INDIA'S UNIFIED FORCE DURING AN ERA OF DISRUPTION

HOW CULTURE-DRIVEN BRANDS ARE LEADING INDIA THROUGH THE CRISIS OF OUR TIME

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SPECIAL EDITION // 2020

In partnership with the BELA South Asia Chapter

BUSINESS ETHICS
LEADERSHIP
ALLIANCE
SOUTH ASIA

CII

Confederation of Indian Industry
125 Years - Since 1895

Our Mission Statement

The Ethisphere® Institute is the global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust and business success. We have a deep expertise in measuring and defining core ethics standards using data-driven insights that help companies enhance corporate character. Ethisphere believes integrity and transparency impact the public trust and the bottom line of any organization. Ethisphere honors superior achievements in these areas with its annual recognition of The World's Most Ethical Companies®, and facilitates the Business Ethics Leadership Alliance (BELA), an international community of industry professionals committed to influencing business leaders and advancing business ethics as an essential element of company performance. Ethisphere publishes *Ethisphere Magazine* and hosts ethics summits worldwide.

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government and civil society, through advisory and consultative processes.

For 125 years, CII has been working on shaping India's development journey and, this year, more than ever before, it will continue to proactively transform Indian industry's engagement in national development.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, with about 9100 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 288 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

With the Theme for 2020-21 as *Building India for a New World: Lives, Livelihood, Growth*, CII will work with Government and industry to bring back growth to the economy and mitigate the enormous human cost of the pandemic by protecting jobs and livelihoods.

With 68 offices, including 9 Centres of Excellence, in India, and 9 overseas offices in Australia, China, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 394 counterpart organizations in 133 countries, CII serves as a reference point for Indian industry and the international business community.

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Founded by the Ethisphere Institute, the Business Ethics Leadership Alliance (BELA) is a globally recognized organization of leading companies collaborating together to share best practices in governance, risk management, compliance, and ethics. Become an enterprise member of BELA and you and your team can engage with senior legal, ethics, and compliance leaders from 60+ industries in over 300 companies worldwide. Be part of a community that shares best practices and expertise. Gain access to exclusive data, benchmarking, and opportunities to showcase your program.

BUSINESS ETHICS LEADERSHIP ALLIANCE

To Request Guest Access, contact

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SPEAKING UP

PURPOSE-DRIVEN COMPANIES OPERATING AS A UNIFIED FORCE

Dear Readers,

Over the past few months, it seems the world itself turned upside down. Everything changed. But the one thing that hasn't changed is our commitment to the well-being and safety of our communities. Even as the pandemic impacted businesses and millions of lives around the world, Uber continued to stand in solidarity with authorities and supported them to help contain the spread of CO-VID-19. While these are undoubtedly difficult times, they also provide us an opportunity to steer the resilient ship of life with the assistance of a moral and ethical compass.

During the lockdown, we urged our riders to stay at home and only #MoveWhatMatters. We launched multiple services for supporting the community and created earning opportunities for drivers. These included **UberMedic** to transport healthcare workers, **UberEssential** to facilitate essential travel, a delivery service to transport daily provisions to households, and **Uber Connect** to deliver packages. Uber also pledged free rides worth $800,000 to the National Health Authority of India and various state governments to help transport our frontline healthcare workers and warriors. All our UberMedic cars were equipped with a roof-to-floor plastic sheeting enclosing the driver partner's seat, thereby acting as a protective barrier between riders and driver partners.

Our collective actions have made it clear that we can overcome and win this war if we operate as a unified force. It has given us a newfound, renewed appreciation of the inherent good in all of us and has led the business community, right from the corner grocery store to the Fortune 500 giants, to assess our culture and habits. At Uber, we have never drifted from our long-term commitment to act ethically, even under the most trying circumstances—and thanks to our continued partnerships with organizations like Ethisphere, we see more business organizations and CEOs realising the sustainable value of purpose-driven business outcomes.

As India begins easing its lockdown, we want to emerge from this pandemic stronger than ever, not only from a business perspective, but as an example of a company that did its part. As we resume operation across 70+ cities, we understand we have a responsibility to ensure the safety of our riders, our drivers, and the community at large. We've allocated $50 million globally to purchase safety supplies like masks, gloves, hand sanitiser, disinfectant sprays, and shower caps. We have already instituted a comprehensive set of safety measures, such as the Go Online Checklist, a mandatory mask policy for both riders and drivers, pre-trip mask verification selfies for drivers, mandatory driver education, and an updated cancellation policy allowing both riders and drivers to cancel trips if they don't feel safe.

When I was asked to pen this letter for Ethisphere's BELA South Asia Magazine and serve as guest editor, I was excited at the opportunity to share the need to build a more long-term ethical business ecosystem. Ethisphere's data shows that companies who are assets to their communities do better business. As Ethisphere Chief Executive Officer Tim Erblich rightly said, "We see the hard work done by leading companies to take on some of society's most pressing issues, and this approach not only promotes stronger companies and communities, it also boosts the bottom line—this is smart business."

This edition of Ethisphere's BELA South Asia Magazine is comprised of an array of interesting and informative articles from a diverse set of company leaders across India, including Mr. Anand Kripalu, Managing Director and Chief Executive Officer of **Diageo India**; Mr. Chandrajit Banerjee, Director General of the **Confederation of Indian Industry**; Ms. Piya Haldar, Director of Compliance, **Honeywell**; Mr. Tabrez Ahmad, Group Director, Government Affairs, and Ms. Diana Philip, Senior Advisor-Government Relations, **Dell**; **EY's Forensic & Integrity Services** leaders: Mr. Arpinder Singh, Partner and Head – India and Emerging Markets and Yogen Vaidya, Partner; and much more.

At the risk of sounding overly sanguine during these troubled times, I say, "A rising tide lifts all boats." It is the responsibility of purpose-driven companies like us to add a sense of calm and security, which we can do by simply caring and adhering to our cultural values and principles. It is during challenging times like these that people need more than ever the security of knowing that the businesses they rely on can—well and truly—always be relied on to do the right thing. They want to be reminded that there is a tide that will lift them. It is our job—and duty—to make sure we don't let them down.

Sincerely,

Pradeep Parameswaran
Regional General Manager, APAC, Uber

VASUDHAIVA KUTUMBAKAM: THE BELA SOUTH ASIA COMMUNITY IS LEADING TODAY TO PRESERVE TOMORROW

Stepping up in crisis doesn't build character— it reveals it

Written by Aarti Maharaj, Managing Director, BELA South Asia and Asia Pacific

The Sanskrit saying "Vasudhaiva Kutumbakam" means that the whole world is one family. More than ever, we are seeing this philosophy illuminated among our Business Ethics Leadership Alliance South Asia Chapter and around the world, where leaders continue to collectively think, act, and support each other during times of disruption.

Coronavirus has jolted financial markets and impacted business operations around the world. India, the second most populous country on the planet, is no exception. Engaged in one of the world's largest lockdowns, India—known for its rich and diverse culture, historic landmarks such as the Taj Mahal, the Hindi film industry, Bollywood, and colorful celebrations and festivals—continues to weather the worst of this pandemic. In the midst of it all, we are seeing the business community working together, innovating, and taking action to make the world a better place— as are the leaders of the BELA South Asia Chapter.

In India, the BELA South Asia Chapter Founding Member companies came together after the "Janata curfew" and pivoted to a virtual setting to host the latest series of roundtables. Of course, no one knew if it would work out, but adjustments were made, people remained safe, and the results are now in. In an unexpected (but welcomed) consequence, the virtual setting enabled us to expand our audience beyond the local region while including speakers and participants from markets across India, who joined the discussions and shared their valuable insights on preparedness and navigating a global pandemic. In the end, we reached more people while the virtual events, which took place over a two-week period during the height of the lockdown, further underscored the commitment of Chapter members.

At the virtual roundtable, leaders from **Accenture**, **Mahindra**, **Pfizer**, and **Tata Steel** explained that while the pandemic has become a major disruptor to everyday lives, it does present the opportunity for companies to recalibrate and change employees' mindset as they adjust to a remote work environment. Through training, ongoing communications, and the use of new technologies, companies in India can continue to drive a culture of integrity and forge a new path forward, whether in the office or at home.

BELA South Asia Chapter: Three-Year Anniversary

The BELA South Asia community, at its core, is about promoting integrity through shared experiences, enabling businesses to thrive and transform because of the challenges that ethics and compliance leaders overcome each day.

It is hard to believe, but it has already been three years since we launched the BELA South Asia Chapter in India. In 2017,

when our partners at the **Confederation of Indian Industr**y and Founding Member companies joined us in New Delhi to launch this chapter of BELA, we knew there were great opportunities ahead for supporting ethics and integrity across the business community. And we couldn't ask for better organizations to work alongside in furthering those goals.

Yet 2020, as a global pandemic delivered a crushing force to mankind, a new level of leadership was required. Businesses did not have an established playbook to deal with something of this magnitude, and yet they responded with an uncommon level of compassion and vigilance. So often we hear that businesses need to "lead by example," and while facing unprecedented headwinds, the business and compliance leaders representing BELA South Asia did just that. They continue to help employees by providing access to medicine and treatments and take a wide range of other actions that can make a difference.

Throughout this magazine, companies such as **JLL**, **TATA Steel**, **Arthur J. Gallagher**, **Dun & Bradstreet**, and **GE** explain how they continue to help the communities where they serve. These are not small endeavors, so it takes leadership, dedication, resources, and a strong sense of purpose to achieve success. As Uber's Pradeep Parameswaran stated in his Editor's Note for this publication, "It is the responsibility of purpose-driven companies to add a sense of calm and security, which we can do by simply caring and adhering to our cultural values and principles. It is during challenging times like these that people need more than ever the security of knowing that the businesses they rely on can always be relied on to do the right thing."

Member-driven roundtables, tools and resources

Earlier this year, a BELA South Asia working group was established to address supply chain integrity issues. The group guided efforts to launch a customizable Supplier Toolkit to help companies navigate the intricate web of supplier risk management and share leading practices to drive integrity. The toolkit includes sample policies, data, case studies, and thought leadership that leaders may use to make informed decisions. In fact, I urge readers to see Ethisphere Executive Vice President Erica Salmon Byrne's article on third-party risk management, with timely insights and data from the 2020 World's Most Ethical Companies data set.

Over the past year, Founding Member companies gathered in intimate settings in Delhi, Kolkata, Bangalore, and Mumbai to set the direction of the chapter and address issues that challenge business

integrity. The second annual South Asia Ethics Summit was hosted by **Infosys** at their headquarters in Bangalore. This event brought together over 100 ethics and compliance leaders and business executives from across India who engaged in candid and interactive discussions.

And as a testament to the work of the Chapter, we have developed a suite of resources on our BELA South Asia Member Hub to cultivate and inspire an exchange of ideas and continuous commitment to ethics and compliance programs. For example, BELA members came together to launch the first-of-its-kind Prevention of Sexual Harassment (PoSH) Best Practices research report, which takes a closer look at communications, training, and retaliation around PoSH compliance. The community also launched the India Business Case Deck that highlights the importance of embracing ethics and good governance as a competitive business advantage.

Looking Ahead and Preparing for 2021

American President Abraham Lincoln once said, "Give me six hours to chop down a tree, and I will spend the first four sharpening the axe." There is a lesson in this axiom that rings true today. This moment of unprecedented instability continues to impact us, but we must remain vigilant. We must continue to plan for that "next" thing, whatever it may be—because preparation and execution are what have gotten us this far.

So, keeping in the COVID-19 frame of mind, we are currently working on our 2020-2021 data set on cybersecurity and data protection for remote workers. This project will be guided by working group members from **Intel**, **Honeywell**, **Dr. Reddy's** and more. While we hope to return to our cadence of in-person meetings, for this year, we have acclimated to a virtual setting for our roundtables and events such as the annual South Asia Ethics Summit. In fact, as noted, we have seen more engagement and momentum from the community and more willingness to learn from each other.

These are times that require action, and India's business landscape, led by BELA member companies, are serving as the tip of the leadership spear. These organizations are shining examples of why ethics matter. Today is about intersecting community and purpose to preserve tomorrow, and when tomorrow comes, we will have a story to share—why who we are matters—above and beyond the products and services we offer.

We hope that the reflections and shared perspectives of more than 30 companies in this year's magazine inspire others to continue acting ethically, even under the most trying circumstances. From profile

Through training, ongoing communications, and the use of new technologies, companies in India can continue to drive a culture of integrity and forge a new path forward, whether in the office or at home.

interviews to in-depth contributed articles, this year's magazine shines a light on how companies are having a positive impact across the country, and why India continues to secure its spot on the world stage as an attractive place to conduct business.

As circumstances have brought people of all ethnicities, backgrounds, and cultures more closely into focus for each other, there can be no doubt that the world is, indeed: one family—comprised of businesses, cultures, and people joined by common goals and common experiences shared through a pandemic. It has taught us to not surrender the unity that has risen from crisis and tragedy and that we should continue to forge forward, aligned in our desire to make the world a better place—thus staying true to the philosophy of Vasudhaiva Kutumbakam!

Author Biography

Aarti Maharaj is the Managing Director of Ethisphere's Business Ethics Leadership Alliance South Asia and Asia Pacific Chapters. She is responsible for steering the development of these Chapters, which have become Ethisphere's key conduit to engaging with companies interested in improving business integrity across India and Asia Pacific. She previously led communications for the ethics and compliance department at a Fortune 500 engineering company and served as the editor of various industry publications.

ETHICAL LEADERSHIP AT DIAGEO INDIA: WINNING THE RIGHT WAY

The government will use big data for the prevention and control of diseases

Written by Anand Kripalu, Managing Director & Chief Executive Officer, Diageo India

In 2013, I was approached to lead the integrated businesses of United Spirits Ltd. (USL) and Diageo in India. While I knew it would be a great opportunity to lead a key market for a renowned global spirits company, I faced a dilemma. Would I be making a mistake by joining an industry that did not enjoy a good reputation?
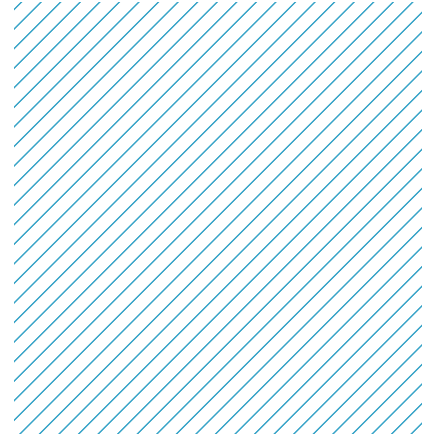
As I mulled over it, I analyzed what this opportunity presented. Diageo was a great company with world-famous brands. The category in India had low per capita consumption and penetration. Incomes were growing so there was scope for not just volume growth, but even higher value growth. Importantly, the attitudinal barriers towards alcohol were breaking down – in the society at large but critically amongst women. As such, it seemed like one of the most exciting opportunities in the larger consumer goods space. Here was a possibility to not just participate in growth, but to lead the industry and transform its reputation. A chance to create and leave a legacy. So, I took the plunge!

Growing with compliance

We started our journey in 2014 with the objective of transforming, in every sense, our business in India from the erstwhile United Spirits to Diageo. We radically overhauled the business – from brands to sales, cost to productivity, systems and processes to ways of working, as well as talent and culture. Simultaneously, we undertook major steps on how we do business by ensuring the highest levels of compliance and governance. Further, we embarked on a journey of becoming a good corporate citizen by looking at ways to support communities through our CSR programme. We also evolved the nature of our engagement with the government through fact-based dialogue for a win-win-win outcome – for the states and society as well as industry.

Compliance in itself is not easy. At times, it means losing business. The challenge is to be compliant and keep the business moving. Doing one of these two is easy. Growing the business profitably while being fully compliant is the bedrock of ethical leadership.

Nurturing the right behaviour

'Doing the right thing' is the credo followed by every employee in Diageo

India. Compliance is embedded in our business processes and control mechanisms; this raises governance standards and nurtures the right attitude and behavior. Every employee undergoes compliance training annually to understand our Code of Business Conduct. All new employees are mandatorily required to complete the training of the Code within 30 days of joining the company. Our Code of Conduct is comprehensive and covers areas including bribery and corruption, gifting, entertainment, money laundering, and sexual harassment.

Our employees are trusted to act not only in Diageo's interest, but also in society's best interest. As such, they are also expected to be ambassadors of responsible drinking, promoting moderation. To that end, we partner with governments and NGOs to curb the misuse of alcohol, to reduce excessive drinking, drunk-driving, and underage consumption.

Building the industry's reputation

Diageo India has played an important role in transforming the image of the beverage alcohol industry in India. This can be attributed to a number of factors – the high standards of governance and transparency and the integrity and professionalism of the new crop of leaders. Importantly, enhanced gender diversity with a third of the top 50 leaders being women has helped alter the image from that of being a 'man's industry'.

The policy environment for the alcohol industry has steadily improved in recent years. State governments today recognize the contribution of the industry to state revenues and employment and the cross-linkages with allied sectors such as hospitality, tourism, and agriculture. Senior state government officials across states now consult the industry before taking policy decisions. The industry has also been partnering with the Food Safety and Standards Association of India on many projects.

Partnering India's development

What makes Diageo India stand out is our commitment to be part of India's efforts to contribute to the welfare of its people and environment.

Our flagship Diageo Road Safety programme has reached out to 33 million people. We collaborated with government institutions to train more than 6,000 commercial vehicle drivers and 6,100 traffic police personnel.

Diageo helped increase the capacity of water bodies through desilting and repair of ponds in Alwar, Rajasthan. The watershed management projects in

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Diageo's Commitment to Shaping the Strategic and Tactical Direction of the BELA South Asia Chapter

As India's business ethics environment continues to mature, it stands to reason that the world will take notice, earning India elevated stature as a trusted region where international business and trade can flourish as a direct result of high standards of integrity. With the support of BELA South Asia and the Founding Members, Ethisphere continues to be a proud partner in each of these efforts and the influence that this community has in making a difference each day. Here are some highlights of Diageo's contributions to the community.

August 2019
Diageo India hosted the third BELA South Asia Roundtable in Mumbai in 2019, where company executives, including Mr.Anand Kripalu, Managing Director & Chief Executive Officer, shared their insights on integrity and ethical leadership.

September 2019
Mr. Anand Kripalu provided the opening remarks at the second annual South Asia Ethics Summit, hosted by Infosys in September 2019. During his remarks, Mr. Kripalu focused on why integrity remains an important part of how companies do business across India.

Bhopal have helped farmers store around 35,000 cubic meters of water. We also set up water ATMs to help 45,000 villagers in water-starved areas of Nagpur.

Another initiative that we are proud of is our collaboration with a local NGO in Alwar that has trained women to manufacture and market low-price sanitary napkins, thereby improving menstrual health while generating additional income.

Our single-minded pursuit of sustainability has helped the company achieve its 2020 targets a year ahead. These include significant reduction in water consumption and a steep increase in use of renewable energy.

Winning the right way

People often tell you that the cost of compliance is high. Imagine the cost of non-compliance!

We have seen big companies like Enron, BP, VW, and Satyam falter and fail because of non-compliance. You really have no choice in today's world other than to be a good corporate citizen.

For companies to become institutions, they need to stand the test of time. They have to be built brick by brick. There is

no short cut. Businesses need to look beyond profits and create shared value for all stakeholders, on the foundations of ethics and compliance.

Compliance is doing the right thing. For me, compliance is also about conscience. "Conscience is a man's compass," said Vincent Van Gogh. I have a loud and strong inner voice that guides me and holds me back.

Author Biography

As Managing Director & CEO, **Anand Kripalu** is leading USL's transformational journey. Anand has a Bachelor's Degree in Electronics from the Indian Institute of Technology, Madras, and an MBA from the Indian Institute of Management, Kolkata, and has completed the Advanced Management Programme from Wharton Business School. He was formerly President, India and South Asia, at Mondelez International and Managing Director of Cadbury India, and he worked at Hindustan Unilever for 22 years. He is a board member at IIM, Jammu, and was on the board of Marico Ltd. He was also the Chairman of CIABC (Confederation of Indian Alcoholic Beverage Companies).

NEW REPORT: THIRD-PARTY RISK MANAGEMENT PRACTICES OF THE 2020 WORLD'S MOST ETHICAL COMPANIES®

The data suggests that due diligence continues to expand beyond traditional areas

Written by Erica Salmon Byrne, Chair of the Business Ethics Leadership Alliance

The COVID-19 outbreak has disrupted and decimated the global supply chain, leading to a renewed focus on sourcing from developing countries such as India. While research suggests that India stands to gain from this new wave of supply chain re-construction, a myriad of potential risks continue to threaten the business landscape.

In fact, between India and surrounding countries such as Pakistan, Nepal, and Bangladesh, companies are increasingly sharing the limelight as issues relating to supplier risk management extend beyond fraud and corruption to fire safety, building integrity, and worker health and wellness. While the majority of companies in the South Asia region are good and upstanding corporate citizens, the increased focus from public and regulatory groups in the U.S. and Europe are having an impact half way across the world.

There are many instances where misconduct by a company's key supplier has resulted in major disasters, unwanted scandal, and even criminal proceedings. At the 2019 BELA South Asia Ethics Summit, members of the community discussed and shared best practices related to regular monitoring and data privacy. One member mentioned, "What determines success are the processes and procedures in place to deal with risks, whether known or unknown."

The truth is, suppliers are fighting for business, and the competition around the world can be fierce—and will likely be more so in a post-COVID business ecosystem. In reaching for the prize, some may cut corners. Others might neglect ethics; some are just dishonest and others are simply caught up in a situation at no fault of their own. Either way, their shortcomings, real or perceived, can have a significant negative impact on the companies who choose them as a partner. And conversely, those companies who build their capacity for doing business the right way – and use that to attract partners – have an opportunity to thrive.

In some cases, they bring local knowledge and contacts. For others, they are critical members of the supply chains. However, statistically speaking, these partners can also be a source of risk for many companies. Case in point: more than 90 percent of all US Foreign Corrupt Practices Act enforcement actions in the last 40 years have been related to some form of third-party misconduct. Companies in India and other foreign countries who partner with multinationals should heed this data, as they will find themselves under scrutiny in a region where companies will cut ties at the first sign of trouble, rather than see their reputations tarnished. Extreme diligence regarding ethics is recommended.

Given the rising importance of third parties, Ethisphere has devoted volume two of its Worlds Most Ethical Companies Insights Report series to best practices for managing these key relationships.

Titled "Third-Party Risk Management," the report draws on a robust data set generated from the World's Most Ethical Companies honorees and closely ex-

By the Numbers: Insights from the 2020 World's Most Ethical Companies Data

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FIVE-YEAR ETHICS PREMIUM: 13.5%

Performance of the listed 2020 Honorees as compared to the
Large Cap Index from January 2015 to January 2020

● **2020 ETHX**
● **LARGE CAP INDEX**

January 2015 — January 2020

One of the advantages of the fact that the World's Most Ethical Companies® list has existed now for fourteen years is that we can track trends and changes over time. Slowly in our questionnaire results, we can see which experiments became leading practices, and subsequently became widespread or even necessary for any self-respecting company committed to operating in an ethical manner.

Unsurprisingly, the topline remains the same: the companies on the World's Most Ethical Companies list this year outperformed the U.S. Large Cap Index by 13.5 percent over a five-year period. Good ethics are good business. This year, the honorees have pointed the way on an interesting array of corporate best practices and behaviors. We will focus on what the data is telling us about a few key trends, some of which are still nascent and others which have now become absolutely indispensable for ethical companies.

amines risk throughout the lifecycle of a third-party relationship, from selecting and onboarding third parties to maintaining and managing the relationship. Here are a few of the key highlights:

- **Due Diligence:** Due diligence has expanded far beyond traditional areas like ownership information and a third party's ethics and compliance track record. A substantial majority of honorees now look at data security practices, policy documentation, human rights, and environmental performance.

- **Contracts and Codes:** While many honorees do include in their contracts the expectation that third parties will meet certain ethics and compliance standards (86 percent) and require third parties to uphold a supplier code of conduct (90 percent), nearly a third of honorees do not translate their supplier codes of conduct into the appropriate languages—which could present a major obstacle and create unnecessary misunderstandings for international third parties.

- **Monitoring:** Nine out of ten honorees report that they perform formal, risk-based audits of third parties, and a third utilize a "scorecard" that includes ethics and compliance criteria in their evaluation of third parties.

The report also includes detail about how honorees communicate with their third parties about the importance of compliance and ethics, with a special focus on how they incorporate sustainability and social responsibility concerns.

With the broad spectrum of risks that third parties can create, it's more important than ever to be sure that these organizations understand the importance of ethics and compliance and truly represent your organization's values.

Spotlight

India: Model Supplier Toolkit
Business Ethics Leadership Alliance South Asia
Membership Resource

May 2020

Driving Supplier Integrity in South Asia

*Under the guidance of leaders from the BELA South Asia community—including **Diageo India, Dun & Bradstreet, Boeing,** and **3M**—and an independent group of leaders from EY, Cisco, Genpact, and Avaya, this toolkit was created with the idea that it can be used and shared with suppliers who can incorporate the ideas presented here into their operations.*

Whether you choose to use it off the shelf, customize the language with your own branding, or embed relevant content into your existing policies, as you see fit, we welcome you to use the information and data provided in this toolkit.

The continued collaboration through the BELA South Asia community enables the development of practical resources where peer insights and examples, combined with Ethisphere data and research, support your compliance program advancements.

👤 Author Biography

Erica Salmon Byrne is Executive Vice President and Chair of Ethisphere's Business Ethics Leadership Alliance, where she has the responsibility for the organization's data and services business and works with Ethisphere's community of clients to assess ethics and compliance programs and promote best practices across industries. As the Chair of the Business Ethics Leadership Alliance; she works with the BELA community to advance the dialogue around ethics and governance, and deliver practical guidance to ethics and compliance practitioners around the globe.

CII: 2020 GUIDELINES ON INTEGRITY AND TRANSPARENCY IN GOVERNANCE AND RESPONSIBLE CODE OF CONDUCT

CII shared that Indian companies, banks and financial institutions can no longer afford to ignore better corporate practices

Written by Chandrajit Banerjee, Director General, Confederation of Indian Industry (CII)

Earlier this year, the Confederation of Indian Industry released guidelines on Integrity and Transparency in Governance and Responsible Code of Conduct. Here is an introductory message of the report from Chandrajit Banerjee, Director General, CII.
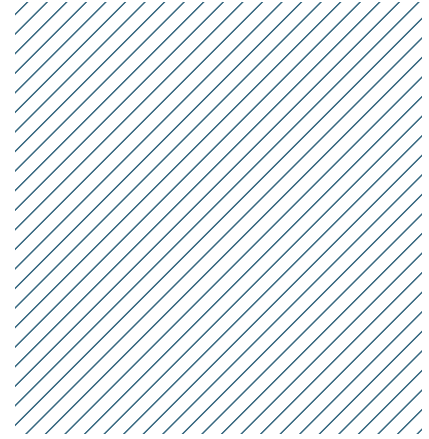
In February, 2020, the Confederation of Indian Industry released guidelines on Integrity and Transparency in Governance and Responsible Code of Conduct. This initiative by CII flowed from public concerns regarding the protection of investor interest, especially the small investor; the promotion of transparency within business and industry; the need to move towards international standards in terms of disclosure of information by the corporate sector, and through all of this, to develop a high level of public confidence in business and industry.

