

UN Global Compact  
**Communication  
on Progress  
2019**

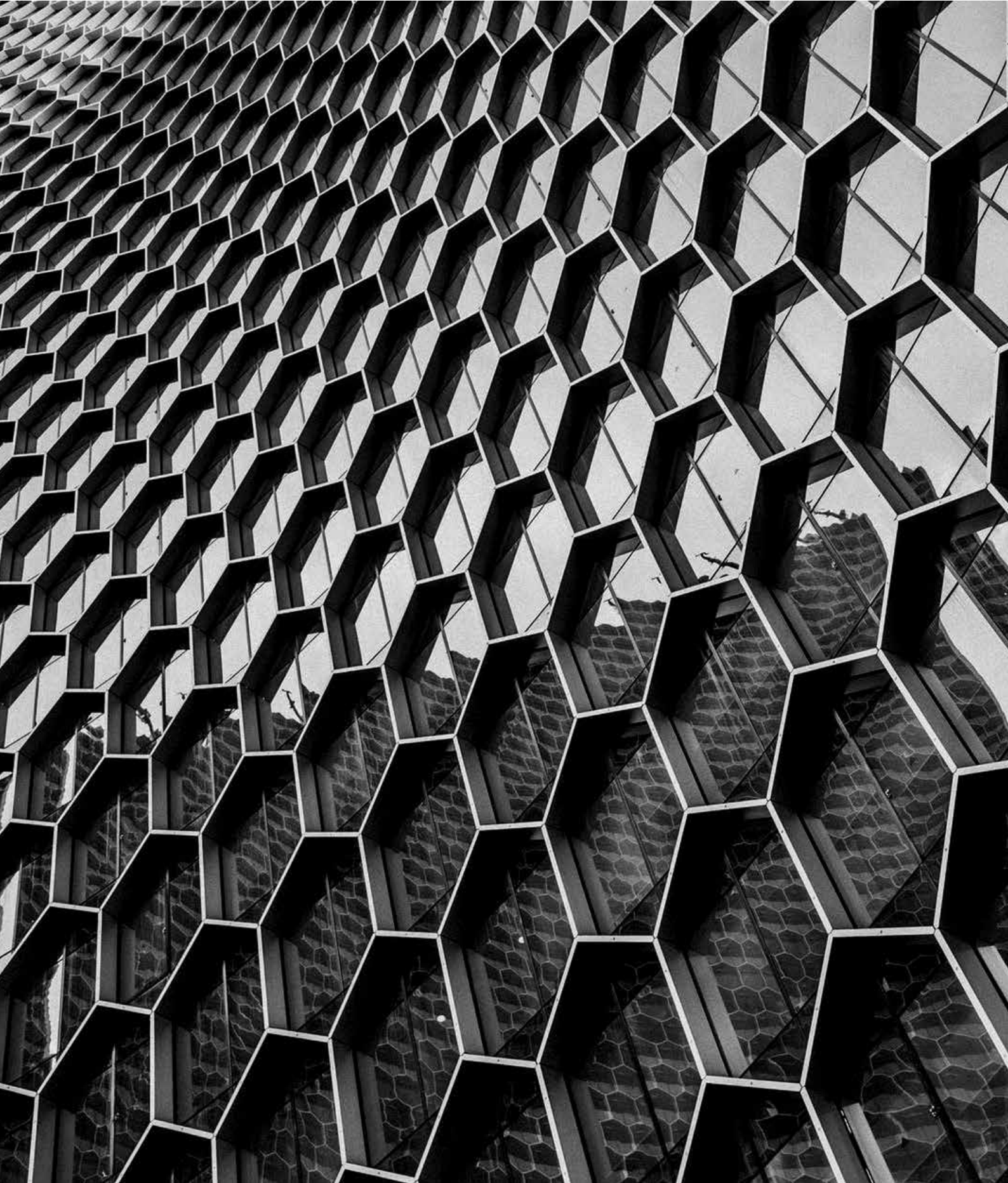


knowledge intensive business services

This is LATTANZIO KIBS'  
Communication on Progress  
in implementing the Principles  
of the UN Global Compact  
and supporting broader UN  
Sustainable Development Goals.

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# Our Statement of Continued Support

We are pleased to reaffirm LATTANZIO KIBS's support to the Ten Principles of the United Nations Global Compact in the four areas of Human Rights, Labour, Environment, and Anti-Corruption.

These fundamental principles have been at the core of our Code of Ethics since 2016. LATTANZIO KIBS commits to making them part of our strategy, culture, dedicated services and daily activities.

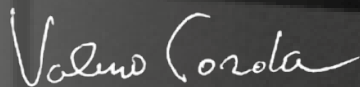
We are constantly involved in collaborative projects, integrating the Sustainable Development Goals of the United Nations into all our activities, with the aim to enhance sustainability both within LATTANZIO KIBS as with all our business partners and external stakeholders.

Our support in shaping a more sustainable future is therefore put into practice both internally in our key operations and processes, and externally in our services and projects.

2019 has been a crucial year for LATTANZIO KIBS in terms of re-organisation and improved governance.

In this Communication on Progress, we describe the actions we performed to include the Global Compact and its principles into our business throughout 2019. At the same time, we engage to share this information with our business partners and stakeholders by means of our main communication channels.

**Valerio Torda**  
CEO of LATTANZIO KIBS S.p.A



*Valerio Torda*



# Introduction

The United Nations Global Compact (UNGC) started in 2000 with the intention to lead the power of companies and stakeholders taking collective actions in support of responsible corporate citizenship. The Global Compact is a framework for businesses aimed at supporting, with their operations and strategies, the Ten Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption.

When companies incorporate the Ten Principles of the UNGC into their strategies, policies and procedures, and establish a culture of integrity, they are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success. As the world's largest global corporate citizenship initiative, it is concerned with demonstrating and developing the social legitimacy of business and markets. LATTANZIO Group decided in November 2017 to become a signatory of the UNGC to prove its commitment to the UNGC Principles<sup>1</sup>

- i. LATTANZIO KIBS supports and respects the protection of internationally proclaimed human rights (Principle 1)
- ii. LATTANZIO KIBS regularly monitors that it is not complicit in human rights abuses (Principle 2)
- iii. LATTANZIO KIBS upholds the freedom of association and the effective recognition of the right to collective bargaining (Principle 3)
- iv. LATTANZIO KIBS supports the elimination of all forms of forced and compulsory labour (Principle 4)
- v. LATTANZIO KIBS supports the effective abolition of child labour (Principle 5)
- vi. LATTANZIO KIBS supports the elimination of discrimination in respect of employment and occupation (Principle 6)
- vii. LATTANZIO KIBS supports a precautionary approach to environmental challenges (Principle 7)
- viii. LATTANZIO KIBS undertakes initiatives to promote greater environmental responsibilities (Principle 8)
- ix. LATTANZIO KIBS encourages the development and diffusion of environmentally friendly technologies (Principle 9)
- x. LATTANZIO KIBS strongly works against corruption in all its forms, including extortion and bribery (Principle 10)

