

# BENCHMARK

## FUNCTIONS ETHICS & COMPLIANCE

2024



ÉTHIQUE & CONFORMITÉ DES ENTREPRISES

# SAMPLE

19 companies responded

Average turnover: 28.26 billion euros

Median turnover: 6.1 billion euros

Average number of employees: 70,030 employees

Median number of employees: 29,000

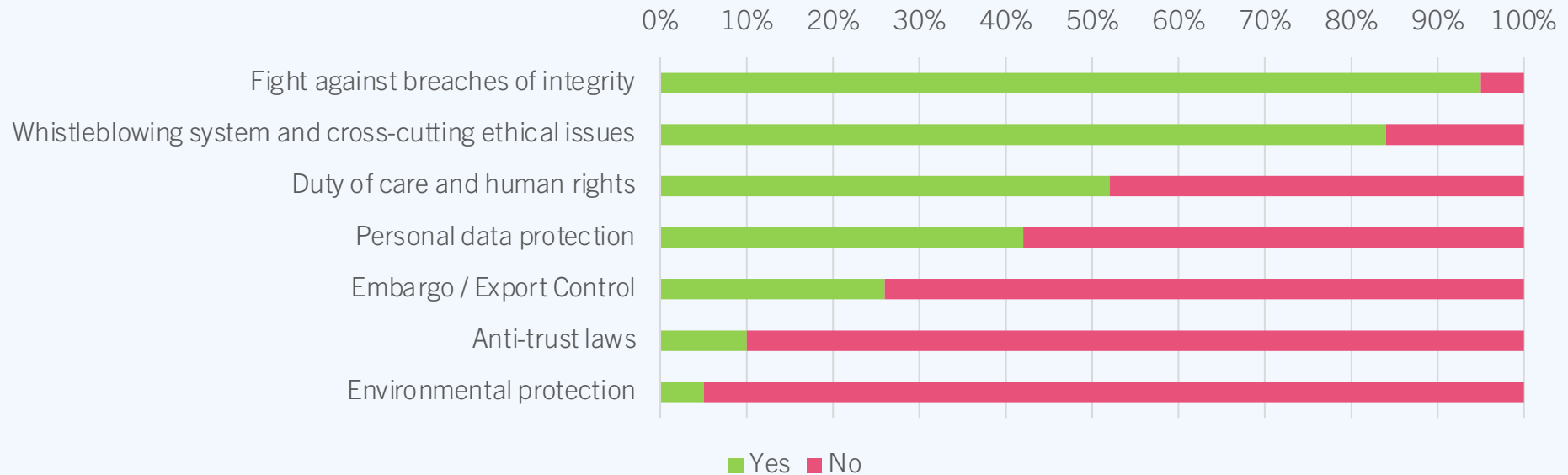


ÉTHIQUE & CONFORMITÉ DES ENTREPRISES



# SUJETS PRIS EN CHARGE

**Question A.5. The “ethics” department for which you are responsible has priority responsibility for the following subjects:**

