taxonomy-eligible operating expenses, taxonomy-eligible operating expenses are put in relation to the relevant operating expenses of the GFT Group.

The operating expenses to be taken into account in the denominator include non-capitalised research and development expenditure and expenses from short-term leasing agreements, as well as from leases on low-value assets. In addition, expenditure from building renovation measures and certain maintenance and repair expenses relating to property, plant and equipment in accordance with the delegated act specifying Article 8 of the taxonomy regulation are included. The relevant operating expenses to be taken into account amounted to €19.51 million in the financial year 2023.

EU Taxonomy

Table 4 Proportion of revenue from products or services associated with taxonomy-aligned economic activities

Code	Sales	Share of sales	Criteria for a significant contribution							DNSH criteria ("Does not significantly harm")						Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) sales (2022)	Category enabling activity	Category transactional activity
			Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Minimum safeguards			
	in € thou- sand	%	Y, N, N/EL, EL*							Y/N						%	E if applica- ble	E if applica- ble
Economic activities 2023																		
A. Taxonomy-Eligible Activities																		
A.1. Environmentally sustainable activities (taxonomy-aligned)																		
Environmentally sustainable activities (taxonomy-aligned)	N/A	0	0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	
Of which enabling activities	N/A	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Of which transitional activities	N/A	0	0	0						N/A	N/A	N/A	N/A	N/A	N/A	N/A		
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																		
Provision of IT/OT data-driven solutions	CE4.1	4,784	0.60%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Sales of taxonomy-eligible, but not environmentally sustainable activities (non-taxonomy-aligned activities)	CE4.1	4,784	0.60%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Sales of taxonomy-eligible activities (A.1+A.2)	CE4.1	4,784	0.60%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
B. Non-Taxonomy-Eligible Activities																		
Sales of non-taxonomy-eligible activity	N/A	796,953	99.40%															
Total A. + B.		801,737	100%															

* Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

EU Taxonomy

Table 5 Proportion of CapEx from products or services associated with taxonomy-aligned economic activities

Code	CapEx	Share of sales	Criteria for a significant contribution							DNSH criteria ("Does not significantly harm")							Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) CapEx (2022)	Category enabling activity	Category transnational activity
			Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Minimum safeguards				
	in € thou- sand	%	Y, N, N/EL, EL*							Y/N							%	E if applica- ble	E if applica- ble
Economic activities 2023																			
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	62	0.43	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	0.18%	N/A	N/A
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	CCM6.6	62	0.43	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	0.19%		
Of which enabling activities	N/A	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Of which transitional activities	N/A	0	0	0						N/A	N/A	N/A	N/A	N/A	N/A	N/A			
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	4,049	28.13	N	N/EL	N/EL	N/EL	N/EL	N/EL								10.68		
CapEx taxonomy-eligible, but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)	N/A	4,049	28.13	N	N/EL	N/EL	N/EL	N/EL	N/EL								10.68		
CapEx taxonomy-eligible activities (A.1+A.2)	N/A	4,111	28.56	N	N/EL	N/EL	N/EL	N/EL	N/EL								10.87		
B. Non-Taxonomy-Eligible Activities																			
CapEx non-taxonomy-eligible activity	N/A	10,282	71.44																
Total A. + B.		14,393	100																

* Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

EU Taxonomy

Table 6 Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

Code	OpEx	Share of sales	Criteria for a significant contribution							DNSH criteria ("Does not significantly harm")							Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) OpEx (2022)	Category enabling activity	Category transactional activity
			Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Climate change mitigation	Climate change adaptation	Water	Environmental pollution	Circular economy	Biological diversity	Minimum safeguards				
	in € thou- sand	%	Y, N, N/EL, EL*							Y/N							%	E if applica- ble	E if applica- ble
Economic activities 2023																			
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx environmentally sustainable activities (taxonomy-aligned) (A.1)	N/A	0	0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.04%		
Of which enabling activities	N/A	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Of which transitional activities	N/A	0	0	0						N/A	N/A	N/A	N/A	N/A	N/A	N/A			
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
OpEx taxonomy-eligible, but not environmentally sustainable activities (non-taxonomy-aligned activities) (A.2)	N/A	0	0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL										
OpEx taxonomy-eligible activities (A.1+A.2)	N/A	0	0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL										
B. Non-Taxonomy-Eligible Activities																			
OpEx non-taxonomy-eligible activity	N/A	19,511	100%																
Total A. + B.		19,511	100%																

- * Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

EU Taxonomy

Table 7 Proportion of revenue/total revenue

Environmental objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0%	0%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	0.6%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

Table 8 Proportion of CapEx/total CapEx

Environmental objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0.43%	28.13%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	0%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

Table 9 Proportion of OpEx/total OpEx

Environmental objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0%	0%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	0%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

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“GFT is committed to a greener future. By continuously optimising our operations and integrating AI and sustainability into our core business, we are working hard to create a future in which innovation and environmental stewardship go hand in hand.”

— Joan-Carles Fonoll, Group Chief Executive & Chief Operating Officer (COO)

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30	Sustainability by design
31	Climate-related risks
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We believe that technology is the future of sustainable business, and we want it to be shaped in a sustainable way. Technological solutions can represent significant environmental opportunities, but at the same time rapid global technological growth may pose new environmental challenges such as increased energy demand.

As a reliable provider of technology solutions, we understand our environmental accountability and its importance. We are committed to achieving our climate goals by taking responsibility for our carbon footprint and the sustainable development of our business.

Environmental topics, such as our carbon footprint and carbon management, are the responsibility of the Chief Financial Officer (CFO). This ensures that sustainability is embedded at the highest management level and taken into account for all strategic decisions. The CFO is also in regular contact with the Investor Relations & CSR Compliance department.

The basis for environmental and climate protection is set out in our Group Environmental Policy, which is reviewed regularly. It is binding for all employees of all Group companies. Employees are encouraged to conserve resources during their daily work and to consider both economic and environmental aspects. The policy's main fields of action are procurement, IT infrastructure, business travel and facility management. Moreover, environmental topics are governed at country level based on individually implemented policies, as well as management systems and

procedures relating to environmental protection which are adapted to the relevant national regulations. In 2023, the ISO 14001:2015 environmental management system was implemented and certified at our Spanish facility in Sant Cugat del Vallès¹.

In 2023, we began adapting the operational processes, focusing on climate change data management and its quality assurance with regard to the upcoming CSRD requirements. The complexity of this task is primarily due to the size of our organisation and its numerous geographical locations. This involves considerations relating to the availability of different data sets, various local regulations and requirements applied by local offices and their suppliers. In the reporting year, our priority was to verify the environmental data reported so far and to eliminate critical gaps. We improved data accuracy and corrected identified errors especially in the field of energy management and GHG emissions. (For more information please refer to the section "Climate-related impacts and measures").

In order to be prepared for the CSRD requirements, but also to increase the transparency of our non-financial reporting, the year of reported environmental data has been aligned with the financial year for which the report is prepared. As a result, the report for the financial year 2023, contains energy and GHG emission data for the financial years 2022 and 2023 (and the GFT non-financial report for the financial year 2022 contains environmental disclosures for the financial year 2021). (For more information please refer to the section "Climate-related impacts and measures").

We are planning further measures aimed at improving the carbon footprint calculation process, including the implementation of further procedures, the external assurance of environmental data, and increasing the

role of technology in the field of our internal ESG data architecture, management and reporting.

We attach great importance to transparent reporting. This is why we participate in the **CDP Climate Rating**. In 2023, we were able to improve our CDP score from C to B.

Climate targets

In 2022, we set near-term greenhouse gas emission targets approved by the independent Science Based Targets Initiative (SBTi):

- Scope 1+2 (absolute target): By 2030, operational greenhouse gas emissions are to be reduced by 50% compared to the base year 2020.
- Scope 3 (intensity target): By 2030, emissions generated along the value chain are to be reduced by 60% per euro of value added compared to the base year 2020.

The independent validation of emission targets by SBTi is an important signal to our stakeholders with regard to minimising risks in the value chains of our clients and in the portfolios of our investors.



¹ The current certificate is valid until 9 June 2026

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In the context of software solutions, the bulk of emissions occurs at the end user's side during the usage phase. The SBTi categorises these as "indirect emissions from the use phase" and therefore as "optional" emissions. For this reason, category 11 (use of sold products) was not included in the Scope 3 target validated by the SBTi. We go beyond the SBTi requirements: GHG emissions from the use of our software solutions are part of our emissions inventory.

With the aid of an economic climate impact model, various emission paths were calculated in order to comply with the goals of the Paris Climate Agreement. This scientific basis is crucial for the operationalisation and steering of the reduction path. In 2023, we continued our efforts to pursue this emission reduction path (Please refer to the section "Climate-related impacts and measures").

Sustainability by design

In our sustainability strategy, we are committed to integrating environmental responsibility into our business activities. This is reflected by our sustainability objective "Sustainability by design".

The rapidly evolving ESG regulatory landscape drives the way businesses navigate their operations and comply with reporting requirements. Based on our in-house ESG operations experience, we are aware of this complexity and the numerous new processes, data and procedures being implemented as a result of changing sustainability standards. Consequently, we regard technological solutions as a key component of our ESG-related operations and reporting.

ESG reporting and management

Environmental data is a key element of ESG reporting, including the committed goals and measurement of performance. In 2023, we developed several innovative ESG solutions provided by our teams around the world. We use the experience gained from working with financial data and translate it to the processing of our non-financial data.

In April 2023, we formally completed the acquisition of targens GmbH (targens). The company's Competence Centre ESG/Sustainable Finance advises financial institutions on ESG issues, i.e. environmental, social and legal, as well as self-defined organisational framework conditions. With targens on board, we support our clients with the management of their ESG projects, including technical and IT concepts, the adaptation of their existing IT landscape and the ongoing run-and-change of ESG applications. In addition to topics such as portfolio management and risk management, the focus is on consulting for regulatory requirements with a strong impact on the data, processes and systems of the financial institution.

In 2023, we also expanded our service portfolio with the addition of CSRD and EU Taxonomy solutions used for sustainability reporting. This includes tools for collecting, aggregating and transforming sustainability data, measuring and managing sustainability performance and impacts, or retrieving data from the value chain. In addition, our team in Italy developed a solution for calculating the carbon footprint associated with IT systems: GHG Impact Reduction (Scope 2), IT Suppliers Carbon Footprint (Scope 3 category 1) and Measurement Financed Emission Impact (Scope 3 category 15).

