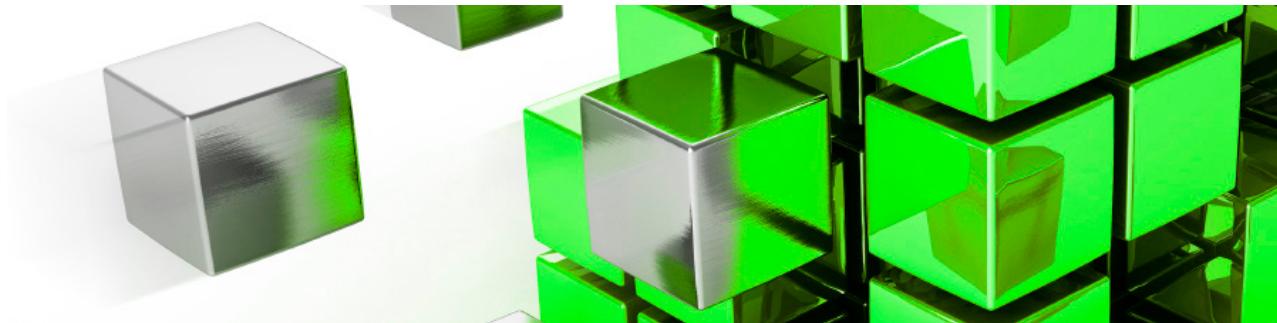


## Deloitte Compliance Platform

### Helping to manage your third party business relationships



Many multinational businesses rely on foreign suppliers, distributors, agents and other third party organizations to help drive sales, supply key materials or perform other important tasks supporting business in foreign countries. Increasingly, as multinationals seek growth globally, these third parties can provide valuable local contacts, knowledge and cultural insights.

Yet third parties may also represent a considerable compliance risk to your organization at a time when regulators in the U.S., UK, Brazil and other countries are demanding that companies have strong programs in a variety of areas including:

- Anti-corruption/bribery
- Ethics & compliance
- Trade controls
- Conflict minerals and Human rights

While most companies aim to be good corporate citizens, both the initial assessment of risks and the ongoing monitoring of risks associated with third parties can be one of the most challenging aspects of compliance facing companies today. Some of these complex challenges include:

- **Volume.** Companies can have thousands, if not tens of thousands, of third parties with whom they conduct business
- **Efficiency.** With small compliance teams who are already balancing multiple roles, an efficient approach to third party management is key to establishing a sustainable process
- **Transparency.** Information on third parties is often not public and can be very difficult to obtain

- **Measurement.** With limited and disparate information, assessing risk can be difficult and largely ineffective
- **Cost.** Assessing and monitoring risk of third parties can be expensive to implement and maintain
- **Consistency.** When different individuals around the world are responsible for compliance and use their own judgment to weigh risks, inconsistencies and errors can become commonplace.

Businesses today have to make tough choices about how far to take their third party compliance program. The answer, like many business decisions, involves a careful balance between costs and benefits, not the least of which is maintaining desired risk levels.

#### The Deloitte Compliance Platform

The Deloitte Compliance Platform (DCP) can help your company tip the scales such that the benefits outweigh the costs and the focus is kept directly on your company's risk appetite and compliance objectives. Our solution is designed to help your company account for the unique challenges that your company faces. Our tailored approach helps organizations effectively manage their third party business relationships.

DCP is a combination of two equally important components. The first is a team of Deloitte specialists with knowledge of internal controls, compliance and subject matters such as anti-corruption, export controls and conflict minerals. The second is a software application that collects valuable information directly from the third parties but more importantly assists in evaluating the potential risks of the third party and potential remedial actions that mitigate the risks identified.

## Continuum of third party due diligence process

### 1. Gather

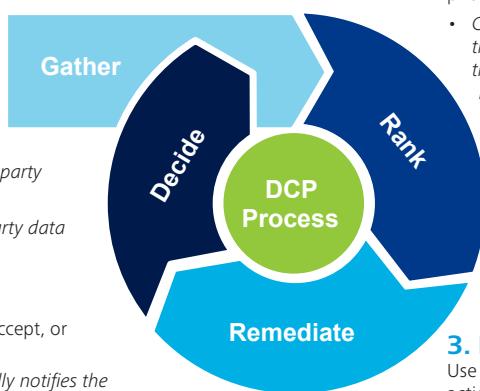
Gather data from and about third parties

- Design a configurable questionnaire, and distribute directly to third parties
- Collect and archive existing information, such as business justification forms, fair market value forms, third party compliance policies, etc.
- Manage and monitor third party data on a continuous basis

### 4. Decide

Decide to accept, conditionally accept, or reject the third party

- A decision matrix automatically notifies the appropriate decision maker(s) when all of the third party information has been collected, assessed, and remediated
- Auto-accept or auto-reject functionality is available
- The decision process, comments, actions, and correspondence through DCP is tracked in the system which becomes a repository of the documents reviewed and decisions made.



### 2. Rank

Rank third parties based on risk in order to prioritize remediation efforts

- Configure a risk matrix that assesses and tiers risk based on information collected from the third party, calculates a risk score, and highlights risk narratives and red flags

### 3. Remediate

Use the risk matrix to prescribe recommended actions in order to mitigate identified risks. This could include:

- Background investigations of third parties
- Collection of third party policies and procedures
- Certification to company policies, and/or anti-corruption and ethics training

## Benefits of DCP

### It is your platform

In order to provide a software application that fits the needs of your organization, the Deloitte Compliance Platform was developed to be flexible throughout the entire scoring process – from the third party survey questions and risk scorings, to the suggested remedial actions. The DCP will be your tool – its configurable features will be tailored to your needs.

### It makes the process more efficient for you

Automated notifications to you and your third parties free you from the administrative activities that would otherwise take the focus away from managing third party risks. The DCP also offers the ability to auto-approve or auto-reject third parties based on risk level, thus allowing you to focus on those relationships requiring remediation. Further, your DCP dashboard will provide a snapshot of your third party population.

### It serves as your central repository and audit trail

With the ability to load third party documents, capture correspondence and save third party screening results, the DCP provides an audit trail of the management process – from loading third party documents and records, to final approval/rejection of the relationship. DCP can be the single repository of your third party compliance data.

### It's a thoughtful, risk-based approach to compliance

Developing effective compliance procedures around your third party relationships is among the most difficult aspects of any compliance program.

Leveraging both technology and our subject matter specialists, the Deloitte Compliance Platform can help you address this difficult challenge in a thoughtful way. It employs a risk-based approach configured to identify and mitigate risks associated with the use of third parties in today's compliance-driven business environment.

## For more information, please contact

### Donna Epps

Partner, Deloitte Forensic  
Deloitte Financial Advisory Services LLP  
+1 214 840 7363  
[depps@deloitte.com](mailto:depps@deloitte.com)

### Lauren Sheridan

Senior Manager, Deloitte Forensic  
Deloitte Financial Advisory Services LLP  
+1 212 436 6007  
[lasheridan@deloitte.com](mailto:lasheridan@deloitte.com)

### Jenae Daley-Henry

Director, Deloitte Forensic  
Deloitte Financial Advisory Services LLP  
+1 713 982 2750  
[jdaley-henry@deloitte.com](mailto:jdaley-henry@deloitte.com)