



Sustainability Report 2022



VIRTUALWARE®

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UN Global Compact and 2030 Agenda. —

The UN Global Compact is the world's largest corporate sustainability initiative, underpinned by the United Nations principles and values. The UN fosters meaningful cooperation between different sectors to achieve and scale-up solutions to address global challenges through its unique position.

This global initiative calls for businesses to incorporate ten universal principles related to human rights, labor, environment, and anti-corruption into their strategies and operations. Put forth action that advances social goals while implementing Sustainable Development Goals (SDG).

As a result, the bloom of a genuinely global movement emerges fueled by responsible companies integrating sustainability into their core strategies and operations, looking to benefit society and themselves.

The Global Compact is open to all types of organizations, although companies predominate. There are more than 8,000 corporations and more than 4,000 non-profit organizations globally. In Spain, there are more than 2,600 entities in total, from which 83% of signatories are companies and 17% are other types of organizations (associations, foundations, educational institutions, and many more). Making the Spanish network the most important of the 86 existing ones.

With the approval of the 2030 Agenda, **the business world has taken on an unprecedented role in advancing responsible and inclusive business management models, reducing their negative impacts, and improving their positive contribution to people and the planet.**

SUSTAINABLE DEVELOPMENT GOALS



Sustainable Committee Virtualware. —

At Virtualware, we incorporate sustainability as one of our three core values that everyone in the organization must embrace.

“We believe in sustainable development as the path to a better society. Equality, diversity, improving education, improving working conditions, reducing differences, or reducing the environmental impact are some of our acquired oaths. We are committed as an organization to achieve progress as a society.”

“It’s time for leaders to ensure sustainability goals are firmly embedded in corporate strategy and company purpose.”

— PETER LACY, Senior Managing Director – Accenture Strategy

“The Global Goals are not just a nice thing to do—they are a path to a prosperous world.”

— ALAN JOPE, CEO, Unilever

“With a decade to deliver the Global Goals, technology has the potential to accelerate progress while helping companies enhance their competitive agility.”

— JESSICA LONG, MANAGING DIRECTOR – ACCENTURE STRATEGY

For these reasons, in **January 2021, we created a Sustainability Committee** composed of 11 people in the organization coming from different and diverse departments, whose responsibilities are:

- Identify the SDGs and targets.
- Create the Materiality Matrix.
- Define the programs we will work with to generate actions and measure them.
- Define the ambition of each program, the targets or KPIs, and actions.
- Track KPIs and review the status of actions
- Replantear metas o acciones oportunas.





SDGS and challenges Virtualware.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Industry, Innovation and Infrastructure

By 2030, modernize infrastructure and convert industries to be sustainable, using resources more efficiently and promoting the adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Responsible consumption and production

By 2030, achieve **sustainable management and efficient use of natural resources**.

Reduce global per capita food waste at retail and consumer level by half and reduce food losses in production and supply chains, including post-harvest losses.



Gender Equality

Improve the use of enabling technology, particularly information and communications technology, to **promote the empowerment of women.**

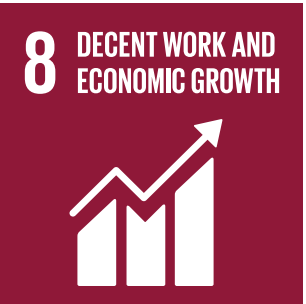
End all forms of discrimination against all women and girls worldwide.

Assure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.



Partnerships for the goals

Encourage and promote effective partnerships in the public, public-private and civil society spheres, taking advantage of the experience and strategies for obtaining resources from partnerships.



