WHITEPAPER

Sapin II: Leveraging technology to future proof your anti-corruption program

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RISK FROM EVERY ANGLE

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Executive Summary

Corruption is a complex phenomenon carrying economic, environmental and political significance, with the ramifications of such misconduct damaging individuals, organizations and entire nations. Corruption impacts the whole supply chain by distorting market forces and undermining competition, often in favor of individuals and firms holding a disproportionate share of power, capital or political influence. While it is difficult to quantify an exact 'value' of corruption, many estimates suggest it is likely to cost the global economy upwards of $3.5 trillion per annum,[1] a figure larger than 97% of the world's country's GDP's. The IMF also estimates that the yearly cost of bribery alone is between $1.5 – $2 trillion.[2]

In December 2016, the French government published the Sapin II law to align domestic anti-corruption standards more closely to well-known legal frameworks in other countries. Sapin II introduced a host of compliance duties to in-scope firms to prevent and detect corruption or influence peddling, all of which are overseen by a new anticorruption authority – *Agence Française Anticorruption* (AFA). While the AFA have a range of financial penalties at their disposal, the monetary ramifications of non-compliance represent just one risk factor for firms. This whitepaper brings to light the legal, financial, reputational and social consequences of breaching Sapin II requirements before highlighting the opportunity to obtain a competitive advantage from a well-founded anti-corruption program.

Sapin II constitutes a marked step forward for France in the fight against corruption, but there can be no doubt as to the amount of work required of firms to remain compliant. It is therefore critical that organizations leverage technology to develop an anti-compliance program that is both robust and scalable to demonstrate ethical governance to *all* stakeholders.

[1] https://www.weforum.org/communities/gfc-on-transparency-and-anti-corruption

[2] https://www.imf.org/external/pubs/ft/sdn/2016/sdn1605.pdf

Corruption in the modern economy

Transparency International's Corruption Perception Index (CPI) ranks 180 countries and territories around the world by their "perceived level of corruption", that is, how corrupt each country's public sector is perceived to be, according to experts and businesspeople. The results of the CPI are presented on a scale of 0 (highly corrupt) to 100 (very clean).[3] The global mean has remained unchanged for the past decade, averaging just 43, as more than two thirds of observed nations scored less than 50, signaling them as corrupt.

Corruption, at its most high-level, refers to the abuse of power or position for personal gain. Such behaviors are also commonly referred to as "white collar crimes";

> **"White-collar crime is a nonviolent crime often characterized by deceit or concealment to obtain or avoid losing money or property, or to gain a personal or business advantage."[4]**

Corruption is a multifaceted concept incorporating an extensive list of typologies, most of which fall within one of three broad categories; political corruption, economic corruption or public administration corruption.[5] Each typology involves slightly nuanced behaviors and signals, making it difficult to identify and prevent within a firm, let alone at a global scale. Some of the most common forms of corruption include:[6]

- **Bribery** – the offer or exchange of value to influence the actions of another person, business or official.
- **Embezzlement** – assets are diverted or stolen from an employer to serve individual benefit. For example, an individual may be entrusted with company money or property for one reason, such as fulfilling a contract, but they do something with the money other than what was authorized (e.g. pay off a personal loan or gamble).
- **Extortion** – obtaining something through force or threat.
- **Nepotism** – favoring family or friends (usually for a role or contract) without proper regard for their qualifications.

TENARIS FINED OVER $78 MILLION

On June 22, 2022, The Securities and Exchange Commission fined Tenaris, a Luxembourg-based global manufacturer and supplier of steel pipe products, over $78 million after it was found to have violated the FCPA.

Tenaris was found to be participating in a bribe scheme to obtain and retain business from the Brazil state-owned entity Petrobras. Charles Cain, Chief of the SEC Enforcement Division's FCPA unit stated that "Tenaris failed, for many years, to implement sufficient internal accounting controls throughout its business operations despite known corruption risks".

