NAVEX GLOBAL™
The Ethics and Compliance Experts

The 2014 Ethics and Compliance Hotline Benchmark Report

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Introduction

Each year, ethics and compliance professionals gather and analyze report data made through their numerous reporting systems. The way the data is segmented may mean the difference between identifying a problem early or just having a collection of tables and charts with little context for departments, boards or senior executives to interpret and take action.

A greater perspective on a company's culture and effectiveness of its ethics and compliance program can be seen through analysis of reports alleging misconduct and the questions posed about company policies. The challenge, however, in helpline/hotline data analysis and reporting is that there is no right number of total reports or reports about specific incident types. Each organization and industry faces different risks which are reflected in the variety of concerns raised by employees.

NAVEX Global, through our delivery of intake services and case management systems, has access to the world's largest and most comprehensive database of reports and outcomes. This data (with all identifying characteristics removed) has allowed for the creation of industry-leading benchmarks and historical trends. These benchmarks will assist ethics and compliance programs in making informed decisions about program effectiveness, potential problem areas and necessary resource allocations.

This report reviews all-industry benchmarks created using data from all companies in the NAVEX Global database and should serve as an excellent starting point for companies wishing to assess their organization's reporting data.

For each benchmark provided and discussed in this report you will find:

- A description of the benchmark and what can be learned from it
- How we calculate the benchmark
- The 2013 combined data for all industries in the NAVEX Global database
- Historical trends
- Key findings and observations

Companies wishing to make the best use of their reporting data as a diagnostic tool should also compare their data to that of their peer industries since data within industries can vary significantly. NAVEX Global offers the benchmark data contained in this report specifically for 23 industries and 45 sub-industries, for companies of various sizes, and for other demographic cross-sections as part of our Integrity Diagnostics™ report service.

> *Note:*
>
> More information about Integrity Diagnostics can be found at the close of this document and on the NAVEX Global website.

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2014 Ethics & Compliance Hotline Benchmark Report:

A Statistical Snapshot of the NAVEX Global Database

World's Largest Database of Reports

Starts with

8,000 Plus

NAVEX GLOBAL™
The Ethics and Compliance Experts

···> CL**i**ENTS

More than

4,000 Plus ···> CL**i**ENTS   used our   📞 hotline   💼 case management systems   in **2013**

2,200 CLi**ENTS** ···> { representing **42 MILLION EMPLOYEES** }   received   **10** or more REPORTS in **2013**

These clients received **717,000** REPORTS IN 2013 ···> { representing **95%** }   of our   **TOTAL REPORT DATABASE**

we have received **2 MILLION REPORTS** ···> OVER THE PAST ···> **5** YEARS

report reflects all intake methods: web   hotline   open door   walk-in   mobile   email

Our Data Covers   **23** INDUSTRIES   AND   **45** SUB-INDUSTRIES

MOST STATISTICALLY ACCURATE APPROACH

we use

0.9
Median

MEDIANS [OR MIDPOINTS]

⚠ rather than averages to **reduce** the impact of outliers

we calculate

Range   **RANGES**

to help identify extreme data points as potential areas of concern

MEDIANS & RANGES

provide context for your individual benchmarks

About Our Benchmarks

The primary, and simplest, method that other helpline data providers use to generate their benchmarks is to pool data generally by industry and calculating the average result for each given metric. The problem with this method of benchmarking is that it does not account for outliers, such as companies with an extremely high or low call count or a large or small employee population. As a consequence, the data is generally skewed away from the bulk of the companies and towards the outliers.

To reduce the impact of outliers, NAVEX Global calculates every benchmark for each company individually and then identifies the median data point. Where appropriate, we also provide a range of results which includes the middle 80 percent of data points. If a company's data falls into our calculated range, it is our opinion that the data is unlikely to be representative of a potential issue. If a company's data falls outside of our calculated ranges, it is possible that there is still no issue but we feel that the result warrants further analysis.

Note:

For purposes of this benchmarking report and statistical accuracy, we only included organizations who received 10 or more reports in 2013 in this analysis. For 2013, our database included 2,163 clients (with 10 or more reports) who received a total of 717,235 reports representing 95 percent of our total report database.

Benchmark Findings

III ● Report Volume: Sustained Increase After Years Below One Percent

Let's start with the most basic question… *"Are we getting too many or too few reports?"*

Reports per 100 Employees is a volume metric that enables organizations of all sizes to compare their total number of unique contacts from all the reporting channels (helpline, web forms, fax, email, direct mail, open-door conversations, manager submittals and more).

HOW TO CALCULATE: Take the number of unique contacts (incident reports, allegations and specific policy questions) received during the period, divide that number by the number of employees in your organization and multiply it by 100.

FINDINGS: Prior to 2011, the median report volume had remained at or near 0.9 reports per 100 employees (less than one percent) for many years. The consistency of the higher rate over the last three years indicates that this increase is not an anomaly. This rise in reporting may be attributed to a number of reasons:

- Increasing sophistication of ethics and compliance programs' communications and training strategies.
- Growing employee confidence in the overall reporting process. Employees tend to gain confidence in reporting if they see actual results.
- Lower confidence in line management's ability to respond appropriately.
- Greater involvement and accountability of the board and executive leadership teams.
- Growing media coverage of whistleblower protections, lawsuits and awards.
- More prevalent encouragement from government officials to report observed misconduct.
- Organizations are more fully using their case management system to enter and track issues received from sources other than phone and web-based reporting.

We have seen a significant rise in the reporting rate – **33%** increase in **3 YEARS**

How Does Your Report Volume Compare To Others?

2009 Report Volume per 100 Employees Annually

0.2 � 4.8

0.9 Median

range of central 80% = 0.2 - 4.8

2010 Report Volume per 100 Employees Annually

0.2 3.9

0.9 Median

range of central 80% = 0.2 - 3.9

2011 Report Volume per 100 Employees Annually

0.3 6.0

1.1 Median

range of central 80% = 0.3 - 6.0
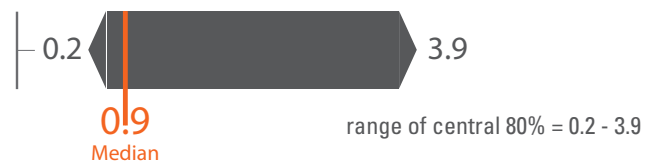
2012 Report Volume per 100 Employees Annually

0.4 4.9

1.2 Median

range of central 80% = 0.4 - 4.9

2013 Report Volume per 100 Employees Annually

0.5 4.0

1.2 Median

range of central 80% = 0.5 - 4.0

Do you track all your reports in the same management system?