Decent work and economic growth

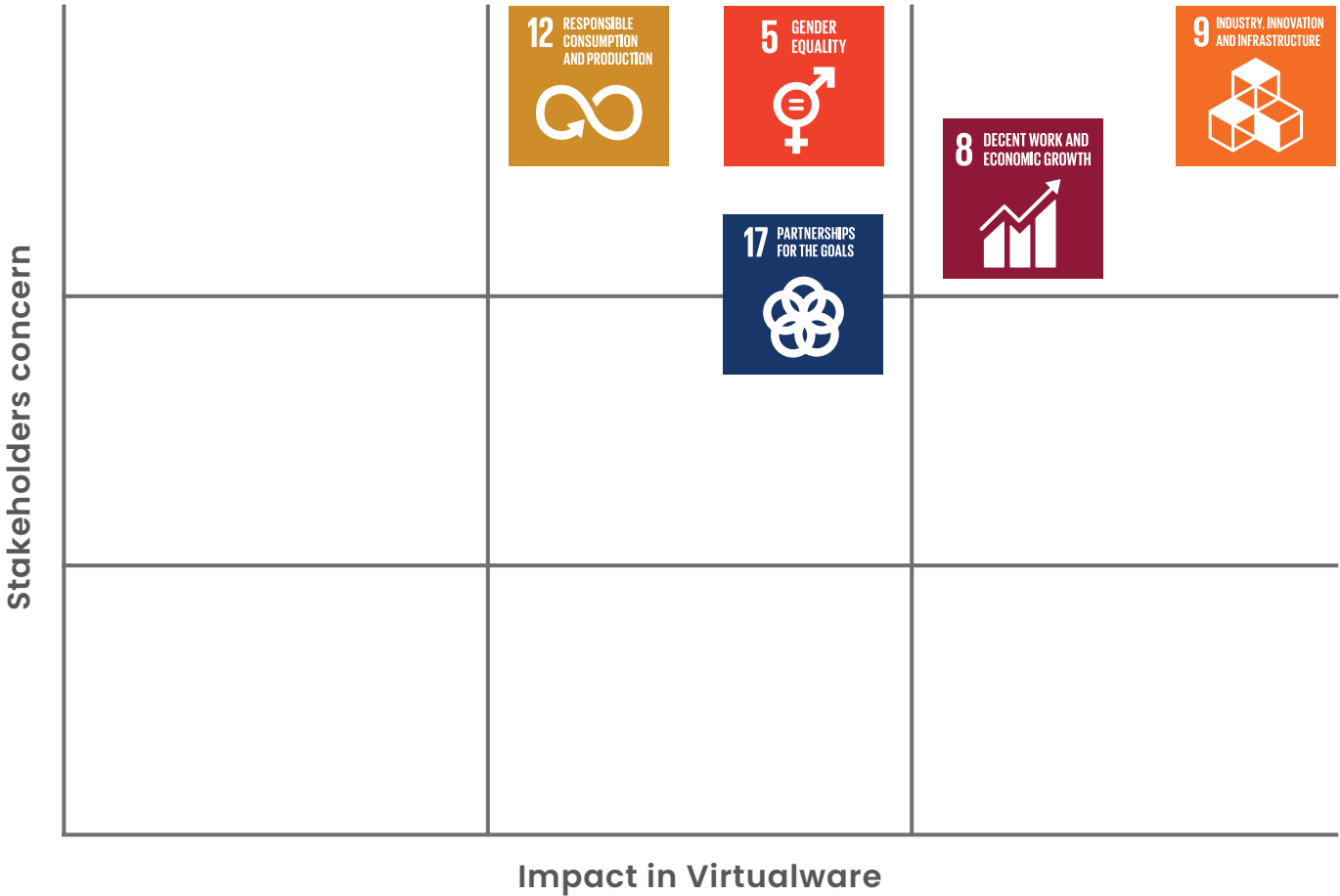
Progressively improve, by 2030, the **efficient production and consumption of the world’s resources** and strive to decouple economic growth from environmental degradation, in line with the 10-Year Framework of Programs on Sustainable Consumption and Production Patterns, starting with developed countries, in line with the 10-Year Framework of Programs on Sustainable Consumption and Production Patterns, starting with developed countries.

By 2030, achieve full and **productive employment and decent work for all women and men**, including young people and people with disabilities, and equal pay for work of equal value.

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including by focusing on high value-added and labor-intensive sectors.

Protect labor rights and promote a safe and secure working environment for all workers, including migrant workers, particularly women migrants and those in precarious employment.

Materiality Matrix





Progression Programs 2021-2023.——

As a result of the SDGs and the Materiality Matrix analysis, **the committee has identified four Progression Programs** to create the framework and Strategic Plan 2021-2023 to guide our actions and goals for the next three years.



We view Virtual Reality as one of the most progressive and disruptive enabling technologies in today's market.

For this reason, we invest significantly in promoting this technology as a medium to influence industries and educational institutions towards sustainable improvement and transformation.

Our purpose is to design, develop, and promote innovative and responsible products and services with the highest security, privacy, and sustainability standards.

To this end, we define the following lines of work:

- **Innovative products and services that generate sustainable impact:** Ensure that all products and services comply with Virtualware's innovation attributes, enhancing and promoting sustainability values.
- **Privacy, data protection, and intellectual property:** Ensure privacy and data protection in all our products and services.
- **Eco-efficiency and safety of products and services:** Ensure efficiency and sustainability in the usage of resources and resource management in all processes related to the design, manufacturing, and operation of products and services.

SDG Targeted Impact:



1 Sustainable Innovation.

We understand innovation as a lever for improving sustainability and increasing the competitiveness of organizations.

