



# 2018 WME Third Party Risk Management Results

Prepared for the BELA Community  
July 2018

# Contents

- WMEC Benchmark Data Set
- WMEC Ethics Quotient™ Survey Results

# World's Most Ethical Companies as Benchmark Data Set

This Report contains data points from Ethisphere's 2018 World's Most Ethical Companies ("WMEC") data set. This data set provides insights into the programs and practices of leading companies from around the world. The dataset referenced through the Report ("WME Honorees") is comprised of 135 companies.

The Benchmark data set is presented to provide a comparative view into the practices of leading companies. For the full list of WMEC companies visit: <http://worldsmoethicalcompanies.ethisphere.com/honorees>



# Summary Findings



# Summary Findings

## Key Finding

Almost all WME Honorees require conflict of interest certifications from at least some of their employee base. Approximately two thirds (63 percent) of WME Honorees require conflict of interest certifications of all employees, with a little under one-third (29 percent) requiring it only of select employees. A significant majority (81 percent) are require conflict of interest certifications at least annually.

A hand holding a white pen points to a financial chart on a tablet. The chart features a grid with various data series, including a prominent line graph and a bar chart. The background is dark, and the overall scene is in a monochromatic, high-contrast style. The text 'Third Party Risk Management Results' is overlaid in the center in a bold, white font.

# Third Party Risk Management Results

19,490  
19,460  
19,400

GFV13

20

21

22

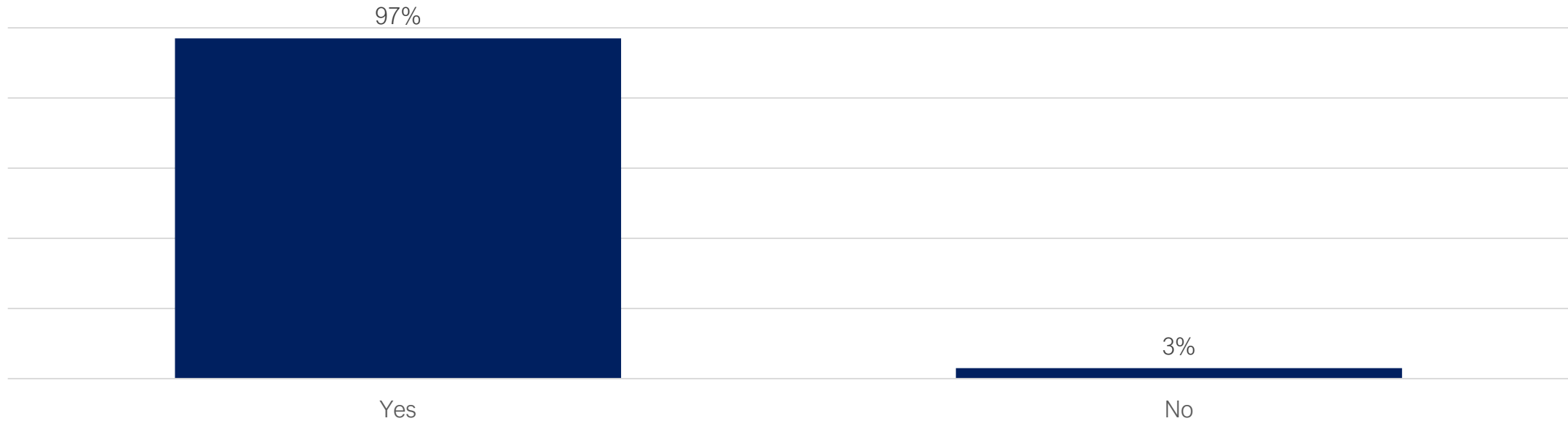
Value

# Risk Assessment, Monitoring & Auditing

## *Review Third Party Diligence Processes*

EQ 4F.18 Does your company maintain a procurement policy that addresses key aspects of third party selection, management, and compliance oversight?