In order to test whether the increase in *Report Volume* is due to more robust use of case management systems, we calculated *Reports per 100 Employees* both for companies who track only reports from the web and hotline and companies who track reports from all sources.

HOW TO CALCULATE: We calculate this metric by determining how each client tracks reports in the case management system. Companies who only track reports from web submissions and hotline submissions are grouped together. We then evaluate all companies who track any form of report submission. Some examples of these reports can include walk in reports, emails, manager submissions and mailed entries. Once the two groups are separated we use the same report per 100 employee calculation as described above.

2013 Report Volume per 100 Employees Annually

Companies Who Track Only Reports from Web and Hotline

0.2   7.6

1.1
Median

range of central 80% = 0.2 - 7.6

Companies Who Track Reports from All Sources

0.3   9.0

1.4
Median

range of central 80% = 0.3 - 9.0

FINDINGS: Even companies who only track reports from the Web and Hotline show the increased *Report Volume*.

Reviewing the types or categories of reports which are being received provides insight into the efficacy of a company's training and policies by reflecting employees' understanding of what should be reported and when. Although many different categorization methods exist, we roll up reports into five categories:
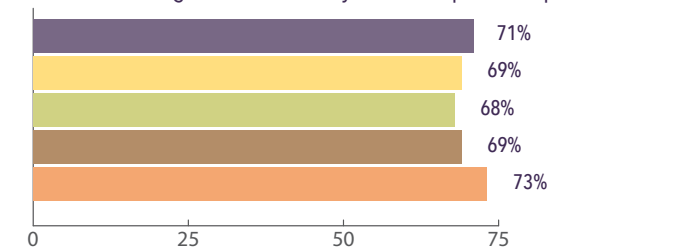
Report Category Findings

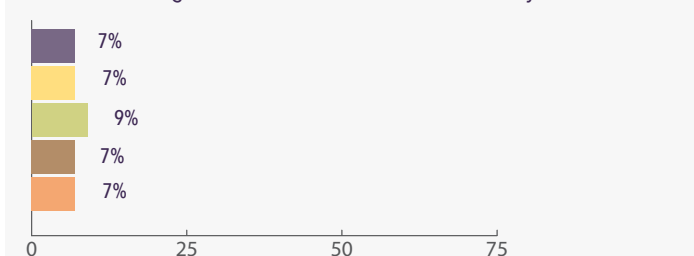### Median Percentage of Accounting, Auditing and Financial Reporting

- 2009: 3%
- 2010: 3%
- 2011: 3%
- 2012: 3%
- 2013: 3%

Legend:
- 2009
- 2010
- 2011
- 2012
- 2013

Median Percentage of Business Integrity

- 2009: 16%
- 2010: 17%
- 2011: 16%
- 2012: 17%
- 2013: 18%

Median Percentage of HR, Diversity and Workplace Respect

- 2009: 71%
- 2010: 69%
- 2011: 68%
- 2012: 69%
- 2013: 73%

Median Percentage of Environment, Health and Safety

- 2009: 7%
- 2010: 7%
- 2011: 9%
- 2012: 7%
- 2013: 7%

Median Percentage of Misuse, Misappropriation of Corporate Assets

- 2009: 5%
- 2010: 5%
- 2011: 7%
- 2012: 6%
- 2013: 6%
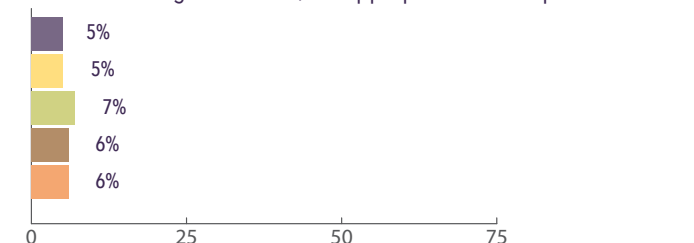
1 Accounting, Auditing and Financial Reporting: Financial misconduct, internal controls, expense reporting, etc.

2 Business Integrity: Bribery, falsification of documents, fraud, conflicts of interest, vendor/customer issues, etc.

3 HR, Diversity and Workplace Respect: Discrimination, harassment, retaliation, compensation, general HR-related issues, etc. as well as cases marked as "other"

4 Environment, Health and Safety: Environmental Protection Agency compliance, assault, safety, OSHA violations, substance abuse, etc.

5 Misuse, Misappropriation of Corporate Assets: Computer usage, employee theft, time clock abuse, etc.

Common report categories give us a way to compare (at a high level) the types of reports that different organizations and industries receive.

HOW TO CALCULATE: First, ensure that every report is categorized appropriately in one of the five buckets. Then, divide the number of reports in each of the five categories by the total number of reports created during the reporting period.

FINDINGS: As these charts demonstrate we have seen a relatively consistent trend over the past five years. While Diversity, Workplace Respect and Human Resources type issues have always been the leading category of issues reported, this year the percentage of these reports has risen to its highest level in five years – 73 percent of all reports made. And while we did see a four percent increase in these reports from last year, we did not see a change or drop in the substantiation rate from last year as shown on the next page.

Median Substantiation Rate by Allegation Category

Legend:
- 2012 Median Substantiation Rate by Allegation Category
- 2013 Median Substantiation Rate by Allegation Category

