5. Remediation

This chapter describes the Case-based Remediation Process, i.e. basically the roles, process steps and activities put in place for compliance remediation when compliance violations have been established during compliance investigations or forensic audits.

The main objective is to share among the stakeholders involved in a remediation case a common understanding of the different roles involved, their rights and duties and the activities necessary to remediate the compliance violation.

Please note:

This document only covers remediation activities resulting from “central” investigations, i.e. investigations mandated by the CCO and conducted either by the central investigation team (LC CO IR), or an external law firm. Remediation measures resulting from local investigations or regular CF A audit mandates, for example, do not fall within the scope of this document.

## 5.1. Structure and usage

Structure of this chapter

The document first describes the case-based remediation project organization and the roles involved in the remediation process. This includes the roles at corporate level, in the OPCOs or the entity where the remediation measures have to be implemented (chapter 2).

The document then goes on to describe the overall process steps to be conducted during a compliance remediation (chapter 3). If you would just like to obtain a general overview of the process, you may only read this chapter.

Standard activities or sub-activities are then explained in more detail (chapter 4).

A table which rephrases or amends the textual process description has been added for each sub-activity. It details the activity and lists the standard inputs and outputs. Comments have been provided which can help the reader to better understand and implement the activity.

The table shall be used when the detailed information contained is required, for example to clarify which steps should typically be taken or which output is expected.

Finally, an annex is provided which contains, among other things, a glossary defining names, concepts and abbreviations used in the document and templates and guidelines supporting the process implementation and performance (chapter 5).

How to use

The document is intended for persons involved during the case-based remediation process. This includes members of the Compliance Organization as well as other functions involved in the process (e.g. legal, tax, human resources, finance & accounting, audit, etc.).

Depending on the individual's familiarity with the remediation process, the document can be:

* either read through from beginning to end in order to understand, for example, the roles, tasks, outcomes, and interfaces in the remediation process,
* or used occasionally as the specification and reference of the standard remediation process, e.g., in order to solve any differences in understanding between:
  + the remediation process between different stakeholders
  + or the responsibilities, rights and duties of these stakeholders.

|  |
| --- |
| As the document has been approved and released, it is both a reference and a binding document for any case-based remediation. |

Nevertheless, the process must be tailored to each remediation case as appropriate. The specific case-based remediation process must be shared, documented and agreed upon among those involved in the remediation case; ultimately, the objective is to share a common understanding on how to remediate a specific compliance violation effectively and efficiently.

Case-based remediation is commonly carried out in the form of a project, meaning project management methods and techniques are used in the project as appropriate.

## 5.2. Project Organization and Roles

This section describes the major roles involved in the remediation process, i.e. the functions that individuals, groups or parts of the Siemens organization have to perform in order to participate in remediation of a compliance violation.

The description of the roles has been structured in accordance with their involvement in the remediation project:

* Regular project team members
* Additional team members involved in the project “as required”
* Interface functions, who are for the most part only kept informed of project progress or which are required to escalate issues which cannot be solved within the respective remediation project.

The Remediation Team consists of both regular project team members and additional team members.

Some role assignments are implicit within the Siemens or compliance organization (e.g., “OPCO Management”, “OPCO Compliance Officer”). Others have to be determined with regard to the specific remediation case, i.e. individuals have to be assigned to the role explicitly.

In general, one dedicated person is assigned to a role. If required, several persons may be assigned to a role. On the other hand, one person can own one or more roles at the same time. Some roles may be mutually exclusive (e.g., “Remediation Manager” and “Case Lawyer”).

Criteria for the role assignment shall be the competence required to fulfill the task but also, for example, availability, commitment of the role owner and empowerment through the organization. Role assignment fit is one of the keys for a successful compliance remediation.

The following role descriptions help to illustrate not just the functions and responsibilities (“duties”) persons assigned to a role will have within the remediation case, but also the expectations they may have concerning other roles and the compliance organization in general (“rights”).

Thus, besides the task description, the specification of rights and duties are a fundamental part of the role description to help empower the role owner in performing his role.

Additional roles which are not described below may be necessary in particular cases. Similarly they have to be specified as part of the process tailoring activities.

The roles and specific role assignments shall be communicated within the specific remediation case project organization.

****

*Chart 1: “Compliance Remediation Project Organization”*

### 5.2.1. Regular Team Members

#### 5.2.1.1. Remediation Manager

| **Remediation Manager** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Drives and monitors the remediation process for the respective remediation case * Sets up the Remediation Team[[1]](#footnote-1) * Coordinates all central and local remediation measures * Provides the involved stakeholders with access to required information, applying the “need-to-know” principle * Checks and archives the submitted evidence for each remediation measure * Writes and distributes the remediation report * Closes the remediation for a compliance case * Reports on the progress of the remediation measures to the Remediation Team Lead and the head of the Corporate Compliance Risk and Remediation department | | |  | |
| Rights | | | Duties | | |
| * Has access to all information required to implement the recommended remediation measures * May delegate tasks required for the implementation of recommended measures to the responsible Compliance Officer or other members of the Remediation Team * Has the final say in the finalization of the remediation activities for a compliance case; in the case of diverging opinions, this decision should be aligned with the Remediation Team Lead and the head of the Compliance Discipline and Remediation department. | | [1] | * Drives the implementation of recommended measures resulting from compliance investigations * Informs all involved stakeholders of the progress of the remediation activities on a regular basis * Generates and distributes excerpts from the investigation report (if required and in accordance with the need-to-know principle) in alignment with the case lawyer * Escalates conflicts to the Remediation Team Lead and the head of the Compliance Discipline and Remediation department * Writes the Remediation Report * Ensures proper documentation and archiving of all required information related to the remediation activities of a compliance case | |  |
| Comments | [1] subject to data privacy and confidentiality rules | | | | |

#### 5.2.1.2. Compliance Officer

This role acts as the local Remediation Manager.

| **Compliance Officer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Drives the remediation activities in his area of responsibility (e.g. OPCO, Regional Company) * Is the main contact for the Remediation Manager in relation to the implementation of remediation measures in the relevant entity * Coordinates expert functions in the entity required for the implementation of remediation measures (e.g. HR, accounting, legal, procurement, etc.) * Provides evidence concerning remediation measures to the Remediation Manager * Informs the Entity Management * Support Local Compliance Officer, as appropriate * Initiates escalation to the next reporting level (e.g. Corporate or Lead Country CO or OPCO CO) or to the Entity Management in alignment with the remediation manager | | | [1] | |
| Rights | | | Duties | | |
| * Has access to all information required to implement the recommended remediation measures * May delegate tasks required for the implementation of recommended measures to functional experts | | [2] | * Drives the implementation of recommended measures within his area of responsibility (e.g. Regional Company, OPCO, Corporate Unit) * Informs Entity Management of the progress of the relevant remediation activities * Documents remediation results * Forwards evidence to the Remediation Manager | |  |
| Comments | [1] e.g. CEO and CFO of the respective Siemens unit)  [2] subject to data privacy and confidentiality rules | | | | |

