



UN Global Compact  
**Communication  
on Progress  
2021**

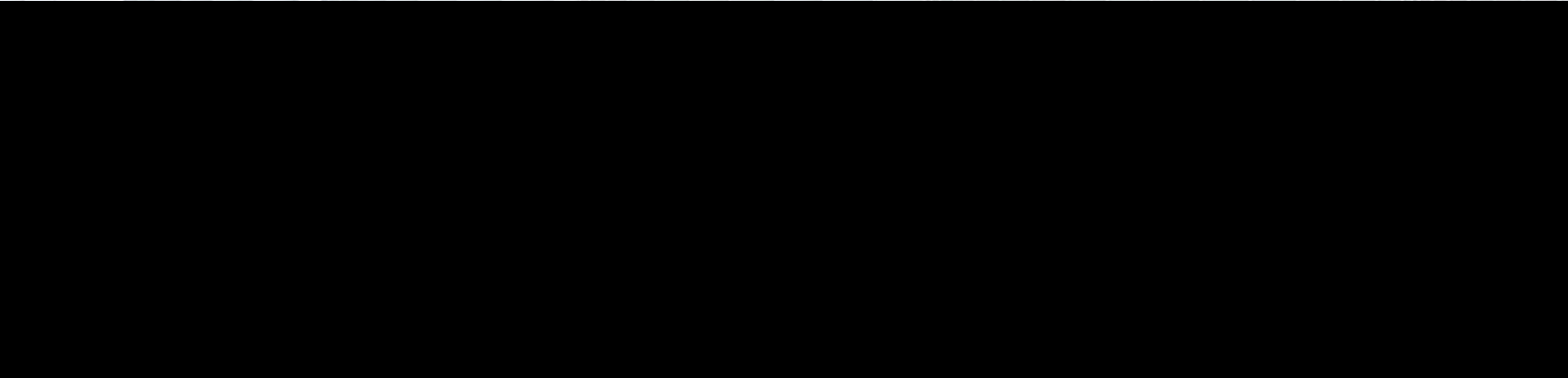


knowledge intensive business services

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 continuous commitment.

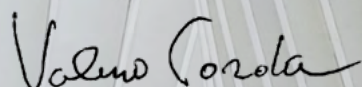
The opening of 2021 brought with it new challenges for the entire world. The ongoing health emergency has required new operational approaches and our utmost attention to balancing the need to fight the pandemic with the continuity of business activities.

At LATTANZIO KIBS, we work with institutions to qualify projects and implement development programmes; this is our mission in Italy and abroad. At a time when relations and, consequently, projects and activities had to be carried out remotely, digitalization allowed us to deal with our clients and respond to requests with fast, agile and effective solutions.

The Company has adopted uncommon flexibility criteria to facilitate our people. In addition to remote work management, which already includes the possibility of working from home, we have encouraged the best possible conciliation between personal life and work.

LATTANZIO KIBS' adherence to the Ten Principles of the United Nations Global Compact is reflected in our actions. With this report, we intend to communicate the actions we have taken to pursue the principles of the Global Compact during 2021 and we are committed to sharing this information with our business partners and stakeholders.

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



# Introduction

The United Nations Global Compact (UNGC) is a non-binding pact launched in 2000 to encourage companies and stakeholders to take 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.

It is the largest global initiative for corporate social responsibility through which the legitimacy of business in the markets is supported. 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 KIBS S.p.A. is an operating company, subject to the direction and coordination of the holding company LATTANZIO GROUP S.r.l. and became a signatory of the UNGC in November 2017.

- 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 upholds the elimination of all forms of forced and compulsory labour (Principle 4)
- v. LATTANZIO KIBS upholds the effective abolition of child labour (Principle 5)
- vi. LATTANZIO KIBS upholds 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 responsibility (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)

# Overview of the Company



knowledge  
intensive  
business  
services

An example of Italian excellence in the field of consulting

LATTANZIO KIBS is a strategic consulting hub headquartered in Italy that operates globally, alongside the European Commission, the United Nations, the World Bank and some of the most relevant international cooperation funding and development organizations.

Integration as a key factor

LATTANZIO KIBS incorporates several knowledge intensive business services offering an innovative vision and solutions that enrich our actions because they adopt approaches, methodologies and tools that are the result of multidisciplinary know-how within the group and natively shared. This is an indispensable asset for the design, implementation and management of complex projects, which require a broad and diversified field of action, with a 360-degree view of the organizational machine.

The synergy of KIBS increases the ability to innovate, develop better processes, optimize resources, and create new employment opportunities, thus enabling innovation projects for economic growth and the competitiveness of country systems.

ADVISORY	TECHNICAL ASSISTANCE	MONITORING & EVALUATION	LEARNING	COMMUNICATION	DIGITAL LAB	SAFETY QUALITY ENVIRONMENT
<ul style="list-style-type: none"> <li>Organizational analysis, process analysis and change management</li> <li>Programming, strategic and management control</li> <li>Territorial governance</li> </ul>	<ul style="list-style-type: none"> <li>EU Programs governance</li> <li>Programming and implementation</li> <li>Monitoring</li> <li>Auditing</li> </ul>	<ul style="list-style-type: none"> <li>EU Programs evaluation</li> <li>International evaluation</li> <li>Monitoring &amp; Customer analysis</li> </ul>	<ul style="list-style-type: none"> <li>Innovative classroom learning</li> <li>Knowledge infrastructures</li> <li>Research &amp; Development</li> </ul>	<ul style="list-style-type: none"> <li>EU funded Programs communication</li> <li>Institutional communication</li> <li>Visibility campaigns</li> <li>Territorial marketing</li> </ul>	<ul style="list-style-type: none"> <li>Integrated advisory and project management</li> <li>Design &amp; Implementation</li> <li>Innovation</li> </ul>	<ul style="list-style-type: none"> <li>Management systems</li> <li>Legislation</li> <li>Training</li> <li>Organizational models</li> </ul>

