50+ Essential Ethics & Compliance Stats for 2025 Planning

This e-book will save your team hours of work

ETHISPHERE®

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Executive Summary

EXECUTIVE SUMMARY

Ethics and compliance teams are busier than ever, juggling a growing array of responsibilities that leave little time for deep research and data gathering.

Yet, having access to the right stats, trends, and benchmarks is crucial for building effective strategies and making a compelling case for compliance investment.

We've compiled the most impactful, insightful, and up-to-date stats from across the industry into one convenient resource. Pulling from 12 sources, we've compiled over 50 distinct data points to help you confidently craft your 2025 plans.

These insights will strengthen your end-of-year presentations, ensuring you can secure the buy-in you need for key initiatives and to support the case for ethics and compliance investment.

THIS E-BOOK WILL SAVE YOUR TEAM HOURS OF WORK.

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8 ESSENTIAL CATEGORIES

The Cost of Non-Compliance

"If you think compliance is expensive, try non-compliance."
—Former U.S. Deputy Attorney General Paul McNulty

Non-Compliance is Costly

Integrity incidents and penalties are critical metrics, highlighting the growing risks and financial consequences of non-compliance. The volume of organizations with integrity incidents showcases the vulnerability in organizational culture and controls, necessitating proactive measures to uncover and mitigate risks.

Increasing penalties and the money charged, underscore the increasing regulatory scrutiny and the financial impact of non-compliance, emphasizing the importance of well-resourced compliance programs.

These trends serve as a call to action for leaders to strengthen their compliance frameworks to protect their organizations from both reputational damage and financial loss.

INTEGRITY INCIDENTS ARE GROWING

21% of organizations have experienced a significant integrity incident

PENALTIES ARE GROWING

40% growth in number of violations and the number of companies with violations

THE TRILLION-DOLLAR MARK

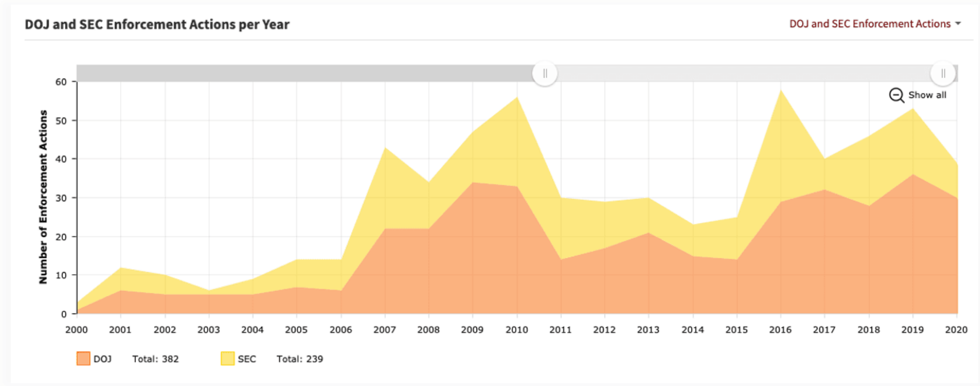
U.S. companies have paid

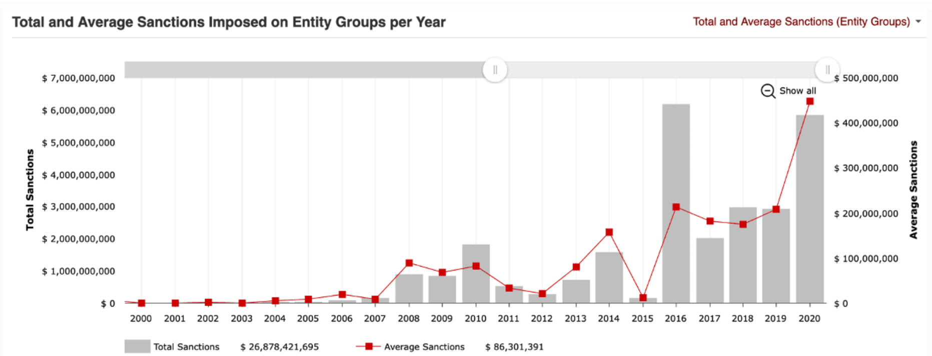
>US$1 Trillion

in fines, penalties, and settlements since 2000

Sources:
https://fcpa.stanford.edu/statistics-analytics.html
https://violationtracker.goodjobsfirst.org

NON-COMPLIANCE IS COSTLY





Source: https://fcpa.stanford.edu/statistics-analytics.html

$119.7 Million

Average monetary settlement amount since 2015

$1.8 Million

Average monthly cost for FCPA-related investigation

38 Months

Average length of an FCPA investigation

$13.1 Billion

Monetary sanctions paid to foreign governments in FCPA-related enforcement actions

