

A NAVEX Global eBook

Code of Conduct

The Crucial Document Every Organisation Needs

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INTRODUCTION

Is your code as effective as it could be?

Do employees know where to find it and how to use it? Your code of conduct is one of the most vital documents that your company has. It helps guide employee behaviour and acts as a manual from which employees and leadership can refer to when faced with difficult decisions.

NAVEX Global's blog, [Ethics & Compliance Matters](#), provides ethics and compliance professionals with content they need to communicate the importance of ethics and compliance with the managers in their organisations. The posts are written by our Advisory Services team and other E&C veterans who have been in your shoes and speak to the challenges you face.

In this eBook, we've compiled three of the best posts on code of conduct designed to educate ethics and compliance professionals on the importance of their code of conduct and how they can improve it to be an engaging and thoughtful document for employees.

How to Use This Resource

NAVEX Global grants you permission to publish any or all of the content in this eBook to best suit your needs. Simply copy and paste the content you'd like to use into your newsletter, emails or intranet – whatever forum you use to communicate regularly with your managers on E&C issues. If you're not already sending regular awareness-building communications to the managers in your organisation, we hope this eBook will inspire you to begin!



1 CODE OF CONDUCT: YOUR CORPORATE CONSTITUTION

How important is your company's code of conduct? We liken it to a corporate constitution – your highest-level policy, from which all of your other policies, procedures and rules derive, and without which you cannot expect to instil or maintain effective corporate governance.

"Your code is a defining document, not a formality to be "marked as read."

And just as a constitution provides the framework for civil society, your code of conduct provides the framework for your corporate culture. It tells your employees what behaviour is expected of them. It describes the principles that define your corporate culture and tells your stakeholders – internal and external alike – what you stand for and aspire to.

Your code is a defining document, not a formality to be 'marked as read.' So it is critical you present your code of conduct in a way that reinforces your company's values, not detracts from it. Progressive companies understand this and are investing in their employees by investing in their code to ensure that it represents the integrity, respect and accountability expected of their employees.

Along with instilling value, it is essential that your code is current, instructive and intuitive to your employees. The corporate culture you are trying to foster can easily

be diminished if your code does not resonate with employees or fit into the ways they consume information.

Three Ways to Create a Progressive Code of Conduct

1. Make It Current

The world of compliance is changing faster than ever before, and your code of conduct has to change with it. If your code was last updated in 2013, would it address emerging social issues like discrimination based on gender identity? Maybe not. But given the discourse in our society today, your employees might want to know where you stand on that question, among many others.

2. Make it Compelling

Building your code around a unique, memorable theme – such as a corporate culture rally cry – can help draw a connection between your organisation's high-level principles and its everyday expectations. Compelling codes of conduct often include lists of responsibilities for both employees and managers, emphasising that managers are accountable to set the tone for an ethical workplace. And the incorporation of affirmations such as 'we' statements help your message talk with the reader rather than at them.

3. Make it Digital

Progressive codes use visuals and iconography to bring concepts to life, far beyond just text on

a page. The next step to enhancing your code is making it digital. Designing your code of conduct as an interactive document makes it is easily navigable and searchable for readers. Innovative companies also use comprehension aids such as 'Stay on Track' or 'Did You Know' call-outs that keep digital readers moving through the code with eye-catching, clickable engagements.

While each of these codes of conduct approaches contain elements worth emulating, there is no one-size-fits-all approach. Ultimately an organisation's code must align with its values and the realities of

its business. Best practices for codes of conduct and resources designed to strengthen your code are great places to start evaluating your approach.

Big picture, it's vital for all organisations to take a fresh approach, revisit their codes regularly and ensure that they cover the matters, issues and scenarios your stakeholders care about or are likely to experience. The codes should clearly reflect these matters in language that speaks across learning styles, job functions and generations as well as be applicable and accessible to all employees worldwide.



2 MY ORGANISATION'S CODE OF CONDUCT IS GOOD – HOW CAN I MAKE IT GREAT?

Too long. Too complicated. Too dense.

Sound familiar? If your code of conduct isn't a document you're proud to share with your employees, customers, board and C-suite – or if your organisation has recently had a big change (merger or acquisition, a change in leadership or other significant shift) that requires a code of conduct refresh – you have an opportunity to take your code of conduct from good to great.

Before diving into a code of conduct refresh project, it's good to revisit the core functions of a code of ethics:

- » Set the tone for your corporate culture and provide a platform for virtually every other policy you implement.
- » Communicate expected behaviour for employees and point the way to additional resources when situations are complex, difficult or sensitive.
- » Reduce legal liability by addressing your organisation's key ethics and compliance risks.
- » Represent your organisation's commitment to integrity to external constituents including business partners and regulators.

With those goals in mind, below are five questions to ask as you're working toward taking your code of conduct from good to great.

1. What's worth keeping?

Many organisations' existing codes of conduct have provisions and perspectives that are worth retaining. Going from a good code of conduct to an excellent code of conduct might be more about tone, design and style – which should reflect your organisational culture and priorities – than overall message or policy.