GreenCoding initiative

The demand for energy-efficient products and services is steadily increasing. With regard to our core business – developing and implementing software and information technology services – our solutions should contribute towards the climate-friendly use of technology.

In 2020, we launched the GreenCoding initiative to help our employees, freelancers and other partners in the value chain, to develop and run software in a more energy-efficient way. The implementation of the GreenCoding methodology aims to reduce direct and indirect GHG emissions. In 2023, 189 GFT employees – including architects, data scientists, developers, DevOps, ITOps, managers, testers and UX designers – already voluntarily completed a GreenCoding training course.

The concept is also attracting outside interest: initial training courses have been held for clients or third parties. In 2023, we held 31 GreenCoding presentations and workshops for our employees, clients and the general public.

Operations efficiency in industry

SPHINX OPEN is a digital twin platform designed for Industry 4.0, focusing on the integration of data across various systems for the efficient provision of real-time information. It is generally suited and used for monitoring different data sources, creating and storing time series of data and events, and making this data available for the analysis, visualisation and derivation of configurable KPIs. It promotes sustainability by enabling businesses to significantly reduce development time and operational costs, thereby

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SPHINX OPEN:
digital twin platform designed
for Industry 4.0
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fostering greener, smarter and faster operations. By leveraging a central data model and event-driven management, SPHINX OPEN facilitates seamless data integration and management, ensuring that relevant information is accessible to the right people at the right time. This approach not only enhances operational efficiency but also plays a crucial role in achieving sustainability goals by optimising resource use and minimising the environmental impact.

For example, the system can continuously analyse changing areas of energy consumption, while also running continual assessments of power sources. By intelligently linking current data with historical figures, the system can react autonomously to operational changes, faults or failures based on an AI-controlled forecasting model, which also allows stored solution scenarios to be initiated independently.

Climate-related risks

Climate risk management

Climate-related risk management is part of our Group risk management system. We aligned climate-related risk management with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in order to assess the impact from climate change more accurately. As an internationally operating company, we are continually exposed to internal and external risks which need to be monitored and limited. To this end, a Group-wide risk management system has been established in order to identify and analyse risks at an early stage and implement appropriate counter-measures. For more information on GFT risk management please refer to the risk report (section 5 of the combined management report 2023).

Climate risk categories and mitigation

The identified transitional climate-related risks mainly concern increased financial and operational costs associated with changes in the legal requirements, potential increased energy demand and costs with regard to the future uncertain situation on the energy market, including the availability of renewable energy. Moreover, it was determined that extreme weather events may potentially cause disruptions to our operations and our suppliers.

These physical risks are mitigated by our resilient business model described in the “Cybersecurity & resilience strategy” section (chapter 1 “The GFT Group”).

To mitigate transitional and physical risks we monitor and, if necessary, diversify our supply chain. This involves creating a broad network of suppliers from different locations with diversified capabilities to minimise the risks associated with our supply chain. Response to risks is organised by an Operational Emergency & Response Team (OERT) installed by local country management or at Group level (for details, see “Business continuity”, p. 14). Our commitment, responsibilities and tasks are described in the “GFT Environmental Policy”.

Considering the potential impact, probability and implemented mitigation measures, we do not currently believe that any of the identified transitional and physical risks are likely to have a substantial financial or strategic impact on our business.

Climate-related impacts and measures

Energy management

We have been conducting extensive activities to optimise our own energy consumption and its transition to renewable sources since 2020. Our main sources of energy consumption are office space (natural gas, purchased electricity and heating) and company cars (electric, diesel, petrol). Our IT infrastructure includes two data centres in Germany and Spain. They are used exclusively for internal operations; we do not provide hosting for clients. Since 2021, we have been sourcing 100% of the electricity for these data centres from renewable energy. To improve energy efficiency, we have been gradually shifting our infrastructure to the cloud. In 2023, the Group's own data centres were only used to provide redundancy and the end of their use phase is scheduled for 2024.

In 2023, our total energy consumption was 13,028 MWh (2022: 8,500 MWh).

The increase in energy consumption in 2023 compared to previous years is mainly attributable to the improvement in data quality for fuels and electricity. Moreover, during the data collection process for 2023 we identified a purchased district heating source that was not reported in previous years. In 2023 and 2022, additional subsidiaries were added to the calculations (for more information please refer to the table 10), which also resulted in increased total energy consumption.

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The proportion of renewable electricity in the total electricity mix was 48% in 2023 and 63% in 2022. The decrease in the renewable energy share in 2023 is due to additional non-renewable consumption sources identified in 2023 but not reported so far. In a bid to further our commitment to sustainability and reduce our energy consumption, we plan to undertake a data inventory in 2024. This effort is aimed at enhancing our understanding and management of energy consumption patterns across our operations. Additionally, we are planning the installation of a

photovoltaic system at our headquarters in Stuttgart in 2024, signifying a pivotal step towards bolstering our share of clean energy sources.

Since all offices where we operate, except for the one in Stuttgart are rented, their owners are responsible for maintenance and any efforts to improve the building's energy efficiency. Where possible, we perform minor maintenance work in consultation with the building's owners and implement good practices/

measures to reduce energy consumption as recommended by our CFO.

Moreover, the new office locations we chose feature a high level of energy efficiency. Thanks to the energy reduction initiatives implemented at our existing locations, we have also made energy savings which positively impact our financial result and reduce GHG emissions. For example, thanks to the measures taken in October 2022 at our Stuttgart office – including changes to the room temperature control system and reprogramming the lighting system – we saved 22,709 kWh in 2023. This resulted in monetary savings of €10,687 and a reduction in CO₂e emissions of 8.5 t.

To monitor and reduce energy costs and our carbon footprint, we installed a sensor at one of our Italian offices on a trial basis that uses artificial intelligence to monitor consumption and the impact of energy use. The system provides facility managers with actual benchmark, energy and climate data for the building which enables them to take immediate energy-saving measures. The trial period started in autumn 2023. We are currently analysing the possibility of expanding the programme to include all offices in Italy.

Moreover, our office in Costa Rica installed an intelligent lighting system to automatically deactivate lights and air conditioning outside specific operating hours. This proactive measure serves to mitigate the potential excess energy consumption and turn off the lights and/or air conditioning when the office is not being used.

In order to reduce our vehicle fleet emissions, we plan to support the transition to electromobility by encouraging our employees to choose electric cars.

Table 10 Energy consumption

Energy	Category	Energy in MWh				%	%
		2023**	2022***	2021	Base year (2020)		
Fuels	Diesel for generators/ aggregates	126	84	544	2,000	50	-85
	Natural gas	2,508	883	813	767	184	9
	Diesel for vehicles	1,949	1,533	1,325	1,102	27	16
	Petrol	2,686	2,190	1,463	1,155	23	50
Total fuel consumption		7,269	4,690	4,145	5,024	55	13
Electricity	Purchased renewable electricity	2,509	2,328	1,166	1,377	8	100
	Purchased non-renewable electricity	2,727	1,375	2,261	2,433	98	-39
Total electricity consumption		5,236	3,703	3,427	3,810	41	8
District heating	Purchased district heating	423	Not reported	Not reported	Not reported	N/A	N/A
Production of energy	Generation of electricity in CHP plant	100	107	127	101	-7	-16
Total energy consumption		13,028	8,500	7,699	8,935	53	10

* GFT's energy consumption is calculated based on metered consumption and in the event of data unavailability is estimated based on cost statements.

** FY2023 energy consumption includes data from the following 13 GFT Group companies (*accounting for 99% of the total workforce): GFT Brasil Consultoria Informática Ltda., GFT Technologies Canada Inc., GFT Costa Rica S.A. GFT México S.A. de C.V., GFT Financial Limited, GFT USA Inc., GFT Technologies Vietnam Limited, GFT France S.A.S., GFT Technologies SE, GFT Italia S.r.l., GFT Poland Sp. z o.o., GFT IT Consulting S.L.U., GFT Schweiz AG. Extrapolation based on Q1–Q3 data was performed for Q4 for Vietnam, UK and Canada due to data unavailability. Additionally, extrapolation based on revenue, office space and number of people was made for Switzerland and targets for the entire year.

*** FY2022 energy consumption includes data from the following 11 GFT Group companies (*accounting for 99% of the total workforce): GFT Brasil Consultoria Informática Ltda., GFT Technologies Canada Inc., GFT Costa Rica S.A., GFT México S.A. de C.V., GFT Financial Limited, GFT USA Inc., GFT Technologies Vietnam Limited, GFT Technologies SE, GFT Italia S.r.l., GFT Poland Sp. z o.o.

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We are currently analysing further options for reducing fleet emissions in order to improve on the results achieved so far.

Greenhouse gas emissions (GHG emissions)

The GFT Group calculates greenhouse gas emissions (GHG) in accordance with the requirements of the Greenhouse Gas Protocol (GHG Protocol).² Based on the result of our GHG emission inventory, we consider Scopes 1, 2 and 3 as relevant for our business.³

The organisational boundaries for calculating our carbon footprint are set by the operational control for all locations included in the calculations. A carbon footprint materiality assessment was carried out in cooperation with Global Purchasing, during which the level of greenhouse gas emissions for individual subsidiaries was estimated and the materiality of the emission categories falling under Scope 3 was confirmed. The base year for our calculations is 2020. We continue to improve the data collection process and include more of our locations in the calculation of GHG emissions every year.

Total (market-based) emissions generated by us in 2023 amounted to 19,888 tCO₂e and in 2022 to 21,744 tCO₂e. The decrease in 2023 compared to 2022 is mainly due to lower expenditure on the purchase of fixed assets in 2023 (Scope 3, category 2) and the decrease in daily end users of our software (Scope 3, category 11).

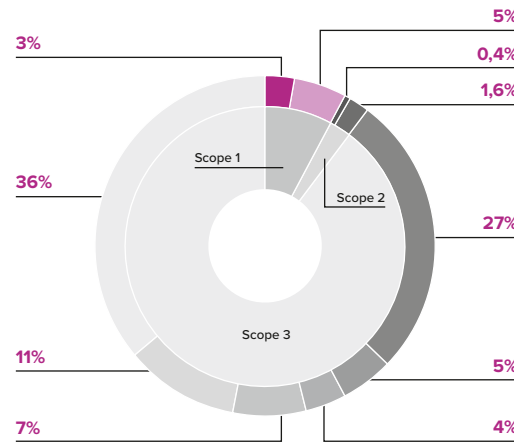
In 2023, we reviewed the Scope 3 data and methodology for all material categories. In order to improve the accuracy of the reported emission data, the methodology in categories 1, 2, 6, 7 and 11 was modified

for 2023 and 2022 carbon footprint calculations. Due to significant fluctuations in the emission results for categories 1, 2 and 11 compared to previous years, these figures were recalculated for 2021 and 2020.

