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ETHISPHERE MAGAZINE
FALL 2025

Community Insights

BUSINESS INTEGRITY THOUGHT LEADERSHIP FROM DELOITTE, MITRATECH , EY, BAKER MCKENZIE, & MORE

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Fall 2025 | Community Insights

In This Issue

UP FRONT

Thought leadership from the top

The Work You Do Matters
TOM BUBECK

No Competition in Compliance
ERICA SALMON BYRNE

THE ETHICS ADVANTAGE

The Work You Do Matters

by TOM BUBECK

The Work You Do Matters

by TOM BUBECK | Chief Executive Officer, Ethisphere

As leaders, we talk a lot about systems, programs, and frameworks. But culture is lived one decision at a time by people at every level. The most meaningful change inside organizations rarely arrives in a single, cinematic moment. It's the accumulation of small, principled choices—each one made by an individual who decides to show up with integrity. That's why ethics and compliance work matters so much.

Our field equips people with three essential tools: clarity about right and wrong, confidence to speak up, and the assurance that when they do, they'll be heard. Every time you engage with one more person—whether it's through training, a program rollout, an ethics week, etc.—that's one more human being who is more capable of preventing a bad outcome (or creating a better one). Multiply that by hundreds or thousands of decisions a day, and you begin to see the real impact of this function.

I often think about the colleague who isn't near the C-suite—someone in shipping, production, or the

front line—who notices something off and chooses to act. Maybe she flags a suspicious payment. Maybe he questions a shortcut that would have compromised safety. Those moments don't make headlines, but they shape outcomes. When we lift up those stories, we're not just celebrating one person. We're honoring the E&C teams who gave that person language, process, and support. Your work creates the conditions for courage.

From the CEO's chair, I'm also mindful that "tone from the top" is only useful if it's observable. Within a very large organization, senior leadership may never get to roll up their sleeves alongside every shift worker on the warehouse floor. But people notice how leaders treat those around them, especially in the so-called "smaller moments." Decency and respect ripple across an organization, and when leaders consistently show up as ethical and accountable, that tone becomes learnable behavior for everyone.

Recognition matters, too. We can publish memos about values, and we should. But storytelling and visible praise travel farther. At Ethisphere we lean into "high fives" that spotlight colleagues who live our values in concrete ways. Inside your organization, make the ethical act the celebrated act. Help people see what "good" looks like in their peers' real work.

I also want to acknowledge something many in our community feel: compliance can be lonely. Even though you interact with employees constantly, the role can sit slightly apart. In a world that can seem increasingly comfortable cutting corners, staying committed to integrity can feel uphill. That's exactly why your work is more valuable than ever.

Here's how I think about it. In any organization, a portion of people will do the right thing no matter what, a small portion will try to game the system, and the vast middle will take on the "flavor" of the environment around them. Your programs season that environment. You set the recipe. Through policies, training, investigations, and daily conversations, you make it easier to find true north and safer to act on it. You help the middle become a force for good.

Everybody wants to matter. None of us wants to be part of a check-the-box team or build a check-the-box program. We want our days to add up to something worthy. Ethics and compliance gives people that chance. Keep equipping, keep recognizing, keep telling the stories. Every "small" act of integrity is a building block. And together, they become the culture that our companies, and our communities, deserve.

Tom

DISPATCHES FROM THE ETHICS ECONOMY

There's No Competition in Compliance

by ERICA SALMON BYRNE

There's No Competition in Compliance

by ERICA SALMON BYRNE | Chief Strategy Officer & Executive Chair, Ethisphere

Back in the early days of the Business Ethics Leadership Alliance, David Howard—longtime chief compliance officer at Microsoft and one of BELA's original members—would say, "There's no competition in compliance." David used that phrase to describe the attitude of BELA, a community that is willing to share, cross-pollinate, talk about successes and failures, and grow together. I have repeated that phrase many times since, and it's become a common expression within Ethisphere because it perfectly captures BELA's philosophical underpinning.

If you need proof of that, then look no further than the BELA Member Hub, where we now have thousands of E&C program documents that companies have submitted for the benefit of the community. That same spirit of collaboration is in our roundtables and onstage at the Global Ethics Summit, where people are remarkably forthcoming about what has worked for them, what hasn't, and what's still in process. None of this is an ego-polishing exercise; it comes from a willingness to share knowledge and teach others.

A recent AI roundtable in New York provided a great example of this. The room was thirsty for information, and because there's no competition in compliance, people were remarkably open about their AI journey so far. They compared live experiments, shared what legal and data teams were worried about, and put draft guardrails on the table. In a less giving environment, you'd expect people to be guarded with what they'd learned. But not there. People were remarkably open and willing to share, which isn't really that surprising. At its base, ethics and compliance just isn't an adversarial profession. (You might think it would be, given how many of us are lawyers, which can be a pretty cut-throat profession, but it's not).

Looking to 2026, here's how to put this mindset to work. A good 1-3-5 plan aligns your program's strategic priorities with the business's strategic priorities. Those will be specific to your industry and organization. But if you strip out the proprietary language and look at the underpinning activities necessary to make those priorities happen, chances are very good somebody else is working on the same things. So don't hesitate to reach out to your fellow members in the community and share what you're working on. Name your priorities out loud: "In the next 18 months, I'm revamping manager toolkits. I'm rethinking conflicts of interest disclosure because we're entering New Market X, Y, or Z. I'm improving how we track regulatory developments in these seven jurisdictions." If you describe the actions, there will be community examples available to you, even if the specifics are unique to your organization.

Then look at the work you and your team have done. If you're proud of something, say so—and share it. Especially if you've figured out something about making a relationship with another control function—HR, IT, Internal Audit—where you know peers have struggled, tell that story. Those are the bridges others need.

Also, don't hesitate to borrow from other disciplines. At the end of the day, we are mitigating risk created by people. So borrow from behavioral psychology. Borrow from adult education research; ask how people actually learn, and why they learn the way they do. Borrow extensively from neuroscience since it tells us so much about why our brains work the way they do.

There are evolving challenges we face as E&C professionals, and the landscape will keep shifting. But as Bill Coffin and I often say on the Ethicast, there are only so many ways that people are gonna people.So share openly. Borrow widely. Ask freely. Because in this community, there really is no competition in compliance—and we are all better when we act on that.

Erica

COMPLIANCE PROGRAM

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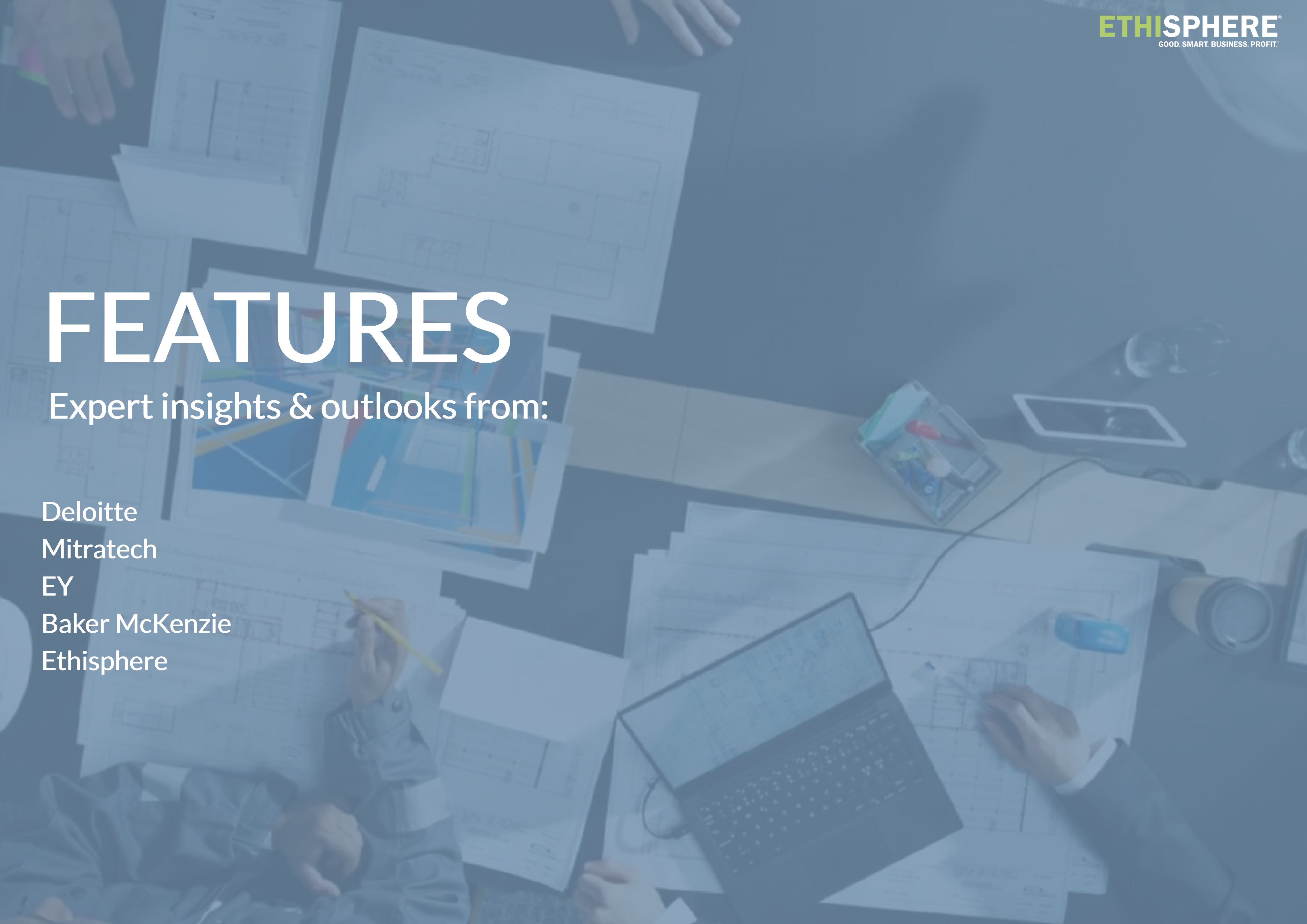
"If you want good insight into what other people in your organization are thinking about as you interact with them, having Ethisphere step in and **do their magic** is a great opportunity for helpful feedback. Ethisphere is an organization that really **knows ethics**, **compliance**, **and integrity**, and could actually help us **improve our program** by bringing lots of industry knowledge."