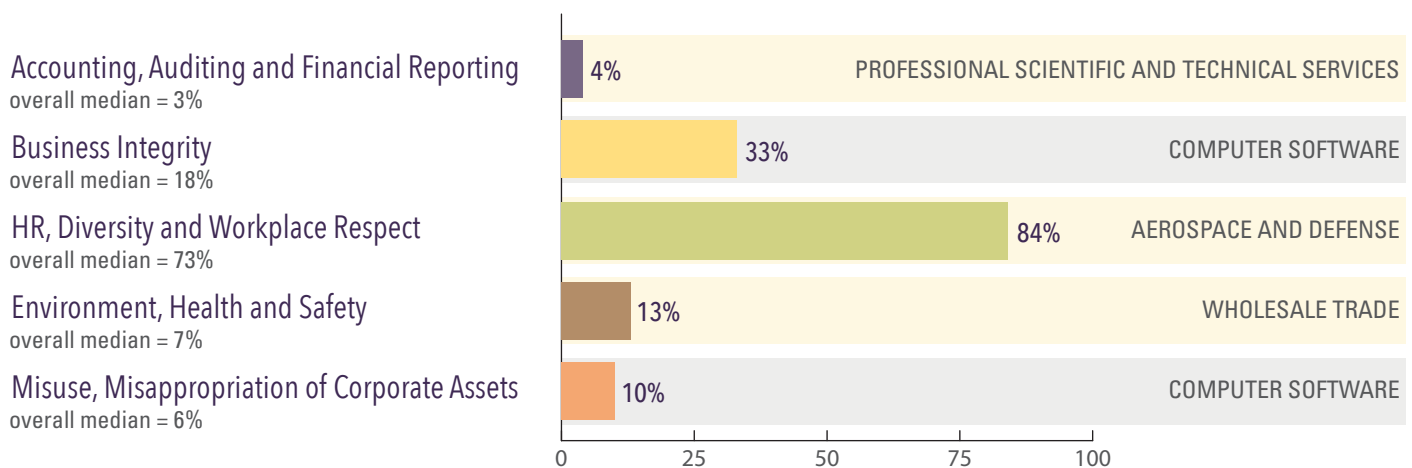| Allegation Category	2012	2013	Range of central 80%
Accounting, Auditing and Financial Reporting	52%	55%	range of central 80% = 28% - 86%
Business Integrity	45%	50%	range of central 80% = 30% - 79%
HR, Diversity and Workplace Respect	35%	35%	range of central 80% = 18% - 65%
Environment, Health and Safety	44%	46%	range of central 80% = 23% - 71%
Misuse, Misappropriation of Corporate Assets	50%	56%	range of central 80% = 33% - 77%
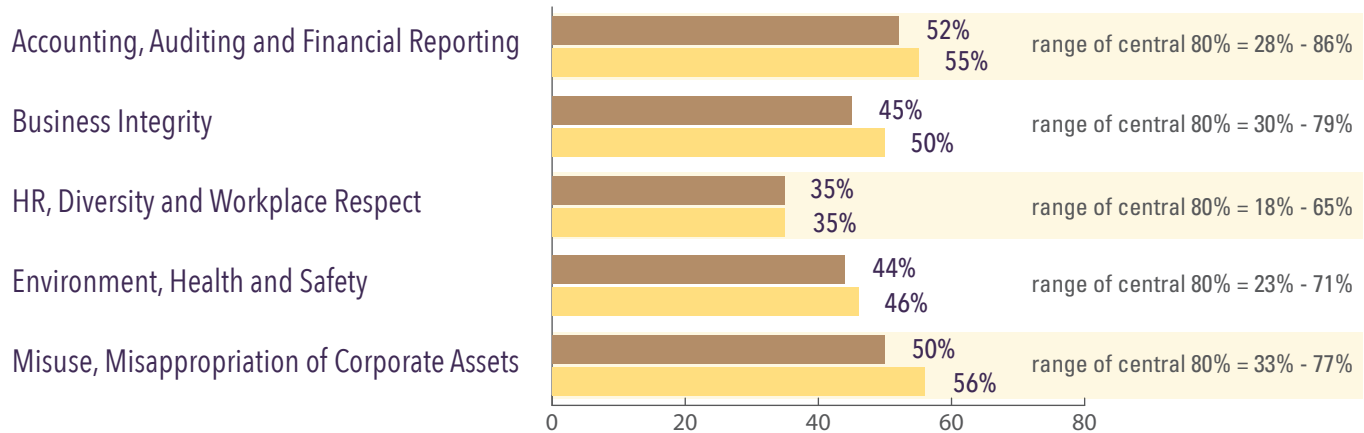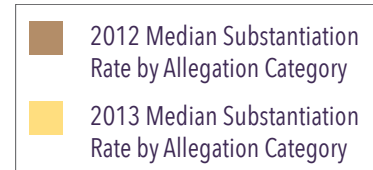
We also reviewed the data to determine which industries received the highest rate of reporting in each category type. It is interesting to note that the Computer Software industry reached the top of two report categories – the Business Integrity category and the Misuse, Misappropriation of Corporate Assets category.

Industry with the Highest Median Reporting Rate by Allegation Category

Allegation Category	Rate	Industry
Accounting, Auditing and Financial Reporting (overall median = 3%)	4%	PROFESSIONAL SCIENTIFIC AND TECHNICAL SERVICES
Business Integrity (overall median = 18%)	33%	COMPUTER SOFTWARE
HR, Diversity and Workplace Respect (overall median = 73%)	84%	AEROSPACE AND DEFENSE
Environment, Health and Safety (overall median = 7%)	13%	WHOLESALE TRADE
Misuse, Misappropriation of Corporate Assets (overall median = 6%)	10%	COMPUTER SOFTWARE

First Time Versus Repeat Reporters

Repeat Reporters are those who self-identify as having previously made a report on a different/new issue. *Repeat Reporters* do not include those who check back on a pending matter. The percentage of reports by self-identified *Repeat Reporters* has more than doubled in the past five years as shown below. Note, this change does not necessarily reflect a decrease in first time reports but just highlights a difference in percentage breakdown of first time versus *Repeat Reporters*. As shown earlier in this report, the overall rate of reporting has been increasing over the last five years.

HOW TO CALCULATE: To calculate the rate for *Repeat Reporters*, we look at reports from reporters who chose to indicate whether this was their first time submitting an issue or not. Once we have these reports separated from those reports where the reporter did not self-identify. We calculate the median of first time versus *Repeat Reporters*.

Median Percentage of Repeat Reporters

Year	Percentage
2009	14%
2010	24%
2011	27%
2012	27%
2013	31%

Substantiation Rates of First Time & Repeat Reporters

1ˢᵗ Time reporters:
36% in 2012
35% in 2013

Repeat reporters:
36% in 2012
40% in 2013
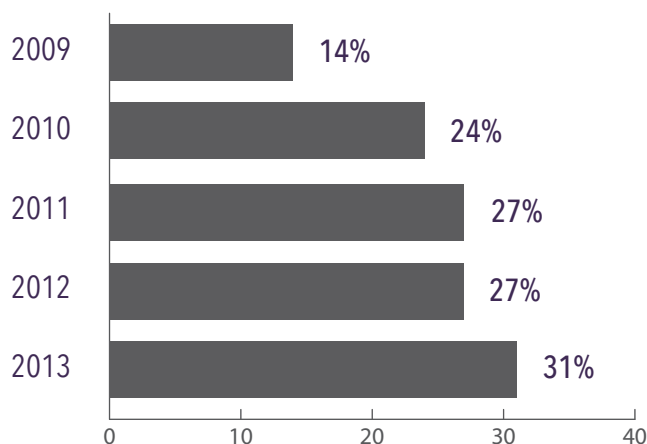
FINDINGS: Organizations should not be too quick to discredit *Repeat Reporters*. In 2013, reports from *Repeat Reporters* were substantiated at a rate five percent higher than those of first time reporters as shown in the chart to the right. Historically, we have seen reports from *Repeat Reporters* substantiated at rates equal to or slightly above their first time reporter colleagues so this is not an anomaly.

