



APPLICATION GUIDE

An overview on the 2024
World's Most Ethical Companies®
application process, benefits to
applying, evaluation criteria, how to get
started and frequently asked questions.

INTRODUCTION

Welcome to the 2024 World's Most Ethical Companies Application Process

Ethics matters. Communities, employees, and other stakeholders value organizations and leaders that make decisions and take actions founded in integrity.

This marks the 18th year that Ethisphere will honor a select group of organizations with the designation of being named one of the World's Most Ethical Companies, a program celebrating exceptional programs and practices.

We developed this guide for all organizations interested in participating in our evaluation process. Whether you are new to Ethisphere and the World's Most Ethical Companies program or you are a multi-year honoree, this document is for you. Inside, you will find the benefits to applying, application process, what is new for 2024, how applications are evaluated, how to get started, and answers to common questions.

We are with you along the way as a resource. You can learn more about the process in a two-part webcast series, through Ethicast, the official podcast of Ethisphere, episodes, and information on the World's Most Ethical Companies website.

Additionally, we invite you to reach out to our team to discuss your questions and concerns at any point in your application journey. Please email us at WMEapplications@ethisphere.com.

Start the Process

If you haven't done so already, you can request access to the 2024 World's Most Ethical Companies application using the button below. There is no obligation to complete the process.

When submitting your request for your application, please identify an admin to represent your organization. Once accepted, the admin can invite colleagues to complete relevant sections.

[Request the 2024 Application](#)

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Request the 2024 Application

THE BENEFITS OF APPLYING

Gain Value from the Process

Identify strengths and opportunities throughout the application process, and validate your perspective at the end with a scorecard comparing your practices against the honoree averages.

"I highly recommend that companies go through the World's Most Ethical Companies application process. Even if you don't achieve the honor, going through that benchmarking and seeing where your program stacks up against those that are considered to be at the top of their game is a fantastic way to gauge the things that you need to focus on, or that you might want to consider for your program."

-Deborah Spanic, Vice President and Chief Ethics and Compliance Officer, Clarios

Accelerate Collaboration

Deliberately designed by Ethisphere to require cross-functional input, use the process to open up collaborative opportunities across your organization and build stronger relationships focused on a better future.

Best Practice Tip: Designate a single lead to own the application process to advocate for department collaboration.

Satisfy Stakeholders

Validate your commitment to integrity to employees, customers, investors, and others who value ethical business practices.

"I think that for any organization that is seriously committed to ethics, operating responsibly, and sustainability for their stakeholders, the process and the methodology of World's Most Ethical Companies is best in class. I would highly recommend it to companies that are looking to start an ethics and compliance program and for companies that have been at it for a long time and want to see how they can improve."

-Kathrin Belliveau, Executive Vice President and Chief Purpose Officer, Hasbro, Inc.

Keep on Improving

After going through the process, each candidate will receive access to our Digital Analytical Scorecard experience, providing access to key Ethics Quotient® data points in an interactive format powered by The Sphere—our Ethics and Compliance benchmarking platform. All applicants will be able to access select data points in The Sphere to benchmark their programs, read expert analysis, and access resources for improvement to help implement change.

- Access analysis of data, regulatory guidance, and ethics and compliance resources, and templates.
- Compare responses to the World's Most Ethical Companies benchmark by headcount, industry, or revenue.
- Create board-ready reports using your benchmarking data to share with your executive team.

EVALUATION FRAMEWORK

At the heart of the World's Most Ethical Companies evaluation and selection process is the corporate Ethics Quotient® (EQ), our proprietary rating system. The EQ framework features more than 240 multiple-choice and text questions that capture an organization's performance in an objective, consistent, and standardized way.

All candidates will receive their overall EQ score as well as their individual scores in all five categories as compared against the 2024 honorees.

Download the EQ



APPLICATION PROCESS



Access the Application Portal

To begin, your primary contact should fill out the form accessed by the link below. Only one person at your organization should fill it in to identify your admin. Once submitted, you will receive an invitation from assess@ethisphere.com to set up your credentials in the application portal.

[Complete Interest Form](#)



Complete the Ethics Quotient Questionnaire

Download the EQ questionnaire to plan your approach and consider who from your team should be involved in the process. The questionnaire should be completed by authorized individuals with a working knowledge of the organization's program and initiatives in ethics and compliance, corporate governance, and corporate citizenship and responsibility.

We recommend that one person takes the lead in collecting the information as your admin. Your organizations admin can invite colleagues to access the application portal to directly fill in the questionnaire.

The final step will be to submit your application questionnaire.

[Download the EQ](#)



Upload Documents

During the process, gather documents and submit them via the application portal. Document review is a critical component of the evaluation process. The EQ in the application portal will provide direction on the supplemental information you will need to provide for organization's application.



Submit the Processing Fee

Submit your EQ processing fee within the application portal. The fee partially covers the administrative costs of gathering and analyzing the data for each candidate. It must be submitted by the deadline to be considered.

