

## Moving From Compliance Programs to ERM

**Luke Brussel**, Anti-Corruption Compliance Leader  
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Kraft Foods Group Inc.



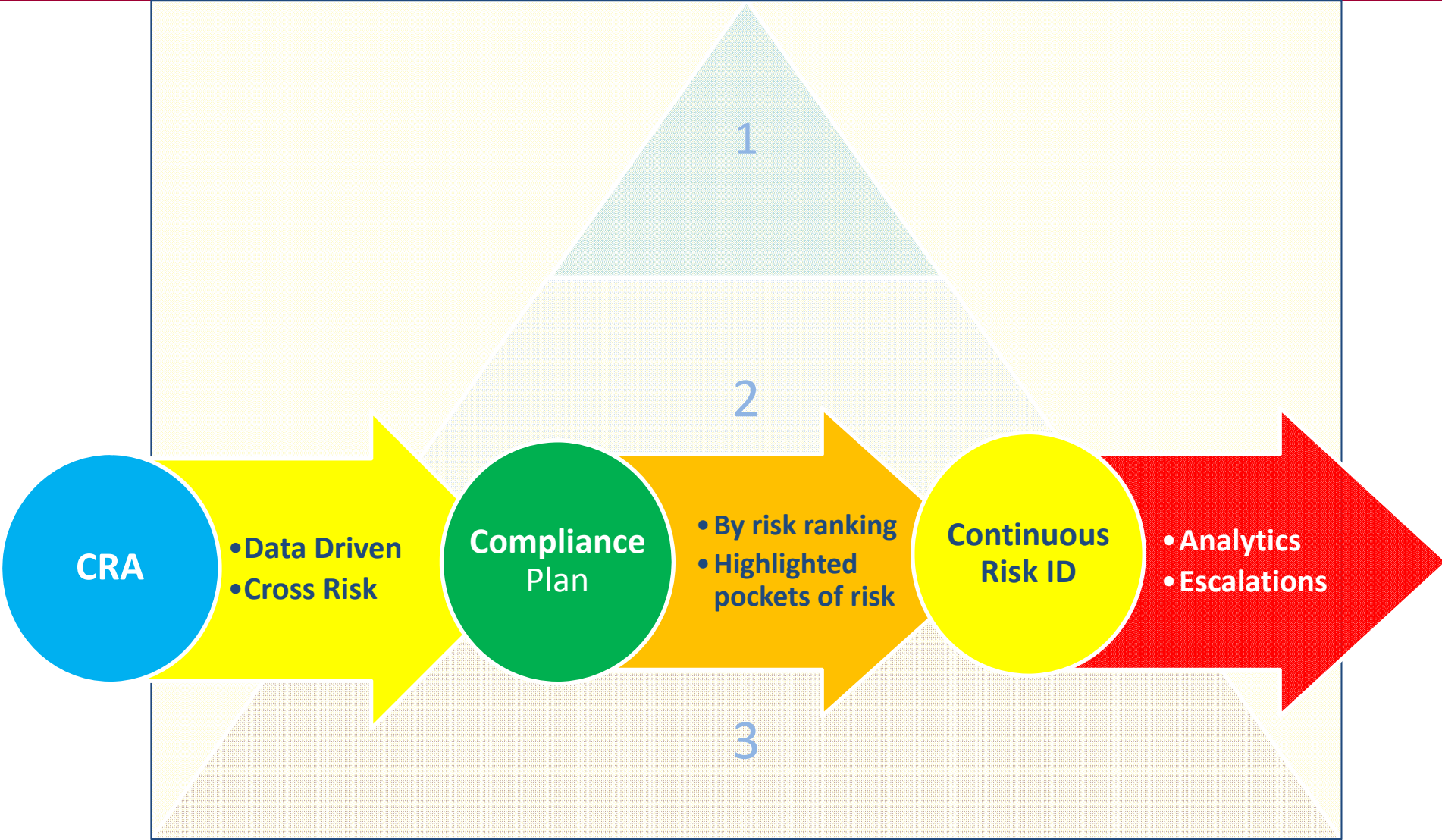
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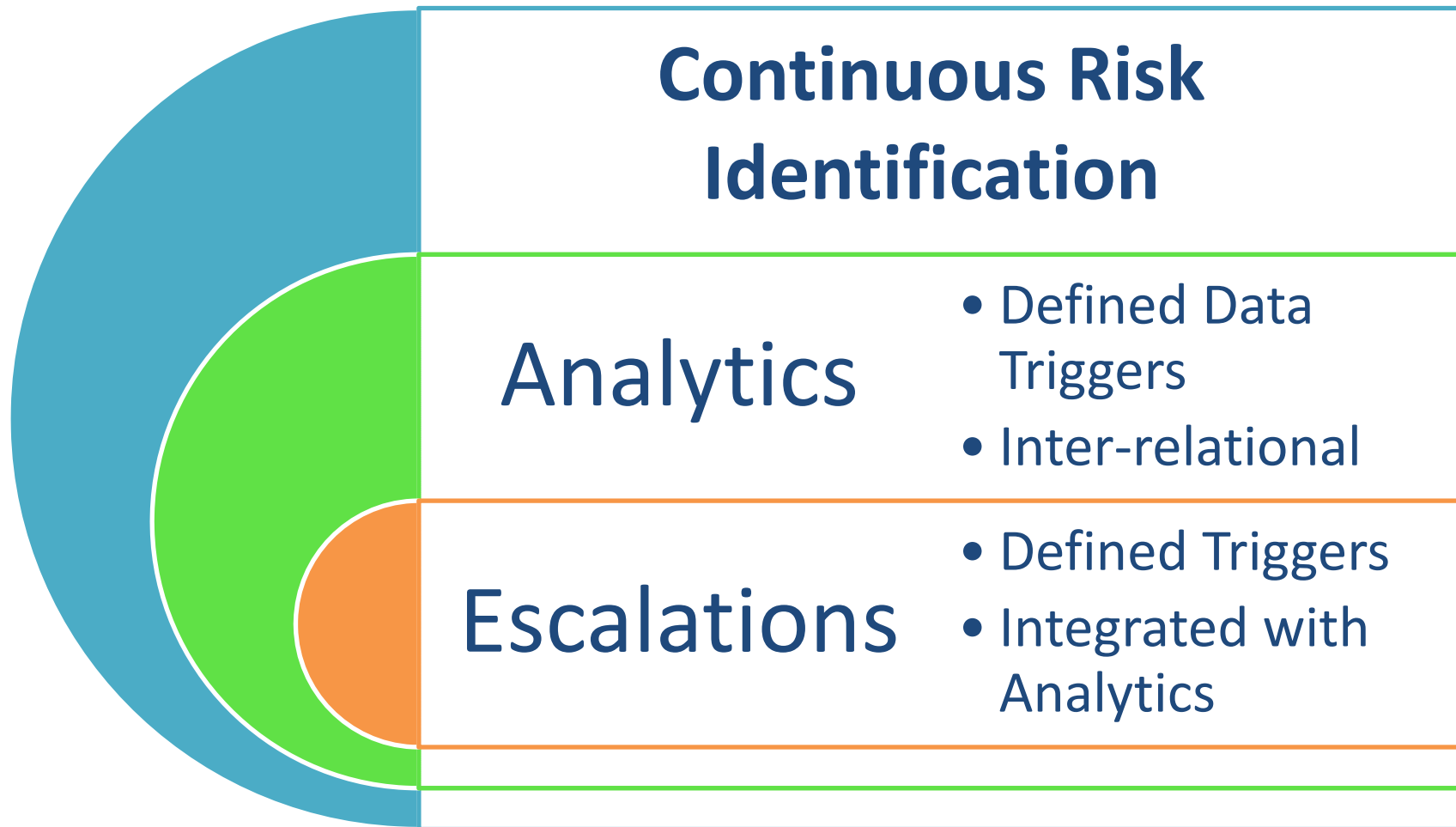