## Expertise

### PUBLIC ADMINISTRATION REFORM

GOVERNANCE & PUBLIC MANAGEMENT | JUSTICE  
DIGITAL TRANSFORMATION & E-GOVERNMENT  
ACCOUNTABILITY AND QUALITY OF SERVICE (QoS)

### LOCAL DEVELOPMENT

PLACE MARKETING AND BRANDING  
INTERNATIONAL GROWTH  
STRENGTHENING SOCIAL DIALOGUE  
STRATEGIC PLANNING

### PRIVATE SECTOR DEVELOPMENT

SMES DEVELOPMENT  
START UP & BUSINESS INCUBATION  
INDUSTRY DEVELOPMENT STRATEGIES  
TRAINING AND SKILLS DEVELOPMENT

### RURAL DEVELOPMENT & AGRIBUSINESS

STRENGTHENING VALUE CHAINS  
FOOD SECURITY & FOOD SAFETY  
AGRICULTURAL PRODUCTIVITY

### EDUCATION & SOCIAL POLICIES

EMPLOYMENT  
VOCATIONAL TRAINING  
DIGITAL LEARNING

### HUMAN RIGHTS

DEMOCRACY  
GENDER POLICIES EVALUATION  
WOMAN EMPOWERMENT

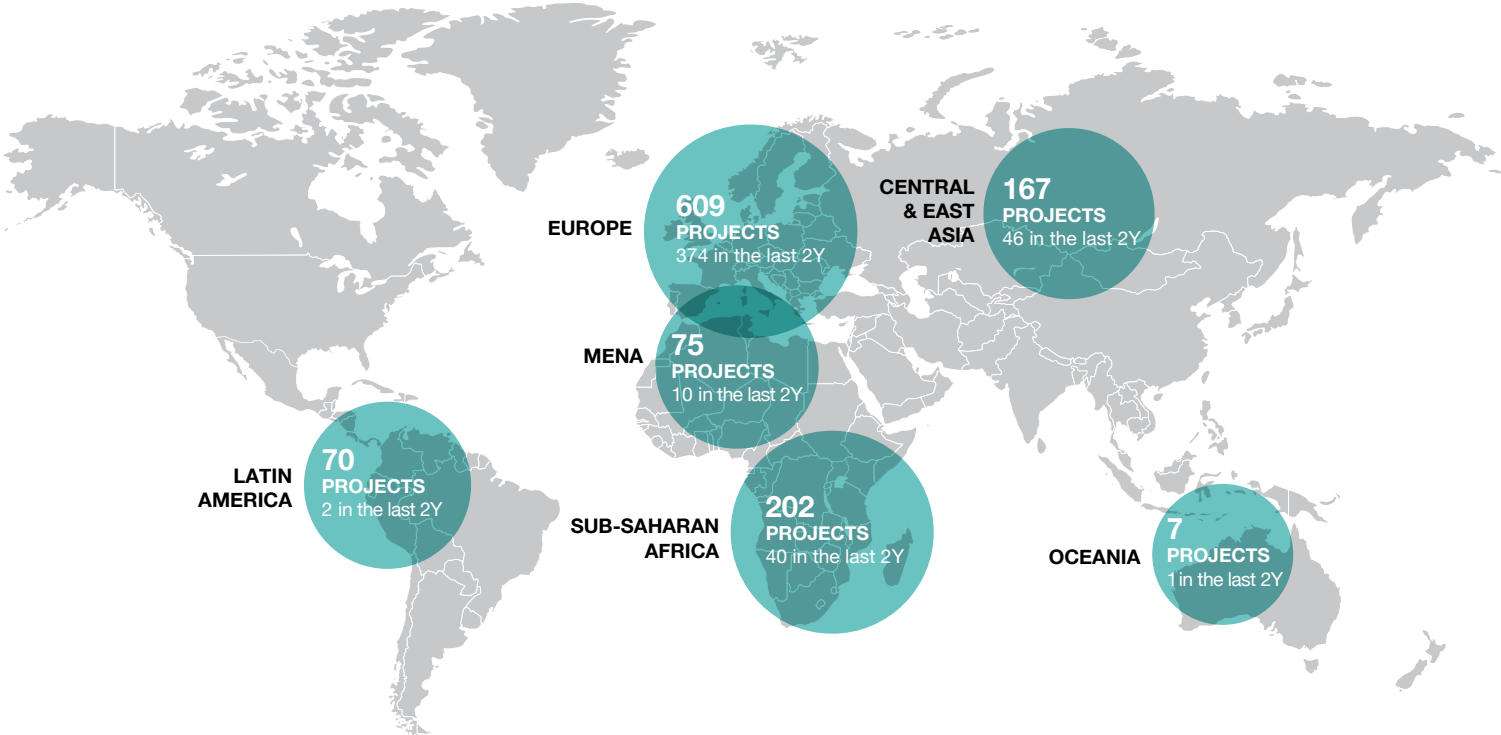
### ENERGY & ENVIRONMENT

ENERGY & NUCLEAR SAFETY  
ENVIRONMENT, HEALTH AND WORKPLACES  
SAFETY MANAGEMENT

Projects implemented in 130 Countries

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+ 500 clients



+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  
**2021**





# Human Rights

## UN Global Compact Principles

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

**Principle 2** Businesses should make sure that they are not complicit in human rights abuses

## Our actions to promote Human Rights

Our ethical vision is based on a deep commitment to safeguarding the individual as a human being who deserves consideration and respect

Our business framework strongly reflects these principles either through the standards we adopt or our actions in support of the recipients of our services. At all stages of our activities, we constantly ensure that we do not undermine the rights or welfare of any individual involved and that we do not harm them in any way, whether it be our own staff, our partners, beneficiaries or anyone else with whom we interact.

LATTANZIO KIBS has understood the importance of defining and reinforcing its commitment to ensuring that each single company activity is compliant with the law and shaped by the principles of honesty, integrity and good faith. For this reason, we updated our Code of Ethics (CoE) in 2021. In addition, we created a designated area for it on our website for easier and more immediate consultation.

Compliance with the Code of Ethics is of fundamental importance for the good functioning, reliability, and reputation of the Company itself, as well as to avoid the risk of the crimes mentioned in the Italian Legislative Decree 231/2001.

