

Your University Code of Conduct: Would It get a Passing Grade?

7th Annual Conference for
Effective Compliance Systems in
Higher Education



NEW YORK UNIVERSITY

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Overview

- What is the Purpose of a Code of Conduct?
 - Communicates Values and Principles
 - Promotes Ethical Behavior and Integrity
 - Advances Legal Compliance

- A Good Code is a Useful Resource for Employees
 - Links to Relevant Policies
 - Examples and Q&As/FAQs

- Time to Revamp the Code?
 - You've Assessed your Code. It's bad. Where to start?

Let's Get Ethical!

What is the Purpose of a Code of Conduct? (Cont'd)

1. **Communicates Values and Principles**
 - ✓ A Code **communicates your university's values and principles**,
 - ✓ Summarizes the most **significant policies and procedures** that impact your organization's culture.
2. **Promote Ethical Behavior and Integrity**
 - ✓ Key element of an **effective compliance and ethics program**.
3. **Promotes Good Governance and Legal Compliance**
 - ✓ Sarbanes-Oxley Act
 - ✓ Federal Sentencing Guidelines

A Good Code is a Useful Resource for Employees

- Refers employees to policies and procedures.
- Guides Employees to 'Do the Right Thing' and address ethical dilemmas that sometimes do not have clear answers.
- Provide questions and answers that are simple and straightforward.
- Emphasizes confidential reporting mechanisms.



What is Ethical Behavior?

“A poorly written code is just as effective as having no code at all.”

Ethisphere Magazine’s *“43 Considerations for Writing , Reviewing or Revising a Code of Conduct”*

What Makes A Code Bad?

- ❑ Legalese Language
 - ❑ Loose the Legal Lingo
- ❑ Command and Control Language
 - ❑ “Thou Shall Not”
 - ❑ Negative Tone
- ❑ Just Not Useful
 - ❑ No FAQ’s
 - ❑ No links to policies or web site
 - ❑ Inaccessible

Assessing the Code:

THE GOOD, BAD AND UGLY

And the Award
for Worst Code
Cover Goes
To...



*New York University Code of
Ethical Conduct*



By action of the Audit Committee New York

University Board of Trustees June 22, 1999

Updated: December 2006

Ex. Of Bad Q&As



QUESTIONS AND ANSWERS FOR FACULTY MEMBERS REGARDING THE NYU CODE OF ETHICAL CONDUCT

QUESTION:

Why did the Board of Trustees request the adoption of a formal compliance program at NYU?

ANSWER:

Compliance is not a new policy at NYU. Members of the University have always been expected to comply with applicable federal, state, and local laws and regulations, all University policies and procedures (including those set forth in the Faculty Handbook), and the terms and conditions of research grants and contracts. The Board continues to hold the members of the University community in the highest regard, but is aware that not-for-profit institutions such as universities are potentially exposed to:

- severe fines and penalties for criminal violations (which may be committed by no more than one or a few inappropriately behaving employee or faculty members), including institutional suspension and debarment from the receipt of federal grants, federal student aid, and the Medicare and Medicaid programs; and
- large damage awards for civil fraud actions brought by either the Government or by individuals—who may be current or former employees.

The implementation of effective, formal compliance systems have been shown to:

- promote legal and ethical behavior and thereby reduce the potential for the occurrence of improper activities;
- frequently detect wrongdoing when it occurs and include a system for prompt investigation of allegations and minimization of adverse consequences through corrective action;
- help, during a government investigation, to demonstrate that the institution is supportive of lawful behavior and that any wrongdoing which may have occurred was limited to the unauthorized actions of relatively few individuals; and
- be a factor used by federal judges, under the federal sentencing guidelines to sentence an organization when and if it is held liable for the criminal behavior of some of its members, and, as such, may reduce institutional fines and penalties by as much as 95%.

QUESTION:

What is a code of ethical conduct, and what is the derivation of the principles embodied in the New York University Code of Ethical Conduct?

