A Unique Journey to Compliance
Solutions for Small and Medium-Sized Companies
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Agenda

1. Compliance challenges facing today's businesses
2. Case study – "We need a compliance system..."
3. Resilience strategies and risk mitigation solutions

#1
Compliance challenges facing today's businesses
Compliance challenges facing today’s businesses

Internal
- Finding the necessary people
- Integrating compliance into governance structures
- Changing mind-sets and time-honoured habits
- Funding

External
- Corruption
- Sanctions and export controls violations
- Antitrust
- Fraud
- Data theft and cyber-extortion

Case study – ‘We need a compliance system…’

The starting point
- A medium-sized business in Europe
- Operations in Europe, the Americas and Asia
- No formal compliance structures
- Some policies and procedures in place
- Low awareness of implications of extra-territorial anti-corruption legislation
- Need for compliance recognised by board and shareholders
Case study – Building blocks for a compliance system

The journey to a ‘good practice’ compliance system

- Setting the foundations
  - Determining the organisational self-image
  - Defining roles and competencies
  - Identifying and assessing the right risks
  - Building the structure
  - Designing the rules and guidance
  - Putting communications channels in place
  - Preparing the roll-out
- Putting on the roof and landscaping the gardens
  - Getting the message across
  - Training
  - Roll-out review

Case study – Getting the foundations right

Answering the important questions

- What kind of a company are we?
  - Doing as you’re told or thinking for yourself
- What is the remit of compliance?
  - Just because it comes with a fine doesn’t mean it’s a compliance problem
- What are the compliance risks?
  - Find and assess

Case study – Safety nets are stronger than walls

Designing the compliance system

- Policies and procedures
  - More guidance and fewer prohibitions
- Communications channels
  - Who to ask for advice?
  - How to report concerns?
- Preparing the roll-out
  - Who does what?
  - Designing the training programme
  - Making sure of delivery
  - Getting and acting on feedback

Safety nets are stronger than walls
A Unique Journey to Compliance

Getting the message across
- Communicating the new system
  - Tone from the top
  - Using multiple channels
  - Don’t forget customer and suppliers...
- Training
  - Terrific training turns theory into practice
- Review and feedback
  - Making sure the message has spread
  - Starting the continuous improvement process

Case study – Bringing compliance to life

Case study – “Yes, but…”

Some comments on common concerns
- “It will cost too much!”
- “It will stop us doing business”
- “It is impossible to implement”

#3
Resilience strategies and risk mitigation solutions
### Resilience strategies and risk mitigation solutions

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<thead>
<tr>
<th>Ensuring that the system lives and functions</th>
<th>Outward-facing measures</th>
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<tbody>
<tr>
<td>- Keep working on the ‘compliance culture’</td>
<td>- Send a clear message to customers, suppliers and stakeholders</td>
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<td>- Work ethic trumps paper policies</td>
<td>- Make use of right to audit and compliance clauses</td>
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<th>Keep fostering awareness</th>
<th>Conduct risk-based third party due diligence</th>
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<tr>
<td>- Keep periodic training and communication</td>
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<td>fresh</td>
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<td>- Keep listening</td>
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| Be seen to act on concerns                   |                                  |
|----------------------------------------------|                                  |
| - Respond to reported concerns               |                                  |
| - Protect whistleblowers from retaliation    |                                  |
| - Take clear and visible steps to remedy     |                                  |
|   issues and incidents                       |                                  |

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