



AUTOMATED HORIZON SCANNING – DOES THIS REALLY REDUCE ORGANISATIONAL RISK?

Asad Ansari, Managing Director & Founder, RiskIntel

Vartan Sarkissian, CEO & Founder, Apomatix

Webinar

Thursday, 18 February 2021, 10:00am GMT

A Word From Today's Chairman



Professor Michael Mainelli

Executive Chairman

Z/Yen Group

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Today's Agenda



- 10:00 – 10:05 Chairman's Introduction
- 10:05 – 10:15 Keynote Address – Asad Ansari
- 10:15 – 10:25 Keynote Address – Vartan Sarkissian
- 10:25 – 10:45 Questions & Answers

Today's Speakers



Asad Ansari

Managing Director & Founder

RiskIntel



Vartan Sarkissian

CEO & Founder

Apomatix

A Quick Poll



Does keeping ahead of reputation and operational risk add a cost burden to your organisation?

- a) Yes
- b) No
- c) Don't know or N/A

RiskIntel



**Turn unstructured data into
actionable intelligence**

Managed services

www.riskintel.io

About RiskIntel



Our customers have access to ever-increasing data in this digital age, but they need help in filtering out the noise to understand what can guide risk mitigation decisions and seek opportunities.



RiskIntel is a managed services provider company offering Third Party Risk Management Screening, Monitoring and Advisory services.

We bring together the power of expert analytics and advanced technology to help untangle complex challenges. We are intelligence practitioners and experts in harnessing cutting edge technology to interrogate the open source web, and we use proven intelligence methodology to provide analysis which makes an impact and informs decision making.

Client challenges

By receiving quality risk intelligence you are able to examine your risks and take proactive, informed actions.



Reputation damage

- Prevent crisis
- Minimise financial losses
- Reduce reputational damage
- Avoid operational challenges



Time and costing

It is expensive and often not effective to track third parties and control existing ones



Entity screening

It is unlikely that screening companies every few years will be enough to manage risk



Insufficient expertise

Organisations lack expertise in attaining and processing open source data to make risk intelligence lead business decisions

What we do

Screening

- Screening across 3 million news sources
- Text in 65 Language is Screened
- 5-10 year historic look back across open source media

- Personalised screening reports provided to clients identifying threats and risks
- Fast turn around
- Quality driven low cost screening reports

Monitoring

- Persistent monitoring of 3rd parties 24/7, 365 days per year
- Capacity to monitor entire 3rd party supplier base for a client
- News source scrapped every 15 minutes

- Articles of Interest reported within 24 hours of being reports on media sites
- Quality driven low cost monitoring reports



Actionable intelligence reports

Risk Domains

The below details the existing risk domains covered. There are a total of 357 threat event types in the catalogue that can be combined to create new domains.



Anti-bribery and corruption



Information Security



Healthy and Safety



Financial Penalty



Labour Rights



Quality Issues



Regulatory Compliance



Criminal Events



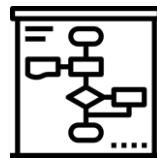
Intellectual Property



Disease



Animal Welfare



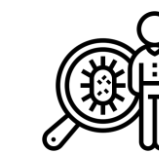
Supply Chain Issues



Natural Disasters




















Environment



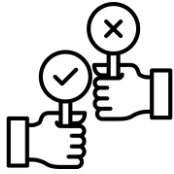
Thematic Events

What areas does the service cover

A broad range of language coverage and topics are already covered by the service. The ability to add further languages and topics is available on client demand.

	Arabic		Korean	Fraud and forgery	Identity theft	Disasters and accidents	Financial Penalty
	Chinese		Norwegian	Earthquake	Ebola	Meddling	Downsizing
	Danish		Persian	Kidnapping	Tampering	Animal abuse	Plant disruption
	Dutch		Portuguese	Insider trading	Corruption	Embezzlement	Fraud and forgery
	English		Russian	DDoS attack	Cyber espionage	Data breach	Explosions
	French		Spanish	Chemical spill	Building collapse	Child labour	Human trafficking
	German		Swedish	Racism	Workplace discrimination	Financial penalty	Investigation
	Italian		Urdu	Conflict of interest	Sanctions	Kidnapping	Trademark infringement
	Japanese		+ 48 languages	Sabotage	Criminal procedure/trial	Copyrights violations	Conflict material

Benefits:



Tailored and relevant insights and products which enable informed decision making



