



ORGANIZATION, MANAGEMENT AND **CONTROL MODEL**

(Revision February 2018)

Nota:

The current version of the Model, revised and supplemented, has been approved by the Board of Directors on July 9th 2012. Further modifications approved by the Board of Directors:

- 1. June 20th 2014, with effect from July 20th 2014.**
- 2. December 1st, 2014, with immediate effect.**
- 3. February 7th 2018 with immediate effect**

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1. ACTIVITY

INTERSON is a humanitarian non-profit organization supporting populations at risk and victims of natural calamities and armed conflicts. Founded in 1992, it roots its action in values expressing solidarity, justice, dignity of the human being, equal rights and opportunities for all people, respect for diversity and for co-existence, and care for the weaker and defenceless members of society.

INTERSON has a Legal Personality by order of the Prefecture of Rome no. 753/2010 of December 20th, 2010.

It is also recognized by the Italian Ministry of Foreign Affairs with Decree 1997/128/002770/01 of July 24th, 1997 and subsequent extension with Decree 2004/337/005038/04 of December 28th, 2004. The new law on International Development Cooperation No. 125 of August 11th 2014, has abolished such eligibilities by establishing, in the case of development and humanitarian NGOs, the registration at the register of Non-profit Organizations at the Italian Revenue Agency - according to Article 32, paragraph 7, - and the registration at the Development Cooperation Agency of the Ministry of Foreign Affairs.

INTERSON identifies itself in the values upheld by LINK 2007, the network of Italian NGOs, and European NGOs. It also adheres to the Code of Conduct for The International Red Cross and Red Crescent Movement and NGO in Disaster Relief and to the values and principles expressed therein.

INTERSON is a member of the international humanitarian NGO networks VOICE and ICVA.

Moreover, it operates in implementation of the Partnership Agreement of February 24th, 2011 with the European Commission Directorate General for Humanitarian Aid and Civil Protection (ECHO), is recognized by the major United Nations agencies, and holds consultative status in the United Nations Economic and Social Council (ECOSOC) since 2002.

The INTERSON activity aims to:

- provide immediate response to humanitarian crises, through relief to populations who are victims of armed conflicts, drought, famine, mines and explosive devices and other calamities;
- in parallel to the emergency intervention, also initiate actions to promote a return to normality in living conditions, a return to dialogue, a consolidation of peace processes, and reconstruction and development;
- mobilize, stimulate and motivate Italian society to expand and disseminate a culture for solidarity and international justice.

In fact, "INTERSON was created to give answers of solidarity to the populations in life threatening situations and suffering under hunger and misery, resulting from extreme poverty, natural disasters or from the destructive effects of human actions, particularly in countries of the South of the world" (art. 2 of the Articles of Association).

INTERSON has operated for many years in several countries located in Africa, Central America, Eastern Europe, Asia and Middle East, and primarily intervenes in the following sectors:

- emergency aid to civilians, privileging the most vulnerable groups: providing essential goods, food, water, health care, protection;
- assistance to refugees and internally displaced persons (IDPs): organizes and runs refugee camps and shelters;
- supporting the return of IDPs and the repatriation of refugees: assistance for the reconstruction of dwellings and community services,
- supporting the growth of local skills and training;

- reconstructing social infrastructure and restoring public services: hospitals, outpatient care clinics, schools, water wells and pipelines, shelters;
- humanitarian demining and mine awareness: clearing terrain compromised by mines, cluster bombs and other explosive devices; education on risks posed by mines and explosive devices;
- promoting the return to dialogue, social harmony and reconciliation.

INTERSOS is constantly concerned with remaining fully independent and autonomous in its strategic and operational decisions. It is therefore attentive to the diversification of the financial resources necessary to reach its humanitarian goals. Amongst the international donors, it chooses the ones who respect its neutrality and autonomy. A part of the resources deployed comes from individual donations, associations, organizations, solidarity groups, foundations and enterprises. The majority of funds are nevertheless public: United Nations, Italian Government, Regions and Italian Municipalities and other Governments.

2. POWERS, OPERATIONAL AND CONTROL STRUCTURE

2.1 The Statutory Structure

The statutory bodies, which guide, decide and control INTERSOS decisions, activities and finances are the Members' Assembly and the Board.

The **Assembly** comprises duly enrolled members. The Assembly has the following responsibilities: a) to determine general guidelines for the Association's operations and activities in pursuit of its aims; b) to approve the annual financial statement and report; c) to deliberate and decide on statutory changes; d) to appoint the members of the Board; e) to deliberate and decide on the exclusion of members.

The **Board** comprises a number of Members of the Board defined by the Assembly prior to their election, upon proposal by the President. Members of the Board are elected by the Assembly from among ordinary and founder members. The President, Vice-president and Secretary General are Members of the Board *ex officio*.

The **Board** adopts those measures deemed essential and proper to achieve the Association's aims with guidelines set by the Assembly.

In particular:

- appoints the President, the Vice-president and the Director General;
- deliberates on the admission of new members (ordinary);
- proposes to the Assembly the exclusion of members;
- examines economic and financial reports during the year;
- expresses an opinion on financial statements before their presentation to the Assembly for approval;
- deliberates and decides on all matters concerning the activity of the Association.

The quorum for any meeting of the Board shall be the presence of a majority of the members. Decisions are taken by a majority vote of the members present and voting. The Board shall be presided by the President, and in his/her absence by the Secretary General. In the event of an even vote, the President's vote or the one of his/her substitute is decisive. The term of office for the members of the Board is four years, renewable.

The **President** is appointed by the Board for a term of office of four years and is eligible for reappointment.

The President:

- is responsible for the Organization's activities toward the achievement of its statutory aims and for any responsibilities not assigned to other bodies by these Articles of Association;
- with the Secretary General, develops relations with institutions and agencies, national and international organizations;
- convenes and presides the Assembly;
- convenes and presides the Board.

The **Secretary General** is appointed by the Assembly for a term of office of four years and is eligible for reappointment.

The Secretary General:

- is the legal representative of the Association;
- directs the Organization and coordinates its activities and offices;
- has signing authority for all acts involving ordinary and extraordinary administration;
- submits the annual financial statements to the Board and to the Assembly;
- together with the President, manages relations with institutions, agencies and international organizations;
- executes the Board's deliberations;
- ensures that the Organization receives the required performance from its staff, associates and volunteers and manages their activities.

The Secretary General may propose a Director General to the Board (Article 12 of the Articles of Association).

2.2 The Operational Structure

INTERSOS is structured according to a Functions & Organization Chart (cf. **Attachment 1**) approved by the Secretary General on an annual basis. It comprises the abovementioned statutory bodies and additional roles and functions.

The Secretary General forwards the amended function-organizational chart to the Oversight Function in order to verify if the new structure of activities, tasks, functions and responsibilities also requires the amendment of the Model and the processes outlined in the attachments and handbooks.

The INTERSOS operational structure sustains the following principles:

- clear and precise definition of job tasks, competent levels of responsibility and hierarchies;
- explicit attribution of representation and signature powers;
- written powers of expenditure conferred by the Secretary General and in any case to be contained within limits specified in the Terms of Reference (cf. **Attachment 2**).

The assignments and responsibilities related to each function and the competent powers of representation are specified in the Terms of Reference (cf. Attachment 2) approved by the Secretary General.

In summary, the INTERSOS operational structure includes the following roles, Departments and Units:

1) **The Secretary General** guides and monitors the operational structure and remains its final decision-maker. He establishes the policy guidelines and the intervention measures through the guidelines of the governing bodies, he ensures direction and coordination of all the Organization's units/offices, he maintains, along with the President, relations with donors and national and international institutions, he coordinates internal audit activities and he supervises security.

2) **The Director General** performs the functions entrusted to him by the Secretary General and can replace him in case of extended absence. He reports to the Secretary General. Within the limits of his delegated functions, he coordinates, supports and verifies the efficiency and efficacy of the activities performed by the directors and the unit supervisors, in the full autonomy of the functional responsibilities, Department Directors and Unit Managers.

3) **Human Resources Department**

The **Human Resources Department** provides the Organization with recruitment and selection; training and development, performance evaluation; staff remuneration

The **Human Resources Director** manages and supervises all staff-related processes: staff planning and acquisition (search, selection and recruitment), staff management and development (training, evaluation, career paths, remuneration policies, administrative aspects), operating in line with the strategic objectives of INTERSOS.