We plan to conduct a carbon footprint data inventory in 2024 for a more accurate analysis of the source data used for our Scope 1 and 2 calculations.

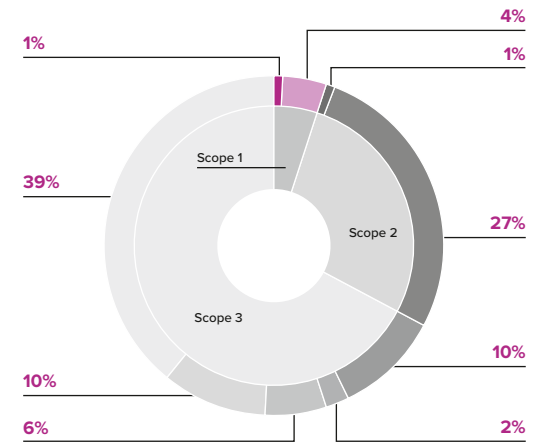
The chart below presents the share of Scope 1, 2 and 3 in our total GHG emissions for 2023 and 2022.

Composition of GHG emissions – 2023



- Scope 1:
 - Combustion in stationary sources
 - Combustion in mobile sources
- Scope 2:
 - Purchased district heating
 - Purchased electricity (market-based)

Composition of GHG emissions – 2022



- Scope 3:
 - Purchased goods and services
 - Capital goods
 - Fuel-and-energy-related activities
 - Business travel
 - Employee commuting
 - Use of sold products

Figure 1: Composition of GHG emissions 2023 and 2022

² A Corporate Accounting and Reporting Standard (Revised Edition, 2004); Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Supplement to the GHG Protocol Corporate Accounting and Reporting Standard (2011); Scope 2 Guidance. An amendment to the GHG Protocol Corporate Standard (2015) and Technical Guidance for Calculating Scope 3 Emissions (version 1.0). Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard (2013).

³ The report uses values of GWP 100-year period excluding feedback loops from the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. The calculations of GHG emissions cover seven greenhouse gases included in the Kyoto Protocol – carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). The results of the organisation's carbon footprint calculations are expressed in tonnes of carbon dioxide equivalent CO₂e.

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The table below shows the figures for the relevant intensity emission factors:

Table 11 Greenhouse gas emission intensity (market-based)

Emission intensity factor	2023	2022	2021	2020
Emissions in Scope 1 and 2 per employee (tCO ₂ e/FTE)	0.22	0.15	0.16	0.27
Emissions in Scope 1, 2 and 3 per employee (tCO ₂ e/FTE)	2.2	2.6	2.0	2.3
Emissions in Scope 3 per employee (tCO ₂ e/FTE)	1.97	2.42	1.83	2.08
Emissions in Scope 1 and 2 per million euros of revenue (tCO ₂ e/€ million)	2.5	1.7	1.9	3.4
Emissions in Scope 1, 2 and 3 per million euros of revenue (tCO ₂ e/€ million)	24.8	29.8	24.1	29.7
Emissions in Scope 3 per million euros of revenue (tCO ₂ e/€ million)	22.3	28.0	22.2	26.4

Scope 1 and 2

As in previous years, Scope 1 and 2 GHG emissions at Group level resulted from mobile combustion sources (gas and diesel consumption), stationary combustion sources (natural gas used for heating and diesel used in generators) and purchased electricity in 2023. We also identified an additional emission source in 2023, namely purchased district heating, which has not been reported so far (for more information on energy consumption in 2023 and 2022 please refer to the section “Energy management”).

Table 12 Greenhouse gas emissions Scope 1 and 2

Scope of emissions	Category of emissions	Emissions in tCO ₂ e				% Change	
		2023*	2022**	2021	Base year (2020)	2023/2022	2022/2021
Scope 1	Combustion in stationary sources	509	179	166	162	184	8
	Combustion in mobile sources	1,115	918	691	594	21	33
Scope 1 total emissions		1,624	1,097	857	756	48	28
Scope 2	Purchased district heating	76	Not reported	Not reported	Not reported	N/A	N/A
	Purchased electricity (market-based)	316	173	215	744	82	-20
	Purchased electricity (location-based)	1,433	893	890	988	60	0
Scope 2 total emissions (market-based)		392	173	215	744	126	-20
Scope 2 total emissions (location-based)		1,509	893	890	988	69	0

* FY2023 GHG emissions include data from the following 13 GFT Group companies: GFT Brasil Consultoria Informática Ltda., GFT Technologies Canada Inc., GFT Costa Rica S.A., GFT México S.A. de C.V., GFT Financial Limited, GFT USA Inc., GFT Technologies Vietnam Limited, GFT France S.A.S., GFT Technologies SE (targens GmbH), GFT Italia S.r.l., GFT Poland Sp. z o.o., GFT IT Consulting S.L.U., GFT Schweiz AG.

** FY2022 GHG emissions include data from the following 11 GFT Group companies: GFT Brasil Consultoria Informática Ltda., GFT Technologies Canada Inc., GFT Costa Rica S.A., GFT México S.A. de C.V., GFT Financial Limited, GFT USA Inc., GFT Technologies Vietnam Limited, GFT Technologies SE, GFT Italia S.r.l., GFT Poland Sp. z o.o.

Scope 1 GHG emissions amounted to 1,624 tCO₂e in 2023 and 1,097 tCO₂e in 2022. The increase in 2023 is mainly attributable to the improved accuracy of the source data in the 2023 calculations (please refer to the section “Energy management”). Scope 2 (market-based) emissions were 392 tCO₂e in 2023 and 173 tCO₂e in 2022. Scope 2 (location-based) emissions were 1,509 tCO₂e in 2023 and 893 tCO₂e in 2022. The increase in Scope 2 (market-based) emissions in 2023 is due to an increased share of non-renewable electricity in our mix and purchased district heating (for more information please refer to the section “Energy management”).

The calculation of Scope 1 emissions (fuel combustion) is based on emission factors from the DEFRA database for 2023 and 2022. Based on the GHG Protocol Scope 2 Guidance, Scope 2 emissions from

electricity and district heating consumption are calculated according to the location-based and market-based methods and reported in parallel. The location-based method takes into account the average emission factors per country. Location-based emissions for 2023 and 2022 are calculated based on the IEA emission factors (IEA database for 2023 and 2022).

By contrast, the market-based method considers the individual electricity mix of the company, whereby the purchase of renewable energy has an emission-reducing effect. Wherever possible, the actual emissions generated by the respective energy producers are applied. If no supplier factor is available, the so-called residual mix from AIB (Association of Issuing Bodies, umbrella organisation of the Guarantees of Origin register offices in Europe) is used.

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Due to the use of fuels with the addition of biofuels (gasoline and diesel), we calculate **biogenic emissions** reported as **outside-of-scope** emissions. Biogenic emissions generated in connection with the fuels we consumed amounted to 61 tCO₂e in 2023 (2022: 37 tCO₂e).

In addition to the major lever of reducing emissions by switching to green electricity, we are making further efforts to lower emissions at our locations by reducing energy consumption.

Scope 3

Our calculation of Scope 3 GHG emissions comprises six categories: purchased goods and services, capital goods, fuel- and energy-related activities (not included in Scope 1 or Scope 2), business travel, employee commuting and use of sold products.

Upstream greenhouse gas emissions

Category 1 Purchased goods and services includes upstream (cradle-to-gate) emissions of purchased goods and services. GHG emissions from purchased goods and services amounted to 5,489 tCO₂e in 2023 (2022: 5,824 tCO₂e). Due to detected gaps in our calculations for previous years, the calculation results for 2021 and 2020 have been adjusted. All our locations are included in this category.

The spend-based method was used to calculate category 1 emissions. This involves estimating emissions for purchased goods and services by collecting data on their economic value and multiplying by secondary emission factors (average emissions per monetary value of goods according to DEFRA, Table 13 Indirect emissions from the supply chain, taking into account the inflation rate and currency conversion).

The specific nature of our business model means that category 1 emissions are mainly generated in connection with the purchase of services. In 2023, the volume of GHG emissions related to purchased products and services was 7% lower than in 2022. The expenses taken into account were correspondingly lower by 3%.

Category 2 Capital goods includes upstream (i.e. cradle-to-gate) emissions from the production of capital goods purchased by the reporting company in the reporting year (including software, hardware, buildings, building equipment and vehicles). GHG emissions relating to purchased fixed assets in 2023 amounted to 934 tCO₂e (2022: 2,229 tCO₂e). In 2023, 59% of emissions in this category resulted from the production of hardware we purchased. Due to detected gaps in calculations for previous years, the

Table 13 Scope 3 emissions of the GFT Group.

Scope of emissions	Category of emission	tCO ₂ e			Base year (2020)	%	
		2023	2022	2021		Change 2023/2022	Change 2022/2021
Scope 3	Category 1* Purchased goods and services	5,489	5,824	5,612	5,014	-7	5
	Category 2** Capital goods	934	2,229	2,406	1,243	-58	-7
	Category 3 Fuel-and-energy-related activities (market-based)	782	532	395	949	47	35
	Category 3 Fuel-and-energy-related activities (location based)	789	554	395	949	43	40
	Category 6 Business travel	1,296	1,215	2,016	3,269	7	-40
	Category 7 Employee commuting	2,257	2,200	1,414	1,259	3	5
	Category 11*** Use of sold products	7,114 (covers 8.2% of total revenue)	8,402 (covers 6.2% of total revenue)	747 (covers 4.4% of total revenue)	Project data unavailable	-15	1,024
Scope 3 total emissions (market-based)		17,872	20,474	12,590	11,734	-13	63
Scope 3 total emissions (location-based)		17,879	20,495	12,590	11,734	-13	63

* Emission figures for 2021 and 2020 corrected due to data gaps identified (originally: 2021: 18,803 tCO₂e; 2020: 14,009 tCO₂e).

** Emission figure for 2021 corrected due to data gaps identified (originally: 2021: 4,580 tCO₂e). Emissions in this category were not reported for 2020.

*** Emission figures for 2021 and 2020 corrected due to change in methodology (originally: 2021: 8,418 tCO₂e; 2020: 8,132 tCO₂e).

