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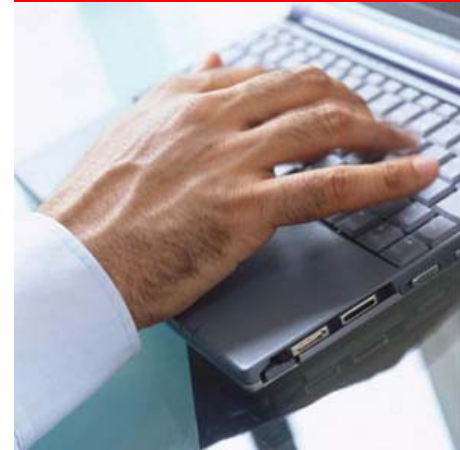
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**Lessons from Sarbanes-Oxley: Building Sustainable Compliance Processes for Financial Integrity**

Stephanie Holmeen, Product Marketing Director, GRC Applications  
Russell Stohr, Director, GRC Strategy

# Agenda

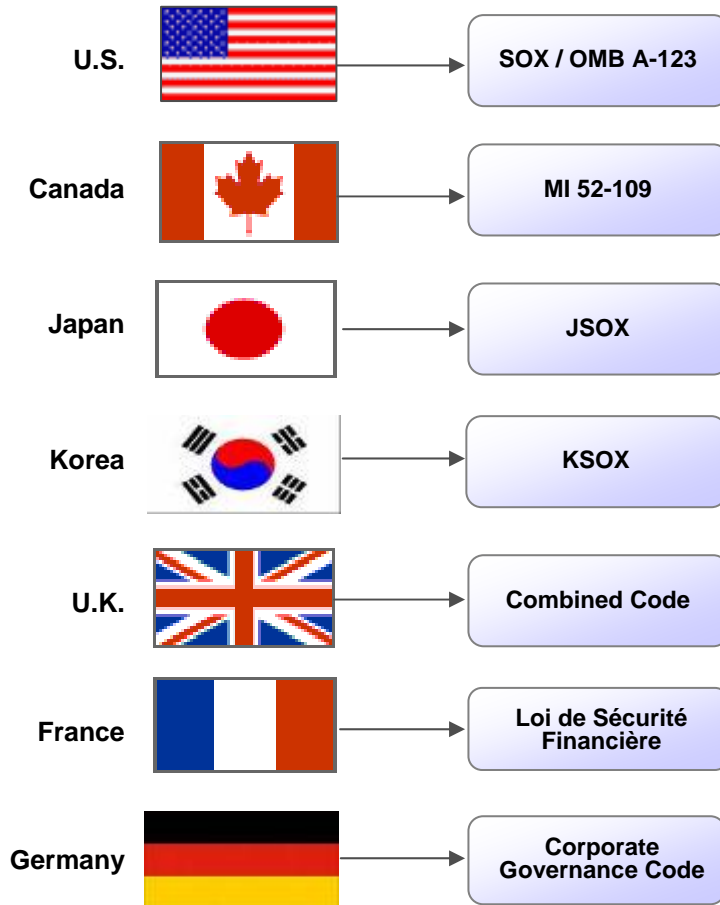
- Business Challenges
- Oracle's Leadership in GRC
- Oracle Solutions for GRC
- Case In Point



# Financial Compliance in a Flat World

Controls over financial reporting part of doing business

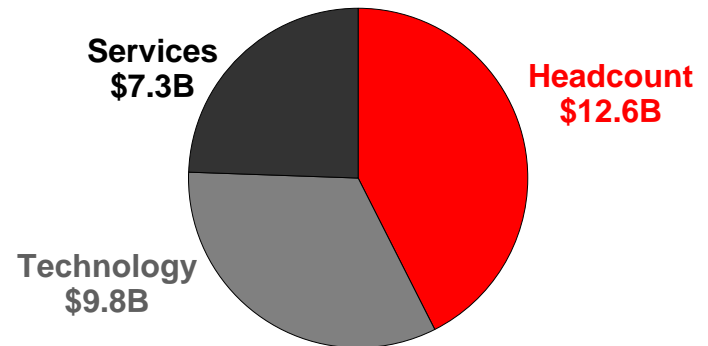
## Global Mandates



## Global Consequences

### Unabated Spending

GRC spending will reach \$30 B in 2007, an increase of 8.5% over 2006.