- For organizations operating in 24 or fewer countries the fee is \$3,500
- For organizations operating in 25 or more countries the fee is \$4,500

WHAT'S NEW FOR 2024

Each year Ethisphere updates the Ethics Quotient questionnaire based on input from experts, candidates, and regulatory guidance to reflect the latest practices for effective programs and clearly articulates what we are asking.

For 2024, we have made dozens of minor changes, along with some more significant updates. Here is a brief summary:

Updated and Revised Questionnaire

We've updated our question set this year to better understand evolving governance practices, ethics and compliance program structure involving day-to-day implementation persons, specialized training practices, enhanced questions about audit practices, simplified evaluation questions around risks, programs, and culture, revised gifts/entertainment and conflicts of interest sections, Culture measurement, third-party diligence measures, and Impacts processes.

Removal of the Leadership and Reputation Category

Ethisphere will continue to evaluate a candidate's reputation. This will include (i) reviewing any narrative submitted to explain negative reputational issues, (ii) checking publicly available information to understand any negative perceptions caused by a candidate's legal compliance, litigation, environmental, or other ethical issues, and (iii) if Ethisphere deems necessary, discussions with candidates.

Third Party Management

Third Party Management is now become its own thematic Category, where Ethisphere will evaluate an organization's approaches to supply chain onboarding, engagement, and oversight, third-party governance principles, and third-party risk management.

Maturity-Focused Response Set

Throughout the EQ, select questions and response sets have been updated to allow a clearer understanding of where organizations are on their journeys towards more ethical practices.

For details on updates to the EQ since last year,, download the Annotated version of the EQ.

[Download Annotated EQ](#)

What organizations are eligible to apply?

Public or private, for-profit or not-for-profit organization from anywhere in the world are eligible to participate in the process and be considered for designation as one of the World's Most Ethical Companies.

Please note that while our process has broad eligibility requirements, non-profit colleges and universities, governments, governmental agencies, government majority-owned or controlled organizations, self-regulatory organizations (SROs), and non-governmental organizations (NGOs) are not eligible. If you have a question about eligibility, contact Ethisphere at WMEapplications@ethisphere.com.

Is there a different criteria for organization of different industries or sizes?

A organization's industry, size, and geographic location are all taken into consideration during the review process. A organization's final Ethics Quotient score is evaluated relative to those of its peers, within the context of its structure, size, and operating environment.

While we evaluate candidates within the context of their peers, we have a high level of expectation for all organizations, regardless of size or industry when designating the World's Most Ethical Companies.

The Ethics Quotient questionnaire and peer group is generally designed for those organizations with over \$250 million in revenue. Smaller organization can still benefit from the process and be designated as one of the World's Most Ethical Companies if they have the type of programs in place typically seen at larger organizations. Accordingly, regardless of size, organizations will be compared to others with at least \$250 million in revenue.

Are there a different criterias for private and non-profit organizations?

We understand that practices can be different for public, private, and non-profit organizations. Private organizations and non-profits are not penalized for not following certain guidelines that are expected for public organizations. However, all organizations must demonstrate that their policies, procedures, and practices are best in class for their specific organization type.

DATA USE & PRIVACY

[Read Full FAQs](#)

Candidates trust us to keep their participation and our analysis of their submissions confidential. We take that responsibility seriously.

Unless an organization is designated as one of the World's Most Ethical Companies, we do not disclose that the organization has participated in our process.

We only disclose results or scores from our evaluation to the candidate.

We keep submitted information confidential. A World's Most Ethical Companies candidate will supply Ethisphere with confidential and proprietary information in (i) completing the EQ questionnaire and (ii) providing supporting documentation and explanations. Ethisphere will only use such information to:

- Process the candidate's submission (including generating scores) to provide analysis to the candidate
- Determine whether the candidate will be designated a World's Most Ethical Companies honoree
- Conduct any additional analysis or discussion the candidate may wish to have with Ethisphere
- Determine if additional Ethisphere resources or services may be helpful to candidate and have related discussions
- Use in an aggregated and anonymized fashion for benchmarking or other comparative or analytical purposes (we refer to this as "*aggregate data*")

For clarity, *aggregate data* means responses to the EQ questionnaire when aggregated with similar information of other candidates or Ethisphere clients and not identifiable as from any individual organization. Ethisphere does and will own all intellectual property rights in aggregated data.

We will not return confidential information contained in supplemental documentation, including associated hard drives or other methods of storing the information; supplemental documentation will be destroyed within two years after its submission.

Ethisphere will not share personal information. If the candidate submits personal information in completing the EQ questionnaire or otherwise participating in the World's Most Ethical Companies evaluation process, Ethisphere will only use this information to process or follow up on the candidate's submission. This may include contacting the candidate regarding the process or any related topics or to discuss or provide Ethisphere services, events, or products.