<sup>1</sup>On 12/17/2018 LATTANZIO KIBS S.p.A. became sole shareholder of all LATTANZIO Companies

# Overview



LATTANZIO KIBS is an Italy-based strategic consulting hub that operates worldwide. LATTANZIO Knowledge Intensive Business Services covers Advisory, Monitoring & Evaluation, Learning, Communication, Safety Quality Environment, ICT Lab and Audit & Risk management. Our multidisciplinary contribution to value creation is the answer to the new demand for strategic consulting with strong accountability. Indeed, organizations are facing challenges in relation to multi-dimensional goals that require more and more integrated services.

knowledge  
intensive  
business  
services

<p>■ ADVISORY</p> <p>Strategy &amp; management consulting</p> <p>Technical assistance</p> <p>Management of development funds</p>	<p>■ MONITORING &amp; EVALUATION</p> <p>Evaluation of public policies and international cooperation</p> <p>Performance assessment and analysis for the private sector</p>	<p>■ LEARNING</p> <p>Integrated and innovative learning models</p> <p>Training and expertise development</p> <p>Digital content development</p> <p>E-learning infrastructure</p>	<p>■ COMMUNICATION</p> <p>EU-funded programs communication</p> <p>Institutional communication</p> <p>Visibility campaigns</p>	<p>■ ICT LAB</p> <p>Integrated advisory and project management</p> <p>Design &amp; implementation</p> <p>Innovation</p>	<p>■ SAFETY QUALITY ENVIRONMENT</p> <p>Management systems and organizational models</p> <p>Legislation &amp; training</p> <p>RPAS - Remote Piloting Aircraft System</p>	<p>■ AUDIT &amp; RISK MANAGEMENT</p> <p>EU Funds</p> <p>Risk management, internal control and internal audit</p> <p>Cyber security</p>
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## Our sectors of expertise

**PUBLIC ADMINISTRATION REFORM**  
GOVERNANCE & PUBLIC MANAGEMENT | JUSTICE  
DIGITAL AGENDA & E-GOVERNMENT  
ACCOUNTABILITY & QUALITY OF SERVICE

**LOCAL DEVELOPMENT**  
MARKETING PLACES  
INTERNATIONALIZATION

**PRIVATE SECTOR DEVELOPMENT**  
SMEs DEVELOPMENT  
STARTUP & BUSINESS INCUBATION  
CREATIVE INDUSTRIES

**EDUCATION & SOCIAL POLICIES**  
EMPLOYMENT | VOCATIONAL TRAINING  
DIGITAL LEARNING

**RURAL DEVELOPMENT & AGRIBUSINESS**  
STRENGTHENING VALUE CHAINS  
FOOD SECURITY & FOOD SAFETY  
AGRICULTURAL PRODUCTIVITY

**HUMAN RIGHTS**  
DEMOCRACY  
GENDER POLICIES EVALUATION

**ENERGY & ENVIRONMENT**  
ENERGY & NUCLEAR SAFETY  
ENVIRONMENT, HEALTH & WORKPLACES  
SAFETY MANAGEMENT

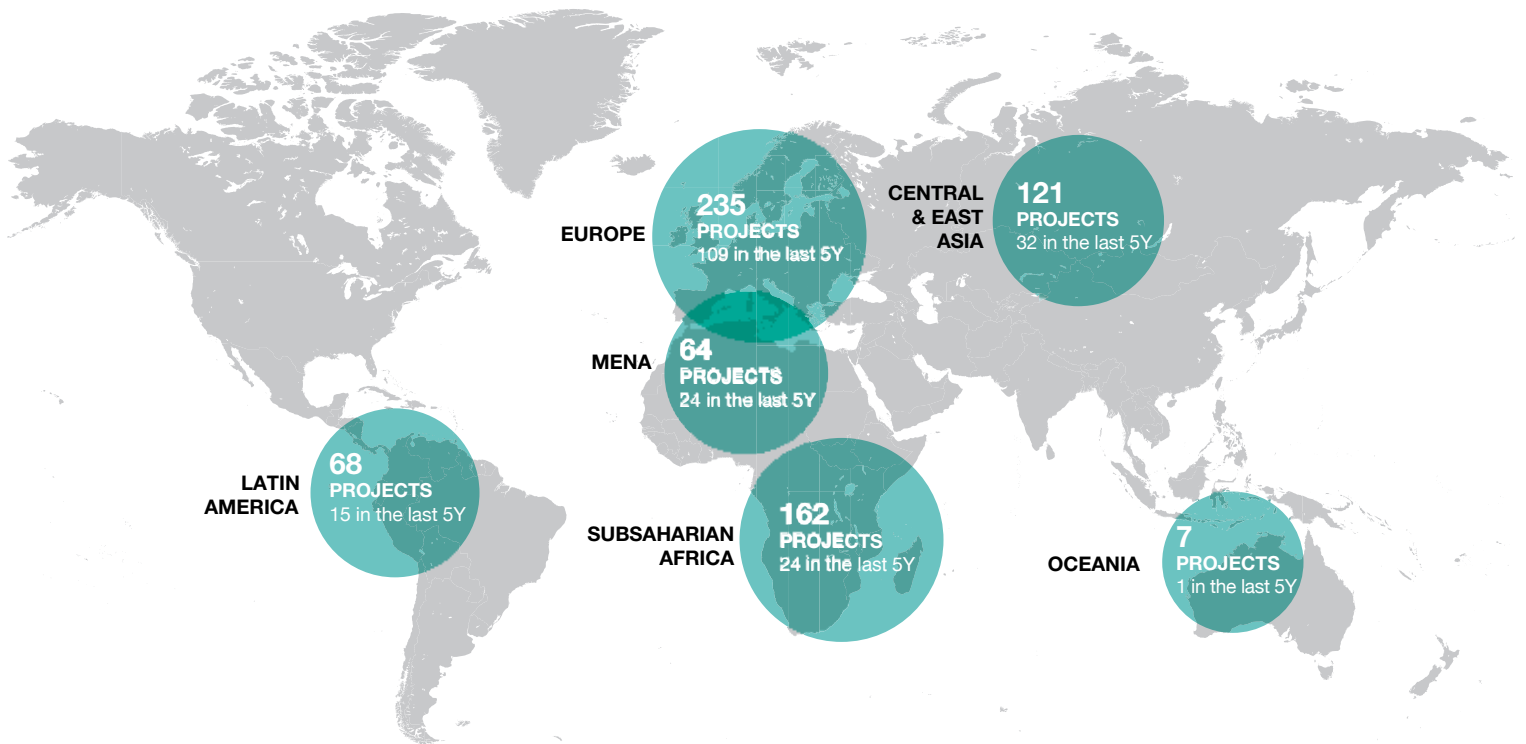
**58%**  
in Italy

more than  
**3.500**  
assignments

Projects  
implemented  
in **130**  
Countries

**500+**  
clients

**42%**  
abroad



## +75 Global projects

Next to national and local governments all over the world, alongside the European Commission, the United Nations, the World Bank and some of the most relevant international cooperation funding and development organizations.