Source: AMR Research, Feb 2007

### Rapid CFO Turnover

A global survey of 741 CFOs blames increasing job turnover partially on the tedium of meeting regulatory demands.

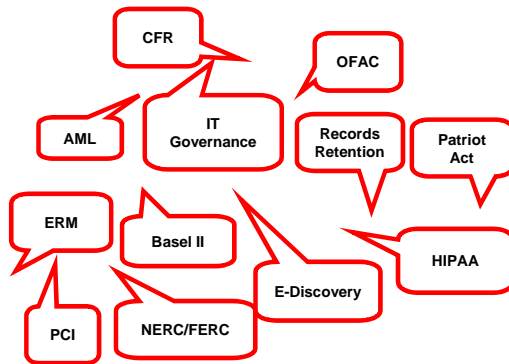
Source: Duke University, CFO Magazine Business Outlook, March 2007

# Financial Compliance is Only the First Step

Pressure mounts to fortify financial compliance foundation

1

## Regulations Go Beyond Financial Reporting



Increasing number of regulations pose challenge to sustainable GRC

2

## Vulnerability to Information Breaches

The New York Times

LINK BY LINK

### An Ominous Milestone: 100 Million Data Leaks

By [TOM ZELLER Jr.](#)

ON Thursday, Kevin Poulsen, senior editor for Wired News, noted in his blog ([blog.wired.com/27bstroke6/](http://blog.wired.com/27bstroke6/)), a milestone in the number of records that have been compromised in data breaches since the [ChoicePoint](#) breach nearly two years ago:

Growing recognition that information breaches stem from inside the organization

3

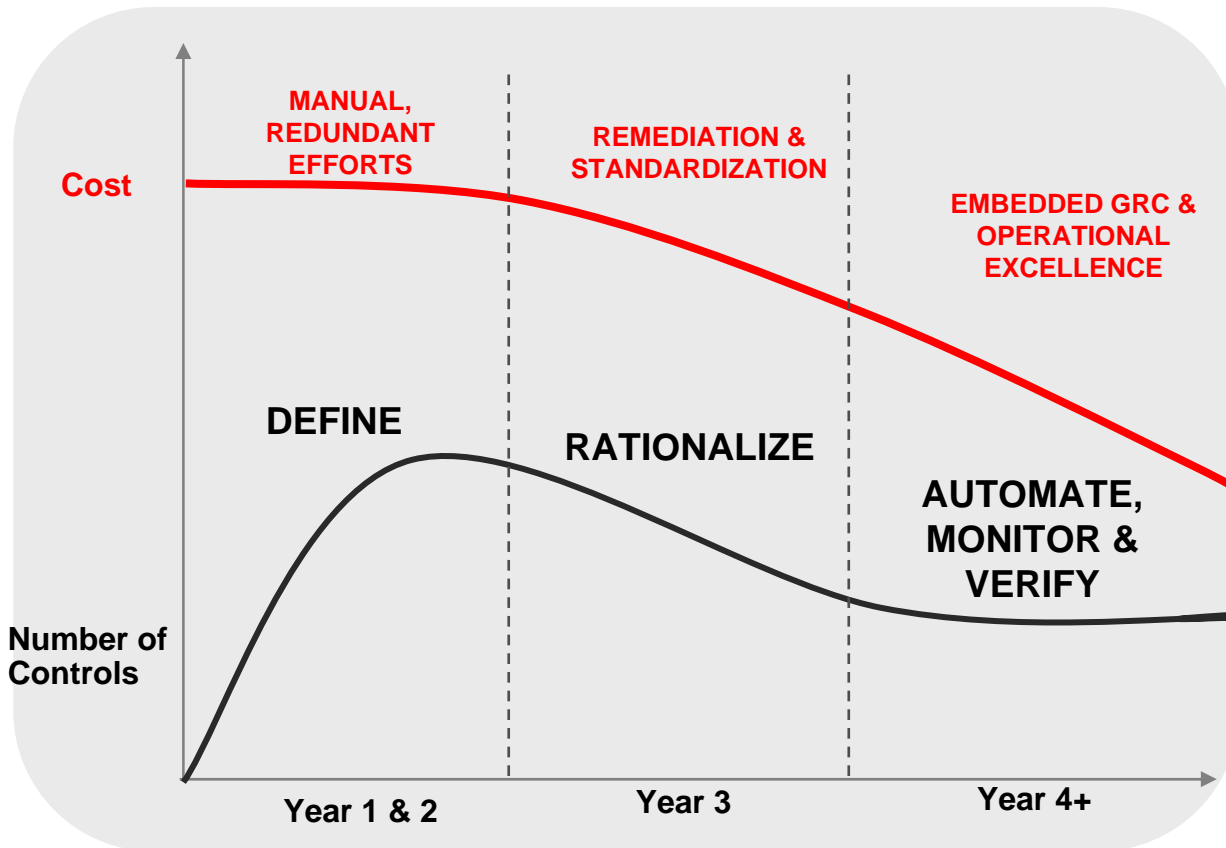
## Real-Time Public Exposure of Misdeeds



