



Australian Government

Office of the AUASB

Code of Conduct

November 2014

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1. Foreword from the Chairman

This document outlines the Office of the AUASB's Code of Conduct and applies to all staff, AUASB members, AUASB Audit Committee members, contractors, and persons working in an honorary capacity within the Office of the AUASB. These people are referred to as 'Officials' for the purpose of this document.

The institutional arrangements for auditing and assurance standard setting are found in *the Australian Securities and Investment Act 2001*. They include the Financial Reporting Council (FRC) with oversight responsibility for the Australian Auditing and Assurance Standards Board (Office of the AUASB). The Office of the AUASB deals with standard setting in the private and public sectors and has its own Officials.

The working environment of the Office of the AUASB requires the consideration and adherence to a Code of Conduct that provides a guidance framework for all Officials in their daily decision making process.

The aim of this Code of Conduct is to:

- document the standard code of conduct expected of Officials;
- provide guidance and assistance in the prevention of discrimination and harassment of Officials and informing Officials of the consequences of breaches of the Code of Conduct; and
- provide a resources list to assist Officials to gain further information or more detailed guidance.

The Code of Conduct is a required document under the *ASIC Act*.



Merran Kelsall
AUASB Chairman
26 November 2014

2. Introduction

Employment at the Office of the AUASB carries with it an obligation to the public interest. It requires standards of professional behaviour from Officials that promote and maintain public confidence and trust in the work of the Office of the AUASB. Officials must at all times act to the highest standards of ethical and professional behaviour. The Office of the AUASB's standing and its reputation in the international community of standard setters depend on its ability to meet these standards of conduct.

This document provides an ethical framework for the decisions, actions and conduct of all Officials. While it is recognised that no single set of rules can answer all ethical questions, the principles and expectations covering appropriate conduct in a variety of contexts is outlined, along with the minimum standard of behaviour expected of the Office of the AUASB.

Persons contracted by, or seconded to, the Office of the AUASB will also be required to comply with the Code throughout the period of their contract or secondment.

Officials should be aware that breaches of this Code may result in disciplinary action being taken in accordance with the Office of the AUASB's disciplinary procedures.

Most Officials are also members of professional bodies and these memberships may carry certain responsibilities, including compliance with other Codes of Conduct or similar requirements. This Code does not inhibit or negate in any way the responsibilities which individual Officials may have in adhering to the standards or other requirements of professional bodies or associations of which they are members.

In accordance with the *ASIC Act*, Officials may also be employed under the *Public Service Act 1999*, but this generally will not be the case. Those Officials employed under the *Public Service Act 1999* must also familiarise themselves with the [APS Values and Code of Conduct](#)

3. Standards of Conduct

Officials need to abide by the following standards when doing their work:

- responsibility to the Office of the AUASB and the Australian Government
- respect for people
- integrity and diligence
- economy and efficiency
- conflict of interests

Responsibility to the Office of the AUASB and Government

Officials are to implement the policies and decisions of the Office of the AUASB and the Government in an impartial manner. In particular, Officials must comply with any relevant legislative and administrative requirements.

Respect for people

Officials are to treat their colleagues, interested parties and members of the public fairly and consistently, in a non-discriminatory manner with proper regard for their rights and obligations. In this regard, Officials should perform their duties in a professional and responsible manner.

Officials should also ensure that their decisions and actions are reasonable, fair and appropriate to the circumstances, based on a consideration of all the relevant facts, and supported by adequate documentation and in accordance with the Office of the AUASB policies.

Integrity and Diligence

Officials shall exemplify personal drive, integrity and professionalism.

Officials should exercise proper diligence, care and attention. All decisions need to be, and be seen to be, fair and transparent. This can be achieved in a number of ways, including clear record keeping and showing how decisions were made.

Officials shall not release confidential or non-public Office of the AUASB information or contribute to public comment on the Office of the AUASB policy or administration unless providing the information has been authorised by the Chairman or Officials are otherwise required to do so by law.

If Officials are asked to comment on any Office of the AUASB matter by the media or public relations firms, the matter should be referred to the Chairman or the Executive Director or relevant delegates.