Innovation is part of Virtualware's DNA, and as such, it is one of our values deeply connected to our culture, principles, and systems necessary to generate constant refinement of our processes and technology.

2 Sustainable Environment.

Virtualware, like any other organization, generates a direct or indirect impact on the environment derived from the actions, manufacturing, and development processes.

Consequently, **we will prioritize the necessary steps to minimize the environmental impact of Virtualware's process, activities, and developments.**

Purpose: To manage all our activities in an excellent way to minimize Virtualware's environmental impact on the planet.

Lines of work:

- **Sustainable Consumption:** Ensure efficient and sustainable consumption and use of resources in all processes, actions, and development of Virtualware's projects and products.
- **Sustainable Production:** Ensure the most negligible impact on the environment and social environment through the development and manufacturing processes of Virtualware's projects and products throughout their life cycle.
- **Green purchasing:** Contribute to the circular economy and carbon footprint reduction by selecting and acquiring products that meet the sustainability and social responsibility criteria.social identificados.

SDG Targeted Impact:



3 Sustainable Individuals.

People are our main asset and the element that will allow us as a company to be competitive and sustainable. Furthermore, we clearly understand that people must find in Virtualware a place that will enable them to develop professionally and personally, sharing common values, ambitions, and purpose.

We understand our organization as a space where the well-being and care of people are fundamental; it is essential.

For this reason, we work hard to ensure a flexible and adaptable work environment for everyone. We consider diversity and equality as core values in all our processes, contributing to generating greater satisfaction and commitment to the business project.

Purpose: To be an inclusive organization composed of diverse talents who identify with Virtualware's purpose and values while driving individual professional and economic development, impacting our social environment.

Lines of work:

- **Culture and policy of equality and respect for diversity:** Ensuring an egalitarian culture and policy, valuing diversity in all senses at Virtualware.



- **Attracting and managing talent:** Identify and attract the right talent to ensure their development, align professional and economic growth, and generate a higher added value and competitiveness.
- **Wellness and Health:** Ensuring the proper work-life balance, taking care of people, and generating high degrees of wellness satisfaction.

SDG Targeted Impact:



4 Sustainable Partnership.

We intend to create alliances with other institutions, companies, and organizations that will allow us to promote and expand our capacity for impact on the SDGs.

Ambition: To establish a network of allies that will allow us to enhance our positive impact and contribution to the different SDGs identified.

Lines of work:

- Alliances with educational entities and initiatives.
- Alliances with entities and initiatives related to sustainability, environment, and human and social rights.
- Alliances with entities and initiatives promoting innovation.

SDG Targeted Impact:



Results 2022.——

In 2022, the Sustainability Committee met four times to review progress, identify new actions and establish mechanisms to implement initiatives that allow us to reach better outcomes.

Below, we highlight some initiatives (led by the committee or developed by the organization) incorporating the criteria and mechanisms defined by the committee to promote and improve our contribution to the SDGs.



Sustainable Innovation Program.

Achieving ISO 27001 certification.

Virtualware and its Virtual Reality platform VIROO have obtained the 27001 Information Security certification. This is part of Virtualware’s ongoing commitment to ensure the confidentiality, integrity and availability of information for its customers, associates and partners around the world.



ISO 27001:2013 is the international management system standard that establishes the requirements and parameters of an **Information Security Management System (ISMS)** and represents a comprehensive framework for organizations to responsibly manage and protect data, including personally identifiable information (PII) of individual users.

By adhering to this standard, Virtualware, which has **also ISO 9001:2015 Management System Certificate** since 2007, establishes its commitment to providing a secure and responsible ecosystem.

ISO 9001 is an international quality management standard, that recognizes the commitment to continual improvement and quality, ensuring that products and services meet legal and customer requirements, and assisting in the improvement of an organization’s performance.

Both certificates are a recognition of the commitment and culture that has always existed in the organization to establish ways of working that provide value, trust and security to customers and stakeholders, covering the developments, processes, products and services offered by the company.



“We are pleased to have received accreditation to the leading international information security standard, reflecting the emphasis we place on ensuring the highest standards of security.”

Unai Extremo

Sustainable Environmental Program.

WEEE Waste Management.

In mid 2022, we registered as a small producer of non-hazardous and WEEE (electrical and electronic equipment) waste. We selected an agent authorized by the Basque Government’s Department of the Environment, for treatment our waste.

Between June and December we treated a total of 87 kgs.

We also participated in the collective collection of cardboard and paper promoted by the Basauri Town Council for companies located in the municipality, delivering more than 600 kilos of cardboard and paper to the concessionary company for recycling.



Sustainable Innovation Program.

Incorporating sustainability into our success stories.

