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SOCIAL IMPACT REPORT 2017

Introduction

Benefit Corporations (BC) represent a step forward in the evolution of the company. While traditional companies exist solely to distribute dividends to shareholders, BC are the manifestation of a more advanced corporate concept: beside the profit motive, the business objectives include the goal of making a positive impact on society and the biosphere.

Objectives

As per its benefit purpose statement, LORF S.B. S.R.L. (hereafter the Company) aims to carry out actions to raise public awareness about autism in order to foster greater social inclusion of people with the syndrome. As part of the broader issue of autism, the Company intends to draw particular attention to the question of “after us”, i.e. on the death of an autistic child’s parents, how and by whom will today’s autistic children be cared for when they become adults? Given the significant costs to the community posed by this issue in the future, the intention is to promote and support models for assisted autonomy that combine human intervention with the use of new technologies, with the ultimate goal of reducing the burden of these costs on the community. The aforementioned actions can have direct benefits for people with autism, their families and the community at large, and indirect benefits for associations that tackle these problems thanks to the support that is intended to be provided. To that end, and merely as an example, an annual implementation plan of activities for the common good will be drawn up and approved at the end of each fiscal year for the following one; the plan will specify in greater detail what the focus of the Company’s activities for benefit purposes will be. In order to fulfil its stated objectives, in addition to what it already plans to do in pursuit of its profit-making goals the Company may decide at its shareholder meeting to allocate a portion of its own resources in favour of the aforementioned activities for benefit purposes.

Actions Undertaken in 2017

In 2017, a number of activities were carried out in order to achieve the objectives mentioned in the preceding paragraphs.

Governance

Pursuant to the Company objectives, the meeting of the partners on 26/04/2017 appointed a Benefit Commission that will be responsible for the functions and specific duties for realising activities for benefit purposes. Given the status of the Company as a start-up and in order to facilitate the execution of the Commission’s duties, it has been decided to appoint a sole representative: Andrea Buragina, chairman of the Company board of directors. At the same meeting, it was decided to allocate at least 5% of future turnover

for benefit purposes, as per the Company's business objectives. It should be noted that this commitment is effective from the fifth year in business, in compliance with the regulations governing the Company's membership of the special register of innovative start-ups for 4 years, which prohibit profit distribution for the duration of that period.

Commitments by Founding Shareholders

The meeting of partners on 26/04/2017 approved the commitment by the founding partners to allocate for benefit purposes at least 5% of gains from the disposal of a shareholding in the Company, as per the Company business objectives. Whether or not this commitment will apply to any partner who subsequently enters the Company will be decided at a later date.

HomeMate Project

This project has been created and promoted by LORF S.B. S.R.L. and aims to set up a platform that brings together home automation systems and sensors in order to improve the quality of life of people with autism, increasing their independence in line with the stated goal of addressing problems arising should a person with autism suffer the loss of their parent or guardian. Another objective of no lesser importance is reducing the general costs to the community of caring for adults with autism. It is estimated that in the USA alone, the direct and indirect costs of managing autism will reach US\$1tn in 2025, or practically half the public debt. The project envisages technology at the service of people in which the latter are in control, not only as users but also as administrators. The key figure in the project is the Life Mentor: an educator with highly evolved skills able to evaluate the requirements of people with autism and configure HomeMate to optimise their interactions with the real world, especially in regard to the domestic environment.



In order to realise the HomeMate project, LORF S.B. S.R.L. has worked with Fabula Onlus, and promoted a crowdfunding initiative on Kickstarter that concluded successfully ahead of schedule. The funds raised were used to finance phase 1 of the project, which saw the involvement of educators/psychologists from Fabula Onlus with engineers from technological partner Fifthingenium for the purpose of drawing up the final project to be implemented in phase 2.



 **Ideator & Sponsor**

 **Project Leader**

 **Technical Partner**

Benefit Impact Assessment (BIA)

The assessment process assigned a certified score of 99.2, well above the 80 points required for B-Corp status.

2018 Action Plan

The continuation of the HomeMate assisted autonomy project is the main goal in 2018. Starting from the conclusions reached at the end of phase 1, the outline of the pilot project for implementation in phase 2 will be defined.

In addition to the HomeMate project, the Company intends to promote actions to raise public awareness of the contribution to improving interpersonal skills that can be achieved by using a humanoid robot to support people with autism. By virtue of this, the use of humanoid robots as part of the HomeMate project will be considered. A specific competition will be promoted to foster appreciation of humanoid robots for the purpose of improving interpersonal skills.



In accordance with and pursuant to art. 23 of Legislative Decree 82/2005 and cognizant

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of the legal responsibility as stipulated in art. 76 of Presidential Decree 445/2000 in regard to false or misleading declarations, the undersigned Andrea Buragina as legal representative of the Company and Francesco Paolo Noviello as the duly appointed document submission practitioner hereby declare that the attached digital document is a true and accurate copy of the original document as entered in the Company's books or held in any other form.