

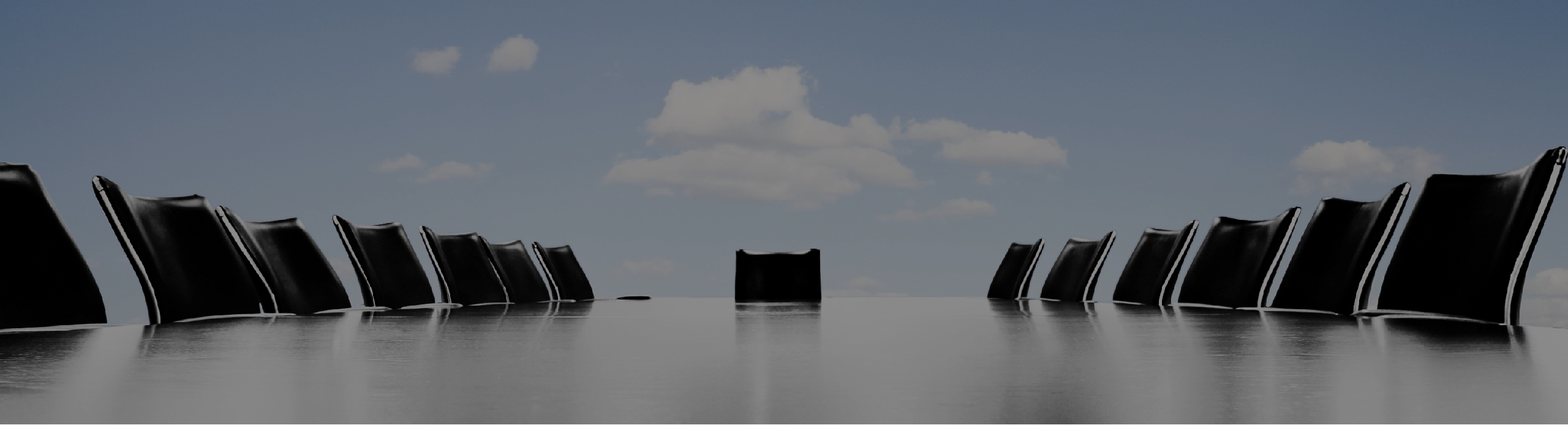
Data Insights and Trends from the 2020 World's Most Ethical Companies



ETHISPHERE
GOOD. SMART. BUSINESS. PROFIT.

PRESENTED IN PARTNERSHIP WITH:





Setting the Stage: ***Our Dataset***

By the Numbers

About the 2020 World's Most Ethical Companies



132

Companies



51

Industries



21

Countries



6.18

Million Employees



2.61

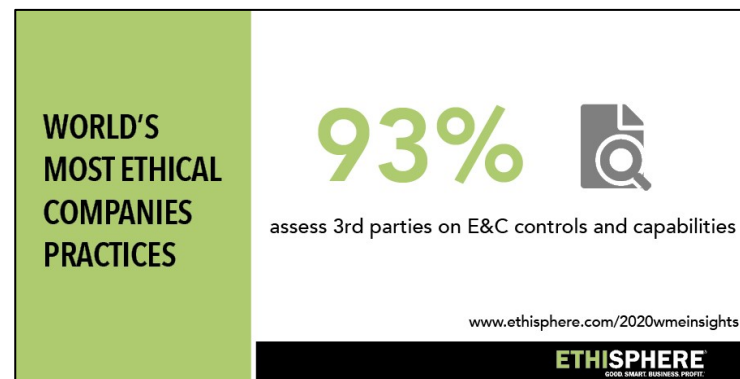
Trillion in Annual
Revenues

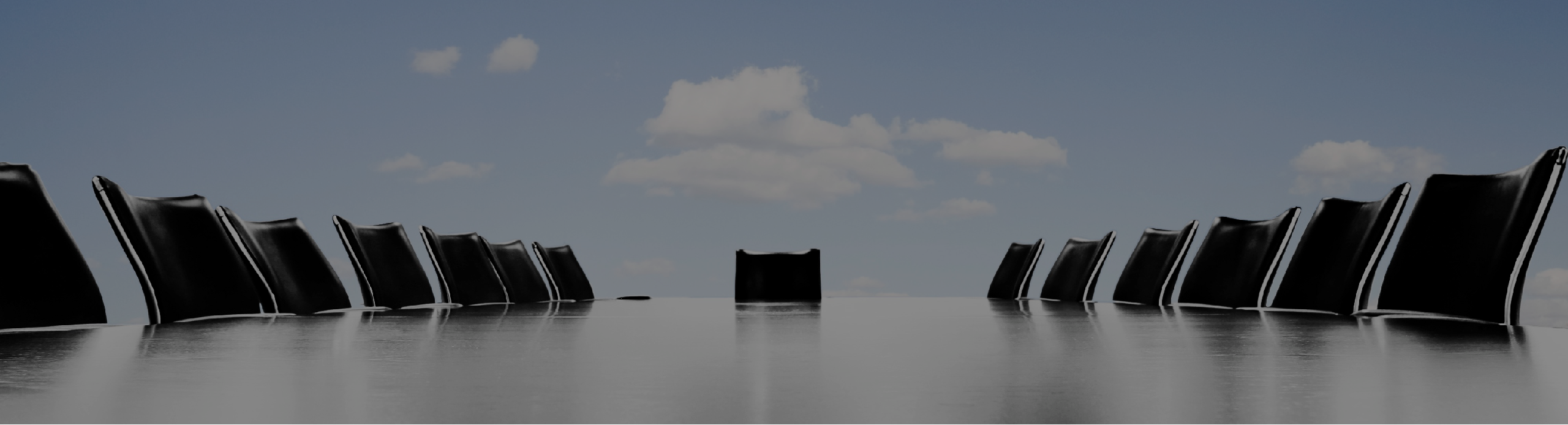


7.57

Trillion in Market
Cap

Practices of the World's Most Ethical Companies





Increasingly Employee-Tailored Training and Communications

Increased Emphasis on Short-Term Planning Suggests Flexibility is Increasing in Priority

Element Included in Formal Ethics & Compliance Training Plan	2020 Honorees	2016 Honorees Comparison (%-pts)
Specifies training delivered during onboarding or orientation	98%	+14
Includes a roll-out schedule	93%	+14
Developed using input from functions outside of E&C	92%	+1
Addresses modality of delivery for each topic and/or audience	90%	+11
Maps out targeted and varied training to be delivered over multiple years	78%	-11
Designed to avoid overlapping training provided by other departments	75%	*+4
Tracks when training should be refreshed	73%	*+8

*Answer options introduced during the 2019 World's Most Ethical Companies application year. Comparison data reflects 2020 data versus 2019 data.

Training Plans Over Time Are Becoming Increasingly Nuanced in Defining Audiences

How E&C Training Plans Define Their Audiences	2020 Honorees	2016 Honorees Comparison (%-pts)
Employee function	90%	0
Business unit	86%	+11
Job level	85%	+5
Location or geography	80%	+16
Whether the employee has direct report(s)	78%	*+11
Length of employment	40%	+22
Represented status (union/works council or non-union/works council)	22%	**+8

*Answer option introduced during the 2018 World's Most Ethical Companies application year. Comparison data reflects 2020 data versus 2018 data.

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Honorees Leverage Multiple Methods to Get a Sense of Training Effectiveness

Identify which of the following methods your company utilizes to measure the effectiveness of its ethics and compliance training. Please select all that apply.



