

NEWS RELEASE

WEDNESDAY 12TH FEBRUARY 2014



Institute of Business Ethics welcomes Banking Standards Review

IBE analysis of business ethics media stories shows reporting on the finance sector contributed almost four out of every ten news items (37%).

The IBE monitored over 1000 news stories to analyse the business ethics issues and the sectors most at risk of integrity lapse.

The IBE Briefing issued today (12th February) shows 26 different business ethics issues were recorded through the course of the IBE's media monitoring in 2012 and 2013.

Reporting on the **finance sector** (including insurance companies and payday lenders) contributed almost four out of every ten news items (37%). The most commonly reported issue for this sector was **executive remuneration**, accounting for 18% of stories. The bonus culture of the city was a prominent source of news in both 2012 and 2013. This was closely followed by **fraud/theft** (17%), comprised of numerous articles related to the ongoing ramifications of the LIBOR fixing scandal.

The highest proportion of stories on **mis-selling** (90%) and **money laundering** (82%) occurred in the **finance** industry. Additionally, over two-thirds of those related to **behaviour/culture** (70%) and **insider trading** (67%); the majority of **executive remuneration** (60%) and **discrimination** (54%); and just under half of those addressing **corporate governance** and **openness with information** (both 45%), also were in the **finance** sector.

Philippa Foster Back CBE, IBE's Director, said: *"In the analysis of the business ethics stories in the news, it is clear that the proposals in Sir Richard Lambert's Consultation Paper on Banking Standards are long overdue. A change of culture is needed in the finance sector in order for trust to be restored. The IBE will be responding to the Consultation Paper in due course and encourages others to do likewise. The IBE advocates that best practice in today's environment to help to raise standards is to reward people for ethical as well as profitable behaviour."*

Ethical Concerns & Lapses 2012-2013 is available as a free download from http://www.ibe.org.uk/userassets/briefings/b37_lapses2013.pdf

ENDS/

For interviews, articles or further information please contact

Katherine Bradshaw k.bradshaw@ibe.org.uk 07771 517700 +(0) 207 798 6040

Institute of Business Ethics

Registered Charity No. 1084014

NEWS RELEASE

WEDNESDAY 12TH FEBRUARY 2014

NOTES FOR EDITORS

Ethical Concerns & Lapses 2012-2013 Free download from www.ibe.org.uk

Published Wednesday 12th February 2014

About the IBE's media monitoring

The IBE monitor the daily news in the UK for stories of a business ethics nature. Stories which are captured are posted on the IBE website, under 'Business Ethics News' – see:

<http://www.ibe.org.uk/business-ethics-news/117/>

The most commonly reported issue was **bribery, corruption and facilitation payments**, with 139 stories (13% of total). This was closely followed by **treatment of stakeholders** (12% of total), of which there was a relatively even split across **customers** (49%) and **staff** (45%). There were also some stories related to the treatment of suppliers. Other commonly reported issues were **executive remuneration, fraud/theft** and **tax**.

About the Institute of Business Ethics

The Institute of Business Ethics promotes high standards of business practice based on ethical values.

We help organisations to strengthen their ethical culture through the dissemination of knowledge and good practice.

www.ibe.org.uk