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calculation results for 2021 and 2020 have been corrected. The calculations for the base year 2020 have been supplemented. All our locations are included in this category.

In order to calculate category 2 emissions, the average spend-based method was used. This involves estimating the emissions for goods by collecting data on the economic value of goods purchased and multiplying by their emission factors (DEFRA Indirect emissions from the supply chain taking into account the inflation rate and currency conversion). Capital expenditure was much lower in 2023 than in previous years. Category 2 is characterised by a relatively low repeatability of the value of purchases from year to year i.e. purchases are made according to needs, which vary in different years.

Category 3 Fuel- and energy-related activities concern emissions from the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2. GHG well-to-tank (WTT) emissions (location-based) amounted to 789 tCO₂e in 2023 (2022: 554 tCO₂e). GHG well-to-tank (WTT) emissions amounted to 782 tCO₂e in 2023 (2022: 532 tCO₂e) according to the market-based method. The year-on-year increase in emissions was mainly due to the increase in fuel and electricity consumption.

The average-data method was used to calculate the emissions in category 3 for 2023 and 2022. This involves estimating emissions by using secondary emission factors for upstream emissions per unit of consumption from IEA.

The calculations included electricity and heat consumption in offices and data centres (conventional electricity and green electricity). In addition, GHG emissions from cradle-to-gate for purchased fuels were taken into account – natural gas, diesel (generators), diesel (fleet), petrol.

The latest available total upstream emission factors (2021) and WTT transmission and distribution (T&D) (2021) were used to calculate WTT emissions relating to electricity (2023 edition). The DEFRA 2023 emission factors were used in WTT and T&D calculations for heat.

Category 6 business travel emissions include flights, trains, taxis, employees' own cars used for business trips and hotel accommodation. Business travel calculations for 2021 and 2020 included train, taxi and flight emissions using the spend-based method. This method involved determining the amount of money spent on each mode of business travel and applying secondary (EEIO) emission factors from the DEFRA database.

In order to increase the accuracy of the calculated emissions, we have introduced modifications to the calculations for 2023 and 2022 by replacing part of the spend-based data with distance-based data, as this is more accurate and recommended by the GHG Protocol Standard. Distance-based data was available for all our locations except for Canada, France, Singapore, Vietnam and Hong Kong SAR. For those countries, an extrapolation was made based on available data for our other locations. For the 2023 and 2022 calculations, the spend-based method was only used for emissions from taxis and hotel accommodation.

In 2023, GHG emissions from business travel amounted to 1,296 tCO₂e (2022: 1,215 tCO₂e). The year-on-year rise was due to an increase in the number of business trips in 2023. Due to the change in methodology, emissions in 2022 decreased by 40% as compared to 2021. We will continue to improve the methodology by using the distance-based method.

Category 7 Employee commuting emissions are calculated based on a hybrid model which includes employees commuting to our offices and working from home. All our locations are included in this category.

In 2023, employee commuting was responsible for 2,257 tCO₂e (2022: 2,200 tCO₂e) of GHG emissions. The increase in emissions in 2022 compared to 2021 is primarily attributable to the change in methodology and the rise in headcount. Until 2022, due to COVID-19 restrictions, a model based on 100% work-from-home emissions was adopted for calculating category 7. As of 2022, calculations are based on a hybrid model. It was assumed that 90% of work in 2023 and 2022 was carried out remotely, and 10% from our offices involving employee commuting (assumption based on desk reservation system).

In order to calculate the GHG emissions from employee commuting, the average-data method was applied. We estimated emissions based on average (statistical) data on commuting patterns. Emissions from remote working are calculated based on a model that takes into account the number of electronic devices, energy consumption, number of employees and days worked. In 2023 and 2022, IEA factors were used to calculate work-from-home emissions.

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Downstream greenhouse gas emissions

Category 11 Use of sold products includes emissions from the use phase of our software solutions. In 2021, we developed our own tool which can calculate emissions precisely down to project level, taking into account basic parameters and using reference figures. So far, we only use this method for projects in which we have complete influence on architecture and software. This accounted for 8.2% of total revenue in 2023 (2022: 6.2%; 2021: 4.4%). The following projects were included in the calculation tool: web and mobile usage, backend and mainframe.

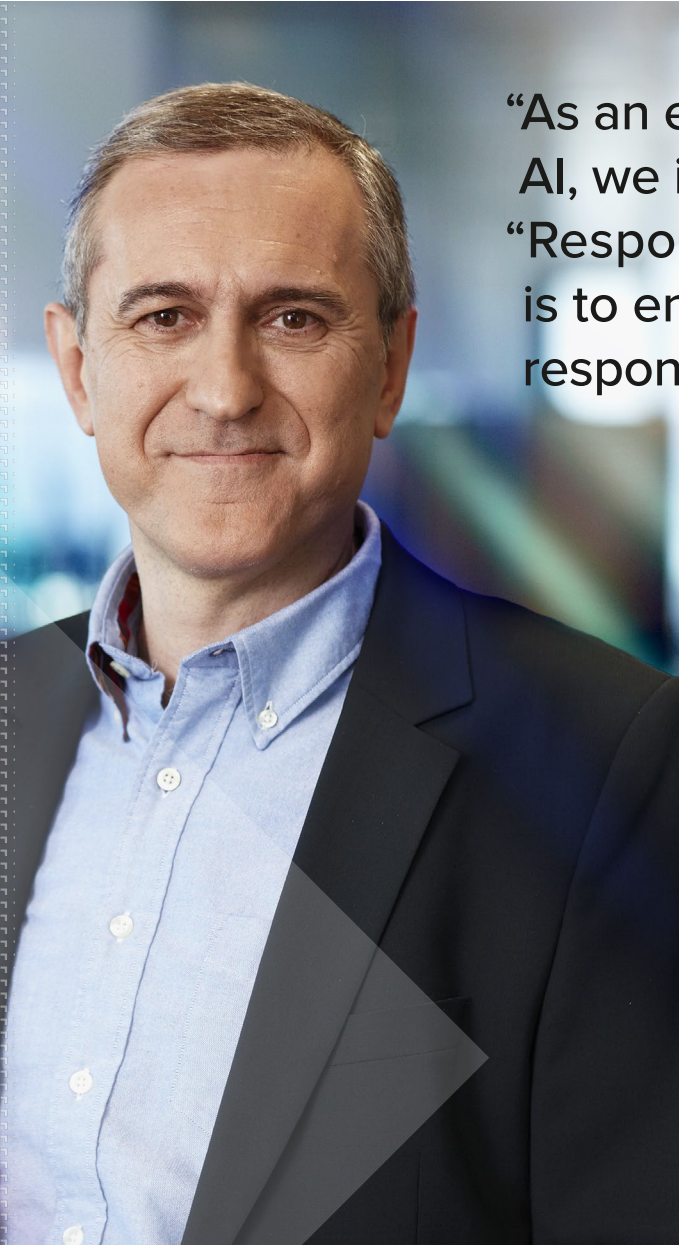
Until 2023, emissions from the remaining part of revenue were estimated based on market data. In order to increase the transparency and accuracy of our reporting data, the methodology was modified in 2023. As a result of this change, only emissions

calculated based on data from our projects were included in category 11 (estimates based on market data were excluded). In order to exclude market data from historical emission results (2022-2021), we recalculated emissions for previous years. Due to the lack of comparable data for 2020 (calculated based on market data only), the entire category 11 was excluded from the base year emissions (please see above table 13 "Scope 3 emissions of the GFT Group,„). All our locations are included in this category.

For calculation purposes, the parameters resulting from the product specification affecting energy consumption and expected lifecycle of the product were taken into account. IEA factors were used to calculate category 11 emissions.

GHG emissions from category 11 calculated based on the updated methodology amounted to 7,114 tCO₂e in 2023 (2022: 8,402 tCO₂e; 2021: 747 tCO₂e). The increase in 2022 compared to 2021 was due to business growth, the increased share of revenue in the calculation, the increased number of energy-intensive projects and a higher number of daily frontend users. Compared to 2022, emissions were lower in 2023 due to the decreased number of daily frontend users.

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“As an expression of our commitment to ethical AI, we introduced a new corporate guideline “Responsible use of ChatGPT” in 2023. Its aim is to ensure our employees use AI safely and responsibly.”

— Guillermo Rodriguez, Global Head of HR

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GFT regards itself as a responsible employer. The creation of fair, safe and healthy working conditions is our overriding objective. We help our employees achieve the best possible work-life balance by providing good framework conditions. We believe that diversity is an expression of equal opportunities and the key to success. The prerequisite for this is trust in the organisation that violations of our corporate values will not be tolerated.

Strategy

GFT's corporate strategy is geared towards shaping and simplifying the digital world. We can only deliver this for our clients if our employees are suitably motivated and skilled. Our **HR strategy** therefore focuses on attracting, retaining, and continuously developing talent for GFT worldwide. Under the leadership of the Global Head of HR, our Global People Team defines Group-wide goals and uniform standards for HR work in the areas of HR Operations, Talent Acquisition, Learning & Development and Employer Branding.

Digitalisation has always been our core business. As a technology partner, we support the digital transformation process of our clients with customised IT solutions along the entire value chain. This environment gives our employees the opportunity to develop innovative IT solutions in international teams based

on the latest technologies, often in the form of co-innovation projects together with clients and partners.

GFT lives an organisational structure that promotes personal responsibility and cooperation. The core element of our employer branding strategy "Make your mark" launched in 2023 is the personal and professional development of all employees (SDG 4.3 Quality Education). At GFT, growth has been the driving force of our success. This was reflected by our previous employer branding call to action "Ready to Grow", which acknowledged the imperative for our talents to evolve, learn, and adapt. As we replace it now with "Make Your Mark", our focus remains on growth, but with a renewed commitment to individuality, innovation and impact. We are not just growing, but empowering each team member to make a unique and lasting mark within our vibrant ecosystem.

GFT is committed to fair, safe and healthy working conditions (SDG 8.5, 8.8).

Targets

With an open and appreciative corporate culture, we want to create an appealing working environment for all employees in which they can develop freely and shape their own professional development.

To be able to demonstrate authentic and transparent Corporate Social Responsibility, GFT has set specific long-term goals and measures of progress.

The GFT Group's long-term strategic targets are: grow tech talent worldwide (both internally and externally), ensure diversity, and satisfied employees and clients.