Repeat Reporters are reporting about Accounting, Auditing and Financial issues and Misuse/Misappropriation of Corporate Assets at a higher rate than the first time reporters as shown below.

First Time Vs. Repeat Reporters: Median Reporting Rate by Allegation Category

Category	First Time Reporter 2012	Repeat Reporter 2013
Accounting, Auditing and Financial Reporting	1%	3%
Business Integrity	16%	16%
HR, Diversity and Workplace Respect	69%	68%
Environment, Health and Safety	9%	7%
Misuse, Misappropriation of Corporate Assets	5%	6%
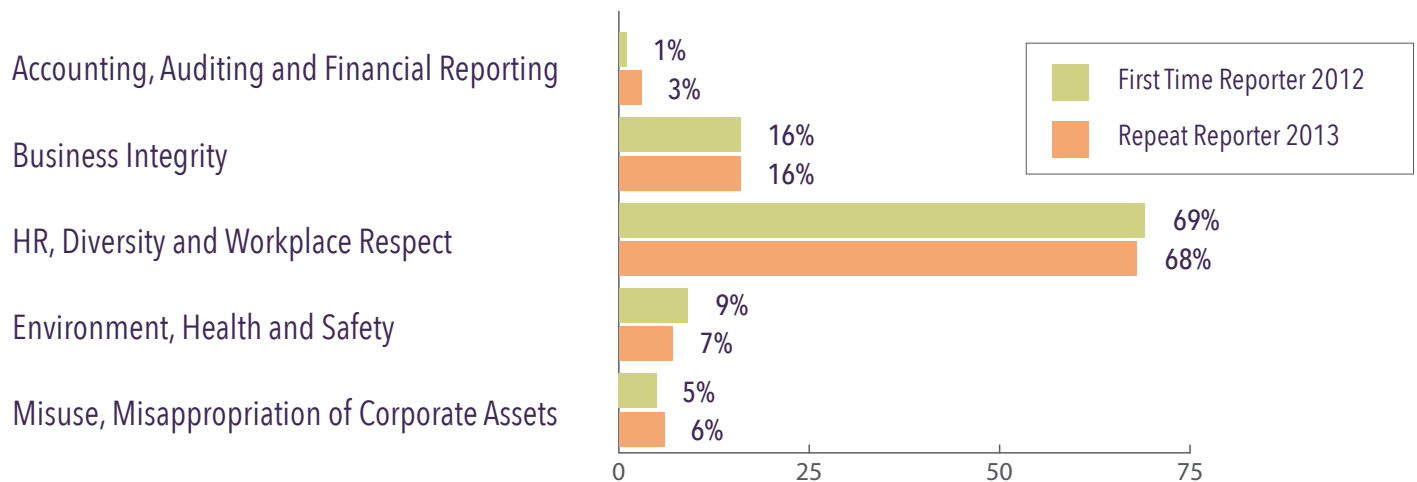
Potential reasons for the higher substantiation rate for repeat reporters than first time reporters include:

‣ These reporters were satisfied with the way the organization handled their earlier report.

‣ These reporters may only be comfortable raising issues to the Hotline rather than through other established resources which could indicate a culture or management concern.

‣ Organizations with successful repeat reporters are providing clear guidance on the types of issues to be reported and the information needed for a full investigation.

‣ Organizations are emphasizing the expectation that employees should report any known or suspected wrongdoing.

‣ These reporters could be in a position where they are more likely to witness misconduct.

‣ Noting that repeat reporters are raising more issues relating to accounting, auditing and finance as well as misuse or misappropriation of resources, these reporters may wish to ensure that their concern is appropriately documented in a formal reporting system in case the issue needs to be reported outside the organization.

‣ Further, if these individuals are in positions more likely to witness financial misconduct, they may believe they are at more risk for retaliation and believe that formal reporting is their best protection.

## How does your anonymous reporting rate compare?

Anonymous Reports show the percentage of all contacts submitted by individuals who chose to withhold their identity.

HOW TO CALCULATE: Divide the number of contacts submitted by a reporter who withheld their identity by the total number of contacts received.

Median Anonymous Reporting Rate

Year	Rate
2008	60%
2009	65%
2010	64%
2011	62%
2012	62%
2013	60%
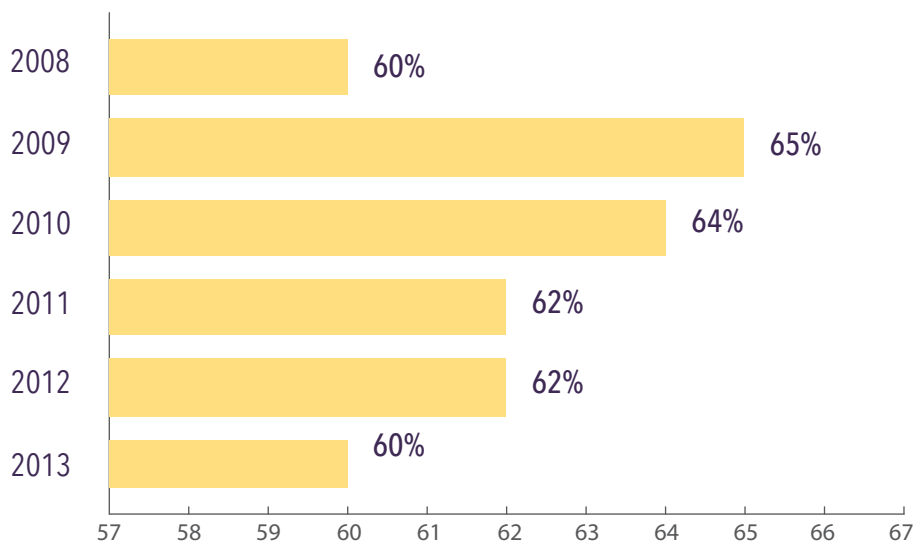
FINDINGS: Over the past few years we have seen a steady decrease in anonymous reporting rates returning to the 60 percent level. There are a few possible reasons for this decline:

- The anonymous reporting rate may have increased during the economic recession period because employees were more fearful for their jobs. With the improving economy, employees may now be more willing to provide their name.
- There is a growing comfort level with expectations that employees will raise issues when they think something is wrong.
- Reporters may be feeling more protected from retaliation with all of the recent legislation and focus on whistleblower protections.
- With the increase in external whistleblower payments (and the publicity surrounding these payments), reporters may be including their name more frequently in the event they ultimately believe they need to report the issue to a government agency or to ensure they are protected from retaliation.
- The increase could have been an anomaly.

