Employee Ethics/Code of Conduct Checklist

The following items represent suggested contents for an employee code of conduct or statement of ethics. Codes of conduct have been customary in the financial services industry, but many other types of businesses and organizations are adopting codes of conduct, particularly if their activities affect public safety or the public interest. There is no boilerplate code of conduct that you can adopt because each company and its line of business, size, culture, and workforce are unique. This checklist may be used as an outline to help plan what to cover in a code of conduct if you are starting from scratch, or as an audit checklist to determine whether your code is complete and comprehensive or should be augmented.

This checklist and the information contained herein are not intended to be an exhaustive or detailed list of requirements, do not constitute legal advice, and do not serve as a substitute for the advice of knowledgeable legal counsel.

✓ Place a checkmark in the boxes that coincide with the topics covered in your code of conduct.

A. Personal Conduct

- Professionalism
  - Professional attitude toward customers and coworkers
  - Punctuality (correct use of time sheets, time clocks, etc.)
  - Acceptable language (avoiding slang, obscenities, vulgarity)
  - Sensitivity (avoiding offensive jokes, teasing, sexual innuendo)
  - Gossip avoidance
  - Work breaks (adherence to time parameters)
  - Work attire and appearance (including dress code or uniform rules, if applicable)
  - Truthfulness in dealings with management
  - Customer referrals
  - Duty to keep professional qualifications/certifications current

- Office relationships
  - Friendships (respecting others’ work space and time)
  - Romances (either circumscribed by conduct restrictions or forbidden)
  - Family connections (avoidance of nepotism)
  - Conduct at office social functions
  - Job referrals and recommendations
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• **Supervisor/manager conduct**
  - [ ] Sexual harassment avoidance (legal requirements, etc.)
  - [ ] Respect for all employees
  - [ ] Avoidance of favoritism
  - [ ] Duty not to discriminate on a prohibited basis
  - [ ] Duty to adhere to all employment laws and requirements
  - [ ] Maintaining professional distance from supervised employees
  - [ ] Duty to report employment problems to management
  - [ ] Duty to respect management and employee confidentiality

B. **Relations with Customers**
  - [ ] Standard of politeness (e.g., calling customers by name if possible)
  - [ ] Standard of speech
  - [ ] Privacy expectations of customers (especially in health care and financial services businesses)
  - [ ] Professional attitude
  - [ ] Telephone manners
  - [ ] Entertaining customers and reporting expenses
  - [ ] Socializing with customers

C. **Safety**
  - [ ] Duty to observe all safety rules (company-specific rules and federal, state, and local laws)
  - [ ] Duty to use safety equipment and personal protective devices properly
  - [ ] Duty to report safety breaches by other employees, supervisors, contractors, etc.
  - [ ] Duty to report unaddressed safety concerns
  - [ ] Duty to safeguard public health and safety (if applicable, e.g., food safety)

D. **Dishonesty or Breach of Trust**
  - [ ] Duty of honesty and truthfulness in all dealings
  - [ ] Duty to report hours, costs, and expenses accurately
  - [ ] Duty to report witnessed cases of dishonesty or breach of trust
  - [ ] How to report fraud, waste, theft, etc.
  - [ ] Use of company funds
  - [ ] Use of employer-provided benefits
E. Company Property and Equipment

- Standard of care
- Computers (acceptable use policies)
- Personal digital assistants and cell phones (acceptable use policies)
- Protection of user IDs and passwords
- Laptop security responsibilities
- E-mail etiquette (appropriate language, good grammar, etc.)
- Social media use, personal (responsibility not to post information about the company, derogatory or otherwise)
- Social media use, work-related (responsibility not to reflect poorly on company)
- Office equipment use for personal reasons
- Office supplies use (business and personal)
- Machinery or other equipment use
- Company vehicles or other craft use (licensing requirements, reporting citations, etc.)
- Avoidance of waste

F. Conflicts of Interest

- Responsibility to act in the best interests of the company, shareholders, and customers (not in employees’ own personal interests when they conflict)
- Legal and fiduciary requirements to avoid conflicts (where applicable)
- Statutory requirements to avoid conflicts (e.g., Sarbanes-Oxley Act)
- Acceptance of gifts from customers or competitors
- Giving of gifts to customers where company’s interests are concerned
- Duty to avoid appearance of conflicts (e.g., purchasing repossessed property at a discount)

G. Outside Activities

- Employee standard of conduct away from work
- Duty of honesty in personal financial dealings
- Avoidance of gambling, drug use, and other illegal activities outside work
- Encouragement of involvement in civic, social, educational, and charitable activities
- Separation between work for company and outside part-time employment
- Termination of association with questionable or illegal organizations
- Avoidance of overtly political speech or activities that could conflict with company’s interests

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H. Privacy & Confidentiality

- Duty to protect customers’ privacy
- Duty to protect company trade secrets and market intelligence
- Duty to protect privacy of other employees
- Duty to avoid gossip about customers, other employees, managers, etc.
- Adherence to company’s written privacy policies (if applicable)
- Employee expectations for privacy of e-mails and Internet postings
- Company’s right to access e-mails and Internet postings via company computers

I. Legal and Regulatory Compliance

- Knowledge of legal and regulatory requirements applicable to company’s business
- Duty to observe all applicable laws and regulations
- Duty to drive safely and observe traffic laws (when using company vehicles)

J. Reporting Violations & Whistleblowing

- General duty of vigilance (e.g., watching for criminal or terrorist behavior or safety infractions that could endanger the company or its employees)
- Duty to report suspicions of fraud, theft, and other wrongdoing to management
- Duty to report suspicions of insider fraud and regulatory violations
- Duty to conserve resources and report waste
- Company reporting mechanisms (e.g., anonymous hotline)
- How to report allegations of violations and fraud involving management
- Protections against retaliation available to whistleblowers (e.g., Sarbanes-Oxley Act, etc.)
- Cooperating with investigations of law enforcement, federal and state regulators, and other authorities