The CII Code was subsequently incorporated in SEBI's Kumar Mangalam Birla Committee Report and thereafter in Clause 49 of the Equity Listing Agreement.

CII also set up a Task Force under Ambassador Naresh Chandra in February 2009 to recommend ways of further improving corporate governance standards and practices both in true letter and spirit. The Task Force Report enumerated a set of voluntary recommendations ("CII Corporate Governance Recommendations for Voluntary Adoption") with an objective to establish higher standards of probity and corporate governance in the country.

Since then, and keeping pace with the global governance standards, the regulatory landscape in the country has evolved. The Ministry of Corporate Affairs (MCA) also came out with the "Corporate Governance Voluntary Guidelines" in 2009. In March 2012, MCA constituted an expert committee under the Chairmanship of the then CII President Mr. Adi Godrej, and its report formed the base for enhancing governance standards in the country.

The Report of the Committee on Corporate Governance (under the leadership of Mr. Uday Kotak) was released in October 2017 by SEBI, and proposed a slew of suggestions to help Indian industry adhere to better corporate governance, compliance, and disclosures practices.

At CII, we feel that given the constant evolution of global practices, business and corporate actions and behaviour, a Code of Corporate Governance cannot be static. It must be reviewed in time to keep pace with the changing regulatory scenario. We feel this is time again for CII to review the earlier Desirable Corporate Governance Code 1998 and recommend updated CII Guidelines on Integrity and Transparency in Governance and Responsible Code of Conduct for sustained trust for industry.

The Voluntary Guidelines would serve as the base for corporates (large and small, listed and unlisted) to redesign their governance strategies in the face of the ever-changing business and regulatory environment. These Guidelines are a combination of global practices, existing legal provisions, good-to-have principles, regulatory policy suggestions, and forward-looking concepts – aimed at enhancing the overall governance standards of companies in India by encouraging voluntary adherence to the Guidelines, in letter and in spirit.

👤 Author Biography

Chandrajit Banerjee *is the Director General of the Confederation of Indian Industry (CII). Mr Banerjee has been with the CII for more than three decades and has been the Director General, CII since 2008. Mr Banerjee is a Post-Graduate (MS) in Economics with specialisation on Economics of Planning and Econometrics from the University of Calcutta. Earlier, he did his Graduation from St. Xavier's College (Calcutta) in Economics (Hons). As Director General, he is responsible for overall operations of CII. Prior to his appointment as Director General, he held several senior positions in CII. More about Mr. Banerjee can be found on CII.*

The Confederation of Indian Industry *(CII) works to create and sustain an environment conducive to the development of India, partnering industry, government, and civil society, through advisory and consultative processes. For 125 years, CII has been working on shaping India's development journey and, this year, more than ever before, it will continue to proactively transform Indian industry's engagement in national development. CII is a non-government, not-for-profit, industry-led, and industry-managed organization, with about 9100 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 288 national and regional sectoral industry bodies. For more, visit: www.cii.in*

Recommendations on Driving Integrity and Transparency

Here are excerpts from the guidelines on *Integrity and Transparency in Governance and Responsible Code of Conduct.*

Recommendations

1. Integrity, Ethics and Governance Ethics, integrity and corporate governance practices have shifted as mainstream business considerations about competitive advantage and financial performance. The implications of this shift and its evolving application will be of fundamental importance - not just to the adopting corporate but also to the future of national development and global economic integration. The top management, the corporate environment, culture and values within which governance occurs, is the most important factor contributing to the integrity of the process. Consequently, one of the most important factors in ensuring that a Board functions effectively, is getting the right leadership of the corporation. The tone at the top translates and permeates into every relationship of a corporation, whether it is the relationship with investors, employees, customers, suppliers, regulators, local communities or with other constituents. If the leadership is not personally committed to high ethical standards, no amount of Board process or corporate compliance programs will serve their true purpose – as has been seen in many governance failures that took place over the last few years.

Recommendation 1: (a) The organisation will document its culture and values, including its commitment to integrity, fairness, honesty, transparency and ethical conduct; the organisation will periodically evaluate the policy document and update it in light of recent developments. This will be a priority for the Boards along with establishing a culture of responsibility synergised with accountability. Adherence to accountability mechanisms may be reviewed at regular intervals.

(b) The Board will also put in place a mechanism for the company's employees to understand and assimilate its culture. Such a mechanism can include video training modules and case studies embodying real life examples (where the employees will obtain self-certification on completion of training) as well as periodic training by experienced trainers/professionals that should be mandatory for employees to complete. Employees should be mandated to: (i) complete the training modules at the time of joining; and (ii) revisit the training modules or undertake refresher training (as may be defined by the organisation) at periodic, pre-defined intervals.

2. Responsible Governance and Citizenship

It is imperative to document, formalise and institutionalise commitment to ESG (environmental, social and governance) principles within organisations to ensure that a corporate fulfills its duty of being a responsible corporate citizen. Additionally, an important consideration here is for organisations to work in a transparent and ethical manner, putting in place clear policies and practices for zero tolerance for bribery and corruption, and take steps to curb any attempt to engage in money laundering involving or using the company's resources or assets. The legal responsibilities on corporates, their directors and their senior officials, have also increased pursuant to recent amendments to the Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002 – and the preventive steps taken by organisations (in terms of robust policies and practices and their complete implementation) would help mitigate risks for organisations, their directors and members of their senior management. As a part of the focus on restricting corrupt practices, policies and procedures should also be put in place to prevent anti-competitive practices, and (by organisations whose securities are listed) to prevent market manipulation and insider trading.

Download the full report at https://hubs.ly/H0rQJgj0
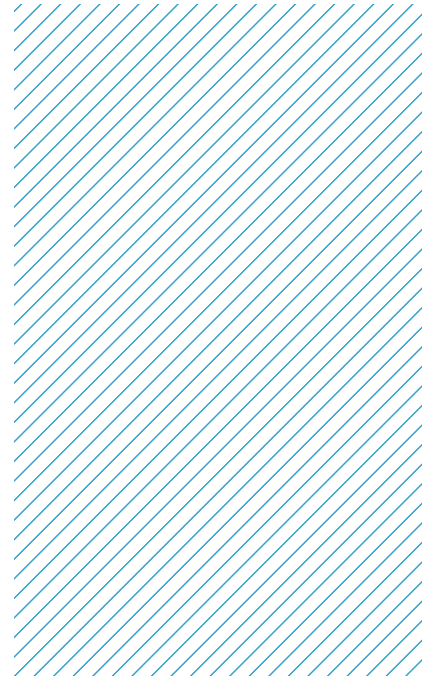
DUN & BRADSTREET CHIEF OPERATING OFFICER ON MANAGING AND ASSESSING COMPLIANCE RISK

A heightened risk of bribery, corruption and identity theft exists as "bad actors" seek to mitigate the economic fallout from the pandemic

Written by Julian Prower, Chief Operating Officer, International Chairman of the Board and Country Leader, Dun & Bradstreet India

The COVID-19 pandemic is unprecedented and has sparked an economic crisis like no other, engulfing businesses of all statures. As a result, the world economy could witness the biggest contraction in almost a century, and many companies are struggling to stay afloat. As the pandemic develops, the role of business leaders is also being elevated to new heights. Not only do they have to drive demand but also they must identify the 'bad actors' to protect their business and remain compliant.

Driving growth while managing compliance risk

Most businesses across the world are faced with a challenging balancing act, with increasing pressure to grow the topline while remaining compliant and delivering a strong bottom-line performance. For many companies, compliance has never been more complex, with information dispersed across multiple disparate sources. Navigating the unknown without trusted data and insights is likely to stifle growth potential and amplify compliance risk.

The pandemic has forced many businesses to re-engineer, redesign and restructure their supply chains and operations to remain viable, productive and healthy. Polls conducted during Dun & Bradstreet webinars reveal that nearly half of the businesses are looking to onboard alternative vendors. As a part of long-term supply chain resilience measures, several companies have expressed their intention to diversify production facilitates. These decisions increase exposure to third-party risk and the challenges associated with validating potential third-party business partners during the current government-enforced lockdowns. The digital age has

The pandemic has forced many businesses to re-engineer, re-design and restructure their supply chains and operations to remain viable, productive and healthy.

brought about new types of business-related fraud, and the 'bad actors' are smarter and adopting more creative ways to take advantage of companies big and small. Businesses that extend trade credit are at high risk of being victimized by these types of scams, and the resulting financial damages can be significant. According to the Association of Certified Fraud Examiners, business-to-business fraud costs US companies an estimated US$7 billion every year.

As more organizations go global, carrying out appropriate and adequate third-party due diligence becomes even more critical, considering the monetary and reputational costs of non-compliance with economic sanctions and anti-corruption and anti-money laundering laws. There is also a heightened risk of bribery, corruption and identity theft as 'bad actors' seek to mitigate the economic fallout from the pandemic. According to Dun & Bradstreet's High Risk and Fraud Insight (HRFI) team, identity theft traditionally increases after major natural disasters and national crises. Our current estimate indicates an overall 258 percent spike in business identity theft since the beginning of 2020.

'New Normal' for doing business

The Dun & Bradstreet Data Cloud—providing comprehensive data and information on more than 360 million total businesses—has enabled us to assess the potential risk and impact of the pandemic for ourselves and most importantly our clients. Our cloud-based compliance management tool, with deep, live business identity insight, has helped many of our clients during these trying times. Using robust firmographic, operational and financial data and checks against OFAC (Office of Foreign Assets Control), AML (Anti-Money Laundering), PeP (Politically Exposed Person) watchlists and other compliance sources, we have helped businesses to verify the legitimacy and compliance of their third parties when the possibility of physical checks was next to nil.

Businesses that will survive the impact of COVID-19 will be those who have adapted quickly to the new way of doing business and shown resilience in the face of adversity. We've seen a marked shift in our clients' approach to third party due diligence. Along with adapting to cloud-based platforms for screening, monitoring, and establishing the corporate linkages, we have observed a growing trend in accepting e-acknowledgement instead of e-signature as a temporary measure, depending on geo-tagging as an alternative to physical address verifications and complete adaptation to e-learnings or virtual training while onboarding new partners.

Maintaining an ethical culture in the era of uncertainty

As we moved to remote working, consistent communication from top management to the employees was crucial. Periodic reminders to employees on "Doing the Right Thing" is of paramount importance. At Dun & Bradstreet India, we have launched our proprietary "Doing the

According to Dun & Bradstreet's High Risk and Fraud Insight (HRFI) team, identity theft traditionally increases after major natural disasters and national crises.

It is a key priority for our leadership team to make certain all employees complete the training.

Right Thing Version 3" training to emphasize key areas of risk while reminding employees that ethical, compliance and people obligations continue in times of crisis. The message is driven from the top down, and the training is mandatory for all of our 650 employees across seven offices. It is a key priority for our leadership team to make certain all employees complete the training. We also believe it is of extreme importance during this time, when all interactions are virtual, to respect the criticality of regular reviewing of any employee and whistleblower complaints. Overlooking red flags that are brought directly to the company's attention is a sure recipe for disaster.

The pandemic has taught us to adapt to new ways of operating and managing our organization. Businesses who are agile and adapt to new ways of working will be those most likely to survive and even thrive beyond the crisis.

Author Biography

Julian Prower is Dun & Bradstreet's International Chief Operating Officer (COO), accountable for supporting the development and execution of the company's international strategy to accelerate growth across its owned, joint venture and partner markets. In addition, he serves as the chairman of the D&B UK and India boards, with a recent expansion of his responsibilities to include Managing Director for the Dun & Bradstreet India business. Mr. Prower joined D&B in 1985 as a member of the European Technology organization.
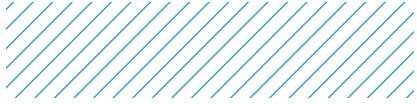
DATA PROTECTION AND ADJUSTING TO THE "NEW NORMAL"

The government will use big data for the prevention and control of diseases

Written by Anubhav Kapoor, Group Vice President, Cummins India

The novel Coronavirus (COVID-19) has affected almost every country in the world and on March 11, 2020, the World Health Organization declared COVID-19 a pandemic. With nations in lockdown to protect their people from the virus, businesses and commerce were put on hold. The wheels of economic growth were severely impacted and, in few cases, damaged beyond repair as nations continue to grapple with the pandemic. The human and economic toll of the outbreak has already eclipsed other major crises in recent times and may permanently impact the world. As if overnight and rightly so, the focus shifted to health, environment and social responsibility.

We now slowly brace ourselves to co-exist with COVID-19 (at least until the cure/vaccinations are found). On one hand businesses are faced with unforeseen risks of financial, manpower, demand, supply, and regulatory uncertainty, but on the other the need to stop the spread of COVID-19 and cure those who are affected. This continues to be the single most important goal for the government and public health authorities globally. Reopening does not seem to be an easy process and perhaps we may never be the same as we were in "pre-COVID" times, something that we now refer to as the "New Normal". For example, our work environments may be most affected as many employees may continue to work from home for extended periods of time. Enterprises have adopted technology, developed alternate processes, and some have also taken aggressive measures to manage cost and sustain their business. Social distancing norms, quarantine, virtual meetings, PPE kits etc. have become the order of the day in every space and subject of common parlance and everyday existence. Enterprises, governments, and public authorities across the globe are now engaged in the challenging and important work of identifying a path towards the "New Normal" and to get society back on track.

Data protection principles support information sharing on COVID-19

Employers are taking a wide range of actions to operate in the new normal. Today, it is of utmost importance that employers be mindful of protecting the data privacy of their employees and business contacts. The principles enshrined in several international and national instruments including Convention 108+ can only be derogated or restricted in a lawful manner. The good news is that data protection principles have the flexibility and allow the balancing of interests in different situations particularly in unprecedented situations like COVID-19. These principles are consistent and very much compatible and reconcilable with other fundamental rights and relevant public interests.

Data protection principles while reporting to public and government authorities

Data protection principles generally allow some exceptions and restrictions for safeguarding public interest and individuals' vital interests. The right to data protection does not prevent public and government authorities to share the list of health professionals, public health workers and officials (names and contact details) tasked with testing, health moni-

Enterprises have adopted technology, developed alternate processes, and some have also taken aggressive measures to manage cost and sustain their business.

toring, distribution of relief materials etc. As anonymised data is not covered by data protection requirements, the use of aggregate location information or apps to signal, track, trace, or to indicate movements of persons traveling away from a severely infected area or in terms of number of COVID-19 positive persons would also not be prevented by data protection requirements. Neither can the right to data protection suggest that it is incompatible with epidemiologic monitoring and reporting requirements. However, personal data collected for preventing or treating epidemic diseases cannot be used for any other purpose. No personal information that has been collected for such use can be made public without the consent of the data subjects, unless this is necessary for the prevention of an epidemic and the information is redacted or anonymized.

If businesses are required by law to disclose certain data to government or public authorities for public health reasons, they are invited to do so under strict compliance with thee law and with a clear understanding to return to "normal" processing (including permanent deletion) once the state of emergency regime is no longer applicable. We expect the government and public authorities to continue with the monitoring to safeguard our society. It is extremely important therefore that businesses take compliance seriously when disclosing such information to government and public authorities. When health and governmental authorities are communicating with the public, they should avoid the publication of publication of personal data related to specific individuals.

Privacy concerns for employers for Covid-19 preventive practices

In the new normal, employers may be required to follow and implement several measures or comply with standard operating procedures (SOP) for the public and their staff while maintaining their business activity. Employers may now have to process personal or sensitive data that they traditionally did not collect—such as health-related data. While doing so, employers should respect the principles of necessity, proportionality, and accountability and should also be guided by principles designed to minimise any risks that such processing might pose to employees' rights and fundamental freedom. Employers must be compliant with the data protection principles when organising their work places and working conditions. Any personal information which is collected while providing services under lawful contract or in context of employment is not permitted to be disclosed except as agreed under such contract or unless consent for the same has been obtained. Employers should not process personal data beyond what is necessary or publish or share information that exposes the identification of individual employees. Privacy by design should be ensured and appropriate measures adopted to protect the security of data. Employers who collect and control personal data or data related to COVID-19 or health related data must have strict technical and management measures in place to prevent data breaches and an impact assessment should be carried out before the processing is started.

Commonplace Practices in the New Normal

Some of the common practices that enterprises and establishments are implementing include temperature recording, physical screening, self-declaration of medical condition, collecting travel history and related information from employees, visitors and business contacts or their families, downloading tracing or tracking apps, etc. What is important to acknowledge here is that any information pertaining to the physical condition of an employee such as body temperature, health

The good news is that data protection principles have the flexibility and allow the balancing of interests in different situations particularly in unprecedented situations like COVID-19.

data, travel data either though non-intrusive methods or through self-declaration forms or otherwise is personal data.

An individual's data or health status can be shared only after securing the individual's meaningful consent. Meaningful consent can be obtained by being transparent about the reason for collecting data, what data is being collected, for what purposes the data will be used, and how long it will be kept. No personal data or health status can be shared without consent and individual's being made aware of the processing of personal data related to them. Individual data subjects are entitled to exercise their rights under the law. If such sharing is pursuant to legal requirements, then the sharing should be strictly limited by the scope of the law. Processing of personal data can be carried out only if necessary and proportionate to the extent specified and legitimate purpose pursued. For example, when notifying the individuals that they may have been in physical contact with an infected person, only share the minimum amount of data necessary to avoid divulging the identity of an infected person.

Conclusion

Companies with big data expertise and capabilities are increasingly working with the government and authorities to use big data for the prevention and control of diseases. Addressing global problems of this magnitude understandably creates an urgent need for innovative uses of data to fight the pandemic, but the same needs to be done within the four corners of the data privacy and ethical principles. It's unfortunate to hear about several data breach incidents which have given rise to concerns over data protection, privacy, fraud, and potential discrimination against people. Like everything else, this too shall pass but we must make sure we keep intact the privacy and ethical principles as we move forward to use data responsibly to defeat the COVID-19 pandemic and get ready for the "New Normal".

Disclaimer: The article states my personal view and not the views of my organization or state of compliance in any organization.

Author Biography

Anubhav Kapoor is Group Vice President, Cummins India. He has more than 25 years of experience as Company Secretary & Corporate Lawyer which spans across various industries including IT, automotive, aerospace, pharmaceuticals, food, banking, and insurance software's and engineering.

HOW INDIA'S GOVERNMENT AFFAIRS PROS COVER THE 3 P'S: POLITICS, POLITY, AND POLICY AT DELL

The ethics of stakeholder engagement in the government affairs practice

Written by Tabrez Ahmad, Group Director, Government Affairs, and Diana Philip, Senior Advisor-Government Relations, DELL

Government Affairs professionals of a corporate entity in India engage in the crucial work of being front line responders within the commonly known trifecta of *politics, polity, and policy*. As such, the rules of Ethics play a critical role in introducing checks and balances within this niche area of work which requires constant engagement with the government.

Post-Independence in 1947, there came the advent of liberal democracy and a planned economy, leading to an elaborate regime of License Raj (Raj in Hindi signifies 'Rule'). This meant a steady interaction with the government and especially the bureaucracy for approvals and favors cannot be ruled out. In 1991, with the liberalization measures came the abolishment of such industrial licensing in most sectors. The practice of interaction with the government and industry evolved over time.

The industry chambers being a classic example of the evolving relationship forming a communication channel between government and industry. This further advanced to having expert in-house leaders in companies working in the field of government affairs and public policy. They help employers navigate through the complex web of public policy and regulatory environment and equally important, they assist the government in understanding the emerging issues. In the tech space, this could range from engaging in policy debates on intellectual property, data privacy, cyber security, smart cities or forming partnerships with governmental bodies and intuitions on digitization of education or citizen services, artificial intelligence, emerging tech, and myriad other matters.

A rapidly changing political and economic environment can always have an impact on an industry and this requires professionals who can maintain external relationships with stakeholders, form alliances, and be able to anticipate political and social trends, which is the key for market success of any entity. During the COVID-19 crisis, when India was under the most stringent lockdowns in the world, government affairs had to not only forecast and predict future economic, social and health trends but had to help the company through complex governmental orders, permits, and e-passes in order to sustain the business.

This close coordination with the government requires that any legal and ethical requirements governing such interaction and relationships must be abided. India has no such codified legal requirement, although there have been calls for the same from various quarters which ranged from the expert group under the planning commission to private members bill tabled in the parliament.

Monitoring corporate political activity globally

There are only about 22 countries in the world that have taken measures towards codification. US and Canada have legislations regulating lobbying including anti-corruption measures. US considers

lobbying a right guaranteed under the constitution and therefore has stringent rules and responsibilities. This also leads companies to engage in a transparent manner in what is termed as 'corporate political activity (CPA)'. Moreover, there are regional blocks that have taken significant measures regulating CPA. The rules of the European Parliament were amended recently in 2019 to bring in transparency measures.

The OECD in fact has a 'coalition of influencers' comprising of various stakeholders, including the private sector, to examine the effect of vested interests on public policy.

Here, it is important to note that in India the term lobbying is often viewed with suspicion and negativity—mired with several scandals and linked to corruption. The Government affairs practice is therefore kept within the confines of advocacy and working with the bureaucratic arm of the government, governmental institutions, policy makers, industry chambers, non-profit or non-governmental authorities, the united nations, and inter-governmental bodies.

The temptation to manipulate

What happens when people go 'around' or 'outside' the process? In a competitive business environment, the temptation to manipulate others or gain undue advantage can exist. A case that emerged not too long ago was of the illicit funds (15 million dollars) routed through middlemen to reach Indian officials, and make modifications in the procurement requirements of strategic defense equipment to allow a foreign entity to re-enter the bidding process. India's Prevention of Corruption Act prohibits such activities. But the ethical principles that many companies follow including Dell ensures that such behavior is kept in check. No engagement with the government or external stakeholders can be via any form of inducements or gifts or incentives. A quid pro quo arrangement is considered an ethical violation.

Multi-stakeholder dialogue and transparency

A deliberative dialogue amongst all relevant stakeholders is considered an important element to transparent ethical practice and it is very common for government affairs to actively participate in private-public stakeholder consultations and even spearhead the same, thereby engaging in what can be termed coined as 'communicative action', which was proposed by the German philosopher Jurgen Habermas in 1984 as a process to introduce objective facts, evidence-based policy responses, and an ethical construction of narratives.

This dialogue becomes even more important when one considers the pace of innovation and technological change. Policy and a bureaucratic environment have their own limitations to deal with tech disruptions. Government affairs, therefore, must tread the fine line to balance this using policy to promote innovation which is ethical and sustainable.

Ethical narratives and facts

The ethics of stakeholder engagement in the government affairs practice also dictates that no misrepresentation of any kind is made. A case in point was of a certain set of telecom spectrum licenses that were issued by the government to ineligible applicants who had deliberately suppressed facts, disclosed incomplete information, and submitted fictitious documents. Such actions are a complete violation of ethical codes and grounds for immediate termination of the job itself in most multinational entities.

Moving Forward: Governance and Ethical Standards

The ethical standards as mentioned above often form the pillar of government affairs work of most multinationals and this applies regardless of any geographical boundaries. There is certainly more to be desired, including related enactments or harmonized ethical standards not just in India but also globally. However, the governance mechanism itself is evolving in India. It is now the advent of e-governance with clarion calls for 'less government and more governance', thereby bringing in greater transparency at all levels. The hope is that this continues to evolve at a steady pace with any ethical abuse being viewed through the lens of the Kantian moral theory as violations of human dignity itself.

BELA South Asia Roundtable Recap: January 16, 2020

Earlier this year at the 2020 BELA South Asia roundtable, which was hosted by DELL in Gurgaon, Delhi, the topic of government affairs was discussed in detail. Here are some highlights from the day-long discussions:

Best practice for Government Relations professionals: *At DELL, it is the following: Honesty, Conflicts of Interest, compliance with applicable laws, professionalism, education yourself about incentives and political contributions.*

Regulatory: Pillars of conducive regulatory framework:
- *Transparency*
- *Integrity*
- *Participation and Access*
- *Oversight Management and Sanctions*

Priorities:
A Government Relations professional should focus on: Regulatory framework, standards, code of ethics and education.

Author Biographies

Tabrez Ahmad *is Group Director, Government Affairs and Public Policy at Dell Technologies. Prior to Dell, he worked at OPPI, FICCI, Reed Elsevier, George Washington University, Flipkart, eBay, AB InBev, and Microsoft in India, China, and America. Tabrez is chair of the Indian National Bar Association and on the board of The Dialogue. He did Pro Bono with Louisiana Bar, South Asian Bar Association in Washington DC, Partnership for Safe Medicine, and FLO in India. Tabrez has completed an MBA from IMI, MCA from Bharat University, LLM from George Washington University, and executive courses in AI and Blockchain from Massachusetts Institute of Technology.*

Diana Philip *works as Senior Advisor, Government Affairs & Public Policy with Dell. She has a decade of experience heading and managing initiatives in the field of Public International law, Foreign Policy, and Global Foresight with UN bodies and inter-governmental entities. She has worked on track-two diplomacy initiatives between countries in the Middle East, Africa, and Asia, has expertise in advising governments on conflict resolution and prevention matters as well as on technology and existential risks. She led initiatives in partnership with European nations and global and regional financial institutions on cross-sectoral issues involving environment, transboundary water finance, peace, security and terrorism, and Artificial Intelligence. Diana has an LL.M from Harvard Law School, USA She is the co-founder of the Harvard Law School Women's Alliance in India (HLSWA).*

COVID-19 IMPLICATIONS ON POTENTIAL CLAIMS AND DISPUTES

Co-authored by Arpinder Singh, Partner and Head – India and Emerging Markets, Forensic & Integrity Services; and Yogen Vaidya, Partner, Forensic & Integrity Services, EY

The COVID-19 pandemic has disrupted business continuity in an unprecedented manner and interrupted the global supply chain like never before. Over the last four months, the world witnessed the largest ever lockdown, impacting operations and businesses in almost all sectors and countries. Some of the biggest questions concerning the business community at this point would be on combatting the situation during and immediately after the lockdown, and what further awaits them.