IN 2013 this rate dropped back to the **2008** median reporting rate of **60%**

# How does your follow-up rate of anonymous reports compare?

Helpline report intake processes attempt to collect as much information as possible about an incident, but investigators may still have follow-up questions for reporters. Because investigators cannot directly ask questions of anonymous reporters, it is vital that they stay engaged in the process and check in on their report periodically using the PIN they receive at the time of their report. Investigators may have posted additional questions or requests for information needed to complete the investigation and reach appropriate resolutions for each case. Further, lack of follow-up could be a culture red-flag indicator if reporters do not seem to want to know the outcome of the matter they raised.

Raising awareness of the need for follow-up should be included in communications to employees about the reporting process and tracking this metric is important for ensuring the message is being received. It is also useful to know whether reporters are interested in learning the outcome of their report which is typically posted with some limited information.

The *Follow-up Rate* to *Anonymous Reports* indicates the percentage of reports which were submitted anonymously that were subsequently followed-up by the reporter.

HOW TO CALCULATE: Divide the number of anonymous reports with at least one follow-up by the total number of anonymous reports.

Median Follow-up Rate of Anonymous Reports

Year	Rate
2009	32%
2010	31%
2011	31%
2012	30%
2013	31%
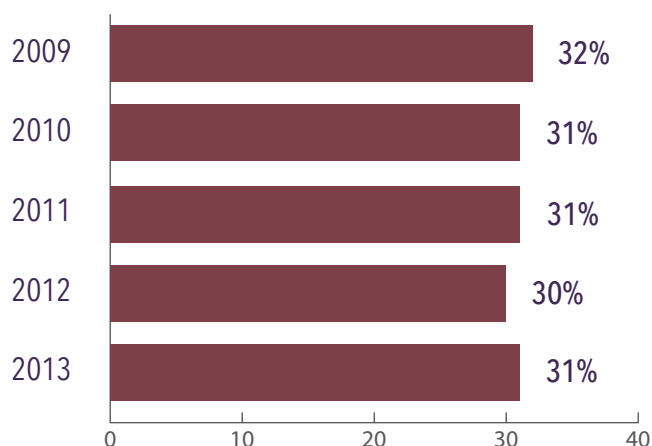
FINDINGS: The *Follow-up Rate* to *Anonymous Reports* has remained flat over the past five years. Given the importance of this metric to successful resolution of an investigation, it is important that organizations communicate to employees their responsibility to check back in case additional information is needed. While it is possible that some anonymous reporters self-identify during the course of an investigation, it is doubtful that this could account for nearly 70 percent of the *Anonymous Reports* with no follow-up.

It is also important to let employees know that they are able to learn the outcome of their report by checking back. It is concerning that nearly 70 percent of anonymous reporters are not checking back for whatever reason. The lack of progress on this metric is notable for organizations to review as it could be an indicator of a cultural concern. Organizations should also consider reviewing their organization's "callback" instructions to ensure alignment with allegation priorities. And, protocols should remind reporters to keep their access code and PIN in a safe place so that they are able to check back as requested.

# How does your Substantiation Rate compare?

Substantiation Rate is a metric that reflects the rate of allegations made which were determined to have at least some merit (substantiated or partially substantiated). A high *Substantiation Rate* is reflective of a well-informed employee base making high-quality reports coupled with high-quality investigations processes.
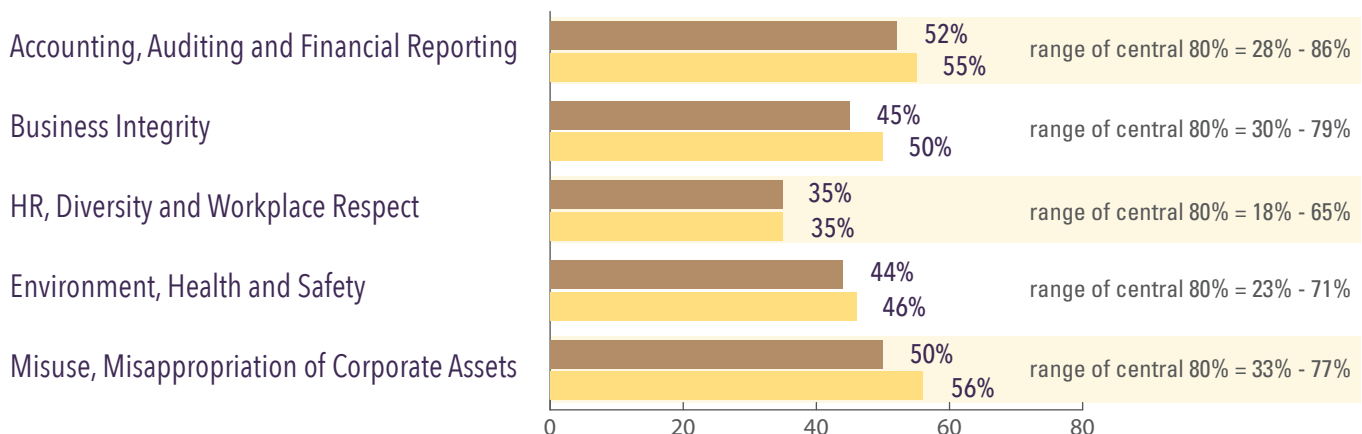
HOW TO CALCULATE: To determine *Overall Substantiation Rate*, take all substantiated or partially substantiated reports, and divide that by the total number of reports recieved.

