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

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Agenda

- Compliance challenges facing today’s businesses
- Case study – ‘We need a compliance system…’
- Resilience strategies and risk mitigation solutions
Compliance challenges facing today’s businesses

Control Risks

- 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
  - Anti-trust
  - Fraud
  - Data theft and cyber-extortion

A Unique Journey to Compliance
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 does not 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

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
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’
### 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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<td>Keep fostering awareness</td>
<td>Conduct risk-based third party due diligence</td>
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<td>• Keep periodic training and communication fresh</td>
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<td>• Keep listening</td>
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<td>Be seen to act on concerns</td>
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<td>• Respond to reported concerns</td>
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<td>• Protect whistleblowers from retaliation</td>
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<td>• Take clear and visible steps to remedy issues and incidents</td>
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