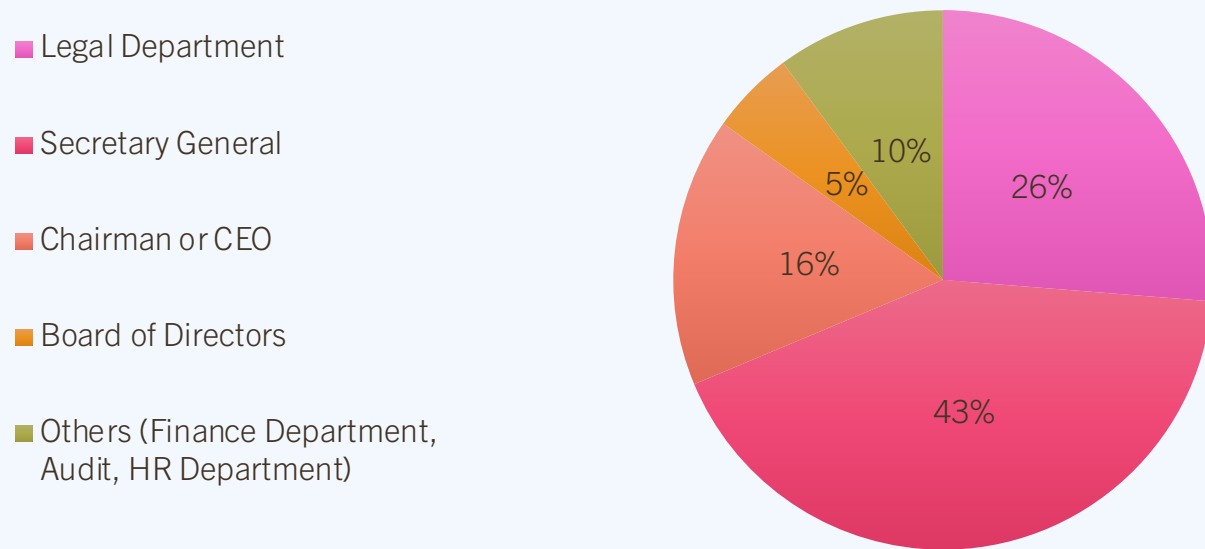


**Note (1):** Overall, few differences with the results for 2023. Slight increase for topics relating to the duty of vigilance and human rights. Marked decrease for the items “Embargo/Export Control” (-17%) and “Competition Laws” (-15%).

**Note (2):** Some departments perform functions not mentioned in the questionnaire: non-financial reporting, mediation, asset security, legal affairs.

# LINE MANAGEMENT

**Question B.1: To which entity is the “ethics” department for which you are responsible accountable?**



**Note:** Marked decline in the number of people attached to the legal department (-10%), increase in the number of people attached to the Secretary General (+11%).

# LINE MANAGEMENT

## Question B.2: What are the limitations and advantages of your line management?

### Legal Department:

- **Advantages of being attached to the legal department:** cohesion and understanding with legal teams, available human resources, good visibility at COMEX
- **Disadvantages:** lack of independence, overly legalistic approach

### Secretary General:

- **Advantages of being attached to the Secretary General :** visibility of the role, detachment from operational duties
- **Disadvantages:** lack of visibility at COMEX, difficulty of positioning

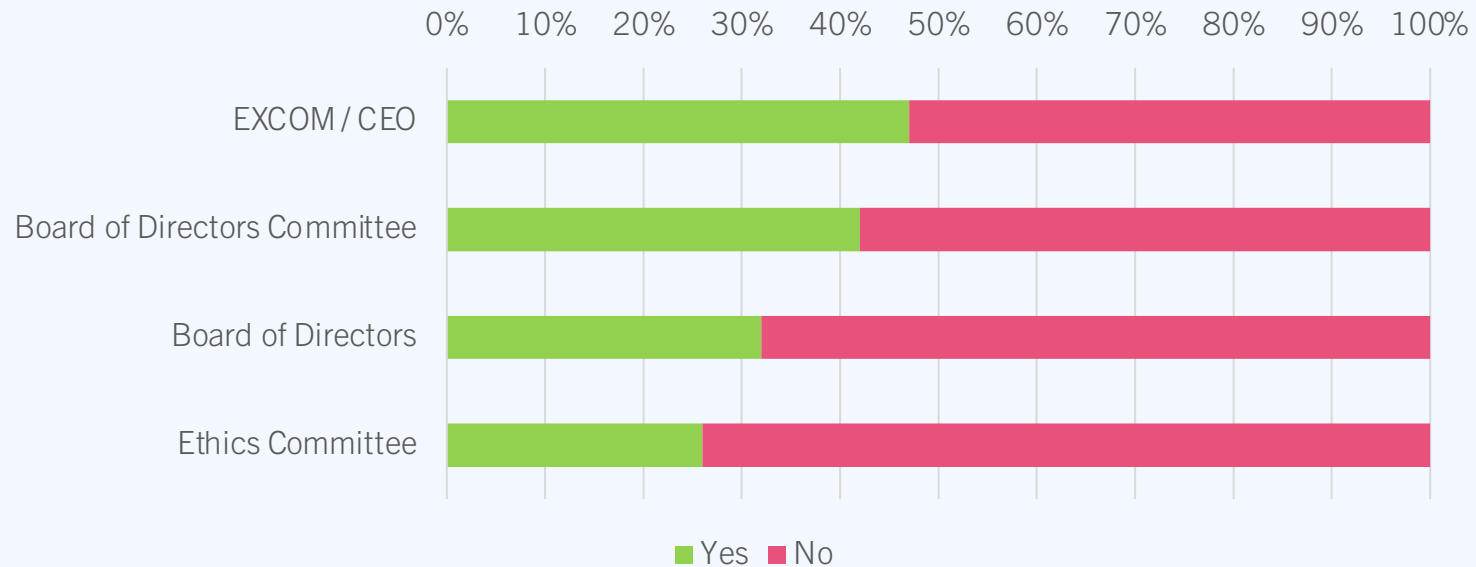
### CEO/Chairman :

- **Advantages of being attached to the CEO/Chairman:** Autonomy and independence
- **Disadvantages:** Political pressure and appearance of non-independence

# WHO DOES THE E&C REPORT TO ?

## Question B.3: To which bodies do you report?

The following answers are not mutually exclusive.