#### 5.2.1.3. Case Lawyer

| **Case Lawyer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Advises the Case Remediation Team in legal matters * Advises the Remediation Team on the formulation of concrete measures from the recommendations[[2]](#footnote-2) in the investigation report | | |  | |
| Rights | | | Duties | | |
| * Decides jointly with the Remediation Manager on the granting of access to the investigation report or excerpts thereof and other documents regarding the investigation, e.g. interview minutes etc. * Monitors legal proceedings and other legal actions in relation with a compliance investigation, in alignment with the General Counsel of the entity * Is involved during the initial phase (“Plan”) of the remediation process * Has access to all information collected during the remediation phase * May participate in all remediation team meetings * Receives the remediation report for the case lawyer’s file | |  | * Drafts and issues clearance letters to relevant employees * Closes the compliance case in TRACI after completion of the remediation phase | |  |
| Comments |  | | | | |

#### 5.2.1.4. Investigator

| **Investigator** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Clarifies open issues resulting from the investigation during the initial phase (“Plan”) of the remediation process * Advises the Remediation Team on the formulation of concrete measures from the recommendations in the investigation report | | |  | |
| Rights | | | Duties | | |
| * Is involved during the initial phase (“Plan”) of the remediation process * Has access to all information collected during the remediation phase * May participate in remediation team meetings * Receives the remediation report | |  | * Provides access to all relevant information from the investigation phase to the members of the Remediation Team; in particular uploads all attachments to the investigation report to the central archiving platform * If required, explains the rationale of recommendations in the investigation report to the Remediation Team | |  |
| Comments | There may be more than one investigator conducting an investigation. In this case, a Lead investigator is the main contact towards the remediation team.  He is responsible for ensuring that the above duties are rendered to the remediation team. | | | | |

#### 5.2.1.5. Tax Expert

| **Tax Expert** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Advises the Remediation Team in tax-related matters. * Follows up on tax issues throughout the lifetime of a case | | |  | |
| Rights | | | Duties | | |
| * Has access to the investigation report and requires attachments in accordance with the ‘need to know’ principle * Participates in remediation team meetings (if required) * Is kept informed of the outcome of remediation measures, in particular those with financial impact | |  | * Analyses tax impacts of compliance cases * Initiates corrections to the tax statements of the affected entities if required * Provides a final tax statements to the Remediation Manager | |  |
| Comments | The involvement of a tax expert is not required for Clearance[[3]](#footnote-3) and Closure[[4]](#footnote-4) Cases, provided the investigation report makes no reference to potential financial impacts. | | | | |

### 5.2.2. Additional Team Members

Additional team members may join the Remediation Team as required.

The requirement is established by the Remediation Manager, where necessary in alignment with the Case Lawyer, the Investigator, and the Compliance Officer.

The desired criteria include, e.g.:

* Functional expertise.
* Organizational empowerment for the implementation of remediation measures.
* Requirements from the entity concerned.

#### 5.2.2.1. General Counsel

| **General Counsel** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Implements all sorts of legal actions from the investigation report, e.g. provides a legal opinion on potential criminal or civil actions/claims or other legal matters in the relevant country * Monitors legal proceedings in relation with a compliance investigation in alignment with the Case Lawyer * Monitors the remediation process from a legal perspective in the entity | | |  | |
| Rights | | | Duties | | |
| * Is kept informed of the progress and outcome of the remediation process * Has access to the investigation results and to all information collected during the remediation phase | | [1] | * Provides local legal advice during the remediation phase * Prepares decision proposals on legal matters for Entity Management or other participants of the Remediation Process | |  |
| Comments | [1] subject to data privacy and confidentiality rules | | | | |

#### 5.2.2.2. Head of HR

| **Head of HR** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Supports the Remediation Team in the implementation of HR-related measures (e.g. disciplinary measures, training activities, HR process-related measures) | | |  | |
| Rights | | | Duties | | |
| * Has access to all information required to implement the HR-related measures, in particular for the implementation of disciplinary measures | | [1] | * Organizes and drives the process for the decision on and implementation of local disciplinary measures outside of the scope of the CDC in accordance with Siemens circular no. 286, Appendix 11. Informs the Remediation Manager about the completion of the disciplinary process | |  |
| Comments | [1] subject to data privacy and confidentiality rules | | | | |

#### 5.2.2.3. Entity Management

| **Entity management** | | | | [1] | |
| --- | --- | --- | --- | --- | --- |
| Description | * Supports the Remediation Manager and the Compliance Officer during the remediation phase * Implements recommended measures addressed to the management of the relevant entity * Ensures a sustainable implementation of mitigation measures in his area of responsibility | | |  | |
| Rights | | | Duties | | |
| * Has access to all relevant information from compliance investigations and from the respective remediation process in accordance with the ‘need to know’ principle * Is kept informed of the progress of remediation activities in his area of responsibility by the Compliance Officer on a regular basis | | [2] | * Is involved in decision process about local disciplinary measures taken against employees in his area of responsibility * Sets the required tone from the top concerning compliance-related issues * Drives and supports the implementation of remediation actions assigned to the entity management | |  |
| Comments | [1] The term “entity management” stands for the responsible manager(s) of a Siemens entity, e.g. a regional company, a OPCO, business unit or business segment, a corporate unit or department or sub-entity thereof. Usually, the entity management comprises CEO and CFO of the respective unit. Additional persons/functions may also be included, dependent of the details of the respective case.  [2] subject to data privacy and confidentiality rules | | | | |

#### 5.2.2.4. Expert

Experts are nominated as required by the Remediation Team. They come from organizational functions such as the accounting departments, supply chain management or Corporate Units.

| **Expert** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Supports the Remediation Team in the implementation of measures in his area of responsibility | | |  | |
| Rights | | | Duties | | |
| * Has access to information required for the implementation of the measures in his area of responsibility | | [1] | * Ensures proper and fast implementation of the required measures * Provides advice upon request from the Remediation Team * Provides evidence concerning the implementation to the Compliance Officer and/or Remediation Manager | |  |
| Comments | May be selected to implement a single measure only or a larger part of the defined remediation measures.  Not usually kept informed of the overall results of the investigation.  Does not usually receive the remediation report.  [1] subject to data privacy and confidentiality rules | | | | |

#### 5.2.2.5. Compliance Discipline Lawyer

| **Compliance Discipline Lawyer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Governance for disciplinary processes in accordance with Circular No. 226, Appendix 11. Prepares and coordinates meetings of the Central Disciplinary Committee (CDC) * Advises local HR and Entity Management concerning local disciplinary processes (in alignment with the Remediation Manager) | | |  | |
| Rights | | | Duties | | |
| * Has access to information from the remediation phase required for the disciplinary process and the implementation of the relevant disciplinary measures (in cases where CDC process is applied) * Needs to be involved in the decisions on local disciplinary measures (if required by the investigation report or requested by the Compliance Officer or the Remediation Manager) | |  | * Informs the Remediation Manager about the applicable disciplinary process after assessment (if required by investigation report) * Informs the Remediation Manager about the completion of the disciplinary process in cases where CDC process is applied | |  |
| Comments | Details of disciplinary measures are treated confidential and are not shared with the participants of the remediation process. | | | | |

