



UN Global Compact  
**Communication  
on Progress  
2018**



knowledge intensive business services

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

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# Our Statement of Continued Support

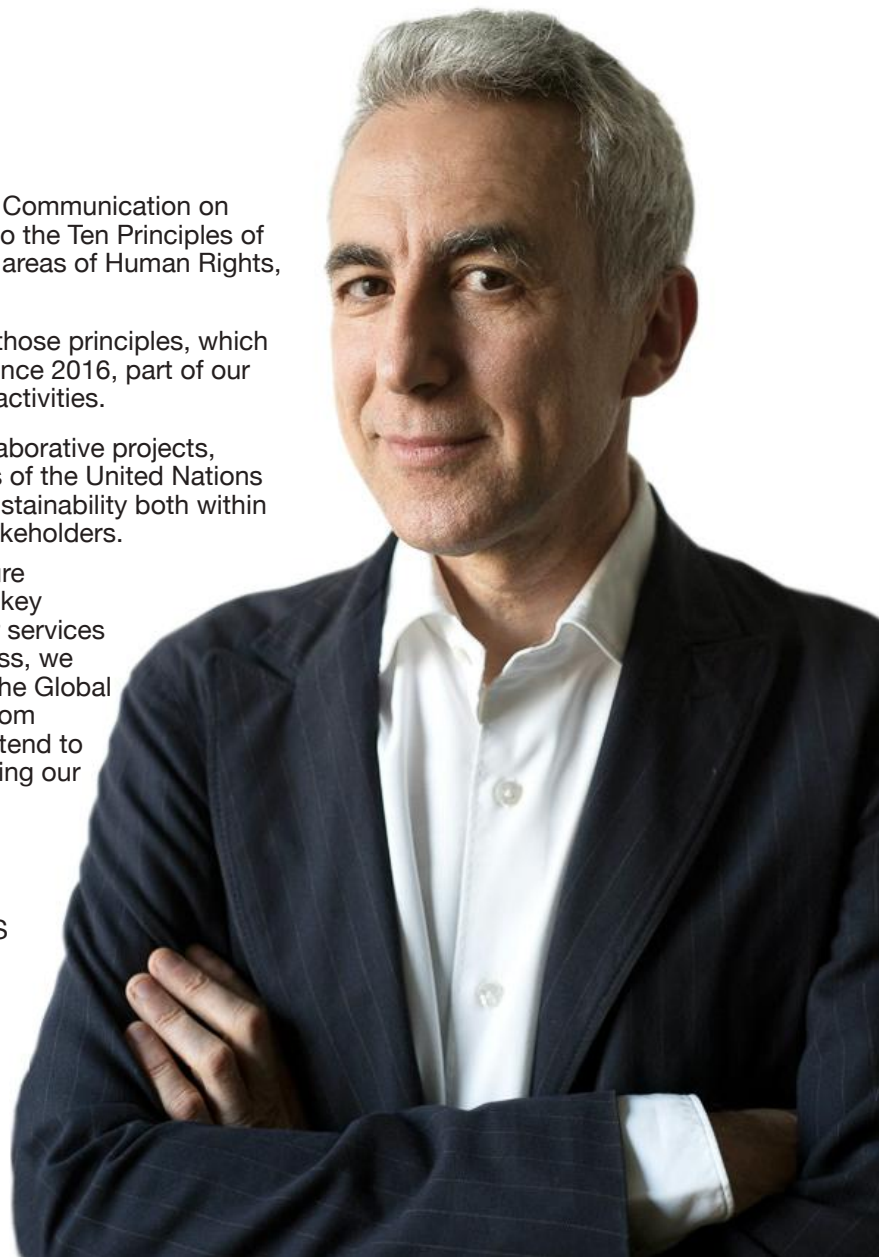
I am pleased to present LATTANZIO KIBS' first Communication on Progress, which confirms our highest support to the Ten Principles of the United Nations Global Compact in the four areas of Human Rights, Labor, Environment, Anti-Corruption.

