

COMPLIANCE OFFICER — BETWEEN INVESTIGATION AND AWARENESS-RAISING



Michael Wanke is the person at Bugatti who is in charge of compliance and employee integrity.

Comply with all laws and guidelines — and follow the voluntary codes, too. What sounds obvious is sometimes easy to lose sight of in everyday working life. To prevent this from happening, compliance rules apply in companies — as is also the case with the Bugatti brand, founded in 1909. These rules ensure that all employees comply with both legal and voluntary guidelines. For two years, Michael Wanke has been responsible for this task at Bugatti in his position as Chief Compliance and Integrity Officer. “It might sound rather dry, but in fact it’s an exciting challenge. We openly address errors — even where it’s inconvenient,” says Wanke, a fully qualified lawyer. A brand with such a long history and outstanding products has to do its very best in all areas.

The Alsace-based manufacturer of luxury cars recognised early on that it needed to raise employee awareness in some areas in order to ensure ongoing improvement. Besides corruption, this also concerns the environmental and energy sector. "Compliance is often portrayed as something that gets in the way of business. But in fact the opposite is the case. By complying with all laws, the company is moving in the right direction in the long term, creating trust among suppliers, customers and employees. It's simply better to do business with an honest partner," says Michael Wanke. But it is challenging for the entire company to be vigilant and act correctly at all times, he adds. At Bugatti, compliance is just as important as technology, development, production, marketing and sales — a key component of brand strategy.

COMPLIANCE SPECIALIST WANKE

Michael Wanke's passion for compliance began at an early age. He studied law in Greifswald, completed his legal clerkship in Düsseldorf and began his career there as a compliance officer with a corporate and investment bank. After seven years, he moved to Frankfurt to further hone his skills as a compliance officer in an international setting, working for a major bank. In 2017, Wanke moved to the Volkswagen Group, where his tasks included implementing a new global whistleblowing management system. The following year he took up his new position with Bugatti.

A brand that is special to him. "Bugatti is small and exclusive, the vehicles are largely hand-built and lead the way in the areas of design, performance, quality and luxury. This is the benchmark for employees in everything they do," he says. He'll never forget his first ride in a Bugatti Chiron¹: "I couldn't have imagined the extraordinary acceleration and braking power of a Chiron — it was an incredible feeling. And yet I was also pleasantly impressed by its suitability for everyday use in town. The Chiron is light-footed quiet, and easy to drive," says Michael Wanke.

Since 2019, he has reported directly to Anja Utermark, Head of Human Resources, Compliance and Legal Affairs at Bugatti. He also regularly attends the Comité de Direction — Bugatti board meetings. "This reflects the significance of Michael Wanke's work: it's also an important source of first-hand information for him on key decisions and enables him to provide his input," says Utermark. The Comité de Direction analyses the status quo of the company's activities and works to carry the brand's heritage into the future. It is very important to Bugatti President Stephan Winkelmann for all employees to behave in accordance with the rules.

FOCUS ON PREVENTION

Compliance rules are an insurance policy designed to protect the company and its employees. "Where people work, mistakes happen. We reduce the risks involved by means of comprehensive prevention. If mistakes do happen, we correct them immediately. In addition, new findings are constantly fed into our improvement concept," explains Michael Wanke. Intentional errors are the exception: as a lawyer, Michael Wanke knows no mercy in this case, and charges are pressed. "I see myself as a consultant who helps employees maintain an awareness of risks even in difficult times so as to ensure business deals are secure," he says. He regularly travels from Wolfsburg to Molsheim and talks to employees on site. A new employee in Molsheim joined the team in September.

His work is focused on internal investigation and training. Every new employee receives face-to-face induction on the compliance rules, which also involves being made aware of potential risks — this includes everyone from interns to board members. All employees are required to sign a code of conduct, too. This is followed by at least two online training courses and a final test. Employees in finance and sales receive in-depth training. This covers the applicable regulations on the protection of human rights and children's rights, product conformity and safety, environmental protection and conflicts of interest. "The principles of conduct are a summary of what is self-evident for us at Bugatti. We operate based on the rule of law, regulations and principles of conduct," explains Michael Wanke. Bugatti stands for integrity, fairness and sincerity in its dealings with employees, suppliers and customers. Training courses for business partners and suppliers will be completed by the end of 2020.

In addition to the legal regulations, Wanke gives training sessions and lectures on ethical behaviour. The aim is to raise awareness among employees and suppliers of the need to do the right thing by acting according to their own conscience, inner values and ideals. An action can potentially be unethical and reprehensible even if it does not conflict with the law.

Bugatti uses the same compliance infrastructure as the Volkswagen Group: a 24/7 hotline along with an encrypted and anonymous online reporting channel. "It's important to me for employees to be able to report anonymously so they can't be disadvantaged. What is more, every employee can contact their supervisor, the works council, the HR department or myself," explains Wanke. From the management level upwards, there is an obligation to report serious infringements such as corruption, money laundering or environmental violations. If a manager fails to report such an incident, they are committing a serious violation themselves and face prosecution.

What Wanke enjoys most in his work is the training since this brings him into direct contact with his colleagues. "This is where I can convey the most knowledge and get direct feedback. It allows us to swiftly establish trust among the workforce," explains Wanke. This is then often consolidated in compliance consultations. "Employees approach me with specific questions about how I assess a situation. We then get together to look for a solution," says Wanke.

He finds this a fascinating task — compliance is not static, but a dynamic, learning system, he says. "We have to constantly question what we do and learn from our experience and mistakes," says Anja Utermark. Bugatti owes this not only to its customers, she says, but also to its over 110-year-old tradition.