As part of the long-term strategy implementation, the GFT Group Administrative Board defines an annual CSR Agenda each year, which sets out specific activities, targets and metrics. In 2023, these were:

- **High employee satisfaction: measured** by the **Trust Index™** of **Great Place to Work®** (see section "Great Place to Work") with a **target** of achieving a minimum 85% Trust Index level.
- **Build IT talent inside: measured** by the percentage of employee time dedicated to training with a target of 0.7% to 0.8% of their total working hours.
- **Global promotion of IT talent externally: measured** by events or initiatives conducted focusing on the entire labour market with the aim of creating and empowering tech talent. The **target** is to conduct at least one event per category¹ in each of GFT's countries, unless the country is too small (less than 100 FTE) or too new (less than 2 fiscal years). Each event, focus topic and number of external participants is to be documented.

¹ Creating tech talent' and "Empowering tech talent", details in the "Education" section in this chapter

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Risks

We regard the demotivation of our employees – for example as a result of activities that are permanently over- or under-demanding, a lack of promotion, a poor work-life balance, inadequate remuneration or non-transparent communication – as significant risk. Discrimination, insults, threats and harassment can have a massive impact on well-being and performance. Ergonomic and psychological suffering can lead to health problems and even occupational disability. Such effects may be significant in certain cases. GFT has established systematic precautionary measures. The management teams of GFT companies are in permanent contact with employees and their representatives. We therefore categorise the probability of occurrence of such risks is rather unlikely. As part of the risk assessment using the GFT risk matrix, this results in a medium risk at most in the worst-case scenario.

Employees

Profile of GFT's employees

The global GFT team comprised employees with 87 different nationalities in 2023 (2022: 85; 2021: 77). Almost 76% of our employees were male, 24% female (2022: 24%; 2021: 23%) and 0.03% non-binary (2022: 0.1%).

The total number of new hires was 2,052 full-time employees (2022: 1,124; 2021: 3,750). 10% of employees left the company at their own request (2022: 16%; 2021: 19%).

Table 14 Employees by country and gender (FTE as of 31/12/2023)

Country	FTE	Share of workforce in %		
		Female	Male	Other
Belgium	2	100.0	0.0	
Brazil	2,964	20.3	79.7	
Canada	401	31.4	68.8	
Costa Rica	180	18.3	81.7	
France	52	34.6	65.4	
Germany	613	28.2	71.8	
Hong Kong	7	57.1	42.9	
Italy	892	26.0	74.0	
Mexico	446	28.9	71.1	
Poland	882	27.6	72.4	
Singapore	11	36.4	63.6	
Spain	2,136	24.2	75.7	0.14
Switzerland	29	17.2	86.2	
United Kingdom	295	25.8	74.2	
United States	46	19.6	80.4	
Vietnam	178	20.2	79.8	
GFT Group	9,134	24.2	75.8	0.03

Contract type

We only use measures such as fixed-term contracts, temporary work and employee leasing in isolated cases. In the year under review, 2% of our employees had fixed-term contracts² (2022: 4%; 2021: 4%). The proportion of external IT experts who provided project-related support for our core business was 11% (2022: 15%; 2021: 10%).

Age profile

The average age of GFT employees was 39 (2022: 39; 2021: 39); for women 38, for men 39 and for other genders (non-binary) 37.

Table 15 Age profile of GFT Group in %

Age in years in %	2023	2022	2021
<= 30	25	29	29
31-40	40	39	39
41-50	23	22	22
>= 51	12	10	10

Table 16 Age profile by gender in % (2023)

Age in years in %	Women	Men	Non-binary
<= 30	23	77	<1
31-40	24	76	<1
41-50	26	74	<1
>= 51	24	76	<1

Women at GFT

In 2023, the number of women in management positions amounted to 118 (2022: 91; 2021: 76), corresponding to a ratio of 19% (2022: 18%; 2021: 17%). About two thirds of all female employees worked in IT professions.

Table 17 Composition of female workforce

Composition of female workforce in %	2023	2022	2021
IT Professions	66	68	67
Consulting	12	10	10
Corporate Services	22	22	23

² Fixed-term contracts are limited contracts of active employees and do not include occupational training contracts.

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84%

of GFT employees are convinced: GFT is a great place to work.



Metrics and actions

The HR departments of the national subsidiaries are responsible for implementing **GFT's HR strategy**. In 2023, key HR topics were: preparation and follow-up of the **Great Place to Work** employee survey, modernisation of the **career model**, ramping up of our **Learning** offerings, support for the introduction of local **Diversity, Equality & Inclusion (DE&I) programmes**.

Great Place to Work

Employee satisfaction surveys which consist of a uniform set of questions on satisfaction with the working conditions, the development opportunities, the working atmosphere and the management ensure comparability at Group level. **At least one survey per country should be conducted annually**. In 2023, the independent research and consulting institute **Great Place to Work** (GPTW) conducted the staff survey at GFT's national subsidiaries for the second time.³

We measure survey effectiveness by comparing participation and the number of comments per year. Higher participation and a higher number of comments indicates growth in employee trust in the survey.

- Participation across the Group increased significantly to 71% (2022: 66%).
- Number of comments increased to almost 14,000 (2022: 12,161).

Participation and effectiveness of the employee survey

	Invitees	Answered Forms	Participation	Comments
2023	↑ 8,968	↑ 6,352	↑ 71%	↑ 13,885
2022	8,207	5,398	66%	12,161

According to GPTW, a company is deemed to be a great place to work if at least 65% of employees testify to this (the so-called Trust Index). This threshold was reached or exceeded by GFT's subsidiaries: 84% (2022: 85%) of our employees regard GFT as a great place to work. In 60% of all categories in the survey, the rating has improved or remained the same and the top scorers are Respect and Camaraderie, Credibility, Fairness and Workplace and Diversity.

The GPTW methodology assesses how employees experience the corporate culture on a day-to-day basis, based on 5 categories: Credibility, Respect and Fairness, Pride and Team Spirit. Each category is assessed from two perspectives: how employees perceive it at GFT in general and how they experience it directly in relation to their own work.

We promote collaborative and effective teamwork, conscious leadership, a healthy work-life balance, fairness and mutual recognition. We want to create a successful working environment and it is therefore important that our talents identify with our culture and core values. We are proud to have been awarded the **"Great Place to Work" accolade for the second time in a row** in 2023.

Our employees are at the heart of what we do. The voice of our employees is our most valuable source of information on how we can continually create attractive working environments for all employees, where they can freely express themselves, develop themselves and have a real impact on their working conditions.

Potential for improvement is therefore also identified and a benchmark against other companies is prepared. This enables us, for example, to draw a comparison with employer performance within the IT industry.

From the employees' perspective, the main topics in 2023 were:

- **Diversity, equal opportunities, and inclusion (DE&I), as well as safety**
All countries achieved very good results in these areas.
- **Quality of leadership**
On the whole, leadership behaviour was rated as good, with fluctuations in the countries. Employees stressed that they would like to see further improvements in effective cascading information by their direct managers.
- **Transparency and fairness**
Employees perceive GFT as a transparent and compliant organisation, seeing more fairness and equality in our processes than in previous years.

³ To ensure the anonymity of respondents, only companies with more than 10 employees are eligible to participate.

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- **Fair pay and benefits**

There were strong fluctuations between the countries in this regard. An equal pay gap analysis was carried out to make sure GFT meets its objective of paying appropriate and market-oriented remuneration everywhere (see section “Remuneration”).

- **Working from everywhere**

Employees greatly appreciate GFT’s flexibility in enabling truly hybrid working.⁴

Each country has developed its own action plan that focuses on the main relevant issues. The action plan includes concrete measures to address the deficiencies and other topics identified in the results. Employees are informed of the implementation status every six months via various channels.

Career advancement

Our employees’ career and personal development are extremely important to the GFT Group. GFT therefore has a clear and defined career model as the base for employee professional development that fits to their tasks and role within GFT.

The Group-wide career model defines experience levels for the required qualifications and skills: “Skilled” comprises graduates, young professionals and trained specialists. “Senior” refers to highly skilled and experienced specialists. “Leaders” perform management tasks with and without staff responsibility. We regard specialist and management careers as equal development paths.

Activity profiles are pooled into job families. For non-financial reporting, a simplified presentation in three main groups is provided: IT Professions, Consulting, Corporate Services.

Table 18 Workforce by job family

% of workforce	2023	2022	2021
IT Professions	85	87	86
thereof women	19	19	18
Consulting	8	6	6
thereof women	35	36	35
Corporate Services	7	7	8
thereof women	73	74	72

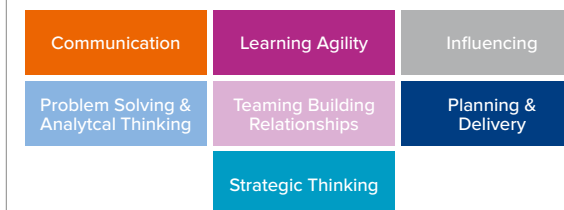
Table 19 Workforce by experience level

% of workforce	2023	2022	2021
Skilled	53	57	55
thereof women	28	27	27
Senior	40	37	39
thereof women	20	20	19
Leader	7	6	6
thereof women	19	18	17

We know that skills can have a huge impact on our performance, mindsets, attitudes and behaviour and we want to ensure that our employees are equipped with the core skills needed now and in the future.

As part of our commitment to the ongoing personal and professional development of GFT employees, we have designed the **new GFT Core Skills framework**, for both technical and management career paths.

GFT Core Skills Framework



This framework creates a shared language and understanding of skills across GFT. It is an evolution of our current performance management processes. It connects “WHAT” we do with “HOW” we do it by aligning the GFT Career Model with our GFT Core Values and GFT Core Skills. This is also reflected in our employee-oriented approach to **performance assessment**. Instead of relying solely on performance appraisal by superiors, we want our employees to develop their own personal and professional goals (individual development plan) and to reflect on them in discussions with their colleagues (multi-source group). Another feature is a voluntary self-assessment of goals and skills. Employees are accompanied throughout their personal and professional career development by experienced mentors. In 2023, 80% of all employees were covered by the Performance Management Model (2022: 84%; 2021: 89%).

⁴ Hybrid mode allows employees to provide work from the office with the option of working remotely (“work from home”).

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Continuous learning

A culture of continuous learning means that we regard all our employees as talents. Everyone learns and grows at every stage of their career. We want to encourage everyone to inspire others and themselves to learn.