### 5.2.3. Interface Functions

#### 5.2.3.1 Chief Compliance Officer

| **Chief Compliance Officer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Has overall governance for all compliance processes process * Issues the investigation mandate and the investigation report * Reports to the managing board | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance cases worldwide * Is kept informed of the progress of remediation activities * Receives all remediation reports * May overrule decisions taken during the investigation or remediation process | |  | * Informs the managing board of compliance issues (if required) | |  |
| Comments |  | | | | |

#### 5.2.3.2. Chief Counsel Compliance

| **Chief Counsel Compliance** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Leads the Compliance Regulatory function * Has overall governance of the compliance investigation and remediation process * Decides in cases of escalations/conflicts during the investigation or remediation process * Issues the investigation mandate together with the Chief Compliance Officer * Reports to the Chief Compliance Officer | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance cases worldwide * Is kept informed of the progress of remediation activities * Receives all remediation reports * May overrule decisions taken during the investigation or remediation process | |  |  | |  |
| Comments |  | | | | |

#### 5.2.3.3. OPCO/Healthineers Compliance Officer

| **OPCO Compliance Officer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Is the Compliance Officer for the OPCO or Healthineers (separately managed) involved in the remediation case * Is the escalation instance for issues arising during the remediation in a business unit or any other entity assigned to the OPCO or the Healthineers business * Monitors remediation progress in his OPCO or the Healthineers business; this includes also cases from local entities where the OPCO is “additionally informed” * Informs the OPCO or the Healthineers management of the status of the remediation activities * Analyses systematic risks arising from investigated compliance cases * Provides input on systematic risks to the relevant Compliance Review Board | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance cases and the resulting remediation measures in the OPCO or the Healthineers business in accordance with the ‘need to know’ principle and in his area of responsibility * Obtains regular reports on the progress of the remediation activities related to his OPCO or the Healthineers business (quarterly) | |  | * Informs the OPCO or the Healthineers management of compliance issues (if required) * Provides input for the relevant compliance review boards | |  |
| Comments |  | | | | |

#### 5.2.3.4. Lead Country Compliance Officer

| **Corporate or Lead Country Compliance Officer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Is the Compliance Officer of the Corporate or Lead Country to which the (regional) entities affected by the remediation case belong * Is the escalation instance for issues arising during the remediation in a Regional Company or any other entity assigned to the lead country * Monitors remediation progress in his Corporate or Lead Country and the assigned countries * Informs Corporate or Lead Country management about the status of the remediation activities * Analyses systematic risks arising from investigated compliance cases * Provides input on systematic risks to the relevant Compliance Review Board | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance cases and the resulting remediation measures in the Corporate or Lead Country in accordance with the ‘need to know’ principle and in his area of responsibility * Obtains regular reports on the progress of the remediation activities in his area of responsibility – if there is a substantial number of cases | |  | * Informs the Corporate or Lead Country management of compliance issues (if required) * Provides input for the relevant compliance review boards | |  |
| Comments |  | | | | |

#### 5.2.3.5. Corporate Compliance Officer

| **Corporate Compliance Officer** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Is the Compliance Officer responsible for the Corporate Core, for the Corporate Services and Financial Services (SFS), [1] * Is involved if a Corporate Unit is impacted by a remediation case * Monitors remediation progress in his area of responsibility * Informs the management of the Corporate Units of the status of the remediation activities * Analyses systematic risks arising from investigated compliance cases * Provides systematic risks as a input to the relevant Compliance Review Board | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance cases and the resulting remediation measures in the Corporate Units in accordance with the ‘need to know’ principle and in his area of responsibility * Obtains regular reports on the progress of the remediation activities related to the Corporate Units (quarterly) | |  | * Informs management of the Corporate Units about compliance issues (if required) * Provides input for the relevant compliance review boards | |  |
| Comments | [1] Entities/departments belonging to the Corporate Core, Corporate Services, or Financial Services are referred to as “Corporate Units” within this document | | | | |

#### 5.2.3.6. OPCO / Corporate Country / Lead Country/Corporate Unit Management

| **OPCO/ Corporate/Lead country Management** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Is responsible for the proper and sustainable implementation of remediation measures in the OPCO / Corporate or Lead Country/Corporate Unit | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to compliance investigations and remediation measures in the respective OPCO / Corporate or Lead Country/Corporate Unit (with the exception of “restricted” cases) * Is kept informed of the progress of remediation activities by the OPCO / Corporate or Lead Country/Corporate Unit Compliance Officer | |  | * Decides on issues escalated to OPCO / Corporate or Lead Country/Corporate Unit management during the implementation phase | |  |
| Comments |  | | | | |

#### 5.2.3.7. Remediation Team Lead

| **Remediation Team Lead** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Manages the Central Compliance Remediation Team[[5]](#footnote-5) * Assigns Remediation Manager * Assures reporting to Head of the Compliance Discipline and Remediation team * Establishes Remediation Case Class (see section 5.3) | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to remediation activities * May overrule decisions of the Remediation Manager in relation to the status of remediation measures | |  | * Advises the Remediation Manager during the remediation phase (if required) * Monitors adherence to the defined remediation process; in particular performs regular spot checks on the completeness and quality of the remediation results (e.g. report, evidence) * Ensures regular reporting of the progress of the remediation activities to the Head of the Compliance Remediation and Discipline department, the Chief Counsel Compliance, the Chief Compliance Officer, and the OPCO and Lead or Corporate Country Compliance Officers (if applicable) * Maintains the central database of remediation cases | |  |
| Comments |  | | | | |

#### 5.2.3.8. Head of Remediation and Discipline department

| **Compliance Remediation and Risk Prevention** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Manages the Remediation and Discipline department * Owns the process for Compliance case-based remediation | | |  | |
| Rights | | | Duties | | |
| * Has access to all information related to remediation activities * May overrule decisions of the Remediation Manager and of the Remediation Team Lead in relation to the status of remediation measures | |  | * Informs Chief Counsel Compliance and Chief Compliance Officer (if required) | |  |
| Comments |  | | | | |

#### 5.2.3.9. OPCO/Corporate or Lead Country Key Contact

| **OPCO/Corporate or Lead country Key Contact** | | | |  | |
| --- | --- | --- | --- | --- | --- |
| Description | * Is the main Remediation Team contact to the respective OPCO or Corporate or Lead Country Compliance Officer * Provides regular updates on the progress of the remediation activities in the respective OPCO/Healthineers business/ Corporate or Lead Country (and assigned countries) * Supports reporting preparation for the CRB * Provides input for risk analysis * Is member of the Remediation Team | | |  | |
| Rights | | | Duties | | |
| * Obtains information from all remediation managers handling cases from the OPCO/ Corporate or Lead Country (and assigned countries) | |  | * Prepares overviews of the progress of remediation cases for a regular review meeting with the Corporate or Lead Country Compliance Officer * Provides information about the remediation process to its stakeholders in the Corporate/Lead Country * Delivers training on the process | | [1]  [2] |
| Comments | [1] Usually on a quarterly basis  [2] If required | | | | |

### 5.2.4. Process Overview

This section provides an overview of the case-based remediation process (see Figure 2 Remediation Process Overview below)

The process consists basically of five steps and step-independent activities which can be summarized as follows:

Step 1: Receive & Assign.

The Remediation Team Lead analyzes the investigation report in order to understand the findings related to the case and to identify the activities required to remediate the compliance violation. He determines the remediation case class (major, medium, low, as defined in Section 5.3.3.) and he assigns the Remediation Manager (RM) to the case.