Hope Scott,
VP, Chief Risk & Compliance Officer,
Blue Shield of California



FEATURES

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Ethical Leadership: A Key to Reputation and Future Readiness

by LORI PRESSLER, MICHAEL ROSSEN, & MIIRA VELIA

Ethical Leadership:
A Key to Reputation and Future Readiness

This article was excerpted from an article originally published on Deloitte.com. Read the full report, and watch Deloitte.com for additional content exploring the 4 E's and other ethics topics.

by
LORI PRESSLER,
MICHAEL ROSSEN,
and
MIIRA VELIA

It's remarkably easy to identify moments where organizations did not make the ethical choice and paid a steep price. Lost market share, falling stock prices, tarnished reputations, regulatory scrutiny, fines, and even criminal judgments—these are the consequences organizations risk when ethics are sidelined.

Often, such crises aren't the result of a single misstep, but rather stem from lingering, systemic deficiencies in corporate culture, especially where integrity isn't prioritized. When organizations don't emphasize ethics, they can foster environments where questionable or harmful behavior not only emerges but flourishes.

Organizations may not be giving this area the concentrated attention it deserves, particularly from the top down. In a 2024 survey from the Society for Corporate Governance and Deloitte, 48% of respondents reported that their boards of directors provide no dedicated oversight of corporate culture.[1] Of those that do watch culture, many monitor whistleblower complaints or hotline reports, meaning they might step in after an ethics issue has already emerged.

Both the stakes and challenges of an ethical corporate culture are high. Today's workforce brings new values that can challenge traditional business norms. Global complexity, technological disruption, and instantaneous media can elevate the speed and impact of any ethical lapse. As a result, organizations should consider rethinking how they approach ethical leadership, shifting from reactive crisis management to proactive risk sensing and rapid response.

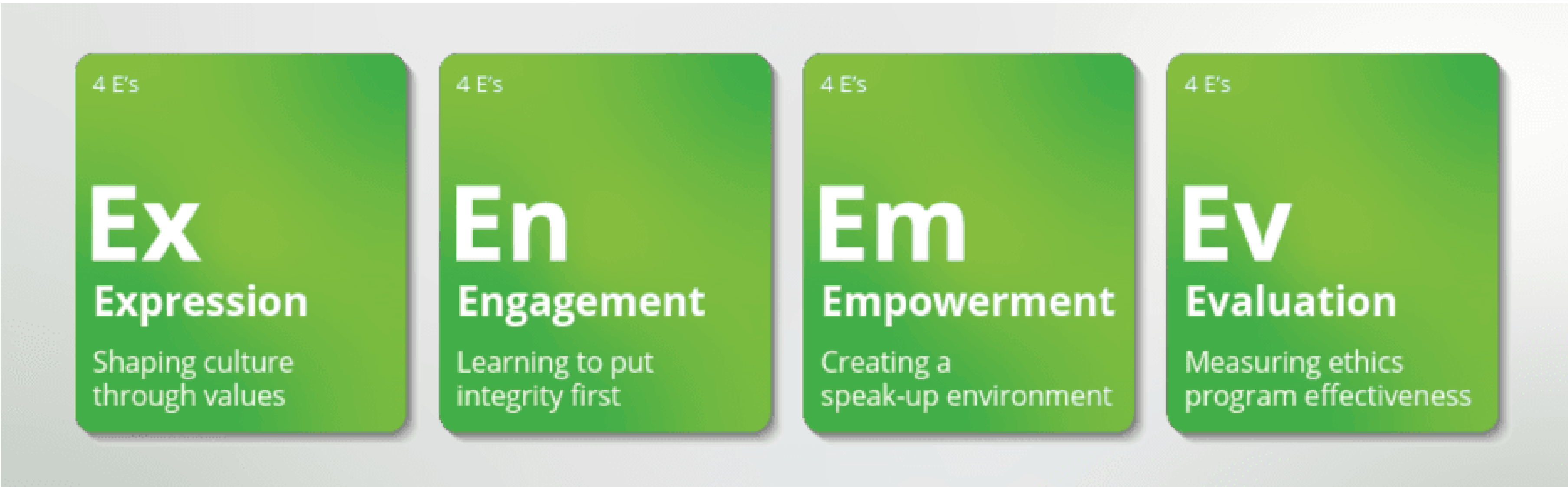
What is ethical leadership?

Ethical leadership means pairing a tone at the top with practices that embed ethical values and conduct throughout an organization. Ethical leadership tracks closely with trust: When leaders are visible and consistent in their commitment to ethics, trust can flourish among stakeholders. When ethical leadership is absent, organizations risk a dramatic loss of trust.

That trust delivers real, measurable value. A Deloitte Canada Human Experience TrustID^{TM} Survey found that companies recognized for trustworthiness outperform peers by a factor of four in market value, and 88% of customers will return to buy from a brand they trust.[2]

In the Deloitte Global report "How boards are nurturing and measuring stakeholder trust," 81% of board members and C-suite leaders stated that trust directly affects their business relationships.[3]

In high-pressure moments, ethical decision-making can get hazy. Every day, employees make countless choices—responding to sales goals, addressing customer issues, satisfying investors. Whether those responses are ethical depends on how deeply integrity is threaded into the organization's culture and modeled by its leaders.



The 4 E's framework for ethical leadership

Effective ethical leadership helps ensure the ethical choice is the reflexive choice. The four elements of ethical leadership, or the 4 E's, provide an actionable leadership approach for building ethical cultures:

Expression:
Shaping culture through values

Organizations should communicate their ethical standards clearly and frequently, expressing both their values and expectations. Messaging should also express how the organization will respond when its expectations are violated. Consistent messaging—through meetings, communications, and presentations—fosters an environment where ethical behavior is standard and unethical behavior is discouraged.

Engagement:
Learning to put integrity first

Continuous learning and training can give employees the tools to make decisions rooted in integrity. Understanding the ethical implications of their actions helps workers navigate dilemmas and comply with laws. Learning should happen regularly at all levels, starting with new hires. Scenario-based refreshers should cover realistic ethical dilemmas, bringing timely, relevant scenarios to life while also highlighting new and emerging ethical risks.

Empowerment:
Creating a speak-up environment

To surface ethical concerns early, organizations should provide safe channels for employees to report or consult on issues. Multiple options—including conversations with supervisors and anonymous reporting lines—make speaking up accessible and comfortable, which can help prevent nascent risks from becoming full crises. Centralizing ethical values helps give employees confidence to raise concerns without fear.

Evaluation:
Measuring ethics program effectiveness

Given rapidly changing risks, organizations should consider formalizing ethical leadership metrics. Stakeholder interviews, focus groups, and benchmarking help leaders monitor trends and update programs. Celebrating ethics champions and weaving ethical leadership into performance goals reinforces the value placed on integrity.

Summary

No organization is immune to ethical challenges that can impact its brand and reputation. But when an organization develops specific strategies to continuously elevate its ethical leadership, it can mitigate that risk. Strong ethical leadership can help an organization head off ethical concerns before they happen and respond swiftly and effectively—and yes, ethically—when they do. ■

Sources

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Trends in Board Concerns and Expectations

Move beyond the role of reporter and establish more strategic relationships with your board

by LAURA JACOBUS

Trends in Board Concerns and Expectations

Boards today are under pressure like never before – and they are passing that pressure on to their E&C teams. By embracing new practices, you can move beyond the role of reporter and establish more strategic relationships within your organization...and with your board.

by LAURA JACOBUS

On a recent Ethicast, Bill Coffin and I discussed the trend of boards asking more of their E&C teams, as well as increased scrutiny, driven by a variety of internal and external pressures.