The LATTANZIO KIBS is committed to making those principles, which are already at the base of our Code of Ethics since 2016, part of our strategy, culture, dedicated services and daily activities.

We constantly commit to engage widely in collaborative projects, integrating the Sustainable Development Goals of the United Nations into our activities, with the aim of advancing sustainability both within the LATTANZIO KIBS and in all our external stakeholders.

Our support in shaping a more sustainable future is therefore put into practice both internally for key operations and processes and externally in our services and projects. In this Communication on Progress, we describe the actions we performed to include the Global Compact and its principles into our business from November 2017 to December 2018. We also intend to share this information with our stakeholders using our main communication channels.

**Ezio LATTANZIO**  
Founding Partner and CEO of LATTANZIO KIBS



# Introduction

The United Nations Global Compact (UNGC) started in 2000 with the intention to lead the power of companies and stakeholder taking collective actions in support of responsible corporate citizenship. The Global Compact is a framework for businesses committed to 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 they incorporate the Ten Principles of the UNGC into their strategies, policies and procedures, and establish a culture of integrity, companies 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



The 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, 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



## Our sectors of expertise include

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

**LOCAL DEVELOPMENT**  
MARKETING PLACES  
INTERNATIONALIZATION

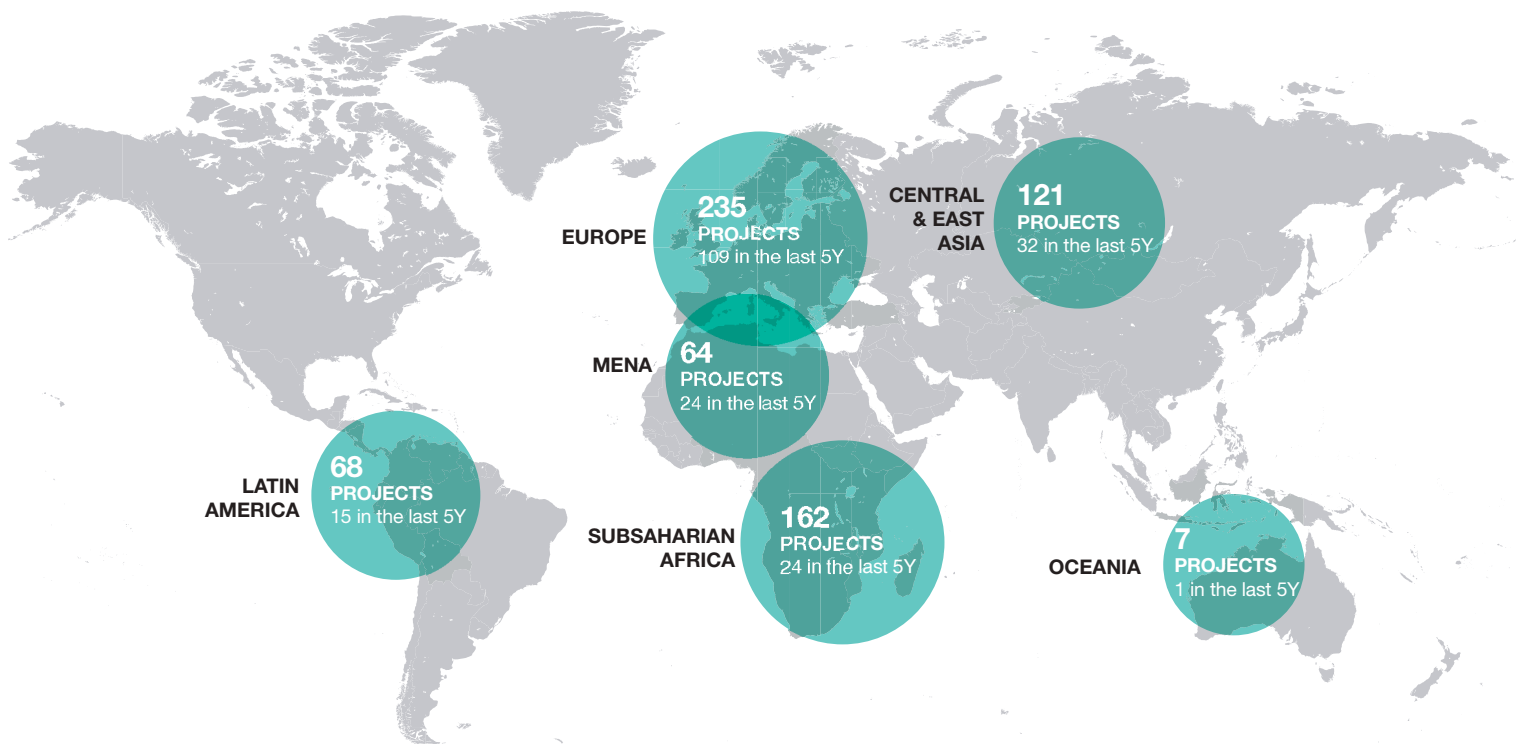
**PRIVATE SECTOR DEVELOPMENT**  
SMEs DEVELOPMENT  
START-UP & BUSINESS INCUBATION  
CREATIVE INDUSTRIES

