



Driving Ethics & Compliance for a Global Chemical Company

Just prior to its year-end financial reporting, a global chemical manufacturing company learned that an ethics hotline report involving Section 16 officers was not handled according to the company's required process, resulting in the reporting of a material weakness in its 10-K filing. Facing a critical situation, the company engaged FTI Consulting to provide timely compliance support to its Ethics & Compliance ("E&C") function and lead efforts to remediate the reported material weaknesses.

OUR IMPACT

- In an engagement that spanned eight months, FTI Consulting assisted in updating the client's ethics hotline system, and developed workflow and narratives for the ethics hotline process to support its Sarbanes-Oxley requirements, "Speak Up" and investigation policies, and hotline investigation procedures. Our experts also supported the E&C function during transition in its compliance leadership.
- As a result of our team's efforts and successful completion of remediation tasks, the client disclosed in its third quarter 10-Q filing that the material weakness was fully remediated.

OUR ROLE

- FTI Consulting deployed a multipronged approach to support E&C and enhance the management of the ethics hotline and related processes.
- Our team drafted key documentation supporting the client's ethics hotline process, including workflows, narratives, policies and procedures addressing the "Speak Up" reporting process, hotline management and investigation procedures.
- When the client's CCO retired, our expert provided direct leadership for the E&C function during the transition period, which included quarterly reporting to the C-suite and Audit Committee.
- Our experts reviewed all reported ethics hotline-related matters on a weekly basis to ensure the new procedures were effectively implemented and sustainable, and that regular reports were provided to the client's Audit and Executive Committees regarding progress on the material weakness remediation and standard CCO reporting.



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