Overall Median Substantiation Rate

Year	Rate
2009	29%
2010	30%
2011	38%
2012	36%
2013	40%
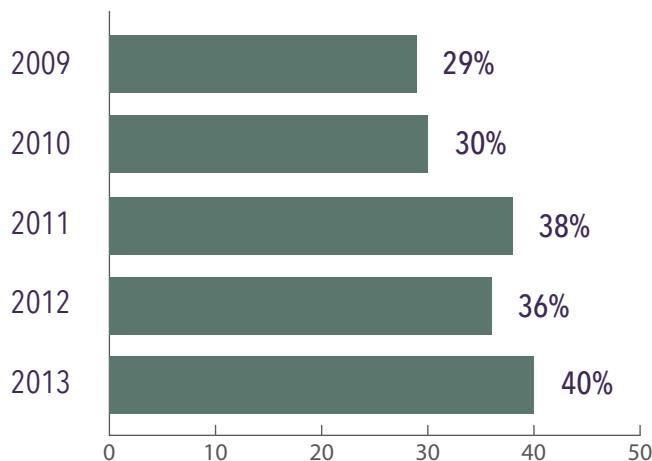
FINDINGS: The *Overall Substantiation Rate* for all reports has increased by 11 percent in the last five years which is another remarkable finding. This indicates that organizations are receiving higher quality and more actionable reports and/or are conducting better or more thorough investigations.

- ■ 2012 Median Substantiation Rate by Allegation Category
- ■ 2013 Median Substantiation Rate by Allegation Category

Median Substantiation Rate by Allegation Category

Category	2012	2013	Range
Accounting, Auditing and Financial Reporting	52%	55%	range of central 80% = 28% - 86%
Business Integrity	45%	50%	range of central 80% = 30% - 79%
HR, Diversity and Workplace Respect	35%	35%	range of central 80% = 18% - 65%
Environment, Health and Safety	44%	46%	range of central 80% = 23% - 71%
Misuse, Misappropriation of Corporate Assets	50%	56%	range of central 80% = 33% - 77%

A bias can exist among senior leaders and board members against the acceptance of *Anonymous Reports*. Many feel as though employees who choose to withhold their identity are doing so because they are making a false or frivolous allegation. Research also indicates this bias often extends to investigators. In our experience, however, names are withheld typically out of fear of retaliation or a desire to not be involved, not because the issue reported is deliberately false or frivolous.

Investigators' inability to contact anonymous reporters who do not follow-up likely explains some of the gap between substantiation rates for "named" and "anonymous" reports, but a significantly lower substantiation rate on *Anonymous Reports* could signal something else.

HOW TO CALCULATE: Divide the number of *Anonymous Reports* that are (fully or partially) substantiated by the total number of *Anonymous Reports* with a determined disposition. To calculate the *Named Substantiation Rate*, total all named substantiated or partially substantiated reports, and divide by total number of named reports recieved.

Median Substantiation Rates: Anonymous Vs. Named Reporters

Year	Anonymous Substantiation	Named Substantiation
2009	27%	33%
2010	28%	32%
2011	37%	40%
2012	34%	41%
2013	36%	45%
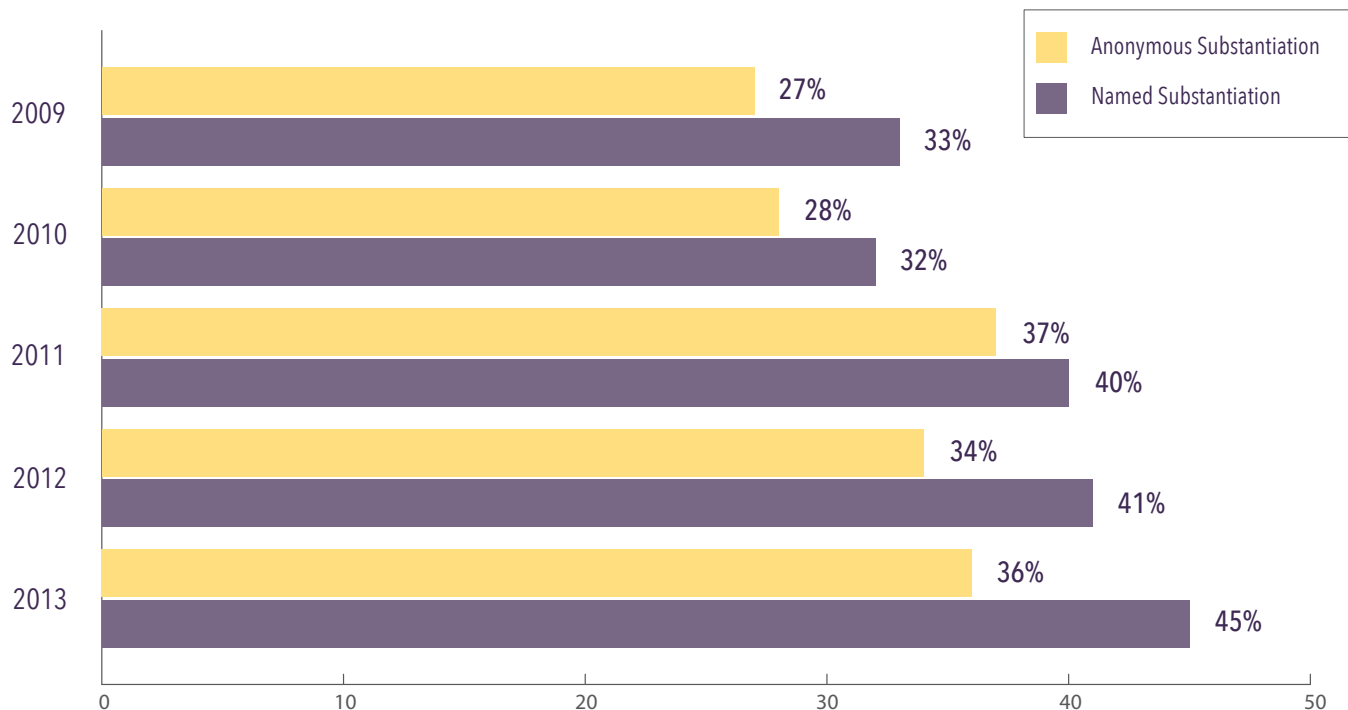
FINDINGS: Despite the previously mentioned potential bias against anonymous reporters among some leaders and even some investigators, the gap in *Substantiation Rate* between Named vs. Anonymous reporters has remained at 9 percent or less over the last four years. And, given that over one third of these reports are substantiated, these reports are valuable and credible. As discussed earlier in this report, continued focus on increasing *Follow-ups to Anonymous Reports* could increase the substantiation rate of *Anonymous Reports* as investigators would have a higher probability of obtaining responses to posted questions.