Sometimes, it might be appropriate to share information based on personal and professional experience (e.g. in seminars or training programs). Officials should make sure that shared information does not breach the confidentiality of the Office of the AUASB information.

Economy and Efficiency

Officials are required to look for ways to improve performance and to ensure efficient decision making to achieve the best possible outcomes for the Office of the AUASB. Officials should use their authority, available resources and information only for the work-related purpose intended.

Officials have a responsibility to not waste, abuse, improperly or extravagantly misuse Office of the AUASB resources.

Conflict of Interest

Officials must ensure that there is no actual or perceived conflict between their personal interests and their Office of the AUASB duties and responsibilities. Conflicts of interest are assessed in terms of the likelihood that officials possessing a particular interest could be improperly influenced, or might appear to be improperly influenced, in the performance of their duties. Office of the AUASB executives, AUASB members and AUASB Audit Committee members will be required to complete an annual Declaration of Interests form that requires declarations of private interests that could involve a real or apparent conflict of interest. Furthermore, all Office of the AUASB staff are bound by provisions in their employment agreements to not be directly or indirectly engaged, or have an interest in any business or activity, in a manner that is prejudicial to the interests of the AUASB or that conflicts with the business of the AUASB, or that is undertaken during AUASB business hours.

No gift should be accepted that could, in any way, be seen, or perceived to be seen, as an attempt to influence Officials in the discharge of their duties.

If a gift in excess of \$100 is provided to Officials as a sign of appreciation for particular efforts and its non-acceptance may offend or damage relationships, it may be accepted, but, it should be reported to the Director – Finance & Administration. Officials should exercise discretion when it comes to accepting any gift. Officials must not accept a gift of money or a gift card of any value.

4. Discrimination and Harassment

Workplace harassment and bullying is not tolerated in the Office of the AUASB. Such behaviour is not only unacceptable but is a breach of discrimination and equal opportunity legislation. Every Official has the right to a workplace free of harassment and all persons have a role to play in creating an environment where all Officials treat each other with respect and courtesy. The Office of the AUASB will treat seriously any reports of workplace harassment or bullying and will investigate complaints promptly, fairly and impartially.

What is workplace bullying?

Workplace bullying is repeated and unreasonable behaviour directed toward an employee or group of employees that creates a risk to health and safety. Examples of behaviour that could be bullying include:

- verbal abuse;
- excluding or isolating employees;
- psychological harassment;
- intimidation;

- assigning meaningless tasks unrelated to the employee's job;
- giving employees impossible assignments;
- deliberately changing work rosters to inconvenience particular employees; and
- deliberately withholding information that is vital for effective work performance.

The list is not exhaustive. Other types of behaviour may also constitute bullying.

Officials' obligations

The Office of the AUASB expects Officials to behave in a professional manner and to treat all persons at the workplace with dignity and respect. Bullying is strictly prohibited.

The Office of the AUASB is committed to providing a workplace that is free from discrimination and harassment, including bullying. All Officials should have regard for the sensitivities of others and treat each other with respect and courtesy.

All Officials are responsible for managing harassment in the workplace by acting to stop harassment or bullying immediately as they become aware of it. An assertive and prompt response to harassment or bullying by witnesses ensures that the recipients are not isolated and the harassers are not left with the impression that others approve of or condone their behaviour.

Complaints

If Officials consider they are being subjected to bullying they should take action immediately. Officials should choose the course of action with which they feel most comfortable.

If Officials are comfortable enough to do so, they should approach the person who has allegedly engaged in bullying behaviour and tell them in a direct and firm manner that they object to their behaviour or their conduct is unacceptable. If Officials are uncomfortable making a direct complaint to this person or the conduct or behaviour does not stop following a direct complaint, the Office of the AUASB requests Officials to pursue their complaint through its Complaint Procedure policy. This involves making a formal complaint in writing to the Executive Director or to the Chairman.

The Office of the AUASB takes very seriously any effort at retribution or victimisation of a person who has made a complaint. Such conduct is contrary to this policy and any person who is found to have engaged in such conduct will face disciplinary action. Any retribution or victimisation should also be reported to the Director of Finance & Administration or to the Chairman.

Some types of bullying are offences under criminal law and the Office of the AUASB may be required to report such matters to the police.

