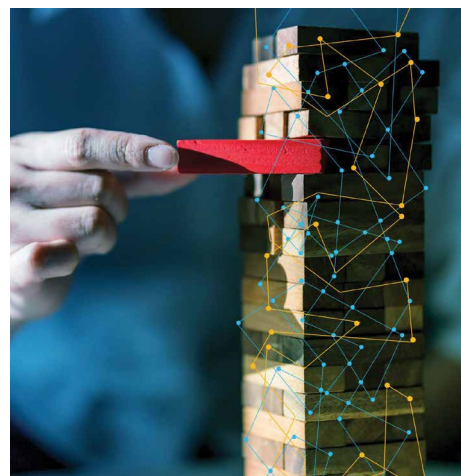


CORRUPTION COSTS AT LEAST
\$2.6 TRILLION
EQUIVALENT TO
5% OF THE GLOBAL GDP

How to gain the upper hand against bribery & corruption

Bribery can ruin lives. Its consequences extend beyond the financial and reputational costs to companies that have compliance failures.

Corruption erodes rule of law and damages social and economic development, victimizing society, government and companies that play by the rules. Each time a bribe is offered or accepted, our principle of free and fair competition stands weakened.



Combating bribery: A cause worth fighting for

UN Secretary General António Guterres reported last September that corruption costs at least \$2.6 trillion, equivalent to 5 percent of the global GDP. It comes as no surprise that fighting bribery and corruption lies at the heart of the United Nations Sustainable Development Goals and governments around the world.

And it's in the best interest of companies to properly address bribery and corruption risks:

- The current rise in ethical expectations can lead to a damaged reputation if core values are being scrutinized.
- Allegations of bribery and corruption can trigger a withdrawal from lucrative contracts and thus constitute a major strategic risk.
- Governmental fines and penalties present a significant financial damage and can lead to a decrease in investments.
- Fraud, corruption and bribery are undermining the framework of our society. Regulatory breaches can cripple the rule of law.



Integrity, transparency and the fight against corruption have to be part of the culture. They have to be taught as fundamental values.

JOSÉ ÁNGEL GURRIA,
OECD SECRETARY-GENERAL

Is out of sight out of mind?

While most developed nations have introduced legislation to prevent and combat bribery and corruption, few of these countries are gaining the upper hand in their fight against sophisticated corruption and bribery schemes. The most recent Corruption Perceptions Index found that corruption continues to severely affect economies and societies all around the world.

In 2018, the U.S. Department of Justice (DOJ) enforced fines worth a total of almost \$2 billion to companies around the world for infringement of the Foreign Corrupt Practices Act (FPCA).

Among them the Brazil-based oil-and-gas multinational Petrobras, which agreed to pay \$1.78 billion in a global resolution arising out of a massive bribery scheme.

Fighting bribery one step at a time

Global efforts to mitigate bribery, corruption and fraud are on a rise, increasing the importance for companies to identify, manage, and prevent incorrect conduct. What steps can help companies prevent, understand and reduce the effects bribery and corruption can have on business?

- Prioritize your company's understanding of cyber security, mitigating the potential impact of a security breach.
- Enable the use of data analytics in order to prevent potential regulatory breaches and support your company in responding accordingly.
- Establish and empower clear and comprehensive whistleblowing policies and channels, which encourage the report of potential misconduct.
- Conduct thorough examinations of your supply chain management and anti-bribery due diligence, to mitigate the additional risks of inappropriate conduct from intermediaries and potential partners.

At a time of increased media attention concerning appropriate conduct and social corporate responsibility, companies around the world must implement agile risk management processes to protect against evolving regulatory risk to address bribery, corruption and fraud.

Conduct due diligence and implement robust controls to protect your business with anti-bribery and corruption solutions from LexisNexis®.

Connect with us to learn more.



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