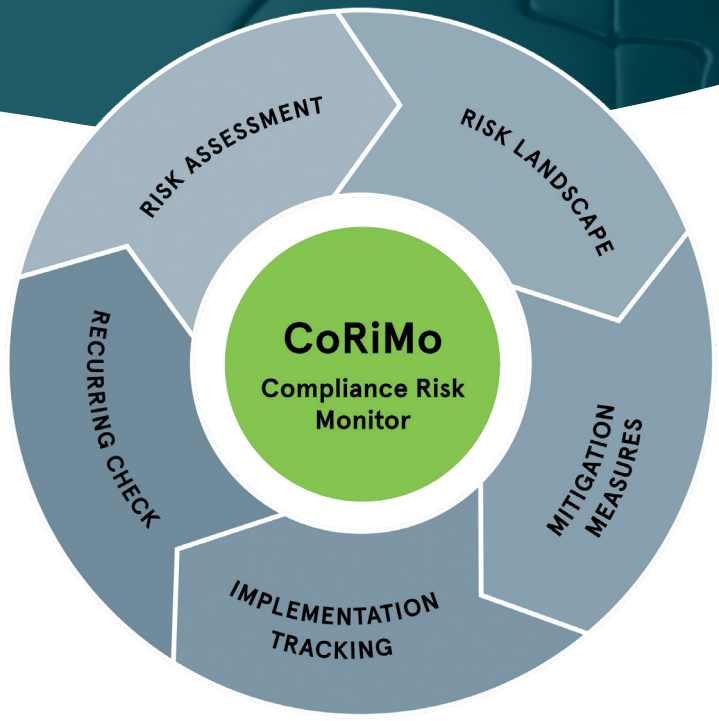
PROXORA × MUTARES

SUCCESS STORY

Compliance Risk Assessments & Measure Management efficiently and effectively digitalized



The client: Mutares SE & Co. KGaA

Mutares is an international private equity investor focused on "special situations".
Mutares is concentrating on the acquisition of parts of large groups (carve-outs) and companies in situations of upheaval. The goal is in the context of an active turn-around process to leverage the development potential of the usually low-earning target companies and to lead them on a stable and profitable growth path. Therefore, the team at Mutares has extensive operative industrial and restructuring experience from a variety of successful transactions.

The challenge: risk management in a diverse portfolio

A large number of heterogeneous subsidiaries represents a major, challenging task for the compliance department of the listed private equity investor. In the past, Mutares relied on Excel-based high-level risk analyses. The potential for a more comprehensive risk analysis and automated measure coordination through the PROXORA CoRiMo ("Compliance Risk Monitor") seemed enormous.

> "The digitalization and the increase in efficiency and effectiveness of our compliance risk management with the CoRiMo facilitates our daily work enormously. This important transformation was realized quickly and successfully together with PROXORA. We greatly appreciate the cooperation with the PROXORA project team and also the professional exchange within the PROXORA customer community."

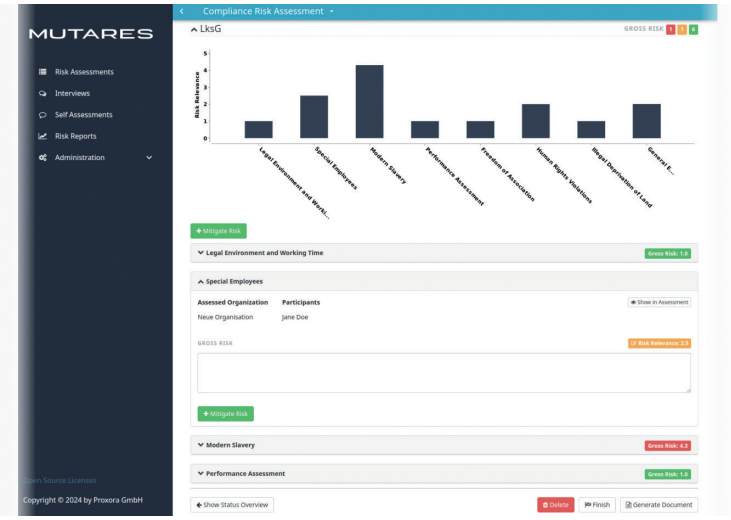


Lennart Bauernfeind
Compliance Officer,
Mutares

The starting point was the requirement to digitalize both the compliance risk analyses and the management of the resulting mitigation measures as far as possible. It was also important to the responsibles at Mutares that the selected IT solution in the cloud ("Software-as-a-Service") guarantees the highest standard of data protection and information security. After a comprehensive market review, the decision was made in favor of the proven CoRiMo solution by PROXORA, which not only fulfilled the above-mentioned requirements, but also offered additional added value with established risk questionnaires from the compliance experts at Pohlmann & Company.

