Code of Conduct for Directors/Board Advisory Committees

PROFESSIONAL CONDUCT
Every member on Committees of the Institute of Chartered Accountants in Australia is expected to comply with a code of conduct determined by the Board of Directors as listed below.

1.1 Code of Conduct
The Directors/Committee members are bound by a Code of Conduct (“Code”). The purpose of this Code is to ensure that:
• High standards of corporate and individual behaviour are observed by all Directors/Committee members in the context of their role as a Director/Committee member of the Institute;
• Directors/Committee members are aware of their responsibilities to the Institute.

1.2 Code of Conduct and Accompanying Guidelines
The Board has approved the following Code of Conduct:

1. A director/committee member must act honestly, in good faith and in the best interests of the Institute as a whole.
2. A director/committee member has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. A director/committee member must use the powers of office for a proper purpose, in the best interests of the Institute as a whole.
4. A director/committee member must recognise that the primary responsibility is to the Institute’s members as a whole but should, where appropriate, have regard for the interests of all stakeholders of the Institute.
5. A director/committee member must not make improper use of information acquired as a director/committee member.
6. A director/committee member must not take improper advantage of the position of director/committee member.
7. A director/committee member must properly manage any conflict with the interests of the Institute.
8. A director/committee member has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the board of directors.
9. Confidential information received by a director/committee member in the course of the exercise of directorial duties remains the property of the Institute or the person from which or whom it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Institute, or the person from whom the information is provided, or is required by Law.
10. A director/committee member should not engage in conduct likely to bring discredit upon the Institute.
11. A director/committee member has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code.
12. In general, a director should serve no more than two terms of office (such terms to be no more than three years).
13. A director/committee member must comply with the protocols to be contained in the Institute Governance Manual.
14. The following provisions are designed to avoid the possibility of any damage to the Institute's reputation as a consequence of a Director/Committee member being subject to any form of legal,
Nomination forms for election to the Board are to include a notice that, if elected, the member will be required to comply with the Board Code of Conduct, with their particular attention being drawn to this section of the Code.

Members considering standing for election who are aware of any issues that may give rise to legal, regulatory or disciplinary action or who have been subject to any such action in the past should seek confidential advice from the Chairman of the Governance Committee as to whether this has the potential to cause any damage to the Institute's reputation and, if so, whether the member should either not stand for election or make appropriate disclosure in their biographical details.

Immediate to a Director/Committee member becoming aware of any issue that may give rise to legal, regulatory or disciplinary action he/she should advise the Board.

Immediate to a Director/Committee Member becoming subject to any disciplinary, or other action (e.g. appearing before regulatory body) that may impact on the Institute's reputation, he/she should either step down until the matter has been resolved or resign from the Board. Once the matter has been resolved, it will be matter for the Board to decide whether the Director/Committee member should resume their position or resign.

A Director/Committee member standing for office must disclose to the Board if he/she is aware of any issue that may give rise to legal, regulatory or disciplinary action. If the director/committee member has been subject to any such action in the past he/she should disclose details to the Board.

**Definition:**

Associated Person in relation to a director/committee member includes any spouse (including a de facto spouse), parent, child, brother or sister of the director/committee member or any company, corporation, partnership, trust or other entity owned or controlled by the director/committee member or in which the director/committee member has a material personal interest within the meaning of the Corporations Law.

*Adapted from the AICD Code of Conduct and accompanying guidelines (2004).*