- **Data Integrity and Risk Reflection:** Boards are questioning how CECOs collect and present data, whether it accurately reflects organizational risks and ethical standing, and what measures are taken to identify and mitigate top risks.
- **Reputational Harm:** Recent high-profile cases of executive misconduct and incidents amplified by social media have heightened board sensitivity to reputational damage.
- **Global and Regulatory Issues:** Boards are anxious about global economic instability, geopolitical tensions, trade and tariff changes, cyber threats, and the continuous evolution of regulations, particularly in the U.S. They worry about the impact of U.S. regulatory changes on global compliance programs.
- **Program Skepticism:** There is skepticism about the effectiveness and longevity of various compliance programs, especially as some are being scaled back or eliminated (e.g., DE&I/DEIB).
- **Budget Considerations:** Some boards believe E&C budgets should be reduced due to regulatory changes.
- **AI:** Boards are keen to understand the role of artificial intelligence and agentic AI in compliance, seeking guidance from E&C professionals.

These concerns are an invitation for E&C to step up and evaluate their board relationship.

Building a More Robust Relationship with Your Board

The importance of having a strong and direct relationship between E&C and the board can't be overstated. While many E&C leaders still report to a General Counsel or another executive, having a direct line to the board facilitates open, honest dialogue about compliance, risk, and ethics matters.

Meanwhile, boards should know what to expect each quarter in terms of reporting. When they receive credible reporting in a consistent format, they are better equipped to engage in productive dialogue, empowering E&C professionals to provide deeper insights.

> "When boards receive credible reporting in a consistent format, they are better equipped to engage in productive dialogue.

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Where to Start: Assessing Tools and Processes

A good first step in determining metrics used in board reporting is to step back and evaluate the organization's existing tools and processes, including:

- Evaluating efficiencies and inefficiencies
- Testing data quality, including where data is transferred among multiple systems or reformatted for different reports
- Questioning the validity of audit trails
- Identifying silos
- Understanding the organization's Enterprise Risk Management (ERM) capabilities and processes

This should uncover gaps, inefficiencies, and areas for improvement as well as a clear idea of which metrics can be reliably tracked for effective board reporting.

Moving Beyond Basic Metrics and Enabling Unified Data Needs Across Functions

Consistent, insight-driven data enables a shift from transactional reporting to strategic partnership. However, it's common to see metrics such as "5,000 employees completed antitrust training" featured in board reports. While easy to track and report, metrics like this might not tell the story of the compliance program's effectiveness and progress or provide the board with any actionable insights.

E&C, Finance, Legal, IT, and other functions may rely on the same core data, even if they require it in different formats or levels of detail. An emerging trend is the integration of E&C professionals into the ERM process, which can provide more meaningful metrics for board reporting.

The Importance of Interconnected Reporting and Systems

The only viable way to ensure appropriate visibility for the board is through tools and processes that seamlessly share information. Foundational elements at the heart of compliance programs are:

- **Policy Management:** Having a system to manage, update, and communicate policies.
- **Training and Metrics:** Ensuring employees are properly trained, and tracking completion and effectiveness.
- **Monitoring and Reporting:** Operating hotlines, conducting surveys, and managing disclosure processes.
- **Case Management and Investigations**: Tracking investigations, setting metrics, and closing the loop on compliance issues.

When integrated effectively, these solutions allow organizations to extract and analyze data easily, enabling a reliable and comprehensive narrative.

From Systems to Relationships: The Path to Integrity

Shared data and integrated reporting unlock the ability to tell a story of continuous improvement and ethical leadership. Ultimately, this holistic approach—combining the right tools with strong relationships and values—ensures compliance programs are not only effective, but also contribute to a culture of integrity and trust.

The Role of Ethics and Compliance in Strategic Planning

Ethics and compliance are often assumed to be central to an organization's strategic planning, but in practice, their involvement varies widely. Since every strategic decision inherently involves risk, E&C's involvement is critical.

The Value of Relationships

Success in ethics and compliance is not just about technical expertise or credentials. It’s about ongoing curiosity, relationship-building, and a commitment to understanding the business from multiple viewpoints.

Leading an E&C program inherently involves working across functional boundaries and requesting information from various employees. This is an ideal opportunity to explain the rationale behind the request and acknowledge the crucial role employees play in protecting the organization. This is also potentially a time to learn what drives other areas of the business, gauge their risk awareness, and observe how well organizational values are being practiced.

Looking Forward

Understanding the board's perspectives, establishing baseline reporting with reliable data insights, and learning the business have created a clear path forward for E&C leaders.

Understand the board's perspective. Clarify what decisions the board is trying to make, how they prefer to consume information, and their current risk appetite. Align on what "good" looks like, including thresholds for escalation on issues like AI use, reputation risk, and regulatory change.

Evaluate processes, tools, and silos. Map key data flows end to end, identify the system of record for each metric, and eliminate manual rework that distorts data. Document owners and SLAs, tighten audit trails, and close gaps between E&C systems and ERM so insights travel without friction.

Establish metrics and build reporting on a foundation of credible, consistent data. Shift from activity counts to outcome and effectiveness measures tied to top risks. Standardize definitions, show trendlines and benchmarks, and set clear thresholds and remediation timelines so the board can see progress and residual risk at a glance.

Establish cross-functional relationships. Create a simple governance cadence with Finance, Legal, HR, IT, and ERM that includes shared dashboards and data handoffs. Co-own select metrics, embed E&C reviews in product and strategy gates, and maintain two-way feedback loops to surface emerging risks early.

Learn the business. Understand the revenue model, customer journey, and where value and risk concentrate across geographies and third parties. Use site visits and shadowing to translate ethics into operational choices, then tailor controls, training, and reporting to what actually drives performance. ■

Laura Jacobus is Vice President, Strategic Advisory Services, with global technology organization Mitratech.

Why Leadership Is Critical in Building an Integrity-First Culture

An emerging markets insight from the EY Global Integrity Report

by ARPINDER SINGH

FEATURE

Why Leadership Is Critical in Building an Integrity-First Culture

A 2025 emerging markets perspective of the EY Global Integrity Report offers key insights into how companies can keep integrity at the forefront of corporate strategy. This ecosystem of checks and balances will help organizations create a circle of integrity that reinforces trust within the organization and among stakeholders, even in times of uncertainty.

by ARPINDER SINGH

This article is an emerging markets perspective of the EY Global Integrity Report.

In an environment filled with rapid change, ongoing macroeconomic and geopolitical uncertainty, from conflict to trade tensions to significant policy shifts, it has become harder for individuals and organizations to operate with integrity.

In 2024, EY surveyed 3,164 emerging market respondents across all levels of predominantly large organizations on their integrity efforts. Since this survey was undertaken, the geopolitical sands have shifted considerably. Yet many companies in emerging markets continue to take a business-as-usual approach to integrity and compliance. Regulations in different countries may shift, but local laws are still in force. Further, they recognize that compliance is a long-term play.

Using the results of the EY Global Integrity Report 2024, augmented by additional research, we offer insights on how emerging market companies can create a virtuous circle of integrity by leading from the top and nurturing a safer environment that encourages employees to speak up and act.

ARPINDER SINGH
India & Emerging Markets Leader,
EY Forensic & Integrity Services

The challenge to maintain standards of integrity continues

According to the EY Global Integrity Report 2024, 58% of emerging market respondents believed that compliance with their organization's standards of integrity has improved from the previous two years – an 11-percentage-point increase from the EY Global Integrity Report 2022 findings. Yet 24% of respondents admit they've experienced a major fraud or regulatory compliance violation – up from 15% in 2022.

A majority acknowledge it's challenging for their organization to maintain standards of integrity. Percentages are higher in Far East Asia (65%) and Latin America (63%). Respondents in Latin America, in particular, cite economic insecurity, tariffs, extortion from drug cartels, and small-scale corruption as key hurdles complicating adherence to integrity standards.

"Latin America is a key export market. Rising tariffs and trade barriers squeeze margins, placing increasing pressure on companies to maintain integrity standards," says Rafael Huaman, EY Latin America Forensic & Integrity Services Leader.

As the foundation upon which globalization sits becomes less stable, acting with integrity will become more challenging. However, the full implications of the altered geopolitical landscape may not fully surface for another two years.

Emerging market companies face severe headwinds in sustaining integrity

Much as there was during the global financial crisis, and again during the COVID-19 pandemic, there are several complex factors influencing an emerging market company's ability to act with integrity in today's volatile environment, both outside the organization and within. These include:

External risks

- 35% cite macroeconomic factors (45% in the Far East; 41% in Latin America).
- 25% worry about financial performance (35% in Middle East, India and Africa) (MEIA).
- 25% express concern about geopolitical risks, including conflicts and trade tensions.

Employee risks

- 44% of respondents agree that there are managers in their organization who would sacrifice integrity for short-term personal financial gain.
- 42% believe that senior and executive management pose the greatest integrity risk. Percentages are higher in Indonesia (61%), China Mainland (56%), India (56%), Vietnam (55%), South Korea (54%) and Hong Kong (53%).

