

VIRTUALWARE
THE NEW PATH

2021 2023 STRATEGIC PLAN



**We believe,
We care,
We do.**



VIRTUALWARE.

ONE PURPOSE, ONE PASSION

2020 was challenging, unexpected, and unusual. Many organizations have had to weather the storm of uncertainty to rethink and question themselves in depth. The unprecedented “New Reality” has forced us to review everything we are and what we have been doing for a long time. We often question if what we do aligns with what we want, whether it is going to realize our vision, and how we want to do things.

At Virtualware, change is at the core of our DNA. Nonetheless, 2020 was the year where these questions

emerged with greater force than ever before. For this, we have taken this inner-reflection process to all the axes of the organization, asking ourselves the most basic questions that every organization and all the people that are part of it should be able to answer without a doubt.

Virtualware was born more than 17 years ago thanks to the determination of three computer engineers who shared a passion for Virtual Reality technology and believed in its potential to enhance the state of the art of multiple industries.



Our purpose is to promote the vast potential of virtual reality and accelerate its adoption to help companies and institutions create a sustainable future that moves society forward.

Those were very different times than we live in now. In terms of Virtual Reality technology, the novelty was not enough to expand in an ecosystem far from mature. In the early days, we followed a well-known path of developing single experiences that took us to different places. Places where we learned, nurtured, and grew as an organization and as individuals.

Presently, we are in a very different situation as the state of technology is more sophisticated, and the number of our collaboration with organizations and partners worldwide keeps growing. Now at Virtualware, we consolidate in our expertise both the experience and the know-how to introduce new solutions and patents that improve and accelerate the adoption of



virtual reality, such as NMERSO -our patented tracking system-and VIROO® -our innovation platform.

For all these reasons, we have reformulated and stated our purpose as a company to clearly defines why Virtualware exists and how it can contribute to moving society forward. Our new path now projects what we want to do and the impact we want to achieve, that it's ultimately reflected on what we work for: to leave a better world, a more advanced and sustainable society.

Our purpose as an organization responds to what we are passionate about and what will allow us to leave a legacy to be proud of.

We understand the company as more than a for-profit organization. It is where the people who form Virtualware connect with their personal and professional aspirations, ambitions, and passions while seeking to transcend their talents and generate value for society and future generations.

VALUES CREATE VALUE

More than ever, values are the most important and relevant elements in the future of any company. They respond to the “what for” and the “how.” And in our organization, they have a more profound impact on our talent and all stakeholders than the “what.”

Values are not just words with which to generate an attractive image to the outside world. They are our foundation, mirroring a shared purpose from where our strategic plans and organizational model take form. The following core values are the essential elements that everyone in the organization must take care of and uphold, above all else.

At Virtualware, we have established three essential values that we are committed to caring for and maintaining, and from which we develop all our plans

Our values are the greatest source of value creation for our customers and stakeholders.

and organizational models. They are the pillars that mark our strategic, organizational, and operational decisions.

WE CARE FOR INNOVATION

Caring for and fostering innovation in our organization is the only antidote to irrelevance and the only path that will allow us to advance towards our purpose. We understand innovation as a value that requires us to deploy strategies and organizational models that promote creativity, transparency, tolerance to failure, and serene coexistence with continuous change.



Innovation as a value promotes creativity, tolerance to failure, change and continuous questioning.

WE CARE FOR SUSTAINABILITY

Sustainability is the path we choose to follow to achieve our purpose. In our particular case, we base our goals on the Sustainable Development Goals launched by the UNGP. Equality, diversity, improving education, improving working conditions, reducing differences, or reducing environmental impact, are some of the commitments we have made and to which we are committed as an organization to move forward as a society.

Social, environmental and economic sustainability as a value to move society forward.

WE CARE ABOUT TRUST

We understand trust as the basis of any relationship

between people and an essential element in our values. Generating trust implies coherence, discipline, transparency, respect, kindness, and truth. We are committed to taking care of all the necessary aspects to generate and maintain this trust with the people who are part of our organization and our stakeholders.

Trust as a value implies consistency, discipline, commitment, transparency, respect, kindness and truthfulness.



<https://youtu.be/IU1JKXMmlhQ>

VIRTUAL REALITY AND VIROO

We started the year 2021 by launching a new strategic plan that will take us to 2023. A strategy that is born as a “new path” to which we are heading decisively due to the substantial progress of Virtual Reality technology in recent years. Our company is committed to innovation, and the creation of VIROO®, a product that we are sure will help us achieve our purpose of accelerating the adoption and integration of Virtual Reality technology by institutions and companies.

