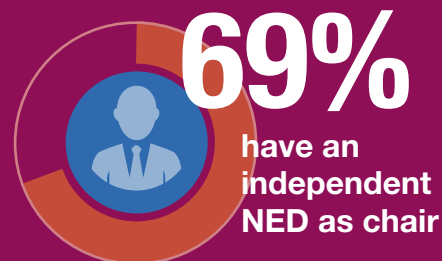


Key Findings

The research looked at board-level committees dealing with corporate responsibility, sustainability or ethics in FTSE 350 companies, and also how companies without such committees handle these issues. It was carried out by the Institute of Business Ethics, in collaboration with ICSA: The Governance Institute and Mazars, during late 2015/early 2016.

The results indicated a growing recognition among companies of the need to deal with non-financial risk. A significant number of companies were found to have dedicated board committees, but that did not mean the issue of ethics and values was not being taken up by the boards without such committees.

Board-level committees dealing with corporate responsibility, sustainability or ethics:



Pros

- Improved focus on key details
- Able to identify patterns of behaviour that may elude a board
- More complete assurance on non-financial risks



Cons

- Dilution of board responsibility
- Overlap with other committees
- Risk of interference with executives