Pre-COVID, E&C Face Time Through Site Visits Increased Significantly

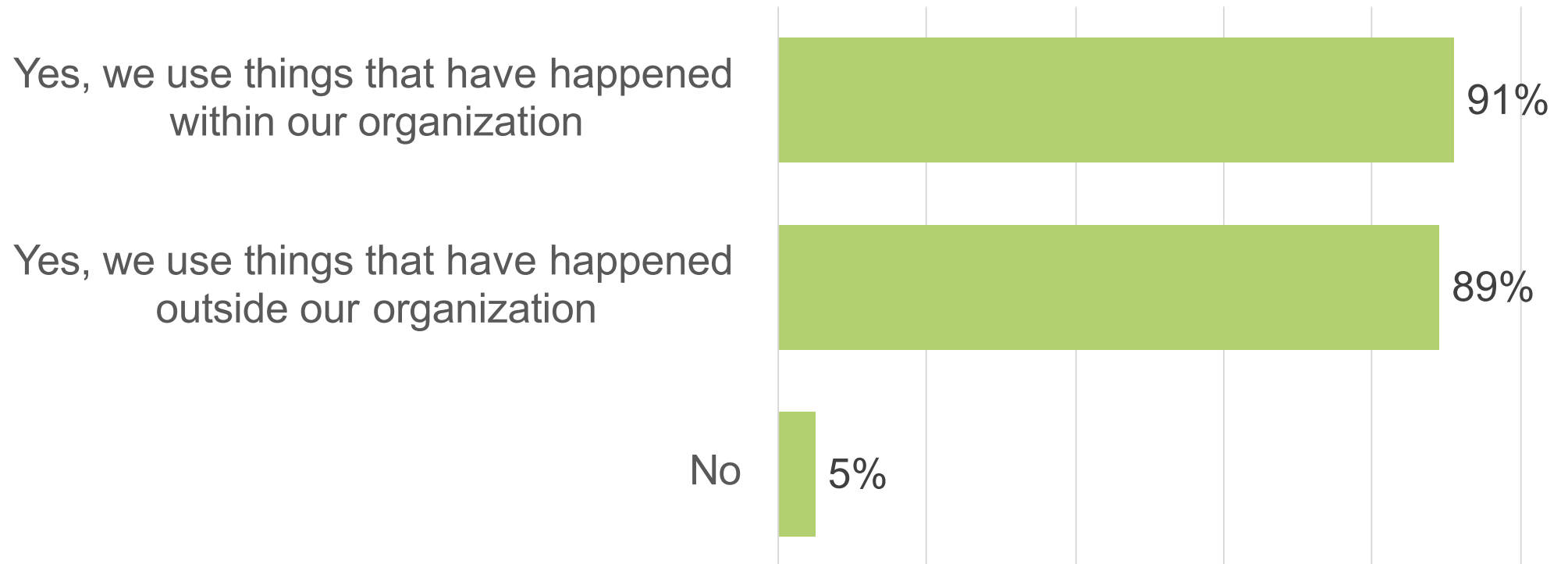
Communication Modalities Used to Communicate E&C with The Largest Changes in Usage Over a Five-Year Period*	2020 Honorees	2016 Honorees Comparison (%-pts)
Intranet portal dedicated to ethics and compliance	95%	+42
Periodic compliance "road show" or site visits by E&C	87%	+40
Ethics blog or intranet forum	55%	-36
Periodic company-wide kick-off meetings	57%	+26
Facebook, Twitter, or other social media platforms**	60%	+23

