



SCCE
Society of Corporate
Compliance and Ethics

Engaging your Board

THE IMPORTANCE OF RELEVANCE

ADVANCED DISCUSSION GROUP

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Introduction: Paige Shannon, Compliance Officer, ATI



- ▶ Paige Shannon joined Advanced Technology International (ATI) in 2019 and currently serves as the Company's Compliance Officer and Corporate Counsel.
- ▶ She is responsible for ATI's Compliance and Ethics Program and corporate legal operations.
- ▶ Paige is a graduate of The Catholic University of America where she earned her Bachelor's Degree and Juris Doctorate. She also earned a Master's Degree in Business Administration from George Mason University.
- ▶ Prior to joining ATI, Ms. Shannon served as Corporate Counsel and Compliance Officer for several professional services companies.

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Introduction: Adelle Elia, Chief Integrity Officer, Louis Berger, A WSP Company



- ▶ The first dedicated Ethics Officer at GTSI, a federal contractor. Developed the GTSI ethics and compliance program after suspension of the company by the US Government, operating under an Administrative Agreement and with a Corporate Monitor and sub-monitor in place. Joined US Investigations Services, to support the company as Chief Ethics and Compliance Officer as it prepared to enter a settlement with the U.S. Department of Justice. Subsequently led the program through other challenges related to a data breach, and the successful sale of the company's assets to another federal contractor.
- ▶ Joined Louis Berger, now a WSP company, in 2017 to lead the ethics and compliance function to the successful conclusion of a three year Deferred Prosecution Agreement related to FCPA violations, which concluded on July 7, 2018. At Louis Berger, she also oversees the programs needed to comply with and ultimately successfully conclude several Integrity Monitoring Agreements under state/municipal agencies.

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Agenda

Why Relevance Matters

Aligning to Board Priorities

Wrap Up and Take-aways



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Why Relevance Matters

- ▶ In the context of your relationship with the Board, why is "relevance" so important?
- ▶ How can you assess your existing communications to the Board?
- ▶ How can you enhance what you "must" share to leverage the power of relevance?

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Board Diversity

- ▶ What is the Board's interest in "Board Diversity"?
- ▶ How does the E&C program contribute?



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Board Diversity

Why does it matter?

- Global trend to include women on Corporate and Non-Profit Boards
- Diversity of Culture, Thought, and Perspective all enhance the performance of a Board.
- Shareholders, investors, customers, media all watch Boards closely to see how a Board performs and whether the Board diversity is representative of the diversity within the workplaces and communities.
- Diversity at the top will almost certainly trickle down through the rest of the company.



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Board Diversity

How can the Compliance Officer be relevant?

- Ensure that the Board is not only aware of your policies on diversity but also that they understand and endeavor to "live" them as members of the Board
- Training- demonstrate how training on diversity is important to not only provide the Board with valuable actionable information but, how their participation sets the tone on the subject for the entire organization.
- Provide relevant data on diversity in your industry, client, and company population
 - Goals and statistics
 - Demonstrate positive trends for diverse organizations
- Help them to make the connection between their duties and obligations as Directors and why diversity is important for an organization
 - Coordinate with legal, finance, and HR to help make the point



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Sexual Harassment



- ▶ What is the Board's interest in "Sexual Harassment"?
- ▶ How does the E&C program contribute?

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Sexual Harassment

Should it matter to the Board?

- ▶ YES! The Board's fiduciary responsibilities compel it to take all action necessary to protect the company.
- ▶ A Board's failure to act can result in significant monetary losses, reputational damage, legal costs, and negatively impact share value overall.
- ▶ In addition, the Board's lack of action in response to an allegation of sexual impropriety or other types of abuse may help to foster a workplace environment where harassment is perceived to be allowed to occur unchecked and unpunished.



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Sexual Harassment

What does the Board need to know?

- Company policies on harassment, respect in the workplace, and discrimination.
- How are investigations initiated and conducted?

How can the Compliance Officer help the Board?

- What training does the company provide and what training should the Board participate in?
- Offer the Board opportunities to participate in or express support for corporate initiatives around combating and addressing harassment.
- Work with the Board to establish a process for reporting directly to the Board- when and to who?
- Recommend and participate in the creation of a Board Compliance Committee and/or set a schedule for executive sessions with the Compliance Officer



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How Culture Impacts Performance

- ▶ What is the Board's interest in "Culture"?
- ▶ How does the E&C program contribute?



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How Culture Impacts Performance

- ▶ Other Ideas...
 - ▶ Benchmark your program specifically against data from programs in High Performing Companies
 - ▶ Remind/refresh Values and Ethics statements/principles/code
 - ▶ Update on Ethical Decision Making training or other "ethics" leadership initiatives
 - ▶ Employee survey data if you have C&E culture-related questions (e.g. trust in upper management, likelihood to report misconduct)



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Cybersecurity

- ▶ What is the Board's interest in "Cybersecurity"?
- ▶ How does the E&C program contribute?



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Cybersecurity

- ▶ Other ideas...
 - ▶ Is there content in your Code training? Could that slide or two do with a refresh?
 - ▶ Including Cybersecurity as a "guest contributor" to a compliance newsletter or publication
 - ▶ Asking a cybersecurity question in a C&E exit interview if conducted
 - ▶ Helping Security teams leverage a C&E intranet page design, or LMS effort



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Shareholder Activism

- ▶ What is the Board interest in "Shareholder Activism"?
- ▶ How does the E&C program contribute?



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Shareholder Activism

- ▶ Other Ideas...
 - ▶ Engage your CSR team in pursuit of an integrated "ESG" orientation
 - ▶ Consider UNGC or other initiatives or certifications with emphasis on purpose and stewardship initiatives
 - ▶ Ensure your Code is thoroughly values-based
 - ▶ Update your "Environment" and "Contribution to Society" sections in Code/Training modules
 - ▶ Mine your Charitable Contribution approval data (if you have some) for points of business interest



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Wrap Up – Round Robin

- ▶ What ideas did you find applicable from today's discussion?
- ▶ Was there one takeaway point that you think will allow you to pump up the "relevance" of your communications to the Board?

▶ THANK YOU!

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