The **Regional HR Coordinator** supports and advises the Heads of Mission in identifying needs, management, motivation and involvement of staff, both international and national. He also ensures that the country's legal obligations are complied with.

4) **Programmes Department**

The Programmes Department consists of:

- **Director of the Department**
- **Regional Directors**
- **Emergency Unit**
- **Migration Unit**
- **Technical representatives (Medical, Protection)**
- **Heads of Mission**

The **Programmes Department** guarantees the consistency of programmes and projects with the strategies and priorities of the Organization, as well as their correct functioning, efficacy and consistency with the adopted management rules and, more generally, the observance of the provisions contained in the Model.

The **Director of the Department**, in accordance with the independence of the Regional Directors in managing reference countries, has the task of monitoring the general functioning of the Regions and the Missions by giving them indications for the complete fulfilment of the objectives outlined and by supporting them in managing their programs so that they can efficiently and effectively achieve their humanitarian objectives. He reports to the Secretary General and to the Director General depending on the mandates he has been entrusted with.

The **Regional Director** represents the Organization within the borders of his geographical area of responsibility with regard to the different representatives and according to the powers which he has been entrusted with by the Secretary General and by the directions given to him by the Director of the Programmes Department to whom he reports quarterly in writing and whenever else is deemed necessary. He constantly communicates with the Regional Finance Officer and ensures that all of the tasks which have been entrusted to him are correctly implemented. The Regional Director is supported by the **Deputy Regional Director** and by the **Technical representatives**.

Emergency Unit: the main objective of the Emergency Unit is to provide a plan for the rapid response to crises caused by man and natural disasters, which put at risk the survival, protection and well-being of a large number of individuals, where Intersos is able to mobilize human and financial resources in order to act promptly. The Head of Emergency Unit represents the Organization vis-à-vis the various counterparts on the basis of the powers conferred upon him by the Secretary General and the guidelines provided by the Director of the Programmes Department, to whom he reports in writing every three months and whenever requested

Migration Unit evaluates, processes and proposes to the Secretary General humanitarian interventions in the field of migratory flows in Italy and in transit countries. The Head of the Unit directs and coordinates the activities, guarantees their correct execution and success, and reports in writing, on a quarterly basis, to the Secretary General and to the General Manager on the basis of the granted powers.

The **Head of Mission** is granted the powers by the Secretary General at the time of his appointment and officially and legally represents INTERSOS in the country of assignment. The Head of Mission supervises and coordinates the activity in said country, monitors its progress and decides how it must be organized and planned. In particular, he is responsible for the safety of all national and expat staff, as well as for the planning, management, implementation and success of the Programme of all individual projects carried out in the country. He reports in writing to the Regional Director, on a monthly basis, about his work, the progress of the activities, the performance, the needs of the operators and the application of the Model provisions.

5) **Administration and Finance Department**

The Finance Director is responsible for the proper management of the administrative and financial activities of the Organization which includes the economic and financial management and planning, the management control system, the fulfilment of tax and social security provisions, the assessment of the accuracy and proper filing of the administrative and financial documentation, and the delivery of annual budgets and periodic and annual financial statements of the Organization. He reports quarterly in writing to the Secretary General and to the Director General, within the limits of his responsibility, about the progress achieved.

Regional Finance Coordinator ensures the supervision of the administration and accounting of the area which has been assigned to him and assumes full responsibility for it. He is the main reference point for the administrative operators of his area. He must ensure the proper and effective management of financial resources in accordance with the procedures of the Organization and the guidelines of the Finance Director. He reports quarterly in writing to the Finance Director about the progress of the activities he carries out. While carrying out his duties, he interacts with the Regional Director for the activities of the missions in order to ensure proper accounting and administrative management.

- 6) The **Communication and Fundraising Unit** promotes the institutional communication and the awareness-raising activities of INTERSOS and identifies the techniques, organizational modalities and costs/benefits for the fundraising by promoting the initiatives defined and approved by the Secretary General. The Head of the Unit reports quarterly in writing to the Secretary General and to the Director General, depending on the mandates it has been entrusted with.

7) **Unit Grants Control and Compliance**

The Grants Control and Compliance Unit ensures an effective relationship with strategic donors, staying constantly updated on the procedures, rules and manuals issued by these; developing internal procedures that comply with the strategic donors' guidelines; providing

support and advice both in the presentation of new proposals and in the reporting phase, ensuring quality and compliance with deadlines; providing support in the implementation of projects in full compliance with the internal rules of INTERSOS and those of donors. In this regard, the Unit will examine the Tenders for the acquisition of goods and services, which will be reported by the Procurement Officer as "sensitive" in terms of amount or technical and environmental difficulty. The Unit is also responsible for identifying new donors and verifying their eligibility criteria. The Head of the Grants and Compliance Unit reports to the Secretary General and to the General Manager, on the basis of the granted powers.

8) **Security Representative**

The Security Representative coordinates and updates the internal procedures aimed at ensuring the management of security for all INTERSOS staff. To this end, he drafts and updates the Comprehensive Planning Process (CPP) and the Risk Management Plan, tools to analyse risks and identify any threats. Checks the application of the security procedures in the Missions. The Security Representative reports to the Secretary General and to the General Manager, based on the granted powers.

9) **Logistics Unit**

The Logistics Unit has the task of coordinating

- all supplies and purchases of goods and services for the head office.
- The list of pre-qualified suppliers for purchases of goods and services for the head office
- all supplies and purchases of goods and services for the Missions, where purchases must be made in Italy
- Supplies of goods and services for security in the Missions (satellite phones, video cameras, security services, barriers, etc ...)
- Supplies and purchases of goods and services carried out at Procurement Centres outside the Missions
- The ICT representative and IT help-desk
- The Procurement Officer
- On a functional level, all the Logistics Coordinators working in the Missions, with particular attention to the compilation and updating of the list of pre-qualified suppliers.
- The Head of Logistics Unit reports to the Secretary General and to the General Manager, based on the granted powers.

3. **CORE PRINCIPLES AND MODEL STRUCTURE**

INTER SOS, as a non-profit organization (hereinafter also "**Organization**") falls within the category of legal entities which may be held "liable" for the wrongful conducts or misconducts of its senior members (so-called persons "in top positions" or simply "senior" persons) and of the persons managed or controlled by them.

INTER SOS thereby has adopted an Organization Management and Control Model (hereinafter also "**Model**") to prevent the occurrence of any illicit conduct and any consequent administrative liability for the Organization.

The Model defines the commitment undertaken by INTERSOS, its bodies and associates to do whatever is in its power to ensure that all activities comply with the law, and to internal regulations and conducts as outlined in the following paragraphs, identifying itself in the principles of probity and transparency encompassed in the Charter of Values (cf. Attachment 3) and in the Code of Ethics (cf.

Attachment 4) adopted by INTERSOS, and contained in laws and provisions in force (in particular Decree Law n° 231/2001).

The Model aims to guarantee that all INTERSOS activities:

- are carried out in compliance with the law and of the Model, protocols and procedures adopted by INTERSOS;
- pursue clearly defined aims and comply with INTERSOS statutory goals and are not aimed at procuring illicit benefits for the Organization;
- are documented, motivated and consequently auditable.

For this purpose:

- activities at risk, sensitive circumstances, persons responsible and subjects involved have been identified;
- procedures and rules of conduct have been defined, aimed at preventing and managing risks;
- specific rules of conduct have been introduced;
- training on the Model has been regulated;
- protocols for administrative management of projects and missions have been revised;
- Internal Audit and Accountability has been set up;
- a system of penalties has been introduced in response to non-compliance to measures indicated in the Model.

In any case, the Model has been written based on the set of documents (regulatory framework) that already regulate the operation of INTERSOS such as:

- Articles of Association,
- Charter of Values – **Attachment 3**,
- Code of Ethics – **Attachment 4**,
- Functions & Organization Chart – **Attachment 1**,
- Terms of reference of the apex subjects (ToRs) – **Attachment 2**
- Management Protocols, Policies, Guidelines, etc. and more strictly operational rules that can regulate organizational processes, individual operations and their controls (Handbooks, Operating Guides, Internal Notifications and Provisions, Circulars, etc.).

This regulatory framework is an integral part of the Model.

Any revision to the Model shall enter into force within 30 days following the approval of the Board, unless otherwise provided. The attachments are approved by the Secretary General.

