NAVEX®

PACIFIC STRATEGIES & ASSESSMENTS

Datasheet

Additional Due Diligence Options for When You Need to Know More

NAVEX's partnership with PSA enables clients to uncover additional third-party information to address risks, meet standards for effective compliance programs, and achieve peace of mind.

Due diligence as part of an effective compliance program

When pursuing an effective third-party risk management and due diligence program, it is essential to understand when and where additional insights are required. Guidance on compliance programs from the US Department of Justice and other regulators require companies to construct effective, risk-based programs in order to limit violations. To meet standards for an effective compliance program, due diligence research beyond standard screening and monitoring will likely be necessary for some third parties. Elevated levels of scrutiny may be required whenever a third party:

- is in a high-risk or low-information jurisdiction
- is part of a higher-value or higher-impact transaction
- is flagged for adverse issues
- is otherwise identified by RiskRate to be in a high-risk tier

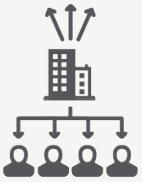
When third-party risks require deeper research, broader context, and more clarity

When high-risk third parties surface, it is necessary to perform additional due diligence to understand the level of risk they bring to your organization. NAVEX partners with Pacific Strategies and Assessments (PSA) to execute on the depth of additional due diligence required to provide your organization with reporting and insights needed to manage those risks. PSA's due diligence reports are crafted by human analysts who gather information from a wide range of sources – from desktop research to "boots on the ground" facility visits and interviews. Analysts are trained to identify Foreign Corrupt Practices Act (FCPA) violations, sanctions, and other regulatory risks as well as issues such as human rights and environmental violations.

A menu of due diligence options

PSA due diligence reporting is seamlessly integrated with NAVEX's RiskRate, enabling clients to order reports and communicate directly with analysts working on their case. Research findings are delivered in an accessible, easy to read format that is structured around key regulatory and operational concerns. This reporting allows our customers to make informed decisions on whether to engage with the third party, what risk assurances they may require, and how to best monitor and manage the engagement.

PSA Reporting Options

Service	Report Description	Included Subjects	Use Case
OSI Open-Source Intelligence	Survey of English and local language media, databases, and electronically available official records.		• Review of high volumes of low-risk or smaller SMEs to provide early warning of issues of concern • Summary of red light/yellow light issues or identifies need for additional research • *Not a sufficient scope for large companies or subjects with significant known issues*
EDD Enhanced Due Diligence	Deeper review of English and human translated local language media, manual retrieval of local official records.		• Provides more detailed review of potential concerns and deeper access to public records • Review of SMEs presenting higher risks or operating in low-information environments • More comprehensive review of issues for informed risk mitigation or evaluating complex adverse information • *Not a sufficient scope for publicly traded companies or large companies with significant known issues*
EDD+ EDD with additional research	EDD scope with additional research. Any of the following options can be added to an EDD request: • Site visit • Natural Ownership Research • Source Commentary		• Commentary from confidential human sources provides invaluable information that would otherwise be unavailable • Site visits identify if a subject is operating as expected and may uncover fraud or operational issues • Records based research identifies and visually maps the ownership chain of a report subject to identify possible control by PEPs, sanctioned entities, or conflicted parties
IDD Investigative Due Diligence	The methodology of each report is custom designed in response to a specific client need. Research and investigation typically includes and exceeds EDD+ methodologies.		• Cross-jurisdictional work, investigative analysis of records, or other complex requirements led by experienced investigators • Customized vetting of a sensitive third-party engagement, pre-M&A or pre-investment due diligence, evaluation of ESG concerns • Response to specific allegations or other client concerns regarding fraud, conflict of interest, corruption, or whistleblower allegations

NAVEX is the worldwide leader in integrated risk and compliance management software and services. Our solutions are trusted by thousands of customers around the globe to help them manage risk, address complex regulatory requirements, build corporate ESG programs and foster ethical workplace cultures.
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