



ROUNDTABLE RECAP: November 14, 2019 Hosted by General Motors

Participating Companies

APTIV, PLC

Blue Cross Blue Shields of Michigan

CNA

Cooper-Standard Holdings, Inc.

Deere & Company

FCA Group

General Motors

Gentherm

Lear Corporation

Nissan

Stryker Corporation

Topic 1: Barbara Hubbard, Manager, Training and Communications, General Motors led a discussion on GM's Compliance Training Architecture Journey

Key Points and Best Practices Included:

- GM's 7 Cultural behaviors, part of GM's recognition program
- GM's training is focused on getting the employees to "do the right thing"
- Ask the CEO questions – employees can ask the CEO questions in advance
- Working closely with HR and testing the employees on their learning
 - Focusing on measuring what "the employees know"
- Focusing on case studies "real life scenarios"
- Live training sessions on different topics:
 - such as harassments, lobbying policies;
 - working with IT to focus on individuals who regularly click on phishing emails
- Focusing on "what every employee needs to know"
- Three-year planning, training and course updates to avoid repetitive courses
- Consistent training, user-friendly experience
- Corporate required training for all sales employees
- GM's Risk-Based Training Program Architecture
 - High Risk (Risk Management)
 - Situational Risk (Avoidance and Mitigation)
 - Specific Risks (Goals: Understand the rules, policy, application, risk identification)
 - General Company Risk (Basic understanding & awareness of values, rules, duties)
- GM's Four Design Principles for Compliance Training
 - Trust
 - Respect
 - Accountability
 - Ease of use

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- GM's Tiered Curriculum Reduces Time Spent on Training:
 - Life training events for specific audiences
 - Online and SME delivered live training
 - Online training, repeated every 2-3 years as part of required training
 - Annual required training for all employees
- GM's training classes combined are 4-5 hours per employee annually, translated into 8 languages
- GM conducts an annual course survey, welcoming employee feedback on their training program

Related BELA Resources:

Training & Communication Practices: Resources and Examples from the BELA Center of Excellence

<https://bela.ethisphere.com/centers-of-excellence/training-and-communication-practices/>

Topic 2: Mike Keegan, FCA Chief Audit Sustainability and Compliance Officer led a discussion on Compliance across Regions and Cultures.

Key Points and Best Practices Included:

- FCA group deeply respects the local culture and utilizes a decentralized structure to govern and implement the ethics and compliance program globally. This drives operationalization of the program and ownership of risk at the business unit, and geographic location, level.
- FCA recently completed an inventory on “who does what” in terms of ethics and compliance within the company
 - After completion, it became clear which group owned their respective functions
- Ethics & Compliance Committees E&CCs
 - 4 committees, each one with their own individual charter
 - Ethics & Compliance Committees in EMEA, Latin America
 - Ethics & Committees are responsible for FCA Group's Compliance program in addition to the functioning of the Ethics Helpline
- Regional E&CC Composition
 - Each committee has 4 members who control four areas: Audit, Legal, Human Resources, Finance
- HR is responsible for investigations in North America
- In other countries, Internal Audit is responsible for investigations
- FCA shared E&CC committee role in managing compliance risks.

Related BELA Resources:

E&C Updates – Audit Committee

<https://bela.ethisphere.com/wp-content/uploads/Nokia-E-C-Audit-Comm-Sample-Deck-2017.pdf>

Board Engagement and Edification resources

<https://bela.ethisphere.com/centers-of-excellence/board-engagement-and-edification/>

Topic 3: Michele Kryszak Abraham, Director, Ethics & Compliance at Cooper Standard share her organizations roadmap – for implementing a comprehensive approach that incorporates ethics and compliance, enterprise risk management, and sustainability into the company’s overall business strategy. This strategy is designed to breakdown silos, promote faster growth and reduce risk.

The discussion began with Cooper-Standard’s journey towards integrated strategic risk management by gathering information, design and implementing an integrated Strategic ERM process.

Corporate Social Responsibility (CSR) refers to a corporation’s initiatives to evaluate and accept responsibility for their effect on all stakeholders. CSR initiatives include policies, procedures and practices that relate to the employee, supplier, customer and society

Environmental, Social and Governance (ESG) refers to the behaviors of a socially responsible company, the criteria used to evaluate a company’s commitment to CSR. Materiality assessment is used to inform sustainability reporting and communication strategies.

Enterprise Risk Management (ERM) is the process of planning, organizing, leading and controlling the activities of an organization in order to minimize the effects of risk on an organization capital and earning. ERM includes financial, strategic and operational risks.

Federal Sentencing Guidelines (FSG) is one of many standards by which ethics and compliance programs are measured; includes requirement to inventory, assess and manage risks

Cooper-Standard’s prior approach to Risk Management: traditional “siloes and independent workflows”, working to move to an updated approach of “Integrated, Strategic workflow”

ERM process objectives: Strategic Risk Management, connecting enterprise risk management process with strategic planning and corporate responsibility initiatives to ensure the sustainability of the enterprise

Conducting a risk Inventory by identifying “risk response levels”: Accept, Reduce, Avoid and Transfer

Focusing on identifying and monitoring Key Risk Indicators for the highest priority risks, identify KRI’s in addition to historical KPI’s

Gain an understanding of root cause analysis and intermediate (preceding) or lagging (soon after) events

The discussion ended around the benefits of having an Integrated Strategic ERM

Related BELA Resources:

BELA Roundtable – Risk Assessment Best Practices <https://bela.ethisphere.com/wp-content/uploads/Northwell-Health-Risk-Assessment-Presentation.pdf>

Northwell Health Corporate Compliance Risk Assessment Guide <https://bela.ethisphere.com/wp-content/uploads/Northwell-Health-Sample-SemiAnnual-Risk-Assessment-Summary-Report-Template.pdf>

ROUNDTABLE RECAP:

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Northwell Health Risk Assessment Methodology Processes and Templates <https://bela.ethisphere.com/northwell-risk/>

For additional guidance on the resources available to the BELA through the Member Hub, please contact:

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