Step 2: Plan.

The Remediation Manager analyzes the investigation report in more detail to establish the remediation plan. Besides doing this, he identifies and sets up the team which will be in charge of the remediation case.

Step 3: Execute.

The Remediation Manager organizes and kicks off the Remediation Team. The remediation measures are planned in detail. Responsibilities and deadlines are agreed upon. The measures are implemented by the stakeholders involved as planned. The Remediation Manager monitors and controls the progress of the implementation and intermediate results. He identifies and initiates corrective actions as appropriate.

Step 4: Document.

The Remediation Manager gathers and analyzes the evidence relating to the remediation. When all material is available and complete, he writes up the remediation report. On a case-by-case basis, the remediation report will be validated by the Remediation Team Lead and/or the Head of Remediation and Risk Department.

Step 5: Finalize.

The Remediation Manager distributes the remediation report to a standard distribution list as defined in section 5.3.5. and archives the relevant documents (remediation reports, evidence) as appropriate. He also updates the respective tracking tools (e.g. TRACI). When completed, the remediation case can be closed.

Report & Analyze Risks.

The section describes case-independent activities.

Reporting for OPCO, Corporate or Lead Country and Corporate CRB is done periodically for all projects within the Compliance and Risk Organization. Data for further risk analysis is prepared. Lessons Learned are performed.

The degree of implementation (DI) is monitored and updated individually for each remediation measure through each of the process steps in order to reflect their level of completion.

As remediation measures have been identified in the investigation report, the remediation process usually starts with DI2 (See annex, Table 2 Degree of Implementation).



*Chart 2: “Remediation Process Overview”*

### 5.2.5. Process Description

Basically, this section describes the activities within the five process steps and the step-independent activities. Inputs and preconditions for the activities, and the work and outputs of the activities are specified.

The goal of a process is to establish the collaboration between the stakeholders and to generate outcomes as efficiently as possible and at low risk to the project objectives. Therefore, it may be necessary to adapt the process and procedures to the project objectives in order to generate the outcomes appropriately.

#### 5.2.5.1. Step 1: Receive & Assign

In this step, the Remediation Team Lead analyzes the investigation report in order to understand the findings related to the case and to identify the activities required to remediate the compliance violation. He determines the remediation case class (major, medium, low, as defined in Section 5.3.3.) and he assigns the Remediation Manager (RM) to the case.

##### 5.2.5.1.1. Receive Investigation Report

The Remediation Team Lead receives the investigation/audit report. Information relating to the issue of an investigation report is distributed by the Chief Compliance Officer via email to a distribution list defined in accordance with the “need-to-know-principle”.

| **Receive Investigation Report** | | | |
| --- | --- | --- | --- |
| Objective | Receive the investigation report from the Chief Compliance Officer.  Organize additional document distribution if required | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Chief Compliance Officer |  |
| I | Remediation Team |  |
| Input | Investigation documents. These include:   * Investigation Report * Attachments | |  |
| Precondition | All investigation documents available in the report distribution tool (SharePoint) and on the central document management system (Livelink) | |  |
| Activities | * Receive the investigation report * Identify need for further report distribution | | [1]  [2] |
| Output | Updated case database | |  |
| Comments | Full access to the investigation documents for the Corporate Compliance Remediation Team.  (Otherwise) restricted access as appropriate.  [1] Further distribution in accordance with the “need to know”-principle  [2] In agreement with Case Lawyer | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.1.2. Identify Remediation Needs

The Remediation Team Lead assesses the investigation documents. He identifies the remediation needs and stakeholders to be involved.

| **Identify Remediation Needs** | | | |
| --- | --- | --- | --- |
| Objective | Analyze the investigation documents  Identify remediation needs | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C |  |  |
| I |  |  |
| Input | Investigation documents | |  |
| Precondition | - | |  |
| Activities | * Analyze investigation documents * Identify remediation needs (tasks, efforts, etc.) * Identify stakeholders as appropriate | |  |
| Output | List of remediation needs (optional) | |  |
| Comments | This step is a prerequisite for the following steps.  A formal documentation is not required. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.1.3. Establish Remediation Case Class

Based on the severity of the findings in the investigation report and on the remediation needs, the Remediation Team Lead establishes the remediation case class as defined in section 5.3.

Remediation Case class impacts, e.g. remediation project set-up, effort for the activities and level of formality needed.

| **Establish Remediation Case Class** | | | |
| --- | --- | --- | --- |
| Objective | Establish remediation class of the investigation report | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C |  |  |
| I |  |  |
| Input | Investigation -Report | |  |
| Precondition | - | |  |
| Activities | * Evaluate investigation report with respect to, e.g.:   + Impact and complexity   + Remediation needs (e.g. number of recommendations and expected implementation effort) * Assign remediation case class | | [1] |
| Output | Remediation case classification | |  |
| Comments | [1] Classification, see 5.3 Remediation Case Classification | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.1.4. Register the Remediation Case

The key data of the case is registered in the central remediation case tracking data base.  
This includes, e.g.:

* case identifiers,
* entities involved,
* nature and title of the investigation report,
* summary of remediation measures,
* statistical information.

| **Register the Remediation Case** | | | |
| --- | --- | --- | --- |
| Objective | Identify and register the remediation case key data | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C |  |  |
| I | Members of the Remediation Team |  |
| Input | Investigation Report | |  |
| Precondition | - | |  |
| Activities | * Identify the remediation key data * Register the key data in the tracking data base | | [1] |
| Output | Remediation Case Tracking Data Base (updated) | |  |
| Comments | [1] Actually implemented in the form of an Excel file | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.1.5. Assign Remediation Manager

The Remediation Team Lead appoints the Remediation Manager (RM) of the Corporate Compliance Remediation team, taking into account the person's workload and competencies, and other criteria (e.g. defined key contacts for OPCOs or Lead Countries).

In the event of more than one Remediation Manager being assigned to the remediation case, the role split between them has to be established. This would be the case, for instance, when the workload is shared between several Corporate Compliance Remediation team members.

To finalize the assignment, the following activities are performed by the Remediation Team Lead:

* assign the case to the Remediation Manager in the central case tracking database (TRACI tool),
* update the central remediation case tracking database with the name of the Remediation Manager,
* inform the RM of the assignment
* if required, align with the head of the Compliance Discipline and Remediation department

| **Assign Remediation Manager** | | | |
| --- | --- | --- | --- |
| Objective | Establish and assign Remediation Manager to the remediation case | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Remediation Manager |  |
| I |  |  |
| Input | Investigation Report | |  |
| Precondition | - | |  |
| Activities | * Identify requirements for Remediation Manager tasks * Appoint the Remediation Manager * Define roles and responsibility of each Remediation Manager * Record information in the relevant tools, as appropriate:   + RM assigned in the central case tracking data base   + RM named in central remediation case tracking data base * Inform the Remediation Manager of his assignment | | [1]  [2]  [3]  [4] |
| Output | Information about the RM assignment | |  |
| Comments | [1] Depending on workload, more than one Remediation Manager may be necessary and appointed.  [2] If more than one Remediation Manager appointed  [3] TRACI tool  [4] Medium as appropriate, usually e-mail. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

#### 5.2.5.2. Step 2: Plan

In this step, The Remediation Manager analyzes the investigation report in more detail to establish the remediation plan. Besides doing this, he identifies and sets up the team which will be in charge of the remediation case.