The Secretary General may issue directives, which may be general or specific.

The Finance Director and the Programme Unit Coordinator may only issue specific directives with an indication of their duration. General directions must be countersigned by the Secretary General.

The directives shall be sent to the Internal Audit and Accountability function, which verifies their compatibility with the principles of the Model. The directives which last more than one year shall be included in the Model.

The Model and its attachments are published on the INTERSOS INTRANET, (Attachment No. 15 - Handbook for the use of Intranet ALFRESCO) and on the Organization's website.

The Model, including its Attachments, shall be made known to the Donors according to their requirements.

4. ACTIVITIES AT RISK, SENSITIVE CIRCUMSTANCES IN THE PROCESS, CONCERNED PERSONS

Concerned persons are those who, according to Decree Law n° 231/2001, hold representative, administrative, management, or auditing functions.

ACTIVITIES AT RISK	SENSITIVE CIRCUMSTANCES IN THE PROCESS AND REFERENCE HANDBOOKS	SUBJECTS INVOLVED (Subjects in bold are responsible for)
A1) Participation in procedures for the award and/or allocation of public funds and subsidies by the Italian Ministry of Foreign Affairs (MoFA), other Ministries or European institutions, foreign governments, or International Organizations, for activities to be carried out in Italy	Drafting and submission of projects, managing relations with the Public Administration (P.A.), while participating in bids, calls and requests for proposals (RfP) for public funding in Italy and abroad (Attachment 5 - Project and Mission Management Handbook)	Secretary General Finance Director Director of the Programs Department Regional Finance Officer
A2) Participation in procedures for award and/or allocation of disbursements, contributions, public funds or subsidies by MoFA or other Ministries, European institutions, foreign governments, International Organizations (UN agencies, etc.) for activities to be carried out abroad	Drafting and submission of projects, managing relations with the Public Administration (P.A.), while participating in bids, calls and requests for proposals (RfP) for public funding in Italy and abroad (Attachment 5 - Project and Mission Management Handbook)	Secretary General Finance Officer Director of the Programs Department Regional Director Regional Finance Officer Head of Mission Country Finance Coordinator
A3) Negotiation, signing and execution of contracts/agreements with public entities or similar qualified entities, after participation in bids, calls and RfP for allocation of contributions and subsidies for programs to be carried out in Italy	Managing relations with public officials or public service functionaries or providing data and information to public funding agencies/bodies (Attachment 5 - Project and Mission Management Handbook)	Secretary General Finance Director Regional Finance Officer
A4) Negotiation, signing and execution of contracts/agreements with public entities or similar qualified entities, after participation in bids, calls and RfP promoted by Italian, European and international public Agencies for programs to be carried out abroad	Managing relations with public officials or public service functionaries or providing data and information to public funding agencies/bodies (Attachment 5 - Project and Mission Management Handbook)	Director of the Programs Department Finance Director Regional Director Regional Finance Officer Head of Mission Country Finance Coordinator
A5) Managing relations with the public administration for fulfillment of obligations, controls, inspections connected to Organization's projects and activities in Italy	Submission of supporting documents, financial reports, and project financial statements (Attachment 5- Project and Mission management Handbook)	Secretary General Finance Director Regional Finance Officer Project Manager
A6) Managing relations with the public administration for fulfillment of obligations, controls, inspections connected to Organization's projects and activities abroad	Submission of supporting documents, financial reports, and project financial statements to donors abroad (Attachment 5- Project and Mission management Handbook)	Director of the Programs Department Finance Director Regional Director Regional Finance Officer Head of Mission Country Finance Coordinator Project Manager

<p>A7) Managing relations with public entities for all matters relating to workplace safety and health (Decree law n° 81/2008 and Law n° 626/1996). In particular, for obligations linked to regulations on workplace safety and relations with competent supervisory authorities, also in the event of inspections.</p>	<p>Performing controls and assessing the fulfilment of all obligations to ensure a safety workplace (Attachment 7 – Security Handbook for Humanitarian Operators abroad)</p>	<p>Secretary General</p>
<p>A8) Management of in-court or out- of-court litigation, including those relating to the execution of contracts/agreements stipulated with public entities or similar qualified entities in Italy</p>	<p>Managing relations with judicial authorities or with officials/public inspectors during litigation</p>	<p>Secretary General Finance Director</p>
<p>A9) Management of in-court or out-of-court litigation, also for execution of contracts/agreements stipulated with public entities or similar qualified entities of European community or foreign governments, or International Organizations (UN agencies, etc.) abroad</p>	<p>Managing relations with judicial authorities, European Commission inspectors and foreign officials during litigation</p>	<p>Secretary General Finance Director Director of the Programs Department Regional Director Regional Finance Officer Head of Mission Country Finance Officer</p>
<p>B1) cash and liquidity management at the Headquarters</p>	<p>Opening and closing of bank accounts, payments and currency transfers (Attachment 5- Project and Mission Management Handbook)</p>	<p>Secretary General Finance Director</p>
<p>B2) Local office cash and liquidity management abroad</p>	<p>Opening and closing of bank accounts, payments and currency transfers (Attachment 5- Project and Mission Management Handbook)</p>	<p>Regional Finance Officer Head of Mission Country Finance Coordinator Project Manager</p>
<p>C1) Project implementation Italy</p>	<p>Management of the liquidity, cash flow and financial resources to avoid improper use (Attachment 5- Project and Mission Management Handbook)</p>	<p>Finance Director Head of Migration Unit Regional Finance Officer Project Manager</p>
<p>C2) Project implementation abroad</p>	<p>Management of the liquidity, cash flow and financial resources to avoid improper use (Attachment 5- Project and Mission Management Handbook)</p>	<p>Finance Director Regional Director Regional Finance Officer Head of Mission Country Finance Coordinator Project Manager</p>
<p>C3) Collaboration and support to partners in the implementation of projects carried out abroad</p>	<p>Identification and selection of suitable partners for collaborations or partnerships especially for foreign missions (Attachment 5- Project and Mission Management Handbook)</p>	<p>Regional Director Finance Director Regional Finance Officer Country Finance Coordinator Head of Mission Project Manager</p>
<p>C4) Cooperation and support to partners in the implementation of projects carried out in Italy</p>	<p>Identification and selection of partners in collaboration or association with INTERSOS regarding activities / projects to be carried out in Italy (Attachment 5- Project and Mission Management Handbook)</p>	<p>Secretary General Head of Migration Unit Project Manager</p>

D1) Project implementation, with special regard to activities carried out by expat staff	Staff recruitment, preliminary checks and training to avoid the committing of crimes against the person (Attachment 9 – Human Resources Handbook)	Secretary General Director of Human Resources Regional HR Coordinator
D2) Project implementation, with special regard to activities carried out by national staff	Staff recruitment, preliminary checks and training to avoid the committing of crimes against the person (Attachment 9 – Human Resources Handbook)	Head of Mission Regional HR Coordinator
D3) Negotiation and signature of conventions and agreements with (also foreign) partners for local hires for the various projects	Partner choice, checks for compliance with principles of conduct related to staff management (Attachment 9 – Human Resources Handbook)	Secretary General Director of Human Resources Head of Mission
E1) Management of Headquarters staff	Signature of contracts, training (Attachment 9 – Human Resources Handbook)	Secretary General Director of Human Resources
E2) Measures to safeguard the health and safety of Headquarters staff members	Conformity to provisions relating to safety at work, workplace checks and controls	Secretary General
E3) Measures to safeguard the health and safety of overseas operators	Conformity to provisions relating to safety at work, workplace checks and controls (Attachment 7 – Security Handbook for Humanitarian Operators abroad)	Regional Director Director of Human Resources Security Representative Head of Mission
F1) Negotiation, signature and execution of supply contracts for assets in projects pursued in foreign countries (to avoid assets of an illicit origin)	Management phases of bidding, checks and controls on supplier and origin of assets (Attachment 6 – Procurement Handbook)	Head of Mission Country Finance Coordinator Project Manager
F2) Negotiation, signature and execution of supply contracts for assets in Italy (to avoid assets of an illicit origin)	Management phases of bidding, checks and controls on supplier and origin of assets (Attachment 6 – Procurement Handbook)	Secretary General Finance Director Head of Migration Unit Head of Logistics Unit Project Manager
F3) Negotiation, signature and execution of contracts for project implementation in collaboration with foreign partners, with employment of the latter's resources	Phases for the selection of foreign partner (Attachment 5- Project and Mission Management Handbook)	Regional Director Head of Mission Project Manager
F4) Fundraising from non-institutional private donors with special regard to conclusion of contracts with private subjects aimed at acquiring resources to operate successive funding of activities performed by INTERSOS in Italy	Registration, drafting of accounting documents confirming payments or any value flows (Attachment 5- Project and Mission Management Handbook)	Secretary General Finance Director Head of Communication and Fundraising Unit
F5) Fundraising from non-institutional private donors with special regard to the conclusion of contracts with private subjects abroad aimed at acquiring resources to operate successive	Registrations, drafting of accounting documents confirming payments or any value flows (Attachment 5- Project and Mission Management Handbook)	Regional Director Finance Director Regional Finance Officer Country Finance Coordinator Head of Mission Head of Communication and