[3] https://www.transparency.org/en/cpi/2021

[4] https://www.fbi.gov/investigate/white-collar-crime

[5] https://www.researchgate.net/publication/228123275_The_Multiple_Faces_of_Corruption_Typology_Forms_and_Levels

[6] This list is not exhaustive

The global response

Regulators and governments across the globe have been gradually ramping up efforts to stymie corruption by making it unlawful for persons or entities to offer any form of value to secure improper advantage as it relates to obtaining or retaining business.

The United Kingdom (Bribery Act 2010[7]) and the United States (Foreign Corrupt Practices Act of 1977[8]) represent two of the most developed national anti-corruption frameworks, with both jurisdictions having prioritized enforcement to protect their national reputations as safe places to conduct business.[9]

Until 2016, French anti-corruption legislation had been widely criticized for lagging behind international standards. At the time, France did not mandate the implementation of anti-corruption compliance programs and enforcement of foreign bribery offenses fell "far short" of OECD expectations.[10]

In response to these criticisms, the French government published a bill in December 2016 titled *"Transparency, Fighting Corruption and Modernizing Economic Life"*.[11] Otherwise known as the Sapin II law, the objective of this bill was to create an anti-corruption mechanism in France that was more aligned to European counterparts and international standards. In doing so, France aimed to foster a more robust, consistent and enforceable approach to bribery and corruption.

This whitepaper provides a comprehensive overview of the original Sapin II obligations and brings to light recent developments and potential amendments that are likely to impact firms. We then explore the importance of compliance from an economic, legal and societal perspective before setting out how organizations can leverage technology to develop a bullet proof anti-corruption program.

[7] https://www.legislation.gov.uk/ukpga/2010/23/contents
[8] https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act
[9] https://www.sec.gov/news/press-release/2022-98
[10] https://www.oecd.org/daf/anti-bribery/France-Phase-3-Written-Follow-up-ENG.pdf
[11] https://www.economie.gouv.fr/files/files/PDF/transparency-bill-march2016.pdf

Chapter 1 – Sapin II

Sapin II introduced a range of binding obligations for firms to prevent corruption, all of which are overseen by a new, dedicated national agency – *"Agence Français de lutte Anticorruption" (AFA)*. The cumulative criteria determining the in-scope organizations for Sapin II are as follows:

1. HEADCOUNT

- Any company[12] incorporated in France employing at least 500 FTE,
- Any company belonging to a group of companies that employs at least 500 FTE worldwide but whose parent company is headquartered in France

2. REVENUE

- A company with consolidated or non-consolidated sales of more than €100 million that is headquartered in France
- For a French group with consolidated sales of more than €100 million, the obligation applies to the group as a whole, including subsidiaries, whether these subsidiaries are located in France or abroad.

Key innovations under Sapin II

Sapin II consists of three foundational pillars which house eight prescriptive rules aimed at preventing corruption and trading in influence. The AFA have provided detailed guidance to firms, outlining how managers should construct their anti-compliance programs.[13]

1. SENIOR MANAGEMENT'S COMMITMENT

Sapin II places clear emphasis on individual accountability, requiring senior managers to actively promote the corruption-free performance of organizational tasks through a number of mechanisms:

- Show exemplary personal behavior with regard to integrity and honesty
- Actively promote anti-corruption programs internally
- Allocate and implement necessary resources to build an effective and efficient program
- Be accountable for proper oversight of the program
- Comply with the program in their own decision-making
- Ensure that appropriate and proportionate sanctions are imposed in the event of violations of the code of conduct or conduct that could qualify as corrupt