He updates the Degree of Implementation (DI) as appropriate.

##### 5.2.5.2.1.Analyze Investigation Report

The Remediation Manager analyzes the investigation documents thoroughly, identifying any immediate actions required and initiating any corrective actions as appropriate. Further he identifies the next steps to be taken.

| **Analyze Investigation Report** | | | |
| --- | --- | --- | --- |
| Objective | Analyze investigation report and attachment in order to:   * understand the remediation needed * identify how to proceed further | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Investigator  Case Lawyer | [1] |
| I |  |  |
| Input | Investigation Report/F A FOR Report  Attachments | |  |
| Precondition | - | |  |
| Activities | * Analyze investigation report and attachments * Identify challenges or concerns * Involve stakeholder address concerns or issues raised * Identify and address urgent topics immediately (e.g. decision on disciplinary measures) * Identify next steps | |  |
| Output | Documentation of the report analysis (optional) | |  |
| Comments | [1] Further information required if additional challenges or issues have been raised | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.2.2. Establish Remediation Plan

The Remediation Manager establishes a detailed remediation plan. The plan includes the tasks, the object of the remediation measure, the remediation organization and the resources needed. For that purpose he identifies and involves all relevant stakeholders.

The object of the remediation measure largely depends on the specific remediation case. It includes, e.g. disciplinary measures, legal actions, financial actions, administrative actions (e.g. process updates) or audit actions, as needed.

| **Establish Remediation Plan** | | | |
| --- | --- | --- | --- |
| Objective | Identify and establish remediation plan based on the analysis of the investigation report | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Investigator  Case Lawyer  Other stakeholders, as appropriate |  |
| I |  |  |
| Input | Documentation of the report analysis | |  |
| Precondition | - | |  |
| Activities | * Identify and involve stakeholders, as appropriate * Identify remediation measures needed in accordance with the recommendations in the investigation report * Identify Remediation Team needed * Update the Degree of Implementation as appropriate * Plan the remediation kick-off with Remediation Team | | [1]  [2], [3]  [4] |
| Output | Remediation plan  Remediation Team/Remediation Task Force[[6]](#footnote-6) | |  |
| Comments | [1] Remediation measure includes, e.g.:   * Revision of guidelines, policies, processes * Establishment of (new) controls * Definition of evidence to be provided * Disciplinary measures   [2] Remediation Team is either the:   * Case Remediation Team or * Remediation Task Force, mainly for high-impact cases * None, mainly for low-impact cases   [3] Based on the case classification or number/impact of measures, the Remediation Manager and Investigator may decide to set up a Remediation Task Force  [4] Usually, depending on the Investigation Class:   * Class A (Major): Kick-off meeting or call * Class B (Medium): Kick-off call * Class C (Low): Kick-off call or trigger e-mail to stakeholders | | |
|  |  | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.2.3. Set-up Remediation Team

The Remediation Manager sets up the Remediation Team. He ensures amongst other things that each individual is committed to the remediation case and will have the expected empowerment and resources to contribute to the remediation case. He organizes the remediation kick-off meeting, evaluates whether further document distribution is required and initiates the further distribution of the investigation report if required.

| **Set-up Remediation Team** | | | |
| --- | --- | --- | --- |
| Objective | Ensure the commitment of the Remediation Team.  Ensure availability of the Remediation Team | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Remediation Team/Remediation Task Force |  |
| I |  |  |
| Input | Remediation Plan | |  |
| Precondition |  | |  |
| Activities | * Confirm relevant stakeholders of their membership in the case Remediation Team/Remediation Task Force * Ensure their commitment * Ensure their availability * Organize remediation kick-off meeting | | [1] |
| Output | Commitment and availability obtained | |  |
| Comments | [1] Meeting or call as planned | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

#### 5.2.5.3. Step 3: Execute

In this step, the Remediation Manager organizes and kicks off the Remediation Team. The remediation measures are planned in detail. Responsibilities and deadlines are agreed upon. The measures are implemented by the stakeholders involved as planned. The Remediation Manager monitors and controls the progress of the implementation and intermediate results. He identifies and initiates corrective actions as appropriate. the Degree of Implementation (DI) accordingly.

##### 5.2.5.3.1. Conduct Remediation Kick-off

The Compliance Remediation Manager organizes and conducts a Remediation Kick-off meeting which marks the start of the joint remediation activities for the Remediation Team. A major objective is to gain the complete commitment of the people involved and to share a common understanding on the measures necessary to mitigate the detected violations. Open questions related to the facts and conclusions described in the investigation report can be clarified during the kickoff.

The kickoff meeting is organized either as a LiveMeeting/telephone conference or – in particular in cases with high impact for the affected entities – a face-to-face meeting.

In cases with low impact (e.g. Clearance Cases, Closure Cases, or cases with a small number of recommendations), the kickoff meeting may also take the form of an e-mail from the Remediation Manager to the respective stakeholders (Compliance Officer and others).

| **Conduct Remediation Kick-off** | | | |
| --- | --- | --- | --- |
| Objective | Start remediation activities with the Remediation Team  Establish a common understanding of the remediation measures | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Remediation Team |  |
| I | Other stakeholders | [1] |
| Input | Remediation plan | |  |
| Precondition | Remediation kick-off meeting organized | | [2] |
| Activities | * Clarify remaining questions/issues with the Investigator and Case Lawyer * Identify urgent topics to be addressed immediately * Review remediation measures * Confirm remediation measures * Define implementation steps for the remediation measures (see also next chapter) | |  |
| Output | Remediation plan (updated)  Other outcomes documenting the results of the kickoff | | [3] |
| Comments | [1] Other members of the Remediation Team such as, for example, Head of HR, General Counsel, Tax Expert  [2] Meeting or call, as planned  [3] This includes, e.g.:   * Minutes of meeting * Status list * Summary | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.3.2. Define Remediation Measures

The Remediation Team defines the remediation measures in detail. This is usually done during the kickoff meeting or bilaterally between the Remediation Manager and the stakeholder concerned. The remediation measures are based on the Recommendations from the respective Investigation Report. A recommendation may result in one or multiple remediation measures depending how best to address the underlying deficiency. In cases where a recommendation is deemed to be fulfilled or no longer necessary, appropriate documentation is retained.

The measures shall be defined in such a to facilitate an easy understanding of the necessary steps to implement the recommendation.

