

COMPLIANCE OUTSIDE OF HEALTHCARE

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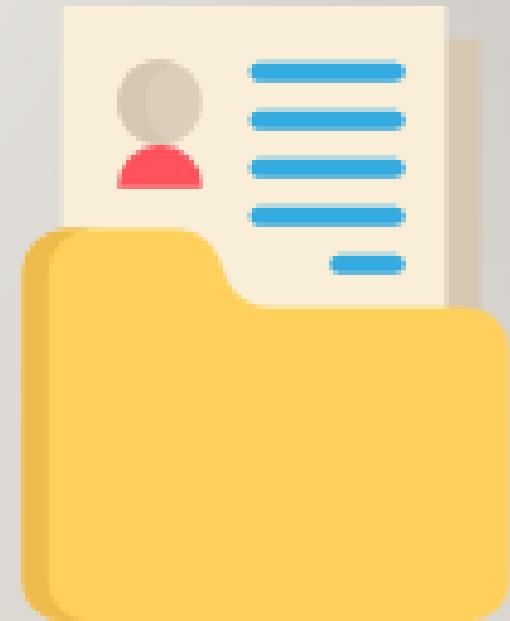
A LITTLE ABOUT ME



- New Zealand Qualified Lawyer
- International Citizen: 5 Countries, Four Continents
- Fresenius Medical Care Legal and Compliance Depts
- Non Prosecution Agreement and FCPA Monitorship
- Training and Investigations Focus
- Co-host of the Great Women in Compliance (GWIC) Podcast
- Sweet tooth, Hello Kitty Afficionado, Xennial

MUCH OF WHAT WE DO INSIDE AND OUTSIDE HEALTHCARE IS THE SAME!

- Controlling for Conflicts
- Doing business fairly (antitrust, anti-kickback, antibribery)
- Data Privacy and Security Concerns
- Fraud/reimbursement integrity
- Accurate documentation
- Figuring out scope/remit of Compliance program

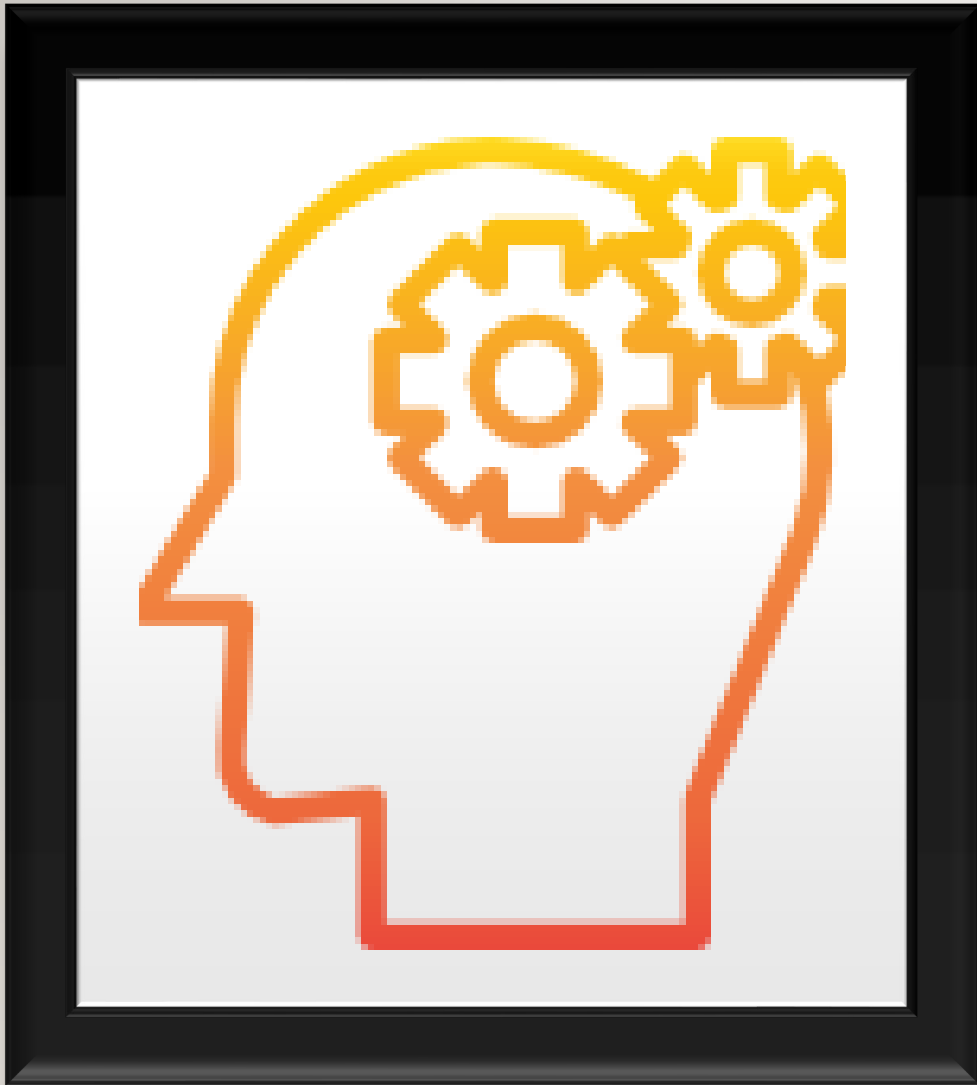


CONSIDERATIONS

- Size of Company
- Risk Exposure of Company
- Expertise – where relevant expertise sits in business

Look to:

- Existing, well regarded Compliance Programs
- Best practices in similar companies



GREY SUBJECT MATTER AREAS – WHO OWNS THEM? SHARED RESPONSIBILITY?