In order to engender the belief among employees that their concerns are important and are being seriously considered, it is vital that organizations complete investigations in a timely fashion. If months go by without a case being resolved, reporters will conclude that the company is not listening and not taking action. This belief could be detrimental to an organization on a number of levels. *Case Closure Time* for an organization is the average number days it takes to complete an investigation and close a case.
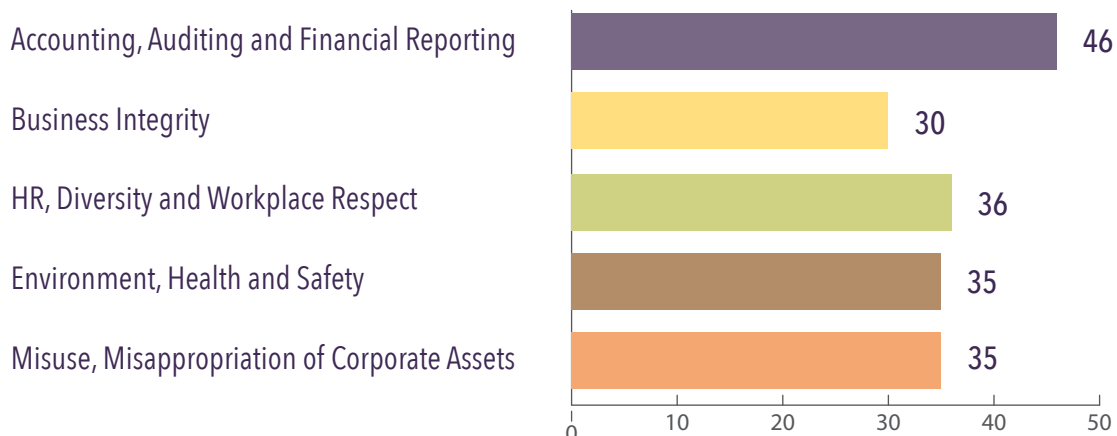
HOW TO CALCULATE: First calculate the number of days between the date a case is received and the date it is marked closed. Calculate for each case closed during the reporting period. (Calculating the rate based on case open date will skew the data toward shorter closure times, making the result less accurate). Then calculate the *Case Closure Time* by dividing the sum of all *Case Closure Times* by the number of cases closed in the reporting period.

Median Case Closure Time in Days

Year	Days
2008	30
2009	32
2010	32
2011	32
2012	34
2013	36
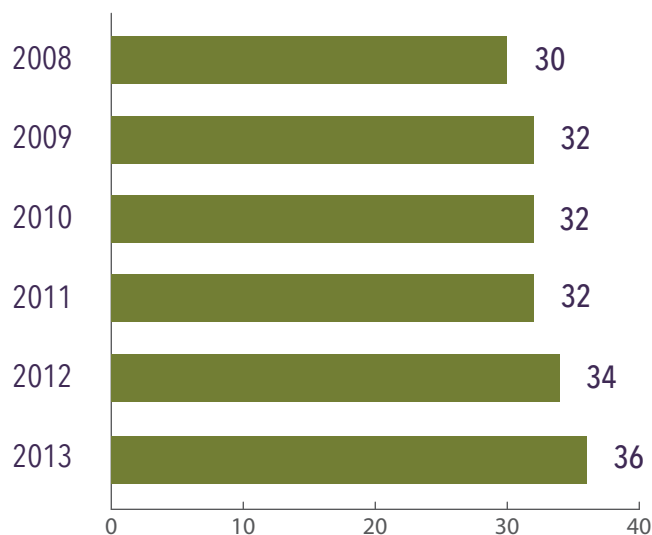
FINDINGS: Over the last five years the median *Case Closure Time* has climbed from 32 to 36 days. The *Case Closure Time* rate in 2008 was 30 days so this rate increase is ongoing and presents opportunities for focus and improvement by organizations in the coming year. Given that nearly three quarters of the reports are HR-related and not typically as complex as a financial or fraud case to investigate, we would have expected this rate to have stayed closer to 30 days which is best practice. This trend is also notable given that under certain agency whistleblower provisions, an organization will have limited time to complete an internal investigation. Organizations that significantly or consistently exceed an average 30 day *Case Closure Times* are encouraged to review their case handling and investigation procedures. A breakdown of *Case Closure Times* by Report Category is provided below.

Median Case Closure Time in Days by Allegation Category

Category	Days
Accounting, Auditing and Financial Reporting	46
Business Integrity	30
HR, Diversity and Workplace Respect	36
Environment, Health and Safety	35
Misuse, Misappropriation of Corporate Assets	35

Benchmark Findings

Reporting Intake Method: Substantial Change in the Mix

Providing multiple avenues for employees to report is important as some may be reluctant to report via the telephone and may be more comfortable using a different intake system. Capturing reports through multiple channels can result in a more complete picture of the imminent risks in your organization.

Several factors impact *Intake Method*. First, reporting channels have to be made **available** to employees. Second, those channels need to be easily **accessible** by employees. And finally, employees need **awareness** of the channels available to them so that when they have a reporting need they know where to go, what to do and they can do it in a manner in which they are comfortable.

A helpline contact is submitted when a reporter calls a toll-free phone number and is interviewed by an intake specialist who captures the reporter's information or question and enters it into the database. Reporters can also make their contact through web forms that have a series of questions and prompts similar to those used by helpline operators. With either intake method a form is generated which is submitted automatically to the case management system. Contacts, of course, are also still submitted via traditional channels (like ethics office walk-in's, email, direct mail, fax and manager submissions), and many ethics offices track these contacts in their NAVEX Global case management system.

HOW TO CALCULATE: Group all non-hotline and non-web report forms as "All Other Methods," and then tally up the number of reports received by each method and divide by the total number of reports. The resulting percentages represent how your employees are choosing to report.

FINDINGS: Results for 2013 showed a significant change in the mix of intake methods from 2012 with "Helpline" (phone) submissions dropping by 16 percent and "All Other Methods" increasing by 12 percent. This indicates that ethics and compliance officers are doing a more comprehensive job of recording non-phone/web contacts in their case management system which will increase the quality of the reporting data for their organization. This increased use of the case management system may also be a factor in the increase in overall *Report Volume* as discussed earlier in the report.*

HELPLINE
2012:
52%
2013:
36%

WEB SUBMISSION
2012:
15%
2013:
20%

ALL OTHER METHODS
2012:
32%
2013:
44%

* Benchmark includes only companies who track all intake methods in the NAVEX Global case management systems.