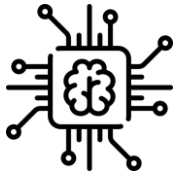
Monitoring at scale which produces relevant content without false positives



Ability to build services modularly and request deeper investigations



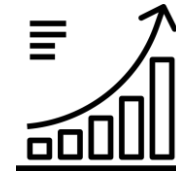
Access to capability and subject matter expertise which has a high barrier to entry to build internally



Access to a comprehensive tech stack brings together market leading platforms



We offer a service with human input and provision of insights rather than a tech platform



Our comprehensive capability passes along the benefits of economies of scale to clients



We deliver managed services, rather than an un-configurable off-the-shelf product

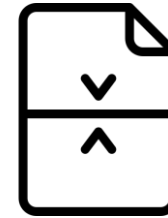
Key Features:



- Near real-time open source data collection
- 1 million articles per day from 3 million news and social media sources in 65 languages
- Deep and dark web data collection



- Automated identification of threat events in the article text which is achieved by using Named Entity Recognition



- Many documents combined into one event, reducing the time taken for intelligence analysis
- Intelligence on companies, industries, markets and executives



- Feedback loop into the threat models enhancing future searches by providing only relevant data to the client to enable robust decision making

Our capabilities across industries

Below are use cases that demonstrate our capabilities on components of our multi-dimensional managed services solution.

Insurance Management Corporation/Legal Firm

Challenges: Inability to execute the planned assessment volumes due to extended turn-around time for **cyber and financial viability analysis**

Our Approach:

- Implement a managed services delivery model to perform analysis across cyber and financial viability domains by leveraging RiskIntel and/or client resources based on inherent risk of the given third party
- Develop detailed customized intelligence reports with analytic dashboards
- *Generate a comprehensive view of cyber and financial viability posture of in scope third parties leveraging a turnkey managed service model*

Health Care/Pharmaceutical/Oil & Gas Firm

Challenges: Lack of bandwidth to perform third-party **health, safety and quality analysis** and need to improve overall third-party risk management program

Our Approach:

- Assess the existing third-party risk management program to identify major concerns and recommend enhancements to develop third-party inventory and third-party risk reporting
- Analysis of large number of third parties under the managed services model
- *Standardise processes, reduce costs and improve confidence with consistent high-quality assessment results*

Aviation/Retail Industry

Challenges: Inadequate internal resources and infrastructure to conduct **intellectual property analysis** on high risk third parties

Our Approach:

- Implement the overall risk management programme to track and monitor third parties
- RiskIntel's approach includes ongoing analysis across the following domains – intellectual property infringement, counterfeiting, trademark infringement, product imitation, patent infringement
- *Provide continuous monitoring over third parties, increased levels of regulatory compliance and enhance controls to meet regulatory requirements*

Financial Service Corporation/Asset Management Firm

Challenges: Need to enhance the existing third-party risk management program to perform ongoing **regulatory and reputational analysis** and address contract non-compliance

Our Approach:

- Leverage RiskIntel's proprietary automated tool and methodology to conduct third-party due diligence on global high-risk third parties
- Conduct investigations in English and local languages to identify 'red flag' issues
- Research and further identify potential areas of corruption, violations of Foreign Corrupt Practices Act (FCPA), and other regulatory compliance risks
- *Improve efficiency and provide large volume of third-party assessment reports that identify issues/risks and enable informed decision making*

Screening report



Screening report

Subject(s):	Initech Ltd
Relevant Jurisdiction:	India
Dates of research:	20 July 2015 – 20 July 2018

1. Methodology of our work

You identified the entity listed above as the relevant subject of our work. Our technology uses a semantic engine which is built around two elements: i) utilising natural language processing (NLP) and ii) named entity recognition (NER) (with this technology use in order to automate the identification of the agreed 'noteworthy issues' relating to the Subjects(s)). The semantic ontologies use for this case study have been trained by fluent speakers in eleven languages, Arabic, Chinese, Czech, English, German, Spanish, French, Italian, Korean, Portuguese, and Russian. The ontologies will not detect issues reported in other languages.

The report is produced solely as an example with a fictitious company and its contents should not be quoted or referred to in whole or in part without RiskIntel's prior written consent. RiskIntel will accept no responsibility, liability, or duty of care to any third party, in particular the entity which is the subject of this report, for any matters, observations or conclusions that are stated or implied in this document as it is private and confidential and has not been prepared, and is not intended, for any other purpose.