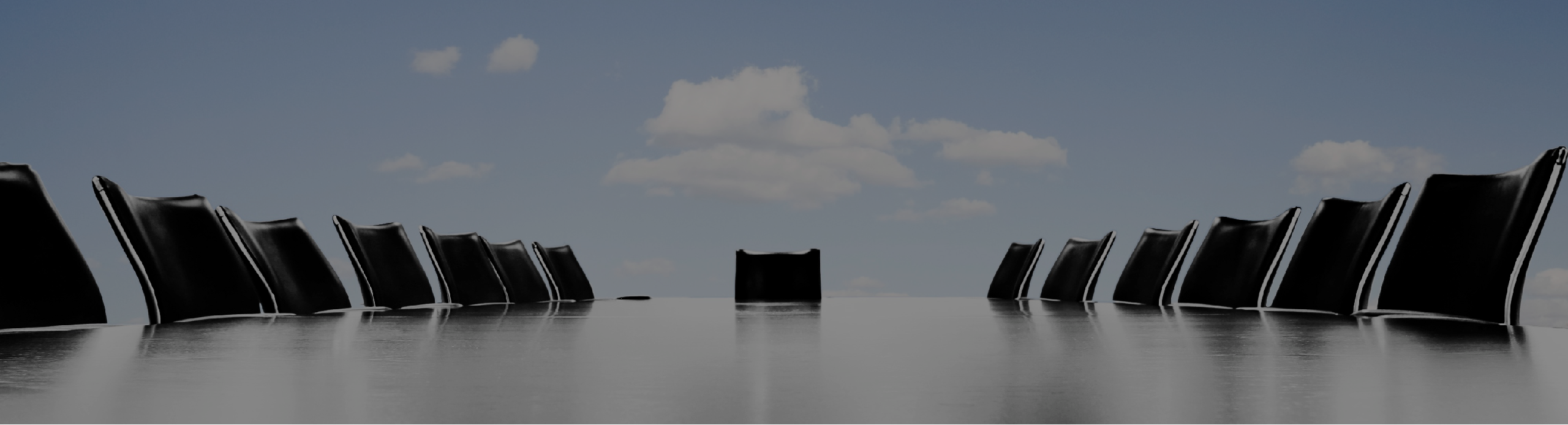
*Excluding "Other" responses

**Answer options introduced during the 2017 World's Most Ethical Companies application year. Comparison data reflects 2020 data versus 2017 data.

Honorees Use in Equal Measure Events Inside and Outside as Fodder for Stories in E&C Communications

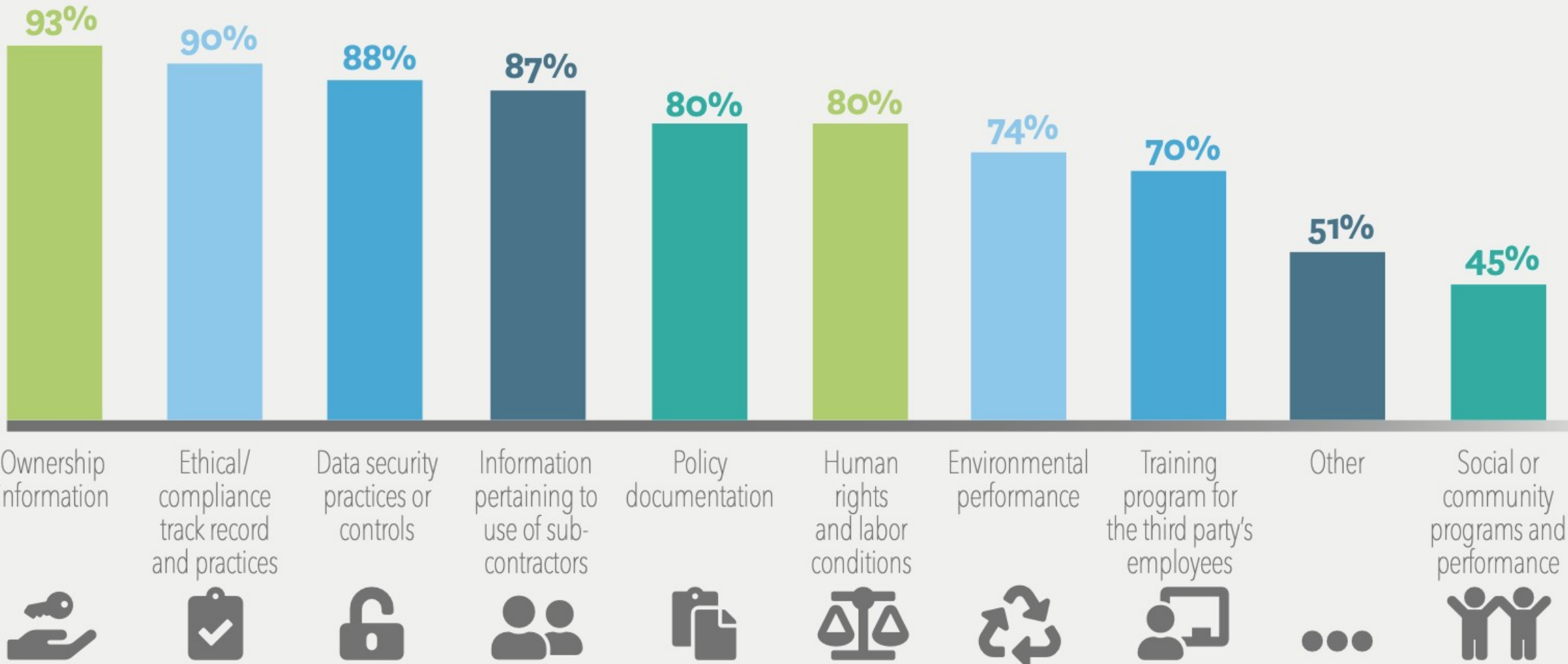
Does the ethics and compliance function include examples of real world ethical or compliance dilemmas or issues in their communications? Please select all that apply.