**Note:** While E&C brings in less for COMEX/PDG than in 2023 (-10%), professionals bring in more for one or more specific committees of the board of directors (+14%), or directly to the board of directors (+5%).

# BUDGET

Question B.4: What is the department's operating budget?

*14 respondents*

Average departmental budget: **€1,065,714**

This represents **€17.05** per company employee.

**Note:** These figures are of the same order as those for 2023 (average budget of €1,135,625 and €19.31 per employee), although it is not possible to say whether the decreases observed are significant.



## E&C TEAM (1 / 3)

On average, the respondent companies have **7.5 FTEs** at head office level, i.e. **one FTE for every 9,300 employees**. This figure was 12.9, i.e. one FTE for every 4,148 employees, in 2023.

**64.5% of the employees** who make up the E&C department at headquarters have **specialized education** in compliance issues. This figure was 62% in 2023. In addition, the E&C departments employ an average of **1.2 interns** or work-study trainees at headquarters. (1.5 in 2023)

The E&C Group departments rely on relays in the subsidiaries, countries and BUs. There are an average of **12.4 FTEs**, which gives a total of **19.8 FTEs per company**, or **one FTE for every 3,519 employees**. These figures were 14.6, 27.4 and one FTE for every 1,947 employees in 2023.





## E&C TEAM (2/3)

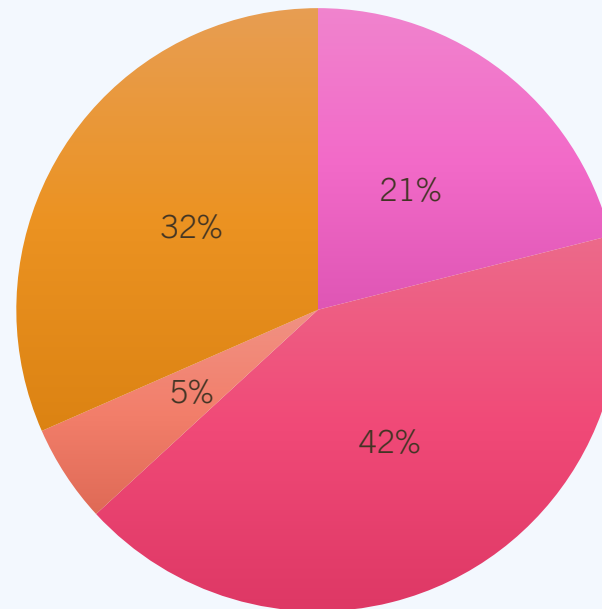
**79%** of the responding companies have a **network of E&C ambassadors**. this figure is stable compared to 2023 (77%). this network is made up of an average of **68 ambassadors**.

31% of ambassador networks have a functional link to the company's E&C department.  
(compared to only 12% in the 2023 wave)

## E&C TEAM (3/3)

Question B.9: How is the department for which you are responsible organized?

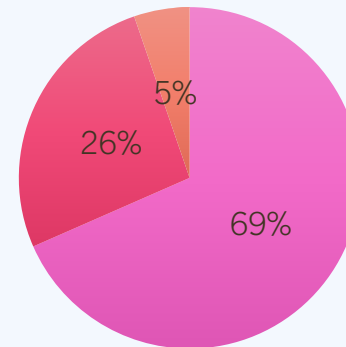
- By subject (Anti-corruption, GDPR, Duty of Care)
- By role (due diligence, investigation, procedures, communication)
- Geographically
- Flexible



# INTERNAL INVESTIGATION METHOD

**Question C.1: To conduct internal investigations related to possible violations of the subjects for which you are responsible, you rely mainly on?**