Holistic compliance risk assessments with the „CoRiMo"

Identifying, evaluating and mitigating of compliance risks are essential success factors for sustainable compliance management. CoRiMo includes the two connected PROXORA platform modules CRA (Compliance Risk Assessment) and CAPT (Compliance Activity Planning & Tracking).

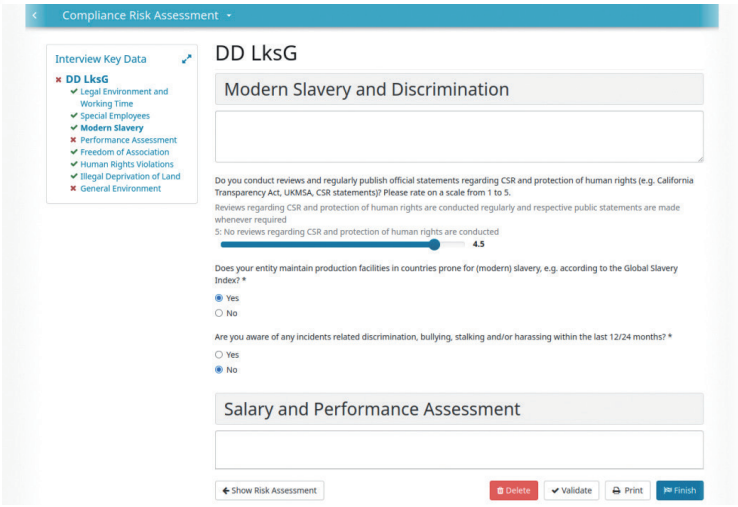


Compliance risk assessments are systematically carried out and documented with the CRA module in the form of interviews or online self-assessments. At the touch of a button, in the next step, the identified risks can be reviewed, evaluated and, if necessary, fine-tuned in a structured manner. Through reporting functions, the responsible management can be informed about risks and potential weaknesses. Also, measures can be jointly initiated.
In the connected CAPT module, one-time or recurring mitigation measures are systematically documented and assigned to the responsible parties. In the sense of effective compliance management, continuous reviews, evaluations and effectiveness reviews are also carried out via CAPT.
In addition, the CAPT module can also be used to manage any other compliance measures in different company structures. Therefore, PROXORA customers often refer to the solution as the "Swiss army knife of compliance".

The implementation

Shortly after the start of the implementation, Mutares was able to take a first look at the new system. The setup was so quick because Mutares was able to identify very well with the standard processes of the CRA and therefore only a few adjustments were necessary on the part of PROXORA.
Also, the decision to use standard content from Pohlmann & Company in the risk assessment questionnaires accelerated the implementation. The tried-and-tested questionnaires not only cover the typical compliance risk topics, but are also supplemented by ESG and LkSG (Act on Corporate Due Diligence Obligations in Supply Chains) topics.

Specifically for the risk assessments that Mutares regularly carries out in the context of M&A, the Mutares and PROXORA project team developed customized questionnaires for M&A risk assessments and integrated these into the solution. The organizations to be assessed as part of M&A are managed in a distinct master data hierarchy, separated from the existing portfolio companies. The flexibility of the system also allowed for quick coordination and precise customizing.



Fast results

After a short test and adaptation phase, Mutares now implements compliance risk assessments with CoRiMo in a much more detailed and at the same time more efficient manner. The documentation and management of risk analyses as well as the tracking, management and effectiveness check of mitigation measures have been significantly optimized. The digitalization of Mutares' compliance risk management was thus quickly and efficiently raised to the „next level".

ISO / IEC 27001 Certified Information Security Management System
GDPR GENERAL DATA PROTECTION REGULATION
MADE IN GERMANY

Contact us and let us work out a future-proof compliance strategy together.



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