ESTABLISHING WAYS TO CONTACT ETHICS AND ADDRESSING ISSUES RAISED

PART OF ETHICS SUPPLIER MENTORING PROGRAM WEBINAR SERIES
PRESENTERS

Wendy Evans
Senior Ethics Manager, Corporate Ethics Investigations

Roxane MacGillivray
Senior Ethics Manager, Corporate Ethics Investigations

Kevin M. Byrne
Senior Ethics Analyst, Corporate Ethics Office
DISCLAIMER

The information presented in this webinar is not all-encompassing on the vast topics of ethics and compliance.

The material is offered as support and guidance, and it does not supersede or in any way impact your contractual obligations under subcontracts or purchase orders received from LMC.

You are solely responsible for determining the content and scale of your ethics and business conduct program.
ELEMENTS OF AN EFFECTIVE ETHICS PROGRAM

- Company Values
- Program Structure & Oversight
- Leadership Commitment
- Risk Assessment
- Policies & Procedures
- Code of Conduct
- Training
- Communications
- Program Assessment
- Reporting Mechanisms
- Investigations & Disclosures
- Discipline & Incentives
WEBINAR AGENDA

Recap of Last Webinar

Inquiry & Reporting Mechanisms

Investigations & Disclosures

Discipline & Incentives
RECAP OF LAST WEBINAR
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Training and communications address risk and are crucial to your ethics program.

Training should cover ethics (values) and compliance (laws, regulations).

Communication helps reinforce key messages outside of training.

Continual improvements are essential for an effective ethics program.
INQUIRY & REPORTING MECHANISMS
INQUIRY & REPORTING MECHANISMS – WHAT?
ANONYMOUS INQUIRY & REPORTING MECHANISMS – WHY?

- Legal Requirement
- Best Practice
- Risk Mitigation Technique
How can people report misconduct to your company?

a. Dedicated telephone number
b. Dedicated email address
c. Online form or system
d. Suggestion box (or mailbox)
e. By speaking directly with management
INQUIRY & REPORTING MECHANISMS – POLLING RESULT
ANONYMOUS INQUIRY & REPORTING MECHANISMS - HOW?

STEP ONE

Set up anonymous reporting mechanism

- Phone number
- Email address
- Online form
- Suggestion box
ANONYMOUS INQUIRY & REPORTING MECHANISMS – HOW?

STEP TWO

Determine how it will work

Who will respond?

How? How often?

How to document?

How to ensure confidentiality?
ANONYMOUS INQUIRY & REPORTING MECHANISMS – HOW?

STEP THREE

Promote it actively

Company websites

Ethics training & communications

Employee handbook or orientation
INVESTIGATIONS, DISCLOSURES, DISCIPLINE & INCENTIVES
INVESTIGATIONS – WHAT?

Case

Report of misconduct

Investigation required

Non-Case Activity

Question about policy or action

Investigation not required
INVESTIGATIONS – WHY?

Initial Report

Investigation

Conclusion

Corrective Action

Disclosures
INVESTIGATIONS - HOW?

STEP ONE

Conduct intake

Who? Subject(s)
What? Allegation(s)
When?
Where?
Why?
How?
Who else? Witnesses
INVESTIGATIONS – HOW?

Plan investigation

- Allegation(s) to investigate
- Subject(s) of investigation
- Evidence to gather
- Witnesses to interview – why, where, when

STEP TWO
INVESTIGATIONS – HOW?

STEP THREE

Gather evidence
- Documentary
- Physical
- Testimonial
INVESTIGATIONS – HOW?

STEP FOUR

Interview Subject

Perspective on situation
Possible reasons for actions
Focus on facts, not feelings
Write Report of Investigation

Background

Summary

Conclusions (allegations and supporting info)

Policy citations
INVESTIGATIONS – HOW?

STEP SIX

Close Out with Reporting Party and Subject

Allegation(s) substantiated or unsubstantiated?
INVESTIGATIONS – HOW?

DISCIPLINE & INCENTIVES

STEP SEVEN

Determine discipline

From counseling by manager

To termination of employment

Fair, equitable, consistent
INVESTIGATIONS – HOW?

DISCLOSURES

STEPS NINE

Disclose misconduct

Violations of U.S. federal criminal law to Inspector General

Misconduct or mistakes that would affect price, schedule or quality of products or services to customer
**KEY TAKEAWAYS**

Inquiry and reporting mechanisms are essential for an effective ethics program.

Fair, thorough investigations determine whether alleged misconduct occurred.

Corrective action or disclosures may be necessary if misconduct is substantiated.

Discipline and incentives together can deter misconduct, encourage reporting.
SELF-SERVE RESOURCES

www.lockheedmartin.com > Suppliers > Ethics


Supplier Self-Assessment Tool

Infographic Guides

All ethics resources, including 1-on-1 mentoring are completely free and voluntary.

...AND MORE!

Elements of an Effective Ethics Program
Code of Conduct

WHAT IS A CODE OF CONDUCT?
A code of conduct is the foundation of an effective ethics program. It serves as a guide for employees on what is expected of them in terms of ethics and business conduct. It should be clear, comprehensive, and easy to understand.

WHY CREATE A CODE OF CONDUCT?
- It helps ensure compliance with laws and regulations.
- It provides a consistent standard of conduct for all employees.
- It helps to prevent and address ethical issues.

Supplier Self-Assessment Tool

Infographic Guides

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...AND MORE!
THANK YOU!


ethics.suppliers@lmco.com