Instantaneous media communication increases risk of reputational damage

# Practical Lessons from Sarbanes-Oxley

Most organizations progress through maturity curve



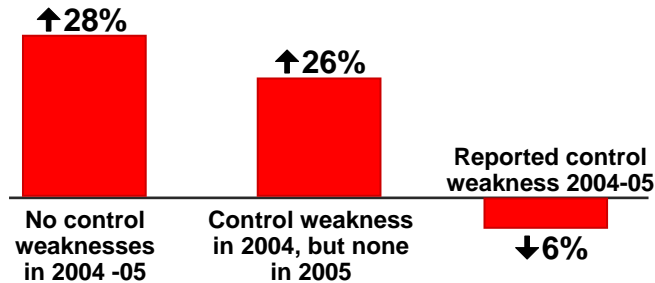
## New AS5 Guidance:

- **Top-down risk-based** approach
- **Tailor audit** to specific company profile
- External auditors can **use work of others** as evidence

# Good GRC is Good Business

Executives seek returns from GRC investment

## Share-price performance of companies complying with SOX rules



Source: Lord & Benoit, 2006

## Price of control deficiency for \$1 billion company



\$10 million in higher cost of equity capital

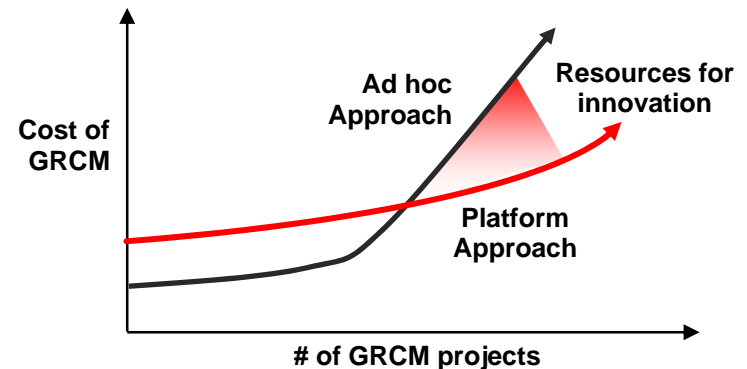
Source: University of Wisconsin, 2006

## Savings on legal liability avoidance from GRC investment



Source: General Counsel Roundtable, 2006

## Opportunity cost of siloed GRC





# Oracle's Leadership in GRC



# What Customers Are Saying

“

***Oracle Governance, Risk, and Compliance Manager enables us to distribute Sarbanes-Oxley activities to employees across Unum, helping us become more efficient which in turn allows us to recognize a compliance return on investment .”***

*-- Danny Waxenberg, AVP for Internal Controls, Unum*

“

***Using LogicalApps software to secure sensitive data across our trading partners, we're seeing much more efficient operations. Things that used to take 3 or 4 days are now taking place in 10 minutes.”***

*-- Claude Zamboni, Director of IT, Powerwave*

“

***We recently rolled out GRC Manager, which will allow us to more cost-effectively and efficiently meet the intense requirements of this financial compliance mandate in 2007 and beyond. The system continually proves its value and is now key to the future success of our company.”***

*-- Robert Lieberman, Senior Vice President & CIO, Centro Properties,*

# What Industry Analysts Are Saying

The input from Oracle's customer council has driven the launch of a next-generation Oracle GRC platform that has a strong core of content management and analytics, and the acquisition of Stellant considerably beefs up this platform.

