

Eticor Customer Success Story with Schoeller Werk GmbH & Co. KG

Acceptance of compliance as the key to success



Company

Schoeller Werk GmbH & Co. KG

Industry

Metal and steel processing, primarily in the automotive supply sector

Location

Hellenthal

Number of employees

approx. 800

Eticor software modules

Audit Manager, Asset Manager, Internal Manager, Legal Manager, Organization Manager, Permit Manager

Legal register

Occupational Safety and Environmental Protection, Energy Law, Product Law, Data Protection Law, ISO Compliance

Review: How the topic of compliance was situated

The perception of compliance within the company was sometimes distorted, as it was often unclear exactly what roles and responsibilities compliance entailed. Many employees did not understand why and to what extent they had to implement compliance regulations or what the term compliance as such even meant. The biggest challenge with regard to the position of the often invisible compliance area was to highlight recognizable evidence of the work and benefits of compliance transparently as well as comprehensible for every employee.

Together with the management team, the task was to emphasize the relevance of compliance in corporate practice and to demonstrate its positive impact on the integrity and stability of the company. The solution to this was clear communication and education about the importance and benefits of compliance as well as effective integration into the corporate culture and processes.

1. The challenge

General challenges before implementing the compliance management software Eticor

Due to its extensive activities in the areas of metal and steel processing, particularly in the automotive supply sector, the company is subject to a large number of laws, standards, guidelines, regulations, codes of conduct, contracts and other provisions. As a sustainability oriented and responsible company, it was and is our goal to fully meet the tasks and special requirements resulting from this diversity.

We have already used a compliance management system (CMS) in the past to create an overview of the laws, regulations and other provisions that need to be observed. However, it turned out that the usefulness and usability of this CMS tool could not be adequately emphasized.

The challenge was therefore to implement a **more effective and user-friendly compliance management software**. The software is supposed to help to

keep track of all relevant regulations and to ensure legally compliant implementation. However, it was obvious that it was not enough to simply bring all laws, regulations and permits into one system. The real difficulty lay in presenting all the associated tasks clearly, making them easy to understand and delegating them to specific employees in order to create acceptance among all those involved.

















Furthermore, the question of how to **integrate the existing management systems** arose, such as IATF 16949, ISO 9001, ISO 14001 and ISO 50001, into the new compliance management system. Certification in accordance with ISO 37301, which deals specifically with compliance management systems, was also of interest. It had to be evaluated whether the implementation of an integrated management system covering several standards and certifications would be advantageous for the company and what advantages and disadvantages this would entail.



“Eticor was ultimately chosen as the solution to address these numerous, complex challenges and establish an efficient compliance management system that meets the needs of our entire organization.”

- Schoeller Compliance Team

These are the legal areas that challenge Schoeller in the area of compliance on a daily basis:

-  Energy Law
-  Data Protection
-  Supply Chain Due Diligence
-  Customs/ Export Control
-  Protection of Secrets
-  Risk Management
-  Revision/ Audit
-  Environmental Law
-  Fire Protection
-  Authorization/Release
-  Plant Safety
-  Emergency Management
-  Code of Conduct
-  Occupational Safety
-  Health Protection
-  Whistleblower Protection



“The learning process at Schoeller revealed that comprehensive acceptance of the topic of compliance throughout the entire company is essential in order to be able to comply with the wide range of requirements.”