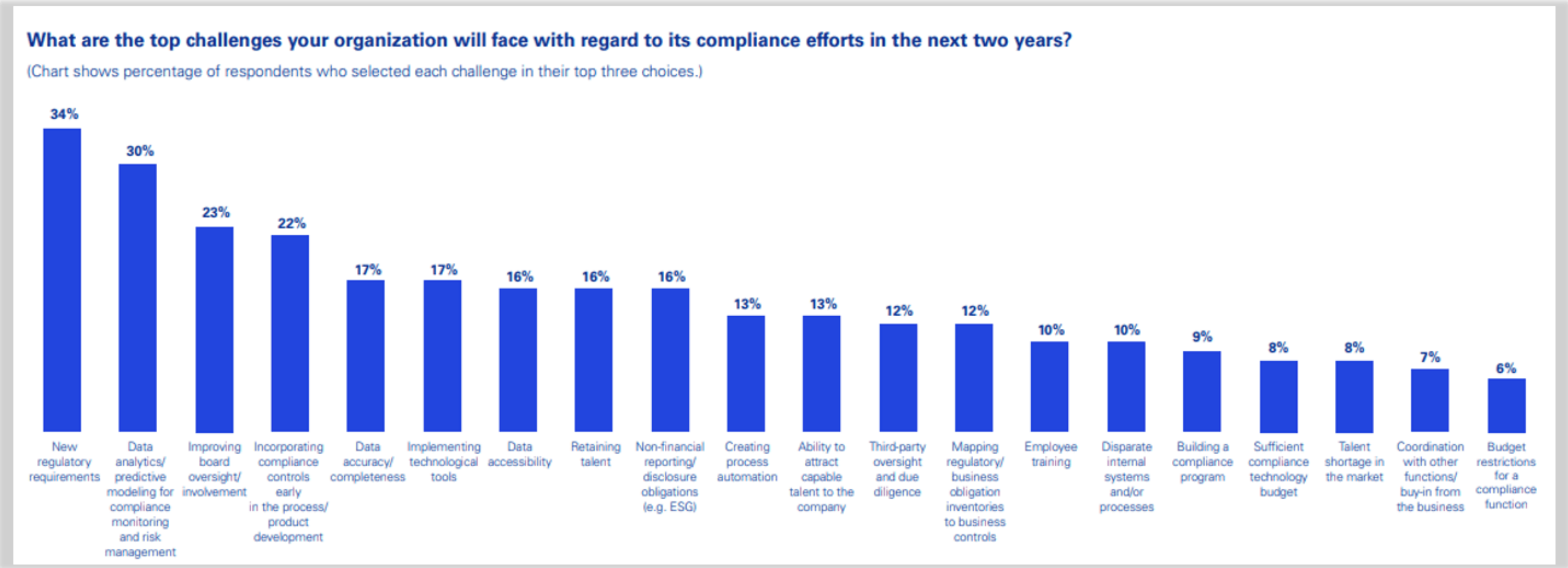
Compliance Challenges

"Ensure compliance and be responsive to the feedback."

—Anne McLellan, 9th Deputy Prime Minister of Canada

A CHANGE IN LANDSCAPE

Top Challenges for Compliance Programs



Source: KPMG Chief Ethics and Compliance Officer Survey

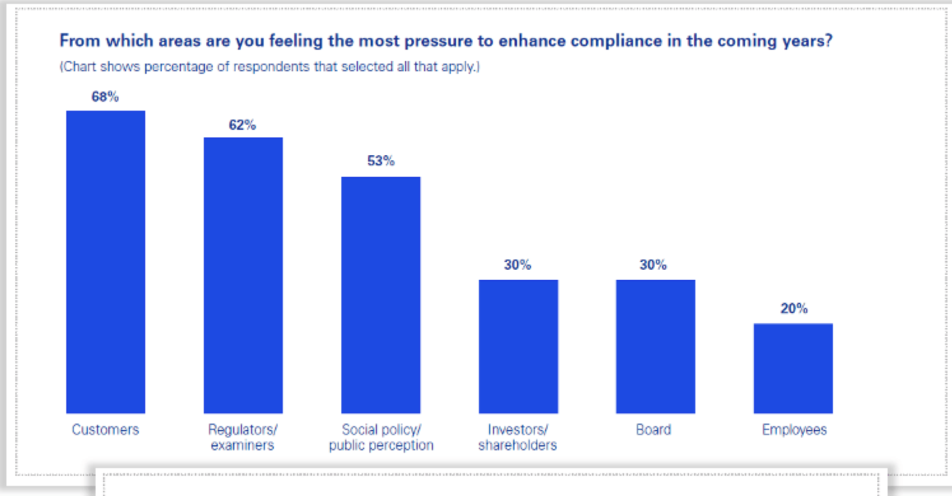
STAKEHOLDERS

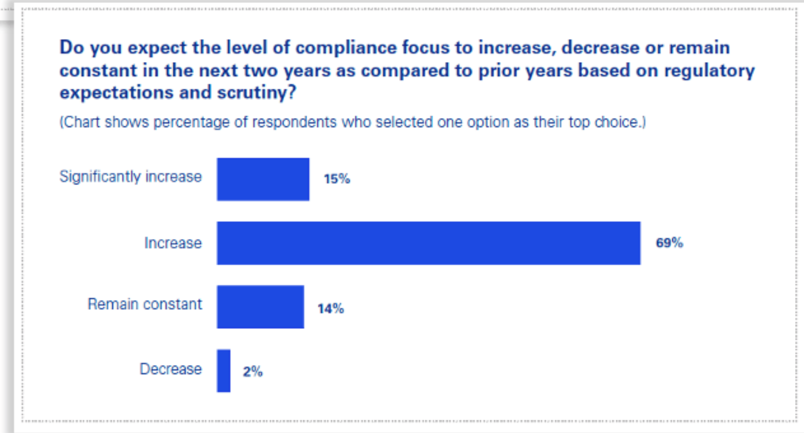
Pressure to Enhance Compliance

The significance of a compliance team's top challenges is amplified by external pressures from customers, regulators, and social perceptions, which are increasingly demanding higher standards of ethics and compliance.

New regulatory requirements and evolving expectations necessitate that compliance teams remain agile, while data analytics and predictive modeling are essential for proactively managing risks. Improving board oversight and incorporating compliance controls early in product development are critical for embedding a culture of compliance that meets both internal and external expectations.

Additionally, as the focus on compliance intensifies, ensuring data accuracy and completeness becomes even more crucial, as reliable data supports effective decision-making and builds trust with stakeholders.





Source: KPMG Chief Ethics and Compliance Officer Survey

Global Business Trends

WORLDWIDE ISSUES

Major election year, 64 countries representing half the global population
Notable: U.S., Taiwan, U.K., European Union, Mexico, Iran, France, India

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Geopolitical tensions: Russia/Ukraine, Israel/Palestine conflicts

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Climate change: Increase in natural disasters, trade routes

Artificial Intelligence: Increased use, lack of legislation/regulation

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Financial concerns: Inflation, global interest rates, elevated debt levels, trade restrictions

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Raw materials shortages

DESPITE PUSHBACK, ESG CONTINUES TO GROW

Blackrock CEO Larry Fink "conscientious capitalism" and instead of talking about "vague terms around ESG," he focuses on "decarbonization, governance … or social issues"

Supported by regulations internationally (CSRD, CSDDD, SEC Climate Disclosure)

SHIFTS IN ORGANIZATIONAL COMPOSITION

Human capital: organization's value is increasingly related to intangible assets

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Gen Z comprises more of the U.S. workforce than Baby Boomers

Shifts in Organizational Composition

"Human capital is the most important investment we can make."
—Economist Hans-Helmut Kotz