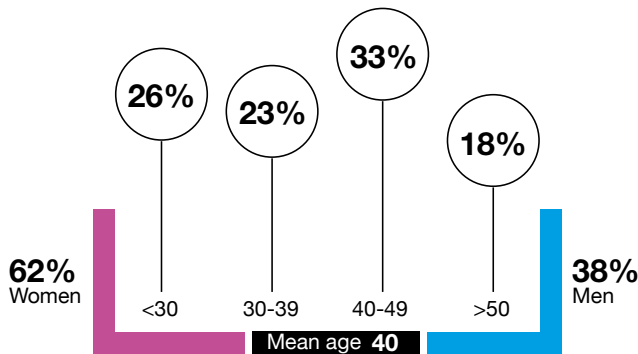
In our offices, we ensure that we do not damage the physical, psychological and moral integrity of our human resources by:

- Protecting privacy, in accordance with the law and the General Data Protection Regulation (GDPR), by minimising the information that can be collected
- Preventing bullying or any behaviour that may cause psychological distress, thus ensuring a positive working environment
- Protecting against any form of sexual harassment and gender discrimination

Through compliance with the principles of the Italian Legislative Decree 231/2001, the adoption of the Code of Ethics and Model 231, LATTANZIO KIBS declares that it has not received any reports on human rights violations, nor complaints from employees or violations of the Code of Ethics and the Italian Legislative Decree 231/2001.

The projects we are involved in reflect our commitment to promoting Human Rights

## Permanent Team



LATTANZIO KIBS provides advisory and technical assistance to public entities with the final aim of improving their institutional capacity to reduce poverty, support more vulnerable populations, fight gender imbalance, guarantee access to education, and enhance the justice sector. These activities are carried out within the framework of short-term or multi-annual projects funded by local and national governments, the European Commission, UN Agencies, the World Bank, as well as other relevant international cooperation funding and development organizations.

In 2021, LATTANZIO KIBS had the opportunity to implement and contribute to several projects in the field of Human Rights. We took part in the organization of the technical and political events of the Italian G20 Presidency concerning women's empowerment and the promotion of equal opportunities (Rome, *G20 Empower* | July 6<sup>th</sup>, 2021), as well as the role of religions as a tool for collective dialogue on major global challenges (Bologna, *G20 Interfaith* | September 12<sup>th</sup>-14<sup>th</sup>, 2021).

As to tackle gender imbalances, LATTANZIO KIBS was commissioned to assess the effectiveness of UN Women's approaches to strategic partnerships aimed at contributing to gender equality and women's empowerment outcomes. Moreover, we hosted Italy's first national women's insight, a digital event whose focus was on presenting women's perspectives from a variety of everyday aspects.

For UNHCR, we worked on the Prevention of Sexual Exploitation and Abuse (PSEA) project, which provided translation and localization services for digital products in Arabic and Russian.

With regard to vulnerable groups, we contributed to

the '*Interview for protection*' project commissioned by UNHCR for the operational management of e-learning training for local workers. The main objective was to increase the skills of UNHCR resources to improve executive, programmatic, financial and organizational performance.

Again for UNHCR, the e-learning project '*Pharmacy Management*' focused on training staff to ensure refugees have constant access to essential medicines while meeting high health standards. Greater attention to more inclusive policies towards migrants is the focus of another training project entrusted to LATTANZIO KIBS to improve the knowledge and analytical skills of UNHCR staff and its partners. In parallel, the '*Statelessness*' project involved the development of digital content on the topic of statelessness, exploring its causes and ways to prevent and reduce it.

For UNICEF, we completed the evaluation of the 2017-2021 Action Plan in Cambodia, aiming at strengthening the National Child Protection System and preventing violence against children for the definition of the next Action Plan 2022-2026.

Improving access to education was also addressed through the evaluation of national-level interventions of UNESCO's CapED (Capacity Development for Education) Programme in Madagascar and Lao PDR.

LATTANZIO KIBS was also awarded the evaluation of the Nigeria WFP Country Strategic Plan 2019-2022, whose main objective was to assess the overall results actually achieved by the programme while taking a long-term view to identifying unresolved issues, challenges and lessons learned to guide the remaining period of implementation as well as future programming.

## Policies & Procedures to promote Human Rights

Policies & Procedures	How they work
CODE OF ETHICS	<p><b>Respect for fundamental human rights</b> LATTANZIO KIBS has its own Code of Ethics based on respect for human rights, the protection of fundamental freedoms and personal dignity. It applies to all employees as well as external consultants without distinction in every country in which we operate.</p> <p><b>Data protection - Privacy</b> Art. 7 guarantees that all professionals shall ensure the utmost confidentiality with regard to news and information constituting the Company's assets or relating to the Company's activities, in compliance with the provisions of the law, the regulations in force, the Code of Ethics and the internal procedures.</p> <p><b>Counter-terrorism policy</b> Art. 22 requires compliance with laws and regulations prohibiting terrorist activities and subversion of the democratic order. Therefore, mere membership of associations with such aims is also prohibited.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>LATTANZIO KIBS believes that the principles of honesty, integrity and social responsibility are criteria conditioning the evaluation of its activities, as well as its operating results. Therefore, the Company has decided to voluntarily adopt an Organizational, Management and Control Model in order to adapt its system to the provisions of Legislative Decree 231/2001.</p> <p>In 2021, specific training was provided to the staff, including interns and new recruits.</p> <p>Thanks to the model, LATTANZIO KIBS ensures that each of its activities is conducted in a correct and transparent manner, complying with specific regulatory requirements and respecting human rights principles, including:</p> <p><b>Whistleblowing</b> The model sets up an effective internal communication system to allow the transmission of information which is relevant for the purposes of Legislative Decree 231/2001 to the Supervisory Board, while guaranteeing the protection and confidentiality of the reporter.</p> <p><b>Health and safety</b> The model protects against manslaughter or injury, committed in violation of the rules on accident prevention and the protection of hygiene and health at work.</p>