**EDUCATION AND 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  
ENVIRONMENTAL, HEALTH & WORKPLACES  
SAFETY MANAGEMENT



## +75 Global projects

Next to the European Commission, United Nations, the World Bank and some of the most relevant international organizations' funding cooperation programs.





Implementing  
the Ten Principles  
**2018**





# Human Rights

## UN Global Compact Principles

**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

The LATTANZIO KIBS has a deep commitment to safeguarding people and making sure that each person is treated as with equal consideration and respect. For this reason, we promote and support the human rights of every employees, external consultants, stakeholder and beneficiary 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, are a central aim of our work. In delivering our work, we make sure, to all extents reasonable, that we do not inadvertently allow the rights or wellbeing of anyone, whether it be 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.

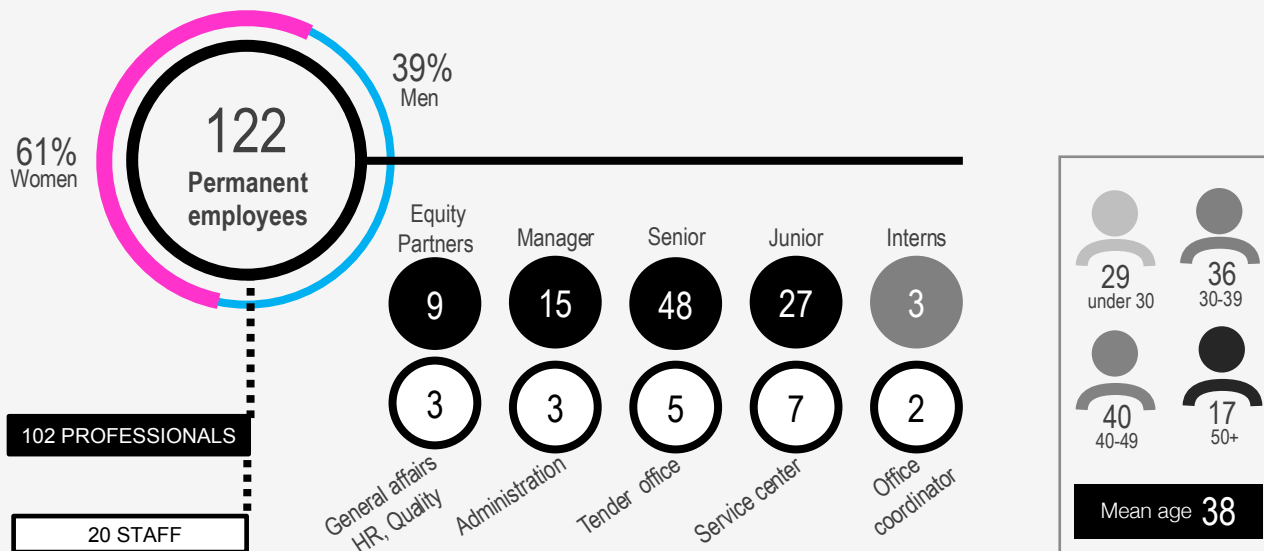
LATTANZIO KIBS has its own Code of Ethics (CoE), which covers respect for human rights and applies to all our employees as well as to external consultants to ensure the LATTANZIO KIBS respects fundamental human rights in every country it operates. The CoE