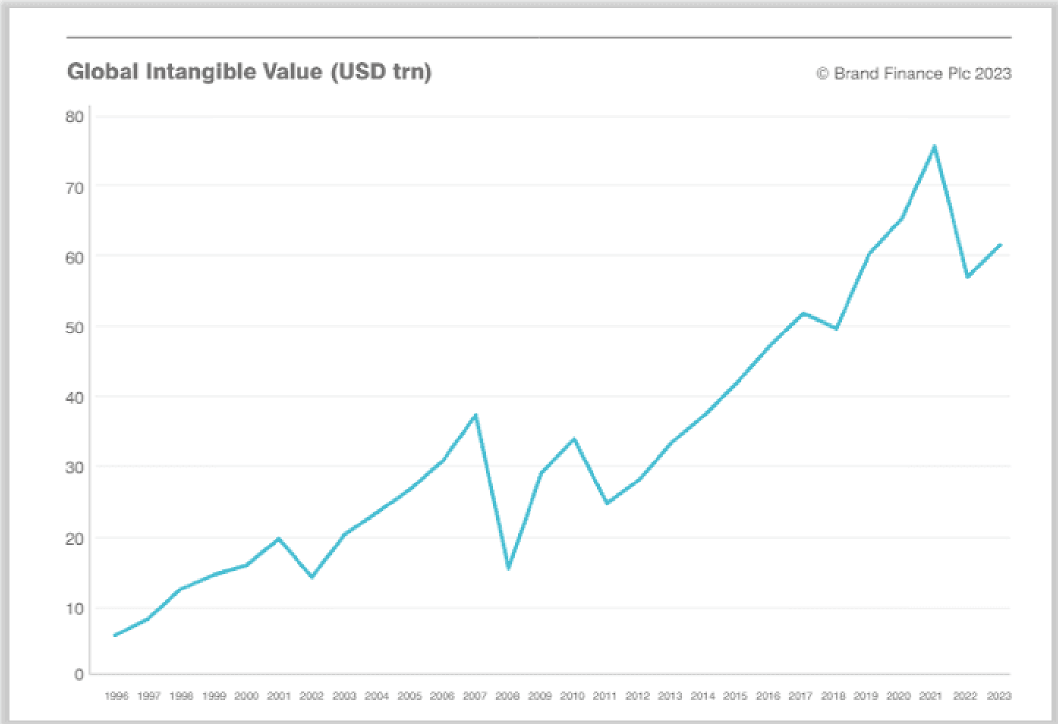
Intangible assets are comprising more of company value.

This reflects the growing importance of intellectual property, brand reputation, and human capital in driving business success.

This shift underscores the need for robust ethics and compliance programs to protect and manage these valuable but vulnerable assets.

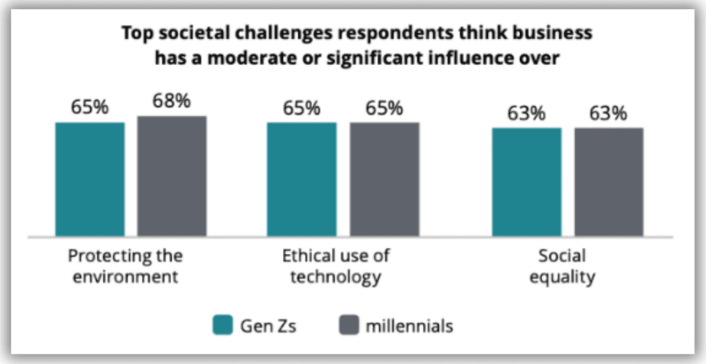
Intangible assets are more susceptible to risks, making their management a critical aspect of governance.

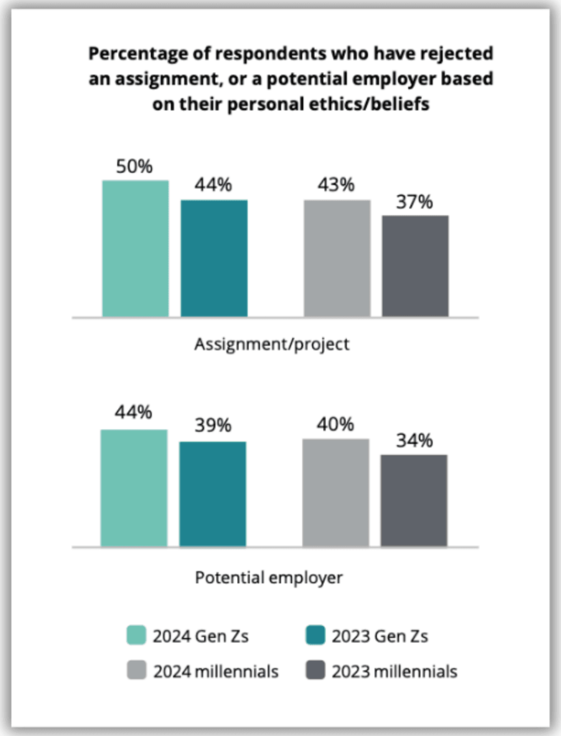
For compliance teams, this highlights the need for forward-thinking strategies that prioritize innovation, ethical practices, and long-term value creation.

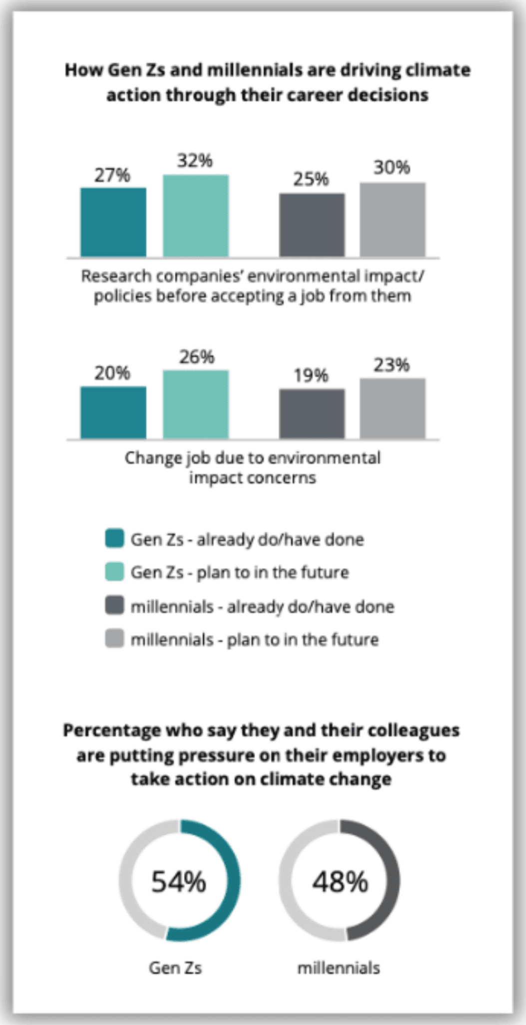


[Global Intangible Finance Tracker (GIFT™) — an annual review of the World's Intangible Value November 2023]