## Measurements of the outcomes

- LATTANZIO KIBS has not been involved in any trial for human rights violations
- All our employees received equal pay for work performed regardless of age, sexual orientation, ethnicity, religious or political beliefs
- All business units have fully implemented the Organizational, Management and Control Model pursuant to Legislative Decree 231/2001
- Additional training hours were assigned to each new staff member to keep them aligned with the new procedures

## Targets

- We are committed to keeping our employees constantly updated and informed in order to implement the Organizational, Management and Control Model pursuant to Legislative Decree 231/2001
- We intend to ensure that all our consultants, subcontractors, partners and other suppliers are aware of our policies so that our standards become a requirement of compliance upon signing the contract





# Labour

## UN Global Compact Principles

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

**Principle 4** Businesses should uphold the elimination of all forms of forced and compulsory labour

**Principle 5** Businesses should uphold the effective abolition of child labour

**Principle 6** Businesses should uphold the elimination of discrimination in respect of employment and occupation

## Supporting universal Labour standards

For what concerns Health and Safety (H&S) in the workplace (pursuant to Legislative Decree 81/2008), LATTANZIO KIBS adopts all necessary measures to protect the physical and moral integrity of its workers. In particular, as enshrined in our Code of Ethics (art. 13), we are committed above all to ensuring compliance with current legislation, that detailed information and training are provided to workers; the organization of work and its operational aspects are carried out in such a way as to safeguard the health of workers, third parties and the community in which the Company operates.

LATTANZIO KIBS has allocated organizational, instrumental and economic resources with the aim of guaranteeing full compliance with current accident prevention legislation and the continuous improvement of health and safety in the workplace and prevention measures.

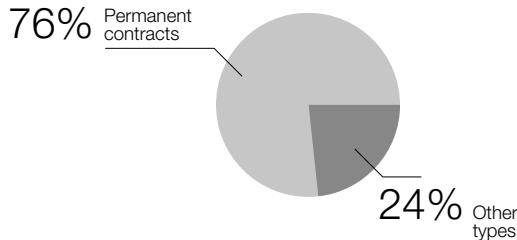
These include the adoption of the Risk Assessment document; the appointment of a Company representative as well as the workers' health and safety representative, for the implementation and verification of the relevant procedures, and the identification of areas for improvement; the implementation of Health Surveillance Programmes.

As stated in the National Collective Labour Agreement, all employees are guaranteed medical insurance as well as accident and repatriation insurance. In this context, LATTANZIO Safety Quality Environment ensures the correct application of safety rules and procedures within the company's Quality Management System.

Given the health emergency situation, in addition to promoting remote mode and flexible work shifts, LATTANZIO KIBS has committed to ensuring access to offices in total safety and adopting individual protection measures and devices as decreed by current national regulations.

Each office is provided with hand sanitizing gel stations, disposable surgical masks at the entrance and appropriate information posters are hung on the walls of each room. Also, the safety distance is strictly respected. As of October 15<sup>th</sup>, 2021 employees are required to show their Green Pass at the entrance to gain access to the workplace. A control officer checks the validity of the document at each entry via a special app, measures the temperature and fills in an attendance register every day.

CONTRACT TYPES



LATTANZIO KIBS values human resources as a factor of fundamental importance. We have always promoted the growth and development of our employees' working skills, aware that their high level of professionalism and their dedication to the Company are an essential factor for the pursuit and achievement of our common goals.

LATTANZIO KIBS adopts assessments, incentives, and remuneration systems based on the recognition of merit for the contribution made, calculated in terms of effort and results. Moreover, we promote collaboration between colleagues and team spirit to identify critical issues and, at the same time, generate value. Furthermore, we make sure that all employees are given equal opportunities to grow and develop their personal skills to their full potential, without any form of favoritism.

We strongly believe in young people. In 2021, the compensation given to interns, students and recent graduates, was generally higher than the minimum legal requirement. At the end of the internship experience, 10% of them became employed. We also recognize the importance of creating new job opportunities in Southern Italy: our administrative office is based in Bari (Apulia region) and we recently set up a local unit in Naples (Campania region) with 16 employees.

OUR COMMITMENT TO CREATE NEW JOB OPPORTUNITIES IN SOUTHERN ITALY



Our Services to promote the Labour Principles

The activities and services of LATTANZIO KIBS aim at supporting the principles of work on a regular basis. It is important for us to ensure the best conditions to promote both economic and job growth with full respect for fundamental rights. In the public and private sector, both at the national and international level, we strengthen governance systems by making them more efficient, effective and respectful of the diverse interests and needs of the community, ensuring compliance with standards and high quality of life.

In 2021, LATTANZIO KIBS was awarded the evaluation services of ten projects developed by the African Development Bank to promote new models of economic

and social growth in 38 least developed African countries. The purpose of the evaluation was to verify and improve existing management procedures and processes in order to deliver high-quality products and achieve the stated strategic objectives, with an emphasis on infrastructure, good governance and capacity building.

We supported FAO's 'Basic Texts of the Organization' project in the design and development of a digital course to train staff on the organization's basic texts. The training focused on the legal instruments that specify the mandate, objectives and functions of the organization, to prepare staff for their responsibilities and to respect the labour principles.

## Policies & Procedures adopted to promote Labour Principles in a practical way

Policies & Procedures	How they work
CODE OF ETHICS	<p><b>Respect of Labour Principles</b></p> <p>Art. 9 identifies human resources as a key factor for our Company development, whose management is based on respect for the personality and professionalism of each individual.</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 pursuant to Legislative Decree 81/2008.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>LATTANZIO KIBS believes that the principles of honesty, integrity and social responsibility are criteria conditioning the assessment of its activities, as well as its operating results. Therefore, the Company has decided to voluntarily adopt an Organizational, Management and Control Model in order to adapt its organizational and control system to the provisions of Legislative Decree 231/2001. In 2021, specific training was provided to all staff, including interns and new recruits.</p>
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. The resources involved have been formally appointed, instructed and trained, and work by the designated sites to ensure health protection to everyone who enters the offices.</p>
QUALITY MANAGEMENT SYSTEM EX ISO 9001:2015	<p>LATTANZIO KIBS has an Integrated Quality Management System (IQMS) that meets the requirements of the ISO standard 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System). This IQMS provides a framework, a set of procedures, standard documents, and a monitoring system for the proper and effective management of work processes in full respect of all applicable laws and international standards.</p>
SECURITY MANAGEMENT SYSTEMS ISO 45001	<p>LATTANZIO KIBS designs, manufactures and maintains Safety Management Systems through ISO standard 45001 which provides the right direction to formalize and structure risk management, legislative compliance management, the dissemination of safer working practices and the assessment of workers' safety and health performance.</p>
SOCIAL ACCOUNTABILITY SA 8000	<p>LATTANZIO KIBS follows this standard certifying the ethical and social commitment of companies, reconciling business ethics and profit generation.</p>