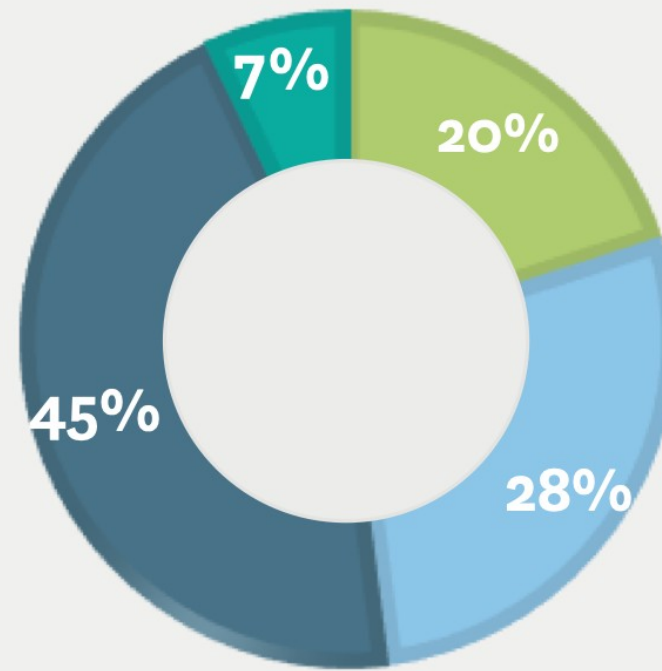


An Increase in Third Party Monitoring Beyond Due Diligence

What information, if any, do you consider in your ethics and compliance due diligence of third parties? Please select all that apply.