Impact of the disruption and lockdown on businesses

The immediate impact experienced by businesses has been either a halt or a slowdown in production, resulting in idle capacity being built-up and operational losses. There has been mounting pressure on all stakeholders to adhere to social distancing norms at the workplace, and to uphold health and safety concerns above all. The far-cascading impact has led to a disrupted supply chain and placed an added strain on relationships with business partners. These are likely to bring further commercial complications such as difficulty in the recovery of invoices, unwarranted claims, and unsolicited disputes. The implications for businesses will be multifaceted, leading to a combination of administrative, commercial, legal, and relationship concerns, along with a challenge to survive the new norms of business.

After the lockdown period is lifted, businesses will have to realign their operating models and strategies amidst a new set of competitors and supply chain partners. These may be at renegotiated terms at every stage of the business while simultaneously grappling with the new and improved health policies and standards (including social distancing) to comply with.

Priorities for Business: What Needs to Be Done Now?

Business relations are cast in contracts. Any discomfort in relationships or disagreements with vendors and other partners will have businesses revisit what was agreed in the initial contract and the respite measures suggested under such an unprecedented scenario, if at all covered. The only definite outcome of the pandemic and the resultant lockdown has been a loss of production and revenue for companies. The immediate step for companies will be to assess any ways and means to safeguard their business interests and minimize losses. A prominent measure here is the Force Majeure clause, which in all likelihood may have been a part of the contract, irrespective of how carefully it is detailed and drafted. There may be other umbrella clauses as well, which may have covered the scenario.

In the current scenario, businesses need to carefully study and perhaps (re)interpret contractual obligations using the Force Majeure clause in line with their business interests or to save them from performing any unwanted obligations. Otherwise, they may have to crawl back under the protection of their insurance cover(s) to check how and to what extent their losses are covered. Despite the scenario, businesses will need to continue performing their obligations to derive any legal or commercial benefit when the lockdown eases. This would be in an effort to highlight an increased level of confidence with business partners or evidence to prove mitigation measures and losses if a dispute scenario arises in the future.

Unlock India: Focusing on Safeguarding Your Business

India's nation-wide lockdown being lifted immediately was unlikely to happen. The unlocking process will be a prolonged ordeal—a phased approach led by government directives and it will depend on the gravity of the COVID-19 impact in different regions. Businesses may strategize to commence production and plan logistics activities in a manner to benefit from areas unlocked first. Issues related to the availability of a trained workforce will be an area that will require focus and planning. Another herculean task for companies will be the retraining of employees to work in compliance with new norms and guidelines for the foreseeable future, while parallelly enhancing productivity to compensate for production shortfalls during the initial lockdown phase.

Addressing Business Concerns Post the Lockdown

As the lockdown eases and is lifted gradually across the country, businesses will be able to resume their operations in full swing. The imminent focus will be on growth, recovery, and redemption to make up for lost ground over the last four months. On one side, companies will be reconstructing the supply chain, rebuilding relationships with third parties and other vendors, and renegotiating and redrafting contracts. On the other side, being faced with cash shortages will lead them to engage heavily in recovering costs incurred during the lockdown period through contractual remedies such as claims from business partners as well as insurance covers. The recovery and claim may take a legal route, resulting in disputes. In such a scenario, businesses need to exercise caution during the data gathering process and when conducting technology assisted reviews to identify and collate useful information. They also need to be careful when computing an estimated loss and recoverable claims from the business partners, if it becomes inevitable.

Conclusion

The COVID-19 pandemic has thrown novel challenges in the path of businesses that were probably never considered in their annual plans. However, tiding over the crisis and devising the future course for a business to regain its momentum in terms of planning, production, and profitability lies in staying ahead of the curve. The key is to assess what could impact the business, to what extent and understanding how the crisis may be mitigated in the short term as well as in the long term. A ready reckoner of detailed scenario-based analysis of the potential impact vis-à-vis rescue plans in terms of the immediate and a long term timeframe may hold the key to business success.

Author Biographies

Arpinder Singh is Partner and Head - India and Emerging Markets, Forensic & Integrity Services, Ernst & Young LLP. He has significant experience spanning over 25 years in multi-jurisdiction investigations, forensic accounting, and dispute advisory in India, the US, and other regions. His key areas of specialization include ABAC, fraud risk management, regulatory compliance, AML, corporate governance, and training. He has advised clients in a wide range of disputes and has frequently provided expert assessment of damages related to breach of contractual obligations, post-acquisition transactions, joint ventures, private equity, expropriation, cost recovery claims, breach of intellectual property rights, and bilateral investment treaties. He is identified as one of the foremost legal practitioners in business law in the "Who's Who Legal" 2015, 2016, and 2017.

Yogen Vaidya is Partner, Forensic & Integrity Services, Ernst & Young LLP. He has gathered around 19 years of professional experience, out of which more than nine years includes experience in providing businesses with fraud and investigative services. His area of focus includes dispute advisory and litigation support related services. He has led engagements on fraud risk management, fraud investigations, financial statement fraud, anti-bribery compliance, and dispute resolution.

A PEEK INSIDE BAYER'S PRIVACY DIARY

iMessages, calls, e-mails, and safeguarding personal data

Written by Raelene Antao, Hemal Bhavsar, Ramchandra Karmalkar, Bayer, India

Dear Diary,

Today, I found myself asking, "How do people really get in touch with me?" Not that I live under a rock, but in the sense, why do I receive so many calls? SMS Messages? Emails? Asking if I would be interested in products and services that I've never subscribed to! These unprecedented times of disruption, have brought me to living in a virtual world and defining the new normal. I found myself itching to read and recap conversations from my Privacy Diary again to recall some smart ways to comply! Here's a peek.

Much to my surprise, "Data Privacy" and Cybersecurity are more important than I thought it to be. Not only did it have a far-reaching effect on my personal space, but it also impacted me as a professional. Our **Data Privacy Manager (DPM)** and **Cyber Security Manager (CSM)** walked me through some of the practices that were being followed by Bayer to ensure protection of personal data and how by keeping things simple we were able to ensure respect for an individual's privacy. I've captured our conversations below.

So back to where we started, let's flip through my Privacy Diary and share with you on how we looked at things differently since then.

Data Privacy is such a real topic and we as an organization are so diverse with respect to our data subjects. I am not sure everyone has the same level of maturity on this subject; however, the biggest challenge is to keep the subject simple.

DPM: Your concern is legit. It's important to make this topic relatable and more so during these times. Wasn't our Data Privacy Series impactful? It is a highly innovative way of breaking up the topic, aligning it with Bayer's Regulation, the European Union General Data Privacy Regulation (GDPR), and the provisions

under the Information Technology (IT) legislation in India.

We kept to relatable catchy captions which were simple and crisp. The outcome was stunning as we could have the widest reach. Oh yes! I thoroughly enjoyed this learning experience.

There is so much buzz with respect to consent being so important to ensure Data Privacy protocols are met. There are numerous consents that are required from stakeholders & business partners for various initiatives. Is there a way out that would enable us to be compliant as well as make it easier for the business to comply?

DPM: I do agree that this can be an administrative hurdle. We use integrated consent, which is a one-time consent collection, specially designed for the use of Personal Data for marketing communication whether electronically or in print. This approach provides details to our HealthCare Professionals about the purpose, transfer to third parties, retention period of personal data, and their rights which would include the right to withdraw consent as well.

Yes DPM, you are right, such an integrated approach will help the business comply with a swifter, and simpler consent collection process.

Now let's turn the conversation over to the Cyber Security Manager (CSM)

CSM, what according to you makes an organisation most vulnerable with respect to cybersecurity?

CSM: I am glad you asked this question! You will be surprised. When it comes to cybersecurity, the most vulnerable link in a company is its employees. They can also act as the first line of defense! That is why we never get tired of emphasizing the importance of the 7 Key Principles which are the ground rules for cybersecurity at Bayer. They include 1. handling information with care; 2. communicating with caution; 3. protecting your identity; 4. handling your devices with care; 5. clearing your workplaces; 6. paying attention when travelling & working from home; and lastly 7. reporting suspicious incidents & loss of equipment.

The 7 Key Principles serve as a responsibility and protection for each employee as well as for the organisation. I see how data privacy and cyber security are inextricably linked and the one thing that is common is to "stay alert" and be "mindful of how we are handling information".

Digital platforms and applications

What are some of the measures which you take when you support a business and ensure Data Privacy compliance in digital platforms and applications?

DPM: Let's keep it simple, one must take responsibility of collecting, transferring, analysing, storing, and deleting Personal Data. Consent is very important, more so in India, when there is Sensitive Personal data involved. Every organisation deals with a variety of Data Subjects; these may be as diverse as employees, farmers, healthcare professionals, and even patients for clinical trials. Amongst others, we need to ensure a Privacy Policy, Consent, have a verified Cloud/Server with a certified system, and lastly, by providing clear guidance to Business on the do's and don'ts. We must contractually obligate our Third Parties to safeguard Personal Data.

Apart from contractually obligating third parties, how can we overcome risks associated with inappropriate handling of Personal Data?

DPM: In the first place, evaluate whether the collection and transfer of personal data is really required. The contract and documents must have clear clauses defining the responsibility of Third Parties along with the appropriate safeguards. Adopting simpler measures such as data encryption, anonymisation, and restricted access would help in minimization of data privacy risks with respect to Third Parties.

Would you share some simple ways that Bayer has adopted to ensure Data Privacy compliance at work?

DPM: Invest in what we call "applications backlog assessment". Simply take a deep dive and understand all Data Privacy relevant applications in the organisation, past, present, and future to ensure all measures are put in place. We also encourage our colleagues to do a "DP cleanliness drive" at certain intervals where they would look into their systems and delete redundant personal data to avoid digital hoarding. After all, it is important to live the spirit of the legislation.

I can still recall this statement and I am sure it is more than just compliance. It is about respecting the Right to Life & Privacy and the Right to Be Forgotten

Author Biographies

Raelene Antao is Compliance Business Partner and Data Privacy Manager for Bayer in India. Raelene joined Bayer in India as a Legal Counsel in 2008 and worked across the Agro, Pharma, and Plastic businesses, including specialized roles of Code Compliance and Litigation. Subsequently, she took up the role of a Compliance Business Partner to setup the Bayer Compliance Program in India & South Asia. As the Compliance Business Partner and Data Privacy Manager for Bayer in India, she is responsible to ensure the efficacy of the compliance strategy and the compliance culture in the organization. She has been adding value to business initiatives by effective compliance (including data privacy) risk mitigation with smart simple solutions and ensuring an overall momentum with focused compliance messaging.

Hemal Bhavsar is Manager, Legal Compliance & Data Privacy, Bayer, in India. Hemal is a Company Secretary and a Compliance Professional with close to five years of experience in corporate secretarial & compliance-related matters. At Bayer, she works on making compliance communications and trainings interactive, innovative and interesting to ensure high retention and awareness. In addition to being a compliance advisory, she is also a part of the Data Privacy office and offers solutions for protection and appropriate handling of personal data to various business divisions at Bayer. In her career so far, she has gained rich experience in M&A through two mergers and a demerger deal involving listed entities. As a caretaker for a non-profit organization of the Bayer group in India, she continues to cater to both the allied fields of statutory as well as internal compliances.

Ramchandra Karmalkar is SME and Information Security, Bayer in India. Ramchandra is a member of Cyber Security and Risk Assessment team of Bayer where he has the responsibility to provide sustainable state-of-the-art protection of intellectual property. He has significant experience spanning over 25 years in Information Security and Risk Management. In this role he works with Business to understand demands and ,future directions and translates Security/ Technology guard rails in Business language; he is also instrumental to build security awareness in the country's cluster.

A CLOSER LOOK AT JLL'S ETHICS & COMPLIANCE PROGRAM IN INDIA

At the core of JLL's Ethics Program is transparency that requires commitment from all stakeholders

Written by Sheel R. Sinha, General Counsel, JLL India

The primary aim of any Ethics program is to assist a company in accomplishing its business objectives and define boundaries of legal and ethical behaviour. Broadly speaking, an effective Ethics program is designed to discourage unethical conduct and prepare for noncompliant behaviour and its negative consequences on an organization.

Recognising these broad objectives, we at JLL India take particular pride in the fact that we conduct our business in an ethical and compliant manner so as to attain perfect transparency for our clients, employees, vendors, and other stakeholders so as to win their trust and support. We believe that transparency to our clients is one of our core responsibilities and we see value in inculcating this fundamental element across all personnel and vendors so that JLL will continue to be seen as a company with the highest degree of ethics and integrity.

Ethics and compliance at JLL India is a continuous process which calls us to regularly enhance our goals and objectives and use all available means to achieve these goals and assess the outcomes. In turn we use these outcomes to keep setting new objectives through the implementation of technology and people engagement. We take particular pride in the fact that we have inculcated this spirit in around 12,000 employees and one lac vendor staff, who may come from diverse backgrounds but live and breathe this value each day that they come to work. This particular aspect has given JLL an edge and earned it a rightful place among the "World's Most Ethical Companies" for the 13th year in a row, by Ethisphere

Institute. We wear this badge with great pride, honour, and responsibility.

Elements of JLL's Ethics and Compliance Program

One key highlight of JLL's Ethics & Compliance Program is our continued focus on objectivity, fairness, and evidence-based fact finding through enhanced investigative procedures. This provides a robust grievance redressal mechanism to all involved while upholding the legal regime and governmental guidelines, within which it operates. JLL's Ethics & Compliance Program in India is strategized and designed in such a way that, apart from accomplishing the de minimis compliance to laws and regulations, it is aspirational in enhancing the true spirit of ethical business conduct, in every transaction that we handle each day.

Moreover, JLL has a well-defined, inclusive, and comprehensive Code of Business Ethics, which encapsulates all kinds of grievances. In a fast changing technology driven world, the Ethics & Compliance team in JLL India has been suitably equipped with in-house sophisticated forensic technology, tools, and methodologies to further enhance its overall evidential objectivity.

Apart from addressing individual matters of concern, JLL, through its dedicated

ethics team, seeks to study larger trends in ethical business conduct. This exercise is carried out in a consultative and constructive manner, which is led by a body of senior leaders who have oversight of JLL's India Ethics & Compliance Program through interactive sessions conducted in frequent periodicity. This body of senior leaders also act as drivers and messengers across the broad spectrum of our business lines. They drive this culture of ethics through regular communications and messaging so that the culture of compliance thrives in the larger JLL organization in JLL India.

Training and Communications

JLL's Ethics & Compliance Program in India seeks to strengthen firm's overall commitments toward anti-bribery, anti-corruption, fraud detection and deterrence programs so that JLL India is continued to be viewed, recognised and trusted as one of the most ethical companies, in both letter and spirit. JLL, through its Ethics and Compliance Communication Program, updates, conducts, drives and monitors trainings, mailers, communications (on business ethics, policy compliance, gifts & hospitality, anti-bribery & corruption, antitrust, etc.) on a regular basis so that JLL India (as part of one large global conglomerate) can constantly learn, accept, evolve and adopt ethical approach in every transaction.

JLL's Ethics & Compliance Program also provides general advisory (on legal, risk or policy compliance) to the local/India units (business and support functions) on critical/sensitive matters and supports them with appropriate work steps, so that we have clear visibility and control of such matters from the very beginning. This also helps in identifying and promptly addressing potential financial/reputational impacts or revenue leakages, at local/regional/firm levels.

In short, we live by the thought that integrity and compliance are the cornerstone on which organizations build and thrive their unique cultures.

Sheel R. Sinha, General Counsel, JLL India

Measuring and Managing Your Ethical Culture is Now Table Stakes

Every company recognized as part of the 2020 World's Most Ethical Companies community formally measures perceptions of the company's ethical culture among its own employees. This trend is being driven, at least in part, by growing interest from the investor community. State Street Global Advisors, one of the largest investment managers in the world, defined culture as an area of focus in its 2019 letter. As SSGA put it, "Intangibles such as corporate culture are driving a greater share of corporate value precisely because the challenges of change and innovation are growing more acute."

- *Companies have a variety of modalities for measuring culture. Nearly all (99 percent) use employee surveys for this purpose. Other nearly-universal tactics include visits by ethics and compliance teams outside of headquarters, and reviewing social media mentions of the company. Interviews with managers about culture are now a leading practice as well. (fig. 1).*

- *Measuring ethical culture requires a multi-modal approach: the median number of methods to measure ethical culture chosen by 2020 honorees is six.*

- *The use of surveys is ubiquitous—yet how honorees choose to survey differs. Increasingly, companies are conducting standalone culture surveys in addition to employee engagement surveys. Two out of every three companies recognized deploy surveys purpose-built to measure the ethical culture.*

Figure 1 - *How are you measuring employee perceptions of ethical culture? (four most popular methods chosen)*

Employee surveys	In-person visits by E&C personnel to non-HQ locations	Reviewing social media	Management interviews
99%	92%	85%	66%
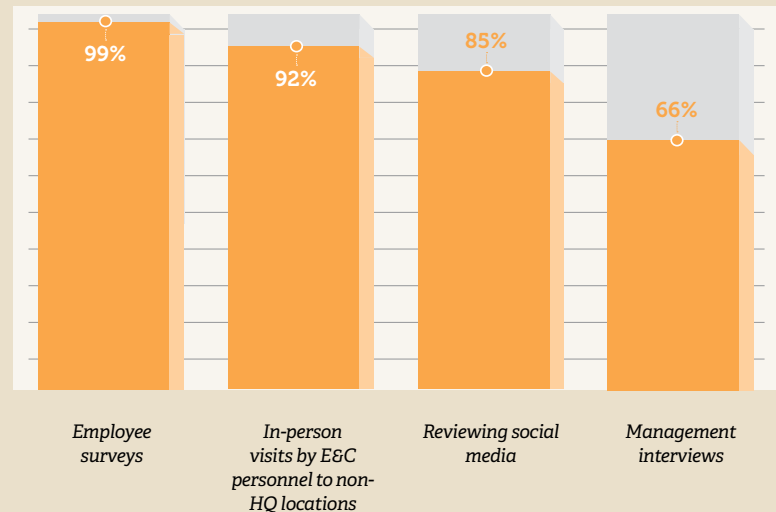
Read more in [Ethisphere Magazine](#)

Author Biography

Sheel R. Sinha is General Counsel, JLL India & West Asia. In his role as India General Counsel, Sheel leads JLL's Legal, Compliance & Ethics function for India and other South Asian countries. He has been with JLL India for over a year and comes with prior tenured stints in large multinational corporations of repute like PwC, General Electric & State Bank of India preceded by law practice. In his 18 years as legal & compliance professional, Sheel brings unique foresight and experience of process driven business with impetus on upholding the legal principles and agile in inculcating ethical conduct in business. In this article, he highlights the key principles driving the Ethics & Compliance program at JLL India.

TATA STEEL ON BEING A RESPONSIBLE CORPORATE CITIZEN

Recalibrating our expectations to tackle the challenges of the pandemic

Written by Soni, Chief Ethics Counsellor, Tata Steel Limited

The world today is witnessing unprecedented circumstances making survival and safety of paramount importance. An organization that stands by its values and principles and the character it demonstrates during difficult times becomes the hallmark of its brand. How it treats and responds to the needs of its stakeholders is what leaves a lasting impression in their minds. This is the time when—more than profits—the lives of others matter most. Whether it is our employees, vendors, customers or community, each one of these stakeholders need to be cared for and valued.

Tata Steel, which has one of its vision element as "being a benchmark in Corporate Citizenship", enlivened it during the pandemic. The biggest challenge was protecting a workforce of more than 100,000 people, own and contract, working for us across various locations. Being a manufacturing unit and having continuous operations like blast furnaces, steel making units and essential services like power plants, mining operations, complete shutdown was not possible. However, the need was to operate with minimum resources as prescribed by government and this made us recalibrate our expectations and challenge the limitations of existing systems and infrastructures. This meant a constant innovation in existing approaches. While Tata Steel played a major role in combating the pandemic situation in the areas of operation, the role of various functional units became prominent to support the sustenance of the business. Various functions like Human Resources, Safety, Operations, Supply Chain, Corporate Administration, and Corporate Communications collaborated to revisit and redesign their processes to achieve the overall objective of saving lives and supporting the organisation to sustain. Various initiatives were taken to ensure the safety and health of our people and community in collaboration with the Government. The initiatives taken at various fronts to take care of our people and community around us have been enumerated below:

Leading with Care

The role of senior management amplified under the current conditions of managing the national guidelines of pandemic, securing production and safeguarding safety and security of workforces. Messages from senior leaders were shared with all Tata Steel employees on a regular basis and the leaders reached out to all the employees daily, addressing their anxieties and concerns, giving them the comfort of a safe and caring workplace.

Health & Safety measures in the new norma

Development of SOPs and Guidelines: Ensuring the safety of our people remains a top priority. Several guidelines were introduced keeping in pace with the everchanging safety norm, advisories and guidelines published by the Government and medical bodies. Adjusting to the new normal way of working called for developing standard operating procedures (SOP) for quarantine, usage

of masks, social distancing and more. To strictly enforce the guidelines, a consequence management framework was developed and implemented for violations of SOPs related to COVID.

Eliminating touch based systems: For the safety of contract employees, the company disabled the biometric system-based attendance recording; only radio frequency identification based monitoring continued. Digital information kiosks across the company were disabled to avoid the risk of spreading the virus.

Regular sanitisation of all control rooms, cleaning of floors and facilities across offices/plant areas/canteens/cafeterias were initiated. Sanitisation of all the duty buses which carried the contract workforce to their workplace was carried out every day.

A gigital suraksha card platform has enabled visibility of 65,000 contract workers across mining & manufacturing locations thereby providing numerous business insights. It was also being leveraged to detect workforce crowding to ensure social distancing.

HR measures

The nationwide imposed lockdown necessitated the need for people to work from home. This called for challenging the myth of work from home not being possible in a manufacturing organisation as most of the employees were forced to operate from their homes. When social distancing became the need of hour to protect virus from spreading, our technology readiness proved to a big enabler in living up to the challenge. Our digital infrastructure helped in connecting 8000 employees while working from home and conducting more than 3000 meetings a day leveraging technologies like Microsoft Teams, Webex etc. These enabled day-to-day meetings, webinars and e-conferences and eliminated the need of in-person contact. Additionally, procedures and guidelines were put in place to enable social distancing at the work place, and smooth transition of a large employee base from working in offices to a work from home set up.

As a responsible employer, Tata Steel continued to support the livelihood of the contract workforce by ensuring continuation of payments even during a phase of curtailed or no production in its manufacturing units. Sessions on experience sharing and stress management during lockdown kept the employees engaged during the period.

Tata Steel introduced an e-learning courses at Re 1 during the lockdown period and reached out to more than 3 lakh people—including students and working professionals. Total e-learning course licenses issued has been to 803,793 as of April 30, 2020.

Supporting community

The novel coronavirus outbreak, which continues to spread rapidly around the world, has posed a public health crisis and economic lockdown. Amid this challenge, Tata Steel has reached out to citizens in the areas it's located through various initiatives like distributing meals (thought for Food), vegetable supplies at home, initiatives of stitching of masks (Stitch in Time), and contribution to relief funds. The relentless efforts made by "Corona Warriors", the Medical fraternity working in Tata Medical Hospitals, Security, Utility and infrastructure services. Tata Steel has made arrangement to support more than 1000 COVID patients in its area of operations—600 beds in Odisha, 650 beds in Jharkhand.

Handling queries and redressals

The pandemic and the uncertainties that came with it created lot of anxiety and fear amongst people. To address the same the helpline number of the Tata Main Hospital (maintained by Tata Steel) was made operational for employees to address COVID-19. 24X7 COVID-19 A helpline was created for Tata Steel and TIS group employees across all locations to provide accurate and quick information on COVID-19 Medical/HR/Communication issues.

Speak Up, our third-party whistle blowing helpline number, was extended for reporting violations of COVID-related rules by employees and their families. The issues were investigated and addressed on a priority basis.

Responsible marketing and new product initiatives

Tata Steel was quick to respond to the changing needs of its customers due to the pandemic. Its brand 'Nest-In' was a first responder to the COVID-19 crisis and designed isolation & quarantine wards and swab collection kiosks as new offerings to customers. Also, a few of the current offerings were repositioned for use as ICUs and portable toilets, essential for the healthcare. Tata Steel roofing brand Tata Shaktee and rebars Tata Tiscon has fabricators and masons enrolled as part of its brand community who are part of the 'migrant labour' community, who were severely affected due to lockdown. A Wellness Survey was initiated for each stakeholder to ascertain the health and well-being of the masons and fabricators. To date, 5200 masons and 5400 fabricators have been contacted and

99 percent of the respondents are in good health.

Communication

Uniform and consistent communications to employees and contract workers were designed to provide necessary information to them to abide by the regulations. The diverse communication included snippets, audio-visuals, SOPs, necessary circulars, guidelines, protocols and awareness regarding Covid-19.

Social media platforms were utilised to reach a wider audience with posts on the company's health and safety measures, encouraging social distancing, maintaining hygiene etc. Tata Steel Brand campaigns #StayHome #StaySafe, #FightbackFromHome and #ShakteeKeSang urged stakeholders to stay at home and maintain the necessary precautions and hygiene. Using targeted platforms viz. Facebook, Instagram, SMS and email, the campaigns touched over 8.5 lakh people across India.

The current scenario brought on by the pandemic and lockdown shows how dependent we are on each other for our safety and existence. As all of us adjust to the new normal, we must be sensitive to the needs of our stakeholders, understand their anxieties and fears and be empathetic towards them. For an organization to be perceived as responsible, each employee of the organization must act in a responsible way and abide by the rules and regulations and be guided by our values and principles. Tata Group's code on ethics represents its philosophy, belief and values. This is the most important reason for the trust that our stakeholders have on us and at difficult times like this we have ensured we act responsibly towards them, take care of them, stand by them. Tata Steel once again demonstrated our responsibility as an individual and as as a representative for all of our stakeholders and communities, making us a responsible corporation.

Author Biography

Ms. Soni serves as Chief Ethics Counsellor at Tata Steel Limited. She has over 24 years of experience. She is a Chemical Engineer and holds an Executive Diploma in General Management, specializing in Operations and Finance from XLRI. She has worked in different areas: a) R&D as a Researcher, b) Total Quality Management and was responsible for driving implementation of Daily Management, Small Group Activities & Quality Management System, and Theory of Constraint in Supply Chain & Operations across Tata Steel.