Gen Z and Millennial Expectations

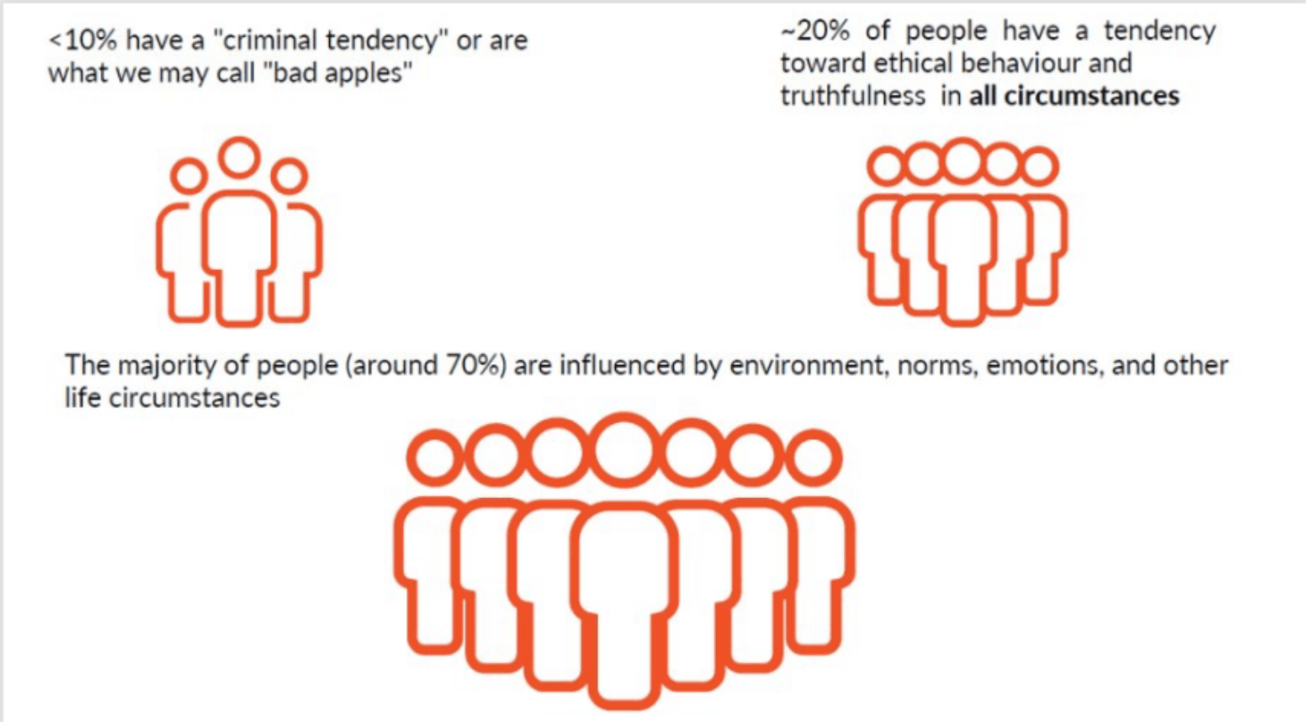






Source: Deloitte: 2024 Gen Z and Millennial Survey

Ethical Propensities - The Human Factor



Source: A Human-Centric Approach to Compliance Program Maturity

Most people see themselves as ethical and believe they will act in line with their values and company policies when faced with an ethical dilemma.

Ethical violations aren't always the result of a single "bad actor"

Even well-intentioned individuals make choices that go against policies or training. While a small minority may be inherently dishonest, and a few consistently ethical, most people are **influenced by their environment, social norms, and personal circumstances.**

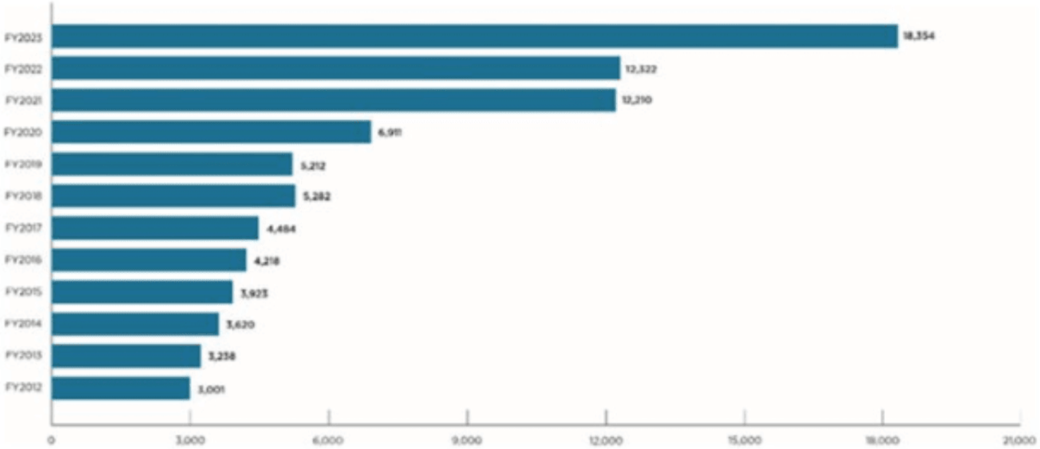
This means ethical behavior can vary depending on the situation. Understanding these factors is crucial in promoting ethical decision-making within organizations.

Whistleblowers and Speak-Up Culture

Increased Focus on Whistleblower incentives

Increase in Whistleblower Tips

In FY 2023, the Commission received 18,354 whistleblower tips. The table below shows the number of whistleblower tips received by the Commission on a yearly basis since the inception of the Whistleblower Program.[11]



Source: Securities and Exchange Commission Office of the Whistleblower

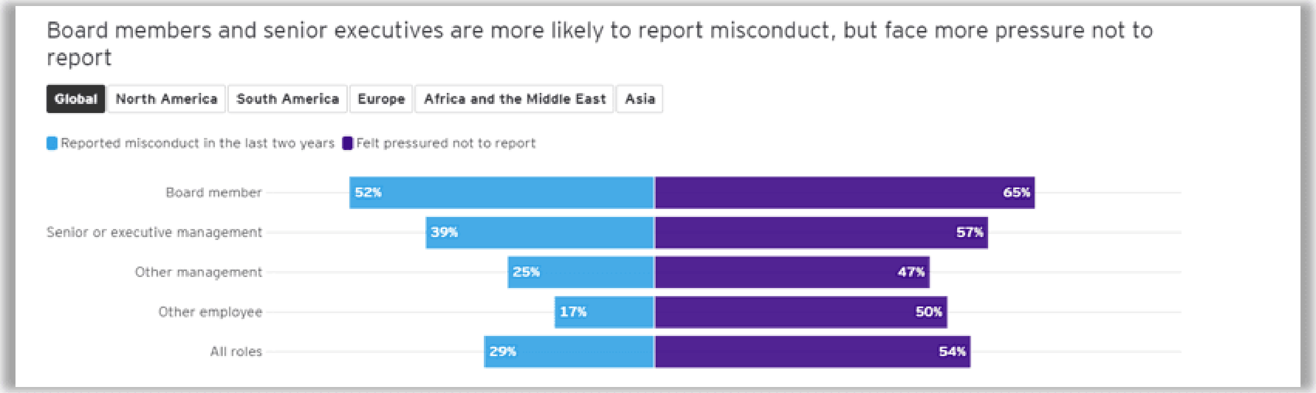
A 49% INCREASE IN WHISTLEBLOWER TIPS FROM 2022-2023