Implementing  
the Ten Principles  
**2019**





# Human Rights

## UN Global Compact Principles

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**Principle 1** Business should support and respect the protection of internationally proclaimed human rights

**Principle 2** Business should ensure that they are not complicit in human rights abuses

## Our Actions to promote Human Rights

LATTANZIO KIBS has a deep commitment to safeguarding people and making sure that each person is treated with equal consideration of interests and respect. For this reason, we promote and support the human rights of every employees, external consultants, stakeholders and beneficiaries we work, or come into contact with. Protecting and enhancing human rights, whether through direct interventions or through the work we do to advise and support the recipients of our services, is a central aim of our work. In delivering our work, we make sure, that we do not inadvertently allow the rights or well-being of anyone, whether it is our staff, our partners' personnel, our beneficiaries, or indeed any other member of the public, and particularly vulnerable members of the community, to be harmed in the process.

LATTANZIO KIBS has its own Code of Ethics (CoE), which covers respect for human rights and applies to all our employees as well as to external consultants to ensure LATTANZIO KIBS respects fundamental human rights in every country it operates.

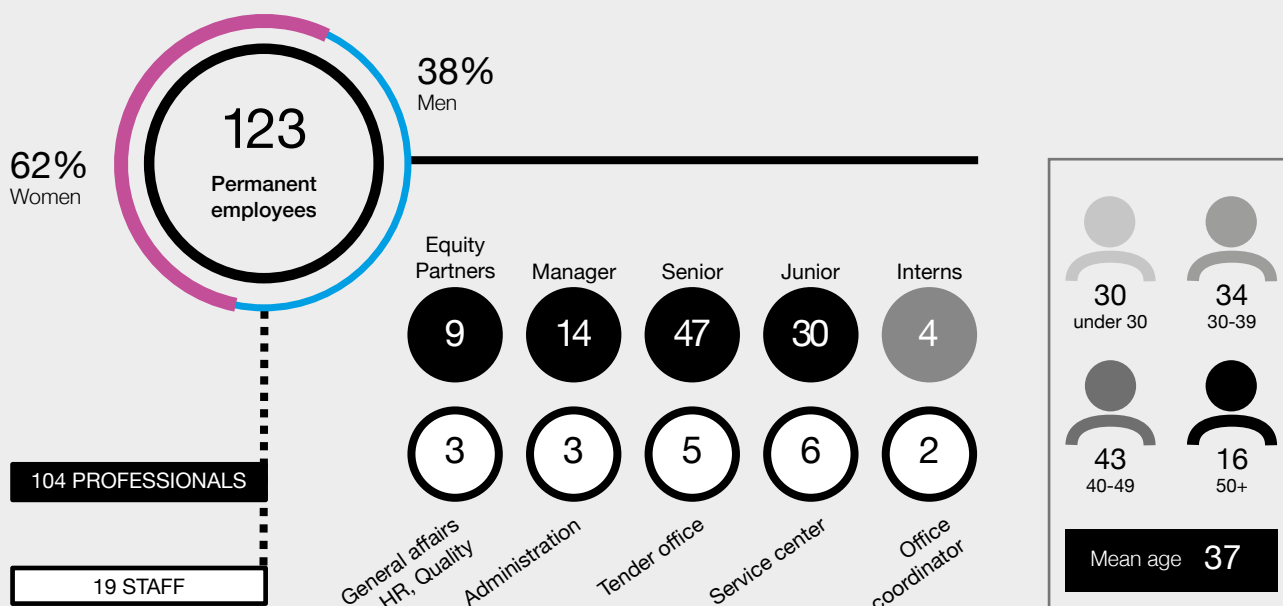
The CoE outlines the ethical principles and conduct that should be followed by employees and other

recipients, helping to create a control environment that can ensure the Group's activities are always based on the principles of fairness and transparency, and reducing the risk of the crimes mentioned in Italian Legislative Decree 231/2001.

Internally, the Group makes sure not to damage the physical, psychological and moral integrity of its human resources by:

- Protecting the privacy according to the law and to the General Data Protection Regulation, expressly delimiting the information that can be collected from employees (any investigation of ideas, habits and in general on the private life of employees is prohibited).
- Protection against any mobbing action or behavior that can cause psychological suffering in employees, ensuring a positive environment within the Group.
- Protection against any form of sexual harassment and gender discrimination.

## Permanent Team



## Our Services to promote Human Rights

Externally, LATTANZIO KIBS provides supporting services to public entities to improve their institutional capacity to reduce poverty, support more vulnerable populations, fight gender imbalance, guarantee access to education, and improve the justice sector. These activities are taken within the framework of short-term or multi-annual projects funded by the European Commission, UN Agencies, the World Bank, as well as other most relevant international cooperation funding and development organizations.

During the course of the period in consideration, these have been some of the most relevant projects our Group has implemented in the field of Human Rights:

- As member of the consortia retained by the European Commission Framework Contract SIEA 2018-2022 (Services for the Implementation of the External Aid), LATTANZIO Advisory is involved in Lot 3 “Human Rights, Democracy and Peace”.
- LATTANZIO Monitoring & Evaluation carried out a joint evaluation of the NEPAD Spanish fund for the empowerment of women in Africa and a joint

evaluation of the Programs of Fight Against Sexual Violence in the Democratic Republic of Congo. In addition the Group won the formative evaluation of UNICEF Hygiene Programmes in the West and Central Africa Region.

- LATTANZIO KIBS has supported UN Women in its Strategic Partnerships for Gender Equality and Women’s Empowerment, providing an overall evaluation that among other aspects:
  - analyzed to what extent UN Women’s approaches to strategic partnerships are aligned with Human Rights approach and gender equality principles;
  - assessed the effectiveness of UN Women’s approaches to strategic partnerships in contributing to gender equality and women’s empowerment results at global, regional and national level.
- LATTANZIO Learning supported the training process on “Statelessness” through the instructional design and development of e-learning course for UNHCR.