Operational risks

- 57% of respondents see corruption and bribery, and fraud and theft as the greatest operational integrity risks.
- 57% cite a lack of internal resources to manage compliance activities as well as employees not understanding policies as the greatest internal threats to organizational standards of integrity.

Third-party risks

- 73% say a third party was involved in an integrity incident. Percentages are higher in MEIA (79%) and Far East Asia (77%).
- 33% say third-parties pose the greatest risk for the organization over the next two years.

Despite these risks, 79% of emerging market companies indicate they are very confident or fairly confident that their organization has the processes in place to prevent, detect and respond to significant integrity issues. Confidence is even higher in Far East Asia (87%) and MEIA (83%).

Nevertheless, for a quarter of respondents, the incentives or pressures to violate the organization's integrity standards have grown. At the same time, the overall percentage of respondents saying their organization is taking action against employees for breaching integrity standards has declined (65% versus 69% two years ago), even as 41% of respondents say regulatory actions have increased, as compared to 38% two years ago.

44% say managers in their organization would sacrifice integrity for short-term personal gain

Methodology

Survey

Between October 2023 and January 2024, researchers from the global market research agency Ipsos MORI conducted 3,164 surveys in the local language with board members, senior managers, managers, and employees from a sample of the largest organizations and public bodies in 32 emerging market countries (Eastern Europe) (9), Far East Asia (8), Latin America (7), and Middle East, India and Africa (MEIA) (8), and across nine industry sectors.

The survey was designed to learn more about how emerging market businesses are approaching integrity amid significant operational challenges and regulatory complexity.

Secondary research

In April 2025, EY teams reviewed additional third-party data to understand what impact, if any, current geopolitical events may be having on integrity in emerging market companies since the release of the *EY Global Integrity Report 2024*. Our research predominantly suggests that the sentiment has remained steady, despite the heightened geopolitical uncertainty.

Key insights suggest the ways emerging market companies can create a virtuous circle of integrity

In the following chapters, we offer insights on how emerging market companies can create a virtuous circle of integrity by leading from the top and nurturing a safer environment that encourages employees to speak up and act. We also explore the importance for businesses to take an integrity-first approach to artificial intelligence (AI), and the importance of keeping environmental, social and governance (ESG) integrity at the forefront of corporate strategy.

Chapter 1

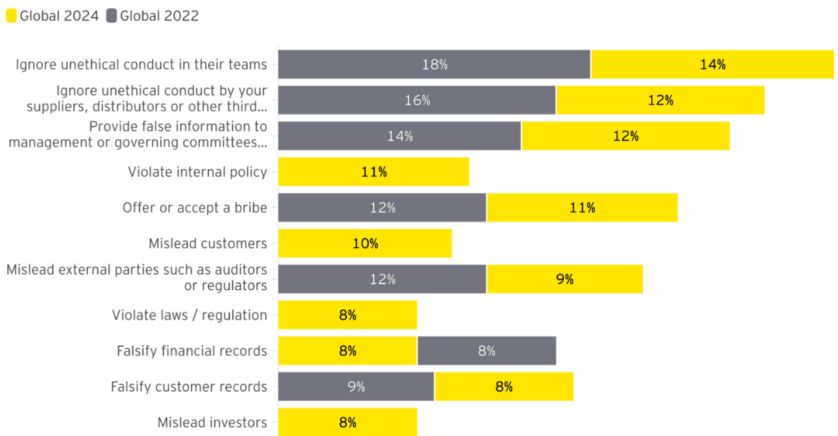
Lead by example

Leadership and tone from the top are imperatives for strengthening integrity.

Sixty-one percent of emerging market respondents say the direction from leadership is the number one reason compliance standards have gotten better. Yet more than four out of 10 respondents believe there are managers in their organization who would sacrifice integrity for short-term personal gain, or for the short-term gain of the organization. A similar percentage of respondents admit they would behave unethically under certain circumstances. Fully half of respondents in emerging markets believe their colleagues would be prepared to behave unethically in one or more ways.

Which, if any, of the following do you think your colleagues would be prepared to do?

Respondents selected all that apply to their organization



Base: Global (5,327);Eastern Europe (749); Far East Asia (1,136); Japan (100); Middle East, India & Africa (567); N. America (600); Oceania (150); South America (575); Western Europe (1,450)

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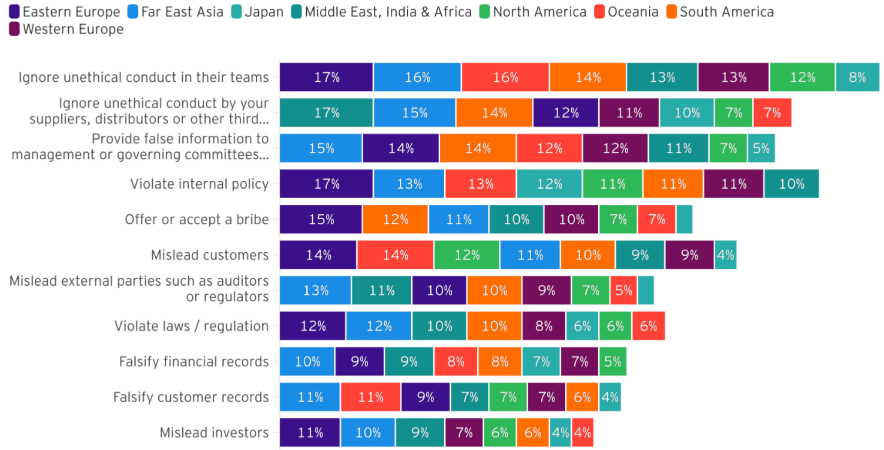


Base: Global (5,327); Eastern Europe (749); Far East Asia (1,136); Japan (100); Middle East, India & Africa (567); N. America (600); Oceania (150); South America (575); Western Europe (1,450)

Additionally, one-third of emerging market respondents report that unethical behavior in their organization is often tolerated when the people involved are senior or high performers. These percentages are significantly higher in India (62%), Thailand (52%) and Malaysia (48%). These findings are consistent with the 2024 ACFE Report to the Nations, where 37% of fraud cases were perpetrated by employees, while 41% were by managers.

While 30% of emerging market respondents in the EY Global Integrity Report 2024 cite a failure of financial processes and controls as the primary cause of integrity lapses, 26% agree that a lack of appropriate tone from leadership is at the heart of misconduct. This is an interesting insight given that nearly two-thirds cite strong leadership for improvements in compliance standards.

According to Ethisphere's 2024 Ethical Culture Report: Closing the Speak Up Gap [1], 93% of employees would be willing to report misconduct if they saw it, yet only 50% who observed misconduct directly actually did so. For more than half of respondents in the EY Global Integrity Report 2024, pressure not to report is a key reason. Fear of retaliation is another concern. As Sharon van Rooyen, EY Africa Forensic & Integrity Services Leader notes: "Several high-profile murders of whistleblowers or individuals involved in anti-corruption efforts make personal safety an ongoing concern for whistleblowers in South Africa, despite the advances made to improve whistleblowing reporting mechanisms."

Emerging market respondents say their organization has included more advanced solutions and protections for whistleblowers and provided easier ways to report misconduct. But there is still more to do. Here are four key actions organizations can take to foster a leadership culture that promotes integrity.

1. **Lead by example.** Leadership is key to creating an environment where employees feel safe to speak up. The more employees see leaders upholding the organization's values and taking concrete action in response to misconduct, the more likely they are to report wrongdoing when they observe it.

2. **Managers matter.** Employees are often closer to an immediate manager than to senior leaders. According to Ethisphere's research, this connection makes employees six times more likely to report wrongdoing to managers than to hotlines.[1]

3. **Address the cultural headwinds.** Some cultural attitudes may be seen as a barrier to a speak-up culture. Offering greater privacy controls and confidentiality protections, following up with whistleblowers to report progress of their complaint, and having a third party in charge of the whistleblower hotline management and any resolution will also help.

4. **Hold leaders accountable.** Organizations must do more to hold leadership accountable at management, executive and board levels. This may take the form of periodic certifications where leaders must report wrongdoing and affirm that they have, in fact, reported any wrongdoing they've observed. Moreover, organizations will want to ensure that those charged with investigating and resolving reports of misconduct are truly independent.

Chapter 2

Champion ethical AI

87% of emerging market orgs are using, planning, or planning to use AI within the next two years

Emerging markets have an opportunity to take the lead in acting with integrity when developing, deploying and using AI.

Although AI and generative AI (GenAI) are still in a relatively early phase of maturity, emerging market companies appear to be more mature in their understanding of, deployment and responsibilities toward AI than developed markets.

Eighty-seven percent of emerging market respondents say their organizations are either using, planning to use or exploring the use of AI in their compliance function in the next two years. In Latin America, the percentage rises to 94%. At a country level, 100% of respondents in Brazil, Chile, Colombia and Ecuador say their companies are committed to AI.

