

Building up a Compliance System

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Disclaimer

“Statements of fact and opinions expressed in this presentation are those of the author and do not necessarily reflect the official policy or position of any other company, employer or organisation connected with the author.”

The Compliance function plays a pivotal role in the establishment and maintenance of a robust Compliance Management System in the organization



Trainings and 3rd party due diligence

Trainings
Off the shelf
solutions or
custom-made
training material



<https://csrhellas.org/activities/ekpedevitiko-programma-katapolemisi-tis-diafthoras/>

3rd party due diligence/ KYC/ Sanction screening

- Use of compliance databases (sanctions, violations, integrity related allegations)
- Develop methodology to assess the risk to the company by cooperating with the 3rd party
- Management should make an **informed** decision based on the risk appetite of the organization



Third party due diligence

Software application hosted in the organizations intranet that supports Interaction between the necessary stakeholders involved in the due diligence process under the discrete roles of originator, compliance and management.



Factors considered during the risk assessment (There is no monetary threshold that defines risk)

- Country of 3rd party establishment/ operations/ agreement performance re. corruption risk
- Type of proposed relationship
- Government connections relevant to the agreement
- Association with the end party
- Compliance red flags (adverse press findings, unusual behavior, lack of business rational etc.

Business partner risk category:
High/ medium/ low

- ☐ Due Diligence is performed by the originator with the help of the 3rd party to provide documentation/ information and is checked and enhanced by Compliance.
- ☐ Due diligence activities are **scaled to the level of exposure**. Compliance aspects are considered for the appropriate risk category depth varying from fact findings to business plausibility checks and business references. This is not a check the box exercise.
- ☐ The outcome of the due diligence is the compliance risk exposure posed by the specific 3rd party relationship to the organization.
- ☐ Management shall make afterwards a **risk informed business decision** and apply mitigation measures where applicable
- ☐ All employees involved in the 3rd party relationship shall escalate any red flag during their cooperation with the 3rd party and reassess the relationship.



Conflicts of interest and whistleblowing

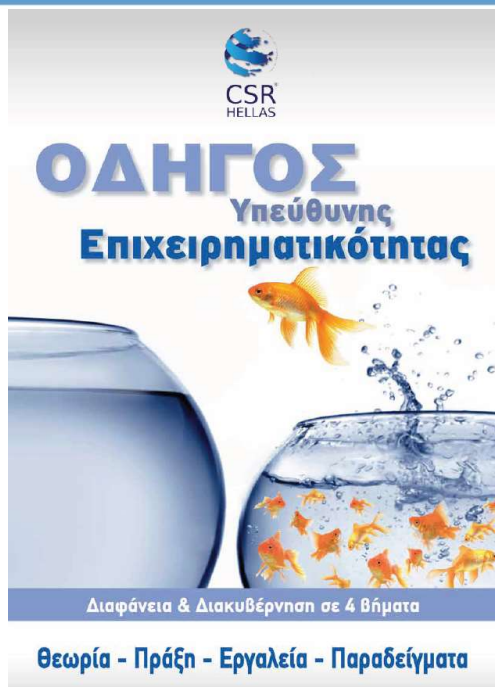
Conflict of Interest

- Define what a conflict of interest is and its various forms (examples)
- Ask employees to submit declarations on potential conflict
- Assess and mitigate

Whistleblowing

- Decide on the system to support report intake and case management
- Assign and employees to investigate allegations
- Train employees on investigations
- Report cases to BoD

Guide on how to set up a Compliance System

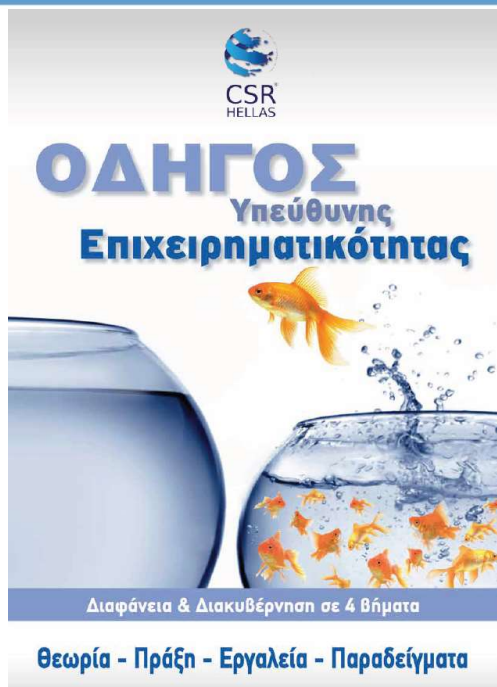


[contents. The guide is in Greek language]