ANSWER:

A code of ethical conduct is generally the centerpiece of a formal compliance program, a framework which officially sets forth the institution's commitment to ensuring various high ethical standards and compliance with the law. The Inspector Generals of federal agencies have issued compliance guidelines for institutions for which they have oversight authority. Such guidelines generally include the creation and distribution to all members of the institution of a set of standards of conduct (i.e., an organizational code of ethical conduct) which include a clearly delineated commitment to compliance by the institution's administration. Because at any large institution such as NYU there are so many people with so many different functions and responsibilities, the Code of Ethical Conduct becomes a brief embodiment of the theme: "The NYU community adheres to the highest standard of ethical and lawful conduct."

The principles embodied in the New York University Code of Ethical Conduct are based upon widely accepted concepts of appropriate behavior which reflect existing University policies and procedures and applicable law.

Code Refers to employees as “Covered Parties”



C. Ethical Standards.

1. *Conflicts of Interest.*

Trustees, officers, and employees of Boston University serve the public trust and are required to fulfill their responsibilities with care and loyalty. All decisions and actions of the board and the administration are to be made for the sole purpose of advancing the best interests of the institution and the public good. The integrity of Boston University must be protected at all times, and the fiduciary relationship of trustees, officers, and employees to Boston University must be honored in both actuality and appearance. A conflict of interest exists when a University representative's direct or indirect personal interests are inconsistent with or interfere with the best interests of the University. The University's conflict of interest policy sets forth in detail the standards and procedures to be followed when dealing with situations that may present a conflict of interest.

2. *Corporate Opportunities.*

Covered Parties owe a duty to the University to advance its legitimate interests whenever possible, and they are prohibited from taking for themselves opportunities that are discovered through the use of University property, information, or position without the prior written consent of the University. No Covered Party may use University property, information, or position for improper personal gain, and no employee may directly or indirectly compete with the University.

3. *Fair Dealing.*

Whenever they act on the University's behalf, and regardless of whether they are dealing with colleagues or third parties, Covered Parties are required to act honestly, in good faith, and with professionalism. No Covered Party may take unfair advantage of another person through harassment, manipulation, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or wrongfully inducing such disclosures by past or present employees of other organizations is prohibited.

4. *Confidentiality.*

Covered Parties must maintain the confidentiality of confidential information entrusted to them, except when disclosure is authorized by an appropriate officer of the University or required by law. Confidential information includes all non-public information that might be of use to competitors or other third parties or harmful to the University or its constituencies if disclosed; it also includes information that third parties have entrusted to the University. The obligation to preserve confidential information continues even after employment ends.

Statement of Ethical Conduct As An Appendix



Cornell Policy Library
Volume 4, Governance/Legal
Chapter 6, Standards of Ethical
Conduct
Responsible Offices: Provosts/
Executive Vice President for
Finance and Administration
Issued: October 1996
Updated: Feb. 1, 2007