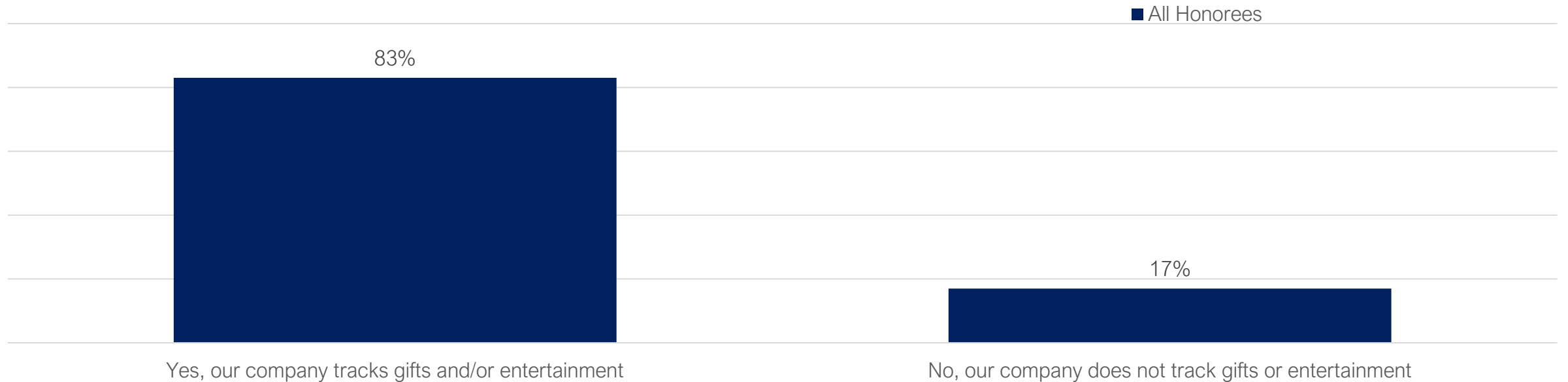
■ All Honorees



# Risk Assessment, Monitoring & Auditing

## *Consider Tracking Entertainment Received by Employees*

EQ 4F.20 Does your company track any entertainment and/or gifts given or received by your company's employees?