- Επιχειρηματική Ηθική / Κώδικας Δεοντολογίας
- Μέθοδος Κατάρτισης κώδικα Δεοντολογίας
- Φιλοσοφία Κανονιστικής Συμμόρφωσης
- Κατάρτιση Προγράμματος Κανονιστικής Συμμόρφωσης
 - Συνεργασία με επιχειρηματικούς εταίρους
 - Συναλλαγές υψηλού
 - Παροχή Δώρων, Γευμάτων και πληρωμή εξόδων Διαμονής σε τρίτους
 - Δωρεές, χορηγίες, μέλη εταιρειών, άλλες συνεισφορές χωρίς αντάλλαγμα και έξοδα φιλοξενίας
 - Εγγραφή πελατών και προμηθευτών στα στοιχεία σταθερών δεδομένων της επιχείρησης
 - Λογιστήριο, τήρηση βιβλίων και λογαριασμών.

<https://csrhellas.org/wp-content/uploads/2020/08/%CE%94%CE%B9%CE%B1%CF%86%CE%AC%CE%BD%CE%B5%CE%B9%CE%B1-%CE%BA%CE%B1%CE%B9-%CE%94%CE%B9%CE%B1%CE%BA%CF%85%CE%B2%CE%AD%CF%81%CE%BD%CE%B7%CF%83%CE%B7-13.01.15-%CE%B1%CE%BD%CE%AC-%CF%83%CE%B5%CE%BB%CE%AF%CE%B4%CE%B1.pdf>

Guide on how to set up a Compliance System



- Προληπτικές ενέργειες
 - Εκτίμηση έκθεσης της επιχείρησης σε κίνδυνο διαφθοράς, δωροδοκίας και αθέμιτου ανταγωνισμού
 - Διαδικασίες κανονιστικής Συμμόρφωσης και ενσωμάτωσή τους στις γενικές διαδικασίες της επιχείρησης
 - Παροχή εκπαίδευσης και ενημέρωσης στους
 - Παροχή υποστηρικτικών και συμβουλευτικών υπηρεσιών στους εργαζομένους της επιχείρησης
 - Κοινές δράσεις
 - Δείκτες Μέτρησης της Εφαρμογής του προγράμματος
- Αναγνώριση περιστατικών
 - Γραμμή καταγγελιών
 - Τακτικοί έλεγχοι
 - Έκτακτοι έλεγχοι
 - Διερευνήσεις υποθέσεων
- Διορθωτικές ενέργειες
 - Συνεχής αυτοβελτίωση
 - Επικαιροποίηση / Απλοποίηση
 - Παρακολούθηση της εφαρμογής του προγράμματος συμμόρφωσης με δείκτες
 - Συνέπειες στους εργαζομένους για τα περιστατικά μη συμμόρφωσης
- Εργαλείο αυτο-αξιολόγησης κινδύνου κανονιστικής συμμόρφωσης

Selected compliance related publications



**CONVENTION ON
COMBATING BRIBERY
OF FOREIGN PUBLIC
OFFICIALS IN
INTERNATIONAL
BUSINESS
TRANSACTIONS**
and Related Documents



OECD publications

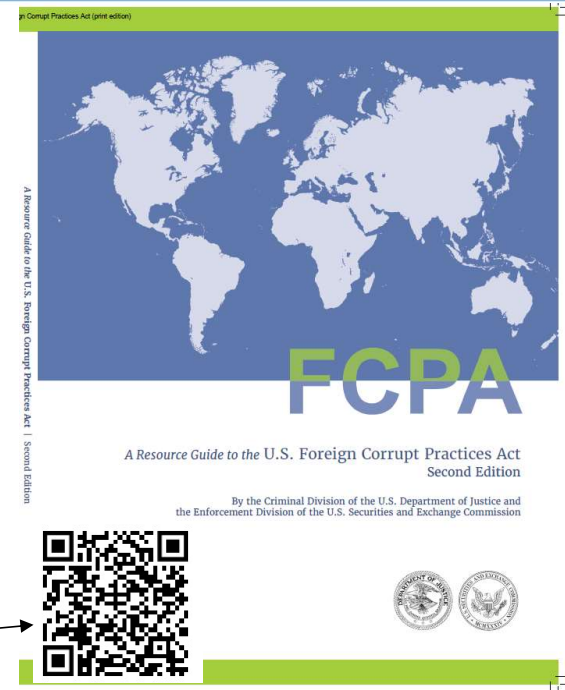
- Convention on combating bribery of foreign public officials in international business transactions
- OECD Guidelines for Multinational Enterprises
- Good Practice Guidance on Internal Controls, Ethics, and Compliance
- Committing to Effective Whistleblower Protection
- Guidelines for whistleblower protection for companies in GREECE
- The role of whistleblowers and whistleblower protection

US department of justice

Evaluation of corporate compliance programs June 2020



A resource guide to FCPA





Open for questions

Thank you!



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