# Compliance to ERM



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# Continuous Improvement Approach to Risk Assessment

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Risk management and assessments historically performed by enterprise risk management (ERM) committee

Created a separate ethics and compliance committee to enhance granularity and differentiation surrounding compliance-related risks

- Remained linked to ERM committee and process
- Added compliance-focused risk assessments and managed compliance risks through separate program

ERM foundation and processes continue to evolve

- Further compliance integration and input in annual ERM risk assessments
- Overlapping membership of risk management committees
- Continued collaboration between Internal Audit and Compliance

# Leveraging ERM to Enhance Compliance Program

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Kraft leverages the ERM process to assess and address compliance-specific risks

- Compliance risk-specific survey questions
- Compliance participation in management interviews
- Using the identified risk output to shape compliance program
  - Focus areas and training programs
  - Messaging and branding

# Evolving ERM to an Ongoing Business Process

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## Continue building a 'risk ownership' culture

- Integrate risk management into the strategic planning process
- Embed risk-based discussion into everyday decision making
- Compliance among the functions under SRM program umbrella

## Provide meaningful feedback to the business

- Continuously identify hidden, existing and emerging risks and opportunities and develop response strategies and action plans
- Identify critical key risk indicators to help monitor future shifts in risk conditions



# Appendix: How do we characterize the ‘risks that matter?’

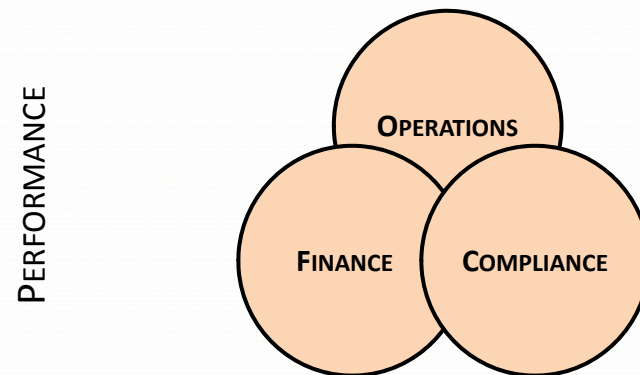
## What is an Enterprise Risk ?

An event or circumstance that creates uncertainty in achieving overall strategic goals and underlying business objectives

- ❑ STRATEGIC risks align to planning, major initiatives and competitive positioning as well as external market factors across the industry and business environment
- ❑ PERFORMANCE risks are highly interdependent and reflect the ability to deliver on operational and financial goals while adhering to compliance obligations
- ❑ ENABLEMENT risks are challenges with fundamental enterprise activities that support and enable performance in alignment with the strategic goals

## How do we quantify Enterprise Risks?

The impact of a risk is quantified in terms of existing performance measures and is evaluated by gauging the potential volatility the risk has on strategic goals and related business outcomes



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## DISCUSSION

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# Thank you

We want your feedback! Use the conference app or visit the Registration desk.

Be sure to join the Twitter conversation: @CW\_2015