## Policies & Procedures to promote Human Rights

These are LATTANZIO KIBS policies & procedures that cover aspects related to human rights.

Policy & Procedures	How is it effective?
CODE OF ETHICS	<p><b>Respect of fundamental Human Rights</b> LATTANZIO KIBS has its own Code of Ethics (CoE), which covers respect for human rights and applies to all our employees as well as to external consultants to ensure the Group respects the fundamental rights in every country it operates.</p> <p><b>Data protection - Privacy</b> Art. 7 ensures protection of privacy according to the law and to the General Data Protection Regulation, expressly delimiting the information that can be collected from our employees and from individuals we come into contact with.</p> <p><b>Counter terrorism policy</b> Art. 22 sets our Counter Terrorism Policy, prohibiting any engagement of the Group with activities related to terrorism or subversion of the democratic order.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>LATTANZIO KIBS adopted an organizational model ex Italian Legislative Decree 231/2001 on a voluntary basis. This organisational, management and control model promotes prevention of a large number (174 as of Dec. 2018) of offences and principles envisaged by Italian law. Legislative Decree 231/2001 and its subsequent updates and amendments also set out sanctions.</p> <p>Thanks to its model, LATTANZIO KIBS ensures that all of its activities are conducted correctly and transparently, formulated according to the specific requirements determined by the Italian Legislative Decree 231/2001. This includes the respect of Human Rights principles, among which:</p> <p><b>Whistleblowing</b> The organizational model 231 sets our Whistleblowing policy which provides an appropriate mechanism to report via anonymous emails, to an independent Supervisory Board, concerns relating to ethical behavior, procedures or illegality, in compliance with relevant legislation.</p> <p><b>Health and safety</b> This covers manslaughter - and personal injury through negligence.</p> <p><b>Counter Terrorism Policy</b> This covers various crimes committed for the purposes of terrorism and subversion of democracy.</p> <p><b>Female genital mutilation practices</b></p> <p><b>Crimes against individual</b> This covers, inter alia, child pornography and childprostitution, trafficking in persons, trade in organs from a living person.</p>

## Measurements of the outcomes

- Over the period considered, there have been no reportable HR issues, no complaints of any kind from employees nor violations of the Code of Ethics nor in relation to the application of Organizational Model ex Italian Legislative Decree 231/2001.
- LATTANZIO KIBS has not been involved in any trial for Human Rights violations.
- All of LATTANZIO KIBS' employees receive equal pay for equal work regardless of race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Within the Group, LATTANZIO Advisory, LATTANZIO Safety Quality Environment, and LATTANZIO ICT Lab have fully implemented the Organizational Model ex Italian Legislative Decree 231/2001.

## Targets

- An update of the Organizational Model ex Italian Legislative Decree 231/2001 is planned for 2019, to incorporate most recent regulations.
- We aim at making sure that all of our independent consultants, sub-contractors, partners and other suppliers are aware of our policies and commit to the respect of the UNGC's Human Rights principles. Therefore, we constantly commit ourselves to make our standards a compliance requirement at contract signature for every individual or company we engage with.





# Labour

## UN Global Compact Principles

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**Principle 3** Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

**Principle 4** Business should support the elimination of all forms of forced and compulsory labour

**Principle 5** Business should support the effective abolition of child labour

**Principle 6** Business should support the elimination of discrimination in respect of employment and occupation

## Our Actions to promote the Labour Principles

At LATTANZIO, we recognize that human resources are a key factor for the development of our Group. For this reason, the management of our human resources is based on the respect for the personality and professionalism of each of our employees in compliance with the general framework of the current legislation. In fact, the Group complies with minimum age standards and national collective labour agreements in each of the countries where our staff is employed.

The Group takes safety on the workplace very seriously and makes sure that all of the employees are properly trained on the subject by distributing a Handbook on Health & Safety and by demanding the mandatory participation to an e-Learning class and test.

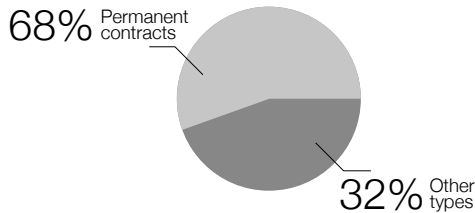
The remuneration policy of our employees is based on the recognition of merit for the contribution made, calculated in terms of effort and results. LATTANZIO KIBS adopts assessments, incentives and remuneration systems that favor not the most able to prevail over colleagues but those who foster collaboration and team spirit in order to solve problems and create value for the Group and for its stakeholders.

Furthermore, we make sure that all employees are given equal opportunities to contribute to the growth of the Group as well as to apply and develop their personal skills to their full potential, without any form of favoritism or nepotism.

The Group strongly believes in the importance of supporting youth employment and each year activates a considerable number of internships for students and newly graduates. In 2019, the Group activated 21 internships distributed among: LATTANZIO KIBS, LATTANZIO Advisory, LATTANZIO Communication, LATTANZIO ICT Lab, Abylia, LATTANZIO Learning and LATTANZIO Safety Quality Environment. The interns received a compensation higher than the minimum requirement set by the regional law and 38% of them was hired at the end of the internship.

Understanding the importance of creating new job opportunities in less developed areas, LATTANZIO KIBS regularly hires staff in disadvantaged regions in Southern Italy, i.e. our administrative office is based in Bari (Puglia) and we have recently established a project office with over 20 staff members in Naples (Campania).

## CONTRACTS TYPES



Regarding Health and Safety (H&S) in workplace, LATTANZIO KIBS abides fully to the principles set in Italian Legislative Decree 81/2008 on prevention and surveillance of a healthy and safe workplace to all workers. Within this framework, each company of the Group has its own Risks Assessment document, one company representative for H&S plus one worker representative for H&S. At Group level, we are also required to nominate a person in charge for the implementation of H&S Procedures (RSPP), who is an internal staff in the case of LATTANZIO KIBS. A regular meeting of the RSPP with the companies' and workers' representative for H&S takes place

annually to examine the risk plan and identify improvement actions. H&S regulations require also LATTANZIO KIBS to provide training on H&S procedures to all employees. Basic training is provided online and is compulsory for all staff. Specific training provided via frontal training to a targeted number of staff. In addition to law requirements, LATTANZIO KIBS has decided to provide regular medical check-ups to all employees. All our staff receive a H&S procedures handbook when they join the company and can make use of a whistleblowing facility in order to highlight any issues related to H&S. The Group has a dedicated organization within it, that is LATTANZIO Safety Quality Environment, which ensures both compliance and awareness about health and safety at work matters within the Group.