Discussion of retaliation issues by the ethics and compliance community, as well as by government agencies, is at a feverish level. And, while reports of potential retaliation in recent surveys such as the Ethics Resource Center (ERC) survey and claims filed with the Equal Employment Opportunity Commission (EEOC) indicate that retaliation claims are on the rise, employees are not using the Hotline/Helpline to report these concerns internally as shown in the table below.

HOW TO CALCULATE: Take the total number of reports made, and divide that by the total number of reports made with retaliation as the primary allegation.

Percentage of Retaliation Reports in the Database

Year	Percentage
2009	0.62%
2010	0.70%
2011	0.52%
2012	0.70%
2013	0.64%
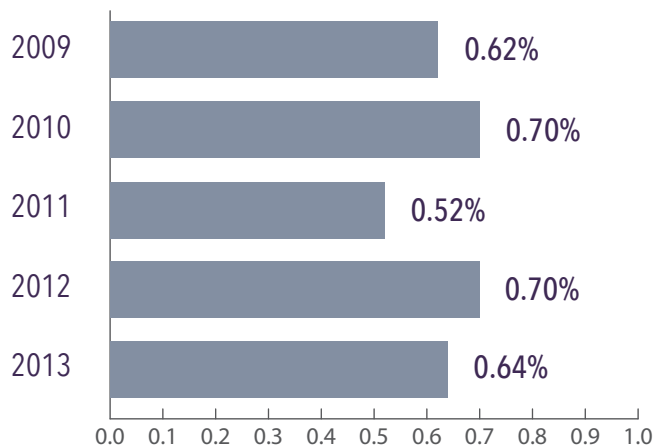
FINDINGS: Less than one percent of all reports received were primary allegations of retaliation. Further, we observed these internally reported retaliation claims are substantiated at a much lower rate than any other category of report. While 35 percent of the HR-related reports are substantiated (the lowest substantiation rate for any report category), only 12 percent of the retaliation reports in our database were substantiated in 2013.

One potential reason for this is that employees are looking to outside organizations to report retaliation (whether to a survey organization or to an outside agency), as it is possible that they do not trust internal resources or fear additional retaliation.

Substantiation Rate of Retaliation Reports

Year	Rate
2009	11%
2010	9%
2011	10%
2012	10%
2013	12%

overall median substantiation rate = 40%
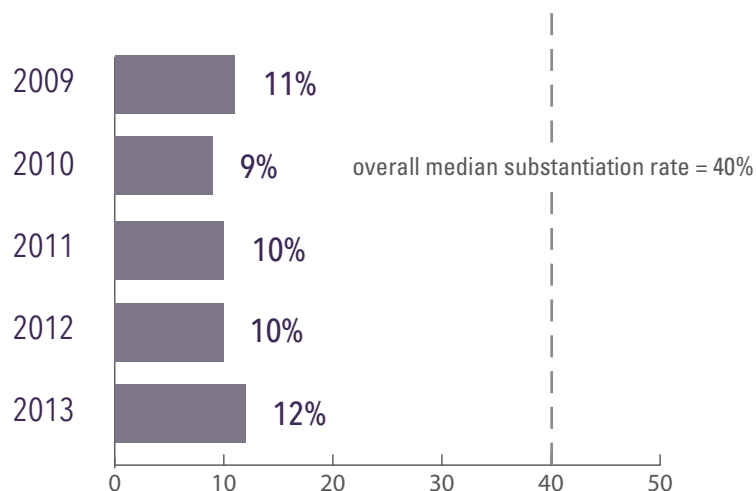
IV. Conclusion

Good data analysis and benchmarking will help organizations answer a number of questions driving the actions that make an ethics and compliance program more effective including:

- Do we need more training?
- Do we need to review or update our policies?
- Are our communications with employees reaching the intended audiences and having the desired effect?
- Should we dig deeper into data of concern with employee surveys and focus groups?
- Do enough employees know about our reporting channels?
- Are our investigations thorough and effective?
- Does our culture support employees who raise concerns?

Helpline/hotline data that is carefully tracked, reviewed, benchmarked and presented with sufficient context often provides the early warning signs needed to detect, prevent and resolve problems. At NAVEX Global, we hope that this report is helpful to your organization and we welcome any feedback on these findings.

V. About Integrity Diagnostics

Key industry insights from the world's largest repository of ethics and compliance data

Integrity Diagnostics is NAVEX Global's proprietary, advanced diagnostic tool designed to help you understand your ethics and compliance program's historical patterns and benchmark them against your industry peer group and across various industries.

Our advisory services team provides expert data analysis to deliver insight on the underlying issues and your organizational culture accompanied by management-ready reports that include tangible recommendations and actionable program suggestions to improve ethics and compliance program effectiveness.

NAVEX Global's advisory services team, the Ethical Leadership Group, provides expert data analysis to deliver insight on underlying issues and your organizational culture. Integrity Diagnostics enables you to identify variances from the usual call report patterns of your peers, and to track key metrics over time. The high-level analysis of reports is an excellent tool to understand your performance. The deliverable, which includes tangible recommendations and actionable program suggestions to improve ethics and compliance program effectiveness, is delivered in a format designed to be shared with your executive leadership team, board of directors and audit committee.

VI. About the Authors

Carrie Penman is NAVEX Global's chief compliance officer and senior vice president of our advisory services division. She has been with the firm for more than a decade after four years as deputy director of the Ethics and Compliance Officer Association (ECOA). Carrie was one of the earliest ethics officers in America – a scientist who transitioned into the ethics and compliance world and both developed and directed the first corporate-wide global ethics program at Westinghouse Electric Corporation. Since joining NAVEX Global, she has conducted numerous program and culture assessment projects for its clients and regularly works with and trains company boards of directors and executive teams. She also serves as a corporate monitor and independent consultant for companies with government agreements.

Edwin O'Mara is an analyst on NAVEX Global's advisory services team. He leads the development of our Integrity Diagnostics product offering, as well as making key statistical and analytical contributions to our annual Ethics and Compliance Hotline Benchmark Report and client culture surveys. Eddy graduated from Bentley University with both a B.A. in Ethics and Corporate Social Responsibility and a B.S. in Business Management. He has been with NAVEX Global's Advisory Services team since 2012.

VII. About NAVEX Global

NAVEX Global helps protect your people, reputation and bottom line through a comprehensive suite of ethics and compliance software, content and services. The trusted global expert for more than 8,000 clients in 200+ countries, our solutions are informed by the largest ethics and compliance community in the world. More information can be found at www.navexglobal.com.

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