*Kathleen Wilhide, IDC 2007*

Companies will continue to expand automation with continuous controls monitoring software to save money and quickly identify problems before they become even bigger headaches. Oracle's LogicalApps acquisition is a natural extension of its GRC strategy,

*John Hagerty, AMR 2007*

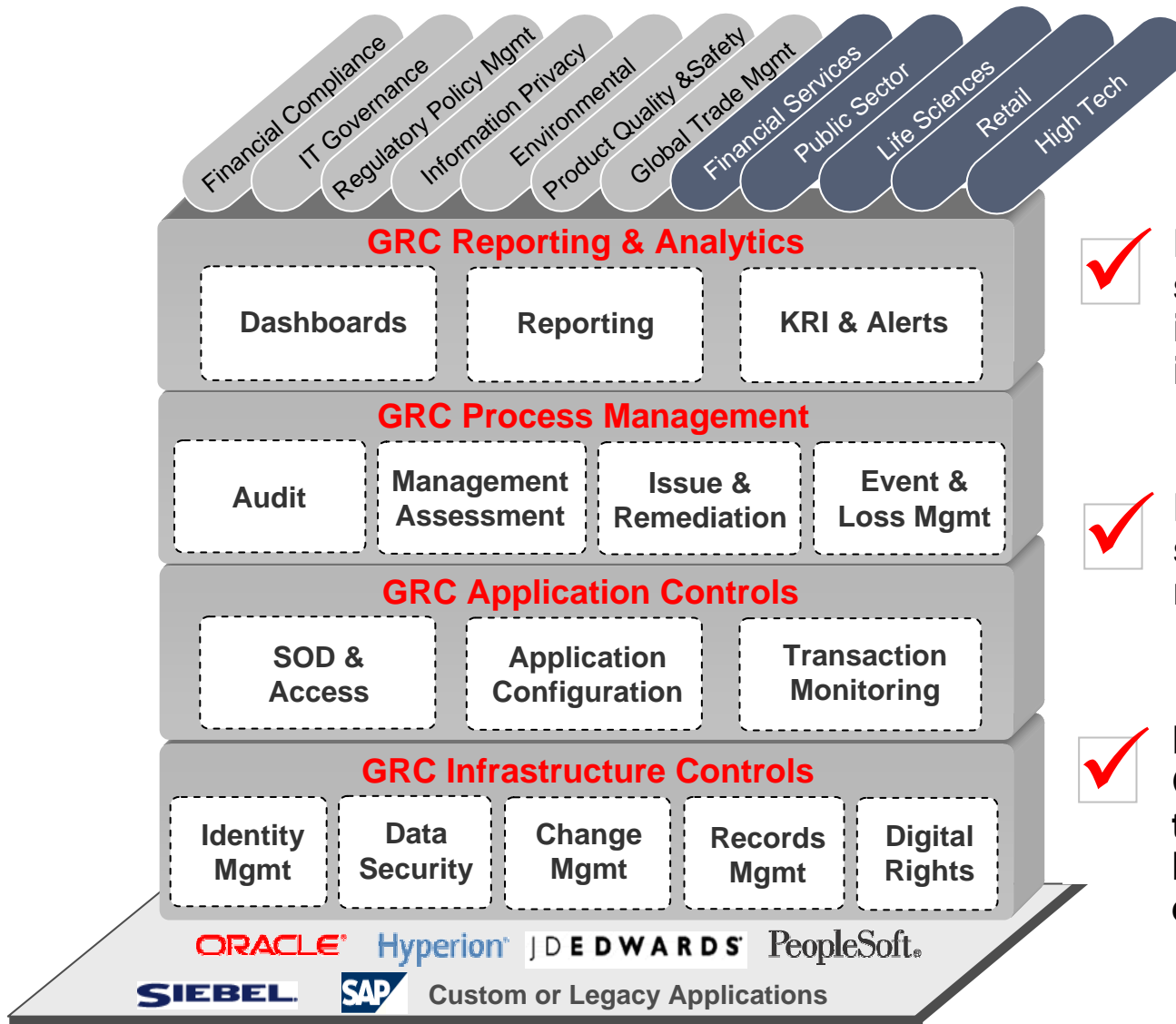
Oracle is also well positioned to be the core of GRC in a heterogeneous business application and technology environment.