We regard learning as the cornerstone of every transformation. Recognising technology trends at an early stage, testing them and turning them into marketable IT solutions requires continuous learning. This is anchored in our “Learning & Development (L&D) Principles and Fundamentals”. They contain guidelines for annual training planning in the respective countries. At the same time, they are intended to create transparency about the Group-wide L&D initiatives.

We ensure a high level of technology expertise among our employees by offering a wide range of training courses on technologies, design principles and methods. The GFT Accelerated Leadership Programme (ALP) prepares employees for management tasks. In 2023, 60% of ALP participants were women. NEXTGEN Leaders is aimed at high potentials in upper management. GFT promotes **continuous training** (SDG 4.3) for all employees with language courses, seminars on soft skills and part-time vocational training qualifications. Training courses on compliance, data protection, information security, GFT methodology and open source software are mandatory. In the reporting period, each employee completed an average of around 19 training hours⁵, which means that the annual training to utilisation target (see “Targets” section) was met.

Lifelong learning is part of our DNA. Our continuous learning and development programme equips all our talents with the core skills needed to flourish in today’s changing business environment.

In 2023, GFT launched the GFT Learning HUB, an internal learning platform open to all employees where they can find thousands of technical and other courses. The new platform has been very well received by employees and its implementation has been **recognised by SAP with the “Customer Adoption Excellence Award”**.

Diversity, equal opportunities, inclusion

The Global Head of HR is responsible for the topic area **DE&I (Diversity, Equality & Inclusion)**. We understand this to mean creating a diverse and inclusive working environment that offers everyone in the company the same development opportunities (SDG 5 Gender Equality, SDG 10 Reduce Inequalities). The basis for this is our Group-wide Diversity & Inclusion Policy which also includes an explicit commitment to proactively combating and eliminating all forms of discrimination, bullying or harassment.

As a contribution to the long-term social sustainability goal of ensuring diversity and satisfied employees, GFT introduced its global DE&I strategy dedicated to cultivating a diverse, equitable and inclusive workplace in **2023**.

The results of the Great Place to Work survey were also used as the basis for a series of measures, including the development of a DE&I strategy, the creation of training courses, the revision of the existing Diversity & Inclusion Policy and the derivation of DE&I-specific recruitment concepts.

Our approach involves improving communication by rolling out **dedicated internal DE&I websites** across multiple countries. These sites aim to showcase our global and local initiatives for diversity, equality and inclusion.

The newly introduced **feedback training** in 2023 equips managers with skills to foster inclusivity, handle feedback effectively and drive positive team dynamics. The voluntary training was well received. To further our dedication to education and awareness, we are launching a DE&I training course in early 2024, accessible through our Learning Management System (LMS).

Aligning with our aim to attract top talent, we integrated DE&I best practises into our global **Talent Acquisition guidelines** in order to attract a diverse range of candidates and nurture an inclusive workforce. Our enhanced Careers & Jobs websites launched in October 2023 reflects our commitment to create a better workplace for all prospective employees.

In 2023, GFT’s national subsidiaries were requested to implement a **local DE&I agenda** for the following areas of activity:

- Increasing the proportion of women (in general, in promotion and in management positions).
- Empowering women (in management positions and in the technology environment).
- Promoting health and safety (chapter 4, section “Working environment”).
- Reducing the equal pay gap and gender pay gap.
- Database on diversity.
- Conceptualising an “inclusive workplace”.

⁵ Calculation based on data from the newly implemented Learning Management system in 2023 is not comparable to previous years. We therefore recalculated 2022 training data using the new calculation method: 18 training hours per employee in 2022.

Society & technology

In 2023 the **WomenTech Mentoring programme** was rolled out to all GFT countries.



GFT UK achieved Level 2 Disability Confident Employer status and joined the esteemed Good Recruitment Collective.

Progress is assessed in the middle of the year and for the whole year.

In order to **increase the proportion of women** at GFT, mainly in promotion and in management positions and as part of our commitment and strategy **to reduce the ICT gender gap** in the IT market, GFT launched the **WomenTech Mentoring Programme** in 2022. In 2023, around 60 women (2022: 40) took part in the four-week training programme, which is an internal initiative dedicated exclusively to GFT's female employees. It aims to raise the visibility of our female IT colleagues both internally at GFT and externally in the technology sector. The initiative helps women feel empowered and confident, while increasing their visibility in a sector that is predominantly male.

GFT's national subsidiaries have established a Group-wide equal pay process (chapter 4, section "Remuneration"). This is also regulated by law in some GFT countries.

The greatest difficulty proved to be the **collection of diversity data**. The reasons for this include its classification as particularly sensitive data, combined with the high requirements for data protection. GFT therefore offers to provide this data voluntarily as part of the Great Place To Work survey. (see chapter 4, section "Great Place to Work")

GFT is committed to ensuring equal opportunities at all levels of employment and to proactively combating and eliminating discrimination.

Affected employees can contact our internal complaints offices, in Germany for example the "Bullying and Conflict Officer". In addition, web-based anonymous whistleblowing systems are available from the Compliance Office (see chapter 1, section "Compliance management system"), both Group-wide and several locally. In the reporting period, we investigated one allegation of emotional harassment from a former employee in 2022, which could not be confirmed. Specific measures have been taken in the last two years to prevent potential misconduct, including more transparent responsibilities and training. The case management process of investigation as well as the sanctions process is well defined and transparent for the whole organisation.

We promote diversity, equality and inclusion (DE&I) throughout our operations.

In 2023, some GFT countries developed programmes for the **inclusion of migrants**. Each GFT office generates different events to raise **awareness on disability** and increase inclusion within the company and global communities. For example, GFT Poland celebrated "**Global Accessibility Awareness Day**" to encourage reflection on the topic of digital inclusion. Furthermore, GFT Spain provided the **GFT Limitless** programme in cooperation with external ambassadors such as the Adecco Foundation. Its aim is to inform and raise awareness about disability while eliminating stereotypes, barriers and fears.

"**Choose your own name at work**" is another example of a DE&I initiative. It was created in response to a suggestion from employees: the "preferred name" function allows employees to simply change the first name displayed in their profile. No authorisation or proof is required for this. The change is adjusted in the systems in the background and a new email address is generated. This way, we as an employer are helping to strengthen our employees' right to self-determination. In 2023, 191 people (2022: 158) made use of this possibility.

The GFT Group's global DE&I strategy, strengthened by local DE&I initiatives, has led to **external recognition** for our dedicated teams in a number of GFT countries. Our **commitment to developing female talent** through the WomenTech Mentoring Programme was recognised at the prestigious Spanish Premios Cegos in the "Diversity, Equity & Inclusion" category. These awards celebrate excellence in human resources practices.

GFT UK achieved **Level 2 Disability Confident Employer** status and joined the esteemed Good Recruitment Collective, promoting exceptional recruitment practises. These achievements underscore our ongoing efforts to reshape attitudes and behaviour, while fostering an inclusive workplace environment for everyone at GFT.

Society & technology

Working environment

Health and work-life balance

The Group-wide **GFT Health & Safety Policy** is dedicated to promoting the health and well-being of our employees and preventing health risks. Due to varying national regulations, there is no Group-wide health management programme, but all national companies offer **health-related measures**, such as subsidies for insurance plans, check-ups, medical services and offers for external sports facilities. Important health-related topics addressed in employee communications in 2023 included mental health and mindfulness, exercise and cancer prevention.

To ensure a good **work-life balance**, GFT offers a high degree of freedom and flexibility with regard to the amount of work and working hours. Hybrid working, i.e. the possibility to combine work in the office, from home (or “work from anywhere”) and at clients’ premises, is standard throughout the Group. Many employees regard the establishment of work-from-home as one of the most important achievements, especially as there is no obligation to return to the office, as is the case at many other companies.

We also make sure that our constantly expanding **Benefits at GFT catalogue** is attractive and meets the needs of GFT employees.

Our employees are entitled to take **parental leave** – whether guaranteed by local law or as an employer benefit.

Table 20 Parental leave

	2023	2022*	2021**
Total number of employees on parental leave (headcount)	1,025	967	351
thereof women	216	251	109
thereof men	809	716	242

* The data was collected for the 9 largest GFT Group companies (Brazil, Canada, Germany, Italy, Mexico, Poland, Spain, UK, USA). They represent 94% of the GFT workforce.

** The data was collected for the 9 largest GFT Group companies (Brazil, Canada, Germany, Italy, Mexico, Poland, Spain, UK, USA). They represent 96% of the GFT workforce.

Communication and information

We want our employees to co-create the corporate culture and working environment with us. Every voice of our employees is important to us. Their feedback is listened to, analysed and integrated into the decision-making process. Our aim is to be a fully transparent organisation. Employees are therefore effectively

and regularly informed about the way in which their feedback has influenced management decisions.

Employee engagement – both face-to-face and virtual – is crucial for cohesion and cooperation. Virtual communication channels have been steadily expanded and improved to give all employees the opportunity to contribute suggestions, concerns and questions while working from home. These include chats and commenting functions in numerous internal blogs and on the intranet and online events. The CEO provides quarterly information in a livestream (“CEO live”) about current Group developments and a key topic – for example, the company strategy or the results of the staff survey. Several thousand colleagues regularly take part. Questions can be asked via chat, also anonymously, which the CEO answers immediately and then discusses in greater depth in the CEO blog “Connecting the dots”.

In 2023, we launched the first financial livestream for all employees, in which our CFO and the Head of Investor Relations talk employees through the financial results and the outlook for the future, as well as discussing GFT’s cooperation with third-party influencers.

Society & technology



Our culture and values

[More >>](#)

GFT countries also have their own local two-way communication channels and tools to ensure employee engagement and a transparent internal stakeholder dialogue. For example, townhalls (regular management meetings with all employees), Ask Me Anything (an open Q&A session with the local leadership team of GFT Poland), Meet the President (face-to-face meetings with the Managing Director of GFT Brazil), and on-line blueboxes enabling employees to anonymously ask any questions and provide feedback.

Numerous local events were also possible again in 2023 – for example the **GFT Values Awards**: employees in each country decide which colleagues and teams most impressively represent the Group's corporate values (see chapter 1 "The GFT Group"), either through their work on a particularly challenging project or through their everyday actions.

Another important management tool for transparent **stakeholder dialogue** is our regular **staff survey** (chapter 4, section "Great Place to Work"). It serves as a sentiment gauge and helps us to understand how we can improve as an employer.