We have prepared several success stories of projects developed for companies such as ADIF, EMISAN, GEH, Bizkaia Technology Park, and several vocational training centres, in which we have included a final section on sustainability.

We explain how VIROO applies directly on some SDG, and how it improves in terms of sustainability.

Sustainable Environmental Program.

Internal Messages on Sustainability.

In the weekly video newsletter (ANEMONA NEWS) that we produce and send to everyone at Virtualware, we have included a monthly section in which we share messages, ideas and initiatives that we can apply in the company and in our personal lives in terms of sustainability.

The aim of this section is to share best practices in achieving the Sustainable Development Goals. It gives useful tips, refreshes and reminds us, for example, of how we can incorporate small habits in our daily lives for efficient, responsible and sustainable energy consumption and thus make our contribution.

Sustainable Individuals Program.

Wellness and health community.

In addition to the small “tips” and weekly recommendations in ANEMONA NEWS, a new Wellness and Health channel has been created in Microsoft Teams to share all the articles discussed in the weekly podcast. This space will also allow us to promote and propose activities and workshops related to wellness and sustainability.

Sustainable Environmental Program.

Elimination of paper invoices, document capture + electronic signature.

In the year 2022 we have used 28 packs of DIN A4 sheets of 500 sheets each, making a total of 14,000 sheets and ½ pack of DIN A3 sheets, with a total of 250 sheets.

PAPER DESTRUCTION CONTAINER (Recycling):

In 2022 we contracted the company GESDUCON, which specialises in the destruction of confidential paper documents. The company has installed in our office a 240-litre container with a security lid. We had estimated that we would need to fill two containers per year, but thanks to the reduction in paper invoices at the end of the year, we are ¾ way through filling one of the containers.

During the year 2023, this documentation will be destroyed and used as recycling material.



Sustainable Individuals Program.

Recovering recreational activities since the pandemic.

After two years without being able to carry out activities outside working hours due to the pandemic, during the year 2022 we have recovered some leisure activities.

These outings strengthen relationships between colleagues and encourage interaction between people from different teams.

- City Jump Vitoria-Gasteiz
- Barbeque (BBQ) and Virtual BBQ

In this edition, in order to include people who telecommute or who could not attend the meeting due to their schedule, a virtual session was organised on the VIROO® platform for a VRBQ before the physical meeting for the barbecue.

This virtual scene, which included jokes, games and all the details of a real barbecue, also made it possible to test new features and the performance of the application with many users connected at the same time.



Sustainable Individuals Program.

Weekly fruit basket.

We have also regained a healthy habit and commitment we had before the pandemic, receiving every Tuesday we receive a basket of 7kg of seasonal fruit.

From October 18 to the end of the year we have consumed 70kg of fruit.



Sustainable Individuals Program.

Gender wage gap project results.

In the diagnosis carried out after the completion of the first Virtualware Equality Plan , prior to the preparation of the 2018–2022 Equality Plan, the subjective perception by women of the existence of salary differences by gender was identified (25% of women indicated no and 38% of women and 67% of men indicated NS/NC), in addition the salary data and the presence of women in the different departments indicated that there could be inequalities in this aspect.

Taking these two data as a reference, it was defined as a priority to implement **the wage gap project**, on the one hand, to eliminate from the equation an inequitable distribution of salary between positions of equal value and the possibility of identifying specific factors on which to act.

With the help of Bai Sarea (Emakunde) in 2021 we were able to analyze our internal situation and identify the possible factors of the results obtained and to establish corrective actions.

The analysis revealed the existence of vertical segregation, i.e. the presence of women was lower in higher-level positions. There were no women in strategic or managerial positions. There were also fewer women than men at tactical levels, and it was in these positions where there was a greater gap.

At the operational level, the gap was in favor of women, as they had more seniority in the company; and in the case of new hires, entry-level salaries had been the same for men and women, so no differences were perceived.

With these results, the following actions were identified to possibly clear up the doubts about the factors responsible for the gap.

- Analyze the compensation model and propose a new model if necessary.
- Analyze where Virtualware's decision-making positions were located and the presence and participation of women in them.
- Work on attracting women to Virtualware especially in Development and experienced positions.
- Analyze the gap on an annual basis.
- Annually review positions based on the actual value of work performed.

Following the analysis of the compensation model, a new one was implemented in 2020.

We moved from an individual negotiation model to another by position, with 4 premises or criteria to be taken into account:

- Level of experience hired in the position,
- Market value of each stand,
- Internal equity (positions of similar value)
- Gender neutrality.

It is a model that is updated every year, taking into account positions and areas (appearance of new areas, roles, positions...) and the possibilities of the company.