## Measurements of the outcomes

- Valid Certification: ISO 9001:2015 - Quality Management System (2021-2024)
- N. of internal audit carried out in the framework of Quality Management System: 6
- During the period considered, there have been no complaints from employees or 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 at the workplace: 100%
- Percentage of employees trained on Italian Legislative Decree 231/2001: 100%
- N° of total days covered by the insurance policy for personal risks during business trips: 164

## Targets

- We are dedicated to encouraging remote working and hybrid working models, striving to find the right balance between the best working conditions for our employees and business needs. According to a recent study by the Polytechnic University of Milan's Smart Working Observatory, 30% of public administrations experienced a marked improvement in effectiveness and efficiency with Smart Working
- In our business, sharing goals and strategies is indispensable, which is why we are committed to identifying and promoting new forms of collaborative working, such as the use of digital platforms and tools





# Environment

## UN Global Compact Principles

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

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

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

## Promoting Environmental protection

LATTANZIO KIBS comprehends the importance of the environmental challenge and takes on responsibility for its impact by putting environmental protection at the core of its business values and by including it among its growth objectives. For us, this means monitoring and reducing our energy consumption as well as our carbon footprint in order to minimize the negative environmental impact of our day-to-day operations. Our environmentally conscious approach mainly involves the following aspects:

**TRANSPORT** | To promote the reduction of CO<sub>2</sub> emissions, our Company policy strongly encourages the use of public transport services. It also requires that no employee is provided with a company car. In general, we encourage all employees to choose the most effective means of transport, taking into account costs, routes, distances, time and safety. In line with these principles, every day most of our employees reach their workplace by bicycle or by tube.

Even in the case of meetings, mobility has been minimized and each professional has been encouraged to use alternative forms of communication which have less impact on the environment, such as digital tools for corporate video conferences instead of face-to-face meetings. This trend has significantly increased in recent years and has spread further due to the ongoing pandemic crisis.

**PAPER** | LATTANZIO KIBS has adopted an approach of gradual but constant change towards the elimination of paper-based materials, which are only used when absolutely necessary. All data is managed digitally and stored in a file system that users can access securely and immediately. It is the responsibility of the project leaders to control and ensure that professionals use paper, avoiding any kind of waste.

In addition, the Head of information systems and Office automation makes sure that all computers print in both front and back, and in black and white by default. The Office coordinator is responsible for managing all paper supplies and checks that they come from certified companies, by complying with the ISO 14001:2015 environmental standards, as well as forests managed in a correct and responsible manner, according to specific environmental, social and economic standards (as assured by the FSC brand).

**WASTE** | In our offices, employees are encouraged to properly sort and dispose of waste in central recycling bins. LATTANZIO KIBS has provided the entire team with personalized stainless steel water bottles to discourage the use of plastic bottles and cups.

Several water distribution points have been set up at all locations. Compostable cutlery, glasses and crockery are available for everyone to enjoy their lunch in an environmentally friendly way.

## The projects we are involved in reflect our commitment to promoting Environmental Principles

LATTANZIO Safety Quality Environment provides technical consulting services 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 has worked on several projects related to environment and sustainability, including the evaluation of the 'WASH (Water, Sanitation, and Hygiene) Smart City Initiative' pilot project in Baghdad on behalf of UNICEF Iraq, with the objective of promoting enhanced national capacity building for water conservation and management, along with increased public access to water monitoring and online billing. The nuclear issue has been dealt with in a technical assistance project to the European Commission for the definition, development and implementation of nuclear safety cooperation.

LATTANZIO KIBS has acted as the evaluator of the Commonwealth Secretariat's Strategic Plan 2017/18-20/21 to promote inclusive growth and sustainable development. With the conclusion of the project, it has been possible to assess the relevance, coherence, efficiency, effectiveness, impact and sustainability of the Secretariat's Programmes as outlined in the Strategic Plan to meet the needs of the Member States.

For the Global Eco-Industrial Parks Programme (GEIPP) LATTANZIO KIBS has provided digital services on e-learning design and development, focusing on demonstrating the feasibility and benefits of Eco-Industrial Parks (EIP) approaches to increase resource productivity and improve the economic, environmental and social performance of enterprises contributing to inclusive and sustainable industrial change in developing as well as transition economies involved.

As part of plans to regenerate and relaunch Italian ports with a view to sustainability, LATTANZIO KIBS has conducted an analysis of ten representative cities in the category for the creation of a Green Ports HUB. This project aimed not only at sustainable development and green investments, but also at the creation of a virtuous, highly integrated and replicable model at the city and regional level.

Then, LATTANZIO KIBS has participated in the planning, management and organization of the technical and political events of the Italian G20 Presidency on the issues of climate, environmental and energy policies (Naples, *G20 Climate and Energy Working Group Meeting* | July 22<sup>nd</sup>-23<sup>rd</sup>, 2021), sustainable infrastructure and investment (Genoa, *G20 High-Level Conference on Local Infrastructure Investment & 6<sup>th</sup> Working Group Meeting* | September 27<sup>th</sup>-28<sup>th</sup>-29<sup>th</sup>, 2021), and the impact of major global economies on the environment (Milan, *T20 Summit* | October 4<sup>th</sup>-5<sup>th</sup>-6<sup>th</sup>, 2021).