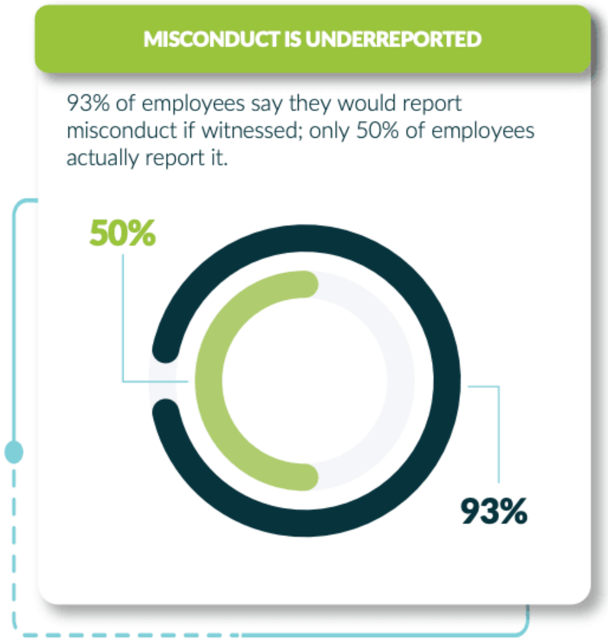
This signals a growing willingness among employees and stakeholders to report potential misconduct. This rise suggests that that the DOJ's incentives for whistleblowers to report are working. For compliance teams, this means that underscores the importance of having robust whistleblower protection programs in place.

Compliance teams need to ensure that a speak-up culture is championed internally and the reports are welcomed, operationalized, and communicated to employees and stakeholders, so that the compliance team can investigate and address reports and make an informed decision about the need to self-disclose, rather than being on defense when the regulators bring the tips to the organization.

Reality of Speaking Up

ETHICAL CULTURE ACCELERATOR
ASSESS.EXPLORE.TRANSFORM.





Source: KPMG Stepping up to a New Level of Compliance

Source: Ethisphere 2024 Ethical Culture Report

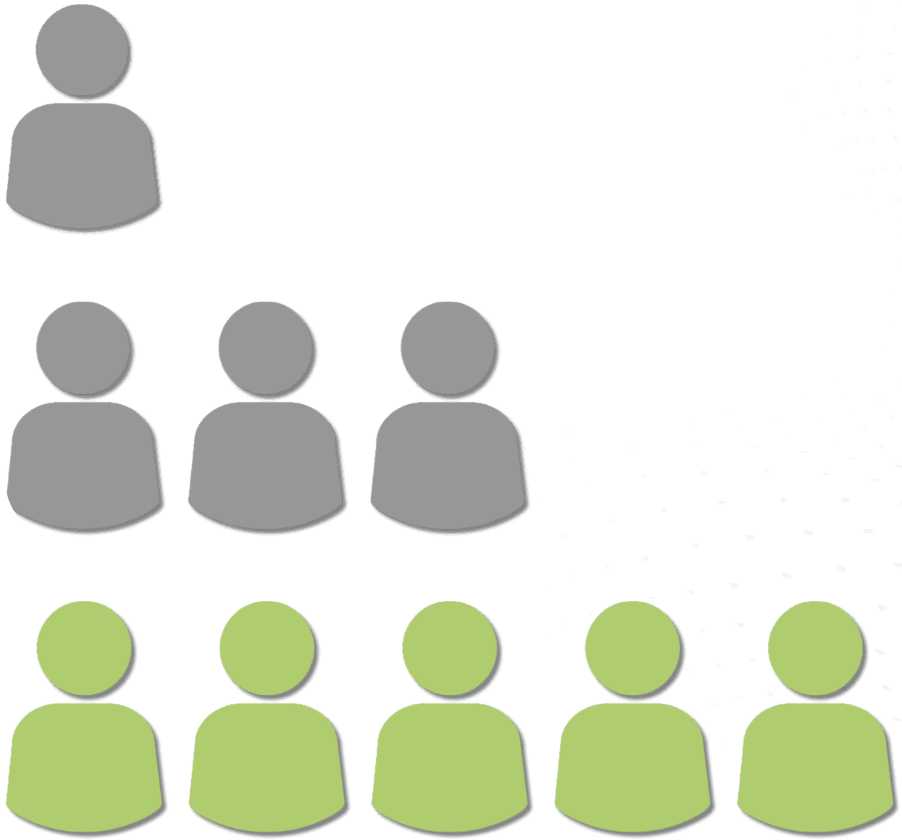
ETHICAL CULTURE

Reporting Misconduct: Employees Choose People

Hotline
11%

HR
36%

Manager
60%



Source: Ethisphere 2024 Ethical Culture Report

REPORTING

Hotline Roles in Investigations

How does your organization manage reports of perceived misconduct and subsequent investigations?

68%

Single tracking tool/ cast management system used

32%

Different functions use separate tools/systems

Interactive poll not supported

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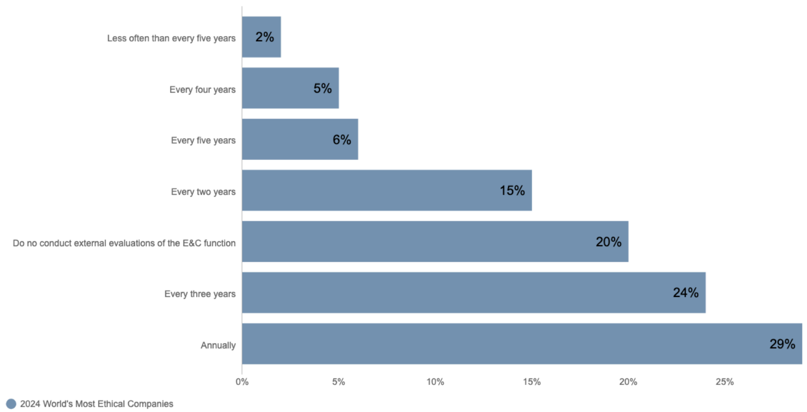
Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access today