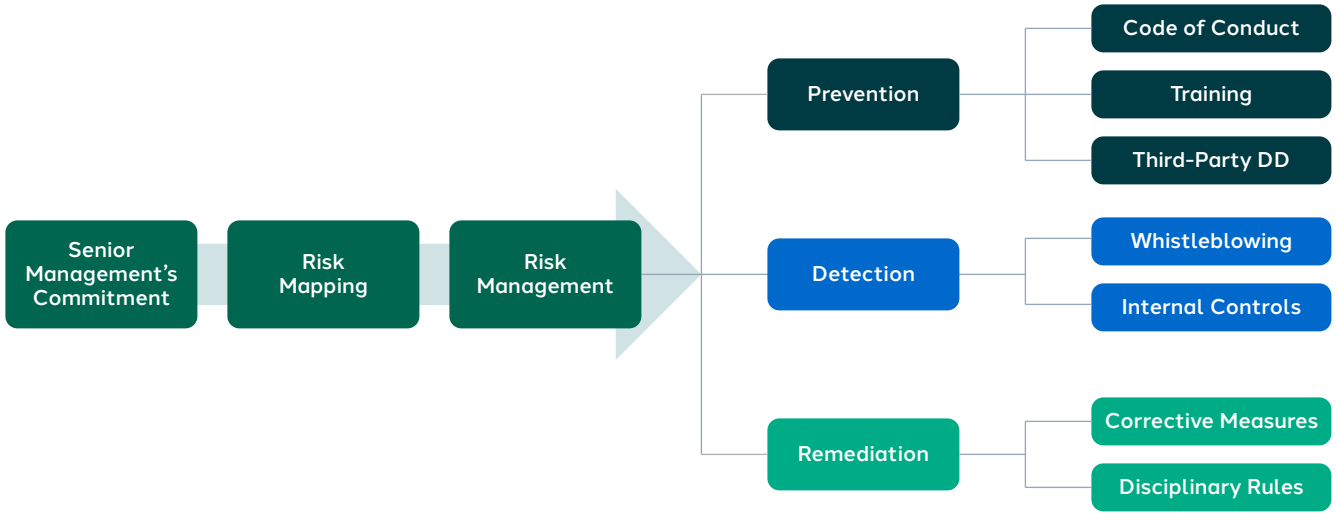

Figure 1: Sapin II Core Principles[14]

[12] Sapin II applies to private companies as well as state owned companies

[13] https://www.agence-francaise-anticorruption.gouv.fr/files/files/French AC Agency Guidelines .pdf

[14] https://www.agence-francaise-anticorruption.gouv.fr/files/files/French AC Agency Guidelines .pdf

2. CORRUPTION RISK MAPPING

Risk mapping is the cornerstone of a Sapin II compliance program, providing the foundation upon which subsequent corruption prevention and detection methods can be implemented. Section 2.123 of the AFA's Sapin II guidelines[15] suggests that a risk map is "complete" when it covers the organization's managerial, operational and support process for its own business, as well as its dealings with third parties.

From a practical perspective, the AFA recommends that organizations engage in a thorough, multi-stage, process to produce a comprehensive and robust risk map.

1. **Identify inherent risks** – identify risk scenarios that are specific to the firm. Risk scenarios should consider the company's current situational variables that may influence risk. These include, among other things; the countries in which the firm deals, the sectors in which it operates, the nature of its operations, the nature of its third parties and the length of its sales cycles.

2. **Vulnerability assessment** – next, firms must assess their vulnerability to all of the risk scenarios identified in the previous stage. This is referred to as "gross risk" and is to be assessed using the following three indicators; impact (reputational, financial, human, economic or legal), frequency and aggravating factors.16

3. **Assess the effectiveness of existing risk management measures** – this involves re-assessing gross risk scenarios after accounting for existing risk management measures such as technology, processes or policies. This highlights the remaining "residual" or "net" risk which is to be prioritized and classified by level of risk scenario. The subsequent action plan is to be developed on the basis of these elements.

4. **Annual assessment** – according to the AFA, the need for possible updates to the risk map should be assessed annually.

TOP TIP

Leaders should consult with staff at all levels of the hierarchy and from all parts of the company about the processes identified.

Engaging multiple stakeholders is critical at this stage due to their operational familiarity with processes. This enables firms to better identify risk scenarios within these particular activities related to specific business lines, subsidiaries or jurisdictions.