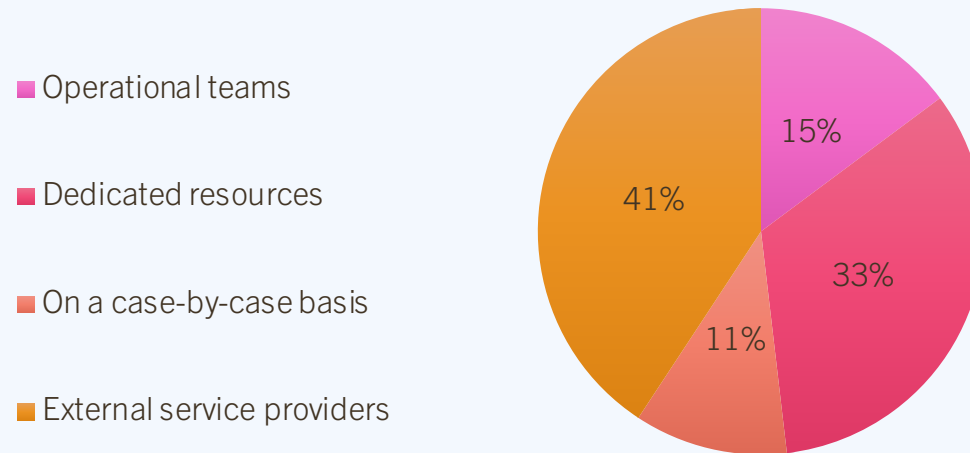
- Sur une équipe de professionnels formés à ces enjeux
- Sur une équipe interne spécialisée (enquêteurs internes)
- Sur des prestataires externes



**Note:** On average, the responding companies **outsource 17.5%** of their internal investigation, or nearly one in five (a figure that is slightly down). **65%** of companies have a **centralized budget** for processing internal investigation.

# DUE DILIGENCES

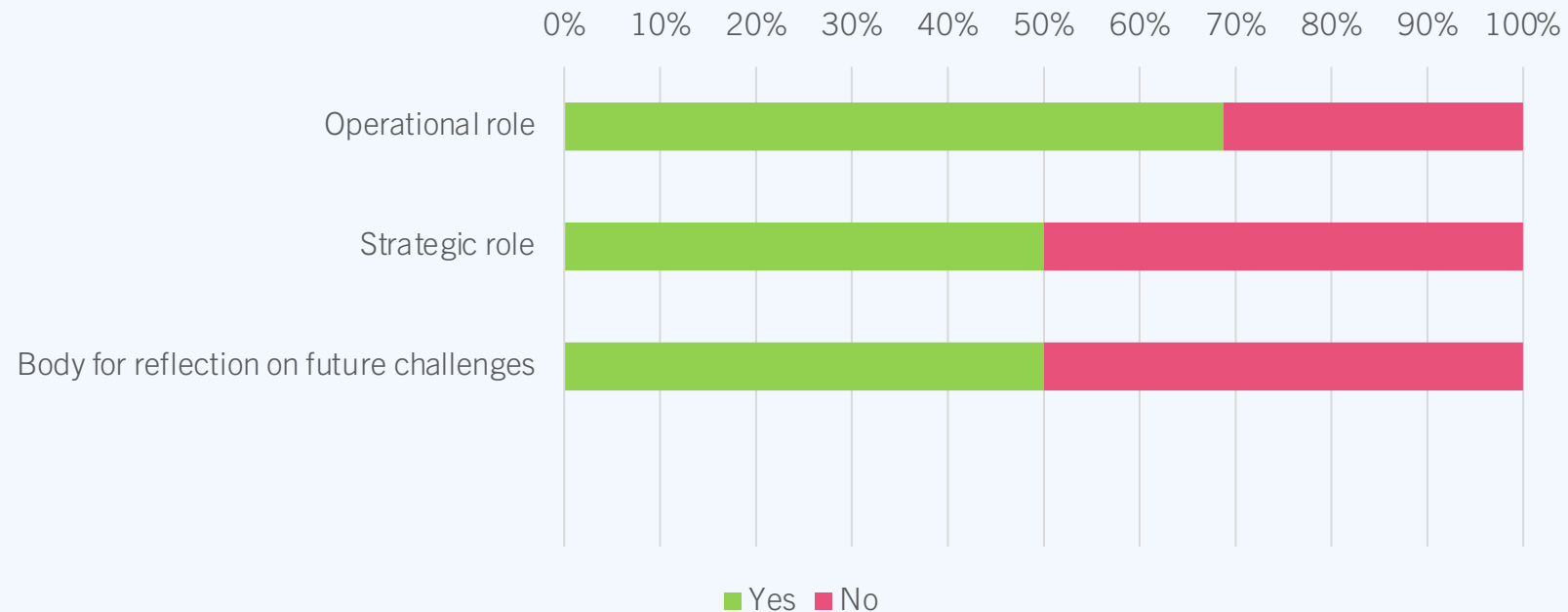
**Question C.4: To carry out the related due diligence necessary for the evaluation of third parties on the subjects for which you are responsible, you rely mainly on?**