outlines the ethical principles and conduct that should be followed by Company 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 Legislative Decree 231/2001.

Internally, the Company 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 Company.
- Protection against any form of sexual harassment.

## Permanent Team



## Our Services to promote Human Rights

Externally, the 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, some of the most relevant international organizations' funding cooperation programs, etc.

During the course of the period in consideration, these have been some of the most relevant projects our Company 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 the final evaluation of the five-year National Child Protection Strategy (NCPS) 2012-2016 extended to 2018 for Malawi Government and UNICEF.
- 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.

## Policies & Procedures to promote Human Rights

These are the 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></p> <p>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 LATTANZIO KIBS respects fundamental human rights in every country it operates.</p> <p><b>Data Protection – Privacy</b></p> <p>Art 7 of the CoE 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></p> <p>Art 22 of the CoE sets our Counter Terrorism Policy, prohibiting any engagement of the Company 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 Legislative Decree 231/2001. This includes the respect of Human Rights principles, among which:</p> <p><b>Whistleblowing</b></p> <p>The organizational model L.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></p> <p>This covers manslaughter – and personal injury through negligence.</p> <p><b>Counter Terrorism Policy</b></p> <p>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></p> <p>This covers, inter alia, child pornography and child prostitution – 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
- The LATTANZIO KIBS not been involved in any trial for Human Rights violations
- All of LATTANZIO 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

## Targets

- 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 Human Rights principles. Therefore, we are working towards making commitment to our standards a compliance requirement at contract signature for every individual or company we engage with
- An update of the Organizational Model ex Italian Legislative Decree 231/2001 is planned for 2019, to incorporate most recent regulations





# Labour

## UN Global Compact Principles

**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 Company. 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 wage standards and national collective labor 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. The LATTANZIO KIBS adopts assessments, incentives and remuneration systems that favor not the most

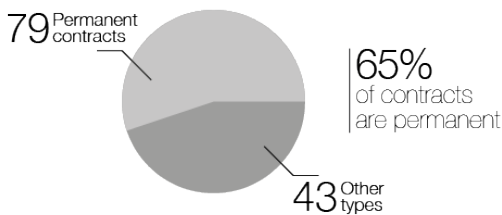
able to prevail over colleagues but those who foster collaboration and team spirit in order to solve problems and create value for the company and for its stakeholders. Furthermore, we make sure that all employees are given equal opportunities to contribute to the growth of the company as well as to 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 2017, the company activated 21 internships distributed among: LATTANZIO KIBS spa, LATTANZIO Advisory spa, LATTANZIO Communication srl, LATTANZIO Ict Lab srl, Abylia srl-LATTANZIO Learning spa and LATTANZIO Safety Quality Environment srl. The interns received a compensation higher than the minimum requirement set by the regional law and 61% of them was hired at the end of the internship.

Understanding the importance of creating new job

opportunities in less developed areas, the 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 LATTANZIO KIBS has its own Risks Assessment document, one company representative for H&S plus one workers 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 risks plan and identify improvements 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 is 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 to highlight any issues related to H&S. The company has a dedicated organization within, 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 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

### OUR COMMITMENT TO CREATE NEW JOB OPPORTUNITIES IN SOUTH ITALY



### 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 labor market and ensuring a system of transmission of

skills and knowledge increasingly integrated with communities. As far as LATTANZIO business activity during the period of consideration, the number of projects implemented by the Group aimed at promoting safety on the workplace has been of 20 in 2017 and 22 in 2018, for a total of 42 projects.