HOW FOCUSING ON SOCIETAL AND CORPORATE VALUES CLOSES THE CIRCLE ON COMPLIANCE EXCELLENCE

The third ring is a simple description of an ethical system

Written by Tom Tropp, Global Chief Ethics Officer, Arthur J. Gallagher & Co

Compliance tells us what we *must* do; Ethics tells us what we *should* do. I believe that there are three layers to an ethical system and each layer serves a different purpose. Visualize a target with three rings; the center of the target is labeled *Compliance.*
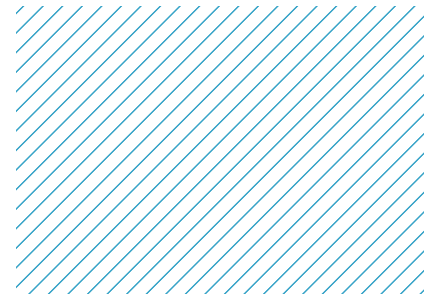
The first decision we make as a company is whether or not we will obey the law. Now that may seem like a simple decision that we make and move on; however, each of us knows, and has had experience with, companies that employ individuals who make conscious decisions to break the law. Of course, every company has those individuals and we work hard to remove them. But if those individuals happen to be top decision makers and rainmakers in the company, the entity itself begins to take on the culture of illegality. Good companies put systems in place to safeguard against the rogue law breaker and have standards of conduct that reinforce the goal of legality.

The second ring of our chart we will label as *Universal Rights.* There are certain values that we must, as a twenty-first century company, recognize as obligations even if specific laws do not address them; they are the rights that human beings have simply by the fact that they are human beings. Through the centuries there have been critical documents that have reinforced those rights. In 1789 the *Declaration of the Rights of Man and Citizens,* and in the same year the *Preamble to the Constitution of the United States of America,* spelled out those rights that we expect as human beings. Today, an excellent iteration of those rights is in the *United Nations Global Compact,* which lists ten basic truths accepted by that international body. These documents generally agree upon such rights as freedom of speech, freedom of religion, the right to a safe workplace, freedom from discrimination, the right to a fair wage and the

Compliance tells us what we must do; Ethics tells us what we should do.
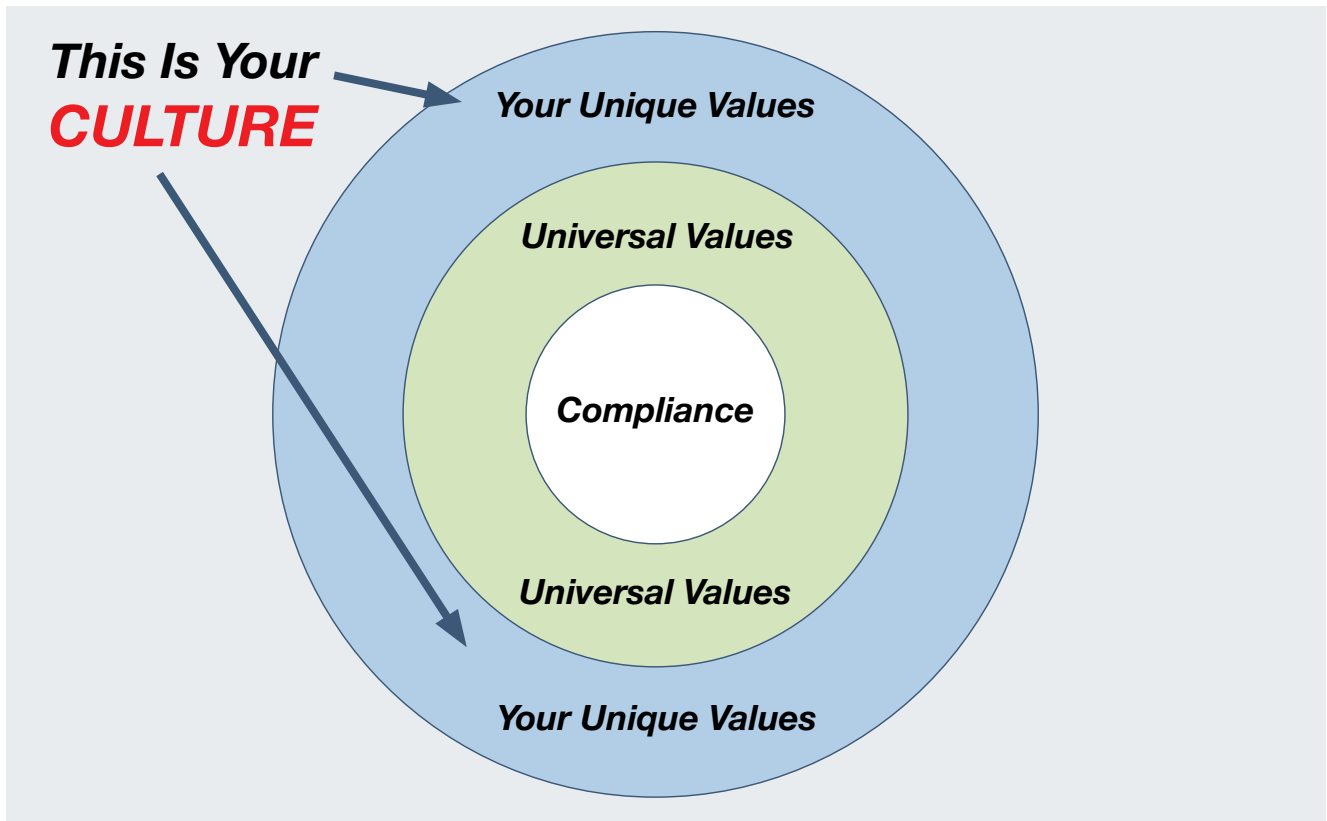
This Is Your CULTURE

Your Unique Values

Universal Values

Compliance

Universal Values

Your Unique Values

There are certain values that we must, as a twenty-first Century company recognize as obligations even if specific laws do not address them.

opportunity for advancement. These universal rights are not subject to choice at this time in companies and countries of integrity; they are close to compliance in their mandate but laws protecting these rights may vary from country to country.

If you spend time searching through the websites of major companies, you will find reference to compliance in almost all of them. The statement is typically called the *Code of Conduct* and is found in the Corporate Governance section of the site. For the most part, the documents deal with compliance. Fifteen years ago, very few of the company codes dealt with the softer subjects of universal rights. Today we see more and more sticking their toes into this pond of human rights; this is a good thing. But we must encourage our companies to move beyond the first two rings of the ideal ethical system to The Third Ring.

The subjects of this final ring of our chart are the unique values that we, as a group of people, have decided we *should* accept. It is *here* that we describe those beliefs that separate us from other companies, the values that we choose to celebrate and reinforce among our people. Here we go beyond what is necessary or expected. It is *here* where we collectively identify who we are as people gathered together to function as a business entity with integrity. It is *here* that we describe our Ethics. It is *here* that we share our Culture. So what does this look like?

Typically, this Third Ring is shared in a separate document from the one dealing with the first two rings. The document may be referred to as a Value Statement, or as a Statement of Beliefs, or something similar. It contains statements such as, "Empathy for the other person is not a weakness," or "Never ask someone to do something you would not do yourself," or "Loyalty and respect are earned, not dictated." It is in this Third Ring that a company demonstrates its uniqueness. The values stated here are what separate a company from others; it does not necessarily make that company better than others, rather makes it different. Companies of high integrity attract people of high integrity, and it is in its Statement of Values that a company advertises the nature of the people it seeks. We need to encourage discussions of this Third Ring in our companies and then reinforce those values in a consistent way.

Author Biography

Tom Tropp *is Global Chief Ethics Officer for Arthur J. Gallagher & Co. (NYSE: AJG) reporting directly to Chairman/CEO, J. Patrick Gallagher, Jr. Tom holds a Master of Arts Degree in Religious Ethics from the University of Chicago.*

2020 VIRTUAL SOUTH ASIA ETHICS SUMMIT

Given the unprecedented circumstances this year, the 2020 South Asia Ethics Summit will be held virtually. This live, virtual program is designed to bring together and foster connections among ethics and compliance leaders across South Asia. The Summit, which will take place over three weeks in September-October, will feature General Counsels, Chief Legal Officers, Ethics and Compliance leaders; business executives and cross-functional leadership teams, will address how they are driving ethics, compliance and integrity across their local and international operations and within the confines of today's virtual working environment.

Together with the Confederation of Indian Industry, the South Asia Ethics Summit, now in its third year, provides the opportunity for participants to share thoughts and insights around the latest trends in ethics and compliance program development and strategy, as well as put a spotlight on the best practices being implemented by E&C leaders. Attendees engage and hear presentations by members of the Business Ethics Leadership Alliance (BELA) South Asia community as they share the strategy, tactics, results and lessons learned from the rollout of a recent program initiative.

This program will be designed to both share best practices and also provide the opportunity for companies to cultivate new connections and dialogue across various markets in South Asia. The Summit's working group is currently building the agenda, all updates can be found on the link below.

REGISTRATION COMING SOON ››

Led by Kevin McCormack, Executive Director of BELA, the virtual summit working group leaders include

Sheetal Raina
Ethics Advisor, India,
The Boeing Company

Satyajit Nandi,
Third Party Compliance,
Dun & Bradstreet

Piya Haldar, Director,
Integrity and Compliance,
Honeywell India

Nishant Prakash,
Senior Counsel,
Infosys Ltd.

Sandeep Seth,
Director Compliance,
Pfizer

BELA Global Strategic Partners:

Baker McKenzie.

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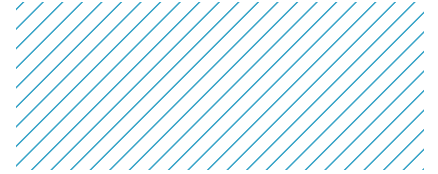
realbiz@ethisphere.com

ETHICS: THE UNIFYING THREAD AT POLARIS

Change can happen fast, globally and without warning

Written by Ash Mishra, Senior Assistant General Counsel, Polaris

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Polaris Inc. is a company that is known for making off-road vehicles and snowmobiles in the United States. It also makes motorcycles and boats under the Bennington and Hurricane brands and vehicles used in the commercial and defense industry.

The company was started by two brothers and a friend in the cold climates of northern Minnesota where the need to get outside in the winter resulted in the creation of Polaris snowmobile No. 1. The machines have become a ubiquitous mode of transportation in climates where snow and ice can cover the ground for half of the year. Over the past 20 years, Polaris' footprint in international markets has grown and sales outside the country account for approximately 12 percent of the company's US$6.78B in 2019 revenues.

Over the years, we have experienced significant growth in international markets. When I joined the company a year ago, my mandate was clear: enhance our Ethics and Compliance efforts and serve as the company's lead international legal counsel. This quickly changed as we pivoted to dealing with deeper societal issues in other regions— from understanding the lives of migrant workers in India to assessing the hospital bed capacity in Wuhan—agility was necessary.

COVID-19 has made us acutely aware of our true global footprint and added dimension to our understanding of everyone that is part of our supply chain.

We began to sense a change in the winds in late February when the WHO and CDC issued travel warnings restricting travel to parts of Asia. We took swift action to better assess the health threat and retained an epidemiologist who had previously worked at the CDC on the SARs virus to help us augment our understanding of the true nature of the health emergency, asymptomatic patients and community spread. With the facts and information in mind, we stopped travel from a broader set of countries than national health agencies identified, and took early steps to close our offices to protect the health and safety of our employees.

While no one was prepared for the Coronavirus outbreak, we were lucky in the sense that we had pre-ordered parts and supplies in anticipation of holidays in Asia. This gave us some breathing room to develop a strategy that has served us well as the virus continued to spread across Asia, Europe and the Americas. In those early days, we expected to see some disruption as suppliers invoked force majeure provisions in our contracts to stop production and supply. Not only did those provisions rarely get invoked, for

> *When I joined the company a year ago, my mandate was clear: enhance our Ethics and Compliance efforts and serve as the company's lead international legal counsel.*

the most part, our global suppliers have worked creatively and diligently to get us raw parts and supplies we need to operate our plants across the world.

Other than an initial two-week shutdown to protect the health and safety of our employees as we saw COVID-19 rates increase across Asia, our manufacturing plants in Poland, Mexico and the United States have managed to operate to meet an increase in our customers' demand for our products. Polaris' tagline is an invitation to our customers to "Think Outside" and given the situation, families have been spending time together at home and are seeing the value of using our vehicles to help get away from the confinement of being indoors.

Cybersecurity & Infrastructure Security Agency

Harvard University held a week-long seminar in mid-January to address cybersecurity risks and the intersection of policy and technology. Participants were provided with reading materials that supplemented the blue-ribbon panel discussions that gave participants practical advice on how to address potential cybersecurity issues. The 800 pages of materials that were shared with participants barely made mention of a little-known agency in the US federal government, the Cybersecurity & Infrastructure Security Agency (CISA). That agency and the paradigm that it has created of essential and non-essential businesses has governed the strategy decisions of companies that operate in the U.S. over the last three months.

Polaris is deemed a part of the critical infrastructure by CISA since we make transportation vehicles that are used in agriculture, by law enforcement agencies and health care workers. Our status as a critical business and the role of our employees as essential employees has given suppliers the flexibility to restart operations and appropriately balance health concerns with the need to maintain employment and safety. We have issued letters supporting our suppliers' efforts to argue that they are supporting a critical industry and this, in turn, has allowed them to maintain employees on their payrolls that they may otherwise have laid off.

Keeping safety top of mind

Article 23 of the United Nations Convention on Human Rights recognizes that "everyone has the right to work, the free choice of employment, to just and favorable conditions of work and to protection against unemployment." Different countries have taken the necessary measures to protect the livelihood of people whose employment have been impacted by COVID-19 and the measures that have been taken say a lot about the type of risks employees face.

In India, for example, the central government allowed businesses that had the ability to house and feed migrant workers to begin operations earlier than those that did not have the means or infrastructure to do so. Out of concern for all stakeholders in our supply chain, we have made extensive efforts to understand why a supplier was shut down and shared our playbook to comply with COVID-19 health care directives with suppliers in India, Mexico and elsewhere. We have done so knowing that the safety of our employees is enhanced when the safety of all members of the community in which they live and work are protected.

At Polaris, we are fond of saying "Think Outside." Of course, as a company that focuses on outdoor activities, that makes sense. But what is also becoming more apparent today is that COVID-19 has caused us to take that commitment a step further, particularly when it pertains to ethics and safety of our employees and the communities where we operate. We have learnt that volatility and uncertainty are always around the corner. Change can happen fast, globally and without warning. That requires thinking outside, but in this case, thinking outside of the box. COVID-19 has taught us that futureproofing your company starts with advanced planning that takes all aspects of the supply chain in to consideration because if you have not done that by the time the crisis begins, you may have already missed the boat... or the snowmobile.

Polaris Environment, Health and Safety Vision

EHS Policy Statement
Polaris Industries is committed to protecting the environment, health, and safety of our employees, contractors and the communities where we operate. We recognize that by integrating sound environmental, health, and safety management practices into all aspects of our business, we can offer innovative products and services while protecting our employees and conserving resources for future generations.

Environmental Principles
As a responsible corporate citizen, Polaris is dedicated to protecting human health, natural resources and the global environment. This dedication reaches further than compliance with the law to encompass the integration of sound environmental practices into our business decisions.

Health and Safety Principles
At Polaris we rely on the power of our people to help deliver the best products in Power Sports Plus. Polaris's Safety Principles help establish expectations on Our Path to Zero Harm; in which safety is everyone's responsibility, leadership is accountable for safety performance, hazards are controlled, and continuous improvement is required. Safety isn't just a priority. It's our way of life. It's a core value that makes Polaris who we are.

Source: Polaris https://www.polaris.com/en-us/environmental/

Expert Biography

Ash Mishra *is Senior Assistant General Counsel at Polaris Industries. In this role, Mishra is responsible for leading the compliance and international legal initiatives for Polaris, a $6.8 billion-dollar Fortune 500 public company, headquartered in Minnesota. Previously, Mishra served as Chief Ethics and Compliance Officer and Interim General Counsel of multi-billion-dollar companies and as lead lawyer for major global brands.*

HONEYWELL: DON'T DISCARD YOUR TRUE CORPORATE VALUES IN TIMES OF CRISIS— EMBRACE THEM!

Retooling and re-evaluating policies and programs

Written by Piya Haldar, Director, Integrity and Compliance, Honeywell India

These are difficult times for most companies across the globe, bringing with them a completely different set of challenges and risks. Situations like these often become breeding grounds for corruption and fraud. It is important to keep in mind that when the times get tough—some companies tend to prioritize business objectives over compliance requirements.

If there is one lesson to be learned from the past crises, it is this: once the situation gets back to normal, governments around the world come down heavily on companies that have taken advantage of the crisis by compromising their core values. Leaders need to be mindful of any deviation—inadvertent or intentional—and prevent the current crisis from become a compliance crisis.

The current global situation, particularly in the light of new operating models such as remote working, poses similar risks to organisations. Companies should consider retooling and re-evaluating their compliance policies, especially their anti-bribery and corruption compliance programs.

Doing the right thing

At Honeywell, we are constantly encouraging employees to be mindful of their actions and their impact on the organisation's reputation. We remind employees that Honeywell's values are non-negotiable and that they should continue to do the right thing and follow the principles of our Code of Business Conduct in times of crisis, perhaps more than ever. The company's philosophy is not malleable. It is written in stone.

From an anti-bribery and corruption perspective, specific areas to watch out for during these trying times include:

Controls and approvals: It is imperative that companies put in place additional compliance controls and approvals for all kinds of charitable donations, sponsorships, and outflow of anything of value. Like with most organisations, Honeywell is receiving increased requests for donations, particularly—but not only—for personal protective equipment (PPE). The company philosophy is clear: life-saving equipment that belongs to the frontline should go to the frontline. Employees have been asked not to make independent decisions but to engage with the Integrity and Compliance teams and gain

Leaders need to be mindful of any deviation— inadvertent or intentional—and prevent the current crisis from become a compliance crisis.

Employees have been asked not to make independent decisions but to engage with the Integrity and Compliance teams and gain their support before offering anything of value to anyone.

their support before offering anything of value to anyone, especially if it involves state-owned enterprises and government organisations.

Internships and recruitment: All employees are asked to be mindful of entertaining requests pertaining to internships and recruitment. Opportunities for university students to gain work experience abroad have decreased in the past few months, and many companies in India will see a surge in requests from customers for internships for their family members. The guidance is clear: everyone needs to go through the standard recruitment channels, and any individual nominated by a government official additionally needs to be screened and approved by the Integrity and Compliance and Legal teams. Employees need to understand that we do not give special treatment in the current circumstances.

Third party risks: Channel partners or third parties continue to remain one of the most significant anti-corruption risks for any company. At Honeywell, we articulate the need to exercise heightened vigilance during these times to ensure that no third party is engaged without thorough reputational and background screening, anti-corruption training of the third parties, and adherence to relevant clauses in agreements.

Communicate. Enable. Empower.

So, are we doing anything differently?

There is a constant endeavour to reiterate and reinforce the organisation's commitment to anti-corruption compliance by communicating the importance of good governance to employees and stakeholders coming right from the top. It is imperative to ensure that there are refresher trainings and leadership communication

on policy requirements and laws for employees, depending on the risk profile.

Further, it is important for senior management to let employees know the company's position on misconduct that might have occurred, as well as to highlight incidents of employees standing up to bribery demands, which make great examples of setting a culture of compliance and emphasizing a commitment to compliance and ethical conduct.

The need of the hour is for organisations to adequately empower their employees with digital tools and make processes simpler and easier to navigate while seeking approvals for business courtesies, gifts, and engaging third parties. Quicker processes ensure employees start viewing compliance not as a roadblock but as a competitive advantage that will put them and the company ahead of the game.

Last but not the least, organisations must encourage employees to report wrongdoings or voice concerns without fear of retaliation. At the same time, the larger compliance teams must be empowered to respond to concerns in an appropriate and timely manner.

The right way ahead

Companies should continue to build and promote their reputation as ethical organisations. The benefits of a such a reputation extend well beyond merely avoiding compliance issues, to include improved financial performance, higher employee morale, and organisational stability. It will also help attract higher-quality employees.

In the end, there is no panacea when it comes to fighting bribery. Companies should consider all options, depending on the region and country where they are based.

Author Biography

Piya Haldar is Director of Integrity and Compliance at Honeywell India. Haldar has held this role since 2015 and she serves as Honeywell India region's Compliance Officer for all businesses of the company in India, which has close to 15K employees. She is also responsible for tailoring and driving a risk-based compliance program at the company (including FCPA/Anti-corruption programs to adapt to regional requirements). In 2019, Haldar received Honeywell Corporate, USA: Gold Award for "Being Courageous" (Global). She previously held compliance roles at GE and American Express.

Three Ways Enterprises Have Transformed During COVID-19

Businesses are learning from each other amidst changes during the pandemic as everyone is adjusting to life amidst the pandemic, the same is true for enterprises.

They are working together to find inspiration, tools and best practices in surprising places. By being open minded and sharing notes, leaders are using data and new tools to rapidly adapt. More than just a trend, this new normal will have long-standing, dramatic effects on the future of business and the world.

Here are three lessons learned during the pandemic:

1. Industrials go remote

Remote operations are challenging for industrial enterprises. Frontline employees don't have access to the same tools that desk workers have, creating a divide between the office and the shop floor. Industrials are now exploring how they can apply lessons learned from the knowledge space, accelerated by overcoming COVID-19 disruptions.

2. Knowledge workers harness safety culture

One thing industrial enterprises know best is safety. These environments are simply more dangerous than offices, requiring a culture of communications, policies and training programs that keep workers safe and productive.

3. Businesses make better decisions, faster

One thing that all enterprises can do better is quickly make decisions and act on them. From ramping up new operations to introducing products, enterprises tend to move slowly and methodically.

Source: Honeywell

CONSIDER THESE TIPS TO TWEAK YOUR ETHICS & COMPLIANCE PROGRAMS TO WITHSTAND DISRUPTION

Ethics and compliance can add value in times of crisis

Written by Sandeep Seth, Director, Corporate Compliance, Pfizer, India

The pandemic and the resulting lockdown have created significant challenges and impacted our professional & personal lives. Organizations across the globe are adjusting to "new normal" conditions. At the same time, the need for integrity standards are at their highest levels for businesses.
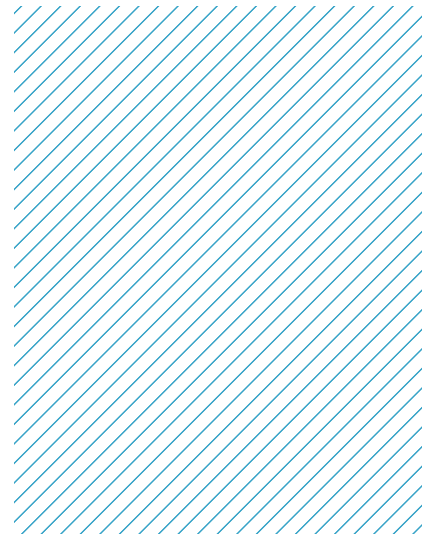
We all well recognize the need to unburden businesses affected by the COVID-19 pandemic by simplifying certain rules and complex processes to handle unprecedented challenges. But this should not be taken as free sway to ignore the law or engage in any unethical conduct. Otherwise, we add risk to the current crisis through implications of such practices. In short, it is during crisis that core values should be at the forefront and it is vital that employees be reminded that company values and expected behavior remain in full force—and that any engagement in opportunistic, unethical or potentially illegal activities will be met with consequences.

The need for compliance and ethics professionals to lead is more important than ever. Regulators are keeping a good watch and will seek to hold businesses accountable, especially those that take unfair advantage of or being lax on ethics during this time. The reputational harm associated with an action for such behavior would be disastrous for a business as they emerge from this crisis. Today, ethics and compliance functions can be a risk guide, problem solvers and value-add partners in helping companies effectively and securely navigate this new environment.

The COVID-19 response presents an opportunity for dynamic ethics & compliance teams to adopt new ways & practical approaches to help organization address the risk in this difficult time.

Some of the key practical compliance approaches are:

Devise & adopt tailored approaches to support the business through challenging times. Compliance teams can best respond to these rapid changes by acknowledging a 'new normal' which is far from "business as usual," and support

Today, ethics and compliance functions can be a risk guide, problem solvers and value-add partners in helping companies effectively and securely navigate this new environment.

business with open mind and practical solutions.

Partnering in problem solving to reduce pressure and promote ethical practices at the same time. The current pressure-packed environment and loss of perspective can intensify compliance risks throughout a company's business model. A problem-solving approach can relax such conditions by simplifying the processes and addressing the risk at the same time. Thus, the skill of thoughtful risk taking comes into play and can be very useful during crisis.

Handling process exceptions carefully and responsibly during emergency period. In this context, tailored solutions are required to support a business. But it is also important that steps are also taken to avoid the 'exceptions' becoming "the new normal". All exceptions must be made using risk-based approach, for a defined period and adopting mitigation measures. It is also important to reexamine emergency period decisions appropriately and put them into line once the business and risk profile steadies.

Strong leadership tone-at-the-top messaging must reinforce company values and support team members to escalate issues. There should be transparent and clear communication that any efforts to "make things work with practical solutions" in times of crisis does not amount to a waiver of integrity requirements.

Clear communication of realistic priorities for employee's potential of being overburdened with workload is very important during crisis. The

business models and outcome matrix can be adjusted or reset, including emphasizing performance consistent with values. This may mitigate the risk of colleagues under pressure to indulge into any unethical behavior.

Constant monitoring and close overview is an important element considering the new risk environment that will assist in maintaining both risk relevance and continuity amid drastically changed conditions.

Focus on Compliance becomes even more valuable when a business model is moving towards virtual or digital. Compliance teams need to upgrade the skill and knowledge to address key business risks in a crisis-driven remote work and digital environment. At the same time, ethics hotline and internal investigations groups in the organization need to find innovative ways to handle and address issues that may be impacted by the COVID-19 crisis due to increased reporting and challenging environment on account of remote work.

Cross Function Collaboration of all risk management and Internal control functions will be key to get clear and consistent messaging, timely mitigation and avoid dropping balls in stretched times. Creating a cross-function workgroup to handle and review certain types of business initiatives together could be a great strategy for timely and effective closure of matters.

A motivated compliance team coupled with effective and flexible compliance program can add great value during this pressure situation to keep the risk under control and get the business going at the same time.

The current pressure-packed environment and loss of perspective can intensify compliance risks throughout a company's business model.

The greatest value of a compliance function is to ensure that disruption and the resulting impacts are not exacerbated by any potential unethical or reputational consequences.

Organizations across industries are currently facing unprecedented challenge of rapidly evolving COVID-19 epidemic. During this period, the focus on ethics and compliance should be elevated by maintaining good visibility and priority at all levels. By bringing and maintaining ethical values at the forefront, compliance professionals will assist their companies to better navigate and support during this difficult time. The greatest value of a compliance function is to ensure that disruption and the resulting impacts are not exacerbated by any potential unethical or reputational consequences.

Lastly, the global pandemic has increased the importance of proactive and thoughtful risk management to deal with the challenges in emergency situation. This will further help improving the standing of risk or compliance function in mainstream of every strategic development and management in the long run.

Author Biography

Sandeep Seth leads the Compliance function at Pfizer in India. He is part of the company's Executive Leadership Team and provides strategic compliance direction to Pfizer India operations. He is responsible for overall compliance strategy, framework and implementation of Compliance programs & initiatives.