funding of activities assisted by INTERSOS		Fundraising Unit
F6) Management of the Organization's economic-financial flows, also with reference to obtaining funds in Italy and transferring funds to missions	Processing and use of accounting data to deliver financial reports, balance sheets and financial statements (Attachment 5- Project and Mission Management Handbook)	Secretary General Finance Director
F7) Management of the Organization's economic-financial flows, also with reference to obtaining funds locally and transferring funds to Italy	Processing and use of accounting data to deliver financial reports, balance-sheets and financial statements (Attachment 5- Project and Mission Management Handbook)	Regional Director Finance Director Regional Finance Officer Country Finance Coordinator Head of Mission
F8) Organization Financial Statements Management on site and in Italy	Preparation, review and publication of financial statements (Attachment 5- Project and Mission Management Handbook)	Secretary General Finance Director

5. RESPONSIBILITY

The responsibilities of those involved in the various processes described in paragraph 4, which have been broadly illustrated in the attached Handbooks, have been identified through the Function & Organization Chart in **Attachment 1**.

Where, due to organizational difficulties, the responsibilities attributed by the Functional Organization Chart are not assigned to one or more professionals, the management of the processes related to them shall enter within the sphere of responsibility of the senior figure immediately above, as identified in the Functional Organization Chart.

In this case, any tasks relating to the authorization/control/verification of activities carried out by the deputy are, consequently, supervised by the senior figure to which they normally refer

6. PROCEDURES AND RULES OF CONDUCT

6.1 INTERSOS Charter of Values and Code of Ethics

The Charter of Values adopted by INTERSOS establishes the principles that inspire the Organization's activities and outlines the rules of conduct that have been introduced by the Model. Moreover, INTERSOS has adopted a Code of Ethics (hereinafter also the Code) to define precise rules of conduct for the Organization and all subjects involved in its operations.

All INTERSOS employees and associates in any capacity, in Italy and overseas, members of statutory bodies, partners, consultants and any person working to achieve the Organization's objectives, are therefore obliged to comply with the Charter of Values (cf. **Attachment 3**) and the Code of Ethics (cf. **Attachment 4**).

All employees and associates, both in Italy and abroad, and the members of the statutory bodies are, also bound by restrictions and implementation procedures defined in the Model (Handbooks).

6.2 General rules of conduct

The Secretary General, employees, associates in any capacity, and third parties appointed by the Organization for various project activities are in any case obliged to comply with the rules of conduct defined by INTERSOS while performing their functions, duties and work.

It is prohibited:

- to act in contrast with the law;
- to act in contrast with internal procedures, including the Terms of Reference (cf. **Attachment 2**); and the Protocols adopted to implement this Model (cf. **Attachment 5**).

It is compulsory in the course of one's duties or functions:

- to follow a conduct according to criteria of lawfulness, probity and transparency;
- to abstain from any conduct, even by omission, which may prevent the Oversight function from exercising its control functions or obstruct compliance with the Model.

6.3 Specific rules and procedures

In relation to the activities subject to risk identified at paragraph 4, INTERSOS adopts specific procedures and rules of conduct to guide the decision-making and implementation process, focused on preventing and avoiding any circumstances that may be illicit or damaging to the Organization.

Procedures comply with the principles covered in the Model, to general principles listed in the following paragraph, and to specific principles also stated hereunder concerning specific areas of activity.

For activities in particular contexts (missions and offices managed remotely and missions in nationalization phase), INTERSOS provides the adoption of specific mission procedures and always in compliance with the principles set out below.

Prior to their entry into force, specific procedures must be verified by the Oversight function and approved by the Secretary General, and the period of validity is limited to one year and may be amended or extended as a result of an annual review.

6.3.1 Core principles of procedures

All activities implemented by INTERSOS must comply with the following general principles:

LEGALITY

- Compliance with the law, the protocols and the procedures adopted by INTERSOS;
- Clear objectives which are consistent with the statutory goals and not designed to make the Organization gain an illicit benefit;
- Activities which are documented, justified and therefore accountable;

EFFICACY

- Clear definition of objectives and activities;
- Consistency and relevance of the activities in relation to the results to be achieved;

EFFICIENCY

- Rational organization of work and careful use of human and financial resources;

TRANSPARENCY

- Possibility to trace the formation of acts and levels of approval in order to ensure the traceability of decisions taken;
- Functions related to decision-making processes, accounting and control management must be assigned to different persons (segregation of duties);
- Filing and safeguarding of documentation on Organization activities so that it may not be altered later unless appropriately highlighted, and may not be accessed by anyone other than the persons entrusted with their filing and safeguarding, and to the oversight authorities (the Board, Internal Audit and Accountability function, External Audit Firm).

Rigour and transparency are both commitments that the organization has taken internally by signing several framework agreements and documents with international agencies and affiliated networks.

Consequently, all the procedures must comply with the following rules:

- recruitment of employees, external associates and associates must be based exclusively on objective and verifiable requirements such as competence, reputation, experience and skills;
- selection of foreign partners for implementing project must be based exclusively on objective and verifiable requirements confirming the representation of the community, the competence and probity of their work and the eligibility of their structures with regard to planned operations;
- any payment made to an employee, associate and associate must be in line with performance quality and quantity, must be reasonable, and must comply with specifications for contracts in the specific sector;
- any payment and related decision process must be documented;
- adoption and regular updating of an accounting procedures handbook;
- adoption of suitable organizational measures to guarantee truthfulness, completeness, traceability and accuracy of recording and accounting (financial statements and periodic reports) and the reconciliation between accounts and financial reports with the project's budget and the general budget;
- access to documents must always be justified and allowed only to: authorized persons in accordance with internal regulations, the Internal Auditor and Accountability and, in the cases covered by law or by contract, to the funding bodies auditing authorities as well as other authorities with powers to monitor and control (Guardia di Finanza, the Directorate General of the European Commission, European Court of Auditors, etc.);
- anyone asked for information by upper management positions, Internal Audit and Accountability, has the obligation to provide prompt information, documenting the response by indicating documents or sources employed for the information retrieval;
- whoever becomes aware of any violation, derogation or modification to the internal procedures has the obligation to promptly notify Internal Audit and Accountability;
- derogation from the procedures may occur only in cases of particular or extreme emergency that makes it impossible to follow them, but they must always be verified by Internal Audit and authorized by the Secretary General.

6.3.2 Project management procedures (Attachment 5 - Project and Mission Management Handbook)

Procedures to participate in bids, calls and requests for proposals for allocation of funds, contributions and subsidies encompass the following principles:

- the decision to participate in bids, calls and requests for proposals for the allocation of funds required to implement projects is taken by the Secretary General supported by the Director of the Programs Department;

- INTERSOS participation in bids, calls and RfPs for the allocation of funds, in partnership with other Italian NGOs or foreign partners, is subject to other partners' adherence and commitment to comply with the contents of the INTERSOS Code of Ethics;
- the truthfulness of the information provided to the Public Administration or in general to the various institutional donors must be checked;
- a specific checks and balances system must be adopted to ensure that funds are effectively employed to achieve the specific purpose for which they were allocated.