Moreover, the team provides support to other private companies in this field via qualified personnel. LATTANZIO KIBS itself is compliant with the rules on health and safety in workplaces being certified according to the ISO 9001:2015 - Quality Management System. A person responsible for the correct application of safety rules and procedures within the Quality Management System is nominated and trained.

## OUR COMMITMENT TO CREATE NEWJOB OPPORTUNITIES IN SOUTHERN ITALY

NAPLES BARI

STAFF IN ITALY  
95 TOTAL EMPLOYEES

STAFF IN SOUTH ITALY  
38 TOTAL EMPLOYEES

17 in Bari  
21 in Naples

## Our Services to promote the Labour Principles

Externally, LATTANZIO Advisory and LATTANZIO Learning are regularly engaged in providing technical support to various public and private sector entities to improve their performance and compliance with national and international standards. This includes, for example, tailoring the training offer to the needs of the labour market and ensuring a system

of transmission of skills and knowledge increasingly integrated with communities. Over the period in consideration, LATTANZIO Safety Quality Environment organized different projects, training activities and events, such as "Web reputation" and "Management systems and legislative compliance", to promote safety on the workplace.

## Policies & Procedures to promote Labour Principles

These are LATTANZIO KIBS policies & procedures that cover aspects related to labour.

Policy & Procedures	How is it effective?
CODE OF ETHICS	<p><b>Respect of Labour Principles</b></p> <p>Art. 9 identifies human resources as a key factor for the development of our companies.</p> <p>Art. 10 &amp; 11 set procedures for fair human resources selections, avoidance of discriminatory practices, etc.</p> <p>Art. 12 protects the professional and personal enhancement of our staff.</p> <p>Art. 13 provides for healthy and safe working conditions.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>Within LATTANZIO KIBS, LATTANZIO KIBS adopted an organizational model ex Italian Legislative Decree 231/2001 on a voluntary basis. This organizational, management and control model promotes prevention of a large number (174 as of Dec. 2018) of offences and principles envisaged by Italian law. Legislative Decree 231/2001 and its subsequent updates and amendments also set out sanctions.</p> <p>Thanks to its model LATTANZIO KIBS ensures that all of its activities are conducted correctly and transparently, formulated according to the specific requirements determined by the Italian Legislative Decree 231/2001. This includes the respect of Labour principles, among which:</p> <ul style="list-style-type: none"> <li>• Purchase and sale of slaves</li> <li>• Illicit intermediation and exploitation of labour and grooming of minors</li> <li>• Employment of illegally staying third country nationals</li> </ul>
ITALIAN LEGISLATIVE DECREE 81/2008 ON HEALTH AND SAFETY IN WORKPLACES	<p>LATTANZIO KIBS abides to the norms set out in Legislative Decree 81/2008 on Health and Safety in workplaces.</p>
QUALITY MANAGEMENT SYSTEM EX ISO ISO 9001:2015	<p>LATTANZIO KIBS has adopted an integrated Quality Management System (IQMS) which covers ISO standard 9001:2015. This IQMS provides a framework, a set of procedures, standard documents and a monitoring system for a proper and effective management of work processes in full respect of all applicable laws and international standards.</p>



## Measurements of the outcomes

- Valid Certification: ISO 9001:2015 - Quality Management System (2018 - 2021).
- N. of internal audit carried out in the framework of Quality Management System: 2.
- During the period considered, there have been no complaint from employees not professionals regarding violations of Labour Rights and there have been no violations of the Code of Ethics regarding Labour Rights.
- LATTANZIO KIBS has not been involved in any trial regarding violations of Labour Rights.
- Percentage of employees' contracts that respect national law on work safety: 100%.
- Percentage of employees' contracts that comply with minimum wage standards and national collective labor agreements in each of the countries where our staff is employed: 100%.
- Percentage of employees trained on Health & Safety on the workplace: 100%.
- Percentage of employees trained on Italian Legislative Decree 231/2001: 100%.
- Number of medical check-ups provided to employees: 18 for the staff of LATTANZIO Advisory, 3 for LATTANZIO KIBS, 3 for Abylia, 1 for LATTANZIO Learning and 1 for LATTANZIO Communication.
- Number of ergonomic equipment purchased to facilitate the work with laptops: 28 kits including mouses - ergonomic keyboards and laptops supports.
- All full-time employees are provided with a medical insurance, as per the national employment contract to which LATTANZIO KIBS abides.
- All external consultants employed in projects outside their country of residence are provided with an accident and repatriation insurance. N. of business travel insured days: 652.
- Our Milan office has been relocated for a fixed period of time to a new building, in order to improve lighting, comfort and the general working conditions of our employees, which were affected by the refurbishment of the building where the office is located.

## Targets

- We aim at introducing further work flexibility for our employees based in Milan since the refurbishment of the building where the office is located is expected to continue in the first half of 2020.
- The improvement of both management by objectives and work-life balance are our main targets for 2020.





# Environment

## UN Global Compact Principles

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**Principle 7** Business should support a precautionary approach to environmental challenges

**Principle 8** Business should undertake initiatives to promote greater environmental responsibility

**Principle 9** Business should encourage the development and diffusion of environmentally friendly technologies

## Our Actions to promote the Environmental Principles

LATTANZIO KIBS understands the importance of the environmental challenge and takes accountability for its environmental impact. We are committed to be environmentally conscious and to monitor and reduce our energy consumption as well as our carbon footprint in order to minimize the negative environmental impact of our day-to-day operations.

Although we constantly face the environmental challenges, at the current stage we have identified 3 targets that help us reduce our environmental impacts. These are:

**TRANSPORT** | To promote CO2 reduction, our policy demands that no employee is provided with a company car. The Group encourages all employees to choose the most effective means of transport taking into account costs, itinerary, distance, time and safety. It is strongly advised to use public transportation. In fact, most of our employees come to work every day by bike or by public transport. When it comes to meetings, the Group encourages the use of every form of communication that is less environmentally harmful, such as Skype calls or emails instead of physical meetings.

**PAPER** | LATTANZIO KIBS is a paperless organization. All data is stored centrally in a highly secure data center. Users can access the file system from a digital work environment.

Project leaders have a responsibility to control and ensure that professionals use paper sparingly, avoiding any kind of waste. In particular, we make sure that sheets are always used in a complete manner, both front and back and/or printing four sheets per page.

Furthermore, the Information Systems Manager and Office Automation must ensure that all computers are set to print by default duplex and in black and white.

As for our paper supplies, the office manager, responsible for managing all office supplies is supported by the Office coordinator (OffCo) in verifying that all our paper supplies come from certified companies according to the ISO 14001:2015 environmental standard and that paper comes from forests managed in a correct and responsible manner, according to strict environmental, social and economic standard (as assured by the FSC brand).

