

**Q1. What does integrity mean for you?**

Integrity is a concept that combines certain values and principles such as being ethical, honest, reliable, objective, trustworthy, transparent and various other values that should characterize us as persons and especially as professionals. In general, integrity is what the public expect from us, as auditors. In a few words we could say that integrity is the proper way to behave and do things.

**Q2. Is integrity the core principle in professional behaviour? If yes, why?**

As mentioned above integrity is actually a core principle in our profession and is what all the others, investors, shareholders, bankers, regulators, expect from us.

**Q3. What are the threats to ethical behaviour?**

Threats to Ethical behaviour could be:

- Lack of proper supervision from regulatory authorities
- Weak internal controls and governance in the Audit firms and in our profession in general
- Lack of Independence (familiarity, or self-interest)
- Unfair competition in the profession
- Significant pressure from the clients
- Cultural issues

**Q4. How do these threats change as the economic climate changes?**

In our opinion, during an economy recession, the period is more susceptible in unethical behaviour. This is mainly due to the fact that the Companies tend to present their financial statements' figures more attractive and better than they really are. Furthermore, the audit firms in order to retain their current level of revenues and their position in the market, are more willing to accept work that in better economic conditions would not accept, with low fees and not enough hours spent and possibly with lack of proper resources.

Consequently the quality of the services provided in conjunction with the pressure from the clients, increase the danger for unethical behaviour. During this period, increased levels of internal controls and motivation for ethical behaviour, should be implemented.

**Q5. How is integrity instilled in your audit firm or your organisation? Does it always work? How could it be improved?**

In Greece integrity is instilled in the position through:

- Ethics and Independence rules
- Disciplinary policies
- Through special committees of The Institute of Certified Public Accountants of Greece (SOEL) which are responsible for the above
- Supervision of the Greek oversight Board (ELTE)

We can't be certain that all the above always work. There is always room for improvement and the relevant authorities and Professional Bodies in Greece are always focused in applying and supporting these ethical principles and enhance the ethical culture in the profession.

- Q6. Do readers agree that integrity is actually the core principle and should be highlighted as such, compared with the other fundamental principles referred to in paragraph 2.3? If not, why not?**

We agree.

- Q7. Do the other fundamental principles derive from integrity or are they complementary to it? Please explain your rationale?**

As described above integrity is supported by a combination of other fundamental principles. For example, an auditors' report can't be issued with integrity if independence, due care, and objectivity has not been applied by the auditor.

- Q8. From the perspective of professional ethical behaviour, does the quality of the persons' character matter if their actions are consistent with expected standards? Does this have consequences for the disciplinary process?**

In our opinion, although the actions of a person could be in accordance of the expected standards, the quality of its character matters for the perspective of the professional ethical behaviour.

More specifically, even though the professional standards of a person are the expected in the profession, his "not ethical" quality of character, may impact his reputation as professional and the profession in general.

Furthermore, in accordance with Law 3693/2008 governing the auditing profession in Greece, the practising certificate of an auditor may be revoked in case of serious doubts of integrity.

- Q9. Do readers believe that the perceived integrity of the profession as a whole impacts upon the integrity of individuals within it? Again, does this have consequences for the disciplinary process?**

Yes, we believe that the perceived integrity of the profession as a whole does impact upon the integrity of individuals within it. However, notwithstanding that general perception, whether generally good or bad, individuals must observe ethics and professional standards and if not should be disciplined.

- Q10. Would it be helpful for codes of ethics of accountancy bodies to include further discussion on integrity? If so, what are the key points that should be included?**

We believe that it would be helpful for codes of ethics of accountancy bodies to include further discussion on integrity, especially in a period of an economy recession where the environment helps the unethical behaviour as described above.

Some of the key points could be:

- High importance of integrity in building and enhancement of the professional reputation.
- Our responsibility to the shareholders and to the public in general.
- Emphasize the disciplinary actions in cases of unethical behaviour.

**Q11. Should there be greater clarity of the extent to which personal integrity would affect professional integrity, to enhance harmonisation? What sort of personal behaviour should merit professional disciplinary action?**

We believe that, as a rule, any kind of personal behaviour could impact the professional reputation and the trust of the public to our profession should trigger of professional disciplinary action. Such behaviour could be the use of inside information obtained through the audit for own profit, bribery, etc.

In such cases, we believe that disciplinary actions should be taken and publicly announced, in order to reinstate the trust of the public to our profession.

**Q12. Do you agree with the behavioural characteristics discussed in paragraph 5.2? If not, please explain what should be changed.**

We believe that all the behavioural characteristics discussed in paragraph 5.2 are valid and important. However in respect to point f "Be open-minded and open to consider new information and ideas", the term "open-minded" may be misinterpreted and give room to a more "flexible" behaviour. In this respect, we believe that it should be emphasized that an auditor should be open-minded and open to new ideas, however he should at all times respect and apply the applicable laws and regulations and not accept "creative accounting" or any deviations from laws, regulations and standards.

**Q13. Are there further behavioural characteristics that should be expected of someone behaving with integrity in a professional context, other than those listed in paragraph 5.2? If so, what?**

In general we are covered with those mentioned in par. 5.2.

**Q14. Do readers agree with the indicators discussed in 6.7? Are there others, and if so what?**

We agree.

**Q15. Do readers agree that organisations should have clear ethical values and that in all but the smallest organisations this will require the organisation to have a code of conduct? If not, please explain your rationale.**

We agree with that statement. We do believe that irrespectively of the size of an organization there must be defined ethical values that should be clearly communicated in the organization. Of course the code of conduct will differ, depending on the size of the organization in order to cover its needs and the proper channels of communications.

**Q16. Who should be responsible for ensuring that ethical behaviour is embedded in organisations?**

We believe that the ultimate responsible for ensuring ethical behaviour is the leadership of the organization which should be supported by the Human resources department. These people must clearly define and communicate their expectations and the respective policies for ethical behaviour, ethical values and the codes of conduct in the organization. Through them, an ethical culture should be developed to the various levels of professionals, in order each of them to obtain a feeling of personal responsibility for supporting these values and protecting the reputation of the organization and the profession in general.

**Q17. Is it reasonable to expect professional accountants to promote an ethics-based culture in their organisations? If so, should there be greater guidance and what are the key points that it should include?**

For sure it is reasonable to expect professional accountants to promote an ethics based culture in their organization. In this respect, greater guidance should exist especially from professional bodies and International associations, as well as within the organization.

Some key points that the guidance could include are:

- Clearly defined ethical values that should exist in an organization.
- Proper code of conduct and communication channels.
- Relevant, periodical training through e-learning or seminars
- Corporate governance and increased responsibility of the leadership of an organization in order to motivate and apply these ethical values.