2. Is it readable?

Employees who want a quick answer may feel confused and frustrated if they can't understand what it says – a common problem when a committee of lawyers does most or all of the writing. It's especially important to clearly describe how employees can ask questions or flag problems, usually is through the hotline or helpline. Consider how design impacts readability as well. Short paragraphs are much easier to read than long blocks of copy.

3. Is it aligned with your organisation's risk profile?

A best practice for any code of conduct includes making it relevant and complete given a company's industry and global risk profile. Risk profiles are not static. Collaborate with other departments in your organisation to ensure that the code of conduct touches on those issues that are most important.

4. Does it incorporate emerging issues?

The world is changing quickly, and codes need to change with it. For example, it might be hard to remember, but just a few years ago, social media risk wasn't a concern at most companies and likely wasn't addressed in their codes of conduct. Money laundering used to be something only financial organisations had to worry about. But these issues are now commonly covered in the codes of conduct at many diverse organisations. What are emerging issues that impact your organisation? Consider covering them in your code.

5. Does it emphasise protections for employees who report misconduct?

Your code of conduct cannot cover everything, so it's essential that it point employees to additional

resources they can turn to for help (calling the ethics hotline, talking to their managers, or members of the HR or E&C teams, etc.). Best practice codes of conduct clearly communicate that employees who report possible misconduct or ask questions will be protected – and underscore the fact that acts of retaliation are acts of misconduct that could result in disciplinary action up to and including dismissal.

Conclusion

Regularly assessing your code of conduct helps you ensure that you're consistently underscoring your values – and keeping them top-of-mind with employees. Taking a code from good to great can mean a world of difference for all those who rely on it.



3 HOW TO SIMPLIFY YOUR CODE OF CONDUCT ATTESTATION LANGUAGE

What does your code of conduct acknowledgement process look like? If your annual attestation language is long, confusing or overly complicated, you run the risk of alienating your employees – and missing an opportunity to position your programme.

Below is sample language we recommend for code of conduct attestations. It's short, sweet and to the point, while reinforcing key programme messages. From there, depending on your organisation's ethics and compliance risk profile, we've also provided add-on text to choose from that emphasise different aspects of a strong E&C programme.

Feel free to use this language in your organisation or customise it to fit your needs.

Sample: Core / Basic Code of Conduct Attestation Language

As stated in our code of conduct, adherence to the law and the highest ethical standards of integrity is the foundation of everything we do. Meeting this standard and complying with all applicable laws and regulations does not just happen; it requires a commitment from each of us.

I acknowledge that I have read and understand our code of conduct and I agree to abide by its provisions.

Add-On Option 1:

Reinforcing Personal Ownership

I have read and understand the provisions of the ACME Corporation code of conduct.

I will abide by the standards of conduct contained in the code and in company policies.

I will complete all required training courses on ethics and compliance topics including training on the code.

I will speak up, using the resources listed in the code, if I am in doubt as to the proper course of conduct or if I become aware of possible violations of our standards or the law.

Add-On Option 2:

Reinforcing Expectations for Contributing to Your Speak-Up Culture

If I become aware of any situation involving a conflict or a perceived conflict of interest as described in the code or the company's conflicts of interest policy, I will report my concerns using one of the resources listed in the code.

I will cooperate in internal and external audits and investigations by fully and truthfully providing information and by preserving all materials that might be relevant.

I understand that a violation of the law, our code or company policies may result in disciplinary action in accordance with local laws and internal procedure.

Add-On Option 3: Reinforcing Employee Reporting Options & No-Retaliation Commitment

To speak up, seek guidance or report a possible violation of the law, our code or company policy, please reach out to any of the following resources:

- » Speak to your manager
- » Contact Legal, Compliance or HR

- » Call the ACME Corporation Ethics & Compliance Helpline or visit our web reporting portal www.compliance.acmecorp.com

Our organisation will not tolerate retaliation against anyone who raises concerns about a violation of the law, our code or company policy in good faith.

Our code of conduct expertise runs deep. We've helped organisations of all sizes all over the world write and design world-class codes of conduct that earn employee attention and inspire ethical behaviour. If you'd like to talk with one of our solutions experts about a code of conduct review or refresh, get in touch today.





ADDITIONAL RESOURCES

- » [Ethics & Compliance Matters Blog](#)
- » [Sample Policy: NAVEX Global's Code of Conduct](#)
- » [Compliance Communicator: Making the Most of Our Code of Conduct](#)
- » [Webinar: Inspiring Ethical Behaviour: Code of Conduct Best Practices](#)

NAVEX GLOBAL SOLUTIONS

No matter what your E&C challenge, NAVEX Global has the expertise, services and tools to help. Browse our ecosystem, and get in touch with a solutions expert to see how we can help you move your programme forward today.

- » [Establish & Manage Policy](#)
- » [Train & Engage](#)
- » [Report & Resolve](#)
- » [Assess & Monitor](#)
- » [Expert Guidance](#)

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