5. Behaviour at Office of the AUASB Social Functions

Social Functions

Office of the AUASB social functions are organised for Officials to enjoy the event and the company of colleagues in a relaxed and fun environment.

The purpose of this policy is to explain the Office of the AUASB's expectations as to the conduct expected of Officials attending social functions.

Social functions include the Office of the AUASB's Christmas function, informal after work functions and conferences, or any other function sponsored by the Office of the AUASB in which the invitation is as a representative of the Office of the AUASB. Even though the function may be held away from the usual workplace, it nevertheless remains a work function and Officials' obligations and responsibilities as an employee of the Office of the AUASB remain.

Conduct of Officials

The Office of the AUASB expects Officials to behave in a mature and appropriate manner. Officials should remember that at all times they are representing the Office of the AUASB and any behaviour that could potentially bring the Office of the AUASB into disrepute will not be tolerated.

Alcohol and Drugs

If Officials drink alcohol, they are encouraged to practise responsible consumption of alcohol so that they may enjoy the function, but without becoming inebriated. If Officials intend driving home, they are responsible for ensuring that they do not exceed the legal alcohol limit and that it is safe for them to drive. If Officials are in any doubt as to their capacity to drive, the individual should arrange alternative safe transport. The Chairman and Executive Director are responsible for the well-being of Officials at AUASB social functions.

If Officials do drink in excess, the Office of the AUASB reserves the right to exclude them from the function and to ban them from further functions in the future. Officials have a duty of care to themselves and other Officials. Excessive drinking and intoxication may lead to Officials injuring themselves and others around them.

Illicit recreational drugs are strictly prohibited at any social function. Officials must not possess, use, or distribute any illicit recreational drugs. Officials should not misuse legally prescribed or non-prescribed ("over-the-counter") pharmaceutical medication while attending a social function.

6. Smoking, Alcohol and Drugs

No Smoking

The Office of the AUASB workplace is a smoke-free workplace and smoking is prohibited on our premises at all times.

Alcohol

Officials must not consume alcohol in the workplace. Also, Officials must not be present at work whilst under the influence of alcohol. Alcohol may be consumed during social functions authorised by the Office of the AUASB and when entertaining third parties on behalf of the Office of the AUASB. On these occasions, Officials must comply with the Behaviour at Social Functions policy.

Drugs and Medication

Officials must not possess, use or distribute illicit recreational drugs in the workplace or in the course of employment. Also, Officials must not be present at work whilst under the influence of any such drug.

Officials should not misuse prescribed pharmaceutical medication or over-the-counter pharmaceutical medication in the workplace or in the course of employment. If Officials are taking medication which may impact on their ability to safely perform their duties, they should immediately advise the Executive Director and if necessary, provide a medical certificate certifying that they are fit to undertake duties.

7. Personal Appearance

Professional Attire

The Office of the AUASB is a professional organisation and accordingly, Officials are required to dress in a professional and business-like manner. Casual attire on Fridays is permitted, however some clothing items may not be appropriate for a corporate office environment.

Examples of items that are not appropriate include:

- thongs or sports sandals;
- sportswear or beachwear; and
- clothing containing or portraying offensive material or slogans.

Grooming

Officials must be suitably groomed at all times and their appearance must be clean and neat.

8. Whistle blowing

Officials who report breaches (or alleged breaches) of the Code of Conduct are referred to as whistle-blowers. Whistle-blowers are not to be victimised or discriminated against for their actions and are protected by law. Officials should report breaches of the Code of Conduct (or alleged breaches) to the Executive Director or the Chairman.

9. Consequences of Breaches of the Code of Conduct

A breach of the Code of Conduct damages business, public and work relationships. Any act or lack of action that contravenes the Code may be a breach of the Code of Conduct. Alleged breaches will be treated individually and all relevant circumstances will be taken into account.

Alleged breaches will be treated in line with the Office of the AUASB's disciplinary policy. Depending on the severity of the breach, formal disciplinary proceedings may be taken. Officials must maintain discretion and confidentiality about reports of breaches to ensure procedural fairness, and amongst other things, that efforts to obtain the truth and the reputations of innocent parties are not jeopardised.