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Corporate Ethics and Compliance Function Charter

1. Purpose

The Ethics and Compliance Function (the “Function”) is established to ensure that [Company Name] maintains the highest standards of integrity, ethics, and legal compliance in all of its operations. This function supports the company’s commitment to fostering a corporate culture that promotes transparency, accountability, and ethical behavior while adhering to applicable laws, regulations, and industry standards.

2. Mission

The mission of the Ethics and Compliance Function is to:

- Promote ethical behavior across the organization.
- Ensure compliance with all applicable legal, regulatory, and internal policies.
- Identify, assess, and mitigate legal and compliance risks.
- Provide guidance to employees, management, and the Board on matters of ethics and compliance.
- Foster a culture where employees feel empowered to speak up without fear of retaliation.

3. Scope

The Ethics and Compliance Function applies to all employees, officers, and directors of [Company Name], including all subsidiaries, affiliates, and third-party business partners operating on behalf of the company.

4. Structure and Governance

4.1. Ethics and Compliance Officer (ECO)

The Ethics and Compliance Officer is responsible for leading the Function. The ECO reports to the Chief Executive Officer (CEO) and has a direct line of reporting to the compliance committee of the Board of Directors.

4.2. Independence

The Function shall operate independently from other departments to ensure objectivity and impartiality. The ECO has authority to escalate any compliance matters directly to the CEO or the Board, as necessary.

4.3. Budget and Resources

The Function will be provided with the necessary resources, including financial, personnel, and technological support, to fulfill its mandate effectively.

5. Responsibilities

5.1. Policy Development and Implementation

- Develop, implement, and maintain the company's Code of Conduct, as well as other ethics and compliance-related policies.
- Ensure that all policies are aligned with applicable laws and regulations.

5.2. Training and Education

- Design and deliver ethics and compliance training programs for all employees, officers, and directors.
- Ensure that training is ongoing and includes relevant updates on legal and regulatory changes.

5.3. Risk Assessment and Monitoring

- Conduct regular risk assessments to identify and address compliance risks.
- Implement monitoring programs to ensure adherence to ethics and compliance policies.

5.4. Reporting and Investigations

- Establish mechanisms for employees and third parties to report concerns (e.g., hotlines, anonymous reporting).
- Investigate all reported allegations of unethical behavior or legal non-compliance promptly and impartially.
- Report significant compliance matters to senior management and the Board.

5.5. Auditing and Continuous Improvement

- Periodically audit the company's ethics and compliance programs to ensure effectiveness.
- Review and improve the Function's practices based on audit findings and evolving industry best practices.

5.6. Internal and External Communication

- Serve as the primary point of contact for ethics and compliance matters.
- Provide regular updates to the CEO, compliance committee, and Board of Directors on the status of the ethics and compliance program.
- Coordinate with external legal, regulatory, and other relevant bodies as necessary.

6. Reporting and Accountability

The ECO shall provide regular reports to the CEO and the Compliance Committee of the Board of Directors on:

- Compliance risks identified and addressed.
- Results of investigations into alleged misconduct.
- Progress on ethics and compliance initiatives, including training programs.
- Any changes in applicable laws or regulations that may affect the company's compliance obligations.

7. Review of the Charter

This Charter shall be reviewed annually by the ECO and the compliance committee to ensure its continued relevance and alignment with the company's objectives and regulatory requirements. Any amendments to this Charter must be approved by the Board of Directors.

Approval

This Charter is approved by the Board of Directors of [Company Name] on [Date].