Candidates may not publicly share or reference their organizations' scores or performances compared to the World's Most Ethical Companies' averages. Our purpose is to celebrate all the organizations equally; accordingly, we very intentionally do not rank honorees. Sharing information or referring to the scores necessarily leads to a comparison among the candidates. Also, the selection process compares organizations to their peers. Without context, publicizing how an organization fares against the average scores misrepresents the process and could cause confusion.

EVALUATION PROCESS

Elements of Evaluation

- Ethics and Compliance
- Culture of Ethics
- Environmental and Social Impact
- Governance
- Third Party Management

Each category is evaluated through a review of EQ responses and requested documentation submitted by the candidate.

Ethisphere will also evaluate any publicly-available reputation information about a candidate, which may include public filings and media coverage.

Why does Ethisphere use a questionnaire as part of its process?

We believe strongly that measurement matters. Utilizing the questionnaire allows us to include substantial quantitative and objective analysis in our process. The questionnaire is one step of our three-step review process

- The first step is for an organization to complete the EQ questionnaire. This results in an objective self-reported EQ score.
- Organizations then submit documentation that allows us to qualitatively evaluate aspects of their programs and processes.
- Lastly, Ethisphere's team of analysts researches each organization's history of litigation, reputation, and ethical track record to determine if negative reputation issues may preclude a candidate from being recognized as a 2024 World's Most Ethical Company.

Ethisphere combines the objective scores from responses to the EQ questionnaire with the scores from the assessment of a candidate's submitted documentation to produce a final EQ score.

Each section, question, and answer choice is individually weighted. Certain sections carry more importance than others, as do certain questions.

How are organizations selected to become the World's Most Ethical Companies?

Candidates come from a variety of industries with significant differences in regulatory and operating environments. A candidate's final score is therefore evaluated relative to those of its peers within the context of the candidate's structure, size, and operating environment. The overall score is used to understand a candidate's performance in context of similar candidates, not to set a floor. Those candidates demonstrating the strongest application across our methodology receive the designation of being one of the World's Most Ethical Companies.

Please note, as discussed in more detail below, regardless of a candidate's overall performance within our process, significant reputation issues will prevent a candidate from being recognized as one of the 2024 World's Most Ethical Companies.

EVALUATING REPUTATION

How does Ethisphere evaluate an candidate's reputation? How could this evaluation preclude a organization from being selected?

In years past, Ethisphere awarded reputational scores based on organization responses to the EQ questionnaire as well as Ethisphere's independent research. Over time, it became clear that assigning accurate scores was incredibly subjective and was not providing value within the evaluation process. Accordingly, Ethisphere no longer considers its evaluation of reputation in a dedicated category.

That said, Ethisphere will continue to evaluate an candidate's reputation. This will include reviewing (i) any narrative submitted to explain negative reputational issues, (ii) publicly available information (e.g., public filings and the Dow Jones Factiva business information and research tool) to understand any negative perceptions caused by an candidate's legal compliance, litigation, environmental, or other ethical issues, and (iii) if Ethisphere deems necessary, discussions with candidates.

This review has a five-year look-back period. Ethisphere bases its timing for the look-back period on the timing of an issue's resolution. For example, if the conduct occurred in 2005, but the issue is settled in 2020, Ethisphere would consider the relevant timing to be 2020 for purposes of the five-year look-back period.

While evaluation of any particular issue is necessarily subjective, Ethisphere considers the following factors in its evaluation:

- How long ago the conduct at issue occurred and when it was resolved
- The seriousness of the conduct or issue
- Actions taken by the candidate to address the issue
- How the issue impacts the candidate's reputation

If an issue is severe enough, it alone can exclude a candidate from recognition as one of the 2024 World's Most Ethical Companies. In such a case, we will fully score the candidate's submission and provide the Analytical Scorecard and feedback. We will also inform the candidate that, regardless of its performance within our evaluation process, the reputational issue precludes it from being included as one of the World's Most Ethical Companies.

Given the necessary subjectivity of this reputational evaluation, we are happy to answer any questions you may have at WMEapplications@ethisphere.com.

SUPPORTING RESOURCES

Participating in the World's Most Ethical Companies process is a valuable undertaking. The Ethisphere team welcomes the opportunity to answer your questions and discuss the application process. To help in this process, link to the resources below, visit the World's Most Ethical Companies website, or reach out to the team at WMEapplications@ethisphere.com.



Guide to Applying Webcast



2023 Data & Insights Report

THE ETHICS PREMIUM

Strong Ethics is Good Business

The World's Most Ethical Companies application process offers a valuable way to understand how your program and practices compare to leading guidance, expert recommendations, and world-class programs. Over the past 17 years, we've tracked the World's Most Ethical Companies as they outperformed peers and competitors, demonstrating a link between ethical behavior and financial performance. We call this link the Ethics Premium.

FIVE-YEAR ETHICS PREMIUM: 13.6%

According to Ethisphere's Ethics Index, the listed 2023 World's Most Ethical Companies honorees outperformed a comparable index of large cap companies by 13.6 percentage points from January 2018 to January 2023.



[Download the Ethics Premium](#)



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