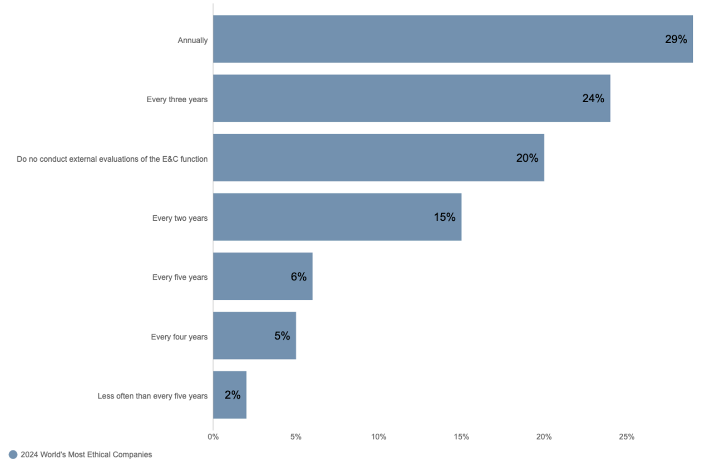
96%

of the World's Most Ethical Companies® honorees measure their company's ethical culture at least every two years.

Which of the following types of surveys are used to measure ethical culture within your organization? - Select all that apply - 7/03



How frequently does your organization administer a survey or surveys that measure employee perceptions of ethical culture or the compliance program? -7.04



2024 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE™

74%

conduct a stand-alone ethical culture survey

96%

do so at least every 2 years

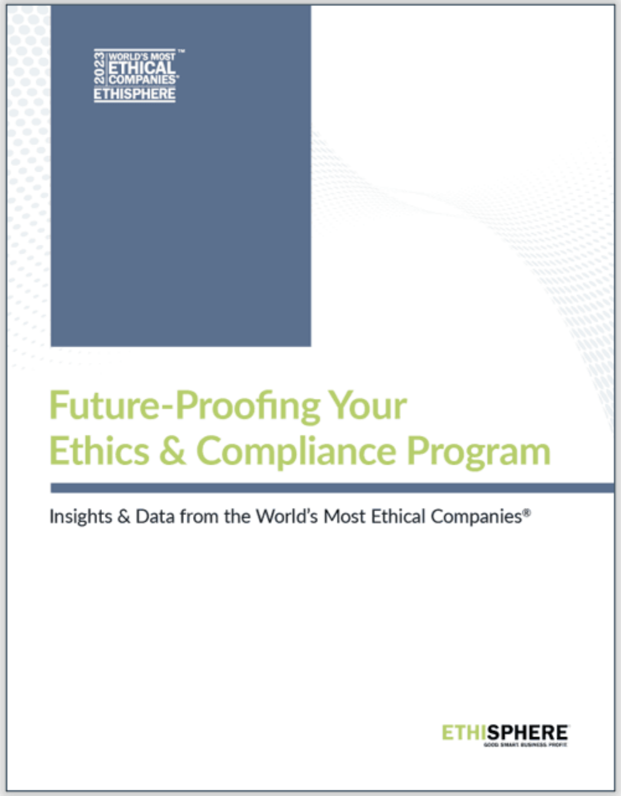
Source: [The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access]

Program Investments

"A budget is more than just a series of numbers on a page; it is an embodiment of our values."

—Barack Obama

Doing Business With Integrity Reduces Risks



Examples of business failures when controls are not in place…

svb Silicon Valley Bank	No Chief Risk Officer for 8 months before the biggest bank failure since the 2008 financial crisis
Real Salt Lake	Toxic workplace culture leading to boycotts, eventual sale of club
boohoo	Backlash over third-party factory working conditions; $1.9 billion loss in value
FTX	Complete lack of management, governance, accounting, and information security controls

ETHICS & COMPLIANCE

The Value of Robust Programs and Practices

"Companies should feel empowered to do the right thing—to invest in compliance and culture, and to step up and own up when misconduct occurs. Companies that do so will welcome the announcements today. For those who don't, however, our Department prosecutors will be empowered, too—to hold accountable those who don't follow the law."

Lisa O. Monaco

Deputy Attorney General, Department of Justice Remarks made about the September 15, 2022 memo outlining revisions to Corporate Criminal Enforcement Policies

RESOURCE PLANNING

Annual Compliance Budgets

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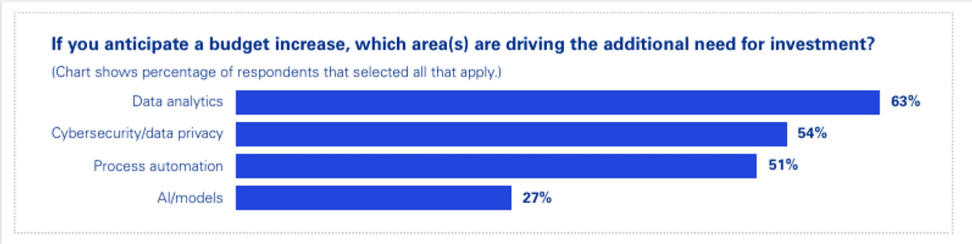
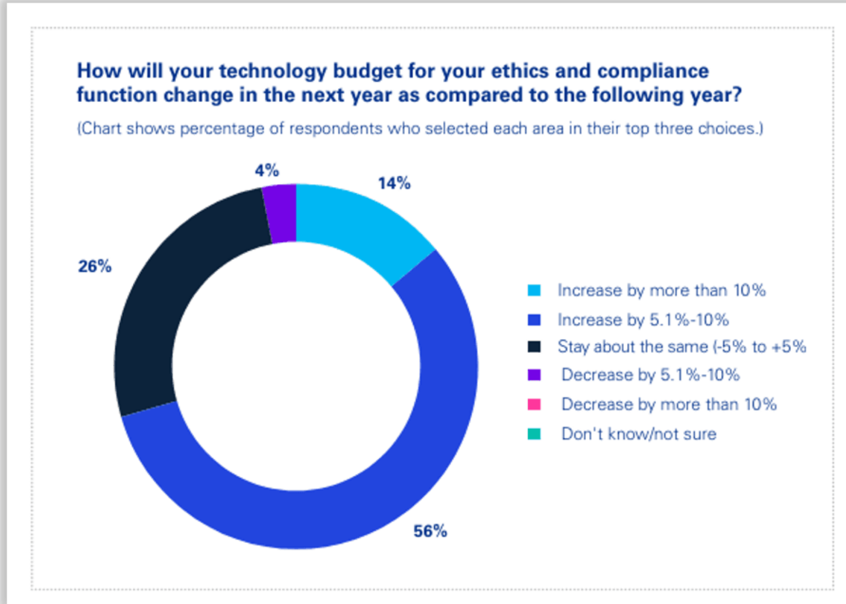
Annual Compliance Budget	NUMBER OF EMPLOYEES							
	<1000 Employees	1000-4999 Employees	5000-9999 Employees	10k-15k employees	15k-25k Employees	25K-50K Employees	50K-100K Employees	>100K Employees
<$50K	0	8%	0%	0%	0%	0%	0%	0%
$50K-$150K	20%	14%	3%	0%	0%	0%	0%	0%
$150K-$250K	10%	5%	0%	0%	0%	3%	0%	0%
$250K-$500K	10%	14%	10%	0%	9%	0%	6%	3%
$500K-$1M	20%	14%	13%	5%	3%	15%	3%	0%
$1M-$5M	40%	30%	50%	50%	47%	58%	34%	24%
$5M-$10M	0%	14%	10%	36%	22%	13%	16%	29%
>$10M	0%	3%	13%	9%	19%	13%	41%	44%