Incident management	Investigations	Antitrust	Safety
Data Privacy and Security	Quality	Social Media Risk	ESG
DEI	#metoo	BLM, Stop Asian Hate and other Social Justice Claims	Wider Reputational Risk, Ethics Matters, Integrity Considerations

IN THE END DOES IT REALLY MATTER?

- GME Threshold analogy
- Well thought out and considered approach with reasonable, documented rationale
- How many cases can you think of where regulators have criticized how the organization was set up?
- It's the impact and effect that tends to be the area of focus



HOT TOPIC OF THE MOMENT: ESG

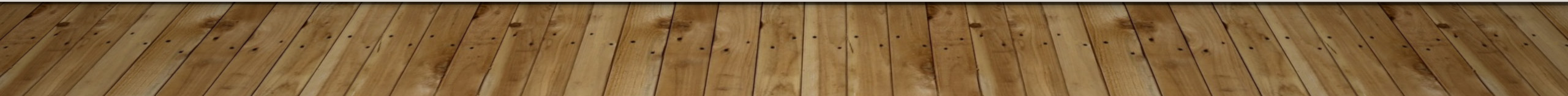
KPMG 2021 CCO Survey: Over 50% of participants identified Compliance function as having a role in ESG

Adam Turteltaub of HCCA and SCCE has espoused Compliance should not have a role in ESG – cannot act as reviewer and monitor of ourselves

SOME ESG QUESTIONS

- What expertise does Compliance have and how can we leverage off it?
- Is your company sufficiently large and of Environmental and Social risks that specialist departments are warranted with experts?
- Who in Compliance has interest in branching off into ESG to establish a new function?
- Who might be better to deal with this than us?

What more would you add?



DISCUSSION AND DEBATE

- For Compliance Taking the Lead on ESG
- For Another Group Leading ESG

FUTURE GAZING: CONTINUATION OF EVOLUTION FROM REGULATORY COMPLIANCE TO ETHICS

- History of Compliance – rules based to principles based
- Continuous addition of new subject matters and tools – data analytics, behavioural science
- Never ending regulatory requirements and associated issues – ESG disclosures/reporting requirements and green washing/zero washing for example

What does this mean for us?

Adaptability, flexibility and continuous learning are critical if we are to stay in touch and abreast of changes

WHAT ARE CURRENT SIGNS POINTING TOWARDS

- Big call: Prediction that kindness towards stakeholders, internal and external will fall more into our laps – hits the ethics and integrity principals of our work – doing the right thing because it's the right thing to do.

Some signs...

- Snap Inc Code of Conduct – focus on kindness evangelism
- Breeze Airways CEO aim
- Activision Blizzard fallout – reputational harm, internal protests

ACTIVISION BLIZZARD CASE STUDY: SUMMARY OF CASE

- Multiple sexual harassment and misogynistic “frat boy” working environment reports
- Department of Fair Employment and Housing filed a claim against Activision Blizzard in July
- CCO Frances Townsend issued statement to employees referring to sexual harassment reports as false
- Shortly thereafter Townsend shared an article on Twitter about the problem with whistleblowers. Blocked colleagues that disagreed with her. Later deleted account
- In August staff members report to be complaining about toxic culture of overworked employees
- Several leaders have left the company in the last couple of months. Townsend remains.

ACTIVISION BLIZZARD ROLES AND RESPONSIBILITIES

How did the design of Activision's Compliance program factor in?

Where would we put the latest allegations of toxic culture regarding overworking staff? Does it make a difference that this is piling on of issues already? Would you have a different opinion if the case only concerned long working hours?

CCO does not appear to have an Ethics and Compliance background. How might this have impacted on reputational risk exposure, social media sensitivity, understanding of speaking about whistleblowers?

EXTRA TERRITORIAL REACH LAWS AND LOCAL LEGISLATION

- Foreign Corrupt Practices Act – offer or payment of bribe to foreign government official
- UK Bribery – giving or taking bribes from/to anyone
- Local laws – can be stricter than FCPA, death penalty and life sentences possible – suicides in China
- Local customs – white envelopes
- Best to educate: don't pay bribes, don't take bribes and don't help anyone else to do so
- Local laws and regulators exist almost everywhere but enforcement is mixed.
- Which countries were the first two to put in place anti-corruption authorities?

THANK YOU!

- Connect with me at: <https://www.linkedin.com/in/iheartcompliance/>
- Contact me at: mary.Shirley@fmc-na.com
- Listen to the Great Women in Compliance podcast at:
<https://www.corporatecomplianceinsights.com/great-women-in-compliance/>