[15] https://www.agence-francaise-anticorruption.gouv.fr/files/files/French AC Agency Guidelines .pdf

[16] Aggravating factors are circumstances that make an event worse/more serious and indicate a higher degree of potential harm.

3. CORRUPTION RISK MANAGEMENT[17]

The remainder of the Sapin II obligations exist to manage corruption risk on an ongoing basis. The design, deployment and implementation of the subsequent anti-corruption program should be proportionate to the risks identified, evaluated and prioritized during the risk mapping process.

Prevention

- **Specific French code of conduct** – this document encapsulates the organization's commitment to prevent and detect corruption and should be made applicable and binding to all of the firm's staff.
  If the company does business in multiple jurisdictions, the code of conduct must apply to all entities, although it may be adapted as appropriate to meet specific local requirements.
- **Anti-corruption training** – this is to be aimed at all managers and employees who are deemed to have the greatest exposure to corruption risk
- **Third-party due diligence** – the Act requires companies to assess customers, leading suppliers and intermediaries, including those which the company may wish to initiate relationships with. The level of due diligence performed on each entity should be proportionate to the risk levels determined during the mapping process.

Detection

- **Internal whistleblowing procedure** – Sapin II requires companies to implement an internal whistleblowing system for staff to report instances of misconduct. This procedure should specify the steps to be followed when making a report, the procedures for the recipient's processing of the report, the rights of the person concerned and the ongoing protection of those rights.
- **Internal or external accounting control procedures** – these control procedures are to be implemented to ensure company accounts are not concealing violations such as bribery, gifts and alike.

Remediation

- **Internal monitoring and evaluation of the anti-corruption program** – entities must monitor and evaluate their anti-corruption procedures to ensure they remain adequate and effective. The monitoring process is primarily aimed at highlighting deficiencies in the firm's anti-corruption measures and defining, where necessary, corrective actions to improve their effectiveness.

FOLLOWING THE RISK ASSESSMENT, FIRMS MAY DECIDE TO:

- Approve the relationship – with or without enhanced due diligence measures.
- Terminate or refrain from proceeding with the relationship.
- Postpone the decision (pending further assessments).

ACCORDING TO THE AFA'S GUIDANCE

Each monitoring activity must specify:

1. The purpose and scope of the monitoring activity
2. The person(s) responsible for performing the assessment
3. The method used (e.g. the type of measurement and supporting analytics provided)
4. Submission of the monitoring findings and potential corrective measures
5. The monitoring record retention procedures

[17] https://www.agence-francaise-anticorruption.gouv.fr/files/files/French AC Agency Guidelines .pdf

Why are we talking about Sapin II today?

While the original provisions came into force on 11 June 2017, recent proposals and amendments highlight a continued rigor from French regulators and reinforce the need for firms to reevaluate their current program to ensure ongoing compliance.

RECOMMENDATIONS TO BROADEN THE SCOPE OF SAPIN II[18]

On 7 July 2021, two French MPs conducted an evaluation of the Sapin II law, presenting over 50 recommendations to further strengthen the French anti-corruption system. Among the recommendations was a proposal to extend the Sapin II obligations to "small" or "mid-sized" French subsidiaries of foreign companies. If adopted, the aforementioned obligations would apply to a far broader range of firms as many subsidiaries of large foreign groups are brought into scope.

THE AFA RELEASE PRACTICAL GUIDELINES TO FIRMS ENGAGING IN MERGERS AND ACQUISITIONS[19]

Sapin II currently requires firms to conduct due diligence on certain third parties. These obligations, however, do not extend to those firms considered for acquisition or absorption. In a recent (2021) response to public consultation, the AFA released a supplementary guide to firms engaging with other categories of third parties.

While not legally binding, the guidance provides critically important advice for firms seeking to engage in M&A transactions. In particular, the AFA offers best practice recommendations for the acquiring firm to assess and harmonize the anti-corruption program of the acquired firm, since Sapin II requires the anti-corruption program to cover the entire company formed by the transaction.