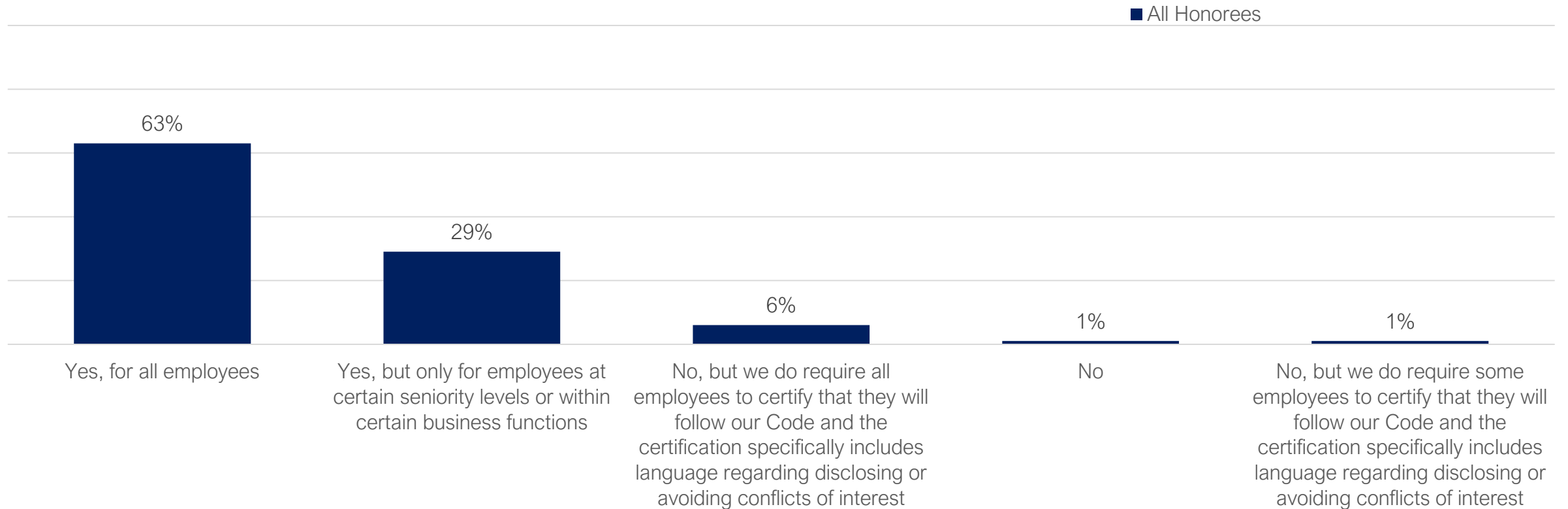




# Risk Assessment, Monitoring & Auditing

## ***COI Disclosure***

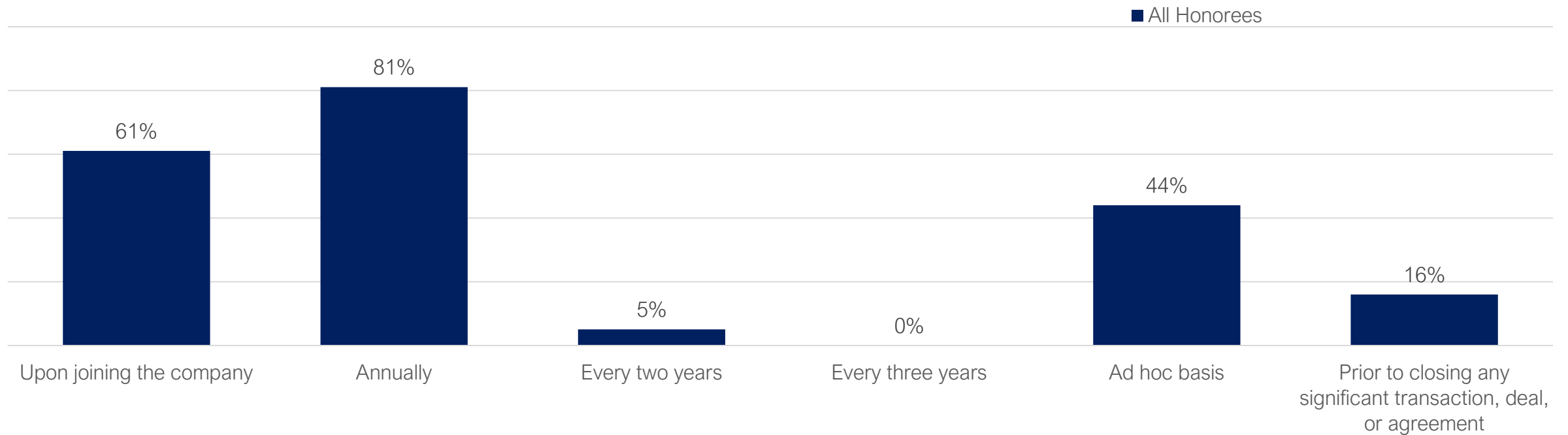
EQ 4B.4 Does your company require conflict of interest certifications and/or disclosures (separate from a Code of Business Conduct acknowledgement) from employees?



# Risk Assessment, Monitoring & Auditing

## *COI Disclosure*

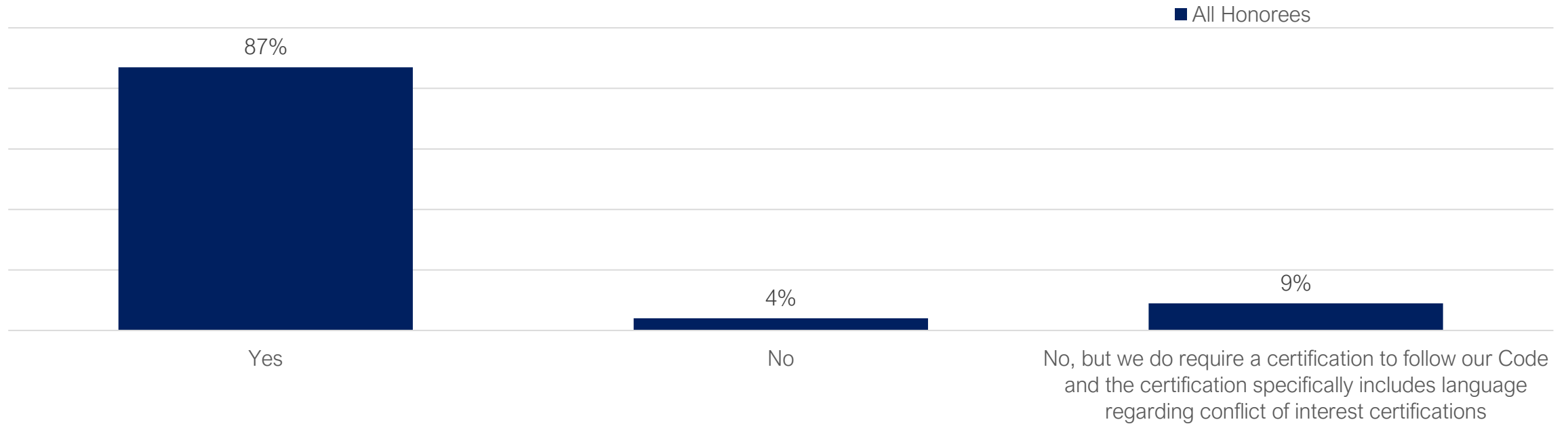
EQ 4B.5 How frequently does your company require the conflicts of interest acknowledgment and/or disclosure discussed in the previous question? (Multiple select)



# Corporate Governance

## *COI Disclosure*

EQ3.6 Does your company require conflict of interest certifications and/or disclosures (separate from a Code of Business Conduct acknowledgement) from independent directors?