## Policies & Procedures to promote Labour Principles

These are the 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>artt. 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>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 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>
EQUALITY MANAGEMENT SYSTEM EX ISO 9001:2015	<p>LATTANZIO KIBS has adopted an integrated Quality Management System (IQMS) which cover 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: 26 of which 10 for staff working in Milan office - 15 for staff working in Genova office and 1 for staff working in the Rome office
- 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 an 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

## Targets

- One of our main target for 2019 will be to relocate our Milan office spaces to a new building, in order to improve lighting, comfort and the general work conditions of our employees, which are currently affected by refurbishing ongoing works in the building where the offices are currently located
- We are working towards increasing our spaces dedicated to smart work places and adopt practices of smart working. Our Rome office is already being organized in this new way and we intend to extend the same system to our other offices
- We aim at shortening of payment procedures for employed staff as of January 2019



# 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

The 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 are always striving to improve, at the current stage we have identified 4 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** | The LATTANZIO KIBS is a paperless company. All the company 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 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 Actions to promote the Environmental Principles: LATTANZIO Safety Quality Environment

The 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. The 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 cover ISO standard 14001:2015. This IQMI provides a framework, a set of procedures, standard documents and a monitoring system and includes a handbook.

As far as LATTANZIO business activity during the period of consideration, the number of projects implemented by the Group aimed at promoting safety on the workplace has been of 20 in 2017 and 22 in 2018, for a total of 42 projects.

In 2018 the European Commission confirmed LATTANZIO Advisory for technical assistance with regards to the definition, development, and execution of projects, evaluation, and monitoring for nuclear safety cooperation.



# Policies & Procedures to promote Environment Principles

These are the 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>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 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 specimen on 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 cover ISO standard 14001:2015. This IQMI 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%
- Energy Performance of our Milan Headquarters:

### GRI Indicator EN 4: Indirect Energy Consumption

	2017	2018
<b>kWh</b>	15.761	14.146

### GRI Indicator EN 1: Materials used

	2017	2018
<b>Reams of paper</b>	200	290

## Targets

- Going onward we aim to improve and extend to all of our offices our performance reporting system.
- 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 Environmental principles. Therefore, we are working towards making commitment to our standards a compliance requirement at contract signature for every individual or company we engage with.





# 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

According to the Code of Ethics (art.4, art.14), the LATTANZIO KIBS expressly prohibits practices of corruption and collusive behaviors towards any subject.

As a requirement for participation in public tenders all over the world, the Group can attest that no professional has criminal trials against any subject. The company can provide certification of criminal records to prove that there are no criminal convictions ongoing nor any provision in civil and administrative matters passed in judgment and charged to LATTANZIO professionals.

The relationships of the Company and of the Recipients towards national, EU and international public institutions as well as towards public officials or persons in charge of public exercise, or bodies, representatives, representatives, representatives, members, employees, consultants, in charge of public functions or services, public institutions, public administrations, public bodies, even economic bodies, public or local public bodies, national or international, are entertained by each Employee, whatever is

the function or the task, or, where appropriate, by each Collaborator, in compliance with the current legislation and on the basis of the general principles of fairness and loyalty, adapting his conduct to respect impartiality and good performance held the Public Administration.

Illicit payments in relations with Institutions or with Public Officials are indeed prohibited.

All Recipients are required to refrain from making payments to any entity in order to obtain unlawful benefits in representing the interests of the company before the Public Administration.

The Company expressly prohibits practices of corruption, favoritism, collusive behavior, direct and/or indirect solicitations also through promises of personal advantages, towards any subject belonging to the Public Administration. The Company also prohibits corruption practices, favoritism, collusive behavior, direct and / or indirect solicitations also through promises of personal advantages.

