

ARAVO QUALIFICATIONS & 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 qualifications (some as simple as COI, WB'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 Qualifications & 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 Qualifications & 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 Qualifications & 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 qualifications in a centralized, web repository
- > Create a single source of truth for all supplier qualifications – from point of supplier on-boarding through audit
- > Assist suppliers in adhering to compliance objectives

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

The number of regulated/mandated business requirements, and the related list of compliance documents and qualifications, continues to grow globally. In addition, each enterprise has its own unique list of required supplier qualifications based on product lines, product components/ingredients, markets served, business model, and risk management profile. Aravo Qualifications & 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

- > Centralized supplier qualifications 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

Aravo Qualifications & 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 qualifications and survey-based compliance responses. Best-practice qualifications and compliance process steps include:

1. Define compliance initiatives and determine qualifications required, workflow tasks, and approval processes.
2. Identify suppliers/stakeholders to participate in initiative and drive email communication for collection of required documents, qualifications 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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The world's best-run businesses utilize Aravo's Cloud-based Supplier Lifecycle Management and B2B information and collaboration solutions to find and manage trading partner relationships, reduce supply chain risk, ensure global regulatory compliance and lower the cost of managing suppliers by up to 72%. Customers like General Electric, Accenture, and Cisco rely on Aravo to manage information and processes for over 1.8 million global suppliers. Aravo is based in San Francisco, with offices in Chicago, Dallas, Portland, Kiev, Ukraine and Ahmedabad, India, and is backed by over \$50 million in investment from Cisco Systems, and Big Sky Partners. For more information regarding Aravo's award-winning solutions please visit our websites <http://www.aravo.com> and <http://www.aravoassure.com> or view our blogs at <http://www.2sustain.com> and <http://atrisk.net>.

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