In addition to seeing opportunities to incorporate AI into almost every aspect of compliance, emerging market companies plan to deploy AI to manage risk, including cybersecurity (34%), data privacy (29%), ESG (29%), and international trade and import/export (27%). Eight out of 10 emerging market companies are also considering the use of AI over the next two years in their business and operations, versus 70% of companies in developed markets.

As committed as emerging market companies are to AI, their ambitions are tempered by key challenges. One-third cite a lack of in-house expertise as a barrier, while 31% say the data needed to feed into AI models is either inconsistent or missing.

Emerging market companies are also ahead in managing and safeguarding the use of AI. Half of respondents in emerging markets say they've personally received training or guidance from their organization about the permitted uses or risks of AI, versus 35% in developed markets. Rates in MEIA (60%), Far East Asia (59%) and Latin America (54%) are significantly higher than in Western Europe (35%), North America (32%) and Oceania (28%).

Additionally, generally speaking, more emerging market companies have measures in place to manage the deployment and use of AI across the organization.

Measures emerging market organizations have implemented to manage AI	Eastern Europe	Far East Asia	MEIA	Latin America
The organization vets AI-enabled tools and applications prior to deployment.	27%	46%	47%	51%
Senior leadership involvement and approval is required for AI-enabled tools and applications.	29%	45%	46%	40%
The organization provides guidance to employees on the use of AI to improve business processes.	26%	50%	47%	44%
The organization is setting ethical standards for the appropriate use of AI.	25%	44%	50%	43%
The organization is setting processes and policies to manage the risks around AI, such as privacy or fraud.	28%	47%	51%	46%

Even as the new US administration works to potentially weaken regulations around the development and use of AI,[2] emerging markets can seize the opportunity to strengthen their leadership role in the ethical use of AI. In February 2024, countries in Far East Asia came together to publish the ASEAN guide on AI Governance and Ethics[3]. "From our experience, many ASEAN companies are keen to pursue innovation using AI and are actively implementing AI, but at the same time, concerned about potential risks of AI. This guide has been timely to provide practical guidance and use cases, some of which were contributed by EY teams, for organizations in the region to use AI responsibly, regardless of what is happening in other parts of the globe," says Ramesh Moosa, EY ASEAN and Singapore Forensic & Integrity Services Leader.

Here are four actions emerging market executives can take to ensure the ethical use of AI.

1. **Conduct a maturity level assessment.** Emerging market organizations will want to identify critical gaps.

2. **Develop formal standards and policies.** Governance is the foundation for secure, responsible and transparent AI. Emerging market organizations will want to develop a formal AI policy and the means to implement it (including a governance framework) that focuses on standards and guidelines that heed people's rights, safety and privacy; the fairness, accuracy and reliability of AI output; and the security of underlying data and models.

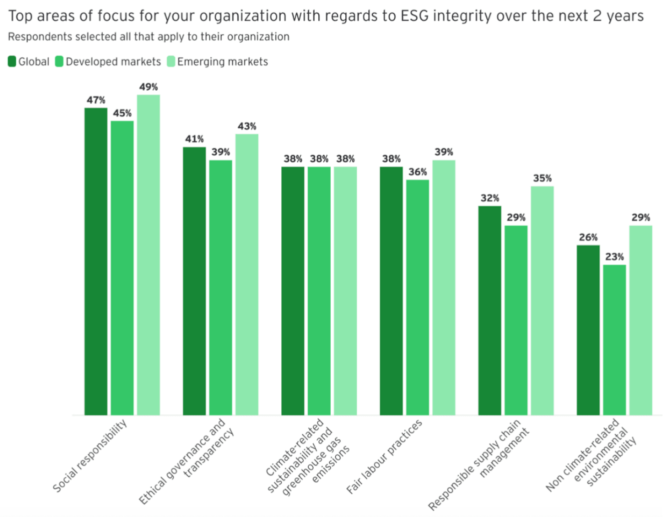
3. **Optimize data governance and processes.** Inconsistent or incomplete data fed into AI models is a significant challenge to deploying AI within the compliance function. Organizations will want to optimize their data governance and processes. This should include data mapping and lineage to know where the data comes from, its quality, and limitations. As the organization's AI capabilities mature, it can focus on building a scalable, flexible and secure infrastructure that can safely manage a portfolio of AI algorithms.

Establish a regulatory response plan. Governments and regulators are increasing the scrutiny around AI, raising the importance of having an AI regulatory response plan to prepare for and manage a crisis event. Organizations will need to know who needs to be involved, who owns the data and where it lives.

Chapter 3

Keep ESG integrity at the forefront of corporate strategy

As other regions decelerate ESG efforts, it is important for emerging market companies to maintain momentum around ESG integrity.



Base: Global (4,441), Developed (1,927), Emerging (2,514)

Emerging market companies aren't only leading the way with AI, they're also ahead of the curve in their knowledge, focus, implementation and reporting of ESG than developed market companies. Forty-five percent of emerging market respondents say they know a great deal or a fair amount about ESG regulations and their impact, versus 33% of respondents in developed markets. Percentages are higher in Far East Asia (55%) and MEIA (54%). Moreover, nearly three-quarters (73%) agree that they have a good grasp on ESG regulations in applicable jurisdictions as compared to 62% of respondents in developed markets.

That emerging market companies are more focused on all aspects of ESG integrity than their developed market peers may be as a result of their sensitivity to the impacts of climate change. Overall, countries in emerging markets are experiencing the detrimental effects of climate change earlier and more fiercely than most developed market countries.

Emerging market companies appear to hold themselves accountable more than their developed market peers, with 70% of emerging market respondents rating their organization's transparency and communication to the public regarding ESG initiative and progress as very good or fairly good, versus 57% of respondents in developed markets. Again, percentages are higher in Far East Asia (75%) and MEIA (79%). Moreover, 72% of emerging market respondents agree that their public ESG statements align with the organization's actual conduct, as compared to 61% of respondents in developed markets.

Although emerging market companies appear to be more mature in maintaining ESG integrity standards, challenges remain. According to the 2024 Corruption Perceptions Index (CPI),[4] corruption continues to plague key players in climate diplomacy from emerging markets, including:

- Azerbaijan, host of COP29, at which at least 1,773 fossil fuel lobbyists were granted access, scored just 22.
- COP30 host Brazil will be responsible for securing the US$1.3 trillion target of climate financing by 2035. However, in this year's CPI it received an all-time low score of 34.
- South Africa, host of the G20 Leaders' Summit, has dropped by three points since 2019.
- Some host countries with below-average CPI scores have also contributed to the opacity of these conferences by limiting transparency and the participation of civil society. This is a serious obstacle in developing effective climate policy and needs to be addressed moving towards COP30 in Brazil and the G20 Leaders' Summit in South Africa.

Meanwhile, in Russia, an audit found strong indications that millions of dollars were misappropriated from a project funded by the Global Environment Facility and managed by the United National Development Programme (UNDP).[5] In Vietnam, systemic corruption, extending from lower-level to higher-ranking public officials, is driving environmental destruction and forest degradation.[6]

As ESG becomes less of a priority elsewhere in the world, companies in emerging markets are beginning to take more of a wait-and-see approach. Local regulators may follow. Governments are increasingly sensitive to the cost of doing business in the world and the cost burden

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As ESG becomes less of a priority elsewhere in the world, companies in emerging markets are beginning to take more of a wait-and-see approach. Local regulators may follow. Governments are increasingly sensitive to the cost of doing business in the world and the cost burden ESG regulations can place on organizations. Yet there are many regions, including Singapore, which continue to push ahead with their move toward greener sources of energy. The Singapore Stock Exchange has mandated the need for sustainability audits for listed organizations.[7] Similarly, although South Africa appears to be behind the curve on ESG,[8] the government remains committed to decarbonization and has recently issued legislation mandating mandatory ESG reporting and that executive compensation be linked to ESG. These efforts will bring South Africa closer to international ESG standards. In Latin America, organizations may be talking about ESG less, but the convergence of ESG with corporate compliance means that organizations will continue to act. Conversely, in MEIA, there are signs that ESG may become less of a priority as the EU and US waver on their commitments.

Here are four ways for emerging markets to stay ahead of the ESG integrity curve.

1. **Be clear about ESG priorities.** Organizations will need to align ESG ambitions with its corporate strategy and be clear about who owns ESG within the organization.

2. **Leverage technology.** Given regulatory compliance pressures, emerging market companies will want to implement a more robust reporting process and consider using technology and automation to build workflows that can improve the consistency and accuracy of data gathering, analysis and monitoring of ESG performance.

3. **Develop an ESG governance framework.** To increase agility and responsiveness to evolving ESG regulations, organizations will want to develop an agile ESG governance framework and relevant processes. This should include a comprehensive risk assessment methodology that can incorporate new ESG areas and respond to changing international standards. Companies can then use the results from the risk assessment to develop key performance indicators (KPIs) and key behavioral indicators (KBIs) to measure the company's progress and enhance accountability for its ESG performance.