Policy 4.6 Standards of Ethical Conduct

APPENDIX A

Cornell University Statement of Ethical Conduct	
	<p>Cornell University's reputation for excellence in the community, the state, the nation, and the world is sustained by the commitment embodied in its mission statement to "... foster initiative, integrity and excellence, in an environment of collegiality, civility and responsible stewardship." Executive officers, faculty, staff, student employees, and others acting on behalf of the university are expected to maintain the highest ethical standard, observing applicable policies, practices, regulations, laws, and professional standards. The absence of a specific guideline or instruction covering a particular situation does not relieve an individual of the responsibility to apply the highest ethical standards when reacting to that situation. Actions in accordance with these standards will be upheld by the university.</p>
Conflicts of Interest and Commitment	All executive officers, faculty, principal investigators, staff, student employees, and others acting on behalf of the university hold positions of trust, and should conduct their activities accordingly. They must abide by university conflict statements, striving to avoid conflict between private and official responsibilities. Activities that impair or appear to impair the ability to perform their duties or affect independence and objectivity of judgment in the discharge of responsibilities to the university should be avoided.
Harassment and Abuse of Power	Cornell University supports an environment in which harassment of others is not tolerated. Executive officers, faculty, principal investigators, staff, student employees, and others acting on behalf of the university may not use positions of authority to influence others to perform inappropriate or illegal acts, or violate regulations, university policies or practices.
Laws, Grants and Contracts, Regulations, Policies, and Procedures	All executive officers, faculty, principal investigators, staff, student employees, and others acting on behalf of the university are expected to comply with relevant laws, grant and contract requirements, regulations, policies and practices, and all applicable university and professional standards. No unethical practice will be condoned on the grounds that it is "customary" or that it serves worthy or honorable goals.
Stewardship	All executive officers, faculty, principal investigators, staff, student employees, and others acting on behalf of the university have a responsibility to ensure that all funds received are used prudently, ethically, and for their designated purposes. Neither tangible nor intangible assets of the university may be used for personal or illegal gain. Permission must be obtained for personal use of facilities and equipment, in compliance with applicable procedures. It is imperative that those with access to confidential, proprietary, or private information not make unauthorized disclosures or use of this information.
Reporting	All executive officers, faculty, principal investigators, staff, student employees, and others acting on behalf of the university are expected to report violations of these or other applicable standards to appropriate university offices, e.g., the employee's supervisor, senior unit officer, University Audit, or University Counsel. Confidentiality of individuals reporting violations of these standards will be maintained whenever possible.

Listed above are some of the most prevalent areas of concern. This list is not intended to be comprehensive. See University Policy 4.6 (Standards of Ethical Conduct) for guidance on specific issues.

For a printable version of this statement [click here](#)



Bottom of Form

Google Code of Conduct

Preface

"Don't be evil." Googlers generally apply those words to how we serve our users. But "Don't be evil" is much more than that. Yes, it's about providing our users unbiased access to information, focusing on their needs and giving them the best products and services that we can. But it's also about doing the right thing more generally -- following the law, acting honorably and treating each other with respect.

The Google Code of Conduct is one of the ways we put "Don't be evil" into practice. It's built around the recognition that everything we do in connection with our work at Google will be, and should be, measured against the highest possible standards of ethical business conduct. We set the bar that high for practical as well as aspirational reasons: Our commitment to the highest standards helps us hire great people, who then build great products, which in turn attract loyal users. Trust and mutual respect among employees and users are the foundation of our success, and they are something we need to earn every day.

So please do read the Code, and follow it, always bearing in mind that each of us has a personal responsibility to incorporate, and to encourage other Googlers to incorporate, the principles of the Code into our work. And if you have a question or ever think that one of your fellow Googlers or the company as a whole may be falling short of our commitment, don't be silent. We want -- and need -- to hear from you.

Who Must Follow Our Code?

We expect all of our employees and Board members to know and follow the Code. Failure to do so can result in disciplinary action, including termination of employment. Moreover, while the Code is specifically written for Google employees and Board members, we expect Google contractors, consultants and others who may be temporarily assigned to perform work or services for Google to follow the Code in connection with their work for us. Failure of a Google contractor or consultant or other covered service provider to follow the Code can result in termination of their relationship with Google.

What If I Have a Code-Related Question or Concern?

If you have a question or concern, don't just sit there. You can contact your manager, your Human Resources representative or Ethics & Compliance. If you want to remain anonymous, you can make a report of a suspected violation or concern through the Ethics & Compliance Helpline.

No Retaliation

Google prohibits retaliation against any worker here at Google who reports or participates in an investigation of a possible violation of our Code. If you believe you are being retaliated against, please contact Ethics & Compliance.

Who Else is Revising Their Codes?