- Schoeller Compliance Team

2. The solution with Eticor

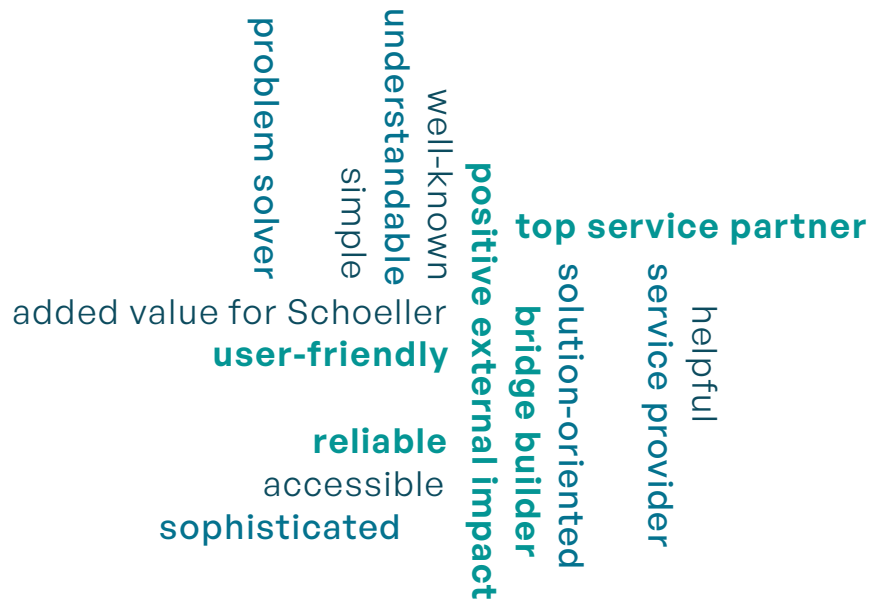
Schoeller is aware of its responsibility towards its employees, the environment and third parties and has therefore set itself the goal of firmly anchoring compliance in its corporate culture and organizing the company in a legally compliant manner.

Schoeller therefore planned to actively implement the following aspects with Eticor as its trusted partner:

- Creating a uniform understanding of compliance
- Promoting our compliance culture
- Adherence to all relevant regulatory requirements
- Adherence to internal guidelines
- Protecting the company's reputation and sanctions
- Reducing the liability risk of management and directors
- Recognizing and managing relevant compliance risks
- Adherence to contractual regulations with third parties
- Improved decision-making basis for management
- Greater transparency of the quality of internal structures and processes

With Eticor's experts and the compliance management software Eticor, it is possible to organize the company in a legally compliant manner, promote a uniform understanding of compliance and thus create the basis for sustainable and responsible growth.

Aspects that make the software and the Eticor team a special partner:



What advice would the Schoeller team give to prospective customers who are undecided about implementing a compliance management system in their company? Why is Eticor the right software for them?



“With the ‘flood’ of regulations and laws, it is essential for companies to fulfill this task or obligation with a CMS. Eticor significantly reduces the corporate risk. The transparency and documentation of our compliance is ensured and transparently monitored by Eticor.” - Schoeller Compliance Team

3. The implementation strategy at Schoeller

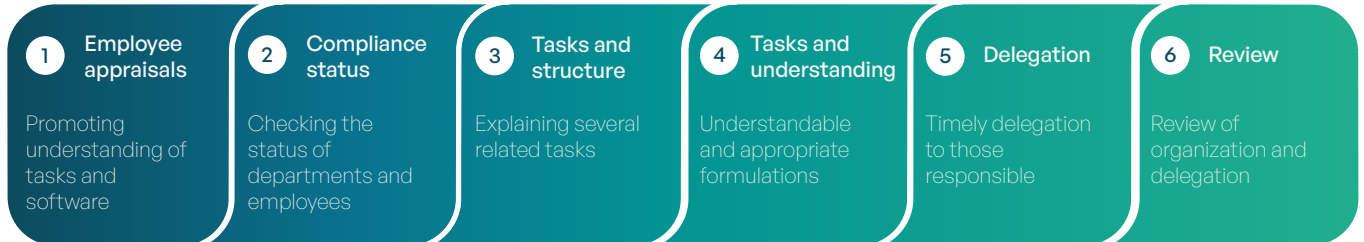
In preparation for the implementation, a “compliance team” was formed that included the management and the Legal & Compliance department at Schoeller. The “Compliance” project as a focus topic for the Legal & Compliance division was presented to the management team, highlighting the intersections with all specialist departments. The involvement of all departments was actively requested by the management.

