

## CEP Magazine – January 2018 Code of Ethics' introductory letter: Importance and key components

---

By Eridona Brahaj, MSc, LL.M, CESCO<sup>®</sup>, IFCA and José Adroher Pastor, CESCO<sup>®</sup>, IFCA

Eridona Brahaj ([ebrahaj@broseta.com](mailto:ebrahaj@broseta.com)) is Governance, Risk and Compliance Consultant at BROSETA COMPLIANCE in Madrid, Spain.

José Adroher Pastor ([jadroher@broseta.com](mailto:jadroher@broseta.com)) is Governance, Risk and Compliance Manager at BROSETA COMPLIANCE in Madrid, Spain.

In the light of ethics and compliance, the Code of Ethics (also referred to as Code of Ethics in Business or Code of Conduct) is considered a core document for an organization. Any other policy or proceeding of inferior level should respect principles and guidelines set forth in the Code of Ethics. This article focuses on one of the components of the Code of Ethics that is not always given the importance it deserves: the CEO's introductory letter.

Using an introductory letter or forward, the CEO addresses the overall objectives, principles, and commitments associated with what senior management considers successful business ethics, helping employees and stakeholders see how the organization sets the tone at the top and defines the importance of ethics and compliance.

Recently, and especially in the civil law corporate culture, the introductory letter or forward message of the CEO in the Code of Ethics is considered a must for many reasons, such as to show the reasons that led to its approval and to detail its purpose and principles.

### **Objectives**

Other objectives of including an introductory letter in the Code of Ethics are outlined below.

### **Set an example**

Show that the Code of Ethics is also binding for the senior management. In the context of compliance, the tone at the top sets an organization's guiding values and ethical climate by developing a sense of shared values—which is the basis of long-term strategies—and strong commitment. For these reasons, it should be expressly stated that senior management is committed to the obligations laid down in the Code and they will be the first ones to comply with them.

### **Leadership**

The tone from the top is very important in developing and maintaining ethics in an organization. It is started by transforming words into actions and successfully transmitting them to the employees. On the other hand, establishing and transmitting the right tone is essential to fortifying the organization's reputation and telling employees what counts, what's rewarded, and what's punished.

### **Facilitate understanding**

---

In addition to the above objectives, which are considered key concepts for compliance issues, the introductory letter. Makes the Code of Ethics easier to read and understand. By introducing the content of the Code of Ethics from the very beginning, the organization facilitates its understanding to the employees and stakeholders.

## **Overview**

Provides a brief overview of the Code of Ethics' main components (commitment, enforcement, etc.). The introductory letter is supposed to be brief enough to be read easily and long enough to explain principles, commitments, and other important components of the Code.

A good introductory letter should provide some basic information about the organization and its values, mission, and vision; the content of the Code of Ethics (e.g., principles, objectives, and obligatory nature); and issue a call to all employees and stakeholders to comply with it, as explained above.

This document is only available to members. Please [log in](#) or [become a member](#).

[Become a Member Login](#)