This includes, e.g.:

* Statement of objectives
* Evidence required
* Roles and responsibilities involved
* Main tasks
* Deadline for the implementation

| **Define Remediation Measures** | | | |
| --- | --- | --- | --- |
| Objective | Define remediation measures [1]  Approve remediation measures | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Remediation Team | [2] |
| I |  |  |
| Input | Remediation measures | |  |
| Precondition | - | |  |
| Activities | Define/refine remediation measures. This includes, e.g.:   * Define objectives * Define evidence required * Assign responsibility * Define timeline * Define approach for monitoring and control-activities * Validate remediation measures * Approved remediation measures | | [3]  [4] |
| Output | Remediation measures (approved) | |  |
| Comments | [1] Activity has usually started during the remediation kick-off  [2] Case Remediation Team/Remediation Task Force  [3] Depending on the case, evidence includes, for example,   * (Copy of) clearance letter * (Notification of) disciplinary measures * Minutes * Phone call or e-mail to confirm completion of measure * Screen shot * Booking voucher   [4] Depending on the remediation class, this includes, for example,   * Monitoring method, e.g.: * On-site visit * (Regular) status meeting, also by phone * Provision of status information via, e.g.:   + E-mail   + Report   + Tracking of action items * Schedule | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.3.3. Implement Remediation Measures

Each stakeholder involved shall contribute to the implementation of the measure in relation to the plan, including, for example,

* the individual role and responsibility,
* the results to be delivered and
* the schedule.

| **Implement Remediation Measures** | | | |
| --- | --- | --- | --- |
| Objective | Implement the remediation measures, as planned | | |
| Role | R | Persons responsible for the remediation measures |  |
| A |  |  |
| C | Remediation Manager  Compliance Officer |  |
| I |  |  |
| Input | Remediation measures | |  |
| Precondition | - | |  |
| Activities | * Implement remediation measures, as defined * Produce and make available remediation evidence, as defined | |  |
| Output | Remediation measures (implemented)  Evidence | |  |
| Comments |  | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.3.4. Monitor & control implementation

Since the remediation measures can take some time to complete, deviations from the plan can occur. The Remediation Manager therefore has to regularly monitor and control the implementation. He involves stakeholders as appropriate and identifies corrective actions if deviations to the plan have occurred. If required, the Remediation Manager may organize follow-up calls during the implementation phase.

| **Monitor & control Implementation** | | | |
| --- | --- | --- | --- |
| Objective | Monitor implementation of the remediation measures  Make sure that implementation is on track  Identify need for correction | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Persons responsible for the Remediation Measures  Local Compliance Officer |  |
| I |  |  |
| Input | Remediation plan  Remediation evidence | |  |
| Precondition | Monitoring and control approach defined | |  |
| Activities | * Collect remediation implementation status information, as defined * Evaluate information * Involve Local Compliance Officer, as appropriate * Identify need for corrective action * Actualizes the Degree of Implementation as appropriate | | [1] |
| Output | Evaluation of remediation implementation  List of corrective actions | |  |
| Comments | [1] This includes, e.g.:   * Additional remediation measures * Additional activities within remediation measures | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.3.5. Initiate corrective Actions

The Remediation Manager initiates any corrective actions identified, i.e. he may redefine the measures in alignment with the affected stakeholders (see “**Define Remediation Measures**”) and ensures they are suitably implemented by the assigned stakeholders.

| **Initiate corrective Actions** | | | |
| --- | --- | --- | --- |
| Objective | Initiate corrective actions, if necessary  Get plan back on track | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Persons responsible for the remediation measures  Local Compliance Officer  Other stakeholders |  |
| I |  |  |
| Input | List of corrective actions | |  |
| Precondition | - | |  |
| Activities | * Define corrective actions * Align corrective actions with stakeholders | | [1][2] |
| Output | List of corrective actions (released) | |  |
| Comments | [1] See “Define Remediation Measures”  [2] After alignment, corrective actions have to be implemented, monitored and controlled. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

#### 5.2.5.4. Step 4: Document

In this step, the Remediation Manager gathers and analyzes the evidence relating to the remediation. When all material is available and complete, he writes up the remediation report. On a case-by-case basis, the remediation report will be validated by the Remediation Team Lead and/or the Head of Remediation and Risk Department.

##### 5.2.5.4.1. Gather Remediation Evidence

The Remediation Manager collects the remediation evidence relating to the remediation and ensures that it is complete. He identifies and initiates corrective actions if necessary. This activity may have already started in practical terms in the previous process step.

| **Gather Remediation Evidence** | | | |
| --- | --- | --- | --- |
| Objective | Collect a complete set of remediation evidence | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Persons responsible for the remediation measures  Local Compliance Officer |  |
| I |  |  |
| Input | Remediation evidence | |  |
| Precondition | - | |  |
| Activities | * Collect remediation evidence * Check for completeness * Initiate corrective actions if necessary | | [1]  [2]  [3] |
| Output | Remediation evidence | |  |
| Comments | [1] Activity mostly started in “Step 3: Execute”  [2] Criteria for the scope, content and range of material to be provided can be found in Section 5.6 Remediation Evidence – Minimum Requirements  [3] This includes, e.g.:   * Involvement of the Local Compliance Officer to support procurement of the material | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.4.2. Validate Remediation

The Remediation Manager validates the remediation evidence. He ensures that they meet expectations, i.e. they are appropriate to close the remediation case. If not, he initiates corrective actions, e.g. by requesting updates from the relevant stakeholders.

When all remediation evidence has been validated, the task of the Remediation Team is completed. The Remediation Team can be released. In practice, this happens informally.

| **Validate Remediation evidence** | | | |
| --- | --- | --- | --- |
| Objective | Assess remediation evidence for completeness and appropriateness | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Persons responsible for the remediation measures  Local Compliance Officer |  |
| I |  |  |
| Input | Remediation evidence | |  |
| Precondition | - | |  |
| Activities | * Analyze remediation evidence * Evaluate remediation evidence for, e.g.:   + Completeness   + Appropriateness * Initiate and validate corrective actions if necessary * Release the Remediation Team | | [1]  [2] |
| Output | Remediation evidence (validated) | |  |
| Comments | [1] This includes, e.g.:   * Involvement of the Local Compliance Officer   [2] When all remediation evidence has been validated, the task of the Remediation Team is completed. The Remediation Team can be released. In practice, this happens informally. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.4.3. Write Remediation Report

The Remediation Manager writes the Remediation Report. The report is based on a standardized template and contains:

* Key data of the relevant investigation report
* Distribution list of the recipients of the remediation report
* List of recommendations and their implementation status including a summary of the implementation results
* Final remark summarizing the status of the remediation activities

| **Write Remediation Report** | | | |
| --- | --- | --- | --- |
| Objective | Write up Remediation Report | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C |  |  |
| I |  |  |
| Input | Template remediation report  Remediation evidence | | [1] |
| Precondition | Conditions for remediation case closure are met | |  |
| Activities | * Write up remediation report * Provide adequate level of anonymity * Classify the remediation report | | [2] |
| Output | Remediation report (Draft) | |  |
| Comments | [1] See 5.4 Templates  [2] Usually “Confidential” | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.4.4. Review Remediation Report

*This activity is optional. It is performed for high complexity cases, cases with specific constraints in relation to the distribution list, or in cases where the Remediation Manager is still inexperienced.*

The Remediation Team Lead and assigned stakeholders review the remediation report. The Remediation Manager reworks the remediation report in line with any comments made during the review.

| **Review Remediation Report (optional)** | | | |
| --- | --- | --- | --- |
| **Objective** | Validate and finalize remediation report | | |
| **Role** | **R** | Remediation Manager |  |
| **A** |  |  |
| **C** | Remediation Team Lead  Assigned stakeholders |  |
| **I** |  |  |
| **Input** | * Remediation report (Draft) | |  |
| **Precondition** |  | |  |
| **Activities** | * Check remediation report, for e.g.:   + Completeness   + Plausibility * Rework the remediation report according to the findings | |  |
| **Output** | * Remediation report (reworked) * Review minutes * Remediation report (distributed) | | [1] |
| **Comments** | [1] The review minutes include the review comments.  The review minutes may be informal if appropriate. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

#### 5.2.5.5. Step 5: Finalize

In this step, the Remediation Manager distributes the remediation report to a standard distribution list as defined in section 5.5 and archives the relevant documents (remediation reports, evidence) as appropriate. He also updates the respective tracking tools (e.g. TRACI). When completed, the remediation case can be closed. He updates the Degree of Implementation (DI) accordingly.