AMENDMENTS TO SAPIN II TO TRANSPOSE THE EU WHISTLEBLOWER DIRECTIVE

In March 2022, French authorities made numerous amendments to Sapin II to align obligations with the EU's Whistleblower Directive. These alterations expand the scope of the individuals who can "blow the whistle", to include the following persons:

- Job applicants
- Shareholders and officers
- Business partners or subcontractors
- Individuals that report anonymously and whose name is disclosed afterwards

The scope of whistleblower protection has also been extended to cover:

- Facilitators – individuals or private non-profits, who support the whistleblower to submit his or her report
- Individuals having a relation with the whistleblower that could suffer from retaliation in a work-related context
- Entities controlled by the whistleblower or with which he or she is connected in a work-related context

These changes took effect at the beginning of September 2022, and stakeholders need to verify the inclusion of the aforementioned amendments into their existing whistleblower program under Sapin II.

[18] https://www.ashurst.com/en/news-and-insights/legal-updates/sapin-2-law--5-years-later-assessment-and-perspectives/

[19] https://www.agence-francaise-anticorruption.gouv.fr/files/files/Practical Guide 2021 FUSACQ.pdf

Chapter 2 – The importance of compliance

For firms whose compliance programs fall short of Sapin II expectations, or for those publicly exposed for corrupt behavior, the impacts can be catastrophic. The subsequent section explores the legal, economic and reputational ramifications of organizational corruption.

The legal framework for governing bribery and corruption in France

Sapin II grants the AFA power to impose administrative penalties to any firm deemed to have failed to adopt an adequate compliance program to detect and prevent corruption, both internally and throughout its value chain. For firms found to be "out of compliance", the AFA may fine directors up to €200,000 or the company up to €1 million.

Worse still, pursuant to article 40 of the Criminal Procedure Code, the AFA are legally obliged to notify domestic prosecutors of any identified acts of corruption. If found guilty, cases of active *or* passive corruption are punishable by up to ten years' imprisonment and fines of up to €1 million for individuals and €5 million for legal entities.[20] While significant, businesses face far greater long-term risks associated with the potential reputational damages that ensue.

Reputational damage

The risk of reputational damage should be high on every firm's agenda, with such impacts often being more severe, wide-reaching and long lasting than initial financial penalties or criminal prosecution.

A recent study of 300 executives conducted by Deloitte and Forbes Insights[21] highlighted that effective corporate governance and the handling of social issues are moving up in importance for stakeholders. Amongst respondents, brand reputation was considered the highest strategic risk area for a company, with executives citing a loss of revenue and brand value as key impacts:

- **Loss of revenue:** consumers are becoming ever-more socially conscious, displaying a deep interest in, and awareness for, those around them and how they are impacted by certain decisions. As a result, consumers tend to favor those firms who consider and demonstrate ethical conduct.
  If a particular organization is exposed for misconduct of any kind, customers are likely to take their business elsewhere.
- **Employee turnover:** employees may resign, or worse, be fired or jailed as a result of corruption. Replacing employees is a time consuming and costly endeavor and it is within firms' best interests to keep turnover to a minimum.
- **Stakeholder confidence and investment:** as altruism becomes more evident in our buying behavior, we can see the same sentiment mirrored across investment decisions, with investors favoring firms that demonstrate ethical and sustainable operations. Morality aside, corruption within firms also leads to greater uncertainty and risk and thus lower investment levels.

With that said, it is important that firms see anti-corruption programs, not as an act of risk mitigation, but as a means of achieving a competitive advantage. Companies with a well-regarded and trustworthy brand reputation typically attract better employees and are perceived as providing greater value (for less risk), enabling them to charge a greater premium while winning more customers. Through establishing a robust anti-corruption program, firms can demonstrate their commitment to social responsibility and stand out from their peers.