After that, the participatory table between public and private stakeholders for the Metropolitan City of Milan has continued. A great opportunity to listen to citizens and identify their needs, in order to promote innovation in various fields such as mobility, environment and digitalization.

Finally, LATTANZIO KIBS has been commissioned to prepare the Strategic Plans for the Metropolitan Cities of Cagliari (Sardinia region), Messina and Palermo (Sicily region), actively involving all public and private stakeholders, businesses and citizens living in the metropolitan area, encouraging their participation to contribute to concrete projects for the future of their areas.



## Policies & Procedures adopted to promote Environmental Principles in a practical way

Policies & Procedures	How they work
CODE OF ETHICS	<p><b>Respect of the principles of environmental protection</b></p> <p>Art. 24 provides for the protection of the environment, acknowledges its importance as a factor of economic growth and engages our Company to use more and more renewable energies to improve the environmental quality of the territories where we operate. Activities are managed in an environmentally friendly way, but above all it is customary to exercise the profession in such a way as to suggest solutions that are environmentally friendly.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>As previously mentioned, LATTANZIO KIBS believes that the principles of honesty, integrity and social responsibility are criteria conditioning the assessment of its activities, as well as its operating results.</p> <p>Therefore, the Company has decided to voluntarily adopt an Organizational, Management and Control Model in order to adapt its organizational and control system to the provisions of Legislative Decree 231/2001.</p> <p>In 2021, specific training was provided to all staff, including interns and new recruits.</p> <p>Thanks to the model, LATTANZIO KIBS ensures that all its activities are conducted in a correct and transparent manner, complying with specific regulatory requirements, respecting the principles of environmental protection and, at the same time, rejecting phenomena against them, including:</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 highly radioactive material</li> </ul>
ENVIRONMENTAL MANAGEMENT SYSTEM EX ISO 14001:2015	<p>LATTANZIO KIBS has an integrated Quality Management System (IQMS) that meets the requirements of the ISO standard 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System).</p> <p>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

- 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 specific environmental, social and economic standards assured by the FSC brand: 100%
- Example of results from our Milan Headquarters

GRI Indicator EN 1: Materials used

	2019*	2021
<b>Reams of paper</b>	171	70

GRI Indicator EN 4: Indirect energy consumption

	2020	2021
<b>kWh</b>	15.249	15.224

*\* If the comparison with 2020 is insignificant given the national lockdown period, the one with 2019 shows a significant decrease in the reams of paper used in our offices, a sign that the restart of activities in our offices shows a well-established practice*

- Valid Certification: ISO 14001:2015 - Environmental Management System (2021-2024)
- N. of internal audit carried out in the framework of Environment Management System: 1
- 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. As evidenced below, trains have been preferred three times more than airplanes in 2021 for our most common route (Milan-Rome)

2021	Train	Airplane
<b>Consumption (Kg/CO<sub>2</sub>)</b>	24,1	113,5
<b>N. of return tickets</b>	70	10

## Targets

- We aim to raise awareness among employees to reduce energy consumption with regard to the use of heating in winter and air conditioning in summer
- We intend to introduce an environmentally conscious use of e-mail in relation to environmental impact. Recent studies have shown that a 1 Megabyte e-mail emits around 19g of CO<sub>2</sub>. For this reason, we aim to avoid non-essential communications and empty our desktop trash regularly



# Anti-Corruption

## UN Global Compact Principles

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

### Internal control and business ethics for an Anti-Corruption system

Corruption undermines the reputation of companies. LATTANZIO KIBS, as defined in its Code of Ethics (art. 4 and 14), expressly forbids corruption, favouritism, collusive behaviour, direct and/or indirect solicitations, including through promises of personal benefits, towards any subject, public or private. It is our duty to ensure that, in our daily interaction with public and private entities and institutions, at the national, communitarian and international level, the legislative standards are adopted. Therefore, we require our employees and collaborators to act strictly in compliance with the legislation in force and on the basis of the general principles of fairness, loyalty and respect for impartiality.

The Italian legal framework for the prevention and repression of corruption, both in private sector (since 2001) and public sector (since 2012), is well established and articulated, and is considered a best practice by several other countries. Participation in public tenders worldwide is subject to the regular presentation of certificates attesting to the absence of professional and criminal records, such as the anti-mafia certificate, and is also subject to checks carried out through the National Anti-Corruption Authority (ANAC).

LATTANZIO KIBS' criminal record demonstrates that there are no pending criminal convictions nor measures

both in civil and administrative matters that have become final and binding against our professionals.

In order to prevent collusive practices, LATTANZIO KIBS has adopted an Organizational, Management and Control Model to adapt its organizational and control system to the provisions of Legislative Decree 231/2001. This model establishes an effective internal communication system to allow the transmission to the Supervisory Board of information relevant for the purposes of Legislative Decree 231/2001, guaranteeing the protection and confidentiality of the reporting party.

The Company's organizational system has been formalized, and verified on the basis of precise criteria, especially for the allocation of responsibilities, the lines of hierarchical dependence and the description of tasks, with specific provision for control principles.

The exact identification of the tasks of each professional and their assignment in a clear and transparent manner allows the respect of the principle of separation of roles, which is necessary to avoid the risk of commission of offences punishable under Legislative Decree 231/2001.

LATTANZIO KIBS has set up a specialized team operating in the areas of governance, compliance, internal audit & control and anti-corruption, at the national, communitarian and international level,

and a Lead auditor qualified for ISO 37001:2016 anti-corruption management systems has been integrated into the compliance team.

The Model also contains a system of internal controls, governance and more strictly operational procedures that regulate company processes, activities, and related controls.

This system is subject to periodic monitoring and adjustment in relation to the evolution of the Company's operations and the regulatory context of reference, aiming at ensuring the effectiveness and efficiency of processes. In addition, it provides structured and quantitative information for the monitoring of Company's operations over time.

In order to ensure the proper functioning of the Model, analysis activities have been carried out to build a risk prevention and management system that complies with the provisions of Legislative Decree 231/2001.

