

# The *organisational* Model

## INTRODUCTION

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Italian Legislative Decree no. 231 of 8 June 2001 and subsequent amendments and additions introduced the so-called administrative liability of entities into our legal system.

This responsibility provides that a company may be held criminally liable if one or more of its employees commits certain offences in the interest or to the benefit of the company. This liability takes the form of administrative sanctions of a pecuniary nature or disqualifying sanctions concerning the conduct of the company's business.

In order to be “exempt” from this liability, the company must prove that it has effectively implemented a Organisational Management and Control Model pursuant to Italian Legislative Decree 231/2001.

The adoption of an adequate and efficient 231 Organisational Model, in addition to offering the benefit of the aforementioned exemption, strengthens the internal control system and fosters the establishment of a corporate culture based on the values of transparency, ethics, propriety and respect for rules, with clear benefits for the company's reputation and the trust placed in it by all its stakeholders.

More specifically, the system of controls outlined in the 231 Model is based first and foremost on the general standards set out below:

- Existence of formalised procedures: presence of formalised company practices that provide principles of conduct and operating methods for carrying out sensitive activities;
- Segregation of roles and functions: the system must ensure the application of the principle of segregation of roles and functions, whereby the authorisation to execute a transaction must be the responsibility of a person other than the person who operatively performs or controls the transaction;
- Traceability and subsequent verifiability of transactions through relevant documentation and digital media;

Furthermore, powers and responsibilities must be clearly defined and known within the organisation and must be consistent with the organisational responsibilities assigned.

The 231 Model consists of a General Section and a Special Section and several annexes.

The General Section illustrates the Model's principles, purposes and constituent elements.

The method used to assess risks from their identification to their management is described, the criteria used are detailed, distinguishing between intentional or negligent offences, the objectives of disseminating the model, the training and informing of recipients, the disciplinary code to be applied in the event of violations of the model's rules are defined.

Particular attention is devoted to the Supervisory Board as an independent and autonomous body entrusted with the task of assessing and constantly updating the model.

## **ANNEXES**

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The Special Section consists of several annexes.

### **1.1 Crimes - Risk Areas**

The annexes "Crimes - Risk Areas", specified by capital letters (A to Z), describe the crimes included in the catalogue of offences covered by Italian Legislative Decree 231/2001, accompanied by a brief commentary.

These annexes contain the risk analysis performed by studying and understanding the crime and assessing its possible commission in the context of the various operational areas. The offences are organised into homogeneous groups and assessments are performed in a progressive order.

The assessment concludes with the drafting of RULES OF CONDUCT as a first step to combat and deal with the risks identified and with the definition of the various recipients of these rules. Each annex in turn consists of three sub-sections that for each group describe:

- The crimes (regulatory part and commentary);
- The areas of risk (external and internal context);
- The rules of conduct (prescriptive rules and recipients).

## **1.2 Internal context analysis and process mapping**

The annex “Internal context analysis and process mapping” reports the result of the internal mapping of processes.

This document describes the organisation surveyed in the preliminary internal mapping phase and lists the various functions and responsibilities pertaining to the risks of crime detected, broken down by operational areas with respect to the main processes.

## **1.3 A detailed description of the measurement criteria**

The annex “A detailed description of the measurement criteria” provides a detailed description of the measurement criteria adopted for the risk assessment.

These criteria are the result of a synthesis of the best guidelines on the subject. The criteria differ depending on whether the risk depends on a wilful or negligent offence, as the risk/management is based on different assumptions.

## **1.4 Risk Assessment**

The annex “Risk Assessment” is a document consisting of several info sheets. Each of these info sheets contains all the risk assessments performed for each process identified during the mapping phases.

Each info sheet is based on a preliminary study and analysis of the various offences, macro-areas and definition of the individual sensitive processes identified. The risk assessment is performed in accordance with the guiding principles of the ISO 31000 standard on risk management.

Each info sheet includes:

- An analysis of the external context;
- An analysis of the internal context and existing procedures;
- The potential risk;
- The detail of the recipients involved in sensitive operations;
- The PROTECTION MEASURES adopted;
- The criteria adopted for the evaluation;
- The assessment performed;
- The management of the risk identified;
- Any assigned information flows.

### **1.5 Action Plan**

The annex “Action Plan” details all the actions to be carried out to reduce the risks identified.

### **1.6 Training Plan**

The annex “Training Plan” outlines the training planned in order to increase all recipients’ awareness of the ethical principles pursued and the rules of conduct prescribed, as well as to provide what is necessary for them to adapt their conduct to the prescriptions and contribute to the effective implementation of the model.

### **1.7 Code of Ethics**

The “Code of Ethics” is a document of a general scope that contains the affirmation of values that the organisation recognises as its own and that it wishes to be observed by all its employees and all those who, even outside the organisation, work in its interest or to its benefit.

The Code of Ethics therefore constitutes a code of conduct whose observance by all company employees is of fundamental importance for the good operation, reliability and reputation of the Company.

Any information or report of conduct that does not comply with the Code of Ethics and the Rules of Conduct of the 231 Model may be communicated to the Supervisory Board at the following email address: [odv.cieffesrl@vigilanza231.com](mailto:odv.cieffesrl@vigilanza231.com)

*The anonymity of the person submitting the report will be guaranteed, without prejudice to legal obligations.*