*Michael Rasmussen, Forrester 2007*

# Oracle Solutions for GRC



# Oracle Solutions for GRC



✓ Purpose-built business solutions for key industries and GRC initiatives

✓ Best-in-class GRC core solutions to support all mandates and regulations

✓ Pre-integrated with Oracle applications and technology, supports heterogeneous environments

# Oracle GRC Reporting & Analytics

- Financial Compliance
- IT Governance
- Regulatory Policy Mgmt
- Information Privacy
- Environmental
- Product Quality & Safety
- Global Trade Mgmt
- Financial Services
- Public Sector
- Life Sciences
- Retail
- High Tech

## GRC Reporting & Analytics

Dashboards

Reporting

KRI & Alerts

## GRC Process Management

Audit

Management Assessment

Issue & Remediation

Event & Loss Mgmt

## GRC Application Controls

SOD & Access

Application Configuration

Transaction Monitoring

## GRC Infrastructure Controls

Identity Mgmt

Data Security

Change Mgmt

Records Mgmt

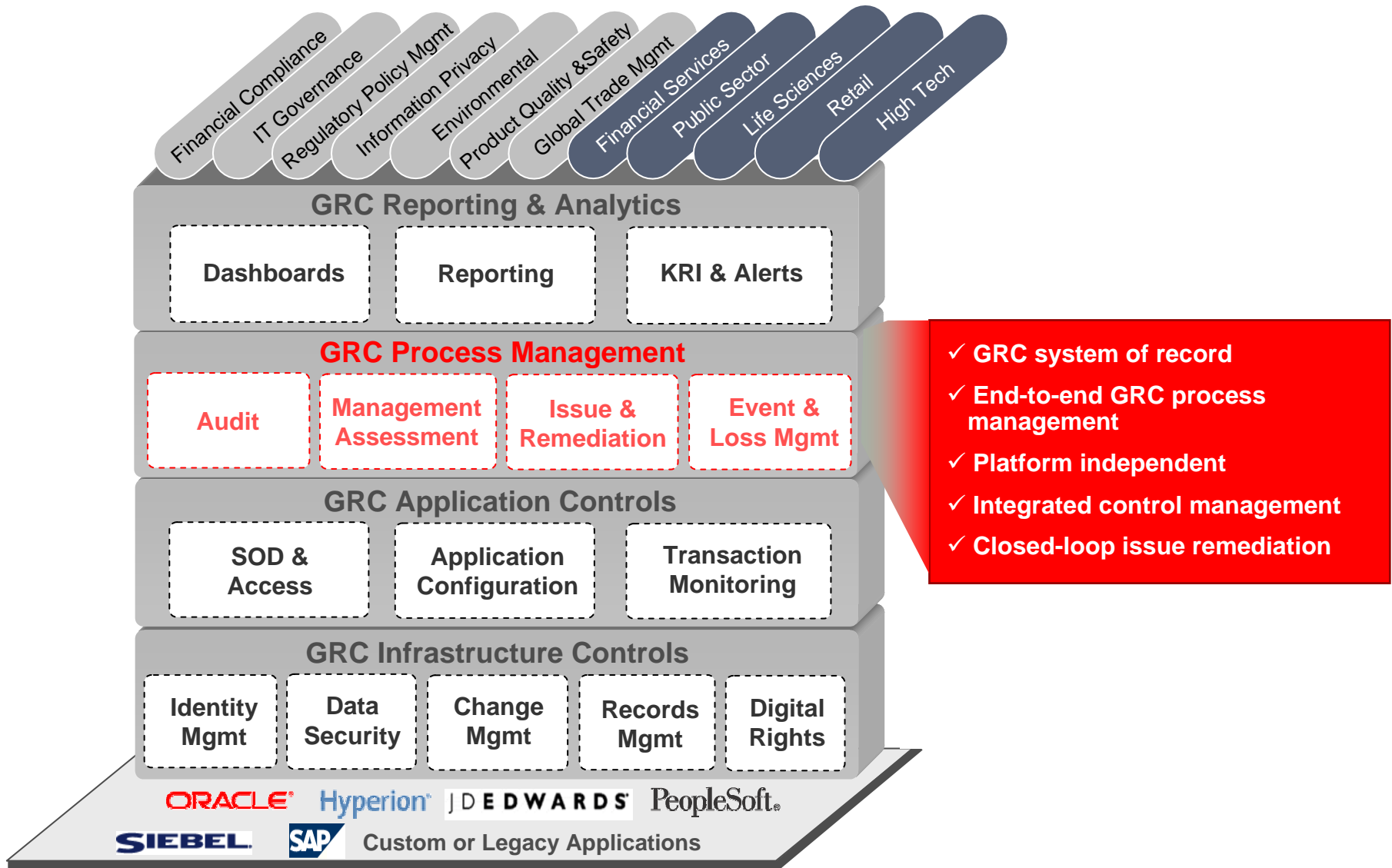
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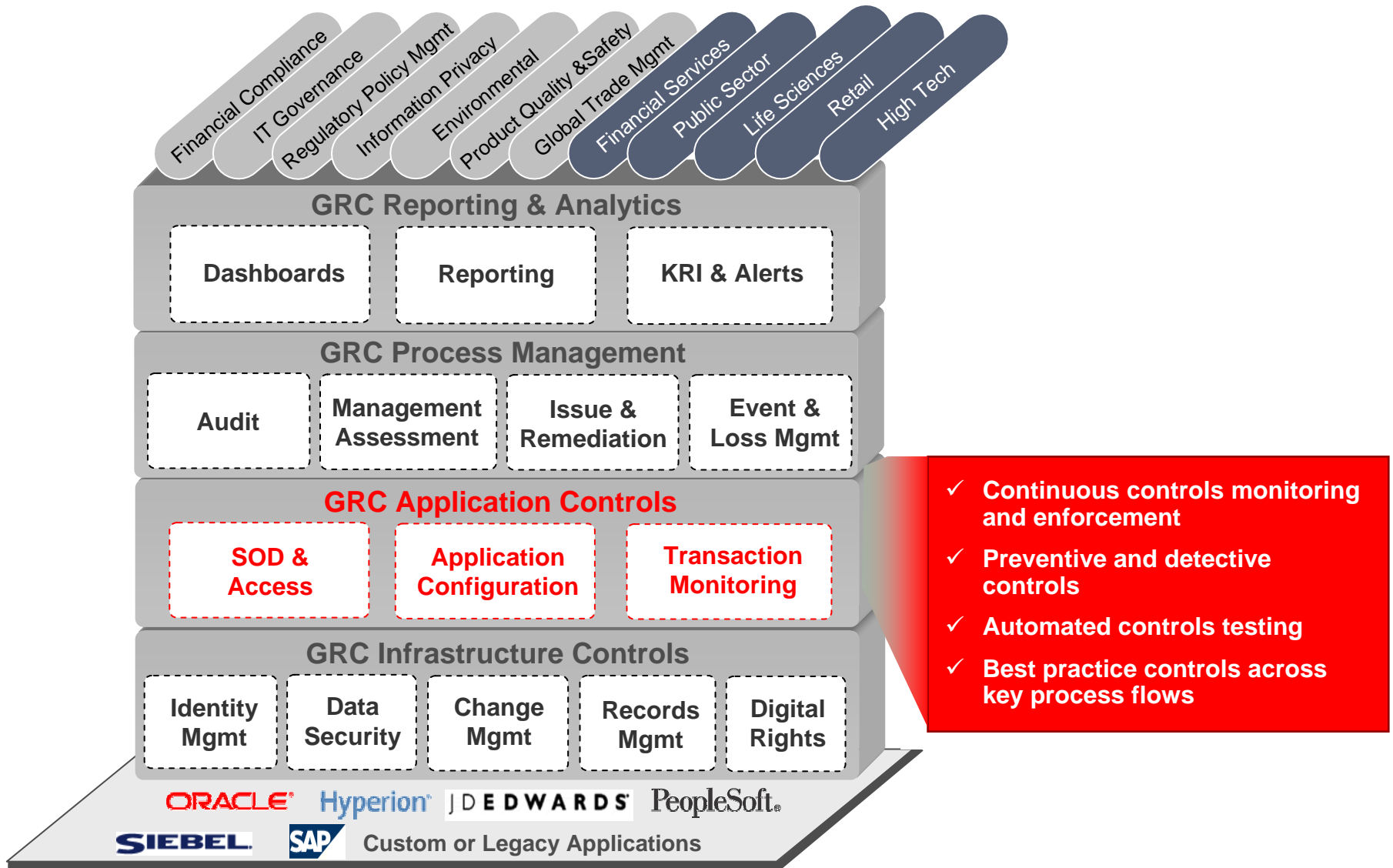
SIEBEL SAP Custom or Legacy Applications

- ✓ Pre-built dashboards aggregate information from all sources
- ✓ Combine performance & GRC information
- ✓ Respond to KRI and issues
- ✓ Produce attestations and disclosures
- ✓ Configure to meet your specific needs

