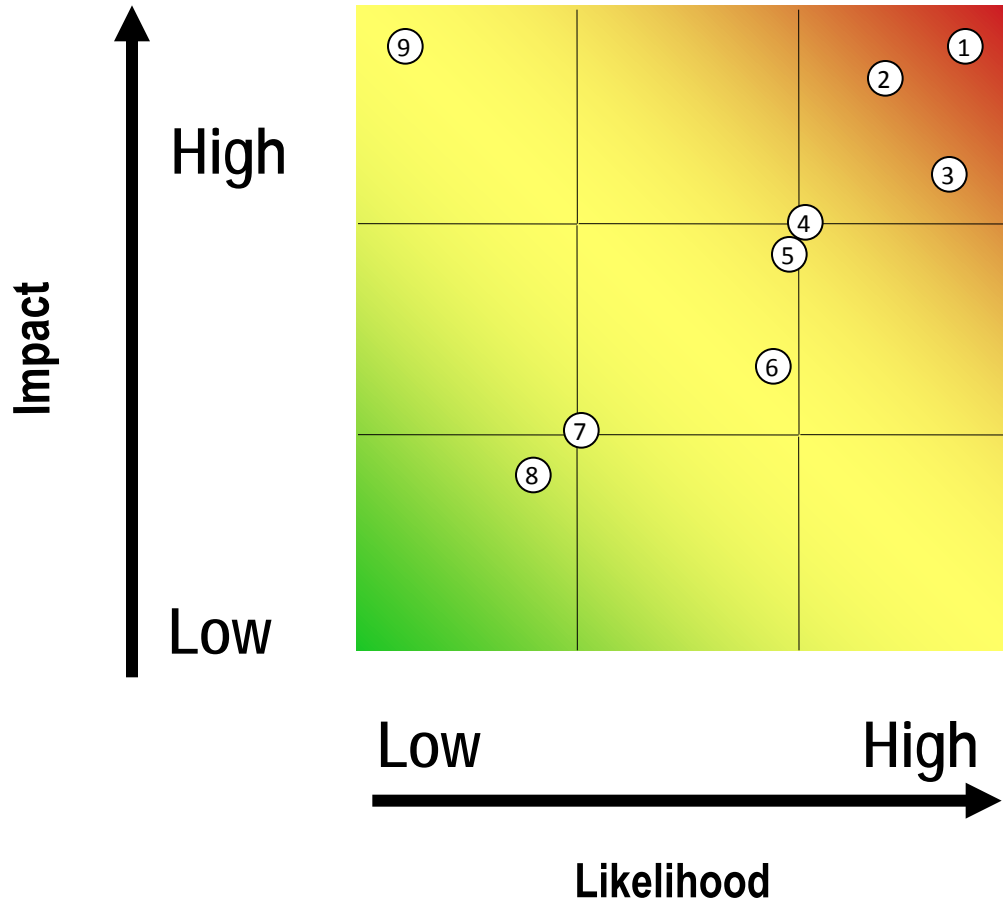


# Risk 101 Exercise: *Sample Risk Assessment*

<b>High</b>	CORRUPTION/BRIBERY PRIVACY/DATA PROTECTION CULTURE/TONE
<b>Medium</b>	ISSUE HANDLING/REPORTING INCENTIVE PROGRAM CONFLICTS OF INTEREST
<b>Low</b>	RECORDS RETENTION SOCIAL MEDIA ANTITRUST/COMPETITION LAW

# Risk 101 Exercise: *Sample Heat Map*



## EXAMPLE

- 1 – Corruption/Bribery
- 2 – Privacy/Data Protection
- 3 – Culture/Tone
- 4 – Issue Handling/Reporting
- 5 – Incentive Program
- 6 – Conflicts of Interest
- 7 – Records Retention
- 8 – Social Media
- 9 – Antitrust/Competition Law