STATE BANK OF INDIA: A PERSPECTIVE ON REPUTATION

What matters most is a reputation for integrity

Written by Atul Kumar, Chief Ethics Officer, SBI

It was more than three years back when the State Bank of India decided to start an independent ethics vertical. A first-of-its-kind initiative in the Indian banking and financial space, with me at the helm, it was a moment of immense pride mixed with a sense of overwhelming responsibility for me. SBI, with a moral pedigree for more than 200 years, sees leadership as a moral architecture that does not contemplate any subversion of character or values from its people. Rather, it brings its own ethos to bears upon its employees at all levels, who always put moral values at the centre of what they do.
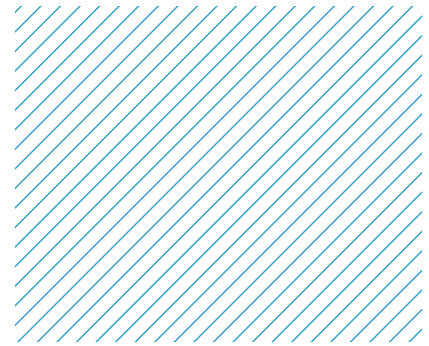
This behavioural integrity forms the nucleus of the humongous trust and stellar reputation that SBI enjoys while also making a powerful business case for it—every third Indian banks with SBI.

Ethics has been like an invisible moral arc in SBI without any intentional effort to embed it across the business behaviours. But with significant shifts in the socio-cultural and economic realities of a fast-digitalising India, the SBI Board took stock and kicked off strategic discussions to keep pace with the altering business contexts in the country. A call was made to engineer ethical grandeur as a cultural premise into the structures, processes, and systems of the organisation—future-proofing its reputation in the new social order.

Without any guiding lights or neat recipes, it was a tenacious journey of thinking and acting to build an ethical infrastructure. Every ingredient needed to be ideated, hatched, and curated from scratch. Ethics is about "doing the right things," while integrity is about "walking the talk." But it is easier said than done. Strengthening ethics or integrity is not an off-the-shelf solution; it is a long, drawn-out progression that requires a common commitment from all stakeholders in believing and doing "right." This calls for a systematic approach requiring diagnostics, vulnerability assessments, interventions, targeting disseminations, and periodic impact assessments. Hence, the first step to set the course was to diagnose the prevailing ethical heat map to have the ground feel. A pulse survey showed us the roadmap. With a multi-pronged action plan, we hit the ground running with a re-articulation of our core values—"What We Stand For"—as these values were going to be a beacon to guide and inspire our employees.

We wanted our core values to resonate with the hearts and minds of the employees. By getting engaged with all the employee constituencies and conducting several marathon meetings even with the Board, the process culminated in manifesting the Bank's new set of values: Service, Transparency, Ethics, Politeness, and Sustainability—STEPS. These

five mantras represented the nuanced moral counters that were to henceforth guide and define the entire behaviour paradigm of the Bank. With the core values espoused, it became necessary to assimilate them into the institutional culture, management processes, and practices. A simple and lucid behavioural blueprint—the Code of Ethics—was designed around the values of STEPS as a way to enable everyone to live up to the values in daily behaviours. Unlike others, SBI's Code was first linked to the applicable principles of integrity and then translated into practical guidance for specific situations. Q&As illustrating real work scenarios and a self-help conduct reckoner were there for clarity. Guidance on ethical decision-making mechanisms and "speaking up channels" were added. The Code combined these strands together to form an ethical toolkit for setting standards, identifying duties, and providing principles against which to assess behaviours.

To tackle the subsequent challenge that arose regarding the dissemination of the values among the rank and file of the Bank, we ensured that the narratives were interesting, interactive, and inclusive. Self-help quizzes, moral nuggets, tutorials, broadcasts, videos, ethics vignettes, etc. were developed and communicated through a variety of channels.

Communication also allowed reflection and feedback. Consequently, a subtle cultural process started to take off. Leveraging digital platforms was the only way to reach the diverse employee audience of SBI with a headcount of 255K+. Through daily mass mails, ethics started to deluge the Bank in its tidal waves as a deliberate measure to ignite curiosity and ethical conversations. Just consider, we were sending around 200,000 emails in one go every day at different times.

A host of other promotional activities—Vision, Mission, and Values Statements Internalisation Certification, Code of Ethics Certification, a website with an ethics bootcamp, an ethics helpline, ethics roundtables, and training programs to hone ethical reasoning skills—were also initiated to emphasise a self-governance approach to ethical competency. Trainings focused on the values of STEPS as a moral operating system to navigate ethical quandaries.

Every employee had to attend these trainings around our values and supporting behaviours. Ethics usage in places such as canteens and lunchrooms and rituals like retirement parties was encouraged as well, to cover the informal side of culture. The onboarding module was redesigned with regular orientation trainings on ethical behaviours and certifications on the Code of Ethics for first two years.

Regular dynamic interactions between leaders and employees were organised to align the values with the expected behaviours. The chairman set the tone in the organisation by starting his meetings with a discussion of STEPS. This helped to infuse the ethics program, one of the biggest in South East Asia, into the everyday life of the Bank. Yet, without an ongoing appraisal of the effectiveness of the program, validation of the processes was hard. Therefore, periodic ethics audits—vulnerability assessments, employee feedback surveys, and personal interviews—were conducted to fine-tune the existing programs and design new initiatives.

Today ethics is a topic of daily conversation in SBI. Being ethical is a process that is never-finalised. Nevertheless, I believe that an ethical infrastructure has been built into the Bank that will continue nurturing the ethical climate by providing coherence to the Bank's policies and employee behaviours and by maintaining a moral course in the organisation. SBI's strong performance rests mainly on the ethical strength of pursuing this moral course of just "doing the right thing."

Trust me when I say from my SBI experience that when integrity becomes a hallmark institutional trait, it is a matter of time before the reputation zooms. Reputation follows integrity like a reflection. Reputation does matter, but integrity is more significant. Personally, I like to believe what really matters the most is neither integrity nor reputation but the "Reputation for Integrity" as a cornerstone of the organisational philosophy and operational strategy that can take us to the last mile in our pursuit of the holy grail of ethical excellence. When a commendation for our efforts in that direction came last year in the form of a recognition as the second-most reputed banking brand in the world, I felt that the first chief ethics officer of Indian banking had perhaps not failed his mandate.

Author Biography

Atul Kumar is *Chief Ethics Officer in State Bank of India, enjoys the distinction of being the first Chief Ethics Officer in Indian Banking. Having joined SBI in 1985 as probationary officer, he served in various key roles for more than 30 years including as the Director (Forex, Treasury & Technology) in SBI Indonesia, Jakarta and as Chief Vigilance Officer in Union Bank of India. Over the years, he has evolved as an expert in conduct and behaviour risk, ethics promotion & consequences management, fraud control, procurement risk and compliance matters.*

Coffee with Aristotle: An Ethics Blog

'If everyone is moving forward together, then success takes care of itself.' I was ruminating the words of Henry Ford when I hit an oddball. Deep diving the numbers, I noticed that one of my 44 outlets were fading in sales. With a new manager at the helm, the first three months, sales soared here, then flattened and now a dipping curve. I wondered, what could be the reason for this worry wobble when all other variables are unchanged? Taking a mental note, I resumed with my data crunching. Well boy, it seemed it was a day of analytical jolts and stunners. What a spark of revival in this one. Here too, a new manager at the helm, rest of the factors unchanged, first month the sales showed slight fall, next month a plateau and after that what a spike.

Now, that is what you call a diagnostic dilemma. I was racking my brains but could not make sense of the diametrically opposite trajectories. A bit baffled, as I picked my flask to pour coffee, a name popped in my head. The great Greek philosopher Aristotle. Maybe he will have an answer? So, in my cerebral matrix, I wormed my way to the ancient town of Chalcis. It was 324 BC. I saw Aristotle, then 60 years old, sitting on a rock in a state of deep intellectual gaze. Thickly haired and bearded, there was a sense of calm serenity in his persona. I could feel its reverberations around. Then abruptly, conscious of my presence, he looked at me with curiosity. A small pause of silence, then he softly asked, "Who are you and what brings you here, my friend?" "Sir, I am a 21st century entrepreneur looking at the past to improve my present", I replied and explained my predicament.

*The full blogpost is available on Ethisphere Magazine.*

MAXIMIZING SUPPLIER INTEGRITY IS A HANDS-ON JOB

Business integrity is the one area where there is no need for competition. In fact, the more ethical our ecosystem becomes, the more each company gains

Written by Jon White, Managing Director, Omega Compliance

The list of companies tripped up over misconduct committed by their third parties or suppliers is a long one. There are many instances where misconduct by a company's key supplier has resulted in unwanted scandal, or even criminal proceedings.
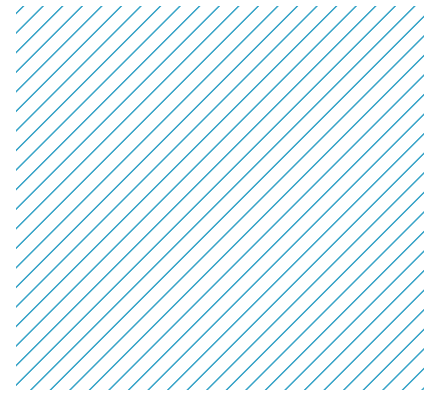
Why is this the case? Well, mostly because everyone has an angle. We all seek advantages that will help us rise above the competition. Suppliers are fighting for your business and the competition can be fierce. In reaching for the prize, some may cut corners. Others might neglect ethics. Some are just dishonest. Either way, their shortcomings can have a significant negative impact on the companies who choose them as a partner.

You can never 100 percent eliminate the potential for corruption or dishonesty. So why is everyone looking for the magic solution that will "solve" integrity concerns once and for all? It is an unattainable goal. Integrity and ethics has to be managed the same way as quality control. You must constantly review procedures and implement oversight which effectively mitigates the risk.

We all strive to eliminate the potential for supplier integrity issues, but it is an ongoing and ever evolving process. There is certainly no one-size-fits-all approach. The impact of varying government regulatory oversight, or the lack thereof, from country to country makes this unrealistic. Chasing perfection is no bad thing, but those companies that recognize the need to constantly review their strategies and preventative measures will have an advantage.

Today, Compliance and Ethics officers are always wrestling with these dilemmas: coupled with the ever-changing business landscape, almost every company depends upon outside vendors and other third parties to some extent. However, for all the efficiency gains that tactic might bring to operations, it remains challenging to reduce the risks that comes along with it.

The most effective way to maximize supplier integrity is to take a hands-on approach. Suppliers can have all the documentation in the world, but truth is, seeing is believing. In order to truly know if a factory in Bangladesh or a facility in China is meeting your ethical and compliance standards, you need to go and see it.

We all strive to eliminate the potential for supplier integrity issues, but it is an ongoing and ever evolving process.

For companies using hundreds, or even thousands of suppliers, this is labor intensive. But the risks outweigh the time and expense. In today's business environment the impact of a supplier miscue can be devastating to a brand. Does anyone want to be associated with a partner that is using child labor? How about a supplier linked to human trafficking? It is never simple. How do you let the supplier know it's time to part ways without damaging your brand or drawing unwanted attention to your program? We need to approach this with a level of sensitivity.

With a network of teams stationed across the globe, Omega Compliance has extensive expertise in navigating local challenges, from forced labor in China, to worker retention strategies in Thailand, as well as broader industry issues such as supply chain corruption and unauthorized subcontracting. We believe that sharing information and best practices is vital to any strategic approach to maintaining supplier integrity. Hence, our work with the BELA community, which has helped us engage with leading experts from a variety of industries.

Business integrity is one area where there is no need to compete. In fact, the more ethical our ecosystem becomes, the more each company gains. Likewise, as the global crisis of 10 years ago proved, when the business community is damaged by scandal, consumer and investor trust levels plummet and everyone loses.

This is why I was so pleased to be asked by Ethisphere to pen this article. What we share and what we learn from others will help create a healthy business environment. As the saying goes, a rising tide lifts all boats. Together, with the help of the BELA South Asia and Ethisphere, let us take the appropriate steps to raise the sea level for suppliers, and with our own endeavors, to ensure the business climate continues to prosper.

Supplier Integrity in Light of COVID-19

At the recent virtual Asia Pacific roundtable, Jon White, Managing Director, Omega Compliance shared his insights on post COVID lockdown trends.

- **Pressures on third parties:** *Suppliers and manufacturers across all industries are under pressure. The 2008 financial crisis, was underscored by a multitude of scandals and integrity issues. Following the crisis and at the core of it all were business pressures—where people failed to make the right decisions.*

- **Terminations:** *As China went back to work in March, the rest of the world started to feel the impact of the virus. Early trends post-lockdown in China indicated key staff have been let go from their suppliers. For example, people responsible for each discipline like HR, in finance (accountants), IT, etc., security, intellectual property were terminated, as the company's focus was to stay alive during the lockdown. The pandemic has revealed that these important roles are needed more than ever to ensure the sustainability of the business.*

- **Differences by country:** *This is an important issue, certainly cultural differences and the difference in laws. One challenge for global companies with suppliers around the world is staying up to date on regulations in each province and region. Stay informed as laws change, sometimes daily.*

- **Trade:** *There is much greater demand to source materials from countries like Vietnam, Myanmar, Cambodia, etc. Primarily because of COVID, the trading of goods may move from China as it is a high-risk country and these markets in other parts of the region might ramp up.*

- *The reaction to COVID differs by country.*

- **Self-declarations:** *These are one of the biggest issues in terms of third-party compliance. Self-declarations are often false because once onsite, verification takes place and inconsistencies are flagged. Often these suppliers are looking for the business or believe that by making a false declaration it wins the business One particular client request: Make unannounced site visits to a supplier.*

- **Red flags:** *In a post-COVID context, if you oversee due diligence or relying on supplier declarations, this should be closely examined.*

- **Wages and furloughs**: *Focus on local laws: furloughs and redundancies. These laws take years to change and adjust and go through a different legislature process, depending on the country and region. There will be a renewed focus on this in 2020 and beyond.*

Source: BELA Asia Pacific Member Hub

With a network of teams stationed across the globe, Omega Compliance has extensive expertise in navigating local challenges.

Author Biography

Jon White *has held senior leadership positions overseeing global supply chain compliance operations for more than 20 years. He has extensive experience developing supply chain compliance and anti-corruption and integrity programs for many of the largest consumer brands and retailers in the world. Jon has been the Managing Director at Omega since its inception and continues to lead the company as its services grow. He can be reached at jwhite@omegacompliance.com*

THE SHE AT ZEE

How Ms. Sucheta Burman balances compliance with Zee Entertainment's "Big Hairy Audacious Goals"

Interview by Aarti Maharaj, Managing Director, BELA South Asia

For the average middle-class woman watching Zee with her family, the focus is on the lavish jewellery, intricately designed sarees, a sprawling mansion, and family drama—a lot of planning goes into the concept of a show on Zee, but what about the legalities associated with this type of content production?

In this exclusive interview, **Sucheta Burman, Vice President, Legal**, at Zee spoke to Ethisphere's Aarti Maharaj about her role as Chief Lawyer in bringing the movies, Indian soaps, and lifestyle programs to the homes of millions of viewers around the world.

Aarti Maharaj: What is your structure at Zee? Who do you report to and who reports to you?

Sucheta Burman: I primarily look into content-related work and report to the Managing Director, Mr. Punit Goenka. I have 22 lawyers on staff with me who are looking into content-related legal work, which includes content regulations, rights management, documentation, litigation, intellectual property rights, negotiation of deals, system and processes, etc. Our work starts from the conceptualization of the theme of a show or piece of content and goes on with the commissioning of the content until the final distribution of the content to the viewers. I am also a whole-time Director of Essel Vision Production Limited (EVPL), a subsidiary of ZEEL. EVPL is in the studio business under the banner "Zee Studios" and is involved in the production and distribution of cinematographic films in India and international territories.

AM: Tell me a little bit about your background. How did you get to where you are?

SB: After my graduation from the Government Law College in 1994, I had joined a solicitor's firm—Crawford Bayley & Co. Under the mentorship of Senior Solicitors Mr. R.A. Shah and Mr. A. R. Wadia, I practiced intellectual property rights (IPR) for five years, which then included the process of registration, opinions to clients on identifying IPR and its availability for registration, litigation in IPR, etc. Later I had joined Solicitor Mr. J. Gagrat and practiced litigation in the courts, and after this, I joined corporate. Essar Oil Ltd. was my first corporate experience. but I could not have focused much in the oil industry, and I was craving to do IPR. That is when in a year I quit Essar to join Zee.

My journey at Zee started in 2006, and then there was no looking back. I got

Our work starts from the conceptualization of the theme of a show or piece of content and goes on with the commissioning of the content until the final distribution of the content to the viewers.

involved in content extensively—like, when a theme is conceived, what would be the legal implications when the theme would be developed into a concept? I started looking at the creativity side so that I could suggest changes in the creativity of the content without having a legal impact on the commissioning of the content. The thought process also included what the taste of the viewers would be and what can make content enter into the minds and hearts of millions. My viewers are mainly middle-class women from midtown watching television with their families—so, from a creative perspective, we have to collectively think, what are her dreams? Lovely sarees, gorgeous jewellery, a big house, an evil mother-in-law or sister-in-law, etc. This is what we have to bring on the television screen. What is legal are the thin line points where the creative team would want to express without impacting the guidelines of the IBF (Indian Broadcasting Foundation of Ministry of Information and Broadcasting), and that is where my team and I provide the guidance needed to help them, from a legal perspective, to bring what they wished to develop to life onscreen. I am in this vast and inspiring role today because of my involvement in an area which was not legal, but was required to follow legalities to bring such content on screen that could have traditionally been restricted by law. For example, driving awareness and promoting women's empowerment—showcasing a dark-skinned or stout woman or a woman from an underprivileged community accomplishing her dreams of fighting social hindrances.

AM: How has COVID-19 impacted your department and your initiatives from a compliance perspective?

SB: COVID-19 has given us lots of different teaching in our daily jobs. We have become more innovative, and my department developed some initiatives for the execution process, the filing process, and compliance—which are done online and have become more effective and quicker. Discussions and meetings on Microsoft Teams have become effective. Software like the rights management system is being extensively used for approval processes.

AM: I was looking at your website, and on the mission statement, it lists as one of your core goals to "GO FOR BIG HAIRY AUDACIOUS GOALS." As a chief lawyer at Zee, I'd assume that trying to balance the regulatory requirements with such a hard-driving mission keeps you up at night from time to time. How do you balance those goals with your core mission to protect the company?

SB: Considering Big Hairy Audacious Goals, we do have a clear and compelling target to strive for each day. As the chief lawyer, I have to stimulate progress and target business revenue. As an in-house lawyer, another task is having strategies ready like A, B, C and also having back-up plans in the event plan A or B falls through. More than strategizing plans, the difficult task is delegation of the jobs to the team.

As a leader, first I have to be confident and have the courage to take up challenges, and then I brief my team and remind them that we are all in this together. Holding their hands along the way, I ask them to put their feet in the shoes of the business and then strategize to take bold steps in the interest of the company from a legal perspective. This can be done only when we have the target to be an achiever, and I believe that to be an achiever you need to have a magnificent quality of balancing the two opposite behaviours, i.e. "maximiser" and "includer." So as a maximiser, I select my best colleagues for their respective roles and as an includer I pull together the entire team and I align them with areas that they excel in. This helps me create the momentum to keep going forward. Taking risk for the business is one factor and facing the risk with the regulatory bodies is another Herculean task, so midnight oils are often burnt as we use those defences, which are treasured when the plans were being strategized. Protecting the company is our core mission, but safeguarding the promoters and senior management also falls under Big Hairy Audacious Goals.

AM: Tell me what it means to you to be a woman in this traditionally male role.

SB: To be a woman is a blessing, and serving in the role as a female lawyer, I feel empowered to make the right decision each day. When we appear before male judges, police authorities, government officers, we do not think about gender; we think about getting the job done with a high level of integrity—displaying confidence through speech, voice, and actions are all respected attributes of a confident leader. In my experience, I have always been successful whenever I appeared before any judges or commissioners and have been given due respect by all. In my approach, I prepare. I consider my body language, speech, and most importantly my knowledge of the topic. Together with the support of the male leaders at Zee, I feel confident in leading and continuing to do my job.

AM: As a woman, do you think you do things or see things differently than your male counterparts?

SB: Yes. As a woman, I do see certain things differently from my male counterparts. Women consider things more from the angle of empathy, emotional aspects, costing, a futuristic approach, and most importantly to complete or close jobs. I have often found in male counterparts that they have huge plans with heavy costs and no timelines. This of course is my personal experience.

AM: What do you like to do during your free time?

SB: Spending time with my daughters, telling them stories, watching television, and cooking for them. When alone, I like to do arts and crafts it keeps me balanced.

Expert Biography

Sucheta Burman is Vice President, Legal, at Zee Entertainment. She has more than 25 years of experience in the legal space. Burman has been working with the leading media company for more than 14 years and has provided outstanding performance by having demonstrated and handled various legal aspects including cases of various kinds spanning civil, criminal, arbitration and commercial besides having expertise in Intellectual Property laws. Her core competencies span litigation, risk management, arbitration, conveyance (drafting of contracts, deeds & other documents), legal advice and negotiation.

About Zee Entertainment

Zee Entertainment Enterprises Limited ("ZEEL/Company") was launched on 15 December 1991 as Zee Telefilms Ltd. as the Essel Group's venture into mass media and entertainment under the Chairmanship of Dr. Subhas Chandra. The Company launched as India's first Hindi satellite television channel, Zee TV, on 1 October 1992.

ACCENTURE ON NAVIGATING THE HUMAN AND BUSINESS IMPACT OF COVID-19

The global pandemic has forever changed our experiences—as customers, employees, citizens, and humans—our attitudes and behaviors are changing

Written by Ruhi Ranjan, Managing Director, Growth Markets Lead, Advanced Technology Centers, Accenture, India

Today's CEOs are faced with overwhelming, competing challenges and uncharted waters as they continue to navigate the impact of the COVID-19 pandemic. Out of necessity, CEOs have prioritized the Now—supporting their people, customers and suppliers, addressing supply chain disruption, stabilizing revenues, aligning their businesses with evolving demand and identifying new growth pathways.
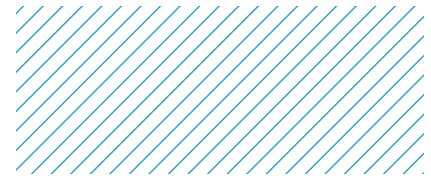
Leaders are rapidly turning their attention to the **Next**, a period of unpredictable and possibly muted economic recovery with new competitive threats and opportunities, and quite possibly a decade of the **Never Normal**, a new era defined by fast changing shifts in cultural norms, societal values and behaviors, such as increased demand for responsible business practices and renewed brand purpose.

Against this backdrop, leaders face the urgency and complexity of reopening their businesses. To outmaneuver uncertainty, reopening also requires a program of reinvention. This presents an opportunity—and a need—for many companies to build the competences they wish they'd invested in before: to be more digital, data-driven, and in the cloud; to have more variable cost structures, agile operations and automation; to create stronger capabilities in e-commerce and security. Leaders should consider the steps they take to reopen as the first in the journey to wider transformation.

Connecting with changing customer habits

The coronavirus outbreak has forced companies to reevaluate how contact centers are leveraged, how employees deliver relevant customer experiences, where they work, and how digital channels can be used to support business continuity through the crisis and beyond.

The global COVID-19 pandemic has forever changed our experiences—as customers, employees, citizens, humans—and our attitudes and behaviors are changing as a result. The crisis is fundamentally changing how and what consumers buy and is accelerating immense structural changes in the consumer goods industry, for example. Once the immediate threat of the virus has passed, companies will need to consider the impact of these changes on the way we design, communicate, build and run the experiences that people need and want.

With these emerging new behaviors, organizations have an opportunity to accelerate the pivot to digital commerce, by expanding existing offerings and creating new lines of service, like the retailers rallying to provide "contactless" delivery and curb-side pick-up services for consumers. This acceleration will force organizations to reimagine their digital strategies to capture new marketplace opportunities and digital customer segments.

Actions taken now can have an immediate impact on the survival of the company.

Building the resources to seize new opportunities

In the face of the COVID-19 crisis, leaders have had to act quickly to optimize their company's resilience—rebalancing for risk and liquidity, while assessing opportunities for growth coming out of the downturn. Current and future viability depend on swift C-suite action, including near-term actions for stability and strategic moves that will create new futures for companies and industries.

Immediate action is needed to address short-term liquidity challenges, but also to solve for costs and profitability and generate funding to invest in new opportunities, including M&A. Many CEOs are faced with plummeting sales and revenue and increased costs. Interventions to adapt may require investments in key technologies, processes and people. For some, liquidity has become a matter of survival.

Actions taken now can have an immediate impact on the survival of the company, how quickly it rebounds from the global downturn, and its financial health and sustainability going forward.

Building technology for the strength to succeed

Even before COVID-19, many organizations faced considerable IT challenges. Now, COVID-19 is pushing companies to rapidly operate in new ways and IT is being tested as never before.

As businesses juggle a range of new systems priorities and challenges—business continuity risks, sudden changes in volume, real-time decision-making, workforce productivity, security risks—leaders must act quickly to address immediate systems resilience issues and lay a foundation for the future. Leaders in the chemicals industry, for example, are recognizing resilience as a key success factor.

Once we reach the other side of this pandemic, it will be important to establish long-term strategies for greater resilience and to apply lessons learned from the experience to create a systems and talent roadmap that better prepares your company for future disruptions.

Pairing People with Opportunity Resilience

Organizations globally are experiencing unprecedented workforce disruption. Virtually all companies are still determining how we will work in the short- and long-term, as workforces and communities try to function and perform, while struggling to cope with what is happening in their daily lives.

CHROs across industries are rising to the challenge, helping people and organizations navigate massive workforce shifts, such as the urgent need to shift to a remote workforce to protect and empower employees, serve customers and to establish business continuity. For example, the now critical need for virtual care messaging and visits in healthcare.

CHROs' expertise in developing agile workforce strategies is critical to keeping the global economy viable and helping people and their families survive financially now and in the future. Opportunities are emerging as companies and industries work together to keep people working. For example, Accenture has partnered with CHROs of leading companies to create People + Work Connect, an analytics-based platform that facilitates continued employment.

People, organizations and communities need fit-for-purpose plans today that can evolve as the global health and economic environment changes. Businesses, governments, citizens, and nonprofits all play critical roles in establishing a human-centered, systems-minded approach that promotes shared workforce resilience.

Restructuring for Global Resilience

With the COVID-19 crisis, fundamental changes in consumer behavior, supply chains, and routes to market are knocking companies off balance. Responding to the pandemic has underscored the need for leaders to accelerate the adoption of agile ways of working and value chain transformation to help outmaneuver uncertainty.