6.3.3 Procurement procedures for goods, works and services (Attachment 6 – Procurement Manual)

Bidding/tendering procedures within single projects and procurement procedures for goods, works and services encompass the following principles:

- goods, works and services are procured exclusively from qualified suppliers;
- payment related to the procurement of goods, works and services – except petty expenses such as stationery or beverages and foodstuffs for INTERSOS internal use – is made upon acceptance and compliance of goods/works/services received against those ordered;
- invitations for bids or tenders must be signed in ink to enable a check of their authenticity and actual INTERSOS origin;
- goods, works and services for use in various projects are procured, except for donors imposing other procedures by contract, by following the procurement procedures adopted by INTERSOS and defined in the Manual; furthermore, SOP30 (Specific provisions on the procurement of supplies, works and services.) provides support to the Missions for the procurement process and clearly describes the necessary checks and authorizations.
- the use of a “procurement centre” is permitted only where expressly consented by the donor, according to its rules and constraints;
- procurement of goods, works and services occurs in a competitive context in compliance with the principles of efficiency;
- it is prohibited to establish preferential relations with suppliers or service providers, unless motivated and expressly authorized in writing by the donor;
- bidding/tendering processes must not be compromised by a conflict of interest. In particular, a participation in bids for the provision of goods, works and services is not permitted to those companies of which an associate, even through a third party, is a member of a statutory body other than the assembly or is an employee or associate of INTERSOS, or is a relative within the second-degree of the direct line, up to the fourth-degree of the collateral line and the third- degree by affinity to a member of a statutory body (exception made for the Assembly), employee or associate. The same restrictions apply to sole traders where the relationship must be assessed between the entrepreneur on one hand, and relations and in-laws on the other who hold statutory office or are INTERSOS employees or associates. INTERSOS employees and associates and anyone holding a statutory office must upon execution of the contract or appointment declare if he/she is involved in a company or is a member of organizations which, by their specific nature, may become potential suppliers to INTERSOS.
- all materials pertaining to bidding/tendering processes for the procurement of goods, works and services are examined by the Project Manager or, in his absence, the Head of Mission, to check on the basis of specific criteria that the party who appears to be so is actually the sender. All materials are registered clearly without any cancellation and abrasion in strict chronological order and sent to the appropriate officer for filing and safeguarding;

- multiple bid/tender responses per supplier to the same bid/tender invitation may not be considered: in this event, the first offer received – and therefore first registered - is the one considered;
- the procurement of goods, works and services not requiring a bidding/tendering process must be carried out in accordance with the principles of economy and efficiency (or the best price/quality ratio);
- all data and information provided by the suppliers must be subjected to all the internal audits contained in the Procurement Manual, and in the SOP 24 (Anti Diversion of funds Counter-Terrorism and Humanitarian Engagement) and in SOP 26 (Transparency and prevention of the risk of fraud and corruption).

The regular course of local bidding/tendering processes is subject to a check by the Regional Finance Officer within the scope of executed missions. The same bidding/tendering processes are subject to a check by the Internal Auditor during his overseas missions.

Upon closure of the bidding/tendering process and awarding of the contract, the Head of Mission/Project Manager must check for the correct contract execution, particularly to prevent a different price being applied compared to the awarded price; the same check must be made subsequently by Country Finance Officer.

INTERSOS may not in any case receive from the contractor of one or more supplies of goods, services and works and in general from any supplier, any payment in cash or in kind equivalent to the value of the supply or of the supplier's earnings.

INTERSOS must publish on its Internet website any donation in cash or in kind, or any other benefit received from parties that have supplied goods, services or works or even potentially may become suppliers due to their particular line of business.

**6.3.4 Procedures for recording, drafting and checking financial reports, balance sheets, reports and other Organization documents
(Attachment 5- Project and Mission Management Handbook)**

Procedures regarding the recording, drafting and checking of financial reports, balance sheets, reports and other Organization documents must comply with the following principles:

- application of Model principles and procedures and identification of individual operator level of responsibility;
- accurate and complete check by the relevant Financial Officer of all documentation pertaining to implemented projects;
- accurate and complete verification by the person responsible for the activity of the traceability of all costs to a specific budget line (project costs) or to a class or type of expenditure (cost structure) as long as previously planned and authorized.

**6.3.5 Procedures for management of financial flows and Organization funds
(Attachment 5- Project and Mission Management Handbook)**

Management of financial flows and INTERSOS funds is disciplined by procedures encompassing the following principles:

- the authority to open and close bank accounts in Italy is held exclusively by the Secretary General;

- the Secretary General retains the exclusive signatory power for bank accounts, except in the case of a power of attorney given to the Finance Director;
- authority to open and close overseas bank accounts in those countries where INTERSOS project implementation is concentrated is held by the Head of Mission, by virtue of a written power of signature conferred by the Secretary General;
- payments and fund transfers from Italy to foreign countries are made by bank transfers;
- cash payments are restricted to specific and exceptional cases and have defined ceilings, in compliance with currency exchange and anti-money laundering regulations and with the motivated and written approval of the Head of Mission, endorsed by the Country Finance Officer and recorded, documented and filed in the Organization's official documents;
- currency transfers overseas resulting from funds allocated by donors in Italy must be requested by email by the Head of Mission to the Finance Director, following an assessment by the Regional Finance Officer of the adequacy of the financial planning agreed previously;
- currency transfers in Italy which are linked to funds allocated by donors overseas must be verified by the Regional Finance Officer;
- no form of offsetting of receivables and payables between projects is allowed except in rare cases which shall be authorized in writing by the Finance Director and adequately recorded in the accounts;
- every transaction made in local offices involving the use of cash is recorded, documented and tracked, and subject to the prior authorization of the Project Manager or the Head of Mission and the control of the Country Finance Officer;
- every transaction involving the use of cash or duty stamps is recorded.

**6.3.6 Procedures for obligations and commitments to pay for the management of housing, offices, vehicles and warehouses
(Attachment 5- Project and Mission Management Handbook)**

Entering into commitments or undertaking obligations, particularly with regard to the administration of lease contracts for housing, offices, vehicles, etc. is disciplined by procedures encompassing the following principles:

- powers of representation and negotiation are conferred only to the Secretary General, as per Articles of Association, except in the event of appropriate and justified needs;
- powers of representation and negotiation restricted to activities in the missions are attributed to the Regional Director or – for management aspects of the mission or project operations – to the Head of Mission, within limits expressly set by power of attorney conferred by the Secretary General;
- powers of representation are conferred only by written power of attorney.

**6.3.7 Procedures for management of Human Resources
(Attachment 9 - Human Resources Handbook)**

Procedures for international and national personnel recruitment and appointment of associates or collaborators, including those at the Headquarters, comply with the following principles:

- For the office: requests for recruitment or appointment are formulated to the Director of Human Resources and to the Secretary General (or General Manager, if delegated) by the heads of each department
- For the international staff in the missions: requests for recruitment or appointment are formulated to the Director of Human Resources by the Regional Director

- For the national staff in the missions: recruitment requests are formulated to the Country or Regional Human Resources Coordinator and to the Head of Mission by the Heads of Project or by the Coordinators of the departments
- candidates selected on the basis of objective and predetermined criteria, established in general, are evaluated by the Human Resources Office for international operators and by the Country Human Resources Coordinator and by the technical representative for local operators;
- the Director of Human Resources, for Italian and international operators, and the Country Human Resources Coordinator with the support of the human resources department for local operators, will have to find all the information on the seriousness and professionalism of the appointee (curriculum vitae, references, testimonies, etc.), as well as their requirements of honourability;
- upon signing the employment agreement or contract, the operator receives a complete copy of the Model and attachments and formally assumes the obligation to comply with their provisions;
- the operator endorses the Job Description/Terms of Reference, which describes the tasks and the chain of command to which he must report and the IRP (Internal Report Process) model for assessing the achievement of results compared to the objectives;
- donations and contributions to INTERSOS, coming from employees, associates and collaborators, must be registered in writing and recorded into the balance sheet specifying their origin.

6.3.8 Health and safety in the workplace

INTERSOS is always concerned with guaranteeing adequate safety standards for its employees and associates in their place of work, with the additional aim of increasing the efficiency of services and improving the Organization's internal and external image.

The procedures relating to managing health and safety in the workplace comply with the following principles:

- respecting technical and structural legal standards relating to equipment, plants, places of work;
- improving the ability to adapt to changes in the law, regulations and standards of good practice;
- improving relationships with employees and their involvement in achieving the health and safety objectives;
- gradually reducing overall occupational health and safety costs, including those deriving from accidents, injuries and work-related illness, minimizing the risks to which employees or third parties could be exposed (suppliers, visitors, etc.).