Operational inefficiency

Certain types of corruption, such as bribery or embezzlement, can directly impact business resources. Tampering with internal assets, whether it be stock or capital, has the potential to dramatically reduce operational efficiency, particularly if it is done frequently or at a large scale. This puts pressure on firms to maintain profitability by cutting costs elsewhere or passing additional costs onto consumers. In a world where inflation is rife, firms are expected to realize internal efficiencies and drive down costs to deliver more value for consumers. Corruption can therefore damage competitiveness by reducing profit margins or disproportionately inflating the costs of firm's products and services.

While employee turnover exists as a prominent risk resulting from corruption, it is important to recognise that not everyone is in a position to resign. For those who remain, corruption can leave a lasting impact on organizational culture. On one hand, working under a corrupt leadership can eradicate any sense of comradery and team spirit, leaving employees underutilized and limiting internal efficiency. In contrast, some employees may begin to mimic the behavior of corrupt leaders in pursuit of personal gain, creating a perpetual cycle of internal corruption.

[20] https://www.equalrightstrust.org/ertdocumentbank/french_penal_code_33.pdf

[21] https://www2.deloitte.com/content/dam/Deloitte/za/Documents/risk/NEWReputationRiskSurveyReport_25FEB.pdf

The big picture – corruption and ESG

Environmental, social and governance (ESG) and corporate social responsibility (CSR) have become immensely popular terms in recent years. While matters of ESG and CSR were initially weighted more heavily toward environmental impacts – with the rising threat of global warming accelerating the need to instill meaningful change – regulators and industry bodies are now giving equal focus to social and governance factors (such as corruption) as a means of promoting sustainable business operations:

- **The United Nations Global Compact**[22] – albeit a voluntary and non-binding initiative, the Global Compact provides a principles-based framework for organizations to adhere to. Their 10 ESG-related principles cover issues of human rights, labor conditions and bribery. Principle 10 specifically encourages participants not only to avoid various forms of corruption, but actively implement policies designed to mitigate risk and identify instances of corrupt behavior.
- **OECD Guidelines**[23] – the guidance for multinational enterprises directly addresses bribery, bribe solicitation and extortion, prescribing firms to implement adequate controls and programs to detect and prevent corruption, and denounce these controls publicly. In addition, the OECD Anti-Bribery Convention establishes legally binding standards to criminalize bribery within state-owned enterprises.[24]
- **The United Nations** has stressed the importance of tackling corruption to achieve its Sustainable Development Goals (SDGs),[25] with SDG 16 explicitly highlighting anti-corruption as a key target:
  - By 2030, the UN aims to significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.
  - Substantially reduce corruption and bribery in all forms.
  - Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.

Overall, ethical governance gives stakeholders confidence that leaders are acting in the best interests of the business. This can substantially improve performance through fostering a more stable and productive operational environment, thereby reducing risks and improving reputation.

NOWHERE TO HIDE...

Portfolio managers are becoming increasingly reliant on third-party ESG data and ratings services to evaluate organisations in which they are considering investment. These ratings providers assess firm's policies, controls and disclosures and triangulate this data with external news to generate an accurate picture of an organisations behaviour as it relates to ESG. These service providers generate a holistic "score" for each firm which can be benchmarked against competition.

Most, if not all, of these ratings providers account for corruption controls within their algorithms. As a result, any instance of corruption attributed to an organisation will damage its ESG rating and subsequently reduce its appeal to external stakeholders. Thomson Reuters' ESG Controversy Category offers a suitable example; this rating includes "the number of controversies published in the media linked to business ethics in general, political contributions or bribery and corruption".

As ESG ratings providers become more sophisticated – evaluating more data points to highlight more misconduct – anti-corruption will prove to be a crucial component in achieving, and maintaining, a favorable ESG rating, and by extension, a favorable reputation amongst regulators, investors and customers.

[23] https://www.oecd.org/daf/inv/mne/48004323.pdf

[24] https://www.oecd.org/corruption/2021-oecd-anti-bribery-recommendation.htm#:~:text=26%2F11%2F2021%20%2D%20The,measures%20to%20make%20this%20effective

[25] https://sdgs.un.org/goals

Chapter 3 – Sapin compliance leveraging technology

Risk mapping

Sapin II compliance is underpinned by an effective risk mapping process. After all, if managers are unable to accurately identify gross and residual risk, they are left with no way to apply targeted mitigating measures.