Becoming an Intelligent Enterprise means shifting from top-down decision-making, empowering teams guided by purpose, driven by data, powered by technology and enabled by cloud for faster speed to market. It calls for razing rigid structures and creating a porous organization with modules that plug and play. The Intelligent Enterprise is capable of dynamic self-management and continual adaptation. It is built for agility, resiliency and growth.

Adopting a distributed global services model can also help large organizations across industries-from oil and gas to communications and media-to diffuse enterprise risk. Automating routine tasks with human + machine models, where everyone is a knowledge worker, can also help to serve businesses now, and to position them for growth post-COVID-19. *Source: Accenture*

Turning massive challenges into meaningful change

All industries have been impacted by the COVID-19 crisis, with varying degrees of severity. Some have stronger defenses, while others will struggle to return to a constantly shifting "normal."

Consumer demand patterns are shifting, global supply chains are disrupted and remain under pressure, and different regions, markets and governments are responding uniquely to the COVID-19 crisis. Companies must continuously adapt to new and uncertain market conditions. Informed by daily conversations with our clients, we offer industry-specific advice on what leaders should consider doing now and next.

Author Biography

Ruhi Ranjan is a Managing Director leading the Accenture Growth Markets Delivery for Advanced Technology Centers India. In her current role Ruhi is responsible for Technology Delivery across Asia Pacific , Middle East, Africa and Latin America. Prior to her current role Ruhi led the Financial Services Portfolio for Asia Pacific. Ruhi is a recognized veteran in the industry, having been part of it for over three decades. She has been with Accenture for the last ten years and has played significant leadership roles bringing in her exhaustive industry and technology experience. She has various industry accolades under my belt as she have lead multiple challenges assignments in her career in the industry.

EPIC JOURNEY IN SETTING GLOBAL COMPLIANCE PROGRAM FOR BIOCON BIOLOGICS

Working in the pharma space, inspired by the human immune system, Biocon's philosophical approach towards building an effective ethics program is to develop a strong system that promotes and sustains ethical behaviour and a culture that addresses bad behaviour

Written by Akhilesh Nand, General Counsel and Chief Governance, Risk and Compliance Officer and Karthik K Saravanan, AVP, Deputy General Counsel and Global Head of Ethics and Compliance, Biocon Biologics

The revised US Federal Sentencing Guidelines, make specific reference to the need to promote a culture that "encourages ethical conduct" and a "commitment to compliance with the law." The inspiration for this is that having an effective ethics program that can reduce fines by up to 90 percent.

We would like to share key highlights of an interesting journey underway at Biocon Biologics in setting up the global ethics and compliance program. While the Company turned one year old in June 2020, we are determined to adopt best practices when it comes to setting up the compliance and ethics program that effectively focuses on addressing all of the parameters set forth in the gold standards of compliance, including Department of Justice (DOJ) guidelines. The approach for us is simple: we want to ensure all employees within the organization are adequately trained and have consistently developed the ability to think rationally as opposed to rationalizing the actions taken.

With this simple goal in mind, we looked at various resources and benchmarking data sets of best practices from various sources. More importantly, as a member of the Business Ethics Leadership Alliance (BELA) community offered by Ethisphere allowed us a significant head start, as it gave us invaluable data into how the World's Most Ethical Companies are addressing ethics and compliance issues globally. Looking at trends and patterns from the data set, we quickly realized that substantial effort is spent on training and educating employees to make right decision.

As you read this article, it is important to note that we have successfully developed many tools internally or are close to finalizing technology. Our strategies include:

Flipping the Pyramid

Typically, the compliance function aims to prevent issues in the following order of priority: preventing criminal conduct, preventing regulatory violations, preventing civil liability, preventing unethical conduct, preventing ethically questionable conduct (lawful but awful), and promoting ethical culture. The order of priority is based on the following two questions: "If we solved all ethical problems, would we also solve all or most of our compliance problems?" and "If we solved all compliance problems, would we also solve all or most of our ethical problems?" The immediate answer was to focus on building an ethical culture as the first priority and modify the pyramid to serve the company and its shareholders in the best possible way.

Knowing the Boundaries

Realizing the importance of understanding the regulatory landscape, we initiated internal research focused on identifying the key laws, regulations, guidelines, and industry-specific mandates and best practices. This led to a deep understanding of various issues, empowering us to effectively build consequences and an

effectiveness-based compliance program. In particular, understanding the DOJ guidelines, the US Federal Sentencing Guidelines for Organizations, OIG guidelines, and corporate integrity agreements provided the team with a broader understanding of what we intended to achieve and how any ethics and compliance program will be assessed for effectiveness. With ever-growing enforcement actions against the best of the best companies, it is now part of our team's DNA to consistently review our program—and we are a research-led function.

Viewing the Code as a Standard Operation Procedure

Traditionally, employees at all levels are aware of the existence of the Code of Conduct. However, not everyone is well versed when it comes to key expectations. What is the point in having a cumbersome 40-page document that is only reviewed for the purpose of annual certification? Some of the critical questions can be addressed in a systematic manner, starting with the Code of Conduct (COC) assessment report from Ethisphere that clearly articulates the evaluation criteria along with recommendations. It would be appropriate to benchmark the COC on two parameters—content and effectiveness. Implementation of the COC can be improved through avoiding lengthy paragraphs and including FAQs, examples, illustrations, and bullet points on key expectations. The agenda is, how can the COC become the standard operation procedure guiding ethical conduct in day-to-day operations?

Understanding that Learning is Not Child's Play

Not all initiatives lead to positive impact and, needless to say, "with chaos comes movement and with clarity comes progress." With that in mind, we first looked at what can impact positive change and quickly realized micro-learning videos are a great way to engage employees. Employees tend to lose interest in lengthy videos and materials that do not address practical scenarios. After engaging with industry leaders, we chose the "Compliance Wave" database as the perfect solution that offered many animated training videos covering various topics including gifts, conflicts of interest, third party training material, export control laws, etc. Progressing through gamification ensured every audience, including millennials, remained interested. "The Kahoot!" game-based learning platform is another exciting tool we evaluated that allows us to engage an audience of 2000+ in remote locations equally, through customizable quizzes and live polls to get the pulse of the audience.

Using on-demand Code videos

Every company spends significant efforts and dollars to educate employees on ethical conduct. One set of training does not fit all, and hence, to make the training more relevant, it is important to identify specific needs and generate training materials. That's not new or novel. The key innovation we are incorporating is making the learning mobile. With the simple use of technology, any micro-learning video can be hosted on Microsoft Stream—the video service in Microsoft 365—makes it easy to create, securely share, and interact, whether in a team or across your organization. Using a QR code generator, one can easily generate a QR code for the video link, and the code can be printed in any training material, including posters and banners. Now any employee with access to the QR code can just scan and readily listen to the audio-visual micro-learning videos. Based on the number of views, analytics can lead to more focused training, ensuring no physical and mental fatigue.

Using an Avatar to Spread Culture

We all like one or more fictional characters. If you have kids at home, you will quickly realize that they are more likely to gravitate to messages delivered by a character as opposed to stringent guidelines. This led to an approach where we are introducing—an avatar-like animated lion we call LEO—Local Ethics Officer. We are engaging the employees through a survey to name the character, which creates a personal connection, and we don't have to worry about LEO joining a competitor. An avatar-based training program encourages employees at all levels to take the role of LEO and become an effective ambassador for the ethics program.

Branding Tour Initiative

For any initiative to get noticed, it is important to have branding elements considered. We have branded our program as "EPIC" for a good reason. EPIC stands for Ethics Program and Integrated Compliance. As you will observe, ethics is at the forefront, and integrating compliance initiatives serves as the cornerstone for all our efforts in building one of the finest and most ethical companies. From an optics standpoint, the word EPIC has promoted positive energy, and we are internally marketing it as a journey that everyone can play a key role in and lead.

Building What We Can

Not having many IT professionals in our manufacturing-driven organization never limited our ability to internally design and develop tools. In record time, we have built and are building various tools, including an opinions repository to retain key compliance learning, a tool to track and maintain investigations, a claims and litigation tracker that specifically documents the lessons learned in order to revamp the compliance program, a compliance certification tool for both internal stakeholders and third-party suppliers and partners, and Microsoft Teams for collaborating, to name a few. The potential to use chat bots to effectively communicate with employees and answer FAQs-related to ethical conduct is immense and is targeted on engaging and educating.

Partnering with the Best Law Firms

While access to various technology leads to independently operating with confidence, it is also important to have the right law firm as a partner in the quest for excellence. In this aspect, we believed running an RFP to select firms that operate in the biosimilar space would be appropriate. With a focus on an alternate fee arrangement and tons of value-added service, we were able to narrow down the best proposals, and it also gave us access to pick the best model for the most cost-effective negotiation. We highly recommend this approach, as it yields the best results in tough budget times.

Read the complete article on Ethisphere Magazine website.

About Biocon

Biocon Biologics is a subsidiary of Biocon Ltd. It is uniquely positioned as a fully integrated "pure play" biosimilars organization in the world and aspires to transform patient lives through innovative and inclusive healthcare solutions.

Author Biographies

Akhilesh Nand joined Biocon in 2015 and currently serves as SVP, General Counsel and Chief Governance, Risk and Compliance Officer of Biocon Biologics. He has over two decades of experience in providing strategic advice to the Board of Directors and company executives facing unsettled or complex legal issues, and he assists them in efficiently solving problems and minimizing risk

Karthik Kannappan Saravanan Saravanan is AVP, Deputy General Counsel and Global Head of Ethics and Compliance at Biocon Biologics. With 15+ years of relevant work experience, he is responsible for driving all corporate and strategic initiatives and to advise in setting up business and process in new and developed markets.

LOWE'S INDIA ON HOW THE PANDEMIC WILL SHAPE POSH COMPLIANCE

Laws and practices will have to adapt to the new way of life

Written by Monica S. Pirgal, General Counsel, Head of Legal, Lowe's India

Due to the lockdown, we are confined in our homes, working from home 24/7, not at our usual workplaces, with no personal interactions with our colleagues! What is the probability of sexual harassment in such a scenario? Is the law applicable in such circumstances? Can employees still avail protection under the law like they used to?
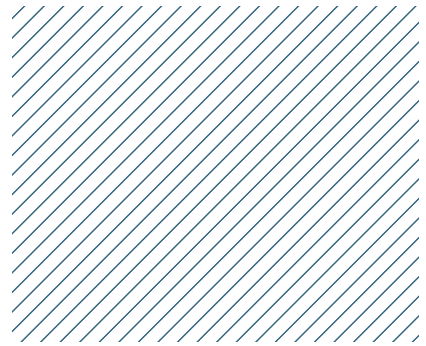
COVID 19—a term that has changed every belief, practice, and attitude in our personal and professional lives. We have all awakened and are adapting to doing things differently, as the circumstances in which we live today are different, too. This has become the "new normal."

Due to the effects of pandemic that the world is currently grappling with, a new environment has been created in which employees are currently working and interacting with colleagues, vendors, clients, etc. in new ways on a daily basis. No one ever imagined that 100 percent of the workforce in an organization would work remotely for weeks at a stretch. But before we could embrace the idea, we were pushed into it, and we all learned to work that way!

The legal landscape in India could not have been left behind. Most of the laws in India are being tweaked to ensure that they keep pace with the changing situation and to suit the current need. The law and practices around prevention of sexual harassment at workplace (PoSH) in India will have to adapt to the "new normal" way of working.

PoSH before COVID-19

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act") in India has come a long way from 2013 to 2020 to become a strong, enforceable legislation to handle all sexual harassment issues at the workplace. Companies have constituted their Internal Committees ("IC") to review sexual harassment complaints and to comply with the Act. Companies have ensured that ample trainings are imparted to sensitise employees. Employees are educated about the law and processes, with an intention to create a safe and secure workplace, especially for women. Some companies have gone a step ahead by implementing a gender-neutral PoSH policy, wherein the men in an organization are also provided with protection.

The law and the awareness programs and trainings under the Act were built on the premise that the physical proximity of two people was one of the most

important factors for sexual harassment to occur at a workplace. Sexually coloured comments, gestures, physical advances, etc. typically could be alleged when two parties are in the same place at the same time.

The definition of "workplace" under the Act is exhaustive, covering every place where official work was conducted. But "workplace" under the Act was widely understood very simply as the "office" where people went to work. In the "office" under a professional set-up, body language, mannerisms, and etiquette were under greater scrutiny and therefore were within an acceptable boundary. Usually unintentional harassment or misunderstanding did not occur very commonly. Once employees headed home, they were in their comfort zones, where no laws or rules applied to them. It was also easy for the IC to draw a clear demarcation about their jurisdiction to investigate into a matter, based on whether the incident occurred at home or on office premises.

PoSH During COVID-19

With remote working and lack of physical proximity, did all the sexual harassment at workplace stop? Are internal committees relieved of handling any complaints? The answer is no. Sexual harassment concerns still continue to exist, but the modes of harassment and the scenarios have changed.

With long working hours, work weeks being extended into weekends, and multiple modes of interaction like official chat rooms, emails, videos, and WhatsApp, the workplace has extended to our homes and during most of the day. There is no demarcation between personal and professional lives. Also, with limited social interactions outside of work, the situation has become more complex for the already stressed working professionals in the country.

Due to employees working from home, harassment has taken a new form and shape! It is now in the form of displaying objectionable material on the screen during video calls, displaying unacceptable screensavers with sexual connotations, getting into the personal space of another employee by insisting they turn on video while calling, asking personal questions on official platforms, calling a person during late hours without any justification, taking screenshots of colleagues during video calls and using such images inappropriately, displaying suggestive words on attire like t-shirts during video calls, etc.

Challenges to be addressed

This new way of working has challenged both employees and employers alike.

Employers have to think creatively and out-of-the-box to impart new, effective ways of sensitising the employees, moving away from traditional classroom trainings.

Remote working requires a conscious shift in the mindset of employees, too, to ensure that they maintain professionalism in their emails, interactions, and appearance while being in their personal space (home). It is difficult to make that mental shift when each of your respective homes is now your "workplace" and every interaction can come within the purview of the Act.

Also, due to the interactions now moving to phones or video calls in place of in-person meetings, sexual harassment claims could arise due to misunderstanding or even when done unintentionally. Another person's tone can be misconstrued. Accidentally enabling the video call option so that objectionable material is seen by the other person could trigger sexual harassment claims. Using brackets with H or B on an instant messaging platform could be sent as a hug or beer emoticon, which can be considered offensive by the recipient.

While conducting investigations remotely, maintaining confidentiality is the biggest challenge for all parties, as we are constantly surrounded by others. The time taken for investigations and closure of an inquiry may also be extended due to non-availability of an IC quorum at the same time, preference for personal cross-examinations, or the IC's inability to examine evidence during the COVID-19 situation.

Recommended best practices

Innovative methods to educate employees are a need of the hour. It is very important to remind employees about the applicability of the Act even while they are at home. One way of doing this is by explicitly including home under the definition of "workplace" in the PoSH policy. Embracing the practice of conducting the proceedings under the Act through video conferences and delivering reports or statements electronically will also go a long way.

Educating employees on the etiquette they need to follow while working from home, running campaigns via email, posters, and screensavers, highlighting best practices in simple language, and stating what is not acceptable will avoid any unintentional mistakes. As managers, checking with your teams subtly if anyone needs help in case of any uncomfortable situation can reinforce employees' confidence about the care and concern that the organization has for them during these trying times.

Author Biography

Monica S. Pirgal is General Counsel, Head of Legal and Company Secretary at Lowes India. She also serves as Executive Director/ Boardmember at the company. Monica is a seasoned and experienced strategic attorney with over 15+ years' experience in handling legal, secretarial and compliance functions at Lowe's, Goldman Sachs, PwC, Subex and as an independent law practitioner.

BUILDING AND SUSTAINING A ROBUST POLICY FRAMEWORK

When done correctly, a well-organised and consistent policy can futureproof your compliance program

Written by Ritu Jain, Chief Compliance Officer, Asia, GE

The fundamental basis of any company's compliance programs is its Code of Conduct and its suite of compliance policies. Having 'policies and procedures' in place is such a basic requirement, that we almost take it for granted. The biggest mistake we can make is building a policy that we use as a check-the-box exercise. In fact, how many times have we heard that to remediate a process gap or to mitigate a risk, a policy is drafted? That seems to be the silver bullet for corrective action. Unfortunately, this critical component becomes the least impactful area to consider in evaluating the effectiveness of a company's overall compliance program.

The fact of the matter is that the most important element of a compliance infrastructure for an organization is its policy structure. If applied well, policies can be vital to not only act as a strong defense mechanism for a company in the course of regulatory scrutiny but can become a cornerstone of building a solid culture of integrity and ethics and compliance. To harness the real impact of a policy, one should consider its impact on employees and the company. For it to serve this purpose it's important to note that policies should be well drafted, organized, properly disseminated, digestible, visibly enforced and stay current through timely revisions. Let's get into each of these elements.

- **Nuts and bolts of a policy:** A well drafted policy is one which is written with the target audience in mind. Having a super detailed and an all-encompassing policy may give us a false sense of comfort that we have covered all risks that could possibly exist in a certain area. But the reality is it's of little use if an average employee does not take the time to read it, let alone process it. At GE, we have taken a big step towards simplifying our policy structure by segregating our audience and defining the purpose a certain document serves. As an example, there are certain core policies within our code of conduct which need to be drafted in a very simple manner in a language that is easily understood by 200K+ employees globally. Our assessment revealed that we need policies with better readability scores at a high school reading level. To this effect, we re-drafted our Code of Conduct to highlight the basic principles and do's and don'ts. Likewise, for businesses, we needed to set standards that define requirements from an operational and functional standpoint. These standards were drafted following a standard structure and content that is both easily measured and frequently audited. In drafting policies, it's important to obtain feedback early on. Input from various internal stakeholders are obviously important for content and specificity. But the ease of understanding should be tested by obtaining feedback from employees outside legal and compliance functions. Their feedback is important to gauge whether they have understood the content.

- **Organization:** The next step is to organize the various documents in a manner that paves the way to good governance. Many of us are guilty of using terms like "policy",

"standards", "guidelines", "procedure" interchangeably. This creates confusion for the intended audience and results in an inconsistency of enforcement. While each organization may have nuanced definitions for these terms, a clear distinction is needed. Simply put, policies are principle-based documents that are adopted by an organization. Standards are basic and often mandatory expectations on 'what' is required to be done. Guidelines include factors to be considered while deciding a course of action. They vary in the level of details and are generally recommended or supplemental documents versus being strictly mandatory. Procedures are documents that list detailed step-by-step actions required to accomplish a task. Procedures often cover the 'how' and include ownership, delegation of authority, tools, systems etc. They are required to operationalize policies and standards and establish controls in critical processes. Each of these documents collectively make a company's policy governance framework.

- **Communication:** Policies need to be communicated, which is not the simple act of posting the document on the company's website/intranet. That's the greatest disservice we can do to ourselves and our employees. We may be delusional in thinking that anything on a company's website is pro-actively accessed and reviewed by employees. It's necessary that a basic communication approach is planned for any dissemination depending on the nature of policy and size of organization. In most cases, a multi-pronged approach is required such as sending a communication to employees along with socializing with the audience via cascading through managers and may go as far as obtaining an acknowledgment, as in case of a Code of Conduct. Referencing and pointing to the locations of a policy during trainings is equally important and reinforces the messaging.

It is important to note, however, that communication will not guarantee comprehension. How do we know our policies are understood? Creating a test after a training maybe one way. A useful way we have figured this out at GE is through a process called "risk roll up". In this process, every 12 or 18 months, we run a campaign where managers at all levels discuss key policy areas and risks with their employees starting from front line employees. Managers then roll up the questions/

take away with their leader and so on till the discussion happens with the senior most person in the business. The inputs from all levels are recorded along with questions, concerns as well as highlight gaps in understanding if any. This input is invaluable to the compliance organization to not only gather risk perception from employees and management but also a reflection of general understanding of various policies.

- **Enforcing policies:** Just like laws, policies are only as effective as they are enforced. No amount of governance structure would achieve its true objective if it's not enforced. When issues happen, and they will happen, the first litmus test is whether the policy existed and was understood, and the next step is to check how the company responded to the issue. If the response or action is not aligned with the tenets of the policy, it's failed all the effort taken in prior steps.

- **Continuous update:** Creating a policy framework is never a one-time exercise. As times change, it is imperative to continuously review and update the policy's content and follow the whole cycle. It also instills confidence in minds of employees that there is a machinery which ensures that policies remain relevant and new realities are incorporated.

As custodians of policies in our companies, a robust policy framework can act as one of the most important tools at our disposal. When done wrong, policies can simply be a tick-the-box item on a checklist of compliance and do nothing more. In compliance, we are always looking for the right way and when done right, policies can play a significant role in making a solid compliance infrastructure as well as be a catalyst for enabling the right culture for a company.

Author Biography

Ritu Jain is the Chief Compliance Officer for GE Asia region, which includes South Asia, South East Asia, Japan, Korea and Australia New Zealand covering 30000+ employees across 19 countries. In this role, she is responsible for GE's Compliance program and strategy in the region, identify emerging Compliance trends including related regulatory and policy issues that may impact the businesses' compliance readiness and make appropriate recommendations.

HOW EIGHT PILLARS HELP RECKITT BENCKISER DO THE RIGHT THING, EVEN WHEN IT IS THE PATH LESS CHOSEN

What makes Reckitt Benckiser distinctive is that the functionality of many of our brands authentically serve a large social cause – be it in hygiene, health or nutrition

Written by Bhavya Hasija, Regional Compliance Director South Asia, Reckitt Benckiser

At Reckitt Benckiser we follow very rigid regulatory standards that fuel the importance of a strong and responsive ethical and compliant culture. Besides that, our consumers, employees, shareholders and regulators expect business leaders to institutionalize governance at every point where decision-making needs to be tested for compliance & business integrity. Therefore, at RB 'Acting always with integrity' and 'Do the Right thing, Always' are at heart of our core values, which drives a culture of compliance.

The RB Ethics and Compliance program adopts its approach, guided by the Foreign Corrupt Practices Act 1977 (FCPA), UK Bribery Act 2010, World Health Organization Code and Department of Justice guidelines. We have institutionalized our Compliance program based on eight pillars for effectiveness: Conducting periodic risk assessments, Designating appropriate oversight and resources, Implementing written Policies and Procedures, Developing effective lines of communication, Conducting effective training and education, Conducting internal monitoring and auditing, Responding promptly to detected problems and taking corrective action and Enforcing standards through well publicized disciplinary guidelines, with an emphasis on leaders.

Risk management as base of compliance program

At RB, we apply the highest standards of ethical business, in both spirit and conduct, in our day-to-day work and do our part to advocate compliance and ethical business practices. Risk Assessment forms are based on our Compliance Program, which covers compliance of the Code of Business conduct, Anti-Bribery and Anti-Corruption, Interactions with Health Care Entity/Professionals, Third Party Code of Conduct, Data Privacy Governance, Antitrust, Conflicts of Interest and Gifts & Hospitality. In addition, RB commits to fully complying with all laws, regulations and our Breast Milk Substitute marketing policy in relation to the manufacturing, distribution and marketing of all infant and nutrition products.

We believe in continuous improvement. The compliance risk exposure is revisited annually at country/market level, to bolster compliance risk management efforts to prepare for and respond rapidly to evolving threats. Regular risk assessment exercise also ensures customization of risk management efforts, based on identified high risk areas which may partly differ between different countries/markets. This risk management helps business leaders in adoption of smarter solutions and ways of dealing with business operations to mitigate risks and enhance ethics. Standard risk management tools are developed to ensure consistency of risk assessments across various geographies.

Managing Third Party Risk through Due Diligence

As set out in the Global Anti-Bribery and Corruption Policy, RB is committed to doing business to the highest ethical standards to help maximize the long-term sustainability of our business

RB Compliance journey has evolved over a period of time and will continue to evolve.

and of the communities in which we operate. As part of our commitment, we only work with Suppliers, Distributors, Customers and other Business Partners (collectively, "Third Parties") who share the same commitment and values to high ethical standards and operate in a responsible way. RB takes a risk-based and tiered approach to complete Due Diligence (DD) on its Third Parties via an online platform. This online platform is used to support the objective of gathering specific information and identifying legal and compliance risks in connection with Third Party engagements and other parties to ensure the behavioral, operational and reputational expectations we set for Third Parties are satisfied. Based on the results of these reviews and other attributes, an Enhanced Due Diligence may be triggered.

Strong ethical culture through tone from the top

RB engages in various trainings and campaigns through communications such as 'Honest Reflection on Ethics', 'Compliance Podcast', 'Responsible Ambassador', 'Compliance Newsletter', 'I am Responsible'—all with the goal of promoting RB's core values. These campaigns have been a success and have helped in creating an enhanced awareness among employees in addition to various compliance trainings launched as per the compliance calendar. Trainings are translated into 26 different languages across various regions, it includes a series of interactive videos, case studies, the knowledge assessment and is being delivered both online and face to face. There are Regional Compliance committees at market level in addition to Business units and Group Compliance Committees, which meet at least quarterly, to provide good governance at top and bring required ownership and accountability of senior management in compliance initiatives. These Compliance Committees are chaired by the CEO with CFO, HR Head, Compliance Head, Legal Head and Regulatory Head as members to ensure and track overall compliance risks and mitigation.

Attitudes, Beliefs and Behaviors

When it comes to a shift in mindset, these

are areas we continue to work on with significant progress:

- Pride in being entrepreneurial and nimble and in exercising good judgment efficiently

- Driven by a balance of long- and short-term business aims (targets, market share, entry into new markets, market retention)

- Improved FTSE ranking and acceptance into additional ethical investment indices (e.g., DJSI and others)

- Sustainable relationships with reliable third parties and strong market presence based on respect for both cultural and regulatory differences

- People surface problems, ask questions, discuss trade-offs, and brainstorm ideas

- Efficient collaboration and shared understanding between business areas to drive quality

Streamline Policy Management to increase responsiveness and boost policy and procedure effectiveness

Strong policy management is essential. It is the basis for clear and direct communication with employees and for the establishment of consistent and repeatable processes. Policies are streamlined and kept up to date on the intranet, available for all employees in 26 different languages globally. There are global policies covering all important aspects of compliance in a highly regulated environment, which are further streamlined by regions and markets by incorporating local requirements in SOPs if they are more stringent then global guidance. There is zero tolerance at RB for deviation to these policies.