The organizational model L.231 sets our

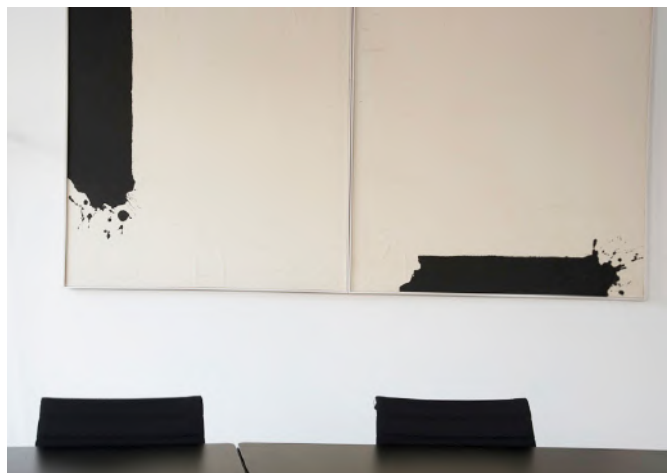
Whistleblowing policy which provides an appropriate mechanism to report via anonymous emails, to an independent Supervisory Board, concerns relating to ethical behavior, procedures or illegality, in compliance with relevant legislation.

All of 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 Legislative Decree 231/2001.

## Our Actions to promote the Anti-Corruption Principles: LATTANZIO Audit & Risk Management

LATTANZIO KIBS has established a dedicated organization, LATTANZIO Audit & Risk Management, operating specifically in the anti-corruption field. This organization is increasingly staffed with specialized people. The Managing Director of the LATTANZIO Audit, Ms. Nadia Gallo, 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.

In 2018 LATTANZIO Audit & Risk Management has promoted a study and a related awareness-raising event on "The role of the Anti-Corruption and Transparency Responsible" within public entities, showing how the institutions responded to the introduction of the Responsible for Anti-Corruption and Transparency, as mandatorily requested by Law. 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. In addition to the Code of ethics, under the guidance of LATTANZIO Audit & Risk Management and LATTANZIO Safety Quality Environment, the company has started an internal organizational process aimed at the Group being certified ISO 37001:2016 within 2019.





# Policies & Procedures to promote Anti-Corruption Principles

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

Policy & Procedures	How is it effective?
CODE OF ETHICS	<p><b>Respect of Fundamental Anti-corruption Principles</b></p> <p>LATTANZIO KIBS' Code of Ethics (art.4, art.14) expressively prohibits practices of corruption and collusive behaviors towards any subject.</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 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>Whistleblowing</p> <p>The organizational model L.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, corruption related procedures or illegality, in compliance with relevant legislation.</p> <p>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 Certifications of pending loads and criminal records: 0
- Number of senior management staff who hold an ISO 37001:2016 Anti Bribery qualifications: 1
- 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

- In addition to the Code of ethics, under the guidance of LATTANZIO Audit & Risk Management and LATTANZIO Safety Quality Environment, the company has started an internal organizational process aimed at preparing LATTANZIO KIBS to get the certification ISO 37001:2016