Employee rights

In accordance with our Group-wide Code of Ethics & Code of Conduct, GFT is committed to **complying with international labour and social standards** around the world. GFT respects the **right to freedom of association and collective bargaining**. We respect the legal right of all employees to form and join employee organisations of their choice, including labour organisations or trade unions. Workers must not be

discriminated against because of their decision to join or not join a labour organisation. In countries where co-determination is restricted by law, GFT encourages employees to get involved.

Employee representatives represent 85% (2022: 81%; 2021: 85%) of the GFT Group's workforce.⁶ Worker co-determination is governed by the respective national regulations. In some cases, national companies have collective bargaining agreements and/or company agreements. Due to its legal form, GFT Technologies SE has an "SE works council" that represents employees in the member states of the EU (Belgium, Germany, France, Italy, Poland, Spain).

The respective employee representatives can communicate with employees by independently posting information on the intranet, using internal communication channels and holding meetings in GFT's offices.

GFT fully **respects human rights** (see chapter 4, section "Respect for human rights") and **employee rights**. We comply with internationally recognised standards and, in those countries where we have facilities, with the nationally applicable **labour and social standards**. We respect the **right to privacy** of our employees (SDG 16.10), for details see chapter "The GFT Group", section "Data protection".

Remuneration

The remuneration amount depends on the activities, function and responsibility of the employee. In addition to basic salary, remuneration also includes location-specific employer benefits. In 2023, **personnel expenses** of the GFT Group amounted to €541.66 million (2022: €478.97 million; 2021: €380.39 million). Further details are provided in the combined management report (chapter 3 "Economic report"). Disclosures on the **ratio of board members' remuneration to employee remuneration** are included in the 2023 Remuneration Report.

Equal pay is a recognised human right – it means that all people have the right to equal pay for work of equal value.⁷

The "equal pay for work of equal value" calculation is based on the job families and career levels of the GFT Career Model. The analysis has so far included male and female employees. The average salary⁸ of all men at GFT is compared with the average salary of all women at GFT:

Equal pay = (average salary men – average salary women)/average salary men

Global HR submits a quarterly analysis to the Managing Directors of GFT Technologies SE. GFT's main goal is to achieve equal pay (SDG 5.1). In 2023, the **Group-wide equal pay gap** was <1% (2022: <1%; 2021: <1%).

⁶ There are no employee representative bodies in Costa Rica, the UK, Hong Kong, Canada, Mexico, Switzerland, Singapore, the USA and Vietnam.

⁷ A deviation in equal pay is also referred to as an "adjusted gender pay gap". The underlying "unadjusted gender pay gap" only takes into account the average difference (mean or median) between pay for all employed men and women in a selected sample. The average salary does not take into account characteristics of equivalence such as job family or career level. The unadjusted gender pay gap is presented as a percentage of the difference between the average gross salary of male and female employees as a percentage of male gross salary. The "unadjusted gender pay gap" is not in itself a measure of discrimination. Rather, it combines differences in the average pay of women and men to serve as a comparative barometer.

⁸ The term "salary" comprises the annual gross salary and the target bonus. Reports are prepared per country in the local currency. Paid and unpaid leaves of absence, apprentices, dual students, interns and employees at career level LO are excluded.

Society & technology



255

events – almost 200,000
external participants

Social commitment

We promote IT talent and want to attract more people to the technology industry – regardless of whether they work for GFT or not. This is why we are engaged in the areas of technology development and education.

As an employer, we are also actively involved in the local economy. At many of our locations, GFT employees provide support for charitable and voluntary initiatives – 61 local projects in the reporting period (2022: 44).

Technological development and responsibility

With our sustainability goal “Sustainability by design”, we are committed to ensuring that software development and the application of technologies are undertaken in accordance with ethical principles (SDG 12.6).

For information on Privacy by Design and GFT’s commitment to safe and responsible use of AI, see chapter 1, section “Data protection & privacy”.

The “**digital divide**” is the gap between those who have access to technology and those who do not. This includes geographical limitations in the availability of digital services, gender aspects or differences in age, socio-economic situation and education. With the aim of closing this “digital divide”, a new internal community for “**Inclusive coding**” was set up in 2022, in which around 100 developers have been active since then: “It is the task of (software) designers to ensure that everyone can participate in society.” Accessible design specifically considers the needs of people with disabilities. Web accessibility means that websites, tools, and technologies are designed and developed in such a way that people with disabilities can use them.

Education

Our “Grow tech talent worldwide” programme (SDG 4.3, 4.4, 5 b, 17.6) aims to promote external tech talent, attract new talent to the IT sector and support tech communities. With a total of 255 (2023) initiatives, including cooperation with universities or other partners, independent GFT events and sponsoring, we have increased (by 63%) our commitment compared to the previous year (2022: 190; 2021: 67).

Our focus areas are:

- **Creating tech talent**, which is aimed at children and young people as well as adults without a technical background. With offers such as coding workshops and hackathons, we want to support the acquisition of basic technology skills.

- **Empowering tech talent**, which targets the global tech community through conferences, webinars and university partnerships and aims to promote the development of technology skills.

We want to **encourage girls and women in particular to pursue careers in technology**. The company offers various mentoring programmes for women and girls, giving them the knowledge, technical and soft skills they need to grow and flourish in the IT industry. In 2023, we conducted several coding workshops, for example a Girls’ Day for girls in Eschborn, Germany, and a two-day hackathon in cooperation with the organisation Shecodes for 500 female participants in Vietnam (2022: 200). We sponsored several technology conferences, such as the “Reframe Women in Tech 2023” in Manchester, UK. With 44 events empowering female tech talent (2022: 48; 2021: 12), we continuously demonstrate our commitment in this area.

Risks

We assess the negative impact of our business activities and social commitment on society as insignificant. We categorise the occurrence of society-related risks as relatively unlikely. We therefore assess social risks as low.

Society & technology



The GFT Group achieved **silver status** in the **EcoVadis** rating – putting GFT in the top 25 per cent of companies assessed by EcoVadis.

Respect for human rights

The Group's duty of care to protect human rights is embedded in our Code of Ethics & Code of Conduct. We are committed to upholding, supporting and respecting internationally proclaimed human rights in accordance with the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (SDG 8.7 und 8.8). As a signatory of the UN Global Compact (UNGC), we are also committed to upholding and promoting the 10 UNGC Principles.

Compliance with labour and social standards in the **supply chain** is important to us. In accordance with the Group-wide Purchasing Policy, priority is given in the selection of suppliers to those who pursue the promotion of human rights and environmental awareness.

Our main suppliers are highly skilled IT specialists who support our core business. When purchasing services that serve business operations, we can influence compliance with environmental/social criteria.

The General Terms and Conditions of the GFT Group provide the guidelines for each of the GFT countries. The General Purchasing Terms and Conditions and the General Terms and Conditions for Purchase of IT Contractor Services contain a **Code of Conduct for Suppliers and Service Providers**.

Human rights-related aspects are part of both the third-party due diligence process for new business partners (clients, partners, suppliers) and of the recurring automated checks performed on all existing clients and suppliers (see chapter 1, section "Compliance").

Before entering into business relationships and before establishing GFT locations in new regions, our Compliance Office conducts country-specific risk analyses and ad-hoc assessments based on frameworks such as the World Justice Project's Rule of Law Index and the Human Freedom Index.

The Compliance Office also conducts systematic assessments of existing business relationships. All clients and suppliers are regularly (daily to weekly) and automatically checked against sanctions and terrorism lists in our ERP system. In the event of

human rights abuses, we are ultimately entitled to terminate the business relationship with immediate effect.

Further information on partnerships can be found in the management report (2.1 "Business model") and on our website GFT partners; on the supply chain in the notes to the consolidated financial statements (5.3 "Cost of purchased services", 5.5 "Other operating expenses").

Risks

We assess the occurrence of human rights violations resulting from our business activities or in connection with the services we provide as relatively unlikely. We therefore consider the impact to be insignificant. We therefore assess the overall risk of human rights violations as low.

Stuttgart, 19 March 2024

GFT Technologies SE
The Managing Directors

Marika Lulay
Chief Executive Officer

Dr Jochen Ruetz
Chief Financial Officer

Jens-Thorsten Rauer
Group Chief Executive –
Central & Western Europe

GRI content index

GFT Technologies SE hat die in diesem GRI-Index genannten Informationen für den Zeitraum 01.01.–31.12.2022 unter Bezugnahme auf die GRI-Standards berichtet.

Table 21 GRI-Inhaltsindex

GRI-Standard		Reference to reports* (page), links, comments
General Disclosures		
2-1	Organizational details	Notes to the Consolidated Financial Statements, General Information AR: 71, Composition of the Group AR: 86, Shareholder Structure https://www.gft.com/int/en/about-us/investor-relations/share
2-2	Entities included in the organization's sustainability reporting	NfR: 5, 7 AR: 21 ff
2-3	Reporting period, frequency and contact point	NfR: 5 (yearly), 54 (date of publication)
2-4	Restatements of information	Recalculation of GHG emissions reported for 2021, 2020 in scope 3, category 1, category 2, category 11 Change to the consolidated group: AR: 86
2-5	External assurance	NfR: 5 No external audit was carried out in the 2022 reporting year.
Activities and workers		
2-6	Activities, value chain and other business relationships	Industry: NfR: 7, Business model (AR: 21 ff), Partnerships https://www.gft.com/int/en/partners Value chain: Supply chain (NfR: 7), emissions in the value chain (NfR: 29 f), cost of purchased services, other operating expenses: Notes to the Consolidated Financial Statements (AR: 104 f)
2-7	Employees	NfR: 7, AR: 3
2-8	Workers who are not employees	NfR: 40
Governance		
2-9	Governance structure and composition	Management structure: Corporate Governance Declaration (AR: 55 ff), NfR: 8 f, Members: (AR: 18), www.gft.com/administrative-board
2-10	Nomination and selection of the highest governance body	Elected by Annual General Meeting: Corporate Governance Declaration (AR: 62), Objectives for composition, independence, competence profile: Corporate Governance Declaration (AR: 61 f), NfR: 9
2-11	Chair of the highest governance body	Chairman of the Administrative Board (AR: 56), www.gft.com/administrative-board
2-12	Role of the highest governance body in overseeing the management of impacts	NfR: 9 f, Principles and recommendations GCGC Corporate Governance Declaration (AR: 55 f), Identification of material non-financial aspects and risks (NfR: 9 f), Risk report (AR: 37 ff)
2-13	Delegation of responsibility for managing impacts	Remuneration system for the Managing Directors NfR: 9, Remuneration Report: www.gft.com/governance
2-14	Role of the highest governance body in sustainability reporting	Dealing with CSR strategy, status implementation CSR strategy, AR: 12 review of the NfR by the Administrative Board, review obligation pursuant to section 47 (3) SEAG in conjunction with section 171 (1) sentence 4 AktG Managing Directors: Reporting obligation pursuant to §§315b and 315c HGB in conjunction with §§289c to 289e HGB (German Commercial Code), NfR: 9
2-15	Conflicts of interest	Conflicts of interest and their treatment: Administrative Board's report (AR: 13)
2-16	Communication of critical concerns	Risk management system (AR: 37 ff), whistleblowing tool (NfR: 12)
2-17	Collective knowledge of the highest governance body	Education and training (AR: 14), skill profile: Corporate Governance Declaration (AR: 61 f)
2-18	Evaluation of the performance of the highest governance body	Self-assessment according to recommendation D.12 GCGC: Corporate Governance Declaration (AR: 59), Report of the Administrative Board (AR: 14)
2-19	Remuneration policies	Remuneration systems for the Administrative Board and Managing Directors, annual remuneration report on the implementation of remuneration systems: www.gft.com/governance No published information on the remuneration system for managers below the Managing Directors NfR: 9