Technology as cutting edge to drive compliance

In an environment with ever-changing threats, perpetually rescoping compliance focus and keeping compliance policies and activities up to date are paramount and made much easier with the aid of technology. RB invests in tech-enabled infrastructure to support a modern, data-driven compliance function. Tools & Technology are in use for managing speak-up cases, gift register, recording interactions with Health Care Professionals, arriving at Fair Market Value for events, expense management and due diligence checks. More and more investigators use data analysis techniques to investigate and expose fraud/compliance violations, which are non-negotiable as part of an independent speak-up process. RB utilizes technology to provide targeted, engaging and

up-to-date compliance trainings. To increase the effectiveness of Compliance monitoring efforts, a plan is in place for using technology to arrive at compliance Key Risk Indicators.

Enforcing Standards Through Well Publicized Disciplinary Guidelines

Compliance officers grapple with an ever-more complicated risk landscape and the ever-changing regulatory requirements. RB is committed to continuously evolve the Compliance program to meet strategical changes in business and mitigate everchanging external environment. To this effect there are monthly Compliance Leadership meetings to share compliance best practices implemented in their respective region and updates to the Compliance program. This forum also helps to share emerging compliance risk globally and in their respective regions. Also, there is Compliance Maturity program, which helps to access process maturity of compliance initiative based on eight compliance pillars.

RB's Compliance journey has evolved over a period of time and will continue to evolve. This Compliance program facilitates to achieve the highest level of transparency, accountability, responsiveness, alignment with the law and empowerment for all stakeholders. At RB compliance is the way to do business, where the expectation is to always do the right thing to lead with example, and to be responsible always, no matter how hard it is, that is how we as RB always operate.

Author Biography

Bhavya Hasija is Regional Compliance Director, Ethics and Compliance, RB Health South Asia & AMET. Bhavya is an India qualified CA, CISA with extensive experience implementing, evaluating, and monitoring compliance programs for multi-national corporations. Currently Regional Compliance Director, Ethics and Compliance at Reckitt Benckiser Health based in Gurgaon, Bhavya has a large international footprint of experience, managing global ethics and compliance at India, Sri Lanka, Bangladesh, the Middle East, Africa and Turkey. Bhavya is part of the company's Leadership Team in these markets and provides strategic direction to overall compliance strategy, framework and implementation of Compliance programs and initiatives.

WHATSAPP ASSOCIATE GENERAL COUNSEL SHARES CAREER ADVICE

A Conversation with Ashish Chandra on Leadership, Mentoring in a time of unprecedented instability

Interview by Ethisphere

In the following interview, Ethisphere's Aarti Maharaj spoke to Ashish Chandra, Associate General Counsel - India, WhatsApp Inc, about his work as a senior lawyer at the popular smartphone app. Chandra also highlighted that when it comes to building one's career, think about it as a 50-over one-day cricket tournament.
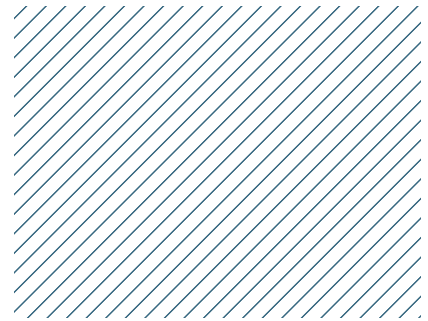
Ethisphere: How has your career developed over the years?

Ashish Chandra: I never planned to be a corporate lawyer, but you can't control your destiny. After getting into law, very early in my career, I decided to focus on information technology laws as a specialization in addition to my regular day-to-day corporate law advisory. For this, I received a specialized diploma in cyber laws from Indian Law Institute, New Delhi, and a specialized diploma in IPR laws from National Law School of India University, Bangalore. I was fortunate, and with the blessings of my parents, I got the opportunity to work with some of the best technology companies.

In 2005, I secured the opportunity to work with eBay when it entered India after acquiring "baazee.com". At eBay, I gained experience working with regulators and industry bodies to shape various internet, commerce, and payments laws, and handle various tech litigations and law enforcement issues. The legal and regulatory eco-system that was developed in India during those days has supported the astounding growth of today's Internet business.

With my experience in eCommerce, media and technology, I got the opportunity to work with Reliance Jio, India's telecom giant, to build one of the world's largest and most advanced telecom networks and digital businesses. At Reliance Jio, my team forged multi-billion-dollar telecom network technology deals and helped lay down the foundation of its various over-the-top media businesses.

Thereafter, I returned to the eCommerce industry and helped Snapdeal grow from a small start up to an industry leader at its peak. At Snapdeal, my team closed the very first investment deal of Softbank in India and thereafter closed various fund raises close to two billion dollars. Snapdeal also ventured into various businesses through multiple acquisitions including the then largest Internet acquisition of Freecharge, valuing US$450 million. At Snapdeal, my team successfully handled the first ever eCommerce-related foreign investment and competition law litigations.

It has been a little over a year since I joined WhatsApp and have been helping the company to navigate various legal, litigation (including five cases before the Indian Supreme Court) and regulatory challenges.

Post Snapdeal, at Netflix I structured and negotiated various technical integration and business development deals to make Netflix available on various third-party platforms and networks and won two litigations against the first few major titles on Netflix.

It has been a little over a year since I joined WhatsApp and have been helping the company to navigate various legal, litigation (including five cases before the Indian Supreme Court) and regulatory challenges to provide safe and secure private communications, digital payments, and conversational commerce platform to over 400 million users in India.

Over past few years and with the support of excellent leadership, the industry has been kind to award me and my teams with various awards notably:

- Awarded "Young Achievers Awards – under 40 years of age" in 2015

- Awarded "Largest Internet Acquisition in India" (Snapdeal's acquisition of Freecharge at ~US$450mn) 2015

- Hon'ble mention in "Legal500 top Indian General Counsels 2016"

- Snapdeal's legal team won "Best legal team in eCommerce segment" in 2016

- Awarded as "Best General Counsel in Indian eCommerce industry" in 2017

Ethisphere: Describe a typical day for you at work?

AC: As with everyone, my typical day changed post COVID-19. Days are getting longer and work never seems to end. I stay motivated throughout the day as I get to work on what I like the most. I am also grateful for the additional time to spend with my family.

This is such an exciting time to be part of the WhatsApp's journey in India that it's hard to predict how the next day or next week will look like. Agility is key. One day you are handling issues surrounding a new business model, the other day you get to prepare to defend a public interest litigation, and the next day handle a regulatory or law enforcement escalation.

Given this work schedule, I ensure I spend time with my wife and my 13-year-old son. During weekends, I catch up on new releases on Netflix, Hotstar and Amazon Prime, try cooking, writing articles and attend one or two professional webinars.

Ethisphere: How would you describe your leadership style?

AC: Leadership starts from how one leads his/her own life and grow and inspire others. In a professional setup, one tends to lead three type of stakeholders. (i) Our own team where you lead from within, (ii) Your colleagues where you lead in parallel, and (iii) Your external support system, i.e., your external counsels where you lead from outside. In my experience, a great leader is one who can demonstrate leadership with all stakeholders. Its relatively easier to lead (or say 'manage') your own team however, it takes a strong character to lead from outside. In my career, on one hand, I lead a team of 25 and on other hand, I had navigated challenges while being an independent contributor but leading a team of my colleagues and external counsels. I try and set up good internal systems that support our individual decisions. I feel proud that most of my past team members are now leading the legal departments of successful companies.

Ethisphere: What types of issues keep you up at night?

AC: God has gifted me sweet and sound sleep. However, I do worry about how the global trade and commerce will evolve post COVID-19 and how it will have an impact on the jobs and on the society at large. During these times, our number one priority in life, above our happiness and above our work, should be our and our family's health and wellbeing.

Ethisphere: What are your thoughts on adjusting to the "new normal" way of life?

AC: I am likely to be working from home until end of 2020. Therefore, it is critical for me to get adjusted to the "new normal" especially when you work in a large global company and have your colleagues across different time-zones. I believe the key here is how to master a smooth and quick transition from balancing work to health to family time.

Ethisphere: Following the global pandemic, what are some things that might permanently change?

AC: The world will change for good as well for worst. I believe the internet industry will grow at a faster pace, and that has been witnessed by the recent surge in the stock price of various prominent internet industry leaders. COVID-19 could be the Y2K moment for HealthTech and EduTech. Legal profession would see a significant shift in adoption of technology, growth in outsourcing, exciting opportunities for cyber security and digital forensics and evidence practice. Young lawyers will feel more empowered and motivated as they would be ahead in adoption of newer technology and understanding of the techno-legal issues. The gig economy will boom as employer-employee relationship will get redefined. Social and family values will change, and for good, as you would want to restrict your socialization to important people in life. Friends will become good friends, but acquaintances may not become friends.

Ethisphere: Any nuggets of advice that you would share with younger lawyers that have been beneficial for you?

AC: I regret not having a mentor. Whatever I did was based on my instinct and limited feedback form my friends and family. In general, I would advise my younger friends to anchor their career and not adjust it to the surrounding circumstances. Legal profession is neither a T-20 cricket match nor it's a 5-day test match. Play it like a 50-over one-day cricket and build your innings mid-way. For those who are in-house counsels, practice LAWBI, i.e., legal acumen with business intelligence. Lastly, pick one new topic every six months and write an article or publish blogs. Write to learn, not to teach, and stay available to step outside of your comfort zone and solve brand new problems.

Expert Biography

Ashish Chandra is presently working as Associate General Counsel of WhatsApp Inc. and leads the legal and regulatory affairs of WhatsApp for India. In the past, he has worked with various large Indian and US companies like Netflix, eBay, Reliance Jio & Snapdeal. Over last 20 years, Ashish has firsthand witnessed and contributed to the growth of Internet business and related regulations and jurisprudence in India.

CBRE SHARES THE MUST-HAVE SKILLS FOR COMPLIANCE OFFICERS IN A NEW ERA

How Compliance Officers can train the next generation of leaders

Written by Varun Wadhwa, Country Compliance Officer, CBRE, India

In case you are wondering—in the midst of the pandemic and India's lockdown—that the compliance jobs across the globe may dwindle... you are in for a surprise. Today, the world is in need of compliance officers armed and ready with solutions when businesses resume and seek out expensive ways to explore new opportunities. The increasing workplace compliance, which has been compounded by the pandemic both from regulatory compliance and Health & Safety Risk perspectives, will need the guidance and support of a versatile Compliance Officer.
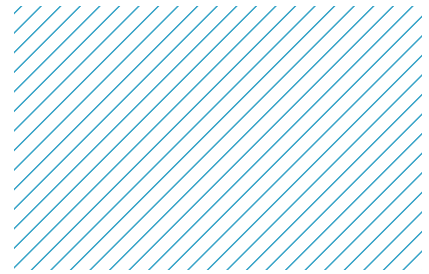
So, gear up as we explore the art and science behind becoming a truly world-class Compliance Officer!

Skillsets @2020

A) Being one amongst the masses, the time for working in isolation is long gone!

There used to be a time when the compliance department would consider that its work is absolutely sacrosanct, and that it owes no explanation to any of its stakeholders. Behind the veil of secrecy, they could continue to operate in silos without anyone questioning their approach or turnaround time. Well, unless you are operating out of another galaxy, the time for isolation is long gone. Today you need to work alongside your stakeholders, resolve their problems and most importantly ensure that there are no surprises. In essence, speed & transparency are the new mantra!

B) Love for technology and artificial intelligence!

You may argue whether AI is a boon or a bane, but one thing is for sure: it's going to the biggest differentiator in how you perform your job in the coming years through the various upcoming compliance tools. One of best books written on the subject is by Brad Smith (President of Microsoft) and Carol Ann Browne known as "Tools & Weapons". The book encourages you to join the AI revolution with the underlying message that the advancements in technology would not slow; you must learn and re-learn how to keep up with the changes.

The current situation has given us a great opportunity to adapt to the world of virtual meetings, the world where you would spend maximum time going forward conducting investigation interviews, training sessions and critical stakeholder meetings.

C) Credibility and strategy!

Having a strategic plan in place for three years ensures that even in an unfortunate event, your team knows what to do. I am not wishing that happens, just pointing out and planning ahead. Also, it takes care of the fact that all your program elements

(training & communication, policies & procedures, etc.) continue to work in sync and stay on course of achieving all priorities.

Equally as important is credibility. A credible leader is transparent and acts in the best interest of all stakeholders. This is critical since people are constantly observing your behaviour as a Compliance Officer, forming theories about your competence, character, and commitment. Establishing a strong reputation founded on credibility would go a long way in ensuring your work gets recognized and also give you an edge in your everyday negotiations.

D) Communicating intelligently—Study the language of the various audiences

Neuroscience has made significant advances over the last few years in understanding human behaviour. Sooner or later the compliance department of organizations needs to consider and refer to these studies. Already we see some of the major companies like DELL and Microsoft working with neuroscience institutes to help prepare training content for their employees. Soon, a certification in compliance may require a section in human psychology. Today's Compliance Officer needs to study human behaviour, understand the complexities and prepare a program that tackles those complexities. A good example is including videos, podcasts, role playing, and theatrical plays as part of your awareness messages to tackle different learning patterns.

E) Spread your wings – Become a GRC Officer!

A lot of you may know Michael Rasmussen. He is an internationally recognized pundit on governance, risk management, and compliance (GRC) and is also known as the "Father of GRC"—being the first to define and model the GRC market in February 2002. GRC is the integrated collection of capabilities that enable an organization to reliably achieve objectives, address uncertainty and act with integrity. In a way, GRC may not be anything unique than what you may be already doing, it is just that now you are approaching these activities under a new lens.

F) Become a Data Scientist!

The industrial age which started during the late nineteenth century brought about a new revolution; it gave wings for capitalism to flourish and employed millions across the world. Now, the information age has given birth to a new DNA of professionals known as data scientists. The ability to gather large amounts of data to analyse and synthesize the information into actionable plans is a skill in itself. The compliance officer of today should be nothing less than a data scientist—for he/she should be able to effectively conduct undirected research as well as employ sophisticated analytical programs and statistical methods for the organization.

In the end here is some advice I'd like to share with fellow compliance officers in training the next generation of leaders:

- **Awareness vs. consciousness:** The Compliance Officer must understand that a lot of managers are already aware of compliance risks, your job is to make them conscious of their decisions. It's like smokers who are already aware of health risks would try to quit smoking once they become conscious of these risks.

- **Sharing of experiences:** Workshop vs. training model: Working professionals at all levels, especially senior leaders, love to share their knowledge and experiences, your job is to use this experience to enhance your training content. Also remember people learn best when they are having fun, if you attempt, even the most monotonous content could be made interesting.

- **Change is a process, not an event:** Compliance Officers often expect immediate transformation after their sessions. Remember what you are doing is bringing about a positive change in the organizational culture and this takes time and effort!

- **360 degree-feedback:** Too many compliance professionals hammer their training content without proactively seeking feedback from their audience and stakeholders on their methodology—remember what the experts say: "Feedback is the breakfast of champions".

Author Biography

👤 *Varun Wadhwa oversees Ethics and Compliance as well as the Internal Audit program for CBRE India. He is responsible for ensuring a successful corporate ethical culture as well as overseeing the internal audit framework. Varun is a Certified Fraud Examiner & holds a Graduate Certificate in Compliance & Risk Management from the GRC Institute, Sydney, Australia. Previously he was managing a team at KPMG overseeing engagements on Investigation Misconduct, Anti-Money laundering & Regulatory Compliance.*

CBRE on Leveraging the use of Data Analytics in Anti-Corruption Monitoring

As compliance professionals, we are often confronted with an avalanche of data when trying to find the information necessary to achieve the anti-corruption objectives of our compliance monitoring program.

In other words, we are looking for the proverbial needle in the haystack—which, of course, is never an easy thing to do! Fortunately, modern technology has made this arduous task somewhat easier through the application of data analytics that enable us to focus more on the treasure trove of data. As a result, we save time and devote more of our resources to the areas that need particular attention, thereby better protecting the company at the same time! Businesses have been using data analytics for many years for all sorts of purposes. Airlines, for example, use data analytics to determine which routes to fly and navigate. Chain restaurants use data analytics to determine where to locate a new restaurant. Industrial operations use data analytics to predict where and when industrial accidents will occur and take corrective action and preventative measures.

Written by Jee Mei Cheng, Director, Compliance – SEA, CBRE. Read her full article on the BELA Asia Pacific Member Hub.

THE GOVERNING ETHOS OF A COMPANY STARTS WITH COMPLIANCE

Transforming the alco-bev industry

Written by Chandramohan Ramanathan, Vice President – Controls, Compliance and Ethics at Diageo India

Since 2013, Diageo India has embarked on a journey of Compliance. We have undertaken major steps in the way we do business by ensuring the highest level of compliance and governance. As a leading player in India, we have led the way in transforming the alcoholic beverage industry's reputation by investing in robust governance and compliance standards.

We strongly believe that when responsible business practices and integrity are embedded into the DNA of day-to-day operations, they become the governing ethos of an organization, not a barrier. The implementation of an effective compliance framework enables and guides employees by providing them with an ethical Code of Conduct and a moral compass. Our compliance program Path to Pride sets the values and leadership behaviours that will uphold the reputation of individuals and the Company (more on this program in Ethisphere's 2019 BELA South Asia Magazine). The key principles of our compliance programs are:

- Everyday compliance: Helps in building trust, inspires the team, and ensures that customers are served better
- Reach and connect: Penetration of compliance awareness across the organisation
- Simplification through automation
- Moving from a reactive approach to a proactive approach

These principles are embodied in Diageo's Code of Business Conduct, which is designed to help our employees understand their responsibilities as an important part of—and an ambassador for—our business. The Code sets out our collective and individual commitment to conducting business in line with its principles and in accordance with all relevant laws, regulations, and industry standards. All employees are expected to undergo training on the Code within 30 days of joining the company and also complete the annual refresher training and compliance certification program.

Our Code enables our employees to make the right choices and demonstrate the highest standards of integrity and ethical behaviour at all times.

Author Biography

C. Ramanathan joined Diageo India in January 2008. He has over 20 years of experience in the field of finance across various verticals, which include plant finance head, commercial finance business partner, planner & controller. In his current role, he is responsible for delivery of SOX & IFC requirements and focuses on building culture that can make Diageo one of the most trusted and respected consumer goods companies.

ELI LILLY'S TAKE ON HIGH PERFORMANCE WITH HIGH INTEGRITY

Compliance is everyone's responsibility

Written by Gunjan Singh, Director, Ethics and compliance, Eli Lilly & Company India

Today, most multinationals have been able to successfully create a compliance framework within their organization. These robust compliance frameworks generally encompass a dedicated team of compliance professionals, well-written policies and procedures, and well-executed compliance programs comprised of regular communication and training.
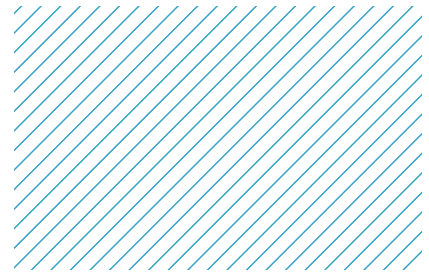
No matter where we are in our programs, we end up asking ourselves:

- Why are these programs still highly dependent on rigorous monitoring and audits?

- Why do organizations still develop mission statements around integrity and require employees to uphold them?

There could be multiple answers to these questions. As humans, we are vulnerable to rationalizing actions for the good of the organization that might not be best in the long term. Our definition of integrity might also vary based on cultural differences and our social environment. Above all, we might believe that it's the compliance team's responsibility to drive integrity in the organisation.

Compliance is everyone's responsibility. Unless all employees truly believe in this statement, we, as compliance leaders or auditors, would need to continuously test and be responsible for our findings.

The need of the hour is to drive the culture of accountability, of delivering business numbers with high integrity—ultimately winning with integrity, not without it. In order to integrate integrity into business practices, we need to equip future leaders with tools that enable them to develop the much-needed acumen of perceiving risks. Therefore, it is highly important that all employees are trained on managing ethical dilemmas.

At Eli Lilly & Company India (Lilly India), our first target to drive accountability for "high performance with high integrity" was the functional leadership. Starting last year, these directors began conducting their functional risk assessment exercise, which helped them look deeper within their respective functions and identify compliance risks in their teams. What better way to drive accountability than encouraging them to create their own functional mitigation plans for the identified risks and follow the plan throughout the year?

We changed the way we communicated about compliance topics to employees. For example, quarterly compliance webinars, which used to focus on procedural requirements, were changed

to a panel discussion format with functional leaders talking about risks, tips to reduce them, and closing the loop by referring to procedures. Putting functional directors at the forefront of all ethics and compliance training and communication not only gives them a sense of empowerment on the subject, but it also helps set the tone. Someone once told me, "Tone is not just the message but also the frequency." So, we ensured that messages on integrity were not just heard from podiums during national or regional meetings, but that leaders shared the same messages with the organization using all possible platforms, on a monthly—and sometimes weekly—basis.

To drive further adoption, it is important to expand the program to include middle management, and we actively engaged integrity champions from various departments. The Ethics and Compliance team, meanwhile, continued conducting regular risk assessments, root cause analysis, and corrective and preventive action plan creation workshops to drive leadership exposure and commitment to compliance requirements.

When middle-level supervisors feel accountable and take necessary precautions, we can successfully drive home the concept of integrity. By including middle-level managers in compliance champion programs, these programs became more visible within the organization. These supervisors were regularly trained to identify risks in their daily activities through case-based workshops facilitated by Ethics and Compliance. They gained an additional understanding of ethics and compliance principles and were also accountable to roll out learnings to their teams on a monthly basis. There is ample proof that peer learning is the most effective adult learning technique. So, on a quarterly basis, we gave all supervisors a platform to share learnings. They shared real-life situations where they faced ethical dilemmas, the challenges in managing them, and resources that helped them make the right decisions. They also shared their assessment of risks in their

business and received cross-functional help on planning mitigation.

None of the above would be effective if we did not encourage and inculcate a culture of trust and transparency. All leaders routinely encourage employees to speak up with questions and concerns with no fear of retaliation. All channels to speak up are regularly shared with the organization through multiple platforms. Zero tolerance for any acts of retaliation is the consistent message across platforms for all business interactions.

This formula will not make all deliverables green in every audit scorecard, but I strongly believe this path can lead to a cultural shift. "Compliance is everyone's responsibility" is not just a fancy tagline, but rather it's what organizations and employees need to continually work towards. When employees learn to navigate ethical dilemmas via the path of integrity, the moral foundations of the organization become stronger and can better support the business objectives and strategy for the future

Zero tolerance for any acts of retaliation is the consistent message across platforms for all business interactions.

Author Biography

Gunjan Singh *is the Director of Ethics and Compliance at Eli Lilly & Company India. As the Head of the Compliance function, she is responsible for driving the culture of integrity and transparency and is a part of the Lilly India Leadership team. Gunjan joined Lilly in 2011 and since then has had the opportunity to work in a variety of roles. Prior to her current role, she was the medical lead for multiple products under Lilly India's portfolio. She was actively involved in developing scientific knowledge of sales teams in her previous roles. She leads the medical information services for India and six other countries in Asia, the Middle East and Africa.*

IS REMOTE WORKING DURING COVID-19 SPURRING A RISE IN SOCIAL MEDIA COMPLIANCE RISKS?

The use of smartphones and social media has increased as employees continue to report to work remotely

Written by Jagdeep Singh, Partner, Assurance, EY

The impact of COVID-19 has swept across global businesses, affecting all sectors and industries. Lockdowns of various degrees have disrupted the traditional way of doing business. Organisations have responded by moving to working from home ("WFH"), which has become a new normal. Interestingly, a recent media article highlighted that employee productivity has improved while working remotely.
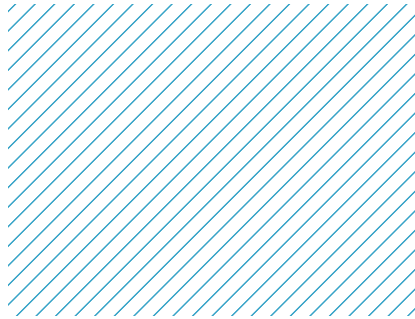
Today, smartphones have become ubiquitous and have blurred the boundary between official and personal use. With "bring your own device" (BYOD) policies and a flurry of apps available, it takes only a tap or a swipe to launch into the realm of social media, while seamlessly switching between an official email or watching a video during nano breaks. Social media has become an integral part of our lives in some form or another. The apps available are used for business as well as personal stories—sharing everything from news and views, thoughts, and feelings, to opinions, points of view, and analyses. As per a report by the Bureau of Labour Statistics, an individual spends more time on social media than on everyday activities, which was approximately 144 minutes a day during 2019.

Many organisations do realize the value brought by social media and recognize that it's a "way of life." However, mixing business and personal usage, especially in a remote working set-up, may expose the individual, as well as their organisation, to several risks. Hence, it is important for organisations to build controls and safeguards around the use of social media, especially during these difficult times. The extent of monitoring or regulating and the approach to it would typically depend on the nature of the industry, demographics, and management style. For example, companies in sensitive sectors such as defence and aerospace tend to prohibit the use of social media, going to the extent of disabling social media apps and even WhatsApp when an employee enters the office premises. Others, such as the pharmaceutical industry, tend to have strict policies but do not prohibit it completely. On the other end of the spectrum are companies that are more liberal and have broad guidelines that are only perfunctory in nature. They would also differ in their approach toward social media monitoring and disciplinary action against errant employees.

There is no denying that social media is a very useful tool for companies because of its speed and reach. But it can also cause serious financial and reputational damage if there is a breach or confidential data is leaked. Many times, employees' actions that may result in these situations are inadvertent or unintentional. With the prevailing pandemic and lockdown across several countries, businesses have adapted to WFH, thereby multiplying the risks presented by social media. Some of the factors responsible for heightened risks are:

- No physical supervision, leading to employees scanning social media apps and sites during office hours.

- Easy access to social media, as handheld devices are being used for official purposes. These allow easy toggling between personal and work modes, making it easier to take a screenshot and subsequently share it on social media platforms.

- Weak cyber and IT security, as many organisations are not equipped to handle a large-scale WFH situation and do not have robust policies and controls.

The ongoing uncertainties have sparked an emergence of several social media risks, including:

- Phishing attacks, wherein unsuspecting users receive a bogus link intended to discreetly gather information from the device, have become fairly common. This means, a tap on the notification while simultaneously attending a call may allow a hacker to gain access to important and confidential official information.

- Many employees have been posting WFH photos with an intent to highlight resilience and spirit within communities in these tough times. However, there have been cases of these photos revealing confidential information in the background—for example, visible network or device passwords on sticky notes or the name of an important client or project.

- Overzealous employees may post various facets of their lives and jobs on social media without realizing the repercussions of their actions. For example, a screenshot from a work app posted without any malice may compromise client confidentiality.