Please see the final section of this report for further information in the purpose, scope and methodology of our work and the limitations of the information gathered.

2. Summary

The screening analysis identified a total of 24 items of interest for consideration by the client.

Adverse event summary	
Animal welfare issues:	No screening requested for these issues
Human and Labour Rights issues:	No screening requested for these issues
Bribery and Corruption issues:	No screening requested for these issues
Health, Safety, and Environment issues:	No screening requested for these issues
Quality issues:	24 x events identified
Data Privacy issues:	No screening requested for these issues
Information Security issues:	No screening requested for these issues

3. Our Findings

Initech Ltd

Quality issues		
<p>1. US FDA Class III recalled of Axebar</p> <p>05 Jul 2018</p>	<p>On 05 Jul 2018 Bio Pharma Dive reported that Initech is voluntarily recalling 236,000 bottles of Axebar. The recall was due to failed impurities and degradation specifications.</p> <p>Bio Pharma Dive article</p> <p>FDA article</p>	<p>Facility location: APIIC Industrial Estate, Srikakulam District, Andhra Pradesh</p> <p>Recall location: United States, Puerto Rico</p>
<p>2. US FDA seeks to increase competition in drug markets</p> <p>18 May 2018</p>	<p>On 18 May 2018 CNBC reported that the US FDA aimed to make public instances where pharmaceutical companies seek to block rivals from selling inexpensive generic copies of brand-name drugs. [i] Initech was mentioned as an example of a company which had been subject to legal action in this manner. Citing the lawsuit filed by Celgene to block Initech from selling generic copies of the drug Revlimid. The US FDA posted a FDA list of companies that "game the system", Initech is included on this list. [ii]</p> <p>CNBC article [i]</p> <p>FDA acticle [ii]</p>	<p>Location: United States</p>
<p>3. US FDA inspection finds compliance deficiencies</p> <p>9 Mar 2018</p>	<p>On 9 Mar 2018 Money Control reported that an inspection of the Initech Medal unit in Telangana, India by the US FDA recorded five observations of cGMP compliance deficiencies. These were related to procedures and facility maintenance.</p> <p>Money Control article</p> <p>FDA article</p>	<p>Facility location: API Hyderabad plant 3, Medal District, Hyderabad, Telangana 502325, India</p>

Just for FS club members

We'd like to offer the FS club attendees a RiskIntel screening, or monitoring report for joining, and listening in today.

First twenty viewers getting in touch, will receive a free report on us.

Drop an email at asadansari@riskintel.io for a quick consultation call to understand your requirements, and we'll provide you intelligence to protect your business' brand and reputation against third-party suppliers.

RiskIntel



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Automated Horizon Scanning

Does this really reduce organisational risks?

Horizon scanning & the new risk environment

1

Necessary

2

Do we have control?

3

Complexity

Rise of Quantum Risks



Risk management culture

Unstructured manner 60%

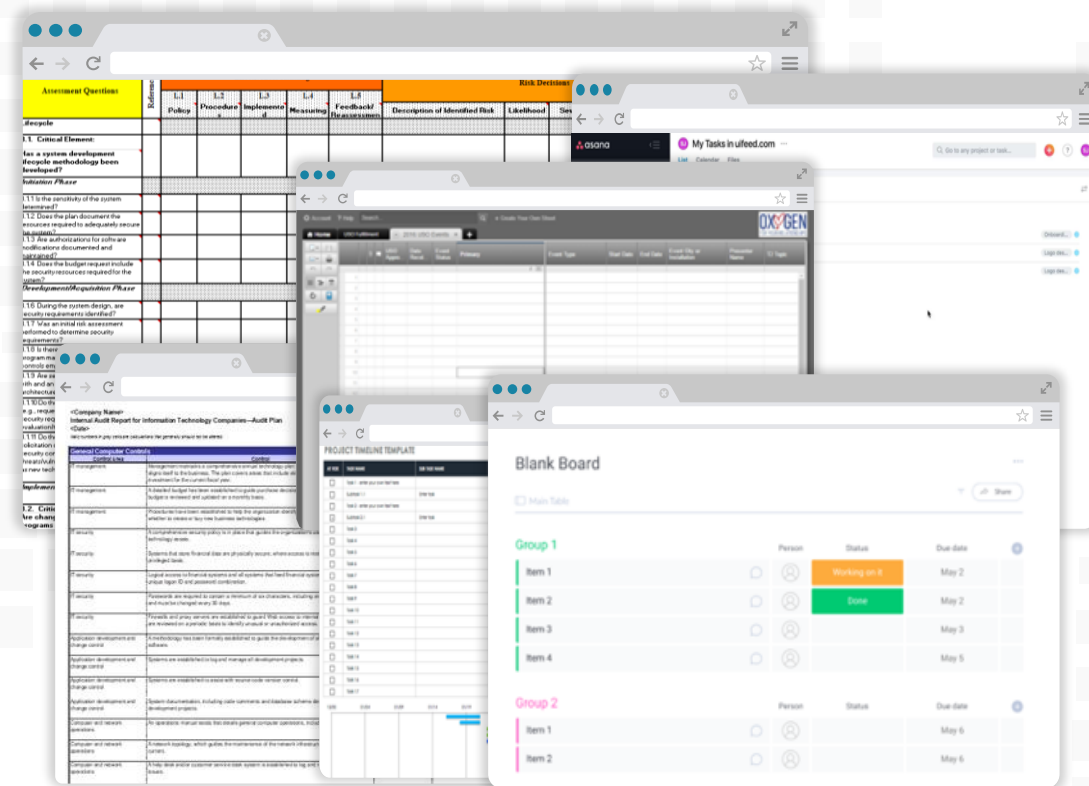
(e.g. Excel and other)