**WASTE** | The disposal of waste takes place through the use of differentiated containers, which allow the separation of the same from other types of waste. All offices are equipped with special bins for the

separate collection of paper and the head of the site has the task of ensuring that the disposal of the same takes place properly, using the appropriate bins for the collection of paper.

## Our Services to promote the Environmental Principles

LATTANZIO Safety Quality Environment department ensures both compliance and awareness about environmental related matters and performance within the Group. In addition, this organization provides technical consulting for the Carbon Footprint and Sustainability plans to external entities, with the objective of improving the environmental performance of both the entity and its supply chain, using a methodology in line with ISO / TS 14067 and defining a Sustainability Plan for the production processes.

LATTANZIO KIBS itself is certified according to the ISO 14001:2015 - Environmental Management System.

LATTANZIO KIBS has adopted an Integrated Quality Management System (IQMS) which covers ISO standard 14001:2015. This IQMS provides a framework, a set of procedures, standard documents and a monitoring system and includes a handbook.

As far as the services implemented by LATTANZIO Safety Quality Environment, n. 5 are the projects in the field of Quality, Environment and Safety Management Systems, n. 5 are the projects in the field of Quality and Environment Management Systems, n. 4 are the projects in the field of Quality and Safety Management Systems, and n. 94 are the projects aimed at supporting training activities in the field of Health and Safety in workplaces.

In 2019 LATTANZIO Advisory was working on 2 contracts for the "On-site Technical Support to the EU CBRN Center of Excellence (CoE) Regional Secretariat in Manila and in Rabat". The purpose of these contracts is to strengthen the capabilities of the CBRN CoE (Chemical, Biological, Radiological and Nuclear Center of Excellence) Secretariat with responsibility in the formulation and implementation of projects promoted by member countries and those of a regional nature.



# Policies & Procedures to promote Environment Principles

These are LATTANZIO KIBS policies & procedures that cover aspects related to environment.

Policy & Procedures	How is it effective?
CODE OF ETHICS	<p><b>Respect of fundamental Environment Principles</b></p> <p>Art. 24 provides for the protection of environment, considers the environment as fundamental economic growth value and engages our companies to use more and more renewable energies to improve also the environmental quality of the territories where we operate.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>As already mentioned, LATTANZIO KIBS adopted an organizational model ex Italian Legislative Decree 231/2001 on a voluntary basis, in order to promote the prevention of a large number of offences and principles envisaged by Italian law. Legislative Decree 231/2001 and its subsequent updates and amendments also set out sanctions.</p> <p>Thanks to its model, the company ensures that all of its activities are conducted correctly and transparently, formulated according to the specific requirements determined by the Legislative Decree 231/2001. This includes the respect of Environment principles, among which:</p> <ul style="list-style-type: none"> <li>• Environmental pollution</li> <li>• Environmental disaster</li> <li>• Intentional crimes against the environment</li> <li>• Trafficking and abandonment of high level radioactive material</li> <li>• Killing, destruction, capture, taking and possession of specimens of protected wild fauna and flora species</li> </ul>
ENVIRONMENTAL MANAGEMENT SYSTEM EX ISO 14001:2015	<p>LATTANZIO KIBS has adopted an integrated Quality Management System (IQMS) which covers ISO standard 14001:2015. This IQMS provides a framework, a set of procedures, standard documents and a monitoring system for a proper and effective management of work processes in full respect of all applicable laws and international standards for the protection of the environment.</p>



## Measurements of the outcomes

- Valid Certification: ISO 14001:2015 - Environmental Management System (2018-2021).
- N. of internal audit carried out in the framework of Environment Management System: 2.
- Amounts of paper supplies that come from companies certified ISO 14000 environmental standard: 100%.
- Amounts of paper supplies that come from forests managed in a correct and responsible manner, according to strict environmental, social and economic standard assured by the FSC brand: 100%.
- All of our independent consultants, sub-contractors, partners and other suppliers are aware of our policies and commit to the respect of the UNGC Environmental principles. Therefore, we have worked towards making commitment to our standards a compliance requirement at contract signature for every individual or company we engage with.

- Energy Performance of our Milan Headquarters:

GRI Indicator EN 4: Indirect Energy Consumption

	2018	2019
<b>kWh</b>	14.146	17.889

GRI Indicator EN 1: Materials used

	2018	2019
<b>Reams of paper</b>	290	171

- In adherence with the Environmental Principles, LATTANZIO KIBS promoted and encouraged business trips by train instead of by airplane, reducing CO<sub>2</sub> emissions fivefold per person.

	Train	Air
<b>Milan-Rome</b>	24,1 CO <sub>2</sub> *	113,5 CO <sub>2</sub> *

\* Kg of CO<sub>2</sub> saved in a year in our most common route

## Targets

- LATTANZIO KIBS aims at improving and extending to all of its offices its performance reporting system.
- We aim at reducing our energy consumption as well as our carbon footprint in order to minimize the negative environmental impact of our day-to-day operations.
- We are discouraging the use of personal vehicles for business purposes, while we are elaborating a news policy specific for the staff of LATTANZIO Safety Quality Environment that needs to use cars to visit their clients located throughout the region. To this end, in 2020 we aim at we aim at implementing a car sharing system and therefore reducing the carbon dioxide emissions into the atmosphere by 20%.



# Anti-Corruption

## UN Global Compact Principles

**Principle 10** Business should work against corruption in all its forms, including extortion and bribery

## Our Actions to promote the Anti-Corruption Principles

LATTANZIO KIBS' Code of Ethics (art. 4, art. 14) expressly prohibits practices of corruption, favoritism, collusive behavior, direct and/or indirect solicitations also through promises of personal advantages, towards any subject belonging to either the Public administration or to private entities.

LATTANZIO KIBS is committed to respecting, maintaining and making all its personnel and consultants respect and maintain the highest ethical principles, and among others: zero tolerance for "corrupt practices" in any form.

In its daily interaction with national, EU and international public institutions as well as with public officials, institutions, administrations, and various public and semi-public entities, LATTANZIO KIBS has adopted the highest national standard requiring our staff and associates to act strictly in compliance with the current legislation and on the basis of the general principles of fairness and loyalty, respect impartiality and good performance as adopted by the public administration.

Illicit payments in relations with Institutions or with Public Officials are indeed prohibited. All the staff, consultants,

and business partners are required to refrain from making payments to any entity in order to obtain unlawful benefits in representing the interests of the company vis-à-vis the Public administration. It should be noted that Italy's regulatory framework to prevent corruption, both in the private (since 2001) and public sector (since 2012), is well established and articulated, and is considered a best practice by several other countries.

