

Navigating Your GRC Journey

Audit Management & Best Practice Internal Audit Autogrill S.p.A.

Making the traveller's day better

GRC SUMMIT 2014 LONDON

Agenda

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Group Internal
Audit

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1. Autogrill Group



Autogrill Group

Group main companies



Food & Beverage

Sectors: F&B and retail

Channels: highways, airports, shopping centers and others

Countries: Italy and Europe



Food & Beverage US

Sectors: F&B and retail

Channels: highways, airports, shopping centers and others

Countries: North America, Europe, Pacific and UAE areas

Autogrill Group

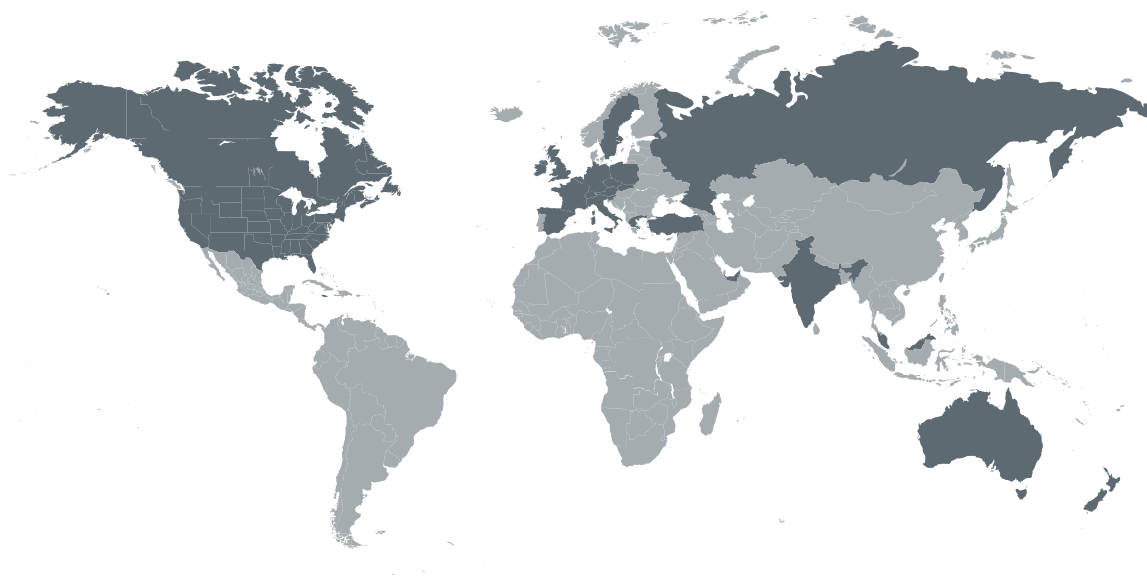
Global Presence Food & Beverage

3,9 euro billions






2013 Group revenues in the
Food & Beverage Sector

More than **1.000**
point of sales

30 countries



Location F&B

		North America and Pacific	Italy	Other Countries	Total
Highways		95	450	211	756
Airports		98	13	31	142
Railway Stations		-	15	39	54
Shopping Centers		9	54	11	74
Other		-	34	5	39
Total		202	566	297	1065

Countries

Australia	Irlanda	Spagna
Austria	Italia	Svezia
Belgio	Malesia	Svizzera
Canada	Nuova Zelanda	Turchia
RepubblicaCeca	Olanda	USA
Danimarca	Polonia	Emirati
Francia	Regno Unito
Germania	Russia	
Grecia	Singapore	Group Internal Audit
India	Slovenia	



2. IIA Standards Overview



IIA Standards Overview

Why the IIA Standards Matter

- **Provides a set of principles and best practices**
- **Enables IAs to follow a systematic and disciplined process**
- **Help make valuable strategic recommendations, and strengthen organizational reputations**

According to The IIA, the purpose of the Standards is to:

- ✓ Delineate basic principles that represent the practice of internal auditing
- ✓ Provide a framework for performing and promoting a broad range of value-added internal auditing
- ✓ Establish the basis for the evaluation of internal audit performance
- ✓ Foster improved organizational processes and operations

The IIA Standards

High Level Overview

Attribute Standards:

Purpose, Authority and Responsibility	(1000)
Independence and Objectivity	(1100)
Proficiency and Due Professional Care	(1200)
Quality Assurance and Improvement Program	(1300)

Performance Standards:

Managing the Internal Auditing Activity	(2000)
Nature of Work	(2100)
Engagement Planning	(2200)
Performing the Engagement	(2300)
Communicating Results	(2400)
Monitoring Progress	(2500)
Communicating the Acceptance of Risks	(2600)





3. General Principles at Autogrill S.p.A.



General Principles

Assumption

Autogrill intends to ensure that all corporate levels are aware of the need of **adequate risk and control management system**, which **is essential for orienting the company to the achievement of its goals**.

All Autogrill employees are responsible for the correct operation of the internal risk and control management, within the scope of their functions.

Risk and control management is a process, effected by an entity's board of directors, management, and other personnel, applied in strategy setting and across the Enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives

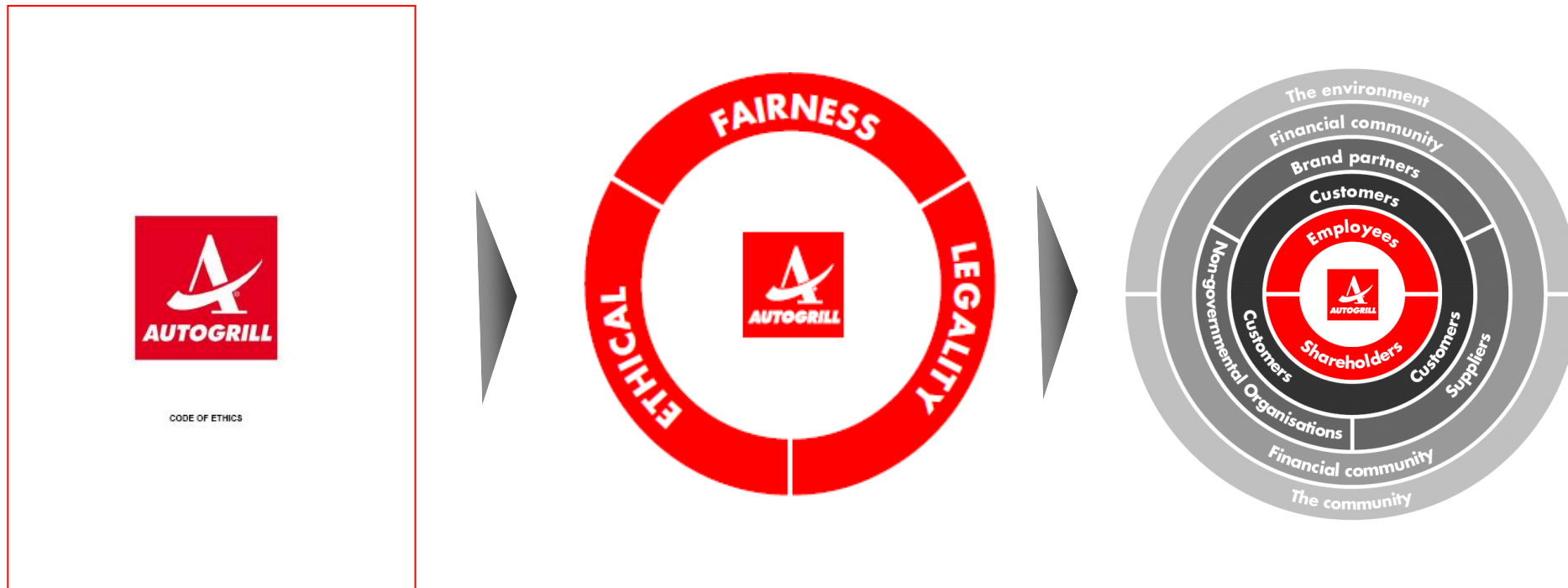
By identifying and proactively addressing risks, business Enterprise protects and creates value for its stakeholders, including owners, employees, customer and society overall.