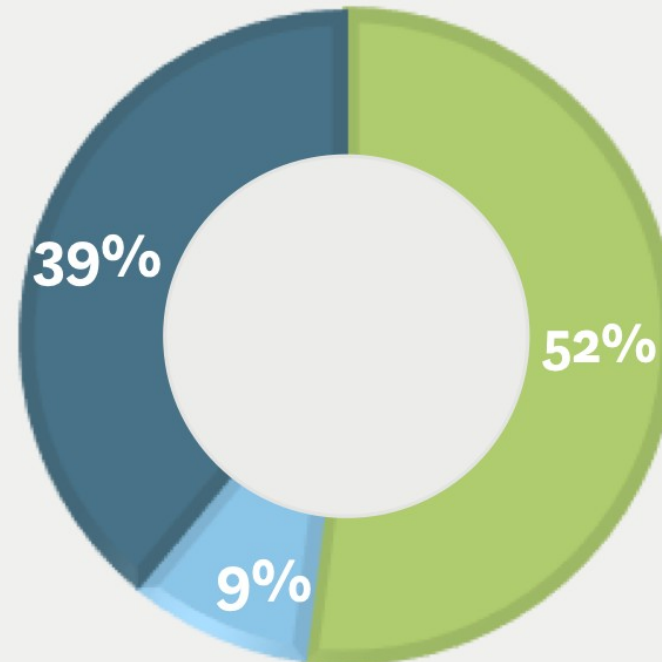


Do you conduct an assessment to determine if the third-party has the capabilities and controls to meet the ethics and compliance requirements stated in their contract with your organization?



- For all risk areas
- For most risk areas
- For some risk areas
- No

Does your company conduct periodic audits of third parties to ensure compliance with ethical and legal standards?



- Yes, for high-risk third parties
- No
- Yes, but only for certain risk areas

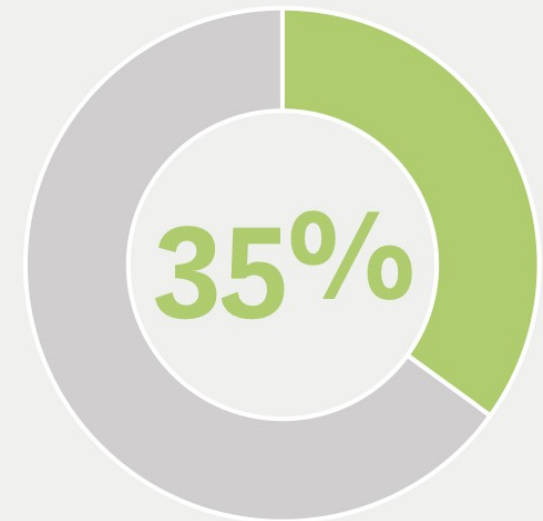
Which of the following best describes how your organization evaluates the performance of a supplier or third party?



They are solely evaluated based on their business performance.



We discuss some ethics and compliance issues during our business performance reviews.



We have a third-party scorecard or written evaluation that specifically includes their ethics and compliance performance.

Make Communication a Regular Course of Business with Any Partner that Could Pose a Material Risk

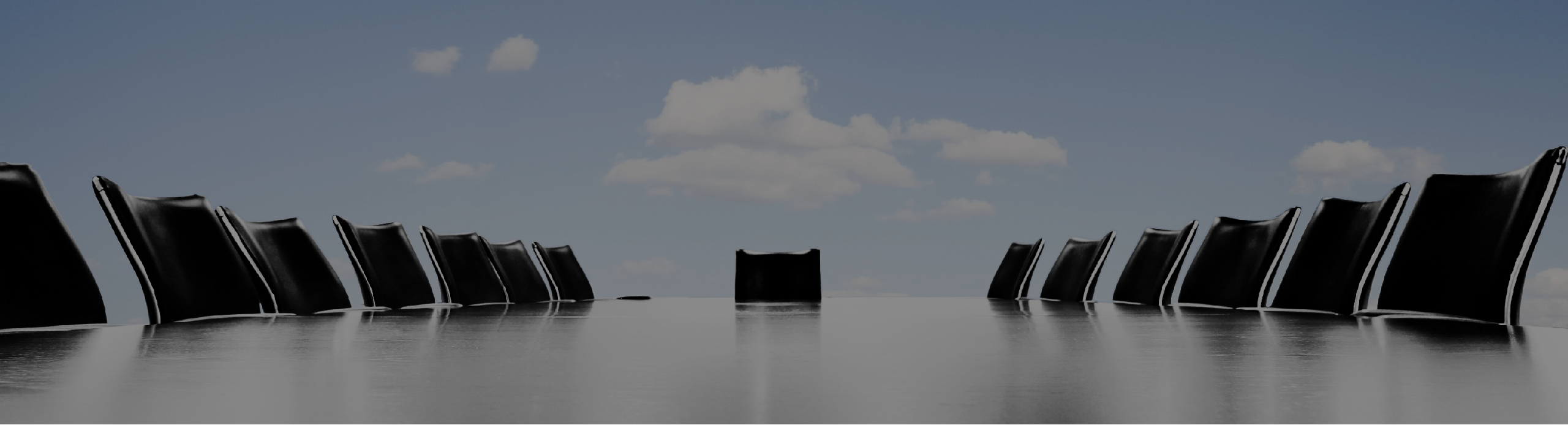
Of those receiving Ethisphere's 2020 World's Most Ethical Companies designation...