The **following resolutions and considerations** helped Schoeller to establish the topic of compliance in all company processes:

1. Clear definition of responsibilities and roles
2. Ensuring the resources of team members (day-to-day business vs. project business)
3. Regular tracking of measures
4. Current status ↔ target status in the area of “Legal certainty”
5. Eliminating isolated solutions and maintaining the compliance status with just one click
6. Anticipation of compliance risks based on data and systematically create, update and track policies and procedures
7. Create transparency on compliance topics
8. Develop a sustainable organizational structure
9. Conduct regular compliance audits

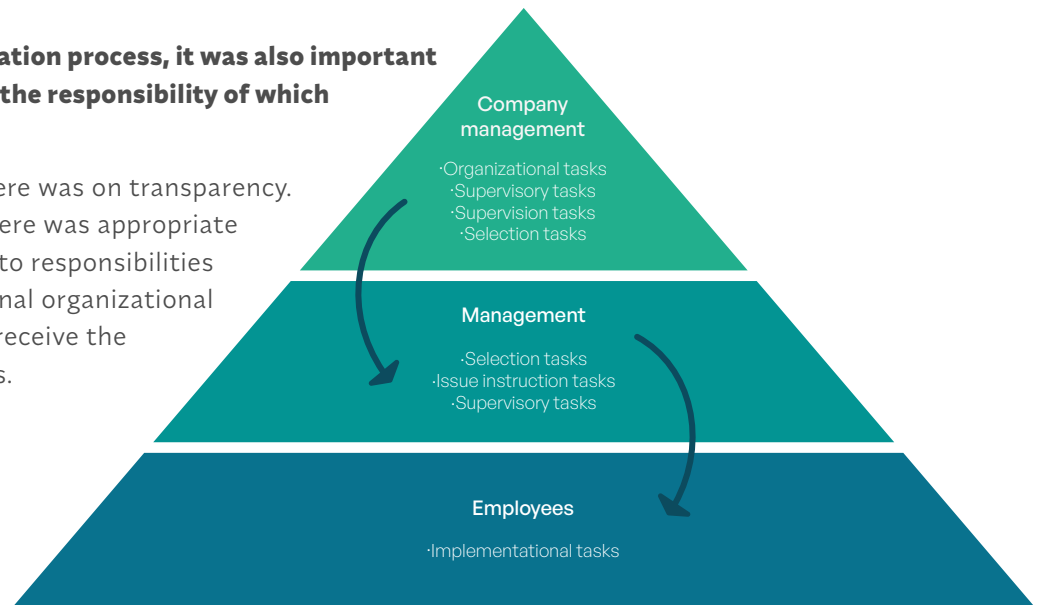
The implementation process in detail

Internally developing the action steps shown below helped us to create transparency and establish a concrete roadmap for the active and sustainable implementation of the software throughout the company, which is why we came up with six simple steps for implementation:



As part of the implementation process, it was also important to define which tasks are the responsibility of which hierarchical level:

For Schoeller, the focus here was on transparency. It was clear that only if there was appropriate transparency with regard to responsibilities and tasks within the internal organizational structure could the topic receive the acceptance it necessitates.



4. The result: A living compliance culture

Acceptance of compliance within the organization forms the foundation for a successful compliance culture. An open attitude towards internal regulations promotes compliance, strengthens trust and creates a corporate culture of integrity.

Characteristics of an intact compliance culture could include:

- the integrity of the legal representatives
- the management's published commitment to the importance of responsible behavior in accordance with the rules that must be observed
- the principles of conduct established and communicated by the legal representatives
- the incentive systems used to promote compliant behavior - including the consideration of compliance in staff appraisals and promotions
- the management style and personnel policy of the company
- the position of compliance management and the way in which the supervisory body performs its tasks in connection with risk management and compliance

5. Impulses from Schoeller's compliance team



“The ever-expanding regulatory landscape, characterized by ESG issues and laws such as the Whistleblower Protection Act, Supply Chain Due Diligence Act, etc., is presenting companies with increasing challenges. At the same time, companies must maintain strategic flexibility in order to be able to react to unforeseeable events - such as the Russia-Ukraine war, the COVID-19 pandemic, natural disasters and supply bottlenecks - while simultaneously tapping into new markets and products.

In this dynamic environment, sustainability and compliance are becoming increasingly important and existing management systems need to be adapted. A crucial component of this is the development of a compliance culture that is anchored at all levels of the company. Ensuring compliance is not only desirable, but essential, as it is the key to success in the future business world. Companies without sufficient compliance run the risk of not only failing to meet regulatory requirements, but also negatively impacting their competitiveness in the long term.”

- Schoeller Compliance Team



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