U.S. Court System

- *In voting to adopt the revised Code of Conduct, the Conference condensed what had been seven rules, or canons, to five, and **reworded the language** accompanying each canon **into plainer, clearer English.***

U.S. Court System

Canon 2 states judges should *“avoid impropriety and the appearance of impropriety in all activities,”* the revised Code for the first time offers a definition of the *“appearance of impropriety.”*

- It states: *“An appearance of impropriety occurs when reasonable minds, with knowledge of all the relevant circumstances disclosed by a reasonable inquiry, would conclude that the judge’s honesty, integrity, impartiality, temperament, or fitness to serve as a judge is impaired.”*

Medical Technology Industry

In 2008, the Advanced Medical Technology Association released a revised "Code on Ethics on Interactions with Health Care Professionals," **which is a voluntary code focusing on the industry's interactions with health care professionals** as they related to the marketing of products.

- ✓ The revised code is more restrictive than the 2005 Code.
- ✓ Prohibits on the distribution of promotional non-educational items (i.e., pens with a company or product logo) and a complete prohibition on entertainment and recreational activities.

Fannie Mae and Freddie Mac

- Fannie Mae and Freddie Mac will implement a **revised Home Valuation Code of Conduct (Code)** effective May 1, 2009. The Code is based on an **agreement between the Enterprises, the New York State Attorney General Andrew Cuomo and Federal Housing Finance Agency** to improve the reliability of home appraisals.
- ✓ New Code *“enhances protections for appraisers while maintaining lender ability to address unprofessional appraisal practices and to perform quality controls on appraisals received.”*

Why Consider Revising Your Code? *Continued...*

- ❑ Be Honest- Is Anyone Actually Reading It?
 - ❑ Does it serve any purpose?
 - ❑ Is it used as a resource?
 - ❑ Do employees even know where to find it?

- ❑ Are Your Policies as Old as Your Institution?
 - ❑ Maybe its time to update your “Legacy Policies”

- ❑ You May Want to Before You’re Forced To
 - ❑ Conflicts of Interest
 - ❑ Audits, Lawsuits and other Pesky Matters

Why Consider Revising Your Code?

- ❑ You're Ready to Tackle Technology
 - ❑ Your PDF version of the Code is going online!

- ❑ New and Hot Topics
 - ❑ Global Issues
 - ❑ Employment Law and Discrimination
 - ❑ Data Privacy

- ❑ Whistleblower Policies
 - ❑ Reporting Hotline
 - ✓ Deficit Reduction Act
 - ✓ FAR Gov Guidelines

Ethics Vs. Compliance- A Code's "Dual" Role

Most Codes attempt to :

- ❑ Regulate behavior
 - ❑ Implement rules and policies, which members of the organization will be expected to adhere to.

- ❑ Inspire
 - ❑ Promoting ethical behavior based on values and principals.
 - ❑ Emphasize commitment and values.

What makes a Code Good?

- Tone at the top
 - And the middle!
- Guiding principles 'versus' rules and regulations
- Meaningful substance and content
 - Real help on applying principles to real situations
- Accessible and inviting style and form
 - Question and Answer Sidebars, links to policies

Time to Revamp Your Code?

(Cont'd)

- Title Page
 - Capture the theme throughout the document

- Introductory Material
 - Letter from the President
 - Mission Statement
 - Guiding Principles

- Overview of the Code
 - Address the ethical and institutional values of your University
 - Emphasize the Code as a useful resource for employees

Time to Revamp Your Code?

- Code Topics and Risk Areas
 - Emphasize Compliance and Ethics throughout the content
 - Supporting Policies and Procedures

- Where to Go for Assistance
 - Whistleblower / No Retaliation Policy
 - Compliance Hotline

- Supporting Resources
 - Contact Information
 - Ethics Scenarios
 - Reference Guides

Five Themes to Improve Your Code

1. **Easy-reading text and design**- Greater comprehension and retention through.
2. Centralized **user-friendly electronic format**- Enhanced management and user-friendly access.
3. Strengthened **linkage between the Code and policies** through embedded navigation links.
4. Increased focus on **current legal and regulatory requirements**.
5. A Code of “**action**” not “**reaction**,” encouraging reporting and providing for meaningful resolution.