The Headquarters, subject to the State law in force with particular reference to the Italian Legislative Decree no. No. 81/2008 Act for the health and safety protection in the workplace; in compliance with the Consolidated Act:

- must submit all operators to a medical examination each year
- must elect a person in charge of safety
- must bring up to code all sites designated for office use.

A **Security Handbook** has been drafted to help all operators manage risks in missions abroad (Annex7, Handbook on the safety of operators in the missions). The handbook provides each operator and relevant group with the key elements to manage all risks in the humanitarian activity

sector according to the Organization and International Community's practices, especially in hazardous environmental conditions or during armed conflicts. The Security Representative is responsible for periodically updating the Handbook and verifying the actual application of security procedures at the Intersos Missions.

7. SPECIFIC RULES OF CONDUCT

INTER SOS displays in all its operating offices the Code of Ethics to which all operators and individuals who collaborate with INTER SOS in some capacity must comply.

INTER SOS makes available at its operating offices practical procedures and tools for reporting any violation to the above Code to the internal supervisory bodies. (see paragraph 9.4.4 of the Model).

Therefore, in order to prevent the risks associated with specific types of offences set out in Decree Law 231/2001, INTER SOS requests that all staff members perform their duties with professional commitment, moral rectitude and good governance in accordance with the following principles:

Legality: everyone is required within his or her own sphere of activity and responsibility to know and observe the regulated disciplines (laws, acts treated as regulations as issued by National and International Institutions and in particular the rules relating to the discipline of accounting records and financial statements, provisions on personal data protection, health and safety in the workplace, and labour laws.

Fairness: everyone is expected to behave based on the common sense of essential justice.

Equality and non-discrimination: everyone is entitled to equal treatment regardless of age, gender, race, disability, faith.

Protection and enhancement of the person: respect for the person and enhancement of individual skills.

Diligence: everyone must carry out all his or her duties with care and thoroughness.

Honesty: everyone must be aware of the ethical significance of his or her own actions and be careful not to pursue personal gain at the expense of the Organization or to the detriment of the laws and standards set out in the Code of Ethics, or just do things that, according to common sense of integrity, are incompatible with the correctness of his/her behaviour.

Transparency: every action must be fully traceable and easily identifiable at all stages, so that all the reports are understandable and the corresponding actions are justified.

Impartiality: everyone must carry out his or her activities with objectivity and fairness, uninfluenced by feelings of friendship or enmity, kinship or affinity of various kinds.

Confidentiality: everyone must refrain from disclosing any information pertaining to the Organization (whether technical or logistical, strategic or economic), and everyone must comply with the rules in force concerning the processing of personal data.

Absence of conflicts of interest: any decision pertaining to the policies of the Organization (supply contracts, partnerships, recruitment, etc.) must be adopted in view of the opportunities of the Organization and thus must be based on sound assessments and never be dictated by interests or personal benefits whether direct and indirect.

Moreover, again in order to prevent the risk associated with specific types of offences set out in Decree Law 231/2001, INTERSOS requires staff members to ensure their compliance with the specific behaviours described below in relation to each type of offence to be avoided.

7.1 Corruption and bribery

INTERSOS prohibits employees, associates, collaborators, and partners from offering cash or favours in order to gain illicit benefits or enable the Organization to obtain preferential treatment when participating in bids, projects or procedures, including those for the allocation of public funds from European agencies, foreign States and International Organizations.

Payments, which may not be verified or are not verifiable are prohibited in all activities carried out by INTERSOS involving governments, international agencies or the private sector. INTERSOS also requires a proper accounting of all business transactions, including payment of commissions, remunerations and gratuities, in parallel with the proper storage of all accounting-supporting documents, including all payment receipts.

In the event that INTERSOS employs an adviser or a third party to represent its interests vis-à-vis the Public Administration or public service concession operator, the third party must agree in writing to the Code of Ethics as well as to all the prescriptions contained in this document.

On no account must INTERSOS, in its relations with the Public Administration or public service concession operator, accept representation by a third party with a conflict of interest.

INTERSOS provides a system of internal control to ensure that all business transactions are recorded in a proper, clear and factual manner.

It is not prohibited to repay expenses incurred in “good faith”, such as travel and lodging expenses incurred by employees, associates, collaborators and directly related to their duties and activities; as long as they are properly justified and accounted for in writing.

In this regard, please refer to Annex 10 (SOP 26 Guidelines and procedures to strengthen transparency and prevent the risk of fraud and corruption.

7.1.1 Rules of conduct

It is compulsory to:

- exercise a conduct in line with the principles of probity and transparency and with the principle of impartiality which must guide any administrative activity;
- not give, offer, or approve, whether directly or not, anything of value (e.g. cash, assets or services) to an official of a national or international agency or to a member of Italian or foreign public administrations, including European authorities or International Organizations, with a view to procuring illicit advantages. Mementos as a gesture of courtesy, gifts of a modest value, may be offered only under circumstances which are completely devoid of any semblance of inappropriateness;
- do not make payments in cash or in kind to government officials or civil servants in order to accelerate an administrative act;
- select individuals representing INTERSOS before public entities with thoroughness and request their acceptance of the Code of Ethics and the Charter of Values as well as all prescriptions contained in this document;
- not keep funds or not register transactions, and not represent fictitious costs to generate a fictitious financial availability.

7.2 Fraud and embezzlement

There are specific regulations in our legal system safeguarding the allocation of public funds, contributions and subsidies by the State or other public agencies and the European Union. The aim is to prevent their obtainment by fraudulent means - that is by the use or presentation of false documents or declarations, or by the omission of due information – or once having been obtained, from their being employed for non-designated purposes.

INTERSOS condemns any fraudulent behaviour and prohibits the use of false documents certifying the existence of essential conditions for participation in a bid/call for proposal/request for funding; and in general condemns any conduct aimed at falsifying its reality, requirements and characteristics, whose existence in falsely represented terms is essential to obtaining benefits, supplies, subsidies, funding and recognitions.

7.3 Receiving stolen goods, money laundering, and use of money, goods or earnings derived from illicit origin

It is possible for persons involved in criminal activities, which include terrorism, to attempt to hide the proceeds of their criminal offences or make them appear legitimate by “laundering” them through legal activities.

Therefore, INTERSOS pays the utmost attention in order to avail itself only of partners who deal in legal activities and whose funds are derived from legitimate sources.

7.4 Terrorism and subversion of democratic order

By article 3 of law n° 7/2003, Italy ratified the International Convention for the Suppression of the Financing of Terrorism (New York, December 9th, 1999), thus committing itself to the fight against terrorism.

In particular, the Convention punishes voluntary offences aimed at directly or indirectly providing funds in support of persons intending to produce acts of terrorism, for example aircraft and ship hijacking, acts of violence against diplomatic staff, hostage-taking, illicit production of nuclear devices, bombings.

In the full respect of democratic principles and in particular those of independence and neutrality INTERSOS is committed in constantly monitoring the work of its staff in order to avoid any type of conduct which may constitute terrorist activity or the subversion of the Democratic order of the State.

INTERSOS moreover expressly condemns any act of violence aimed at subverting the democratic order and supporting terrorism, and strongly commits itself to preventing in every possible way that funds managed and used by INTERSOS to implement its projects, and also assets or goods donated by it to associations and communities, may in any way be used to commit terrorist offences.

INTERSOS puts into practice controls and checks on the activities of foreign partners who collaborate in the implementation of projects and on the destination of funds, also collecting information from local governments in countries of intervention, and avoiding any relations with subjects and associations even merely suspected of involvement in illicit activities.

All employees and all associates must comply with provisions contained in the Model and in its Attachments (Charter of Values, Code of Ethics, Protocols and Handbooks).

We require everybody's utmost attention and strict assessment of partnerships, collaborations, collaborative partners and work relationships with operators or individuals which may have objectives which are incompatible with the statutory aim of the organization and with the abovementioned codes.

Any employee or associate who is informed of an alleged criminal activity or a conduct which may constitute a criminal activity of any sort, support or financing these activities or subverting the democratic order, must give immediate notice to his/her superior or to the Oversight function.

In this regard, please refer to SOP 24 Anti Diversion of Funds Counter-Terrorism and Humanitarian Engagement.

