

ETHISSPHERE®
GOOD. SMART. BUSINESS. PROFIT.™



BUILDING A WORLD-CLASS ETHICS AND COMPLIANCE PROGRAM

Ethisphere Spotlight Interview with Adam Dubow,
Chief Compliance and Ethics Officer

Bristol-Myers Squibb



Bristol-Myers Squibb – A Culture of Integrity

For Bristol-Myers Squibb—a pharmaceutical industry leader—the importance of ethics and compliance is nothing new.

“Integrity is something that’s been core to Bristol-Myers Squibb for the past century—it was in our first print ad in 1921.”



Bristol-Myers Squibb

Compliance Leader Verification – a Program Assessment, Benchmarking, and Recognition



Bristol-Myers Squibb engaged Ethisphere for an independent assessment of their ethics and compliance program. The goal was to benchmark their program against the regulatory requirements and to also benchmark against other global companies, both within, and outside, their industry. They also wanted actionable

recommendations on how to continue to build and maintain an ethical culture.

Through the process, Bristol-Myers Squibb also earned Compliance Leader Verification, a recognition awarded to companies that have demonstrated a commitment to, and investment in, a leading ethics and compliance program.

Program Assessments: An Opportunity to Check In

“I love the exercise. I love the fact that we were having an organization independent to the company come in, take a look, and ask, ‘Are you doing everything that you should be doing as a compliance and ethics organization to maximize success within the company and to protect the company and its shareholders?’”

“To have a company like Ethisphere—as a leader in the industry—perform that exercise for us was incredibly valuable and in a way very comforting to know that we were getting this independent expert point of view on our program. The report is very thorough and something that we leverage on a continual basis.”

Ethisphere’s Program Assessment:

- Ethics Quotient® (EQ), a questionnaire covering the elements of an effective program
- Benchmarking results to the data from the World’s Most Ethical Companies®
- Extensive document review and interviews with executives and stakeholders

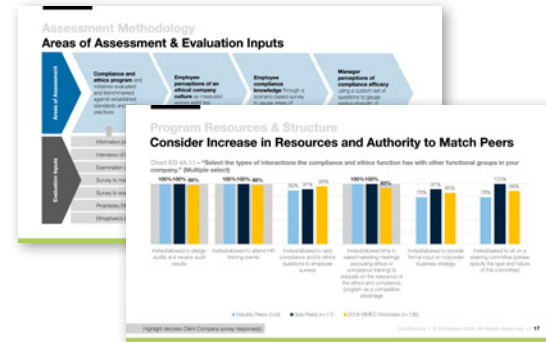
Areas covered in the EQ



Recommendations to Move a Program Forward

“It is reassuring to earn the Compliance Leader Verification and to know that we are doing things well. What I find most valuable are the recommendations that are contained within the report and suggestions as to what we could do to improve how we operate as a compliance and ethics organization. We also receive practical advice. For example, we were in the final stages of revising our Principles of Integrity and Ethisphere made a few recommendations, including featuring additional graphics and referencing real-life examples.

“Bristol-Myers Squibb already features anonymized real-life scenarios in our Ethics and Compliance monthly articles—‘Reality Check.’ After seeing these articles, Ethisphere said, ‘Why don’t you merge the two? Why don’t you actually bring the Principles of Integrity to life? Why don’t you talk about some of these Reality Check articles within the Principles?’ So we did it and in the next version of our Principles, that’s exactly what people will see. There are many examples of how we have incorporated recommendations from Ethisphere and the report into our practices.”




“My leadership team and I revisit the report on a continual basis. We have created action items from the report. We make people accountable for those action items and we do check-ins and ask, how are we doing in terms of achieving those action items? It provides a great roadmap for us in terms of what we could do to further improve our programs.”

The Value of Benchmarking against Leading Practices

“It’s important to kick the tires on our program, but it’s also important to see the practices of other companies. There are central elements that you see across compliance programs and across industries.

“Being able to benchmark how we’re doing against the most ethical companies obviously sets a high standard for any organization. And that’s the standard we expect to be part of because we want nothing less than excellence in how we operate. So it’s incredibly helpful to benchmark against the World’s Most Ethical Companies®.”



Ethisphere's Business Ethics Leadership Alliance (BELA) brings together leading companies from around the world to share best practices. Program benchmarking is a BELA benefit:

- Take the Ethics Quotient® assessment
- Receive a benchmarking report showing practices against data from multinational organizations across 57 industries
- Discuss results with Ethisphere experts
- Use data to improve

Involving Leadership and Gaining a Cross-Functional Perspective

“Ethisphere spoke to almost everyone on the company’s leadership team as well as members of our Board of Directors. It’s vital to get input and feedback across all stakeholders within the company, and hearing from our senior-most leaders is critical. Doing the exercise emphasizes the importance of compliance and ethics, which for the senior-most leaders in the company, is top of mind, 24-7, 365 days a year.

“Once we had the results from the Compliance Leader Verification review, we shared it with the company’s leadership team and walked them through it. Ethisphere’s Erica Salmon Byrne joined us for that review. She was great. I reviewed the results with the Board. Then from a tactical standpoint, we considered the results as part of my leadership team’s objectives. We discussed the findings and recommendations, and prioritized key action items to further improve our program.”

