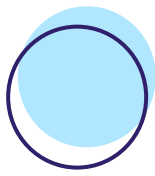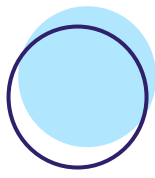# Code of Conduct

Checklist

A code of conduct is an essential document, which makes it easier for employees to behave in accordance with the company's core values and standards while complying with applicable laws.

As an HR professional, you are instrumental in the development, implementation, and maintenance of your company's code of conduct.

The aim of this resource is to help you evaluate if your code of conduct includes various key categories as well as consider all the relevant connected policies.

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The Role of a Code of Conduct

What is a code of conduct?

A code of conduct serves as a foundational structure comprising principles, rules, and guidelines that outline expected behaviors, ethical standards, and professional conduct for individuals within an organization. It not only facilitates adherence to company core values and legal requirements but fosters a positive and respectful environment while minimizing legal risks and protecting the wellbeing of employees.

Crafting a robust code of conduct is a collaborative effort that should draw upon the expertise of various individuals and departments, including legal experts. This inclusive approach ensures that the document effectively guides ethical decision-making, maintains legal compliance, and provides comprehensive guidance on professional conduct. By involving multiple levels of the organization and regularly revising the code of conduct to reflect evolving laws, regulations, and company culture, it becomes a dynamic tool ingrained in daily business practices.

Why create a code of conduct?

Clarify expectations

It helps define what is considered appropriate and inappropriate behavior within a particular context. It provides individuals with a set of guidelines and helps reduce ambiguity.

Promote ethical behavior

It sets forth ethical standards and principles that guide the actions and decisions of individuals and groups. This encourages people to act with integrity and honesty.

Maintain a safe environment

By establishing rules against harassment, discrimination, or other harmful behaviors, a code of conduct contributes to the creation of a safe and welcoming environment.

Ensure legal compliance

In many cases, codes of conduct are required by law or industry regulations to ensure compliance with legal standards and practices.
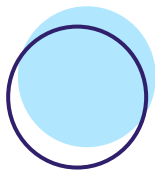
Resolve conflicts

A code of conduct can serve as a reference point when conflicts arise, helping to resolve disputes and maintain order within a group or organization.

Manage risks

By identifying potential risks and vulnerabilities related to unethical or illegal behavior, you can establish preventive measures.

What should be included in your code of conduct?

While the content of a code of conduct will vary based on the organization or context, below is a list of common sections that are integral to it. You may already have relevant policies corresponding to these sections. Some illustrative examples of these policies are italicized below, though your particular documentation may differ.

Your code of conduct should establish broad expectations for each of these categories while your specific policies can delve deeper, offering comprehensive insights into relevant legislation and compliance prerequisites.

Review the checklist below and assess whether your code of conduct addresses all the categories listed. If you are missing any of them, consider whether it would provide added value to incorporate them in your existing code.

Checklist

INTRODUCTION

❑ **Core values and principles**
Define the fundamental core values and ethical principles that underpin your organization's conduct. These principles should serve as the moral compass guiding your staff's decision-making and behavior.
Employee handbook | Value statement | Employment contract

❑ **Scope**
Specify the individuals and entities to whom this code of conduct applies, including employees, contractors, volunteers, and, where relevant, third parties associated with your organization.

❑ **Compliance with laws and regulations**
Highlight the significance of adhering to all relevant laws, regulations, industry standards, and the internal policies and procedures of the company.
Regulatory compliance guidelines | Whistleblower policy

WORK ENVIRONMENT

❑ **Diversity, equity, and inclusion**
Illustrate the commitment to fostering a diverse and inclusive workplace and provide resources for employees to understand and promote diversity and inclusion.
DEIB policy | Equal opportunity employment policy

❑ **Harassment and discrimination**
Promote a respectful, inclusive, and diverse work environment, free from discrimination, harassment, and retaliation.
Antiharassment and nondiscrimination policy

❑ **Workplace safety and health**
Commit to providing a safe and healthy work environment for all employees, while adhering to applicable laws and regulations.
Occupational health and safety policy | Emergency response plan

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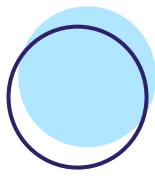
RESPONSIBLE BUSINESS PRACTICES

❑ **Confidentiality and privacy**
Include provisions for protecting confidential and proprietary information, safeguarding personal data, and upholding privacy rights.
Data privacy and cybersecurity policy | Communications and social media policy | Intellectual property policy

❑ **Fair business practices**
Commit to fair and ethical business practices, including compliance with antitrust and competition laws, adherence to trade control laws, and restrictions on certain transactions. Explicitly prohibit corrupt practices, including bribery and unlawful payments.
Industry codes of conduct | Bribery and corruption policy | Integrity policy

COMMUNITY COMMITMENT

❑ **Environmental protection and sustainability**
Demonstrate the organization's commitment to environmental stewardship and sustainability practices. This may encompass reducing environmental impact, conserving resources, and supporting eco-friendly practices.
Sustainability policy | Green procurement guidelines

❑ **Social responsibility**
Articulate the organization's dedication to making a positive social impact through corporate social responsibility initiatives, community involvement, and philanthropic efforts.
Corporate social responsibility policy

ACTIONS & CONSEQUENCES

❑ **Personal accountability**
Explain the mechanisms that are in place to address violations of the code of conduct, such as warnings, disciplinary actions, or other consequences. Having a proactive approach to addressing misconduct fosters a culture of accountability within the organization.
Disciplinary action policy

❑ **Reporting**
Establish procedures for reporting ethical concerns or violations and outline the company's commitment to investigating and addressing such reports.
Reporting policy

❑ **Ethical decision-making**
Provide guidance on how employees should approach ethical dilemmas and decision-making processes, emphasizing the importance of aligning decisions with the organization's core values and principles.

TIP
Keep in mind that each industry will have unique considerations when crafting a code of conduct. For example, in the medical field, *patient confidentiality* will be key while in law, you will require a section on *conflicts of interest*.

Decision Tree

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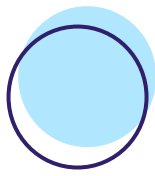
In order to help with decision-making, we recommend adding a decision tree to your code of conduct. Feel free to customize it so it's more suited to your organization.

```
                    NOT SURE ──────── Is it legal? ──────── NO
                                          │
                                         YES
                                          ↓
          NOT SURE ──────── Is it in line with our code ──────── NO
                            of conduct and policies?
                                          │
                                         YES
                                          ↓
  Seek guidance.   NOT SURE ── Does it reflect our purpose, ── NO ──→ Stop! Do
  Check with                    vision, and values?                   not do it.
  your manager,                        │
  legal team,                         YES
  or HR team.                          ↓
          NOT SURE ──────── Is it in the best interest of our team, ──── NO
                            clients, company, and community?
                                          │
                                         YES
                                          ↓
          NOT SURE ──────── If it were made public, would ──────── NO
                            you feel comfortable with it?
                                          │
                                         YES
                                          ↓
                            You can proceed
                            with the action.
                                  ✓
```

TIP!

If you'd like more inspiration for what a code of conduct could look like, here are some examples from some well-known organizations:

(Sony) (L'Oréal) (Starbucks) (HP)