Our approach focused on a detailed mapping of processes and the analysis of potential risks and preventive actions in relation to the activities and countries in which we operate. Moreover, in-house training programmes have been provided to every employee, in accordance with the regulatory provisions, as well as with the provisions of the Model itself.

Despite the restrictions imposed by the Covid-19 pandemic emergency, LATTANZIO KIBS joined online information and training sessions on global anti-corruption strategies, corporate compliance and whistleblowing.

## Our Services to promote the Anti-Corruption Principles

In 2021, LATTANZIO KIBS provided technical assistance and dedicated training to two provincial government offices, namely the Prefettura of Catania (Sicily region) and the Prefettura of Brindisi (Apulia region). The drafting, updating and effective implementation of the annual anti-corruption and transparency plans have enabled the Prefectures to enhance their institutional role of support and assistance to the most fragile municipalities.

LATTANZIO KIBS has also been engaged in providing a three-year technical support to the Internal Audit Services of AGEA, the Italian National Agency for Payments in Agriculture. AGEA exerts coordination, supervisory and operative functions in relation to disbursement and accounting of EU Agriculture programs and aid by the paying agencies in Italy, while monitoring the related activities, harmonizing the procedures, and providing specific guidance.

Within the private sector, LATTANZIO Safety Quality Environment has supported companies and organizations in setting up and implementing the Organizational and Management Model pursuant to Legislative Decree 231/2001, including anti-corruption systems among its services.



## Policies & Procedures adopted to promote Anti-Corruption Principles in a practical way

Policies & Procedures	How they work
CODE OF ETHICS	<p><b>Observance of basic anti-corruption principles</b></p> <p>The Code of Ethics adopted by LATTANZIO KIBS (art. 4 and 14) expressly forbids corrupt practices and collusive behaviour towards any subject and prescribes that company activities are marked by the principles of transparency as a value and as a tool for preventing and repressing corruption and embezzlement in the management of resources.</p>
ORGANIZATIONAL MODEL EX ITALIAN LEGISLATIVE DECREE 231/2001	<p>LATTANZIO KIBS has voluntarily adopted an Organizational Model pursuant to Legislative Decree 231/2001. This Organizational, Management and Control Model promotes the prevention of a large number (174 as of Dec. 2018) of offences and principles provided for by Italian law.</p> <p>Thanks to this model, LATTANZIO KIBS guarantees that its activities are conducted in a correct and transparent manner, formulated in accordance with the specific requirements determined by Legislative Decree 231/2001. This includes the fundamental structure of:</p> <p><b>Whistleblowing</b></p> <p>The model provides for an effective internal communication system to allow the transmission to the Supervisory Board of information relevant for the purposes of Legislative Decree 231/2001, guaranteeing the protection and confidentiality of the reporter. Such reports may concern the following areas:</p> <ul style="list-style-type: none"> <li>• Crimes against the public administration</li> <li>• Corporate and market abuse offences</li> <li>• Offences of manslaughter or grievous bodily harm</li> <li>• Computer crimes and unlawful processing of data</li> <li>• Environmental offences</li> <li>• Offences of inciting individuals not to make statements or to make false statements to the judicial authorities (ex art. 377-bis Penal Code)</li> <li>• Tax offences</li> </ul> <p><b>Due Diligence</b></p> <p>The Organizational, Management and Control Model pursuant to Legislative Decree 231/2001 also establishes a series of corporate procedures, among which the Due Diligence is to be mentioned. It is addressed to potential business partners before contracting, and consists in the collection and verification of information to identify any risks and problems that may occur to protect the Company.</p>





## Measurement of the outcomes

- N. of complaints from employees regarding corruption or in relation to the application of Organizational Model ex Italian Legislative Decree 231/2001: 0
- N. of penalties due to violations of LATTANZIO KIBS' Code of Ethics regarding corruption: 0
- N. of criminal convictions in relation to corruption and/or final provisions in civil and administrative matters with reference to corruption: 0
- N. of senior management staff who hold an ISO 37001:2016 Anti Bribery qualification: 1 + 1 associate consultant
- Percentage of employees trained on our Organizational, Management and Control Model formulated according to the specific requirements determined by the Legislative Decree 231/2001: 100%

### Targets

- We are committed to constant monitoring of the control system at all levels according to the specific measures provided to prevent, combat and identify potential corruption risks, within the Company, and in relations with our business partners as well as our customers
- We aim to foster a culture of transparency through continuous training initiatives on such an important topic



# Appendix

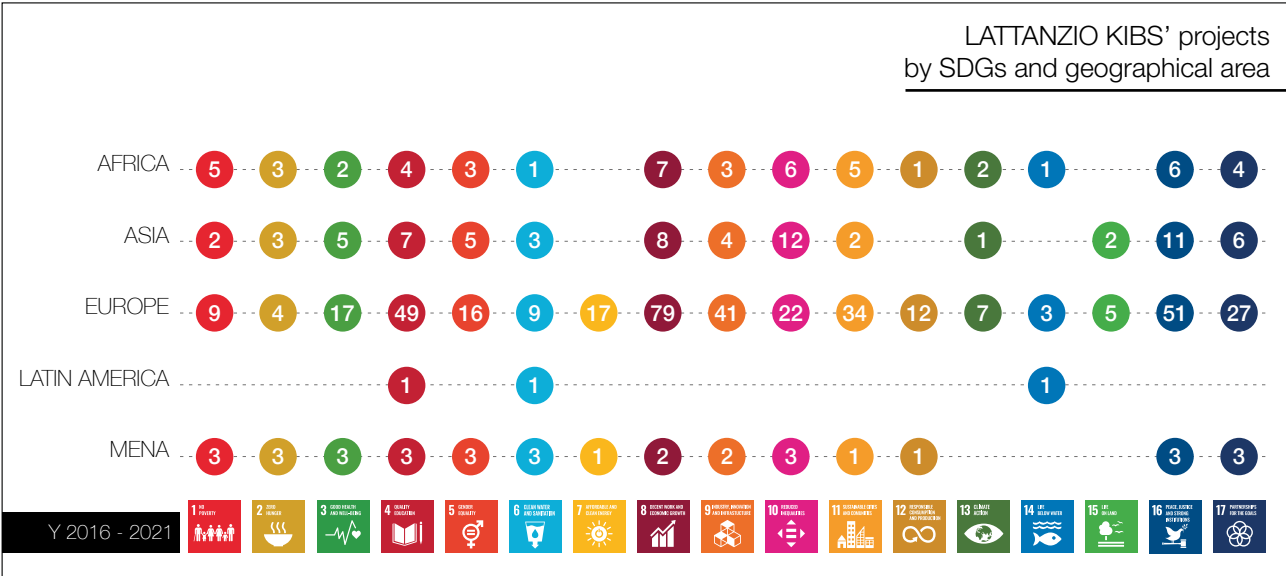
## LATTANZIO KIBS' commitment to the 2030 Agenda