Source: The Sphere EQ 2024 Data Year

Staffing and Budgets





"Data Resources and Access – Do compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of policies, controls, and transactions? Do any impediments exist that limit access to relevant sources of data and, if so, what is the company doing to address the impediments?"

- U.S. DEPARTMENT OF JUSTICE CRIMINAL DIVISION EVALUATION OF CORPORATE COMPLIANCE PROGRAMS

Source: U.S. Department of Justice, Criminal Division

Board Engagements

"The key to successful leadership today is influence, not authority."
—Ken Blanchard

WORLD'S MOST ETHICAL COMPANIES DATA

Talking with the Board

96% E&C talks to new board member at onboarding

51% Interactive sessions with board on E&C matters

73% Independent directors meet with major shareholders

73% Board has regular updates with metrics about workforce

43% Meet with priority clients/ third parties

63% Discussion on compensation structure and incentives

Source: The Sphere

Sharing Investigation Statistics Beyond the Board – Necessary to Increase Faith in the Process

96%

Share data with Board or Board Committee

45%

Of industry peers share in ESG or annual reports

What can this look like?

Consider sharing:

- Average number of issues raised in a year or quarter
- Types of issues raised
- Modalities used to raise concerns
- Days to close investigations
- Substantiation rates
- Discipline by percentages (X coached, Y trained, etc..)
- Anonymized fact patterns (commonly used in communications or training)

Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access today

Artificial Intelligence

"By far, the greatest danger of AI is that people conclude too early that they understand it."

—Eliezer Yudkowsky

ARTIFICIAL INTELLIGENCE

AI: Policies Lagging Behind Use

This highlights a significant gap in governance that could lead to substantial risks. There's widespread adoption of AI that, if unregulated, could result in unintended legal, ethical, or operational consequences.

The fact that only 18% of employees are aware of an official AI policy suggests that many are operating without clear guidance, increasing the likelihood of non-compliance with internal or external regulations.

This underscores the urgent need for compliance leaders to develop, communicate, and enforce robust AI usage policies to protect the organization from potential liabilities and ensure ethical AI practices.

35%

of employees are intentionally using AI monthly or more often to assist with their work

YET ONLY...

18%

reported knowing that their employer has an official policy about acceptable uses of AI

Interactive poll not supported

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Source: American Psychological Association 2024 Work in America Survey

Third Parties

Third Parties Present Risks

Approximately 90% of Foreign Corrupt Practices Act (FCPA) enforcement matters between 1978 and 2023 identified a third-party intermediary, such as a sales agent, consultant or distributor, as part of the bribery scheme

Source: Stanford Law School FCPA Clearinghouse

49%

of organizations have experienced a data breach caused by a third-party vendor in the last 12 months.

61%

of organizations aren't confident that their third parties would notify them if they had a data breach involving your organization's sensitive and confidential information.

Source: Ponemon Report

Third Parties Due Dilligence

SCOPE OF DUE DILIGENCE BEFORE BRINGING ON THIRD PARTIES

55%
Conduct due diligence before entering all third-party relationships

HOW IS THE THIRD-PARTY DUE DILIGENCE PROCESS MANAGED?

93%
Conduct due diligence before entering all third-party relationships

43%
At the regional or business function level

Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access today

Talking with Third Parties

"How has the company communicated its policies and procedures to all employees and relevant third parties?"

THE UNITED STATES DEPARTMENT of JUSTICE

2024 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE™

FREQUENCY

52% Communicate regularly about E&C requirements (more than low risk)

76% Communicate at least annually with 3rd parties on Impacts

METHOD

88% Internet portal

89% Email

77% Surveys / Questionnaires

Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool:

Third-Party Due Diligence Evaluation Criteria

2024 WORLD'S MOST ETHICAL COMPANIES® ™ ETHISPHERE

100%
Ownership information

99%
Past misconduct

96%
Sanctions and embargo lists

96%
General reputation

92%
Use of subs on work to be done

92%
E&C policy documentation

85%
Relationships w/ public officials, etc.