Identifying and addressing these risks will be paramount as employees continue working beyond the physical boundaries of the workplace. Some of the leading practices for organisations as they embrace the future of work are as follows:

- Revisiting and reassessing existing social media policies and guidelines, and tweaking them to be relevant and adequate

- Strengthening training and awareness programs, with a focus on social media policies or guidelines

- Considering an approval process before any content is posted, as some posts can be damaging to the organisation's reputation

- Engaging the IT department to institute adequate controls, as it is critical to protect confidential information and minimize breaches or other compromises

- Monitoring social media platforms through listening tools to identify damaging content and taking corrective action

- Considering use of data loss prevention tools, which can be beneficial not only for security but also for behavioural analytics (like time spent by employees on some websites/applications)

- Considering a non-disparagement clause that would restrict employees from posting content that may negatively impact the organisation

- Encouraging reporting by following the "if you see something, say something" rule in case a disgruntled employee posts undesirable and adverse content

Not very long ago, many companies still had policies restricting employees from taking any company data home. However, these uncertain times have shown that remote working, with access to relevant and useful data, and flexibility are possible and can even improve productivity. WFH is here to stay for the foreseeable future, and it is critical for organisations to have a clear risk mitigation strategy and institutionalise processes and controls to protect from the undesirable impact of social media. It is also important for employees to be included in social media risk mitigation measures and be constantly reminded of the vulnerabilities of social media.

Author Biography

Jagdeep Singh is a Partner with EY's Forensic & Integrity Services based in Bangalore. He is a Chartered Accountant and a Certified Internal Auditor with around 22 years of professional experience. He advises clients on issues related to ethics, fraud, controls and governance and has led several investigations into suspected/alleged financial and behavioural misconduct, including bribery & corruption and data theft. Jagdeep has been a guest speaker at conferences and workshops related to ethics, anti-bribery & corruption (including FCPA) and fraud prevention & detection.

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DATA SECURITY ASSESSMENTS: A TWO-FOLD APPROACH

As more employees work from home, company cultures must adapt to maintain trust

Interview by Scott Stevenson, Senior Analyst, Ethisphere

As the second most populous country in the world, India continues to grapple with the impact of COVID-19 on everyday life. In this interview, Ethisphere's Scott Stevenson spoke to the company's Executive Vice President, Craig Moss, about the nuts and bolts of data security assessments and maintaining an ethical culture as businesses across the region adapt to remote work environments.

When the lockdown was extended as a result of the pandemic, companies in India were forced to immediately transition their operations to a virtual and remote work setting. While moving operations posed some risks, culture, cybersecurity and data protection remained top of mind for many leaders.

According to a recent report by EY, in light of the disruption caused by the pandemic, only 32 percent of business leaders in India have reported that they have an incident response plan in place should a data breach occur, while 68 percent of respondents believe that data protection and privacy legislation can present some additional hurdles.

Ethisphere has developed a new assessment that focuses on data protection and cybersecurity for employees in a hybrid remote/office work environment. The assessment features two parts:

- Program assessment completed by the manager – this measures data protection/cybersecurity program maturity based on their perspective

- Culture survey completed by the employees – this provides anonymous feedback on how well the program is actually being implemented

In this interview, Ethisphere spoke to Craig Moss, who led the service development, about the challenges companies face and what companies can do to reduce their risk and build a data protection culture.

Scott Stevenson: First, can you explain just a bit about the thinking behind developing this new data protection and cybersecurity assessment?

Craig Moss: We want to help companies build a culture spanning home and office where employees take practical steps to protect valuable company data. In response to COVID-19, there was a rapid shift to remote work. Now, we are seeing another shift to a hybrid work environment, in which some employees will be working from home, some from the office, and some from both home and office. Based on talking with dozens of companies around the world, including in India, we think this will be the new reality for the foreseeable future.

SS: Can you help clarify how information security, cybersecurity and data protection are related?

CM: Information security is the broadest term. It focuses on physical and electronic information and making sure its confidentiality, integrity and availability are maintained. Cybersecurity focuses on protecting electronic data on computers,

mobile devices, servers, etc. from being compromised or attacked. Data protection is the process of making sure that digital confidential business and personal information is safe from loss, compromise or corruption. Obviously, there's a lot of overlap. One way to look at it is that data protection is one of the primary goals of cybersecurity. In this discussion we're focused on electronic information so we're talking about cybersecurity and data protection. A lot of data protection focus lately is on the regulatory issues related to the protection of Personally Identifiable Information (PII)—Europe's Global Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and soon India's Personal Data Protection bill.

However, it's important for companies to also think about how they protect confidential business information and trade secrets. One important thing to keep in mind is that an effective cybersecurity program requires the orchestration of people, process and technology to create a culture where employees protect data.

SS: What do you see companies doing in response to the COVID-19 pandemic?

CM: In the initial reaction to the pandemic, companies had to scramble to get people set-up to work from home. The primary focus was on business continuity – and rightfully so. It was a crisis that needed urgent action. But in order to best maintain business continuity, many companies and people did things that really increased the risk of data loss. For example, storing confidential company information on their personal cloud storage or transferring confidential information from the office to their homes on USBs or portable hard drives. Completely understandable, but now companies need to establish a baseline for their data protection/cybersecurity program given the new reality and then make the necessary adjustments to re-balance business continuity and data protection.

SS: How does the Ethisphere assessment help a company?

CM: It helps in a critical way. Managers get visibility into how well their data protection/cybersecurity policies are actually being implemented.

I see situations all the time where the program managers have pushed out well-intentioned policies that don't get followed. The managers feel they did their job by developing robust policies and communicating them to the employees, but in reality, they have created a "work-around" culture. This happens when employees feel the policies are too restrictive or make it hard for them to do their job efficiently. There are good

intentions on both sides, but the results are bad. Ms. Ritu Jain, Chief Compliance Officer, Asia, GE, wrote about this topic and offers some practical insights on page 42 of this publication.

The remote/office hybrid makes it harder to maintain a culture of data protection, but it makes it even more important.

SS: Tell us about the employee experience in taking the culture survey and what they get out of it.

CM: The employees answer about 20 simple multiple-choice questions. It will take them about 10 minutes. The questions are grouped into a few pillars around their awareness and perception of the data protection/cybersecurity program, and then some specifics on their actual practices concerning devices, connections and data access.

In taking the survey, employees need to stop for a minute and think about how they protect data in their day-to-day job. It's a learning experience for them and it helps to build awareness of the importance of data protection.

SS: How is the data generated from the assessment useful?

CM: As I often say, you can't improve what you don't measure. The beauty of what we developed is that it provides two views into the culture. It measures what the program managers think is happening and then matches it with measuring the perceptions and behaviors of the employees. With this data, managers can adjust their program as needed and prioritize on what employee behaviors are most important to change. I've done a lot of change management projects with companies around the world, including India. Effective change in behavior and culture requires a clear path and short steps. Our assessment is designed to provide the data that allows a company to prioritize what to work on and to set quantifiable goals.

SS: How does the service work?

CM: The managers get an enrollment key to take a short program assessment in the secure Ethisphere Assessment Platform and get a maturity score on a 1-5 scale based on their responses. The company sends their employees a link to anonymously take the matching culture survey. Ethisphere compiles and correlates the two data sets. The company receives a report with the results, featuring our analysis and priority action recommendations.

SS: How granular can your analysis go?

CM: Assuming the company has chosen

to survey a large enough percentage of their workforce for us to have significant sample sizes, we can go quite deep. One of the most valuable things that we can do for companies is to segment the culture data in two ways: by location, and by business unit.

Location segmentation is valuable because it gives insight into how implementation and employee perception is impacted by regional or cultural variations, training methods or IT infrastructure. Business unit segmentation is also really valuable because different business units access different levels of confidential information and need to share it with different internal departments and third parties.

This level of data segmentation allows a company to benchmark locations and business units and then share the "good" practices throughout the entire organization.

SS: How can companies use the results to improve their program and drive sustainable change?

CM: As I mentioned, our report includes a priority action roadmap. We analyze the program assessment and corresponding culture survey to identify gaps and areas for improvement.

Read the full article on Ethisphere Magazine: https://magazine.ethisphere.com/

Expert Biography

Craig Moss has worked with companies of all sizes around the world on how to improve compliance and risk management performance. At Ethisphere, Craig is responsible for developing and delivering the "Measure and Improve" program designed to help companies and their supply chain mature their programs for cybersecurity, data protection and anti-corruption. Craig's perspective is also shaped by his experience as:

- *Director-Content & Tools at the Cyber Readiness Institute, an organization focused on helping small and mid-sized businesses in the value chain improve their cyber readiness*
- *Chairman of the Licensing Executives Society committee for developing an ANSI global standard for Intellectual Property Protection in the Supply Chain*
- *Director of the Digital Supply Chain Institute, where he developed a catalyst program to help companies make rapid improvements in their digital transformation*

Craig has worked extensively with companies in India, China and Asia over the past 25+ years.

FROM INDIA TO SINGAPORE: DATA IS THE NEW OIL

Meet Mekhla Basu, Splunk's new Director and Corporate Counsel for APAC

Interview by Greta Baranowski, Senior Editor, Ethisphere

Ethisphere had the chance to catch up with Mekhla Basu, Director and Corporate Counsel, APAC, Splunk about her new role, career path and managing the growing risks of data and social issues across the region.

Greta Baranowski: What inspired you to move to Splunk?

MB: In my previous role as Intel's South East Asia compliance counsel, I had a fair visibility of the complex issues arising out of the Asia market/region and was handling this dynamic region based out of India. When the opportunity came up in Splunk, a few things inspired me:

- **First Splunk's business:** Splunk is a San Francisco head-quartered multinational company that turns data into doing with the Data-to-Everything Platform. Splunk technology is designed to investigate, monitor, analyse and act on data at any scale.. Splunk has over 27 offices and over 5500 employees worldwide and growing exponentially in this region. Splunk is driven by a single important mission that is customer success and this very ingrained DNA has helped Splunk become one of the most prestigious software companies in the world, steeply and quickly. Data is the new oil, and most technology companies I have worked in the past were re-inventing themselves to become data companies. Enough said— the very business of Splunk was reason enough for me to be sold!

- **Second Splunk's values:** Splunk's vibrant yet disciplined culture. The focus of the company has been on building this network of customers by inspiring trust. Splunk lists its values as - Innovative, Passionate, Disruptive, Open and Fun. Sounds pretty simple, isn't it? But behind these very simple sounding values are a deep attempt by Splunk's global and regional management to create a world class company driven by customer success, having an open, transparent, ethical culture where the employees are its best assets.

- **Third - my role:** In this newly created role, I have been entrusted to uphold and amplify this existing culture and help Splunk's APAC management navigate a challenging and dynamic market- doing the right thing and heading towards customer success. In my role as Director and Corporate Counsel, I handle a bunch of interesting matters— ethics and compliance, employment, corporate commercial to name a few. Splunk's steep growth curve, added with the inspiring culture and the ability to be a part of this growth and success, made Splunk a natural choice as a coveted employer!

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> *The focus of the company has been on building this network of customers by inspiring trust.*
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GB: Can you talk more about your new role and expectations? What are looking forward to most in your role?

Mekhla Basu: As stated earlier, this is a newly created role—because Splunk very early recognised the need for transparency and ethical conduct along with steady growth in the region. Given, the company's 40% YoY global growth curve, it is all more important that Splunk continues to derive and add value through its enviable reputation, not just as a niche leader but also a company focused on innovation and passion. Innovation cannot happen without the right kind of culture and Splunk recognises this very fundamental. In my role, I will be responsible for upholding and exemplifying this culture and help APAC management navigate through choppy water of an unpredictable, fast changing regulatory sea-scape! Except for deals and transactions, my role which is unfolding every passing day, will include a host of different subject matters, in addition to ethics and compliance. As part of the APAC management team, I will work with the regional and country leaders (and their teams) closely and hopefully will be an enabler to business success though integrity and right conduct. I am highly excited about this partnership!

Personally, I moved to Singapore from India with Splunk's role and looking forward to immersing in the local cultural and business environment in my new home-country!

GB: Since you are based in Singapore and will be handling the whole APAC region including China and Australia, how do you plan to keep abreast of laws, regulations and business environment? What advise do you have for others in similar roles?

MB: This is indeed a vast region and the regulations are ever changing.

That said, in this age of information, there is a lot available and one needs to figure what is most applicable to one's role, so reading and learning is objective and effective. After all, we also have a personal life!

I try to keep abreast of most of the political, socio economic changes and news to begin with, that provides much needed context to emerging laws and regulations. Followed by alerts and subscription to magazines, e-zines and law firm updates and carve out an hour every day to review and book-mark relevant updates. I would say, not just the region but even keeping oneself generally knowledgeable about what's happening in world really helps, because that perhaps, soon, will follow in the region.

My advice to my colleagues are simple— objective relevant and disciplined reading time, followed by in-person discussion with colleagues to do deep-dives.

GB: For Ethics and compliance Leaders, looking to expand their roles and profile in the regions, what career advice would you give?

MB: Here are my humble learnings from the last few years:

- Establish your credibility and expertise, even before you start networking. In this age of social media and easy reach to network, I have observed that there is a lot of focus on the same, without a realistic assessment of what value do "I" bring to my network even before I derive value out of it. I think, if we continue to self-actualise and focus on the value we bring to table, we get recognised in our organisations, by our peers and in the market about our expertise and credibility

- A balance of long-term and short-term goals- I always have suggested to the younger lot, that take up this role only if you continue to remain passionate about it. The passion for the role, silences the everyday stress we face. We need to in the end, as professionals balance out what is important to us— and not just aim for a promotion to a regional role, because that's natural progression.

- Be open to life: This has been my mantra and I am open to failures and success that life brings. We need to be open to failures too if we ever truly want to taste sweet success. Keeping our long-term goals in mind, let life flow and help meander its course by creating the right causes: help people, be there for your team, demonstrate empathy at every level, be hungry and be kind!

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Expert Biography

Mekhla Basu is a legal & compliance professional and senior executive with experience in advising top multinationals in the Greater Asia Region. In her current role, Mekhla serves as Director and Corporate Counsel – APAC for Splunk. Previously, Mekhla was heading Intel's compliance function in South East Asia, covering several high-risk jurisdictions. Mekhla has proficiently provided corporate consultancy to management & board of directors in top MNCs; has in-depth competence in anti-trust law, IP, e-commerce & privacy laws, labour & employment, corporate governance & ethical landscape, risk mitigation and other complex legal issues applicable to MNCs in industries like FMCG, Pharma and Tech.
Mekhla has been one of India's youngest General Counsels, and widely known in the industry for her core competence.
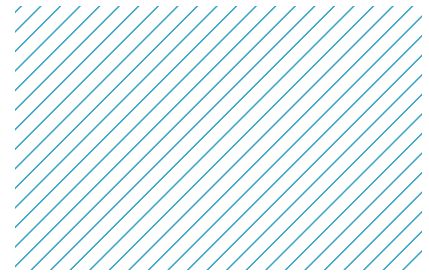
EMERGING AREAS OF RISK FOR ETHICS AND COMPLIANCE LEADERS

Adopting broader tech ethics principles and frameworks

Written by Sundar Narayanan, Director, Forensic Services, Nexdigm

The scope and responsibilities of Ethics and Compliance are being modulated extensively in current times. A dynamic market environment, characterized by rapid technological development, government sanctions and regional enforcement, and more specifically, COVID-19 have impacted the role of ethics and compliance.

In this article, we will cover six key emerging risk areas that require increased attention of the Ethics and Compliance officers. All of these areas require collaboration with functional leaders, including Public Relations, Information Security, Strategy, and the Chief Information Officer to identify and holistically address specific concern areas.

1. **Health and safety reporting**
The emergence of the COVID-19 pandemic has exposed the limited attention that compliance officers had placed on health and safety within their compliance programs. The reporting regulations introduced to contain the pandemic, as well as office health and hygiene compliance, bring multiple risks to the forefront.

   While safety considerations have been well integrated with many businesses, and 'zero accidents' is considered a key performance indicator of factory or business operations, there are emerging risks of under-reporting or misreporting of safety incidents. Under-reporting may be aimed at window dressing performance statistics since safety incidents are a significant factor for leadership.

2. **Social media**
Policy communications, inter-governmental initiatives, and public discourse are often published through social media platforms to leverage the agility and ease of transmission they offer. Corporates are also more extensively using social media to publish strategic initiatives, over and above their marketing efforts.

   With comments, trolls, and memes posing serious reputational risk, threatening stakeholder value, and affecting business prospects, the content, as well as the delivery of such communications, assume significance. It is prudent to include social media protocols, general guidelines, and expectations as part of training/outreach programs for senior management personnel.

   It is also crucial to initiate action in cases where social media posts by corporate employees in their personal capacity hinder the reputation of the organization. For instance, hate messages

> *Under-reporting may be aimed at window dressing performance statistics since safety incidents are a significant factor for leadership.*

or messages encouraging hate speech, violence, or discrimination may place the organization in an unflattering light. These sensitive situations should be handled with care to distance the organization from such inflammatory views and even consider separating from the employee in question.

3. **Cybersecurity**

With increased digitization and technology adoption by organizations, the issues associated with cybersecurity have become paramount for businesses. The risk of spoofing, phishing, insider threat, data breach, or ransomware attacks have considerably increased in the last year, and cyber threat looms closer, given the current work from home environment. Cyber-attacks have become more sophisticated to beat the heightened awareness levels in their targets.

For instance, a spoofing mail comes with definitive knowledge of the decision-maker and various stakeholders. A mere subscription to a cloud-based community edition of marketing or a business utility tool that sits as an add-on to your emails can potentially expose the organizational hierarchy, using information from your emails or customer connections.

Weak coding practices, as simple as posting codes containing private information on Github and non-monitoring of patches to codes adopted from open-source frameworks, are some common causes of breaches. Data risks occur due to voluntary or involuntary practices of employees/contractors who work for the organization. Ethics and Compliance officers need to establish a specific approach and thought process to handle ethics deviations in such circumstances

4. **Data privacy**

With newer and stricter regulations across various geographies requiring specific compliance to privacy and data localization demands, handling privacy deviations is going to be crucial—both from a reputational and regulatory compliance standpoint. Organizations are more susceptible to the risk of privacy breaches in the remote working arrangements triggered by COVID-19.

Any potential inconsistencies related to issues around data anonymization and encryption must be addressed proactively. While organizations work on data privacy compliance, it is pertinent for Ethics and Compliance officers to comprehend and explore the ethical implications therein.

5. **Corporate espionage**

The current competitive environment has paved the way for highly evolved espionage techniques to gain market share. These are covered under two key approaches:

(a) Digital eavesdropping, and
(b) Strategic espionage.

While most businesses are vigilant about corporate espionage, digital eavesdropping is an increasing threat. It is done using the information published on social media and other websites. For instance, information posted by your employee on Slideshare regarding the mechanism of an internal process or an employee expressing pride on being part of a critical project on Facebook provides competitors with access to insider knowledge. There are cases where employees post selfies from their home office without considering their background with passwords on Post-Its or information on the monitor. The approaches adopted in this regard include social engineering and profile tracing in initial stages to strategically monitoring vulnerable employees of competitors in later stages. It is important to be

> *While most businesses are vigilant about corporate espionage, digital eavesdropping is an increasing threat.*

vigilant of the potential pitfalls of employee social media activity, and having a clear response protocol for violations is critical in these circumstances.

6. **Tech ethics (discrimination, bias, misuse)**

With corporations looking at automation for efficiency and enabling quicker, well-informed decisions, the use of algorithms for data processing is critical. While such algorithms often enhance efficiency, they are emerging as a new source of ethical issues.

Inadequate or imbalanced training data and the use of a black box approach for modeling may expose organizations to claims of discrimination/bias or a lack of transparency in decisions caused by the algorithms adopted. For instance, a company using an AI-driven recruitment engine may realize that the tool was biased against women and rejected women candidates more often than men. Besides broader Tech Ethics principles adopted by organization, the Ethics Officer shall play a role in enabling a framework for developing, testing, and deploying algorithms as part of technology adoption or automation.

Conclusion

While most of these aspects require Ethics and Compliance officers to collaborate with respective leaders extensively, it does highlight the criticality of the officer's involvement to manage the compliance program across the organization.
For each concern or risk area, the Ethics and Compliance officers need to institute an appropriate culpability matrix to be adopted for action on deviations. Employing an integrated approach to compliance issues also helps establish a strong rapport with critical business stakeholders, which furthers the reach and impact of the compliance mechanism within the organization.

Expert Biography

Sundar Narayanan, a chartered accountant and certified fraud examiner, has over 12 years of fraud investigation and compliance review experience in India, Japan, Kenya, Tanzania and Zambia. He led several investigations/proactive reviews uncovering senior management misconduct, employee fraud and third party frauds. Sundar can be reached at Sundarparipurnan.narayanan@skpgroup. com.

CONTINUOUS IMPROVEMENT: DOJ UPDATES COMPLIANCE PROGRAM EVALUATION GUIDELINES

Compliance program monitoring must be data-driven

Written by Geoff Martin, Partner, Baker McKenzie

The U.S. Department of Justice ("DOJ") is following its own advice in maintaining and reviewing its Guidance on Evaluating Corporate Compliance Programs (the "Guidelines") in issuing an updated version of the document on June 1, 2020. This update comes in response to feedback from the business and compliance communities on DOJ's April 2019 comprehensive re-issue of the Guidelines (which were first published February 2017). While this latest update is more modest in scope, DOJ's willingness for the Guidelines to be flexible and evolve over time, as it expects corporate compliance programs to do, is welcome. The changes expand on and clarify a number of important compliance topics.
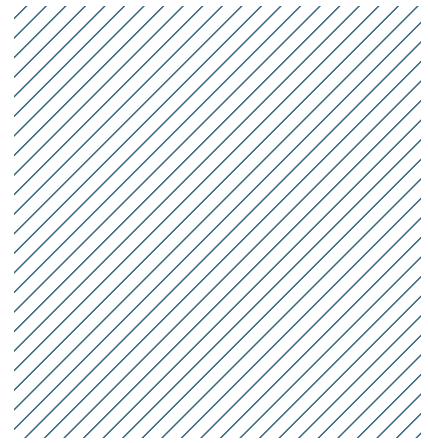
What are the Guidelines? The Guidelines are intended to assist DOJ prosecutors in assessing corporate compliance programs at each stage of their consideration of charging and resolving any corporate criminal case. The Guidelines have also become a valuable resource for companies, even those not before DOJ in an enforcement action, to measure their compliance program against the expectations of the U.S. Government.

What's New?

The majority of the Guidelines remain unchanged. The amendments add emphasis and detail in a number of areas as follows:

Compliance program design may be influenced by applicable foreign laws, but must still meet DOJ expectations. Due to the expansive jurisdiction of the U.S. Foreign Corrupt Practices Act and other

Companies finding themselves before DOJ will need to come prepared to justify their compliance program resourcing levels and to explain why the program has been designed the way that it has, in light of the company's unique risk profile.

> *The new Guidelines stress that compliance departments must have unencumbered access to all data needed for such timely and effective monitoring.*

U.S. corporate criminal statutes, many foreign companies find themselves before DOJ, having their compliance programs scrutinized by prosecutors through a U.S. lens. This can be a challenge for companies seeking to balance the expectations of their home country's laws with those of DOJ. Some of the most common examples are the need for European companies to structure their compliance programs so as to protect employee and others' personal data in accordance with the EU's General Data Protection Regulation and the prohibition in certain jurisdictions against anonymous whistleblower reporting (which DOJ would otherwise expect to be made available). Local labor law considerations may also limit the options or timeline for taking disciplinary action against employees in cases where DOJ would otherwise expect immediate termination. In the new Guidelines, DOJ has more directly instructed prosecutors to appreciate that a company's decisions about compliance issues and program structure may be influenced by those foreign laws to which the company is subject. Nevertheless, the Guidelines make clear that the burden will be on the company to explain the impact of any foreign law to DOJ prosecutors and defend the approach it has taken in balancing the requirements of foreign laws with DOJ expectations.

Compliance programs need to be suitably resourced to be effective. Although effective compliance programs will differ (and the new Guidelines have added reference to many of the internal and external factors that may impact program structure and design,; all compliance programs must be adequately resourced to function effectively. This is not a new concept for DOJ, but the revised Guidelines contain a number of new references to the Department's focus on resourcing. Indeed, it has now taken on sufficient importance to be added to the second of three "fundamental questions" that a prosecutor should ask about any corporate compliance program. This question now reads: "Is the program being applied earnestly and in good faith? In other words, is the program adequately resourced and empowered to function effectively?". The previous version of this question asked simply whether the program was being implemented effectively, without specific reference to its resourcing. The other fundamental questions (which remain unchanged) are "Is the corporation's compliance program well designed?" and "Does the corporation's compliance program work in practice?" Clearly companies finding themselves before DOJ will need to come prepared to justify their compliance program resourcing levels and to explain why the program has been designed the way that it has, in light of the company's unique risk profile.

Companies must learn from their, and others', mistakes. Inherently, companies defending their compliance programs before DOJ are there because something has gone wrong. Mistakes must be learned from and issues remediated. In the latest Guidelines, DOJ has highlighted that companies must incorporate lessons learned not only from misconduct identified at their company but also from "other companies facing similar risks." Presumably, DOJ expects companies to be monitoring DOJ and other regulators' enforcement actions for such lessons. The process for integrating lessons learned should be a systematic part of continuous improvement.

> *DOJ has shown a willingness to be receptive to feedback and the evolving compliance challenges companies face.*

Compliance program monitoring must be continuous and data-driven. Repeatedly, throughout the new Guidelines, DOJ stresses the importance of continuously monitoring, in real time, compliance program effectiveness. One-off checks or periodic audits, on their own, will not be sufficient. Examples added to the new Guidelines include monitoring: i) employee engagement with policies and procedures (for example, by monitoring hit-counts or access logs on policies housed on the company's intranet); ii) engagement in, and effectiveness of, training (for example, do employees who have been trained subsequently behave differently?); iii) third party compliance throughout the lifespan of the relationship, not just pre-engagement; iv) disciplinary decisions for consistency; and v) employee and third parties' engagement with the company's ethics hotline. To achieve all this, the new Guidelines stress that compliance departments must have unencumbered access to all data needed for such timely and effective monitoring.

The Takeaway

Effective compliance programs cannot be static, and neither is DOJ. Among the many moving pieces that companies need to keep in mind in continuously enhancing their compliance programs is the need to stay on top of DOJ's evolving expectations. For its part, DOJ has shown a willingness to be receptive to feedback and the evolving compliance challenges companies face. This includes the competing requirements placed on multinational companies' compliance programs by an increasing number of international regulators and legal regimes.

Author Biography

Geoff Martin is a partner in the Litigation and Government Enforcement practice group in Washington, DC. Geoff started his career in Baker McKenzie's London office in 2007 and moved to Washington DC in 2012. Geoff represents clients in matters before the federal government arising out of anti-corruption, trade sanctions, fraud, anti-money laundering, national security, and related enforcement actions. He also represents clients in civil and criminal matters in federal court. Geoff has extensive experience conducting internal investigations relating to such matters around the world.

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