### WORKSHEET

Stress Testing Your Organization

* **Green** indicates best practices are being met with robust processes in place.
* **Yellow** indicates the component is in process or partially meeting best practices.
* **Red** indicates not yet meeting best practices or needs attention.

| **Program Component** | **Red** | **Yellow** | **Green** |
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| **Risk Assessment** |  |  |  |
| * Does the organization periodically assess the risk of criminal conduct and take appropriate steps to design, implement or modify each ethics program element to reduce the risk of criminal conduct identified through this process? |  |  |  |
| * Does the organization comprehensively define high risk areas including the potential for reputational risks and ethics risks? |  |  |  |
| * Does the organization deploy the respective programs’ resources in a risk-sensitive manner? |  |  |  |
| * If appropriate, does the company have groups within various business units assigned to address unique issues and ethics risks faced by the specific business units? |  |  |  |
| **Oversight, Structure and Leadership** |  |  |  |
| * Is the Board of Directors knowledgeable about the content and operation of the ethics program? |  |  |  |
| * Does the Board exercise reasonable oversight of the implementation and effectiveness of the Program and the organization’s culture? |  |  |  |
| * Does the organization have a high-level person and a person with day-to-day responsibility assigned to manage the program? Is there a defined relationship to the Board of Directors? |  |  |  |
| * Is the Board (or a committee thereof) accessible to individuals with day-to-day responsibility including meeting with them in executive session? |  |  |  |
| * Does the Board (or a committee thereof) receive timely reports of significant issues and investigations involving the company or any elected officers? |  |  |  |
| * Does senior leadership understand and exercise their responsibilities to create and maintain a culture that supports compliance with the law and ethical conduct? |  |  |  |
| * Is there an Ethics Committee or Council of company management that receives information from the high-level person or the person with day-to-day responsibility and also provides practical input into the program? |  |  |  |
| * If appropriate, are there committees or councils designated to ensure that ethics initiatives are appropriately deployed in regional areas where significant differences in requirements or culture could leave certain risk areas unaddressed? |  |  |  |
| * Have ethics responsibilities been assigned to line management? Are they knowledgeable about the content and operation of the ethics program? |  |  |  |
| **Standards** |  |  |  |
| * Do the Code and policies establish standards designed to prevent and detect criminal conduct? Do they require compliance with company policies, values, and applicable governmental laws, rules and regulations? |  |  |  |
| * Does the Code emphasize prompt internal reporting to an appropriate person identified in the code of any potential violations of the code? |  |  |  |
| * Does the Code establish accountability for adherence to the code and is it applicable to directors, officers and employees? |  |  |  |
| * Does the company have policies and procedures that provide specific guidance to employees – especially in high risk areas? |  |  |  |
| * Are the Code and company policies periodically reviewed and updated to meet the specific ethics risk areas as defined by the risk assessment? |  |  |  |
| **Alignment with HR Practices** |  |  |  |
| * Are there any incentives or disincentives built into the goal setting or review process that could force employees to make a bad choice? |  |  |  |
| * Is strong ethical conduct included as part of the promotion criteria? |  |  |  |
| * Are potential new hires and third parties working on behalf of the company screened? |  |  |  |
| * Is there a defined performance evaluation process to ensure that all management is meeting their responsibilities? |  |  |  |
| * Do exit interviews have an ethics and compliance component? |  |  |  |
| **Communications and Training** |  |  |  |
| * Are the Code, policies, and procedures understandable, communicated, and easily accessible? |  |  |  |
| * Does the company have and use an ethics communication strategy that incorporates the organization’s risk assessment? |  |  |  |
| * Does the company have and use a training plan that defines the training required for various levels and groups of employees as well as contractors and agencies based on the company’s risk assessment process? |  |  |  |
| * Does the company communicate, to all levels of employees, lessons learned from ethical issues the organization has confronted? |  |  |  |
| * Do the Board and management receive periodic and relevant training on their ethics responsibilities? |  |  |  |
| * Does employee training address key concerns of employees such as fear of retaliation? |  |  |  |
| * Are employees who are working in a high-risk environment (as defined by the risk assessment) receiving training in sufficient detail to help them identify problem situations and avoid the violation of company standards and the law? |  |  |  |
| * Does the company assess the effectiveness of the training? |  |  |  |
| **Reporting and Response** |  |  |  |
| * Does the company encourage and support employees and others to report known or suspected wrongdoing? |  |  |  |
| * Does the company explain the reporting system and processes to all employees including information on how the process works? |  |  |  |
| * Does the company have an appropriate escalation process? |  |  |  |
| * Do employees believe they can raise issues to management or the 800 number without fear of retaliation? |  |  |  |
| * Does the company use a tracking system for all reports and issues received? Does the company review reporting and outcome data to determine potential problem areas? Is this information provided to senior management and the Board? |  |  |  |
| * Does the company investigate issues in a timely way while protecting confidentiality? |  |  |  |
| * Do the investigations conducted help determine the root cause of misconduct, and meet the requirement that a company “take reasonable steps to respond appropriately to such misconduct and to prevent further similar [violations] including making any necessary modifications to the organization’s ethics program? |  |  |  |
| * Is disciplinary action administered appropriately and consistently for violations of the Code, values, policies or the law? |  |  |  |
| * Does the company enforce policies prohibiting retaliation or retribution against individuals who report suspected or actual violations of Company policy or the law? |  |  |  |
| **Monitoring and Assessment** |  |  |  |
| * Does the company conduct audits to ensure that Program elements are functioning as intended? |  |  |  |
| * Does the company perform qualitative assessments (culture) to show that the Program overall is having the desired impact? |  |  |  |
| * Does the Company utilize exit interviews to ask departing employees if they are aware of any actual or suspected violations of Company policy? |  |  |  |
| * Does the Company follow industry best practices? |  |  |  |
| * Does the Company ensure continuous Program improvement? |  |  |  |
| **Culture** |  |  |  |
| * Do employees believe that it is possible to behave ethically and achieve objectives at the Company? Is unethical behavior clearly seen as out of bounds? |  |  |  |
| * Do employees believe they can raise issues to management or the 800 number without fear of retaliation? |  |  |  |
| * Do employees believe that management will take appropriate action if misconduct is communicated to them? |  |  |  |
| * Do employees believe that others who violate Company standards get promoted to positions of increased authority? |  |  |  |
| * Is the Program viewed as a paper program or as a genuine commitment? |  |  |  |
| * Is the Program – or the people responsible for it – denigrated or marginalized? |  |  |  |