55%

target
communications
initiatives at third
parties

60%

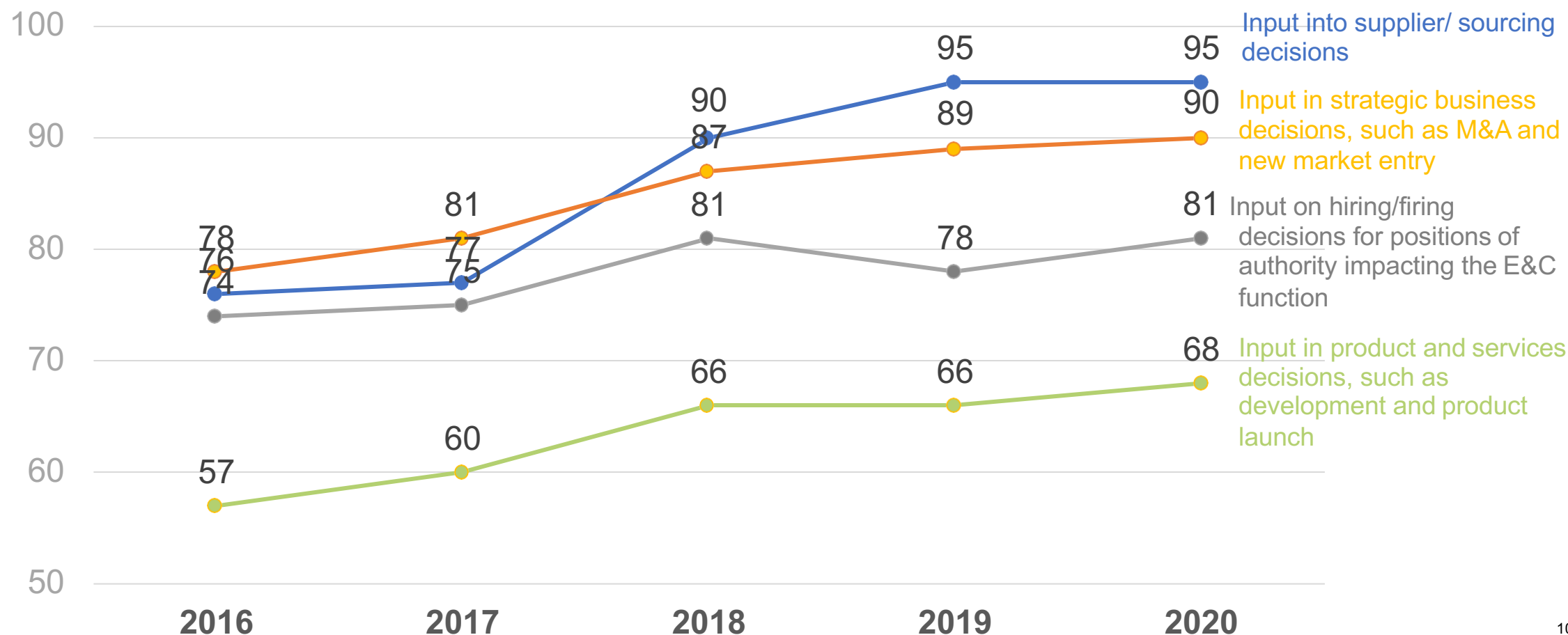
go further and provide
third parties with E&C
training assistance and
resources