##### 5.2.5.5.1.

The Remediation Manager archives the Remediation Report and other supporting documents on the appropriate infrastructure.

| **Archive Remediation Report** | | | |
| --- | --- | --- | --- |
| Objective | Archive remediation report  Archive further documents related to the remediation case | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C |  |  |
| I |  |  |
| Input | Remediation report  Supporting documents | |  |
| Precondition |  | |  |
| Activities | * Archive the remediation report and other supporting documents in the dedicated archive system | | [1] |
| Output | Remediation report (archived)  Supporting documents (archived) | |  |
| Comments | [1] Note: remediation evidence is archived separately. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.5.2. Evidence

The Remediation Manager stores the remediation evidence relating to the remediation on the appropriate infrastructure. He assigns access rights to the report to the persons named in the distribution list in the remediation report.

| **Archive Remediation Evidence** | | | |
| --- | --- | --- | --- |
| Objective | Archive remediation evidence  Ensure individual access is restricted as appropriate | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Remediation Team Lead |  |
| I |  |  |
| Input | Remediation evidence | |  |
| Precondition |  | |  |
| Activities | * Archive the remediation evidence in the dedicated archive system | |  |
| Output | Remediation evidence (archived) | |  |
| Comments |  | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.5.3.

The Remediation Manager identifies the distribution list (from the list already defined in the Remediation Report) and distributes the Remediation Report accordingly. He sends a standardized e-mail to the defined addressees containing a brief note on the finalization of the remediation activities and providing a link to the Remediation Report stored in the central database. The report itself is not distributed but can be downloaded by persons with the appropriate access rights.

| **Distribute Remediation Report** | | | |
| --- | --- | --- | --- |
| Objective | Inform those involved of the finalization of the remediation case  Make remediation report available for addressees | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C |  |  |
| I | <Contributing stakeholder>  <Informed stakeholders> | [1]  [1] |
| Input | Remediation Report | |  |
| Precondition |  | |  |
| Activities | * Identify the distribution list for the remediation report. * Set up the proper access rights * Inform those involved of the finalization of the remediation case * Inform the addressees on the remediation report availability | | [2] |
| Output | Remediation Report (distributed) | |  |
| Comments | [1] See 5.5 Distribution Lists  [2] Format: -pdf  Report can be downloaded via link provided | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.5.4.

The Remediation Manager ensures that all relevant stakeholders have received the required information concerning the finalization of the remediation activities. He closes the remediation case in the required tools and databases (central case tracking tool TRACI, remediation case tracking database).

| **Close Remediation** | | | |
| --- | --- | --- | --- |
| Objective | Route the compliance case back to the Case Lawyer  Formally close the remediation phase. | | |
| Role | R | Remediation Manager |  |
| A |  |  |
| C | Case Lawyer  Remediation Team Lead |  |
| I |  |  |
| Input | Remediation report | |  |
| Precondition | - | |  |
| Activities | * Update the case information * Route the compliance case back to the Case Lawyer in the central compliance case tracking tool * Update the central remediation case tracking database * Finalize the remediation case * Release the Remediation Manager | | [1], [2]  [3]  [4] |
| Output | Remediation Case (routed) | | [1] |
| Comments | [1] TRACI Tool  [2] Done by the Remediation Team Lead  The remediation is completed and can be considered finalized A formal notification can be generated if necessary.  [3] After the remediation activities are completed, the Case Lawyer is responsible for finally closing the case in TRACI. This is not part of the remediation process.  [4] The task of the Remediation Manager is then completed. The Remediation Team Lead can release the Remediation Manager. In practice, this happens informally. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

#### 5.2.5.6. Report & Analyze Risks

The section describes case-independent activities.

Reporting for OPCO, Lead Country and Corporate CRB is done periodically for all projects within the Compliance and Risk Organization. Data for further risk analysis is prepared. Lessons Learned are performed.

##### 5.2.5.6.1. Perform Overall Governance Tasks

The Remediation Team Lead handles various governance topics in order to ensure a proper environment for conducting case-based remediation activities. This includes but is not limited to:

* Regular reporting to the Head of the Corporate Compliance Risk and Remediation department
* Gathering and providing feedback to Investigators, Case Lawyers, Tax Experts and other stakeholders on potential areas for improvement identified during the remediation phase (e.g. in relation to the information provided in the investigation report or the quality of the recommendations)
* Identification of potential process improvements and driving resulting changes
* Efficient allocation of resources within the Corporate Compliance Remediation Team

| **Perform Overall Governance Tasks** | | | |
| --- | --- | --- | --- |
| Objective | Ensure an efficient process and allocation of resources to perform remediation activities with the highest quality, diligence and speed. | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Remediation Managers |  |
| I | Head of the Corporate Compliance Risk and Remediation department |  |
| Input | Information gathered while the case-based remediation was being carried out | |  |
| Precondition |  | |  |
| Activities | * Address identified weaknesses to the relevant stakeholders. * In case of resource weaknesses, try to solve these in alignment with the Head of the Corporate Compliance Risk and Remediation department, e.g. through reallocation of resources or hiring of new personnel. | |  |
| Output | An efficient process and suitable allocation of resources to perform remediation activities | |  |
| Comments |  | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.6.2. Lead Country

On a quarterly basis, the defined OPCO/Corporate or Lead Country Key Contact prepares a report on the remediation activities in the OPCO/Healthineers/Corporate Units/Corporate or Lead Country (and assigned countries) for the responsible compliance officer. This report is also used as an input for the OPCO/Healthineers/Corporate Unit/Corporate or Lead Country Compliance Review Board.

| **Report to OPCO and Corporate or Lead Country** | | | |
| --- | --- | --- | --- |
| Objective | Quarterly report on compliance activities | | |
| Role | R | OPCO/Healthineers/Corporate/Lead Country Key Contact |  |
| A |  |  |
| C | Remediation Team Lead  Members of the remediation teams |  |
| I | OPCO/Healthineers CO  Corporate CO  Corporate Country or Lead Country CO |  |
| Input |  | |  |
| Precondition | Remediation case database is up-to-date | |  |
| Activities | * Generate report on compliance activities in the OPCOs/Corporate or Lead Countries * Provide the reports to the OPCO/Healthineers/Corporate / Corporate Country or Lead Country Compliance Officers | | [1], [2], [3] |
| Output |  | |  |
| Comments | [1] Frequency: at least quarterly, more often if required  [2] Standard content includes:   * General statistical overview * Detailed analysis of ongoing activities   [3] Reporting for the lead countries is only prepared and distributed if a substantial number of open remediation cases (e.g. 3 or more) exist for the lead country and the assigned countries. | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.6.3. Report to Corporate CRB