As a requirement for participation in public tenders all over the world, LATTANZIO KIBS is required to regularly provide certifications attesting the absence of professional and criminal records, including the anti-mafia certificate and is subject to checks done via the National Anti-corruption Authority (ANAC).

The Group's record proves that there are no criminal convictions ongoing nor any provision in civil and administrative matters passed in judgment and charged to LATTANZIO KIBS' professionals.

All the employees are required to attend mandatory e-learning trainings on the Group's organisational, management and control model formulated according to the specific requirements determined by the Italian

Legislative Decree 231/2001. The organizational model 231 sets our Whistleblowing policy which provides an appropriate mechanism to report via anonymous emails to an independent Supervisory Board, concerns relating to ethical behaviour, procedures or illegality, in compliance with relevant legislation.

## Our Services to promote the Anti-Corruption Principles

LATTANZIO KIBS has one dedicated organization, that is LATTANZIO Audit & Risk Management, operating specifically in the field of improved governance and compliance, internal audit and controls and the fight against corruption. The Managing Director of LATTANZIO Audit is a qualified Lead Auditor for ISO 37001:2016 Anti Bribery. This organization provides services to improve the performance of the Public administration in Italy and in Europe.

At the same time, LATTANZIO Safety Quality Environment supports private sector organisations in the setting up and implementation of organizational models ex Italian Legislative Decree 231/2001, providing inter-alia anti-corruption systems. In 2019, LATTANZIO Safety Quality Environment has worked with 16 firms on this subject.

In 2019 LATTANZIO Audit & Risk Management has started providing technical assistance to two Provincial Government offices (Prefetture), namely the Prefettura of Catania and the Prefettura of Brindisi in their institutional role of support and guidance to the municipalities of their respective province in the drafting, updating and effective implementation of the annual Anti-corruption and Transparency plans.

LATTANZIO Audit & Risk Management, in cooperation with Protiviti Government Service, Lombardia Region and Bicocca Milano University, has also promoted the creation of a Permanent Working Group on internal controls practice in the Public administration, starting with the best practice of Lombardia Region, and with the aim of expanding this initiative to other regional governments throughout Italy.

The Permanent Working Group involves PA staff, private and semi-public companies as well as professionals and the academic world, divided into sub-groups and working on specific topics, such as Public Internal Control Systems and Risk management in the public

sector. LATTANZIO Audit & Risk Management has been an active participant in several events related to the fight against corruption at national and international level, including high-level seminars organized by the Directorate General for Globalization and Global Issues of the Italian Ministry of Foreign Affairs on the issue of global anti-corruption strategies and corporate compliance.

In addition, in the course of 2019, the company had undertaken an upgrade of its own organizational model ex Italian Legislative Decree 231/2001 and Code of Ethics, with the aim to enhance the effectiveness of its implementation and increase awareness among its users. All LATTANZIO KIBS' business partners, be it firms or individuals, are now required to adhere to and respect the principles and procedures of our organizational model ex Italian Legislative Decree 231/2001, including anti-corruption and our Code of Ethics.

An internal organizational process aimed at obtaining the ISO 37001:2016 for the Group, under the guidance of LATTANZIO Audit & Risk Management and LATTANZIO Safety Quality Environment, has also been pursued.



# Policies & Procedures to promote Anti-Corruption Principles

These are LATTANZIO KIBS policies & procedures that cover aspects related to anti-corruption.

Policy & Procedures	How is it effective?
<p><b>CODE OF ETHICS</b></p>	<p><b>Respect of Fundamental Anti-corruption Principles</b>            LATTANZIO KIBS' Code of Ethics (art. 4, art. 14) expressively prohibits practices of corruption and collusive behaviours towards any subject.</p>
<p><b>ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001</b></p>	<p>LATTANZIO KIBS adopted an organizational model ex Italian Legislative Decree 231/2001 on a voluntary basis. This organisational, management and control model promotes prevention of a large number (174 as of Dec. 2018) of offences and principles envisaged by Italian law. Legislative Decree 231/2001 and its subsequent updates and amendments also set out sanctions.</p> <p>Thanks to its model LATTANZIO KIBS ensures that all of its activities are conducted correctly and transparently, formulated according to the specific requirements determined by the Italian Legislative Decree 231/2001.</p> <p>Legislative Decree 231/2001 is a flagship piece of anti-corruption legislation, recognized as such worldwide. The Decree 231 establishes the responsibility of corporations, in addition to individual responsibility, for corruptive action or attempts and related crimes. This includes the fundamental facility of:</p> <p><b>Whistleblowing</b></p> <p>The organizational model 231 sets our Whistleblowing policy which provides an appropriate mechanism to report via anonymous emails, to an independent Supervisory Board, concerns relating to ethical behaviour, corruption related procedures or illegality, in compliance with relevant legislation, and fundamental anti-corruption principle such as:</p> <ul style="list-style-type: none"> <li>• Crimes against the public administration</li> <li>• Corporate crimes</li> <li>• Forgery of money, public credit instruments, revenue stamps</li> <li>• Money Laundering</li> <li>• Use of false documents, etc.</li> </ul>





## Measurements of the outcomes

- Number of complaints from employees regarding Corruption or in relation to the application of Organizational Model ex Italian Legislative Decree 231/2001: 0.
- Number of penalties due to violations of the code of LATTANZIO KIBS Code of Ethics regarding Corruption: 0.
- Number of criminal conviction and/or provision in civil and administrative matters in relation to corruption: 0.
- Number of senior management staff who hold an ISO 37001:2016 Anti Bribery qualifications: 1 + 1 associate consultant.
- Percentage of employees trained on the Group's organisational, management and control model formulated according to the specific requirements determined by the Legislative Decree 231/2001: 100%.