4. **Communicate, educate and build trust.** Organizations will want to develop an effective communications plan that educates, drives consensus and builds trust and engagement at all levels of the organization.

"As ESG becomes less of a priority elsewhere in the world, companies in emerging markets are beginning to take more of a wait-and-see approach.

Chapter 4

Create a virtuous circle of integrity

A virtuous circle of integrity can renew trust within the organization and among customers, investors and societies.

In an era of constant change and persistent market uncertainty, companies find it increasingly challenging to maintain or strengthen their standards of integrity. Arguably, this is exactly the time to make integrity the number one priority – for everyone.

Positively, 79% of emerging market respondents say they are confident that they have the processes already in place to manage significant integrity issues, while 55% say their ability to do so has improved over the last two years. And yet:

- More respondents (41%) say regulators have taken action against their organization for breaching integrity standards or regulations in the last two years, versus our 2022 report (38%).
- Fewer respondents (65%) say their organization has taken action against employees for breaching integrity standards or regulations in the last two years, as compared to 69% of respondents surveyed in the 2022 report.
- More respondents (44%) admit their organization's integrity standards have been discussed by the public, press or social media, versus 41% two years ago.
- The percentage (24%) of respondents who say it's easy to bypass standard business rules and processes within their organization remains unchanged from two years ago.

While emerging markets are making meaningful progress in building a culture of integrity, there's still a long journey ahead. True integrity must go beyond policies and processes — it requires sustained commitment from leadership, strong regulatory enforcement, and a willingness to act when standards are breached. The foundation is being laid, but maintaining trust in this environment will demand continuous vigilance and evolution.

Corporate integrity requires leaders who choose ethical courage over personal gain, do the right thing, even under pressure, and demonstrate integrity through their actions as much as their words. When leaders stand up for integrity, everyone else will follow. ■

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Practical Steps to Assessing Compliance & Sustainability Risk

Effective residual risk assessments reduce risk & improve business performance

by CRAIG MOSS

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Risk assessments come in a lot of sizes, colors and flavors. Many companies do a very thorough enterprise assessment of financial risk, technology risk and market risk, yet don't include compliance and sustainability risk either at all or to the same level of detail.

Other companies have established incredibly detailed compliance and sustainability risk assessment processes. They have tried to squeeze subjectivity out of the process by quantifying everything in sight. I worked with one company that asked each business unit leader to separately determine if the likelihood of a negative compliance or sustainability incident was less than 1%, 2%-5%, 6-10%, 11%-25% or 26%+ AND whether the impact would be less than $250k, $250k-$1m, $1m-$5m, $5m-$10m or $10m+. Plus, each business unit leader was supposed to do this for each risk in a list of over 30 risks, ranging from corruption to cybersecurity to labor rights to trade sanctions. The intent is commendable, but getting calibrated responses from the business units is virtually impossible. A huge amount of time was spent by each business unit leader and the compliance and sustainability teams to collect data that is of questionable value.

Yet, completing a compliance and sustainability risk assessment is a critical part of understanding your company's overall risk. If the compliance and sustainability risk assessment is done in a practical and effective way with the right tools and approach the process can improve cross-functional collaboration in your company. The results can actually link reducing compliance and sustainability risk with improving business performance.

Let's step back and think about the purpose of a compliance and sustainability risk assessment. The purpose is to identify relevant risks, prioritize what risks to reduce, and to agree on a corporate risk tolerance. Remember, you can't eliminate some compliance and sustainability risks you can only reduce them to a tolerable level. Related to this, the image I want you to think about is your business on a tightrope. You are balancing business growth with compliance and sustainability issues. Imagine the tightrope is 1,000 feet in the air over a gorge. The risk is extremely high – if you fall you die. If you put a net under the tightrope, you've reduced the risk but you're still 1,000 feet off the ground. Now imagine the tightrope is 3 feet off the ground between two trees. You're still on a tightrope, but the risk is MUCH lower. Your business can never get off the tightrope. All you can do is to add systems and controls to reduce the risk to a tolerable level. One of your challenges is to use the risk assessment process and results to establish an enterprise-wide risk tolerance.

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> **One of the uses of a compliance and sustainability risk assessment is to prioritize where to allocate resource to reduce the residual risk.**
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> in

Of course, some of the risk assessment basics still apply. The risk assessment does need to look at the likelihood and impact of the risk. But understand from the start that this will be subjective to an extent. Use a simple three level scale: Low, Medium or High. If you want to get fancy or need it to align with your enterprise risk assessment, go to a five-level scale: Low, Low/Medium, Medium, Medium/High or High.

A key element is to go beyond just looking at the inherent risk to determine the residual risk. Inherent risk is based on what you do, where you do it, how you do it and who you do it with. Inherent risk is hard for a business to change. Residual risk is the left-over risk after you take the maturity of your systems and controls into account. Think back to the tightrope and how residual risk changed. You have much more control over your residual risk because you can make your systems more mature to reduce the risk. You can lower the tightrope. In fact, one of the uses of a compliance and sustainability risk assessment is to prioritize where to allocate resource to reduce the residual risk.

Let's take a deeper dive into the "why" of a compliance risk assessment. For reporting purposes, it provides useful data for producing a double materiality assessment. A double materiality assessment looks at the material financial risks of compliance and sustainability incidents. More important, the risk assessment provides practical intelligence to shape the foundation of your compliance and sustainability program. It should directly influence your Code of Conduct and related policies, your third-party risk management program and your training program. Beyond the foundational elements of the program, the risk assessment should help dictate where to conduct more thorough due diligence and monitoring and focus corrective actions.

So how do you start developing a practical compliance and sustainability risk assessment? We have built and used a risk assessment process and toolkit with many companies around the world. We designed the process to get credible input from the business unit leaders with a minimum amount of their time and to have the compliance and sustainability team provide quality control and consistency to the results. The toolkit has three documents:

- Risk assessment spreadsheet
- Risk assessment introduction letter to business unit leaders
- Interview guide for the compliance and sustainability leader

We know that many companies use sophisticated technology to do risk assessments and that vendors are always introducing new and improved versions, now often integrating AI. We are not advocating you throw the fancy technology away and go back to spreadsheets. We are advocating that it's the process and content that matters, not the technology.

The process starts with the compliance and sustainability leaders identifying the most relevant inherent risk categories from the following list:

- Social compliance (e.g. labor and human rights)
- Environmental compliance
- Data privacy
- Intellectual property protection
- Cybersecurity
- Corruption and bribery
- Conflict of Interest
- Competition and anti-trust
- Money laundering
- Trade sanctions and export controls

We typically recommend picking between three to five categories. More than five categories can become overwhelming for the business unit leaders.

The next step is to start to identify some specific risks and situations within the category that your company faces. You must consider both internal risks and the risks to your company from the third parties you engage. Here are some examples:

Corruption Risks

- Internal – Our salespeople sell products to government buyers
- Third-party – We use agents to obtain permits and licenses

Data Privacy Risks

- Internal – We collect and store sensitive Personally Identifiable Information (PII) from our customers
- Third-party – Our customer PII is accessed by a customer service contractor located in a foreign country

Social Compliance Risks

- Internal – We require excessive working hours by hourly workers in our operations during peak season
- Third-party – Our contract manufacturers operate in countries where forced labor is prevalent

Once the compliance and sustainability team has added more detail under the relevant categories it’s time to involve the business unit leaders. It is important to introduce the risk assessment process to them as a collaborative process. Explain why this matters to the company and how it can actually benefit them and their unit.

Their initial review should not take them a lot of time. The compliance and sustainability team should have a follow-up call with each business unit leader to get more details and to get their perspective on the likelihood of an incident and the potential negative impact. During the interview seek to identify areas where improving compliance and sustainability systems can benefit business performance. For example, centralizing procurement could create volume discounts and reduce the higher corruption risk that comes with de-centralized procurement. Improving the carbon output reporting system can speed the sales cycle with customers that request this data – and it could turn into a competitive advantage in gaining new business.

Once the interviews have been completed, the compliance and sustainability team can begin to rank the maturity of the systems and controls being implemented. They can make a judgement on if and how the systems being implemented are impacting the likelihood and reduce the impact of incidents. This is what creates the residual risk ranking.

Having the compliance and sustainability team do the risk ranking (rather than the business unit leaders) ensures consistency so the results are more valuable to senior management and the board. It reduces the amount of time required of the business unit leaders and positions the compliance and sustainability team as partners in understanding risk rather than auditors. Focusing on residual risk allows your company to prioritize resources far more effectively. It provides senior management and the board with far better visibility into compliance and sustainability risks and how they fit into the enterprise-risk management process and the overall corporate strategy. ■

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EVP, Measurement, Ethisphere

Play, Watch, Learn, Repeat

A video showcase of expert insights and best practices from Baker McKenzie

by BILL COFFIN

Play, Watch, Learn, Repeat

A video showcase of expert insights and best practices on global antitrust enforcement, successful mediation, and crisis management

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The Problem with Tilly Norwood

Like any tool, AI is as sinister as the people who use it. Can we really be trusted with it?

by BILL COFFIN

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In September, I attended Ethisphere's Whole Company Alignment (WCA) meeting, a companywide, in-person strategic meeting. Given that Ethisphere is fully remote organization, the Whole Company Alignment is a significant event for us, since it gives us the chance to connect face-to-face with colleagues. I love it.