Group Internal Audit 10

General Principles

Code of Ethics – Value

Ethical, legality and **fairness** are the three **values** which Autogrill brings to all its relationships, both inside and outside the organization.



Group Internal Audit 11

General Principles

Code of Ethics – Internal Control System

The Code of Ethics defines the **Internal Control System**.

It is the set of instruments necessary or appropriate to direct, manage, and monitor the activity, with the objective of ensuring the effectiveness and efficiency of operations, compliance with laws and company procedures, the protection of corporate assets and minimization of risks.

"Autogrill acts pursuant to the principle whereby each Recipient is accountable for their activities and for compliance with the principles of the Code and with every corporate standard or procedure [...] intends to establish an adequate internal control system which is essential for orienting the company to the attainment of its goals".



4. IA at Autogrill S.p.A.



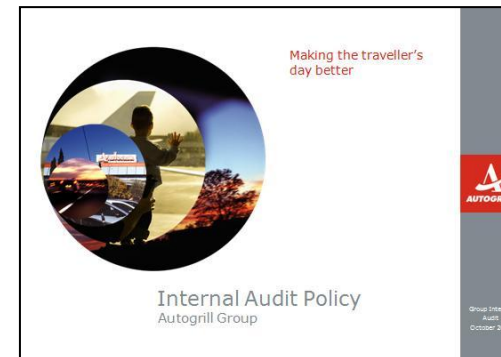
IA at Autogrill S.p.A.