Traditionally, risk mapping processes have favored spreadsheets and human-led, manual analysis. This is no longer efficient nor sufficient given the breadth of systems and third parties that must be analyzed as part of a firm-wide corruption risk assessment. Instead, it is critical that senior management are able to easily store data and present insights in the appropriate context to support decision making.

SAI360's risk mapping capabilities enable firms to visualize risks by aggregating data through simple integration with existing systems. As a result, users can create dashboards within a centralized hub to monitor third party risk, internal controls and enterprise-wide risk to instantly share insights and reports with stakeholders. By combining various risk indicators into a single view, users can accurately map risks to existing controls to evaluate residual risk and prioritize remediation accordingly.

Moreover, the AFA guidance recommends firms engage *multiple* roles in the risk mapping process:

- Managers of decision-making, operational, accounting and other support processes should each contribute to developing and updating the risk map in their specific area of expertise. These stakeholders should be held accountable for identifying risks that are specific to their activities
- Staff members are also expected to contribute to the mapping exercise by reporting on the factors specific to their functions and the risks incurred in order to take appropriate steps to identify, assess and rank these risks.

Considering the level of engagement needed from different stakeholders, leading senior managers will leverage collaborative software environments with designated access controls to enable contributors to collectively and simultaneously build risk maps.

SAI360 GRC MINI CASE STUDY

A Swiss energy company approached SAI360 seeking to replace Excel spreadsheets with a software solution that could collate and integrate all risk information and manage subsequent workflows more efficiently. To achieve this outcome, it was critical that the firm could take advantage of a single view of their risk and control status to promote transparency.

The SAI360 GRC platform offers role-based software solutions for risk management, internal control, internal audit, compliance and policy management, information security, and sustainability performance management. The platform was implemented to offer the company extended capabilities through a new risk assessment approach for company-wide risks as well as project-based and investment risks.

SAI360's GRC platform provided the energy firm with a "single risk language" that enabled them to present consistent and comparable risk data to management. In addition, the flexibility offered by SAI360 in determining measures and risk monitoring as well as the assessment capabilities aligned exactly to the configuration changes the company needed.

According to the company's IT lead during the project, "We can say that the SAI360 implementation helped us to promote the risk and control culture in the company and enabled us to go deeper in the organization. For example, the risk management department now works with different levels of the line management."

Risk prevention

ANTI-CORRUPTION TRAINING

Employee training is a complex challenge with typical approaches requiring staff members to come together at specific times to learn collectively. However, against the Covid-enduced remote working backdrop, in-person training has largely been replaced by online courses, many of which contain static information and offer no means of tracking learner engagement or performance.

Implementing a learning management software (LMS) makes it far easier to develop and disseminate custom training information, particularly amongst large and dispersed workforces. The corruption landscape and the associated risks are not fixed, and neither are the organizations to which they apply. Training therefore must be updated regularly to reflect the evolving threat landscape.

A LMS provides a seamless and efficient way to address learning and risk mitigation objectives. It offers senior managers the chance to manage training campaigns, track employee engagement and performance and demonstrate training program efficacy and efficiency. Users can also instantly edit, preview, test and launch customized training and share this with those who need it straight away.

Learning solutions, such as those offered by SAI360, offer a flexible, scalable and cost-effective way to streamline the entire training process while providing firms and regulators with the confidence that their workforce is sufficiently prepared to identify and prevent corruption.

THIRD PARTY RISK

In-scope organizations will more than likely be engaging with tens, if not hundreds, of third parties. Monitoring compliance across such a broad range of entities is nigh-on impossible without leveraging technology.