On a quarterly basis, a summary report related to the handling of compliance cases is prepared for the Chief Compliance Officer. This report is also used as an input for the Corporate Compliance Review Board.

| **Report to Corporate CRB** | | | |
| --- | --- | --- | --- |
| Objective | Report on compliance activities | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Members of the Remediation Team  Members of the Compliance Strategy, Planning, and Reporting team |  |
| I | Chief Compliance Officer  Corporate Compliance Review Board |  |
| Input |  | |  |
| Precondition |  | |  |
| Activities | * Produce an overview of the remediation activities * Report on the status of the remediation activities to the Chief Compliance Officer and the Corporate Compliance Review Board * Collect information and produce the final Compliance Activity Report | | [1], [2], [3]  [4], [5] |
| Output |  | |  |
| Comments | [1] Frequency: quarterly  [2] Used as input for the Compliance Activity Report for Chief Compliance Officer  [3] Standard template used  [4] Upon request  [5] Also input for the OPCO/Lead country Compliance Review Board  [5] By Compliance Strategy, Planning, and Reporting | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.6.4. Perform Lessons Learned

On a regular basis, lessons learned are organized and conducted in order to evaluate the experiences gained in the recent remediation projects, define corrective measures if necessary and identify compliance-related risks.

| **Perform Lessons Learned** | | | |
| --- | --- | --- | --- |
| Objective | Learn from recent compliance remediation projects | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Members of the Remediation Team |  |
| I |  |  |
| Input | Data from recent remediation cases | |  |
| Precondition |  | |  |
| Activities | * Prepare and perform lessons learned workshop * Evaluation data from recent remediation projects * Identify lessons learned. This includes:   + Typical compliance violations   + Typical root causes   + Compliance-related risks   + Strengths and weaknesses of the compliance process * Define corrective measures, as appropriate | | [1] |
| Output | Lessons learned | |  |
| Comments | [1] Frequency: as required | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

##### 5.2.5.6.6.

Lessons learned from recent compliance cases are brought to the attention of the Corporate Compliance Risk team. This may happen throughout the fiscal year as applicable.

On a regular basis, input from various sources is collected in order to update the corporate risk landscape and to define potential mitigation measures. The Remediation Team Lead prepares and provides input from the Remediation team for this workshop.

| **Prepare Data for further Risk Analysis** | | | |
| --- | --- | --- | --- |
| Objective | Provide information on compliance risks identified during lessons learned to Corporate Compliance Risk Team | | |
| Role | R | Remediation Team Lead |  |
| A |  |  |
| C | Corporate Compliance Remediation Team |  |
| I | Compliance Risk Team |  |
| Input | Lessons Learned from Compliance Cases | |  |
| Precondition |  | |  |
| Activities | * Collect information on compliance risk from the compliance case lessons learned data * Provide the information | | [1]  [2] |
| Output | Data on compliance- related risks | | [3] |
| Comments | [1] Frequency: annually (may be adjusted as required)  [2] Information will be used during corporate risk workshop  [3] For further use in compliance risk workshop | | |

R: Responsible A: Acknowledge C: Contribute I: Informed

## 5.3. Training and supporting material

### 5.3.2. Degree of Implementation

|  |  |
| --- | --- |
|  | Definition |
| DI1 | Audit Measures identified:  Measures identified in general in order to close (remedy) a compliance violation |
| DI2 | Recommendation defined:  Measures identified for content and evaluated |
| DI3 | Detailed Measures defined:  Measure defined. This includes:   * responsibility assigned * time frame * action plan |
| DI4 | Intermediate work result delivered:  Implementation of measures into work.  Intermediate work results (e.g. remediation evidence) delivered |
| DI5 | Measure implemented:  Measures fully implemented. Documentation (report, remediation evidence, etc.) archived |

*Table 2 Degree of Implementation*

### 5.3.3. Remediation Case Classification

|  |  |  |  |
| --- | --- | --- | --- |
|  | Major (Class A) | Medium (Class B) | Low (Class C) |
| Criteria | Major impact on Siemens | Medium impact on Siemens | Lower impact on Siemens |
| Impact | * Legal topics, e.g. ongoing or threatening proceedings or inquiries by a government agency or a multilateral development bank * Substantial financial impact * Disciplinary sanctions in the scope of the CDC process with impact on high-ranking managers (GPL 4 and above, SOA certifiers) * High number of recommendations | * Legal topics, e.g. ongoing proceedings or inquiries by a government agency or a multilateral development bank * Financial impact * Disciplinary sanctions expected * Lower number of recommendations * Process weaknesses | * Clearance or closure report with allegation not substantiated * Minor process weaknesses |
| Comment | Task Force installed |  |  |

*Table 3 Remediation Classification*

### 5.3.4. Templates

* [Remediation report](https://findit.compliance.siemens.com/content/10000101/Compliance/LC_CO/LC_CO_RG_DR/findIT_LC_CO_RG_DR_7522.docx) (status as of November 2014)
* [Distribution list for the remediation report](https://findit.compliance.siemens.com/content/10000101/Compliance/LC_CO/LC_CO_RG_DR/findIT_LC_CO_RG_DR_7523.docx) (status as of November 2014)
* [Minimum requirements for evidence to be provided in order to close a recommendation](https://findit.compliance.siemens.com/content/10000101/Compliance/LC_CO/LC_CO_RG_DR/findIT_LC_CO_RG_DR_7524.pptx) (status as of November 2014)

## 5.4. History of changes

|  |  |  |
| --- | --- | --- |
| **Date** | **Author** | **Major changes of binding content** |
| January 1, 2019 | Bernd Plagemann | First release through the Compliance Handbook. |

## 5.6. Contacts

Compliance Officer

The Compliance Officer responsible for your unit can be found through the following [link](https://intranet.for.siemens.com/cms/059/de/about/org/Pages/compliance_organization.aspx).

Corporate Governance Owner

The contact person for remediation is:

[Bernd Plagemann (LC CO IR RD)](https://scd.siemens.com/luz/IdentitySearch?cn=plagemann+b&utI=I&utX=X&utT=T&rtH=H&rtS=S&rtZ=Z&rtO=O&rtAktiv=A)

1. Project Team consisting of regular team members and additional team members. [↑](#footnote-ref-1)
2. Recommended measure or set of measures defined to remedy a deficiency identified during a compliance investigation. The recommendations are defined during the investigation phase and are described in the investigation report. A recommendation may result in one or more remediation measures. [↑](#footnote-ref-2)
3. Investigation resulting in allegations against individuals not being able to be substantiated. [↑](#footnote-ref-3)
4. Investigation resulting in the investigated allegations not being able to be substantiated. In contrast to a clearance case, there is no involvement of individual employees. [↑](#footnote-ref-4)
5. Project Team consisting of regular team members and additional team members. [↑](#footnote-ref-5)
6. Specialist sub-set of the Case Remediation Team, consisting of management representatives from, for instance, the local organization, the OPCO or the OPCO and technical experts. It is formed when confidential or critical measures have to be implemented. [↑](#footnote-ref-6)