LATTANZIO KIBS has pursued its commitment to supporting sustainable development, with an overall increase in projects of 67% over the previous year. Aware of the impact of its actions towards the 2030 Agenda, the number of SDGs associated with the several projects increased by 41% in 2021.

More specifically, our support focused on the following Goals: promoting peace, justice and strong institutions (SDG 16), fostering durable, inclusive and sustainable economic growth, full and productive employment and decent work for all (SGD 8), renewing the global partnership for sustainable development (SDG 17), reducing inequality (SDG 10) and providing quality, fair and inclusive education (SDG 4).

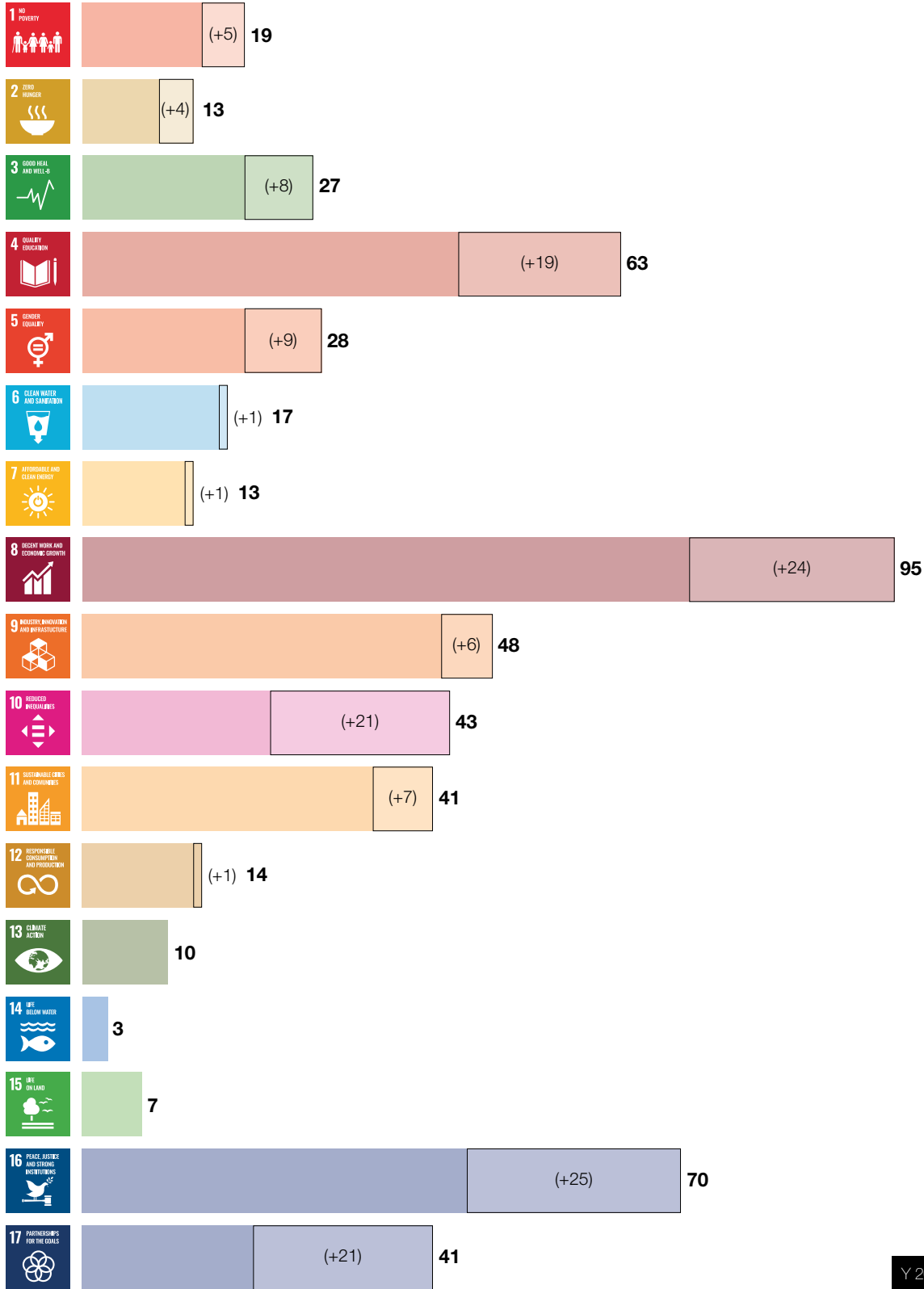
In Italy these objectives correspond to the lines of action envisaged by the NRRP, the National Recovery and Resilience Plan, such as a strong focus on gender equality, infrastructure, digitization, ecological transition, social inclusion, education and research.

With its wide experience in evaluation and technical assistance to structural funds, LATTANZIO KIBS has been supporting Italian central administrations and territorial authorities in the implementation, management, monitoring and reporting of projects financed by the NRRP to enable recipients to take advantage of the opportunities offered by the Plan and to support them in concrete actions to contribute to the development of a sustainable economy.



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

2021



ADVISORY

TECHNICAL ASSISTANCE

MONITORING & EVALUATION

LEARNING

COMMUNICATION

DIGITAL LAB

SAFETY QUALITY ENVIRONMENT

**LATTANZIO**  
■■ KIBS

knowledge intensive business services

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