“The Big Five” #1

1. Easy-reading text and design

- Simple plain text
- Less is more
- Real-Life examples

“The Big Five” #2

2. Centralized **user-friendly electronic format**- Enhanced management and user-friendly access provide for:

- ▣ One **area/point of administration** of the code and supporting policies;
- ▣ On-line linkage between **Code and policies**;
- ▣ On-line **access via University website**
- ▣ Real time ability to **update and amend**.

“The Big Five” #3

3. Strengthened linkage between the Code and policies through embedded navigation links.

- Easy access and navigation between Policies & Procedures website and Code website.
- Select links in electronic Code format to supporting University policies.
- Real time ability to update Code to reflect and connect to new/revised policies.

“The Big Five” #4

4. Increased focus on **current legal and regulatory requirements.**

- ❑ Conflicts on Interest
- ❑ Gifts and Entertainment
- ❑ Internet and Email Usage
- ❑ Accuracy of Records

“The Big Five” #5

5. A Code of “**action**” not “**reaction**,” encouraging reporting and providing for meaningful resolution.

- Open **internal communications** about processes and procedures
- A **safe mechanism to report potential wrongdoing** (hotlines, confidentiality).
- Compliance **monitoring and corrective action**.

Creating A State of the Art Code

- Visual Design
 - Graphics and Pictures
 - Font Size
 - Taxonomy
 - Structure
- Readability
 - Is the Code easy to read?
 - Style and Tone?
- Print ready files for electronic or paper publishing

Accessibility and Availability

- Is your Code **widely published and accessible** to its intended audience?
- Are you informing current and new employees of updated Code and new access points and formats?
- Does your Code **easily link to relevant and supporting policies** and procedures?
- Electronic Format versus Paper Format – or both?

A Few A+ Codes of Conduct

Nice Layout

CONFIDENTIALITY

Northwestern employees are entrusted with both University and personal information of a confidential nature. Care and judgment, based on a respect for individual privacy and concern for the

Care and judgment, based on a respect for individual privacy and concern for the University's interests, must be exercised to ensure confidentiality.

University's interests, must be exercised to ensure confidentiality. University policy does allow for the release or exchange of individual or University information in accordance with guidelines outlined in this section.

Northwestern employees must not divulge any information regarding the University to an outside party except for a legitimate business, research, or academic purpose. Information should be released only with the expressed understanding that it is confidential and is to be used solely for the limited business, research, or academic purpose for which it was given and received. Additionally, certain information concerning the University, such as budget and other financial information, is confidential and should only be disseminated within the University and then only to authorized personnel on a need-to-know basis.

University information that includes tuition, financial aid, or salary plans that have not been approved may not be directly exchanged with another institution. Sharing prospective information directly with competitors, particularly on matters of price, may violate antitrust laws, putting the University and individual employees at risk. However, reporting prospective information in surveys administered by independent third parties may relieve liability associated with the exchange of this information.

More detailed information on this subject is provided in the University policy entitled *Guidelines on Exchanges of Information*, available from the Office of General Counsel. Questions regarding the appropriateness of requests for information from internal or external parties should be directed to a supervisor, chair, dean, the Department of Human Resources, the Controller's Office, or the Office of General Counsel.

How do I respond to an employment verification request for an employee in my department from an outside organization, such as a credit agency?

Refer all employment verification requests to the Department of Human Resources Records Office.

How do I respond to a subpoena for records, wage garnishment, or other legal document?

Any legal summons, subpoena, or court order should be forwarded immediately to the Office of General Counsel, which will respond.

Release of Information

This individual information may be disclosed without the affected student's or employee's consent:

Students As provided in the Family Educational Rights and Privacy Act, the following may be disclosed, unless the student has indicated otherwise: name, date and place of birth, local and home addresses, telephone numbers, school or college, class, participation in officially recognized activities and sports, dates of attendance, degrees and awards received, most recent educational institution or agency attended, and for members of varsity athletic teams weight and height.