7.4.1 Rules of conduct

- All employees, associates, members of statutory bodies, consultants, external associates and INTERSOS partners must not engage in any kind of illegal activity.
- Any INTERSOS employee/associate who has reasonable grounds for suspecting that a colleague is carrying out illegal activity should immediately notify the Secretary General and the Oversight function, who will do their utmost to actively cooperate with police authorities.
- All employees, associates, members of statutory bodies, consultants, external associates and INTERSOS partners, whether in Italy or in countries where projects take place, must not engage in artifices of any kind in order to provide benefits to third parties who will, directly or indirectly use them for illicit purposes.
- All employees, associates, members of statutory bodies, consultants, external associates and INTERSOS partners are requested to pay the utmost attention to prevent the commission of any criminal activity.
- It is mandatory to draft, at each mission and at the headquarters, the list of all reliable suppliers which must be selected in accordance to the Section 3 of the Procurement Handbook.
- It is mandatory to carry out all the specific checks stated in the Procurement Handbook for all parties - natural and legal persons – participating in tenders for the provision of goods, works and services.
- It is mandatory to acquire all the information on the pre-selected candidates, as set out in the Human Resources Handbook, before signing the contract.

7.5 Prostitution, pornography, possession of pornographic materials

INTERSOS condemns any form of exploitation of the human being, especially if aimed at child prostitution or related pornography. It prohibits in any case any sort of pornographic activity and any form of prostitution, even between consenting adults. It is strongly committed to ensuring that its employees, associates, collaborators, members of statutory bodies and partners do not commit such crimes. In this regard, refer to the SOP "Global Child Protection" and "Protection from Sexual Exploitation and Abuse Policy

7.6 Practices of female genital mutilation/cutting

INTERSOS is strongly committed to preventing its employees, associates, collaborators and partners from committing the crime of female genital mutilation/cutting (clitoridectomy, excision, infibulation) or from permitting such practices to take place in the Organization's offices, premises and healthcare structures.

7.7 Non-discrimination, equal opportunity, harassment and abuse

INTERSOS ensures equal opportunities. There is no discrimination in recruiting, hiring, compensation, training, job assignments, promotions or terminations, based on race, colour, nationality, faith, opinion, affiliation, gender, age, ethnicity or citizenship, civil or marital status, sexual orientation and gender identity, trade union membership or current or past disability.

Employees and associates claiming for their rights, raising grievances, or responding to internal or external inquiries are safeguarded from harassment, intimidation, discrimination or abuse.

INTERSOS does not tolerate harassment, abuse or discrimination of any sort and extends these rules of conduct to its partners.

In this regard, refer to the SOP "Global Child Protection" and "Protection from Sexual Exploitation and Abuse Policy".

7.7.1 Rules of conduct

- treat all persons with due respect and safeguard their dignity;
- report any act of discrimination or harassment to the supervisor or individual responsible for the assignment; for this purpose INTERSOS periodically requires those in charge in the field, to submit specific declarations confirming that indeed, as known within their powers of control, no discriminatory practice, harassment or mistreatment/abuse has been reported;
- ensure that decisions involving people are free from prejudice and discriminatory intent and are purely factual;
- ensure that recruitment is carried out in a clear and transparent way and on the basis of objective comparative criteria.

7.8 Health and Safety

INTERSOS is committed to providing a safe workplace free of risks and hazards. The health and safety of employees and associates are held in the greatest consideration. However, in emergency countries where it is not always possible to implement suitable measures, in any case all possible action is undertaken and precise regulations and procedures are defined in relation to security.

7.8.1 Rules of conduct

- take due precautions in order to prevent risks, inconveniences or unfavorable working conditions;
- report incidents or unsafe working conditions;
- know all emergency procedures specific to one's own workplace;
- report any act or threat of violence toward INTERSOS employees or associates;
- comply with all national regulations and standards for health and safety;
- procure workplace equipment, machines and materials provided with an attached "statement of compliance" and "safety specifications" in compliance with standing regulations;
- do not introduce animals, hazardous substances and firearms into the workplace;
- conduct all operations in such a way as to safeguard health or reduce the risk of staff injuries and loss of assets;

- scrupulously apply standing safety/security regulations and procedures and related obligations when intervening abroad in hazardous contexts.

7.9 Regulations for project administration and management

In the course of its internal administrative activities INTERSOS has committed itself to applying the highest standards of ethical conduct as well as conforming to standing regulations, also with regard to its core principles.

INTERSOS pursues its statutory aims in compliance with the law, the Articles of Association and internal regulations, ensuring the proper functioning of its statutory bodies and safeguarding member participation rights and the Organization's wealth.

INTERSOS is required to prepare truthful and transparent financial statements representing accurate and understandable financial information about the financial condition of INTERSOS. In doing so, INTERSOS must abide by the law and by the requirements of professional bodies.

Indeed, any business transaction must be properly recorded and authorized. It must be also reliable, legitimate and compliant with the law.

To this end, all person responsible for their own area of responsibility must update the information technology (IT) tools available for economic and financial management at least on a monthly basis and keep them up-to-date in order to allow the consultation of activities at different organizational levels, necessary to ensure the management of activities performed as well as the Organization as a whole.

All Administrative employees and associates as well as local administrative personnel are obliged to know the controls pertaining to their work, notify their manager regarding any violation, also reporting it to the Oversight function.

7.9.1 Rules of conduct

- ensure the thorough safeguarding of supporting documentation for all transactions recorded;
- re-examine accounting records and processes linked to his/her own function periodically;
- safeguard INTERSOS wealth;
- accurately record all business transactions to facilitate drafting of financial and economic statements and balance sheet, in line with generally accepted accounting principles or any other standing regulation;
- prepare accurate financial documents based on factual and verifiable data;
- maintain and update control processes and procedures for administrative and financial activities;
- ensure that all transactions are executed in compliance with specific approval of the person directly responsible.

7.10 Privacy and data protection

INTERSOS is committed to safeguarding information on employees, associates, collaborators and any third parties with which it establishes contacts in the course of its activities, and also to avoiding any improper or unauthorized use of data.

INTERSOS intends to ensure that personal data processing within its structures is carried out with due respect for fundamental rights and freedoms and the dignity of the concerned persons, as laid down by standing laws and regulations.

Personal data processing must occur in a legitimate and appropriate manner and in any case only data for specified, explicit and legitimate purposes may be collected and stored. Data is stored for a period of time not exceeding that required to achieve the purposes for its collection. INTERSOS is also committed to adopting suitable and preventive security measures for all databases storing personal data with a view to preventing possible destruction and loss, unauthorized access or unauthorized data processing.

Employees and associates entrusted with data processing activities must comply with privacy and data protection regulations and also:

- collect and process only essential and appropriate data for purposes directly connected to their functions and responsibilities;
- collect and process data only within specific procedures and store and file data in such a way as to prevent any unauthorized access;
- represent and order data by such means that any authorized person may easily access them and derive precise, exhaustive and accurate information.

In Attachment 12 - Guidelines on Data Protection (Confidentiality)

7.11 Final provisions

All operators are requested to adhere to the values and principles stated in the INTERSOS Charter of Values and Code of Ethics.

All operators must be informed on the adoption of the Model and will be required to sign a statement acknowledging they have read, understood and agreed to abide by it, complying with and observing the principles of integrity, honesty, probity and transparency pursued by INTERSOS in the implementation of its projects (cf. Attachments 3 and 4).

Members of the Board are also required to comply and ensure compliance with these principles while performing their functions.

The Oversight function has the mandate to assess the compliance with the Model.

8. EDUCATION AND REFRESHER TRAINING

8.1 Premises

The Organization is committed to ensuring a proper dissemination of the Model's contents and principles with a view to achieving maximum efficacy during its application.

Dissemination and training activities are tailored to the recipients' needs ensuring in all cases that they are designed on the principles of thoroughness, clarity, accessibility and continuity so as to provide all recipients with a full awareness of the provisions they are expected to uphold and the ethical regulations which must guide their conduct.

Dissemination and training activities are supervised by the Internal Audit Function who is entrusted with collaborating with others in promoting initiatives aimed at spreading knowledge on the Model within the Organization and verify and promote participation in organized training courses.

8.2 Training

INTERSOS ensures the widest disclosure and awareness of the Model among all subjects required to comply with its provisions.

Following the adoption of the Model and in case of further substantial revisions of this document and the operating procedures, a training course shall be organized to illustrate its contents to operators.

An up-to-date copy of the Model is made available to operators and in general to all subjects required to comply with the Model. A written receipt of delivery must be kept.