Growing Authority and Transparency

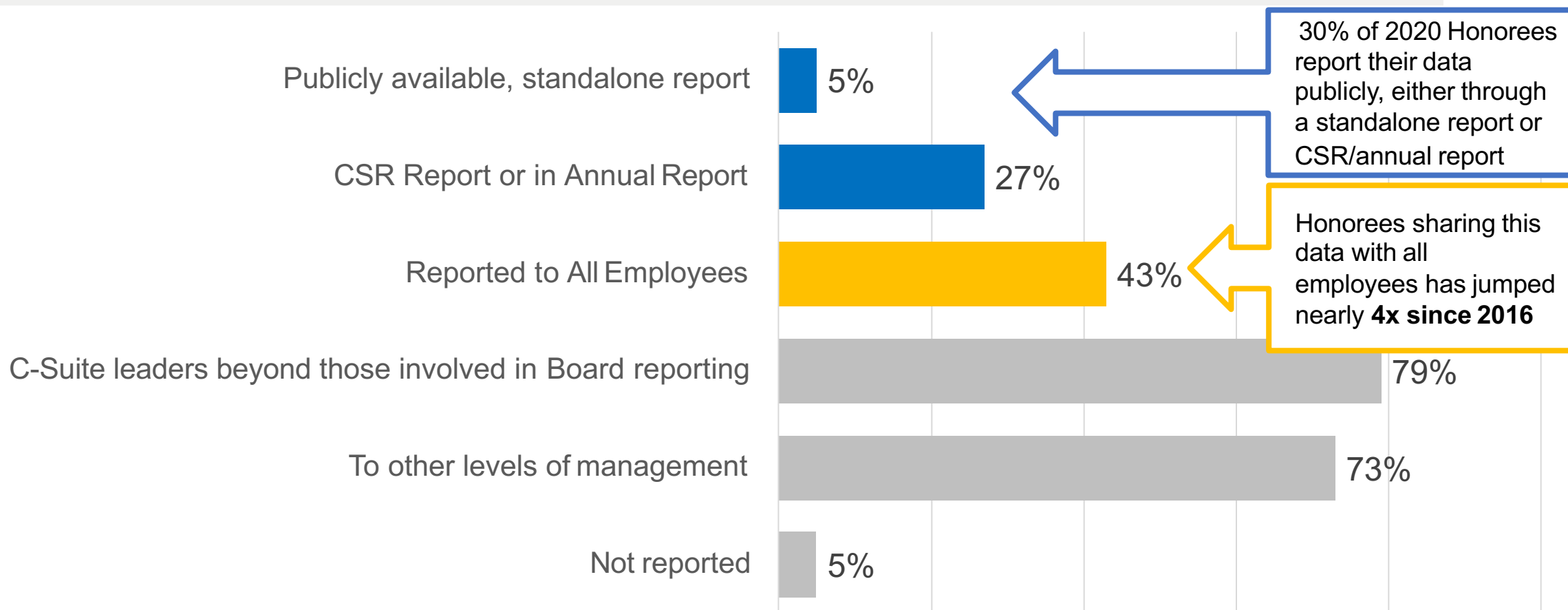
Ethics and Compliance Gaining Influence in Corporate Strategy, Sourcing, and Product Decisions

Identify which of the following authorities, if any, are granted to the ethics and compliance function. (Multiple select)



More Honorees Sharing Reporting And Investigations With Their Employees And Even Public At Large

Separate from reports to the Board or other governing authority, does your organization communicate how many concerns were reported, the types of concerns reported, and the results of reports and investigations? (Multiple select)



World's Most Ethical Companies Program

1 Register to join the community

<https://www.worldsmostethicalcompanies.com/2021-interest/>

2 Attend the Webcast

<https://events.ethisphere.com/events/webcast-guide-to-applying-2021-worlds-most-ethical-companies/>

3 Review the Materials

Application materials will be released on Friday, August 7