VIROO® will be, therefore, at the forefront in this “New Path” as the engine fuelling us to reach our goal and move towards our purpose.

We reconnect with our essence and passion which is Virtual Reality, and we do it by putting all the focus in the coming years in the development and scale of VIROO®.

In this “New Path”, we are considering sustainability and the Sustainable Development Goals as a frame of reference to measure the degree of contribution of our activity to generate a better world. Virtualware’s legacy will be to contribute to creating a better world through Virtual Reality and its ability to make organizations, institutions, and society, in general, more sustainable.

Universities, multinational companies, and innovation centers in Europe and America already use VIROO® to be more competitive and sustainable. Virtualware’s primary goal in the next three years is to spread its use.



VIROO® will boost the innovation capacity of the organizations, helping them not only to be more competitive but also to be more sustainable.

STRATEGIC GOAL: TO SCALE VIROO®

VIROO® is an innovation tool at the service of institutions and companies that exploits the full potential of Virtual Reality. It is the solution created by Virtualware with the purpose of becoming a technological standard, boosting organizations to get the most out of one of the enabling technologies with the greatest potential for growth and value generation: Virtual Reality.

We aim to have 50 organizations using VIROO® in their

processes by 2023. These organizations will be able to improve their competitiveness and sustainability by adopting this tool that simplifies, accelerates, and enhances the use of Virtual Reality in their processes.

VIROO® is a tool offered to organizations as a service through a pay-per-use business model. A service through which Virtualware establishes a strong relationship with organizations to support them on their way to becoming better, through VIROO®.



FOR A SUSTAINABLE FUTURE

The “New Path” is built on two fundamental pillars, Virtual Reality, and sustainability.

We consider sustainability and the Sustainable Development Goals (UN 2030 Agenda) as a reference framework for analyzing and acting on how our activity can contribute to creating a better world. Virtualware’s commitment to sustainability is not new. Still, in this “New Path” we have aligned it properly and integrate it as a fundamental pillar of our strategy and strategic objectives.

We will analyze the impact of our activity, and we will carry out actions as we have been doing in recent years to advance the SDGs. Additionally, we will design, implement solutions, and support our customers with them to be more sustainable.

Based on the Sustainable Development Goals launched by the UN (2030 Agenda), sustainability is the path we

Our legacy will be to create a better world through Virtual Reality and its capacity to make organizations, institutions, and society more sustainable

choose to follow to achieve our purpose. Equality, diversity, improving working conditions, reducing social inequalities, and lowering environmental impact are some of the commitments we have made as an organization to make progress.

And to achieve this, we have articulated three lines of action on which to work in order to make our contribution towards achieving the SDGs proposed for the year 2030.



SUSTAINABLE INNOVATION

We understand innovation as a driver for improving sustainability and increasing the competitiveness of organizations. Innovation is part of Virtualware's DNA, it is one of the company's values, and our culture is based on those principles and practices needed to develop constant innovation.

Virtual Reality is one of the most important enabling technologies with the most remarkable capacity for disruption today. And it is the company's commitment to significantly influence the improvement of the sustainability of the industry and educational institutions. Therefore, it is key to our commitment to creating innovative and responsible services and solutions in terms of design and customer application.

To design, develop and drive innovative and responsible products and services in terms of security, privacy and sustainability.

SUSTAINABLE ENVIRONMENT

At Virtualware, as in any other organization, we have a direct and indirect impact on the planet as a result of our actions, manufacturing, and development processes. We will prioritise the actions necessary to minimize the environmental impact of Virtualware's activities, processes, and developments.

To manage all our activities with excellence to reduce Virtualware's environmental impact on the planet to a minimum.

SUSTAINABLE PEOPLE

We are aware that people are our main asset and the element that allows the 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 values, ambitions, and purpose.

We understand the organization as a space where the well-being and care of people are essential.

We work hard to ensure a flexible and suitable working environment for all people, with diversity and equality as a value in all our processes. Thus, contributing to generate greater satisfaction and commitment to the business project.

To be an inclusive organisation, made up of diverse talent that identifies with Virtualware's purpose and values, driving the professional and economic development of people and their social environment.

SUSTAINABLE ALLIANCES

We are committed to maintaining and generating new alliances with other institutions, companies, and organizations that will enable us to promote and expand our capacity for impact in the field of the SDGs.

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



PRIORITIES TO GAIN OUR “MOMENTUM”

Virtualware’s SP 2021-2023 focuses on achieving the growth of our flagship product VIROO®. The next step we take is to define those activities that we believe are key to driving us to achieve our strategic objective.

And what are those priorities or activities that we consider key to achieve our objective?

