

ARAVO CREDENTIALS & COMPLIANCE

Suppliers Can Put Your Brand at Risk

Unsafe cars, toys contaminated by lead, pet food containing dangerous fillers, and medications formulated with treacherous levels of key ingredients are all tragic stories. What's common to them is that the brands of the companies affected were not damaged by their own overt acts, but by those of suppliers ... suppliers that did not adhere to regulations, standards, and codes of conduct. And it isn't just about product safety. The US Foreign Corrupt Practices Act (FCPA) implements rules and penalties regarding the use of bribes in the conduct of business, even on the part of trading partners, and other countries aren't far behind. In fact, the list of regulated/mandated activities and standards continues to grow. How do you mitigate this risk of regulatory compliance across international markets while managing compliance costs? By implementing systems and controls to gather trading partner credentials (some as simple as COI, W8's, self-cert affidavits, etc.), monitor internal and external trading activities for compliance, and proactively identify partners and suppliers that are non-compliant. The costs may seem considerable, but the penalties in terms of brand erosion, fines, and prison sentences are much worse.

> SOLUTION SUMMARY

Aravo Credentials & Compliance is the industry's leading SaaS solution for managing your entire supplier compliance and credentialing process. It helps your procurement, legal and finance teams easily and quickly manage your exposure to regulated/mandated compliance requirements, as well as lower your cost of compliance. Aravo Credentials & Compliance provides you with the tools to effectively mitigate vendor risks before they impact your bottom line via the application of a consistent due diligence process across your extended enterprise – managing supplier policy, contact information, and documentation in a single, globally available, repository. As a result you can simplify certificate collection and updates across all active suppliers using a structured certification framework. With built in compliance templates, support for compliance audits, configurable workflows to track credential renewals and new regulatory requirements, and compliance ratings to highlight the most at risk supplier relationships, Aravo Credentials & Compliance is the only solution you need.

“78% of Global 2000 companies do not include suppliers in their corporate Code of Conduct, supplier compliance.”

- 2008 Supplier Ethics Management (SEM) Charter Group Study

KEY BENEFITS

- > Protect your brand by consistently managing & reporting compliance policies
- > Reduce the risk of fines, penalties, product recalls, and collateral brand damage
- > Improve efficiency by managing the lifecycle of compliance-related information
- > Improve compliance by tracking compliance risks and automating the tedious process of identifying compliance issues
- > Reduce the cost of compliance with standardized and consolidated processes for collecting and maintaining supplier-provided credentials in a centralized, web repository
- > Create a single source of truth for all supplier credentials – from point of supplier on-boarding through audit
- > Assist suppliers in adhering to compliance objectives

> ARAVO BEST PRACTICES: PROCESS EXAMPLES

Aravo Credentials & Compliance is a core component of the Aravo Supplier Information Management (SIM) platform. By automating and managing supplier compliance initiatives, Aravo Credentials & Compliance allows global corporations to reduce compliance risk while driving down the cost of compliance.

CREDENTIALS & COMPLIANCE TYPES

The number of regulated/mandated business requirements, and the related list of compliance documents and credentials, continues to grow globally. In addition, each enterprise has its own unique list of required supplier credentials based on product lines, product components/ingredients, markets served, business model, and risk management profile. Aravo Credentials & Compliance addresses these needs by combining pre-existing compliance templates with the ability for each customer to define and manage their own specific requirements. A sample of key compliance requirements already supported by Aravo include:

FCPA	1099/W8/W9	Licenses	Financial & Credit
Diversity	NDA	Judgments/Liens	IT Security/Privacy
Code of Conduct	Certifications	Self-Cert Affidavits	MLCA
Corporate Social Responsibility	Insurance	SAS 70	SBA
Ethical Standards	PCI	Conflicts of Interest	Contractual



COMPLIANCE PROGRAMS

Aravo Credentials & Compliance combines Aravo's project management, document management, workflow, and supplier survey capabilities to facilitate the process of managing and evaluating supplier compliance through a combination of documented credentials and survey-based compliance responses. Best-practice credentials and compliance process steps include:

1. Define compliance initiatives and determine credentials required, workflow tasks, and approval processes.
2. Identify suppliers/stakeholders to participate in initiative and drive email communication for collection of required documents, credentials and information.
3. Complete dynamic online surveys and attach required certifications and documents.
4. Manage user-defined workflows for review, approval, escalation and validation of collected data.
5. Track/review real-time updates on project dashboards to manage compliance status.



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About Aravo

The world's best-run businesses utilize Aravo's SaaS Supplier Information Management platform to reduce the cost of managing suppliers by up to 72% and to transform their supplier on-boarding, compliance, enablement, and risk management challenges into competitive advantage. General Electric, Goldman Sachs, Accenture, and Deutsche Bank rely on Aravo to manage information and processes for over 1.5 million global suppliers. Aravo is based in San Francisco, with offices in Chicago, New York, and Ahmedabad, India, and is backed by over \$50 million in investment from Cisco Systems, Big Sky Partners, and the Charles Schwab family. For more information regarding Aravo's award-winning solutions please visit <http://www.aravo.com> or view our blogs at <http://www.2sustain.com> and <http://atrisk.net>

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KEY FEATURES

- > Centralized supplier credentials network
- > Supplier collaboration workspaces with audit trails
- > Best practice vertical/industry compliance templates and regulatory monitoring
- > Shared policy/practice libraries
- > Role-based dashboards with automated task routing
- > Flexible, user-defined surveys
- > Configurable workflows
- > Auto-triggered alerts, flags, and reminders
- > Calendars with notifications and expiration-based emails
- > Compliance ratings based on configured, weighted criteria