**Note:** On average, the responding companies outsource 46% of their due diligence. In 2023, this figure was 23%.

# ETHICS COMMITTEE

89% of the companies surveyed have an **Ethics Committee** (compared with only 67% in 2023). Of these, **23% invite external personalities** to sit on their committee (a stable figure). The main missions of the Ethics Committees are as follows:



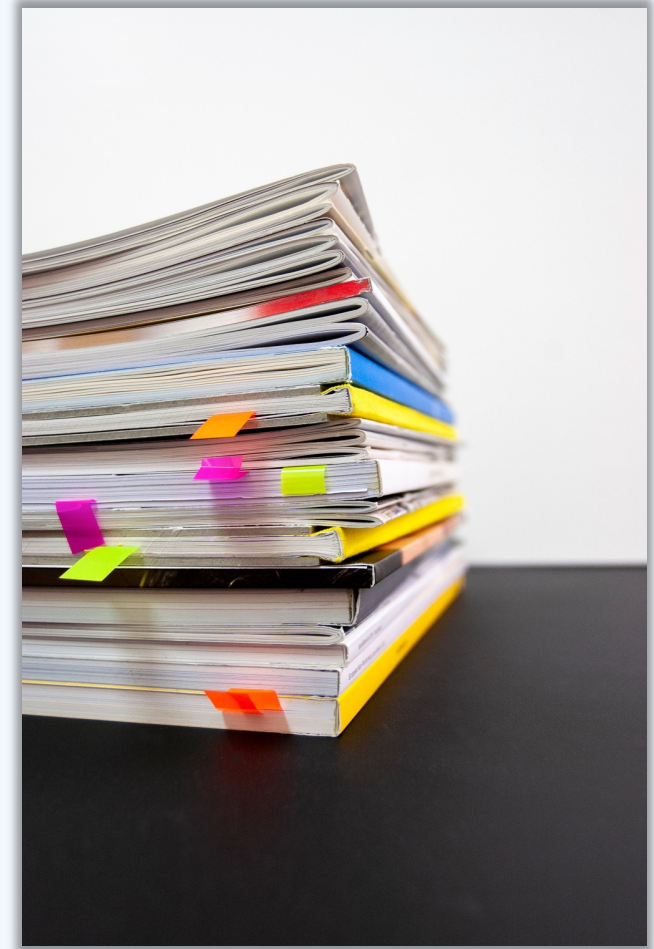
# KPIs and REPORTING

The responding companies monitor an average of **9.5 E&C KPIs**.

The E&C departments estimate that they dedicate around **22% of their total time to reporting actions** (a relatively stable figure, up 5% compared to 2023).

**77% of the professionals** surveyed consider this figure to be “reasonable”, while 17% consider it “excessive”.

In addition, 66% of the companies surveyed have provided for mandatory ethics training for all their employees.



# QUALITATIVE ASSESSMENT

- The main sources of satisfaction for the professionals surveyed are the recognition by companies and their employees of the **priority of ethics for 47% of respondents**, and the **professionalism and commitment of the E&C teams for 33%**.
- The main difficulties encountered are due primarily to the **lack of human resources (33%)**, the **expansion of the E&C field**, and particularly the rise of alert systems, internal investigations and due diligence (**33%**).
- Three major issues stand out among the responses of the benchmark participants: **44% mention the regulatory inflation on compliance issues** (human and digital rights in particular) and the difficulty in thinking of a governance that covers all the issues, **33% mention the capacity of their department to foster an ethical culture** and deploy compliance policies at the Group's boundaries, and finally **29%** note the necessary **ethical reflection on the deployment of AI systems** within the company.
- It should be noted that 16% of respondents believe that whistleblowers are not sufficiently protected in their company.