Pillars

Audit Charter



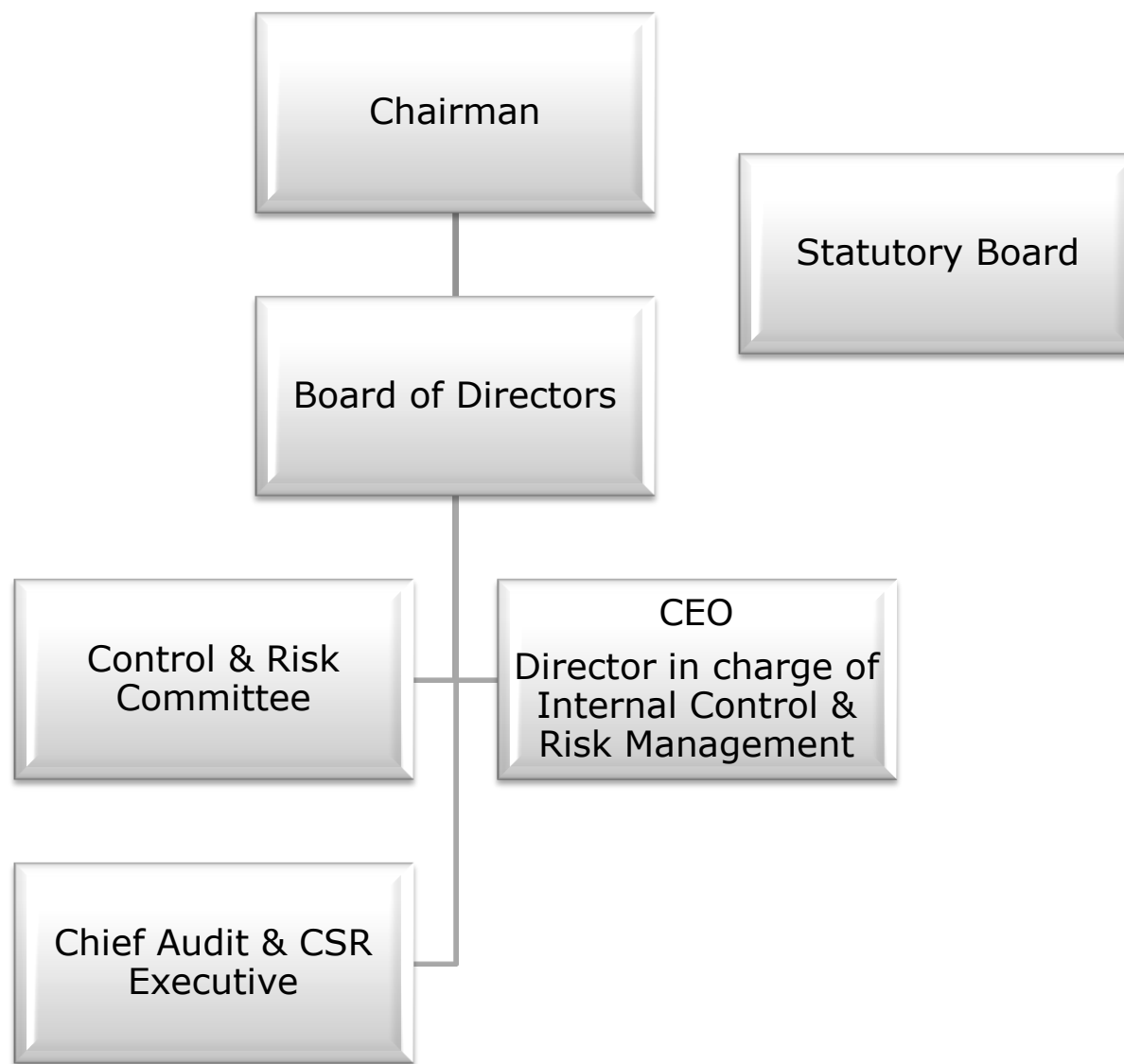
IA Policy



- Vision: Elevating risk and control awareness throughout the organization by promotion of the company's values.
- Mission: Evaluate Group's risk management and internal control system adequacy, adoption and effectiveness giving objective assurance to top management and Control Bodies.

IA at Autogrill S.p.A.

Organizational Reporting Line



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5. Risk Audit Work Cycle Risk Assessment