# Risk 101 Exercise: *Sample Risk Mitigation*

PRIORITY	RISK/ISSUE	SAMPLE HIGH-LEVEL MITIGATION STRATEGIES
1	CORRUPTION/ BRIBERY	<ul style="list-style-type: none"> <li>○ Identify industry compliance failures in areas of corruption/bribery and present risks/trends to senior leaders along with mitigation plan</li> <li>○ Develop/implement policies and procedures for Anti-Corruption/Bribery Program to include Due Diligence practices when engaging with vendors and third-parties</li> <li>○ Develop and deliver focused training/awareness on anti-corruption/bribery topics throughout the organization to include third-parties</li> <li>○ Incorporate Company compliance standards into all third-party contracts</li> <li>○ Establish process for ongoing monitoring and auditing of Program effectiveness</li> </ul>
2	PRIVACY/ DATA PROTECTION	<ul style="list-style-type: none"> <li>○ Engage qualified experts to review and assess full scope of breach and related impact/liabilities; leverage third-party external support</li> <li>○ Identify systemic root cause of breach; report/disclose as appropriate</li> <li>○ Establish and implement internal controls to manage/mitigate risk area moving forward (<i>e.g., technology controls, policies, procedures, training, software</i>)</li> <li>○ Identify/recruit fully qualified internal resource to lead and manage Company risk area; vet qualifications consistent with acceptable standards/best practices</li> </ul>
3	CULTURE/ TONE	<ul style="list-style-type: none"> <li>○ Establish board/leadership training and awareness activities; focus on oversight responsibilities, tone, E&amp;C program effectiveness, etc.</li> <li>○ Present value proposition and needs for E&amp;C Program; secure adequate resources</li> <li>○ Conduct a Company-wide culture assessment to understand current state; establish plan/process for ongoing monitoring and assessment activities</li> <li>○ Develop/integrate a new Code of Conduct to include training of employees at all levels of the organization; facilitate/establish a Company Values Statement</li> </ul>

# Risk 101 Exercise: *Sample Risk Mitigation*

PRIORITY	RISK/ISSUE	SAMPLE HIGH-LEVEL MITIGATION STRATEGIES
4	ISSUE HANDLING / REPORTING	<ul style="list-style-type: none"> <li>○ Adopt new reporting mechanism to include policies/procedures for phone, web and anonymous reporting options; implement third-party reporting system; ensure global considerations are incorporated</li> <li>○ Establish centralized, corporate-level process for investigations, issues management and protocol for escalations; includes management by E&amp;C Office</li> <li>○ Promote awareness of reporting mechanisms throughout the organization</li> <li>○ Establish ongoing process for monitoring, auditing, and evaluation for effectiveness</li> </ul>
5	COMPANY INCENTIVE PROGRAM	<ul style="list-style-type: none"> <li>○ Review/assess current state of Company incentive program to include parties involved in development/management, processes, protocols, launch, communications, and results/metrics to date (<i>payouts, accounts opened, etc.</i>)</li> <li>○ Engage with leadership on related E&amp;C risks and potential likelihood/impact to organization; recommend modifications/changes to existing program</li> <li>○ Implement independent E&amp;C oversight and management protocols and controls to prevent potential wrongdoing and mitigate risk; includes ongoing monitoring</li> <li>○ Ensure E&amp;C participation/input on all Company incentive programs moving forward</li> </ul>
6	CONFLICTS OF INTEREST	<ul style="list-style-type: none"> <li>○ Inventory existing (<i>potential</i>) COI issues and create mitigation plans</li> <li>○ Establish policies and procedures for addressing and managing conflicts of interest to include proper reporting channels, review, waivers, etc.</li> <li>○ Develop/implement a process for ongoing COI disclosures and related management</li> <li>○ Review global COI policies for cultural considerations and assure consistency with corporate level polices and procedures</li> <li>○ Implement Company-wide training and awareness program focused on COI</li> </ul>

# Risk 101 Exercise: *Sample Risk Mitigation*

PRIORITY	RISK/ISSUE	SAMPLE HIGH-LEVEL MITIGATION STRATEGIES
7	RECORDS RETENTION	<ul style="list-style-type: none"> <li>○ Inventory existing policies and procedures by business unit; evaluate consistencies, practices, etc., across the organization</li> <li>○ Determine if any existing practice or past action has resulted in a violation of law</li> <li>○ Secure resource(s) to lead/implement a centralized RIM Program and infrastructure</li> <li>○ Establish centralized policies and procedures related to RIM and retention standards</li> <li>○ Implement/deliver applicable training and awareness across the organization regarding RIM policies, practices, expectations, etc.</li> </ul>
8	SOCIAL MEDIA	<ul style="list-style-type: none"> <li>○ Evaluate existing uses of social media for business purposes to include impact, media sources, use of Company assets, and employees involved</li> <li>○ Establish Company-wide policy/procedure regarding the use of social media during work hours (<i>both for business and personal purposes</i>); implement policy/procedure</li> <li>○ Provide Company-wide training/awareness regarding policy, expectations, etc.</li> <li>○ Establish appropriate technology controls and related risk mitigation efforts</li> </ul>
9	ANTITRUST / COMPETITION LAW	<ul style="list-style-type: none"> <li>○ Engage with leadership; recommend immediate cancellation of upcoming rally</li> <li>○ Review/investigate history and current state of proposed rally with competitors; includes parties involved, any past meetings, potential wrongdoing, etc.</li> <li>○ Establish/implement Company-wide policy/procedures regarding direct and indirect interaction/engagement with competitors and related risks</li> <li>○ Provide targeted and Company-wide training/awareness on antitrust and competition law compliance; target priority audiences</li> </ul>