Gartner

“Spreadsheets fail to provide the formalized, automated process... [no] rich content that feeds automation, customizability of dashboards and workflows... to align to deliver superior outcomes”

FORRESTER®

Forrester Wave (March 2020)



- > Majority of the market uses agnostic tools (Excel)
- > Bending them to work for risk specific cases
- > High implementation costs
- > Lengthy implementation time
- > Complicated maintenance
- > Repetitive
- > Duplications
- > Errors
- > Project management issues
- > Inefficiencies
- > Unnecessarily complex
- > Version control issues
- > Not scalable
- > Not real time
- > Information security concerns

Reducing organisational risks

**Horizon
Scanning**

Manual Inputs

**Automation &
Workflows**

**Automatic
Inputs**

**5th
Element**

The 5th Element



1

Leadership

2

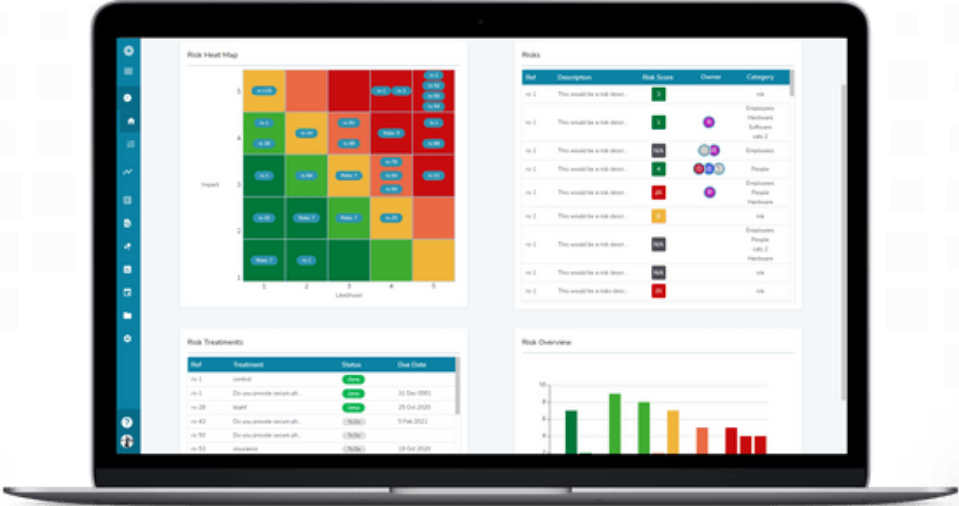
Culture

3

Awareness and appreciation

Needed Innovation

Risk Pre-emption



Collective Intelligence

Continual Risk Management

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Questions And Answers



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Thank You For Listening



Forthcoming Events

- Friday 19 Feb (11:00) Post Covid-19 Business Model And Policy Choices For Digital Finance In Europe
- Monday 22 Feb (08:30) Space: The Final Frontier Provides An Exciting Future For Our Global Community - BizTech Huìhuà Chat
- Monday 22 Feb (15:15) Tuttles All The Way Down – Digital Plumbing Upgrades Essential For Financial Services To Progress
- Wednesday 24 Feb (11:00) Beyond Brexit: EU-UK Social Security Contribution Rules

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