At our last WCA, the topic of generative AI was just starting to blow up, and I spoke with special enthusiasm about the risks I felt it posed. Namely, that as a technology, it relies on content I consider to be stolen. My outlook was in stark contrast to a colleague of mine—with whom I disagreed publicly—who was very pragmatic about the technology. He saw what it *could* do. Whether we embraced it or not, those around us—including our clients—would. So how will we contend with that as an enterprise?

My colleague, of course, was right. And when I bumped into him during our recent WCA, I told him that, and admitted that my thinking had been too narrow. AI had changed dramatically between the two WCAs with regards to the technology's sophistication, society's collective agreement over the legality of LLMs, how we govern AI's use, and how ethics and compliance teams can use AI to give themselves a radical boost in productivity.

My own skepticism around AI has shifted, as well. For the work that I do, the power of AI is undeniable, and there are many things I've been able to do thanks to my embracing this tool. And, seeing where it excels and where it doesn't has further enabled me to develop my own skills in ways I had not previously imagined.

Case in point: I had the pleasure of working on Ethisphere's new report, AI in Ethics & Compliance: Risk to Manage, Tool to Leverage, which features an overview of AI regulatory trends, AI governance best practices, and use cases from E&C leaders at Cargill, Palo Alto Networks, and Verisk who are integrating AI into their team's daily work.

For one of the sections, we decided to include an audio version of the text, and as a matter of due diligence, I recorded my own audio narration of a segment of it myself, also produced the same segment through AI, and asked my colleagues to decide which they preferred. They went with me, and so I recorded the whole section, which was pretty cool. But I was fully prepared to accept that the AI version might be better. And who knows? A year from now, it might very well be. Such is the swiftly tilting nature of modern professionalism: there are no living fossils.

The Girl Who Can't Say No

Having said that, there is sometimes a dark side to innovation, and as I write this, there is a *robust* conversation/screaming match being held over the rollout of Tilly Norwood, the first fully AI actor.

Tilly Norwood is ultimately the product of British production company Particle6. At the Zurich Film Festival in late September, Particle6 formally announced its AI division, Xicoia, for which Tilly Norwood is the flagship product. Tilly Norwood is being billed as the first 100% AI-generated actress, and news spread like lightning that Hollywood talent agencies were already lining up to represent the avatar. The objective here is to create the next Hollywood superstar, only one you don't have to pay directly, who never gets tired, and who can be made to do anything, no matter how objectionable.

Predictably, SAG-AFTRA strongly objects to Tilly Norwood, as one might imagine any professional class would do when facing an existential threat. I get it—I myself have made more than a few comments about John Henry vs. the steam-powered rock drill as I have negotiated my own working relationship with AI. And human entertainers have every right to be concerned; as evidenced by *The Sweet Idleness*, an upcoming movie which features not only digital actors, but an *AI director* as well.

The more interesting—and troubling—criticism of Tilly Norwood has come from outside the entertainment industry, namely from those who point out the troubling implications that Xicoia's first commercialized entertainment avatar is a young woman which—as Xicoia itself boasts—lacks the power to refuse how it might appear in romantic scenes.

Science fiction authors have warned of the troubling implications of fully digital actors for decades. Even George Lucas—himself a pioneer in the field of digital effects—went on the record as far back as 2002 saying that he thought creating fully digital actors was a step too far. Be that as it may, Tilly Norwood is now a reality, and one can only imagine what unspeakable content is already being made with it. But here's the thing. **Tilly Norwood isn't the problem. We are.**

Tilly Norwood is a mirror that reflects the desires of those for whom it was built—whether that's to undercut an entire creative class of human beings, or to entertain dark fantasies that deserve no living audience. Whatever criticism Tilly Norwood receives, it should remain within that critical context.

I mention this because within the last few weeks, there has been another AI avatar rollout with even greater potential implications for us as a species, but has gained a fraction of the news coverage. I am talking about another virtual woman: Diella, the world's first AI government cabinet minister.

Here Comes the Sun

Diella (which means "sun" in Albanian) was originally introduced on January 19, 2025 as a text-based virtual assistant integrated into eAlbania, the Albanian government's official online portal. The main role of eAlbania (which launched in 2015) is to provide citizens and businesses with access to a wide variety of government information, submit applications, and request official documents.

Diella was basically an advanced version of Microsoft Clippy for eAlbania, designed by the National Agency for Information Society (AKSHI) to help you find what you were looking for. However, on September 11, 2025, Albanian prime minister Edi Rama promoted Diella to the role of Minister of State for Artificial Intelligence of Albania, making it the first-ever AI to be named to a (virtual) cabinet-level government role.

Critics swiftly denounced the move; according to Albania's constitution, government ministers must be mentally competent and at least 18 years old. Rama—who has a flair for the dramatic—followed up Diella's rollout one week later by having it address the Albanian parliament, announcing that its role was to gradually assume greater control of the evaluation and awarding of public contracts as part of a broader anti-corruption effort within the public procurements process.

When we get right down to it, this is a theatric way for the Albanian government to use AI to prevent government procurement fraud, which is a pretty defensible use case, especially given that country's corruption perception rating. In that, Diella's role as cabinet member is purely symbolic, but it sends a useful message: We are fighting fraud with something that does not get tired and does not take bribes.

Form Follows Function

Within two weeks, we have seen the introduction to two very different virtual women meant for two very different purposes. One seems to have been created without thought to the consequences of its existence (or worse, specifically to generate those consequences). The other is part of an effort to raise a nation out of criminality and rebuild social trust in its governmental institutions. Both of these efforts have the potential to go south in spectacular fashion. But one of them is intrinsically meant to advance business integrity and make life better for nearly three million people. If I had to throw my weight behind one of these, I know which one it would be. And it wouldn't be the one trying to land Hollywood representation.

When we look at how ethics and compliance leaders make use of AI, they currently occupy some very interesting territory: tasked with building and enforcing an AI governance model within an organization where they often want to make use of the very same technology to advance its own efforts. There's an interesting recursion to it: We'd like to create guardrails for AI so we can also use AI to protect those guardrails.

The best-in-class efforts here all have very robust human-in-the-loop oversight built in from the start, which makes these use cases not just defensible but laudable. Look at the Cargills, the Palo Alto Networks, the Verisks of the world, and you'll see efforts underway that any E&C program would do well to consider emulating.

The bottom line is this: AI is not going away. A refrain worth internalizing is that **AI is not going to take your job, but someone *using* AI could.** This technology is not doing anything on its own, even if it looks like it. It is still a fundamentally human tool that reflects the desires and the aspirations of those who use it. We can use it to advance honesty and integrity. Or, we can use it to make deepfakes of Sarah Connor attending an AI governance meeting. The choice—as has always been, but especially in ethics and compliance—is ours. ■