Faculty Title or rank, department, campus address and telephone number, highest degree earned, and institution granting that degree.

Staff Title or position, department, campus address, and work telephone number.

Top Ten- Rated Code of Conduct



Our Code at a Glance

Living the Code of Business Ethics: Our core values in action



Stewardship in action

- We respect and support our communities and the environment, and we encourage active involvement in charitable activities (7)
- We act like owners of the company and make decisions within our authority (7)
- We share our deep experience to maximize its value (8)
- We protect and invest in Accenture's assets and safeguard Accenture's proprietary and confidential information (8)
- We use electronic communications technology responsibly and professionally (9)
- We encourage appropriate participation in political activities (9)



Best People in action

- We foster a fair and positive environment in which people can grow and succeed (11)
- We seek to engage our people and understand different points of view (11)
- Our personal relationships and activities do not compromise Accenture's objectivity or reputation (11)
- We respect prior employment obligations (12)



Client Value Creation in action

- We seek to build long-term relationships with our clients based on delivering value (15)
- We commit to what we can deliver and deliver on what we commit (15)
- We seek to understand and follow our clients' codes of conduct (15)
- We comply with government contracting and procurement laws (17)
- We purchase goods and services on their merits (17)



One Global Network in action

- We are a good corporate citizen and follow consistent global standards (19)
- We are fierce but fair competitors (19)
- We understand and comply with laws that affect the cross-border movement of people and goods (21)
- We protect the privacy of personal information and comply with data privacy laws (22)
- We engage with governments in each country in which we operate as a local company yet we speak with a consistent global voice (23)
- We live our global brand (23)



Respect for the Individual in action

- We foster an inclusive environment that values individual uniqueness (25)
- We treat each other with respect and do not tolerate harassment or intimidation (25)
- We maintain a safe and nonthreatening workplace (27)



Integrity in action

- We refuse to offer bribes or make questionable payments (29)
- We do not give or receive inappropriate gifts or hospitality (29)
- We communicate accurate, timely and relevant information to our stakeholders (31)
- We prepare and provide complete and accurate financial and other reports and records (31)
- We protect the proprietary information and licenses of our clients and others (33)
- We avoid conflicts of interest (33)
- We handle "inside information" appropriately and lawfully (34)



Describes Resolving Dilemmas by following “3 Resolution Principles”

Applying the Ethical Fitness® Decision-making Model from the Institute for Global Ethics

You are the lead on a project where the client suddenly has accelerated the deadline due to a regulatory requirement. To meet this deadline and earn a bonus payment for Accenture, a key team member, Joanne, will have to miss core skills training that is part of her long-term training curriculum and necessary for her to be eligible for a promotion.

What do you do?

Apply the model:

First, is this a legal question? No—deciding whether someone should take their core training or serve the client is not a question of law. Next, ask the “Right vs. Wrong” questions: Does this situation present a conflict with our ethical values? Not really—there is nothing wrong in working hard to meet a deadline and earn a bonus for Accenture. Next, does this situation make you feel uncomfortable? No, just stressed! You must balance competing legitimate interests: the client’s and your direct report’s. Next, would this situation be embarrassing if made public? No—asking someone to forgo training to meet an accelerated client deadline is merely a tough managerial choice. Finally, is asking someone to forgo training something an Accenture role model would do? Maybe—it depends on the circumstances.

Because this situation passed all the “Right vs. Wrong” tests—that is, you didn’t answer yes to any of the questions—how do you analyze the dilemma? It seems that two paradigms fit: short-term vs. long-term interests, and an individual vs. the community. Which core values apply? What other values may be relevant? Helping the client meet a regulatory deadline creates value for our client. Helping Accenture to earn a bonus payment demonstrates stewardship. Training helps our people remain the best people. Recognizing an employee’s

training needs and preparing them for promotion demonstrates respect for the individual. How do we make a good decision, when there is a conflict between two right choices? This is an example of a “Right vs. Right” dilemma. The challenge is how to resolve the dilemma by applying the three Resolution Principles, and choose what you believe is “the Higher Right.”