VIROO® growth is our Flywheel that we have to start turning, and the activities that will help us to gain our

“momentum” are the following:

We have been working with the “Flywheel” concept that Jim Collins, in his book “Good to Great” explains in a straightforward way.



These activities set our key priorities for this Strategic Plan: R&D, alliances, excellent customer service, and VIROO® brand.

The program includes support, commercial and technical assistance, success stories and international references, visibility in promotional advertising campaigns, and all our expertise of more than 16 years in the enterprise Virtual Reality market.

GLOBAL PARTNERSHIP PROGRAM

Alliances are a fundamental component for the achievement of the plan and the launch of a global partner program is one of the initiatives that will have the greatest impact on VIROO®'s growth and therefore on achieving the objectives we have established.

Alliances are a fundamental component for the achievement of the plan. The launch of a global partner program is one of the initiatives that will greatly impact VIROO®'s growth and, therefore, achieve the objectives we have established.

We launch a program for companies developing custom VR business solutions that want to accelerate

their growth. VIROO®'s global partner program will enable its affiliates to:

- Differentiate themselves through a unique product
- Build trusted relationships with their customers by providing services
- Accelerate their growth and sustainability with recurring revenue generation.

In summary, we are committed to investing in R+D+i and development focused on VIROO®, generating strategic alliances and creating a global partner network, providing an excellent service to generate success in the client entities enhance and reinforce the VIROO® brand in Europe and North America.



OUR ORGANIZATIONAL PRINCIPLES

Our organizational model defines how we organize ourselves to uphold the company's values and purpose, and to ensure as far as possible the achievement of the strategic objective. Among other things, the organizational model helps us to deploy our culture.

This "New Path" clearly defines the organizational model we need to deploy. An organizational model that will enable us to:

- Care for our values: innovation, sustainability, and trust.
- Advance towards our purpose: Empower Virtual Reality technology and expand its use to help organizations and institutions become more sustainable and contribute to creating a better world.
- Lead us to fulfil our main strategic objective: To scale VIROO®.

We developed our organizational model based on three principles. These principles are what define our organizational culture and are the key to deploy the

necessary tools, as well as to achieve and maintain our values, purpose, and strategic objectives

SELF-MANAGEMENT

Our organization is a self-managed organization, that is, an organization that replaces hierarchy, authority, and control by superiors with labour autonomy, trust in people, and transparency to foster innovation.

Autonomy, the need to feel responsible for our own behaviour, is one of the main drivers of personal motivation.

One of the pillars of self-management is the creation of autonomous teams with dynamic roles and transparent rules.

We replace hierarchy, control, and authority with labour autonomy, trust, and transparency.



All the people who are part of Virtualware act as leaders within their scope of action.

LEADERSHIP

Virtualware understands the organization as a group of people capable of being and acting as leaders, who are aware of and work to put into practice, comply with and follow in their day-to-day work the Leadership principles that we define as the basis for the correct development of our business model.

These principles apply to each and every one of the people who are part of the company.

They are tools that guide our day-to-day behaviour, our way of working, communicating, and our decisions.

They define how we are going to manage the relationships between us as well as the relationships with our different stakeholders.

Being a leader in Virtualware implies passion and ambition, coherence, commitment, transparency, being focused on achievements, results, and customers, with the ability to reach high-quality standards, without fear of making decisions, prioritizing the common benefit over the individual, and the long term over the short term, with an openness to question the status quo and to improve, while relating in a friendly manner.

CREATIVITY AND DISCIPLINE

We aim for an excellent organization combining creativity and discipline as strengths while respecting and following acknowledged rules and complying with what has been agreed upon and decided.

Everything that makes an organization serious “by culture”, by a conviction of the people who compose it, because they themselves are serious. And that no one spends the day establishing controls and debating inappropriate behaviour.

- Create a culture of responsibility and freedom within a framework of action that is clear and simple.
- Be self-disciplined people.

- Do not confuse a culture of self-discipline with bureaucracy or disciplinary tyranny.
- Keep the focus of our actions on the “business concept”, simple and clear, and periodically clean it of inappropriate adherences.

A company’s organizational model is a key element in achieving its strategic objectives, caring for its values, and moving towards its purpose. It is these three elements that I talked about in my first articles of the series that should determine which organizational model to deploy. That is why there are as many models as there are organizations and each one must implement its own.

<https://youtu.be/pBVDrpPmoEc>



Unai Extremo
CEO Y Fundador, Virtualware

#THEPOWEROFWE

Together we can change the world.

Since 2004 helping companies and institutions to create a sustainable future that moves society forward by utilizing the vast potential of virtual reality technology



#thepowerofwe