## Targets

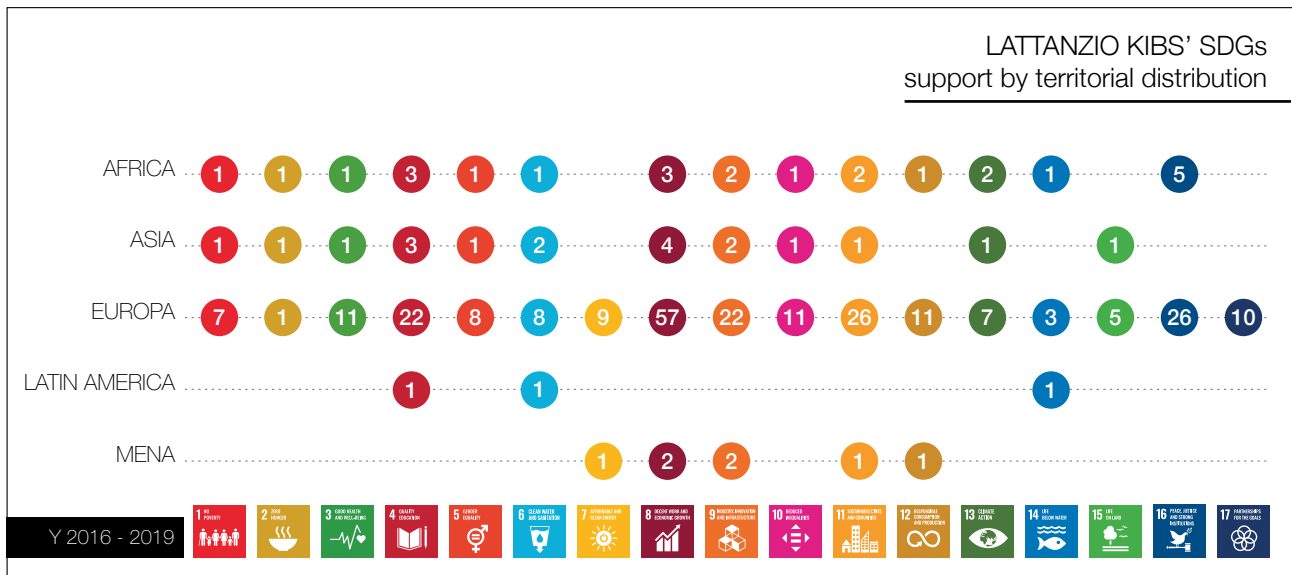
- The Group aims to complete the upgrade and reach full implementation of its own organizational and control model ex Italian Legislative Decree 231/2001 to cover all companies of LATTANZIO KIBS (in addition to LATTANZIO Advisory, LATTANZIO Safety Quality Environment, and LATTANZIO ICT Lab). This shall include a more detailed mapping of corruption risks and preventive action in relation to the activities and countries of operation, as well as an increased awareness and sensitiveness of LATTANZIO's staff to this matter.



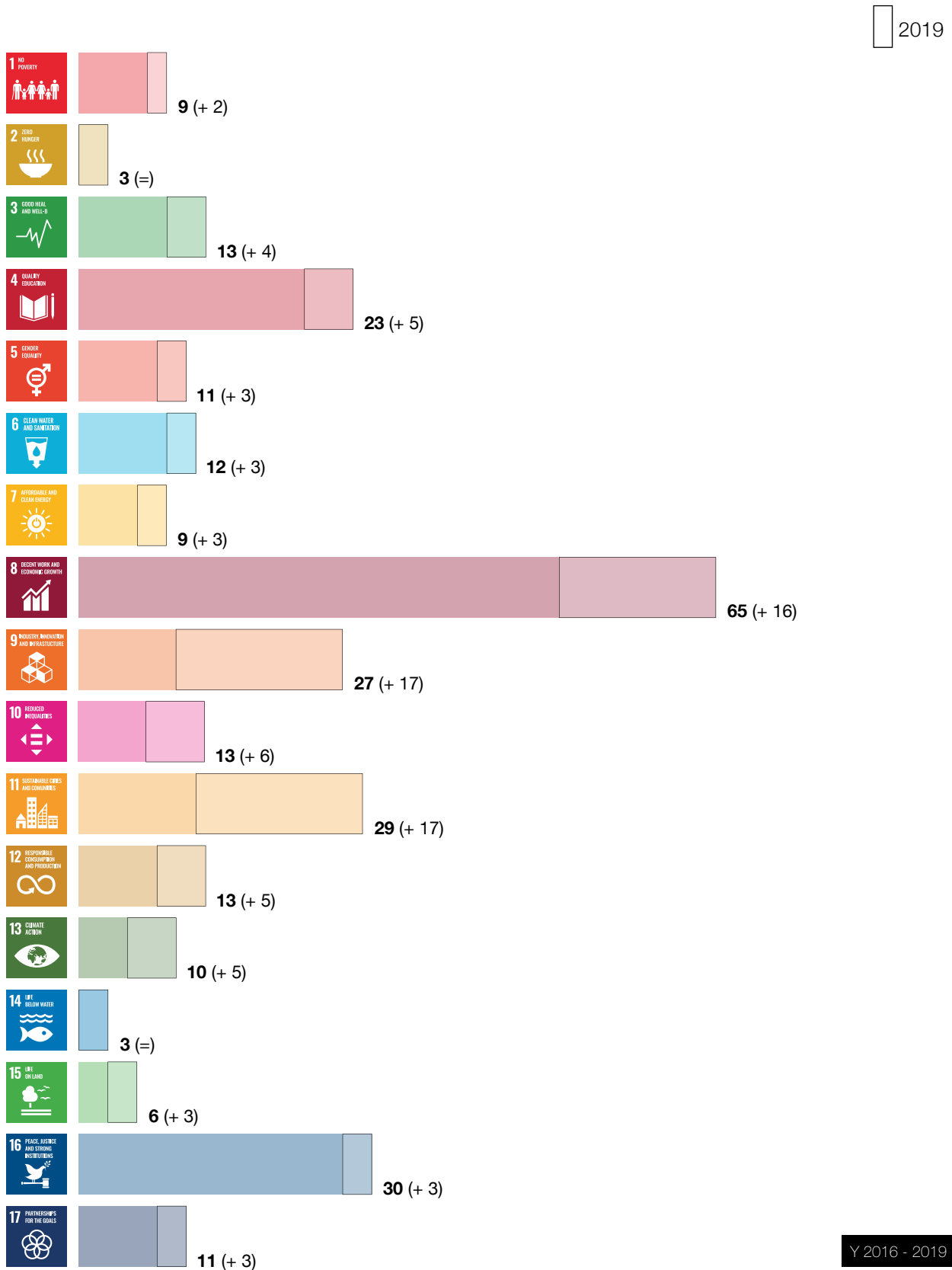
# Appendix

## Examples of Projects LATTANZIO KIBS has undertaken during the Reporting Period addressing the SDGs

The nature of LATTANZIO KIBS' core business nurtures our engagement in supporting a large number of the UN goals of sustainable development. Whether working with the public administration in Italy and Europe or at the implementation of development projects worldwide, we are acutely aware of the impact our actions may have in reaching the goals set for 2030.



Distribution of LATTANZIO KIBS' effort per SDGs (number of projects)



ADVISORY

MONITORING & EVALUATION

LEARNING

COMMUNICATION

ICT LAB

SAFETY QUALITY ENVIRONMENT

AUDIT & RISK MANAGEMENT

**LATTANZIO**  
■■ KIBS

knowledge intensive business services

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