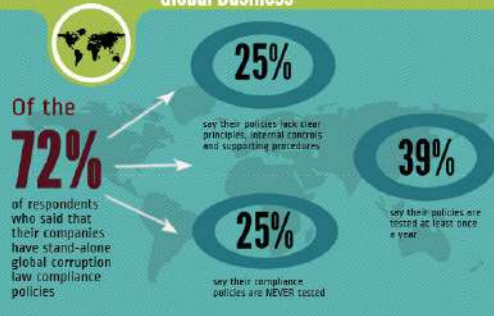


# Bribery & Corruption Risk

## by the numbers

There's still work to be done when it comes to global bribery and corruption compliance, according to the Global Corruption Law Compliance Report conducted by McGladrey LLP and the Institute of Internal Auditors Research Foundation (IIARF).

### Global Business



### Takeaway

Every company should have a global corruption law compliance policy integrated with other key corporate guidelines and it should be tested at least annually, because business operations are dynamic, with continually changing environmental, economic and political risks.

### Third Party Due Diligence



Third-party due diligence and monitoring and M&A activity continue to be major sources of global corruption risk. However, companies in the mid



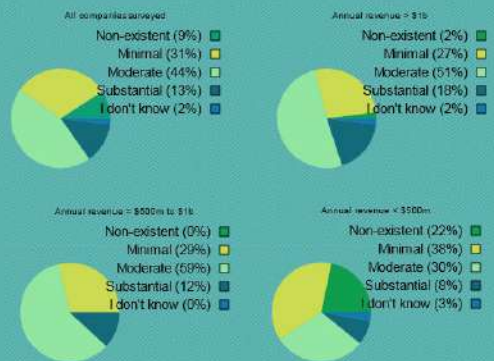
### Takeaway

Companies in all revenue brackets should be performing due diligence activities, especially the measures that don't require significant effort. Information on potential business partners and M&A targets is relatively easy to obtain from local governments.

### Compliance Efforts



Results show that companies with higher annual revenue tend to put more effort into global corruption law compliance. Almost a quarter of respondents from companies with less than \$500 million in revenues say they put no effort into compliance.



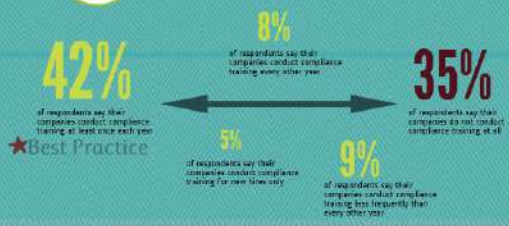
### Takeaway

While smaller companies have fewer resources to dedicate to non operational activities, corruption allegations are likely to have a larger impact on their operations. Smaller companies need to pay as much attention to compliance issues as larger ones.

### Ethics and Compliance Training



More than a third of survey respondents said their companies offer no compliance training at all, despite the fact that annual compliance training is considered a best practice.



### Takeaway

Consistent training on a company's global corruption law compliance is critical to success. A demonstrated commitment to compliance training can be a valuable asset during a DOJ or SEC investigation.

While the survey reveals that good progress has been made in recent years, much work remains to be done. The survey's authors identify specific areas in need of improvement, such as oversight, monitoring and third party due diligence. The role of internal audit and good internal controls has never been more important for tackling global bribery and corruption risks.