

# World’s Most Ethical Companies® Evaluation Process

## 2021 Guidance on Supporting Documentation – Annotated Version

This document provides a summary of changes between the Guidance on Supporting Documentation (“Guidance”) documents for the 2020 and 2021 World’s Most Ethical Companies® Evaluation Process.

Given the extensive nature of changes to the Guidance for the 2021 process, this Annotated Version will list two categories of changes: Items which were removed from the 2020 Guidance for 2021, and items which have been modified from 2020 or added for 2021.

In the tables below, documents will be listed by the Sections in which they were listed for the 2020 Guidance. Please note that, for the 2021 Guidance, documents are ordered by Document Folders rather than by EQ Sections.

### Category One: Items Removed for 2021

<b>Items removed – no longer recommended</b>		
<b>Section</b>	<b>Topic Addressed</b>	<b>Description of Documentation</b>
Section 3	<i>Education on ethics and compliance topics provided to the Board or other governing authority</i>	<i>Samples of training on ethics and compliance topics delivered to the Board or other governing authority. Please make clear if the examples provided relate to education during (i) onboarding, (ii) program updates, or (iii) documented training initiatives. Include</i>

<b>Items removed – no longer recommended</b>		
<b>Section</b>	<b>Topic Addressed</b>	<b>Description of Documentation</b>
		<i>examples of risk-specific topics as well as code of conduct and/or general ethics and compliance training.</i>
Section 4A	<i>Reporting structure of the ethics and compliance function</i>	<i>Organizational charts showing to whom the owner of the ethics and compliance function reports administratively</i>  <i>Charter for the ethics and compliance program</i>
Section 4B	<i>Conflicts of interest certifications and/or disclosures</i>	<i>If your company requires conflict of interest certifications and/or disclosures, submit a template or example of the certifications and/or disclosures. If different certifications/disclosures apply to different employees, please make clear what forms apply to which types of employees.</i>
Section 4F	<i>Misconduct investigation process</i>	<i>Documents evidencing the depth and breadth of the investigation process, such as questionnaires, action plans, policy documents, etc.</i>
Section 4F	<i>Incentive programs</i>	<i>Documents demonstrating or evidencing mechanisms utilized to incentivize employees who engage in ethical conduct or actively support compliance initiatives, such as template reviews or evaluations, policies and procedures, and examples of rewards or recognitions (please limit evidence to recognitions concerning ethical conduct and compliance initiatives).</i>
Section 4G	<i>Approaches to measuring corporate ethical culture other than conducting employee surveys</i>	<i>If you responded to question 4G.1 that your company measures corporate culture in a manner other than conducting employee surveys, submit documents demonstrating such efforts, if available. These documents should allow Ethisphere to evaluate the quality of these efforts. Examples include questions used for focus groups or interviews, materials used or collected in discussions about corporate culture, and results from such types of discussions.</i>
Section 4G	<i>Evidence of how results from</i>	<i>Documents that evidence the types of analysis, if any, being done following the completion of your company's assessment of employees' perception of the culture of ethics and/or the</i>

***Items removed – no longer recommended***

<b>Section</b>	<b>Topic Addressed</b>	<b>Description of Documentation</b>
	<i>measuring ethical culture are put to use</i>	<i>compliance program. This includes how the culture survey or other results are communicated and used.</i>
Section 6	<i>Measurement of sustainability or corporate responsibility initiatives</i>	<i>Reports or other documentation showing your company's efforts to measure your CSR initiatives. This includes reports or scorecards benchmarking your company's CSR report against a standard framework such as the Global Reporting Initiative and reports made to the Board or other governing authority.</i>
Section 7	<i>Accolades, honors, awards, or recognitions relating to governance, ethics and compliance, culture, sustainability, or corporate responsibility</i>	<i>There is no need to provide evidence of the existence of your company receiving the accolade, honor, or award. If available, however, please submit documents providing context for the significance of the accolade, honor, or award (e.g., how does one receive it, what does it mean, etc.).</i>
Section 7	<i>Research or measurement of reputation and results</i>	<i>If available, documents showing efforts your company undertakes to measure its reputation among stakeholders and the results of such measurement. Examples include documents such as market research reports, customer or supplier satisfaction reports, employee satisfaction research, and any other documentation demonstrating a positive reputation among stakeholders.</i>

## Category Two: Items Modified for 2021

<b>Items modified</b>		
<b>Section</b>	<b>Topic Addressed</b>	<b>Explanation of Modification</b>
Section 3	<i>Reporting on the ethics and compliance program to the Board or other governing authority</i>	<i>Original request noted separate reports – one to a full Board or governing authority; one to a committee or other governing authority overseeing the ethics and compliance program. These are now combined.</i>
Section 4A	<i>Program instituted to provide points of contact in various regions or business units</i>	<i>Terminology changed to “Ambassador or Liaison Program”; explanation text modified from question format to statement.</i>
Section 4C	<i>Code of Conduct</i>	<i>Description indicates English-language version and explanation around alternate language versions, includes option for outside link to document; new explanation for request.</i>
Section 4C	<i>Written policies, procedures, processes, and guidance</i>	<i>Defines examples of policy areas, limitation on amount of documentation provided, new explanation for request.</i>
Section 4C	<i>Written policies, procedures, processes, and guidance</i>	<i>Terminology changed to “Policy on Policies”; new explanation for request.</i>
Section 4D	<i>Ethics and compliance training for employees</i>	<i>For “documented ethics and compliance training curriculum or plan,” new explanation for request.</i>
Section 4D	<i>Ethics and compliance training for employees</i>	<i>Specifies types of training for examples; new explanation for request.</i>
Section 4D	<i>Ethics and compliance training for people managers</i>	<i>Terminology changed to “Training for people managers on their responsibilities with regards to encouraging and supporting ethical and compliant conduct”; revised description; new explanation for request.</i>

<b>Items modified</b>		
<b>Section</b>	<b>Topic Addressed</b>	<b>Explanation of Modification</b>
Section 4D	<i>Ethics and compliance communications to employees in general</i>	<i>Terminology changed to “Operational Strategy for ethics and compliance communications”; new explanation for request.</i>
Section 4D	<i>Ethics and compliance communications to employees in general</i>	<i>Terminology changed to “Ethics and compliance communications to employees”; revised description around requested communications examples; revised explanation.</i>
Section 4D	<i>Ethics and compliance communication resources provided to people managers</i>	<i>Revised description and explanation.</i>
Section 4E	<i>Reporting on misconduct and investigation data</i>	<i>Combined requests for public and employee-facing communications or reporting around misconduct reports, types, and results; enhanced description; new explanation.</i>
Section 4E	<i>Evaluation of effectiveness of ethics and compliance program</i>	<i>Revised description; new explanation</i>
Section 4G	<i>Evidence of methods to measure ethical culture using employee survey(s)</i>	<i>Revised description; new explanation</i>
Section 6	<i>CSR or similar reporting</i>	<i>Terminology changed to “Impact Reporting”; revised description; new explanation</i>
New Request	<i>Human Rights</i>	<i>New request for 2021</i>
Section 7	<i>Adverse media exposure</i>	<i>New explanation</i>