- **Ends-based** (“Greatest good for the greatest number”) This principle suggests you tell Joanne to miss the training because it is good for the client and your team that she completes this immediate project, especially if finding a replacement for her at short notice is too difficult.
- **Rule-based** (“Follow the rule you would like everyone else to obey”) If the rule is “Accenture has the best trained and skilled professionals,” this principle suggests you allow Joanne to take the training and find another resource to help the team meet the deadline. However, if the rule is “the client always comes first,” this principle suggests postponing Joanne’s training.
- **Care-based** (“Treat others as you would like to be treated”) This principle forces you to define “others.” If “others” are the client, you tell Joanne to miss the training and stay; if “others” are other team members, you tell Joanne to miss the training so that the team stays intact and can finish the project. However, if “others” are other Accenture

professionals in Joanne’s situation, you allow her to take the training to show that Accenture takes core skills training seriously.

Resolve one way:

You allow Joanne to take the training and your team risks missing the deadline.

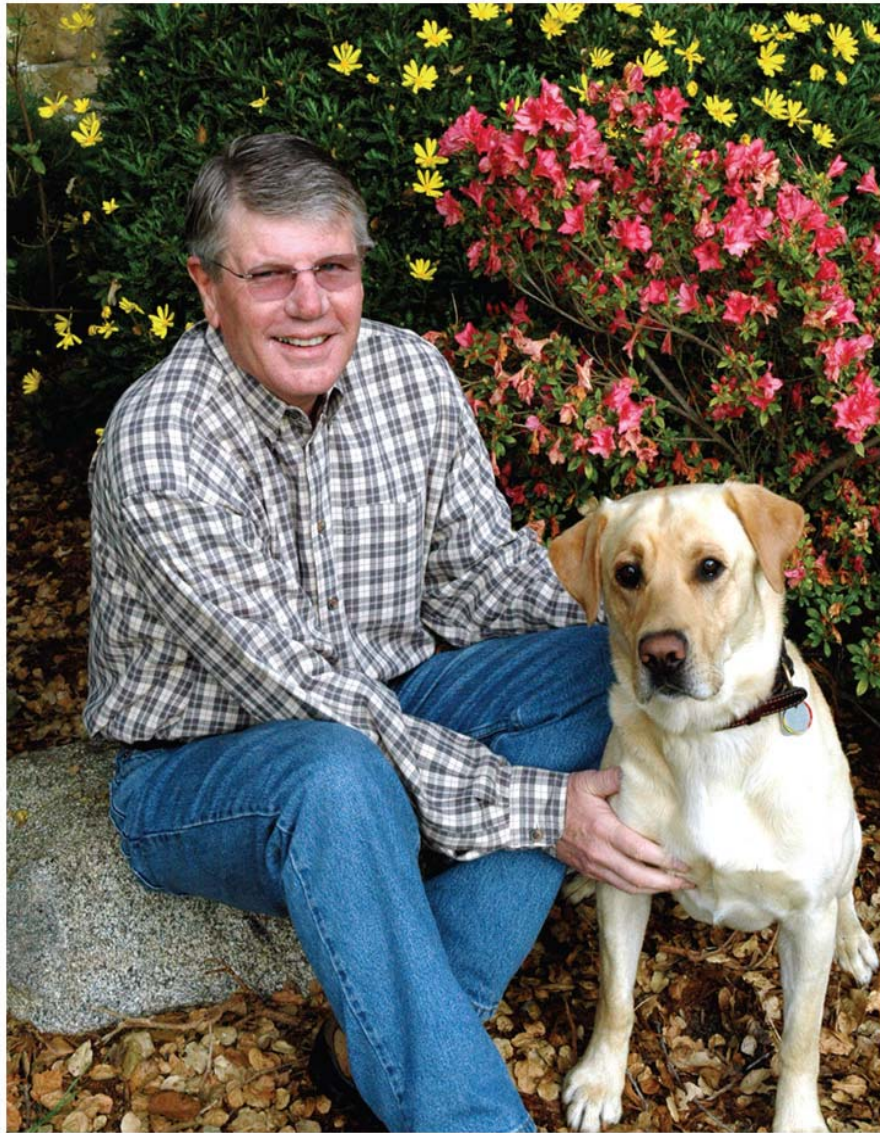
Resolve other way:

You tell Joanne that sometimes we have to make difficult decisions to best serve our clients and she must forgo the training to help your team and meet client needs.

A third way:

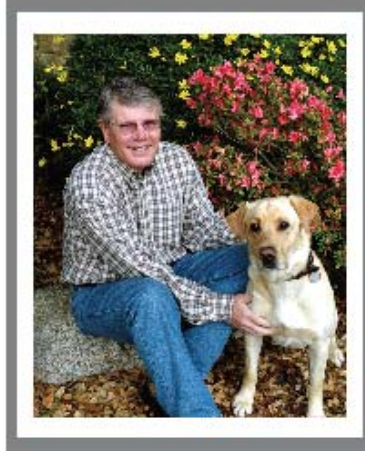
You ask Joanne to miss the training to meet the deadline, but obtain a waiver to miss the required training and find an external program that meets her training requirements. Another solution may be for your client team lead to replace Joanne with another perhaps more expensive resource, perhaps from another supplier. While Accenture would not maintain the target client margins, you maximize our ability to meet the deadline and allow an employee to take important training and prepare for a desired promotion.

Because this is a “Right vs. Right” dilemma, there is no single “right” answer. However, the model ensures you have thought it through thoroughly and made a decision you are comfortable with and can explain to others.



Great Picture, Excellent Letter

Message from the President & CEO



Consistently acting with integrity builds credibility and has earned Granite a highly respected reputation. Integrity and credibility are immeasurable corporate assets which when lost are almost impossible to regain. Our predecessors recognized this and were committed to making Granite the most respected and honored company in our industry for our employees, customers, shareholders and communities. We have come a long way and have built a national reputation, not only as an exceptional place to work, but also as a company that can be trusted to do the right thing. At each level of operations, we have accomplished this together by conducting our business honestly and ethically.

Our Code of Conduct, while rich with tradition, is regularly reviewed by a team of Granite employees to ensure that it continues to address current challenges and issues. As in the past, our eight ethical Core Values are found to be timeless, appropriate to any situation. Changes in legislation make periodic revisions necessary for the compliance section of the Code. These modifications, along with some strengthening of our Core Values language has brought our Code up to date, and it should be read and acknowledged by every Granite employee.

I believe that our commitment to our Core Values has been the foundation for our success spanning over eight decades, and I believe it is vital to our future success as well.

While this Code of Conduct does not address every issue you will encounter, it reviews the basic principles, company policies and some of the laws that govern our business. We are expected to use good judgment and consult with management or to the Code if we are uncertain of the correct action to take. Under no circumstances should any Granite employee commit an unethical or illegal act under the pretense of being in the Company's best interests.

As a condition of your employment, please read, understand and then sign the *Certification* found at the back of this document and submit it with your I9, W4 and any other required documents on your first day of employment. As you aspire to live the values and policies expressed in this document, you may discuss any questions you have with your supervisor or manager.

I am fully committed to working with you to create this legacy for future generations.

Sincerely,

Bill Dorey, President & Chief Executive Officer

Useful Resources

Ethisphere Magazine

<http://ethisphere.com/>

Corporate Compliance Insights

<http://www.corporatecomplianceinsights.com>

Creating a Code of Ethics

<http://www.ethicsweb.ca/codes/>

Questions or Comments?

Thank You!

Contact Info: diane.delaney@nyu.edu