Operators are handed a copy of the Model and related attachments before taking office. Moreover, the Director of Human Resources will be responsible for illustrating the principles underlying it, the disciplinary system and the content of the protocols, while the operator's manager will be responsible for illustrating the Handbooks and operational tools.

9. INTERNAL AUDIT AND ACCOUNTABILITY

9.1 Objectives

INTERSOS has introduced the Internal Audit and Accountability function in order to improve the quality, efficiency and transparency of the administration as well as the management of projects and missions, while still being in compliance with the Model's internal procedures and regulations.

In compliance with the law (in particular the Law 231/2001), Internal Audit and Accountability verifies the effectiveness of the Model and its ability to prevent failures, crimes and violations of the rules of conduct contained in it.

9.2 Characteristics

An Internal Auditor who is selected by the Board of Directors by the proposal of the Secretary General runs Internal Audit and Accountability.

The Internal Auditor shall hold office until the expiration of the Board of Directors and may be renewed upon expiry of the term. Within the powers granted by the Board, the scope of its internal auditing and work shall be independent.

Internal Audit and Accountability is not hierarchically included in the operating structure of INTERSOS and is not subject to the authority of INTERSOS' executive bodies.

He communicates with:

- The Secretary General/ Director General for the Audit activity
- The Board of Directors for the Oversight activity

9.3 Internal audit function

While defining the Internal Audit activity, there are two categories of services which are valuable within the Organization:

- Control: the Internal Auditor is required to carry out a statistical survey and/or independent confirmation of the company's data and, if necessary, an objective evaluation of it, in order to make reliable assessments regarding information, processes, systems or other;
- Consulting: which is seen as an assertive support activity rather than a control, provided by the Internal auditor after being specifically requested, without it leading to operational decision-making.

At the request of the Secretary General he can fulfil specific mandates and assignments which must not in any way interfere with the independence of his function.

Where, in performing the Internal Audit function, he finds that there are some serious violations of the Model, he has the obligation to promptly report them to the Secretary General and communicate them, in the capacity of his Oversight function, to the Board of Directors at their first quorate meeting.

9.3.1 Control Activity

It conducts assessments in Italy and abroad on the dissemination and application of the following:

- Code of Ethics;
- Principles, rules, regulations, duties and responsibilities provided by the Model;
- Handbooks and procedures covered by the Model.

It proposes changes and improvements to:

- Handbooks and procedures;
- Control system;
- Management information systems.

It delivers to the Board of Directors a communication of engagement results:

- Upon the approval of the financial statements
- At the end of the fiscal year
- When deemed necessary and appropriate.

9.3.2 Consulting Activity

The Internal Audit, if required, can engage in supporting and advisory activities:

- It collaborates with the Finance Director during the audit of the financial statement carried out by external auditors.
- It collaborates with the competent functions, in order to prepare the controls requested by donors and assists them during said controls.
- It verifies any derogation to the Model which is necessarily made during the Missions, by acting through the Regional Directors and Regional Finance Officers, and from the Headquarters, by acting through the Finance Director, before submitting them to the approval and signature of the Secretary General.
- It works, upon the request of individual operators, to ensure the preparation and performance of the procurement procedures.

9.4 Oversight Function

Oversight has the following functions:

- Verifying the implementation of the Model
- Assessing the effectiveness of the Model and its ability to prevent failures, crimes and violations of the rules of conduct contained in the Code of Ethics;
- Verifying that the proposed amendments to the Model are consistent with DL 231/2001, and its amendments, before submitting them to the approval of the Board of Directors.
- Evaluating the compliance of the Handbooks with the Model before disclosing them.

9.4.1 Operating modalities

The operating modalities of the Internal Audit and Accountability are shown in Attachment 13.

In performing its duties, the Auditor can:

- Freely access the INTERSOS Headquarters in Rome as well as the offices located in countries where the organization operates;
- Freely access any documentation – hardcopy and not – filed in those offices, at any time and make copies;
- Request the support of employees and competent functions;
- Use internal and external consultants subject to the authorization of the Secretary General
- Request information and documents relating hazardous activities to all operators
- Ask for the immediate intervention of the Board if its functions are hindered.

9.4.2 Work programme

By the 31st of December of each year, Internal Audit function submits its work Programme to the approval of the Secretary General.

By the 31st of January of each year, the Oversight function submits its work Programme to the approval of the Board of Directors.

9.4.3 Obligation of confidentiality

The Auditor must ensure the confidentiality of the information acquired in the course of his duties and the anonymity of those who make reports, or in other words those who ask the Oversight function for assistance in implementation of the Model.

9.4.4 Information flow to the Oversight function

The Oversight function, pursuant to Decree Law No. 231/20001, must be informed by the parties, in compliance with the Model, regarding any event that may give rise to liability for the Organization.

For this reason, the information flow is necessary every six months, by the 28th of February and the 31st of August, or according to the deadlines provided in the annual work programme approved by the Board of Directors.

Those responsible for the Organization's functions must also report to the Oversight function any risk exposure through the online audits performed or to be performed in accordance with the positions they have been assigned through periodic self-assessments.

Reporting criminal offences or reasonable suspicion of criminal offences shall be made in writing by Employees, Associates or Appointed Representatives and sent by email internalaudit_accountability@intersos.org or by air mail to the Oversight function c/o INTERSOS, Via Aniene 26/A - 00198 Rome, marking the envelope "PRIVATE AND CONFIDENTIAL". In any case the Oversight function is not obliged to consider any anonymous report which may appear to be irrelevant, ungrounded or improperly substantiated

10. DISCIPLINARY SYSTEM

10.1 General principles

This Model includes, as an essential aspect of its effectiveness, an adequate disciplinary system applicable to violations of the procedures set forth therein, and the provisions and principles established in the Code of Ethics.

The type and extent of each of the sanctions established will be applied in accordance with the relevant legislation, taking into account the degree of carelessness, incompetence, negligence, fault or intentionality of the action/omission, also taking into account any relapse, as well as the work done by the person and their functional position, together with all the other special circumstances which may have characterized the fact.

The adequacy of the system of sanctions, constant monitoring of the proceedings for the imposition of sanctions against employees, as well as the operations against external parties, are entrusted to the Oversight function, which shall also report offences that it becomes aware of while performing its functions.

10.2 Employees

Failure to comply with the procedures set out in the Model adopted by INTERSOS and the violation of the provisions and principles established in the Code of Ethics, also included in the framework of the National Collective Labour Agreement in force, may result in disciplinary sanctions.

Therefore, without prejudice to the right of INTERSOS to claim compensation for damages suffered, these disciplinary applicable sanctions shall be those provided for in the current National Collective Labour Agreement .C.C.N.L. Article 225.

The type and extent of the sanctions (verbal warning, written warning, financial penalty, suspension from work without pay, dismissal with or without notice) will be determined in relation to:

- the type of violation;
- intention and circumstances, mitigating and aggravating factors, overall behaviour;
- the tasks performed by the employee;
- involvement in infringing activities performed by other employees in agreement with each other;
- any previous disciplinary sanctions imposed on the employee;
- the functional position of the people involved in the facts and the resulting effect on the bond of trust that underlies the employment relationship.

10.3 Middle and Senior Managers

Failure to comply with the procedures set out in the Model adopted by INTERSOS and the violation of the provisions and principles established in the Code of Ethics, also included in the framework of the National Collective Labour Agreement in force, may result in disciplinary sanctions.

10.4 Measures against members of the Board

In case of breach of the Model or the Code of Ethics by one or more Members of the Board, the Oversight function shall give notice immediately to the Board to implement the appropriate measures.

10.5 Measures against Coordinated and Ongoing Associates

In case of breach of the Model or the Code of Ethics by Coordinated and Ongoing Associates,, the Oversight function shall give notice immediately to the head of the Organization (Secretary General) to adopt the appropriate measures, also taking into account the provisions of current legislation and the Framework governing employment relationships with NGOs.

10.6 External parties with a contractual relationship with INTERSOS (suppliers and others)

Failure to comply with the procedures set out in the Model adopted by INTERSOS, as well as violations of the provisions and principles established in the Code of Ethics by the parties with contractual/commercial relationships with INTERSOS, may determine, in accordance with what is regulated in specific contractual relationship, the termination of the contract, without prejudice to the right to claim compensation for damages incurred as a result of such conduct, including damages caused by the application by the Court of the measures set forth in the mentioned Decree.