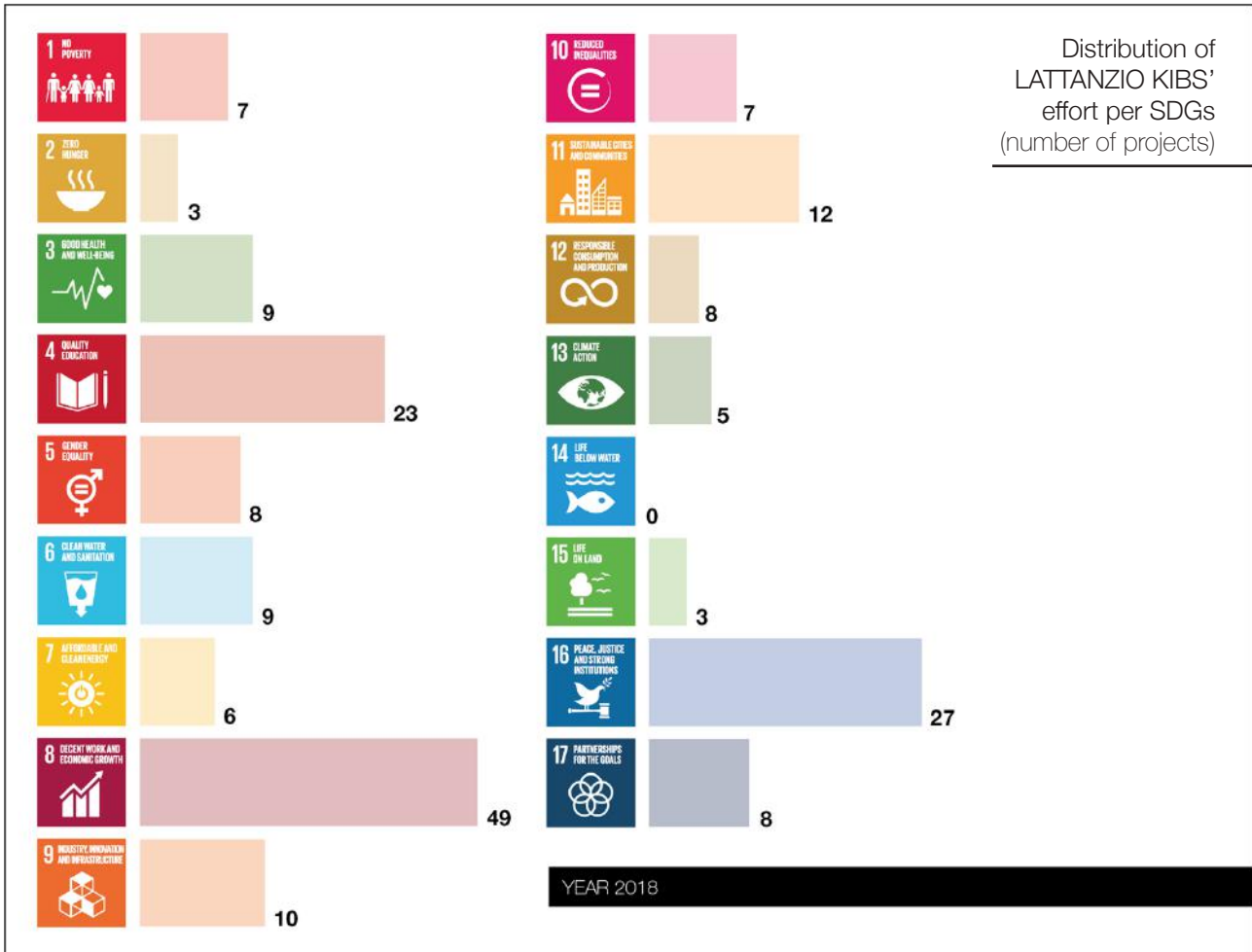
# Appendix

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

LATTANZIO KIBS is engaging in some of the UN goals of sustainable development, aware that the realization of the projects it is implementing will have an impact in reaching the goals set for 2030. The work of knowledge-intensive business services can certainly increase the ability to innovate, develop better processes, optimize resources and create new employment opportunities. With its strong set of expertise and innovation, the LATTANZIO KIBS holds an important role as facilitator in promoting development throughout the institutions it constantly collaborates with. LATTANZIO KIBS has analyzed the projects of its Group, starting from January 2016.



LATTANZIO COMMITMENT



ADVISORY

MONITORING & EVALUATION

LEARNING

COMMUNICATION

ICT LAB

SAFETY QUALITY ENVIRONMENT

AUDIT & RISK MANAGEMENT

**LATTANZIO**  
■■ KIBS

knowledge intensive business services

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