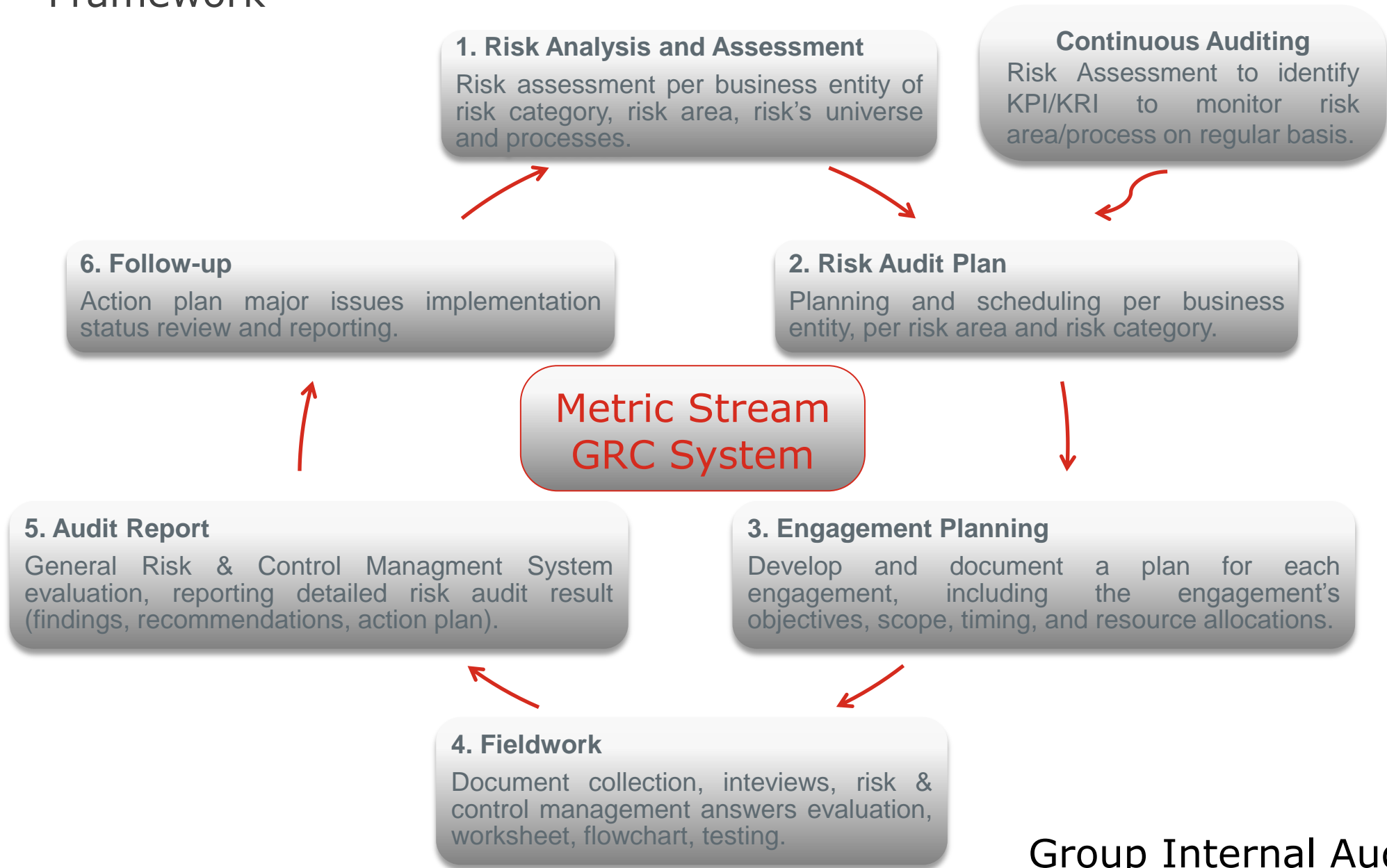
Risk Audit Work Cycle

With the help of the MetricStream Solution...

- **A comprehensive Audit Management Solution with advanced capabilities:**
 - Risk based auditing, audit project management, issue tracking
 - Built-in remediation workflows, time tracking, automatic alerts, and offline capabilities
- **Enables IAs and CAEs to build a robust internal audit framework**
 - Aligned with the Standards and best practices

Risk Audit Work Cycle

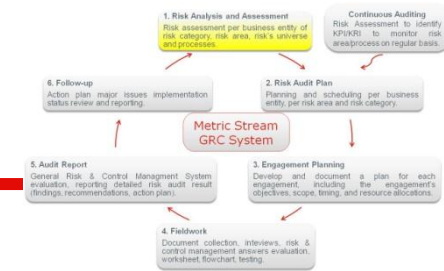
Framework



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IA Risk Audit Work Cycle

Risk Analysis & Assessment



The construction of the audit plan is based on a structured activity of RISK ASSESSMENT.

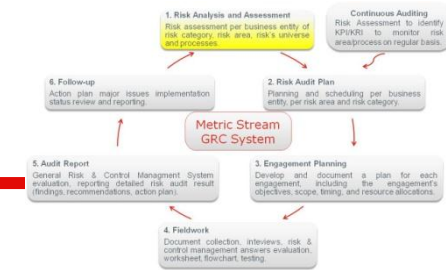
The risk analysis is an **assessment of risk and materiality** related to department risk management strategy and practices, compliance objectives, management control framework and practices, financial and performance information.