This process is complemented by 360° intra-team feedbacks that allow the level of experience and the annual contribution of people to the project to be adjusted.

As a result of the model change, several improvements were seen:

- Decrease in the salary difference between areas.
- Transparency in salary scale both for new hires and for the rest of the people in the company.



In 2021 and 2022 we reanalyzed the gap after this corrective action was implemented, highlighting the existence of two important factors in the existence of the gap in Virtualware:

- **Vertical segregation**, absence of women in management positions.
- **Difficulty in attracting women to positions of responsibility in technical areas.** Women have been with Virtualware for less time and the new recruits in senior technical positions have been men (where most new hires are being made).

This is partly a reflection of the society in which Virtualware is set. In fact, the Basque Country is the Spanish community with the fewest women in managerial positions, technology careers have suffered a sharp decline in female enrolment, and in most cases women are more likely to be in management positions.

In this context, the team involved in the gender wage gap has proposed the following actions to be considered in the **2022-2026 equality plan**, seeking to reduce these data and move towards a more egalitarian entity model in an active manner:

- Implement the project “Map of decision-making spaces and presence of women in Virtualware in 2023.
- Communication actions aimed at making the presence of women in our sector more visible and continuing to participate in initiatives and alliances linked to STEAM vocations.
- Annually review the value contribution of each profile to see if there is any position that is less valued and adapt it in the compensation scorecard.

In addition, it has been shown that the involvement and participation of the board member has helped to make the project transparent, shared, and positive. It is important to continue the policy of transparency and share the results obtained with the rest of the staff.

Sustainable Partnership Program.
Inspira Steam Alliance.

As in previous years, we have participated in several projects related to the promotion of Science-Technology Careers for Girls (STEAM).

Firstly, we continue to work with the Inspira STEAM project, in which our colleague Juan Santos acts as a mentor in workshops for the first cycle of ESO.

In these workshops we work on topics such as stereotypes, science and technology careers or STEAM women throughout history.



In addition, Elena Vallejo, UI/UX designer, participated in October in a meeting day between professionals and students within the STEAM Euskadi Strategy of the Basque Government.

Thanks to this initiative, ESO and Bachillerato students from several schools in the Basque Country were able to learn about different professions in science and technology.

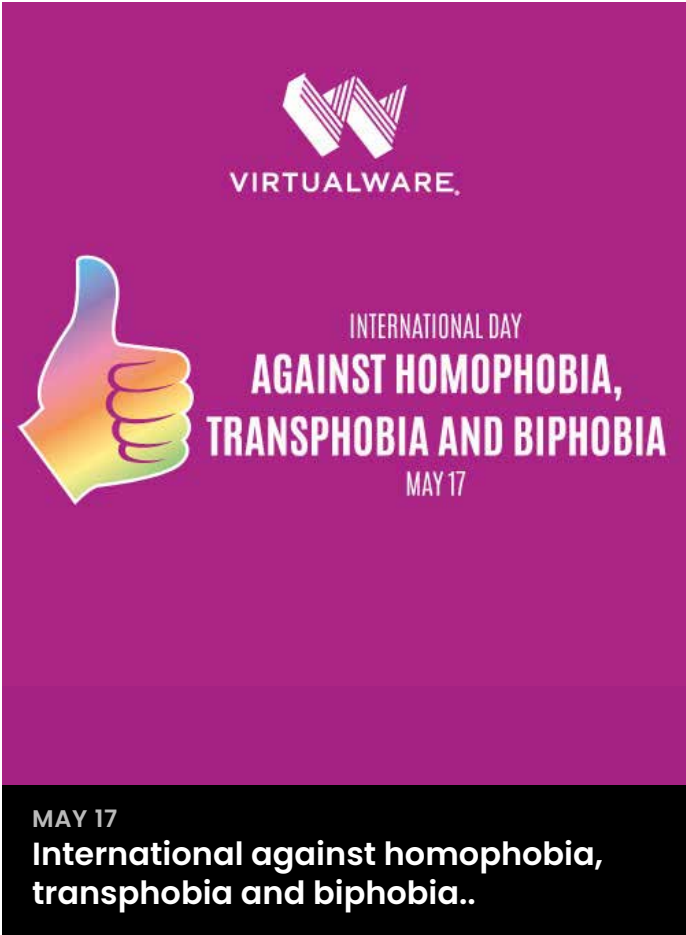


[Innobasque.eus/noticias](https://innobasque.eus/noticias)

Sustainable Individuals Program.

Campaigns.

At Virtualware it is important to show our involvement in various initiatives and key dates related to equality, science, environment and technology.





VIRTUALWARE®