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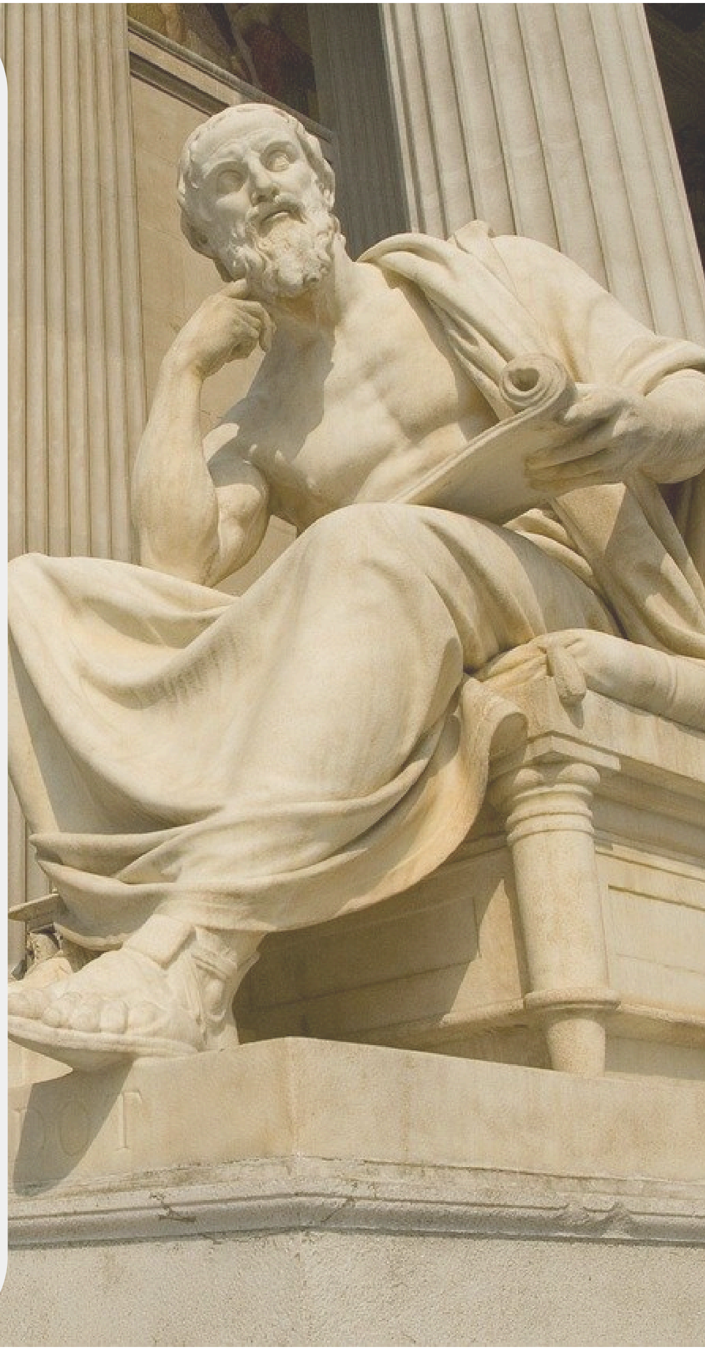
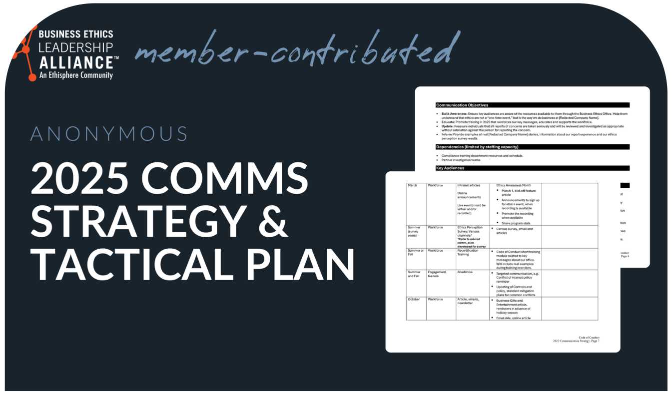




SOUTHWIRE
[Ethical Moments - Manager Toolkit on Pressure]

The toolkit includes two resources: an overview of the Ethical Moments program which gives managers step-by-step instructions for having conversations on ethics with their teams, and a topical guide on pressure including options for walking through an example of organizational pressure.

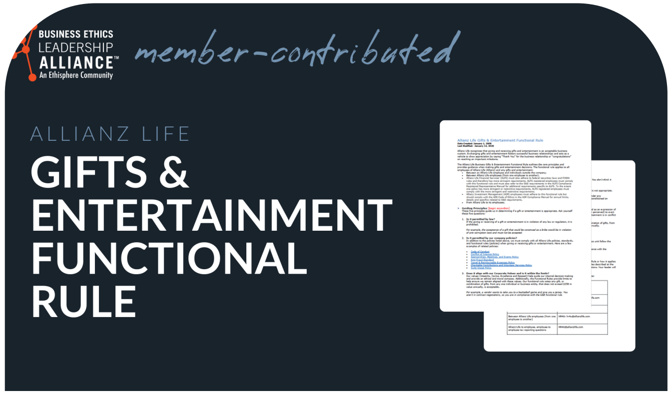
ANONYMOUS
[2025 Communications Strategy & Tactical Plan]

This plan outlines the organization's communications strategy and focuses on promoting ethical culture, reinforcing the expectations set out in the Code of Conduct, and making sure employees understanding their responsibilities and where they can find additional resources.

DENTSPLY SIRONA
[Sustainability Report 2024]

Dentsply Sirona shares their 2024 Sustainability report with the BELA Community. It covers a wide range of ESG topics beyond sustainability, including increasing health of their communities, their approach to E&C, doing business ethically, human rights, cybersecurity, political involvement, and creating accessible, affordable, and quality products.

*Listed resources are exclusive to BELA Members. **Request Guest access to BELA today!***



ALLIANZ LIFE
Conflicts of Interest Questionnaire

Allianz Life shares this conflict of interest questionnaire with the rest of the community. The questionnaire covers immediate family relationships, outside business relationships, competition, board membership, audit relationships, and felony reporting.

ALLIANZ LIFE
Gifts & Entertainment Functional Rule

This plan outlines the organization's communications strategy and focuses on promoting ethical culture, reinforcing the expectations set out in the Code of Conduct, and making sure employees understanding their responsibilities and where they can find additional resources.

ATKINSRÉALIS
2024 Integrity Report

This report covers a range of E&C initiatives, including describing required training topics, highlights of communication initiatives, speaking up, investigation outcomes, information on annual incentive plans, overviews of their ambassador program and internal integrity awards, managing third-party risk and more.

*Listed resources are exclusive to BELA Members. **Request Guest access to BELA today!***

YOU'VE GOT QUESTIONS, WE'VE GOT ANSWERS

Every Friday, join BELA Executive Chair **ERICA SALMON BYRNE** and Ethicast host **BILL COFFIN** as they field high-level questions from the BELA community about the top challenges and opportunities facing today's E&C programs.

How Do I Reach Non-Wired Employees?

How Do I Keep RIFs From Hurting Speak-Up Culture?

How Do I Improve My Updates to the Audit Committee?

How Do I Use AI to Prevent Insider Trading?

How Should E&C Interact with Our PAC?

How Do I Build a 1-3-5 E&C Road Map?

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By the Numbers

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By the Numbers

'Tis the season for gift-giving, and Ethisphere's benchmarking platform, The Sphere, has a sack full of interesting data points around how World's Most Ethical Companies® honorees handle various aspects of gifts and entertainment (G&E) disclosure.

90%

of 2025 World's Most Ethical Companies honorees require pre-approval for gifts that exceed an established threshold.

87%

of honorees require pre-approval for gifts to certain individuals (like government officials).

42%

of honorees require pre-approval for gifts that exceed a certain frequency.

67%

of honorees monitor the receipt of gifts through a disclosure tool.

35%

of honorees audit gifts only as part of a scheduled or routine audit.

83%

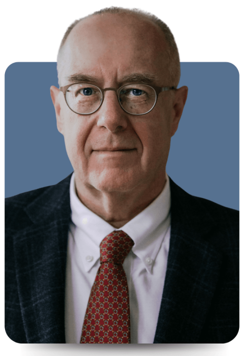
of honorees require employees to disclose the offer of gifts by criteria.

Connect with Our Experts

Erica Salmon Byrne, J.D.
Chief Strategy Officer & Executive Chair

Kevin McCormack
EVP & Executive Director, BELA

Jodie Fredericksen
VP, Data & Services



Craig Moss
EVP, Measurement

Douglas Allen
VP, Data Strategy

Bill Coffin
Editor in Chief

Ethisphere® is the global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust, and business success. Ethisphere enables companies to advance business performance through data-driven assessments, benchmarking, and guidance. Ethisphere honors superior achievement through its World's Most Ethical Companies® recognition program, provides a community of industry experts with the Business Ethics Leadership Alliance (BELA), and showcases trends and best practices in ethics with Ethisphere Magazine.

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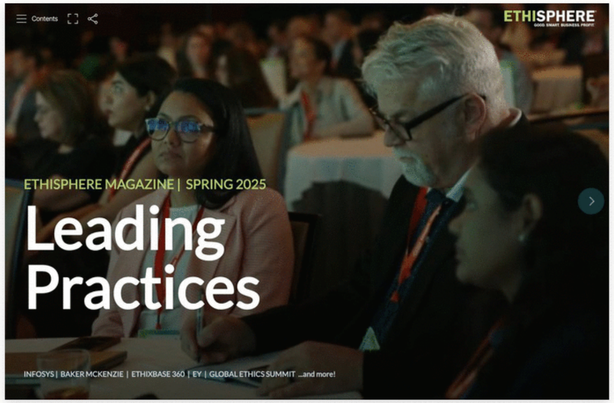

Spring 2025

In our LEADING PRACTICES issue, we showcase event highlights, community, professional insights, and biggest takeaways from the 2025 Global Ethics Summit.

READ ISSUE

Summer 2025

In our WORLD'S MOST ETHICAL COMPANIES issue, we celebrate the excellence and best practices of the 136 top-tier E&C programs recognized this year by Ethisphere.

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Winter 2026

Our VALUE OF INTEGRITY issue features the data that highlights how strong ethics and compliance beneficially impacts organizations everywhere.

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Thank you for reading

ABOUT THIS PUBLICATION

Ethisphere Magazine is the flagship publication of Ethisphere, providing thought leadership and insights from across the ethics economy on the latest trends, challenges, opportunities, and best practices within the ethics and compliance profession. *Ethisphere Magazine* publishes quarterly. To submit articles for publication, please click here for our editorial guidelines.

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