Introduction to FedEx

- Federal Express founded by Frederick W. Smith April 17, 1973 with 389 team members, 14 planes, 186 packages
- In 1989, Federal Express purchases Flying Tigers to expand its international presence.
- In 2000, Parent company FDX is renamed "FedEx Corporation." Services are divided into companies that operate independently yet compete collectively
Third Party Best Practices

- Key coverage areas in a third party compliance program
- Navigating internal and external buy-in for a third party compliance program
# Third party Key Coverage Areas

1. Risk Model – divide third parties into tiers of risk
2. Central Platform to Store all Information
3. Background Research/Alignment with company vendor risk
4. Due Diligence Questionnaires and investigations
5. Anti-Corruption Training – online and live, customized for type of work and region, where possible
6. Contracts with appropriate anti-corruption representations and warranties
7. Annual Certifications of Compliance
8. Ongoing monitoring – screening against watch lists, adverse media, business reviews, anti-corruption audits
How do you get people to listen?
Audit rights in third party contracts. Align with company Internal Audit team and Legal teams to determine which third parties can be added to an anti-corruption audit program.

Recurring due diligence. Online systems can help automate. Screening against watch lists and media.

Live and online training for third parties based on risk. Customize if possible. Local language.

Anti-Corruption representations and warranties based on risk level of third party providing services to the company.

Annual certifications of compliance referencing representations and warranties. Online systems can help automate distribution, collection and storage.

Audit rights in third party contracts. Align with company Internal Audit team and Legal teams to determine which third parties can be added to an anti-corruption audit program.

Third Party Compliance Program

- Due Diligence
- Recurring due diligence. Online systems can help automate. Screening against watch lists and media.

- Anti-Corruption Training
- Live and online training for third parties based on risk. Customize if possible. Local language.

- Contract Language
- Anti-Corruption representations and warranties based on risk level of third party providing services to the company.

- Annual Certifications
- Annual certifications of compliance referencing representations and warranties. Online systems can help automate distribution, collection and storage.

- Internal Audit Program
- Audit rights in third party contracts. Align with company Internal Audit team and Legal teams to determine which third parties can be added to an anti-corruption audit program.
Due Diligence

Risk-based approach

- Prior to engaging, upon contract renewal or any red flag.
- Due diligence questionnaire, watch list/adverse media, investigatory.
- Ongoing monitoring.

Anti-Corruption Training

- Customize.
- Local Languages.
- Online, Live, Recurrence, Resources.
Contract Language

Anti-Corruption Representations and Warranties

• Long Form.
• Short Form.
• Stand-Alone Declaration.

Annual Certifications of Compliance

• Contractually required.
• Automate, where possible.
• Communicate internally and externally.
• Local language.
Audit Program

• Audit Rights in Contract.
• Internal partnership with Legal and Audit.
• Training for Internal Audit.
• Anti-Corruption Audits for Tier 1 Third Parties.

Navigating Internal and External Buy-In

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<tr>
<th>Legal</th>
<th>Business</th>
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Current + Future Third Parties

Current | Acquired | before | after | then | now

Current

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