# Corporate Governance

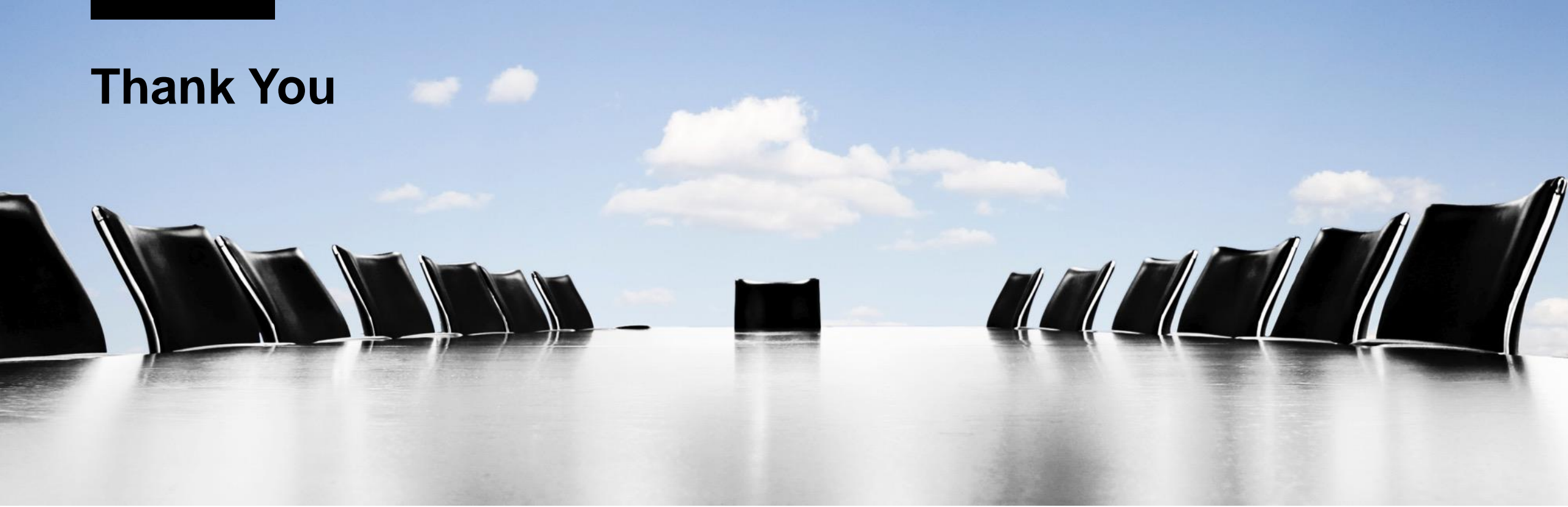
## **Board Training**

EQ 3.25. On which topics do directors on your Board receive education or training (separate from the Code)?

Topics	As part of on-boarding or orientation	Education or training on topic included as part of compliance program updates	As part of documented, periodic training initiatives
Anti-trust law	61%	64%	37%
Anti-bribery	59%	79%	44%
Policies regarding confidential information	68%	57%	38%
Policies regarding conflicts of interest	81%	65%	39%
Executive Compensation Trends and Developments	39%	51%	53%
Fiduciary duty	82%	36%	42%
Policies regarding gifts and entertainment	67%	71%	34%
Regulations or trends regarding preventing human trafficking	37%	65%	39%
Risks or regulations regarding information security/cyber security	44%	76%	57%
Policies regarding insider trading	84%	62%	40%
Privacy regulations	45%	77%	39%
Trends and risks regarding the need to protect those who report suspected misconduct	50%	80%	48%
Trends and risks regarding social media	31%	58%	51%
Updates on industry or economic trends or risks	46%	62%	57%
Updates on significant regulatory changes	35%	71%	56%



# Thank You



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