



Control Risks 3


► Compliance challenges facing today's businesses

<p>Internal</p> <ul style="list-style-type: none"> ► Finding the necessary people ► Integrating compliance into governance structures ► Changing mind-sets and time-honoured habits ► Funding 	<p>External</p> <ul style="list-style-type: none"> ► Corruption ► Sanctions and export controls violations ► Anti-trust ► Fraud ► Data theft and cyber-extortion
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A Unique Journey to Compliance

#2

Case study – 'We need a compliance system...'



Control Risks 5

► 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

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Control Risks 6

► 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

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► 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 does not mean it's a compliance problem
- What are the compliance risks?
 - Find and assess

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Control Risks 8

► 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

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Control Risks 9

▶ Case study – Bringing compliance to life

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

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▶ 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'

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#3
Resilience strategies and
risk mitigation solutions



► Resilience strategies and risk mitigation solutions

Ensuring that the system lives and functions

- Keep working on the 'compliance culture'
 - Work ethic trumps paper policies

- Keep fostering awareness
 - Keep periodic training and communication fresh
 - Keep listening

- Be seen to act on concerns
 - Respond to reported concerns
 - Protect whistleblowers from retaliation
 - Take clear and visible steps to remedy issues and incidents

Outward-facing measures

- Send a clear message to customers, suppliers and stakeholders

- Make use of right to audit and compliance clauses

- Conduct risk-based third party due diligence

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