85%
Employee training

79%
Information on related organizations

78%
Existence of an E&C function

72%
Third-party risk management practices

71%
Reporting requirement and mechanism

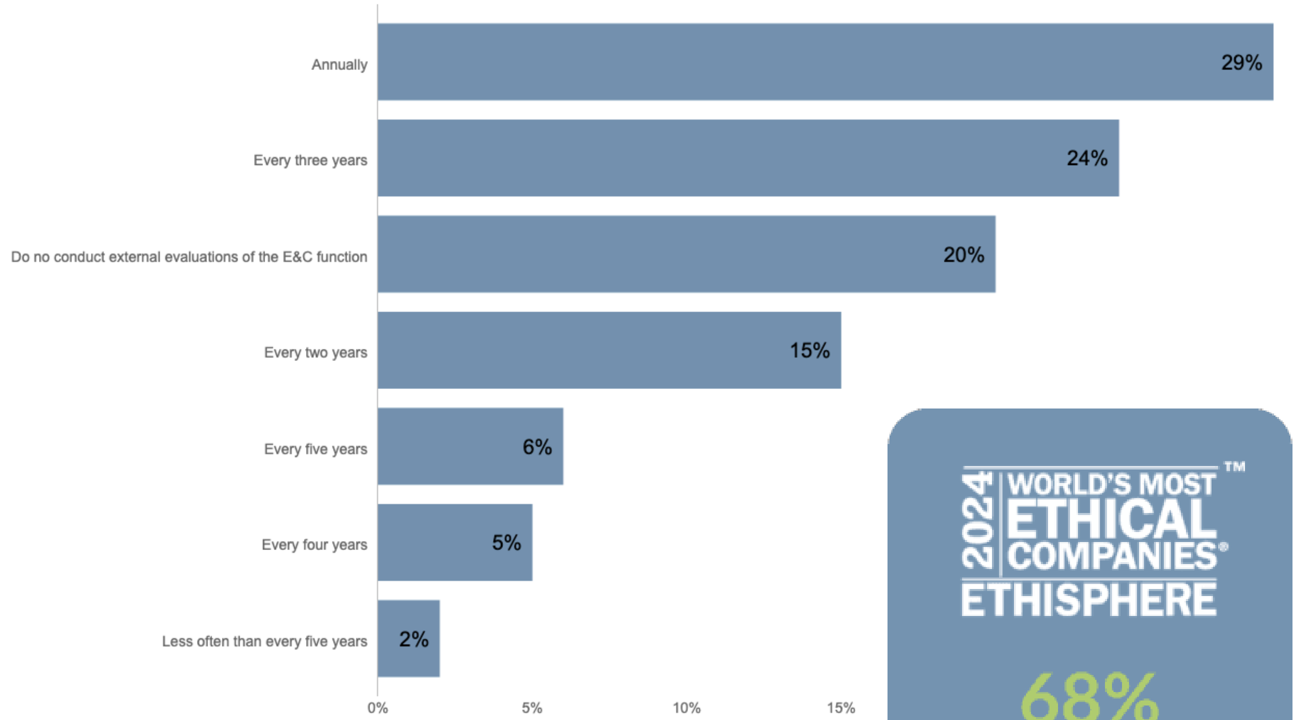
71%
Risk assessment practices

Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access today

2025 PLANNING STATS

In response to ongoing regulatory uncertainty, isn't it time to put fresh eyes on your program?

If your organization conducts periodic evaluations of the effectiveness of the entire E&C program using external resources (e.g., consultants), how often does your organization conduct evaluations of the effectiveness of the E&C program? -5.17



2024 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE™

68%

conduct an external assessment of the E&C program at least every 3 years

Source: The Sphere, Ethisphere's Benchmarking and Ethics and Compliance Statistics tool: Get access today

2025 PLANNING STATS

Make Informed, Evidenced-Based

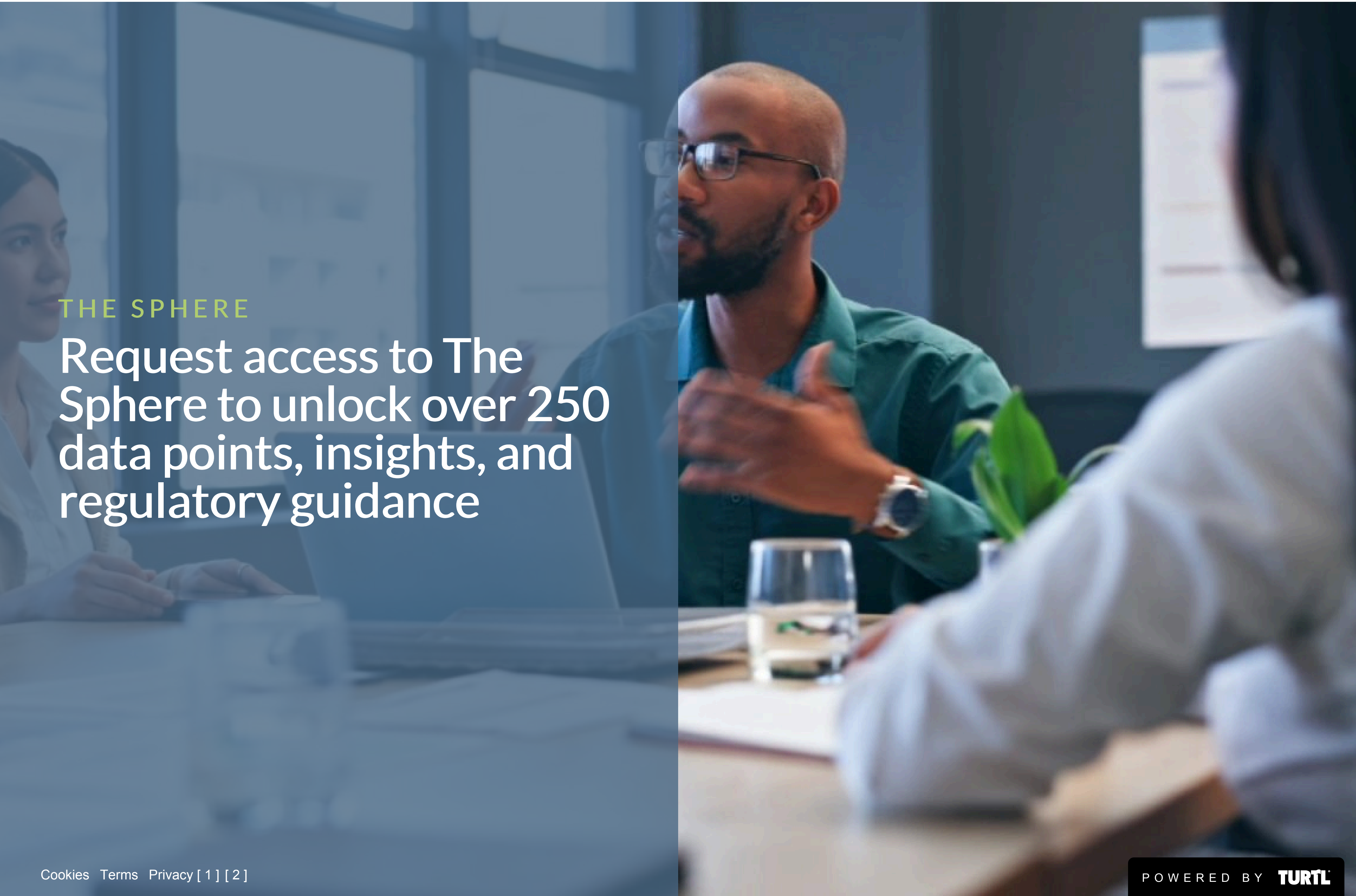
As you finalize your 2025 plans, having the right data is just the beginning.

To help you take your insights further, we're offering a free trial of Ethisphere's benchmarking and data analysis tool, The Sphere.

THE SPHERE

DATA. INSIGHTS. ACTION.

With The Sphere, you can dive deeper into industry benchmarks, compare your program to others, and uncover actionable insights that will empower your *decision-making*.



THE SPHERE

Request access to The Sphere to unlock over 250 data points, insights, and regulatory guidance