IA Risk Audit Work Cycle

Risk Analysis & Assessment

Risk Based Methodology – Overview

The Risk Based Methodology for Audit Plan deployment lays its grounds on the definition of three main pillars, which are part of the Risk Assessment Framework:



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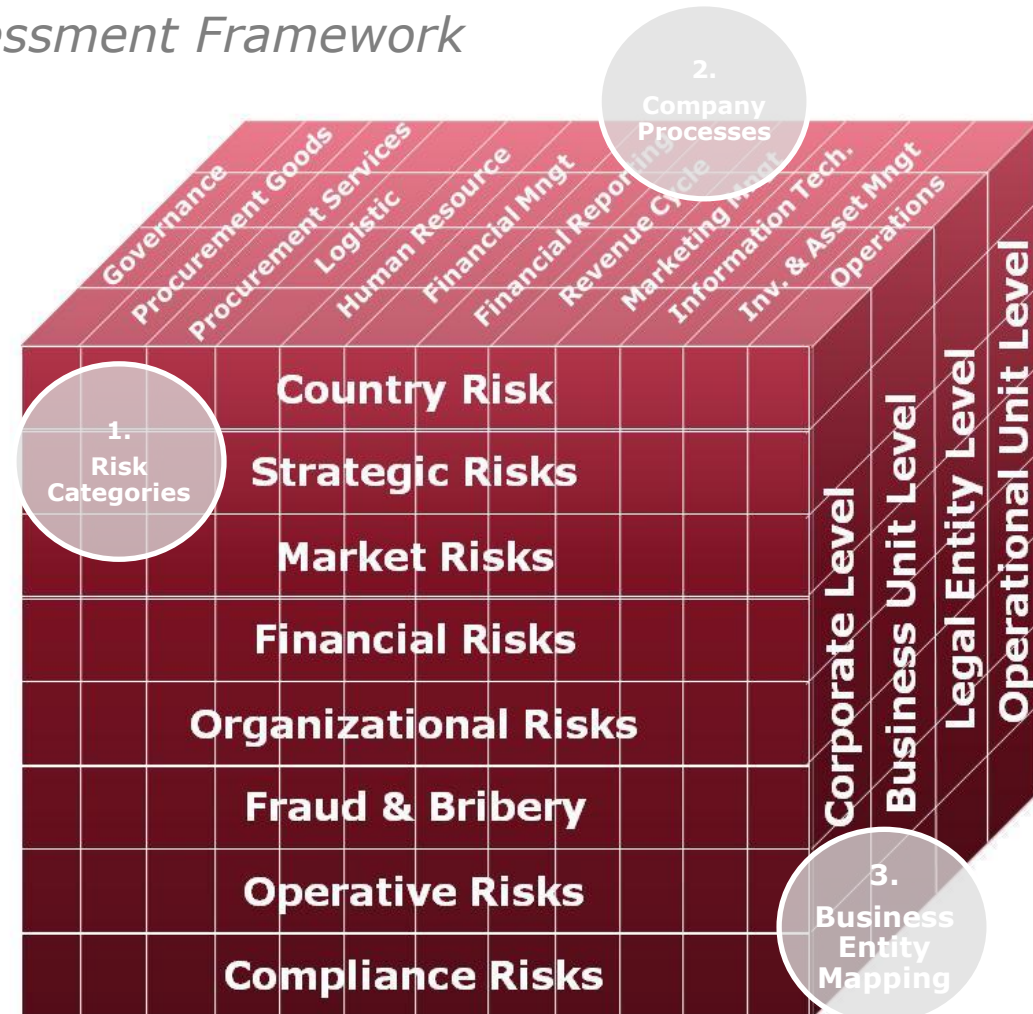
IA Risk Audit Work Cycle

Risk Analysis & Assessment

Risk Based Methodology – Risk Assessment Framework

The Risk Assessment Framework comprises all aspects coming from the risk analysis and assessment activity, which is performed by mean of a “risk assessment operational matrix” implemented by Group Internal Audit Dept, in order to:

- Map Risk Areas of the Risk Categories, taking in consideration managed processes of every business entity;
- Include information resulting from Risk Assessment;
- Process all collected information in a structured way;
- Support the definition of the audit plan.





6. Challenges for IAs



Challenges for IAs

- **More complex responsibilities, less resources**
- **Inefficient manual processes**
- **Lack of streamlined processes**
- **World-wide collaboration, coordination and integration**
- **Limited visibility into internal audit processes, quality assurance programs and action plans**





Thanks for the attention

Silvio de Girolamo

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Join the Discussion Online



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