SAI360 offers users the ability to identify and register all third parties to collect, analyze and store relevant information about them such as ownership details, how they operate, their integrity and anti-corruption standards, as well as any significant bribery and corruption risks. Senior managers can store all of this data in a centralized database and apply a risk assessment process to identify, segment, mitigate and monitor the risks and risk factors attached to different types of third parties. This information can subsequently be used to design the criteria used in due diligence and to design and/or improve the overall anti-bribery program.

SAI360 TPRM MODULE

SAI360's Third-Party Risk Management (TPRM) software centralizes vendor information to enables users to identify, manage and mitigate any risks that may negatively impact the firm or its relationship with suppliers.

Streamline vendor onboarding

SAI's software contains a highly configurable profiling portal in which users can create custom onboarding forms and questionnaires to ensure they are accessing all necessary information from vendors. This facilitates more accurate risk scoring based on security, financial posture and exclusions which enables users to accurately prioritize vendors and allocate resources based on their criticality and relevance to the business. Automated controls, assessment settings and alert messages can also be configured to streamline subsequent workflows.

Automated due diligence and continuous monitoring

SAI360 TPRM enables firms to scale to support thousands of vendors by performing risk assessments more efficiently and removing the reliance on email and spreadsheets. These risk assessments include evaluations of financial, cyber, credit, ESG and other vendor risks and are conducted on an ongoing basis, offering automated alerts on vendor updates and overall risk score changes. This is made possible through SAI's integrated partnerships with SecurityScorecard, WorldCheck, Argos Risk, EcoVadis and more.

Visualize your risk exposure

SAI360 provides an easily digestible view of an organization's vendor risk exposure through its pre-configured risk intelligence reports and visualization capabilities. This allows users to easily access and analyze vendor data stored within the centralized repository to streamline and automate collaboration, review, approval and reporting.

A holistic approach to tackling corruption

The most successful organizations will be those that adopt an integrated approach to their anti-corruption program. Sapin II requires risk mapping and mitigation to account for all internal operations *and* those of third parties. Such holistic oversight requires monitoring a huge amount of data, and it is important for firms to leverage novel technology to combine disparate datasets in order to identify and respond to risk, all while fostering a collaborative and transparent approach across the organization.

SAI360's modules cover the breadth of Sapin II requirements, but more importantly, they integrate seamlessly with one another to form a comprehensive risk management solution. With this, senior managers can visualize entity-wide risk in a single, centralized dashboard and remove organizational silos to enable firms to monitor and evidence the effectiveness of their anti-corruption program to all stakeholders.

See what SAI360 has to offer

SAI360 are GRC experts and a leading cloud-based solution provider. Our modular approach allows you to take advantage of configurable solutions and quickly shape them to help you thrive in the evolving Governance, Risk and Compliance landscape. To learn more about the SAI360 platform and how we can advance your GRC goals, contact us online to set up a call with one of our representatives.

Interested in learning more about SAI360 software and training solutions for ethics, governance, risk, and compliance?

Request a demo.

Our unified approach to risk sets us apart

Today's complex risk landscape demands more. SAI360 leads the way with an integrated GRC platform and Learning solution that spans the entire risk spectrum.

Risk Management Solutions

- Enterprise & Operational Risk Management
- Regulatory Change Management
- Policy Management
- Third-Party Risk Management
- Internal Control
- Internal Audit
- Incident Management
- Conflicts of Interest (COI) Disclosure Management
- IT & Cybersecurity
- Business Continuity Management

Ethics & Compliance Learning Solutions

- Anti-Bribery & Anti-Corruption
- Competition & Anti-Trust
- Conflicts of Interest
- Data Protection & Privacy
- Information Security
- Exports, Imports & Trade Compliance
- Harassment & Discrimination

SAI360 RISK FROM EVERY ANGLE

SAI360 is giving companies a new perspective on risk management. By integrating Governance, Risk, Compliance (GRC) software and Ethics & Compliance Learning resources, SAI360 can broaden your risk horizon and increase your ability to identify, manage, and mitigate risk. See risk from every angle. Visit www.sai360.com.

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