# Oracle GRC Process Management

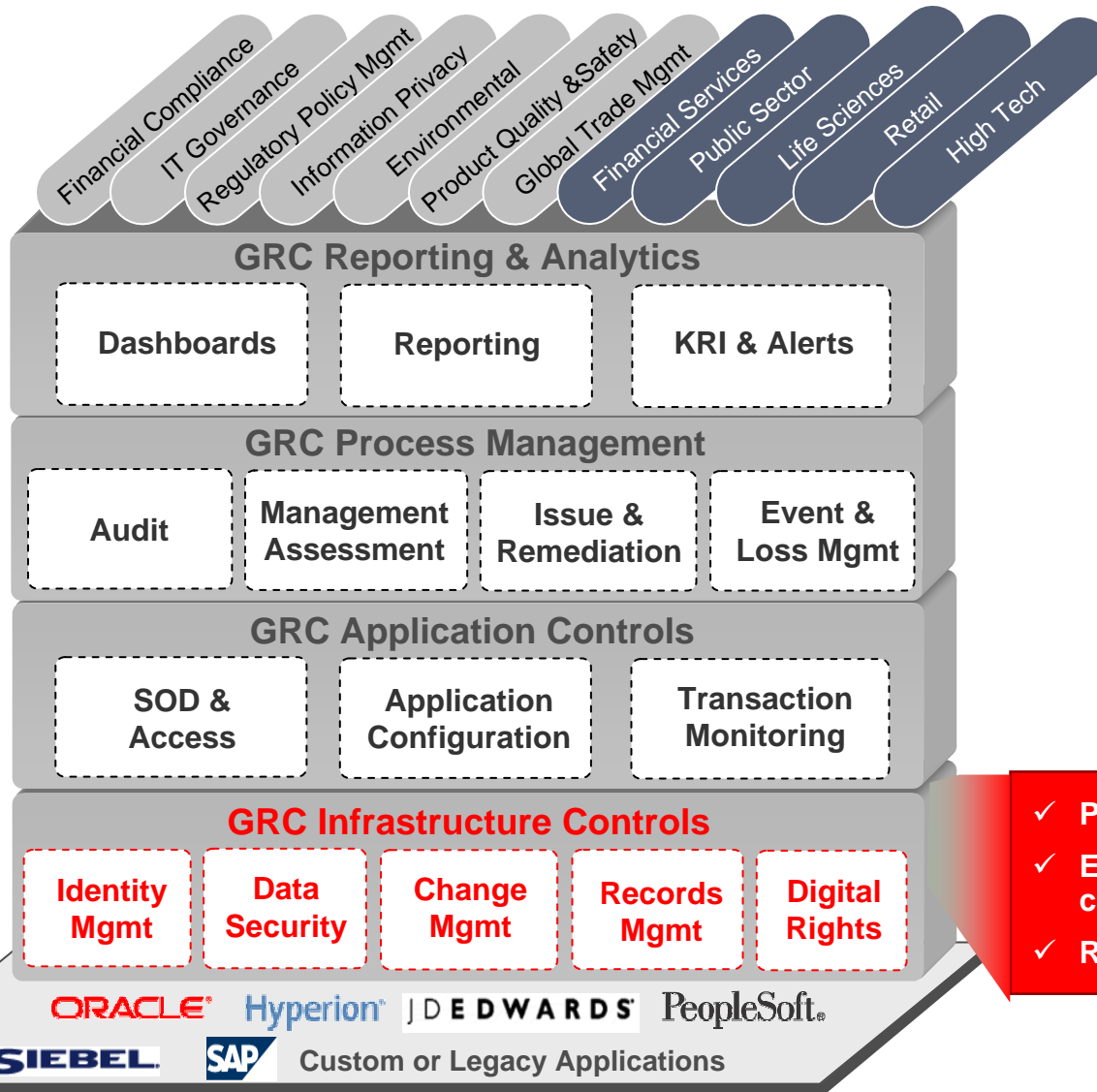


# Oracle GRC Application Controls





# Oracle GRC Infrastructure Controls



- ✓ Protect sensitive data
- ✓ Enforce configurations and change management
- ✓ Reduce risk of legal liability

# Case In Point



# Oracle Governance, Risk, and Compliance

Simplify GRC and Reduce Costs

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Safeguard Brand and Reputation


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Run Your Business Better and Prove It

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[oracle.com/grc](https://oracle.com/grc)

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