GRI content index

GRI-Standard		Reference to reports* (page), links, comments
2-20	Process to determine remuneration	Remuneration report www.gft.com/governance , employee representatives are involved in accordance with national regulations
2-21	Annual total compensation ratio	Remuneration Report www.gft.com/governance , currently no publication of country-specific disclosures
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Corporate values (NfR: 8, 11), Professional integrity (11), climate goals (29), Sustainability by design (30), HR strategy (39), Grow tech talent worldwide (47), human rights (48), equal pay (46), data protection & privacy (16 ff)
2-23	Policy commitments	AR: 55, NfR: 12, GFT Code of Ethics & Code of Conduct https://www.gft.com/de/de/about-us/corporate-governance/Compliance
2-24	Embedding policy commitments	AR: 55, NfR: 12, GFT Code of Ethics & Code of Conduct https://www.gft.com/int/en/about-us/corporate-governance/Compliance
2-25	Processes to remediate negative impacts	Employee representatives (NfR: 46), anti-discrimination (NfR: 43 f), non-financial risks (NfR: 9), risk management system (AR: 39 ff), whistleblowing (NfR: 12 f), cyber security & resilience (NfR: 13 ff), data protection & privacy (NfR: 16 ff)
2-26	Mechanisms for seeking advice and raising concerns	Employee representatives (NfR: 40 f), anti-discrimination (NfR: 43 f), non-financial risks (NfR: 9 ff), risk management system (AR: 37 ff), whistleblowing (NfR: 12 f), cyber security & resilience (NfR: 13 ff), data protection & privacy (NfR: 16 ff)
2-27	Compliance with laws and regulations	NfR: 12
2-28	Membership associations	www.gft.de/nachhaltigkeit , register entry "GFT Technologies SE" – Lobby register at the German Bundestag: https://www.lobbyregister.bundestag.de/suche/R004568 (At the time of reporting, the current entry in the lobby register refers to the financial year 2022, update for financial year 2023 will take place mid-May 2024)
2-29	Approach to stakeholder engagement	NfR: 9, Employees: NfR: 23 f, Customers: Value Creation (NfR: 7f, 15), Global Delivery Model (AR 22, 46), climate targets (NfR: 29 ff), GreenCoding (NfR: 30 f), Privacy Engineering (NfR: 18), Cybersecurity (NfR: 13 ff), Data Protection (NfR: 16 ff), Shareholders: Letter to our Shareholders (AR 9f), GFT on the Capital Market (AR 17 f), www.gft.com/ir
2-30	Collective bargaining agreements	NfR: 46
Disclosures on material topics		
3-1	Process to determine material topics	NfR: 9, AR: 39 f Risk assessment
3-2	List of material topics	NfR: 9
Corporate Governance		
3-3	Management of material topics	Ethical standards and rules of conduct, compliance management system, taxes, IT security, data protection NfR: 11ff
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Through our Compliance Office, we check all locations for corruption risks NfR:12
205-2	Communication and training about anti-corruption policies and procedures	internal communication, mandatory online training for all employees, needs-based training, training quota NfR: 12
205-3	Confirmed incidents of corruption and actions taken	NfR: 12 (No incidents were reported in the year under review.)

GRI content index

GRI-Standard		Reference to reports* (page), links, comments
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	NfR: 12 (No investigations or proceedings were initiated during the year under review.)
Tax		
207-1	Approach to tax	NfR: 11
207-2	Tax governance, control, and risk management	NfR: 11 , AR: 31, 68f, 72, 83, 92, 105 Risk management system (AR: 39 ff), risks (AR: 42, 48 f)
207-3	Stakeholder engagement and management of concerns related to tax	NfR: 11
207-4	Country-by-country reporting	Individual Financial Statements of GFT Technologies SE (HGB)AR: 48 ff, the tax expenses of the GFT national companies (AR: 86 scope of consolidation) are included in the consolidated financial statements (AR: 30, 68, 79 ff, 89 ff, 108 f)
Public Policy		
415-1	Political contributions	Indirect contributions https://www.lobbyregister.bundestag.de/suche/R004568 (At the time of reporting, the current entry in the lobby register refers to the financial year 2022, update for financial year 2023 will take place mid-May 2024)
Environment		
3-3	Management of material topics	EU taxonomy (NfR: 21 ff), Environmental Policy, IT infrastructure (NfR: 29), Energy management (NfR: 31 f), Greenhouse gas emissions (NfR: 33 ff), Climate targets (NfR: 29), Risks (NfR: 31); Risk management (AR: 39 ff), impact of climate change (AR: 85), review of the NfR by the Administrative Board (AR: 12)
302-1	Energy consumption within the organization	NfR: 31 ff
305-1	Direct (Scope 1) GHG emissions	NfR: 34 f
305-2	Energy indirect (Scope 2) GHG emissions	NfR: 34 f
305-3	Other indirect (Scope 3) GHG emissions	NfR: 35 ff
305-4	GHG emissions intensity	NfR: 34
Employees		
3-3	Management of material topics	Human Resources Strategy (NfR: 39 f), Human Resources Management (AR: 24 f), Health and Work-Life Balance (NfR: 45), review of the NfR by the Administrative Board (AR: 12)
Employment		
401-1	New employee hires and employee turnover	NfR: 40
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	We do not distinguish between full-time and part-time. There are location-specific employer benefits.
401-3	Parental leave	NfR: 45 (No uniform information on return rate possible due to different national regulations.)
Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	National differences in regulations; all legal deadlines are respected

GRI content index

GRI-Standard		Reference to reports* (page), links, comments
Occupational Health and Safety		
403-1	Occupational health and safety management system	GFT Health & Safety Policy (NfR: 45), Risk management system (AR: 37 ff) Due to the different national regulations, there is no Group-wide occupational health and safety management. All GFT subsidiaries offer health-related measures and comply with national requirements for occupational safety and health.
403-2	Hazard identification, risk assessment, and incident investigation	GFT Health & Safety Policy (NfR: 45), Risk management system (AR: 37 ff)
403-3	Occupational health services	NfR: 45 (Due to the different national regulations, there is no Group-wide occupational health and safety management. All GFT subsidiaries offer health-related measures and comply with national requirements for occupational safety and health.)
403-4	Worker participation, consultation, and communication on occupational health and safety	NfR: 45
403-5	Worker training on occupational health and safety	Compulsory training due to differences in national regulations in some countries
403-6	Promotion of worker health	NfR: 45
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	NfR: 45, NfR: 15 Business Continuity Management System, AR: 37 ff Risk management system
403-8	Workers covered by an occupational health and safety management system	NfR: 45 (GFT Health & Safety Policy) Due to the different national regulations, there is no Group-wide occupational health and safety management. All GFT subsidiaries offer health-related measures and comply with national requirements for occupational safety and health.
403-10	Work-related ill health	NfR: 40 (main types of work-related diseases)
Training and Education		
404-1	Average hours of training per year per employee	NfR: 43 (A distinction by category cannot be made at present.)
404-2	Programs for upgrading employee skills and transition assistance programs	NfR: 43 (A distinction by category cannot be made at present.) Technology competence (NfR: 8, 43), (NfR: 8, 43), GreenCoding (NfR: 8, 30), Privacy Engineering (NfR: 18), Leadership (NfR: 43), DE&I (NfR: 43 f), WomenTech (NfR: 44) No transitional assistance programmes available, appropriate support in individual cases
404-3	Percentage of employees receiving regular performance and career development reviews	NfR: 42
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Diversity concept for the Administrative Board (AR: 61 f) and Managing Directors (AR: 65) Employees: NfR: 40 ff, NfR: 42 career model
405-2	Ratio of basic salary and remuneration of women to men	Personnel expenses (AR: 104, NfR: 46) currently no publication of gender-specific information
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	NfR: 44
Human Rights		
3-3	Management of material topics	Due diligence (NfR: 48), labour and social standards (NfR 17, 21, 46), purchasing conditions (NfR: 48), employee data protection (NfR: 17), data protection (NfR: 16 ff), Privacy by design (NfR: 18), review of NfR by the Administrative Board (AR: 12)

GRI content index

GRI-Standard		Reference to reports* (page), links, comments
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	We are not aware of any business processes or suppliers that involve a significant risk here.
Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	We are not aware of any business processes or suppliers that involve a significant risk here.
Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	We are not aware of any business processes or suppliers that involve a significant risk here.
Information Security&Data Privacy		
3-3	Management of material topics	Information Security Management System (ISMS) acc. to ISO/IEC 27001:2013 (NfR: 13 ff), Defense against Cyberattacks (NfR: 15), Zero Trust Model (NfR: 14), Security Operations Centre (SOC) (NfR: 14), Business Continuity Management System (BCMS) acc. to ISO 22301:2012 (NfR: 15), Data protection (NfR: 16 ff), Privacy by design (NfR: 18), review of NfR by the Administrative Board (AR: 12)
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints in the reporting period (NfR: 18 f)

* AR = Annual Report (financial year 2023), NfR = Non-financial Report (financial year 2023)

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Service



Service

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Further information

Our Investor Relations team will be happy to answer any questions you may have. Or visit our website at www.gft.com/sustainability. There you will find further information on sustainability in the GFT Group and on our ESG performance.

The non-financial group report 2023 is also available in German on www.gft.de/nachhaltigkeit.

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