“It’s always nice to have Ethisphere come in as an independent third party—those discussions in and of themselves reestablish and reinforce the importance of ethics and integrity across the company regardless of what function you’re in.

“Obviously it’s so important to set the right tone from the top. And our leaders here at Bristol-Myers Squibb do that, day in and day out. The discussions with Ethisphere reinforce that importance.”

Culture: Central to Ethics and Compliance

“The essential elements of an effective compliance program are well summarized in the DOJ Guidance document. But to me, if you don’t have the right culture in place, then people are not operating in the right mindset of the highest ethics and integrity. You can have the best policies. You can do great monitoring; you could be world-class in how you do your investigations. All of that will go to the wayside if you don’t have the right culture of ethics and integrity at the company. It’s such an important component of who we are as a company and how we operate as a compliance and ethics organization in helping to establish and to feed the culture of ethics and integrity.

“Getting the viewpoints of different stakeholders is critical to understanding

and appreciating the successes and opportunities associated with our program. Ethisphere’s ethical culture assessment allowed us to hear feedback specific to the compliance and ethics culture that we have within the company.

“We conduct an annual company-wide survey on many different subjects, including a few ethics and compliance questions, but it’s not a dedicated survey. So when we had the ability to field an ethics and integrity culture survey, which is more targeted to the questions and topics that are very relevant to our compliance and ethics organization, it was something that we welcomed. It gave us directional data where we could then probe a bit more.”

The Ethisphere Ethical Culture Assessment

- Measure employees’ perceptions of ethical culture across the eight pillars of an ethical culture.
- Benchmark against the unparalleled ethical Culture Quotient data set.
- Conduct data analysis to discover factors that can influence culture.

The Culture Quotient Data Set

The Culture Quotient dataset is extracted from Ethisphere Ethical Culture Assessment responses provided by multinational companies, encompassing more than 500,000 employees around the globe, in 30 languages, representing the views of nearly 4 million employees.

Compliance Leader Verification: Validation and a Road Map

“The Compliance Leader Verification is a validation that all of the hard work that we’re doing is paying off. It is something that we’re extremely proud of. At the time, we were the only pharmaceutical company to receive Compliance Leader Verification.

“Getting that external validation through Ethisphere is something that we really value. However, we quickly

then pivot to, okay, so now what do we need to do to be even better?

“I can’t state enough how important it is to go through the Compliance Leader Verification exercise. It’s very helpful to take a step back and to have an organization like Ethisphere thoroughly review everything that your compliance and ethics program is doing to support the company.”



Compliance Leader Verification

The Compliance Leader Verification process involves a rigorous review of the ethics and compliance program and corporate culture.

Program Example - Getting the Word Out: I in Integrity

“I’m particularly proud of an initiative that we call ‘I in Integrity.’ The purpose of this initiative is to embed the important value of integrity throughout the company. For our company, integrity is not anything new. Our first print advertisement as a company, which appeared in 1921, talked about how the priceless ingredient of every product is the honor and integrity of its maker. Integrity is something that’s been core to Bristol-Myers Squibb for almost a century.

“I thought it was really important to double down on integrity and increase the level of discourse in the company on why integrity is important to us as individuals and why integrity is important to us as a company. We launched this strategy at the beginning of this year with the senior-most leaders in the company. We called in the global leadership team—the top 200 or so individuals in the company—and asked them to each create an integrity statement and post it on our internal network and then to hold integrity conversations with their leadership teams.

The response has been overwhelming, and the initiative has spread across the company.

“It has grown organically and caught traction such that we have hundreds of integrity statements from people outside of the global leadership team—they heard about this initiative and were also eager to post their integrity statements. We’ve had lots of these integrity conversations led by the leaders, but we’ve also had teams post statements about what integrity means to them.

“In Greece there are integrity statements all over the office—on the walls, on the windows, on their coffee cups. In Turkey, there is a dedicated wall in the office for everyone to post their integrity statements. Our business in France has created an integrity video with people sharing why integrity is important to them. There are numerous other examples, and I think it speaks volumes for the importance of integrity to Bristol-Myers Squibb and the type of culture that we have within this company.”

“For our ‘I in Integrity’ initiative, we have integrity statements from every member of the leadership team. The statements are displayed on plasma screens located at every site, so they are everywhere—in hallways on every floor.”

About Ethisphere's Program Assessments

Ethisphere's Program Assessment evaluates all the major components of a compliance and ethics program, including written standards (key policies and procedures, the code of conduct, and supplier code of conduct, if applicable), training and communications, reporting channels, monitoring and auditing, enforcement and discipline, program resources, and employee perceptions.

Importantly, Ethisphere is not just performing a "paper audit" of the policies and procedures in place. In addition to a detailed document review, Ethisphere's team of experts interviews individuals across the business to determine how an organization's program functions in practice and whether it reaches the rank-and-file employee.



Erica Salmon Byrne

EVP, Governance
& Compliance
Ethisphere

"Making certain that we not only identify opportunities for improvement but give companies insights on how to capitalize on them is incredibly important to the Ethisphere team.

"We believe strongly that companies with effective ethics and compliance programs are better places to work, as well as long-term sustainable businesses that can contribute to the well-being of the communities around them, and it is gratifying to be a part of supporting those kinds of organizations."

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The Ethisphere® Institute is the global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust, and business success.

Learn more:

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