

Compliance & Risk

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- UK property funds suffer over Brexit fears, p.17
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HSBC commits to keeping HQ in London despite Brexit

Douglas Flint, Chairman of HSBC, has reassured the City of London by saying that the EU referendum result would not prompt a review of the bank's headquarters. Mr Flint said that the decision the bank took in February 2016 to retain its base in London would not be revisited as a result of the outcome of the referendum.

At the same time, John McFarlane, Chairman of Barclays and lobby group TheCityUK, talked up the prospects for financial services in the UK saying, "I do think this will be the time zone's

financial centre and will have a major concentration of European securities traded and European clients dealing here, and that will continue."

Before the referendum, Morgan Stanley had warned that 1,000 of its London jobs could be moved, while JPMorgan had said it could shift 4,000 of its 16,000 staff out of the UK.

Doubts have been cast over the UK as a base for global banks following the vote to leave the EU amid concern that banks could lose their ability to "passport" services across

the continent. If the ability to passport services is lost, then it is feared that many jobs could be moved out of the UK, with a number of banks citing Paris as their preferred European location.

However, Mr Flint also gave a vote of confidence to the City by defending London's position as the global centre for foreign exchange. He made the point that London remains "the foreign exchange trading capital of currencies that have nothing to do with Europe . . . the major trading currency in

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KPMG resigns as auditor of FIFA as corruption investigation continues

In June 2016, KPMG Switzerland, a Swiss legal entity that is part of KPMG's global network of independent firms, confirmed its resignation as auditor of the Fédération Internationale de Football Association ('FIFA'). According to the *Financial Times*, the corporate services company, which has audited FIFA since 1999, had concluded that the new leadership of world football's governing body

was not serious about reform in the wake of a devastating corruption investigation.

The resignation was tendered on 9 June 2016 with immediate effect, but due to "ongoing fiduciary duties to FIFA" KPMG was unable to comment on the reasons behind the decision.

Last year, the US Department of Justice indicted more than two

dozen top FIFA executives on corruption charges, whilst US law firm Quinn Emanuel has been conducting an internal investigation on FIFA's behalf into alleged widespread corruption at the organisation. Swiss authorities have joined what is described as the most serious corruption investigation in the history of the world football governing body by

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