



CODE OF ETHICS

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ABBREVIATION

FMC	Financial Management and Control
GAO	Governmental Audit Office of EU Funds
HM	Horizontal Matters
ISSAI	International Standards of Supreme Audit Institutions
IT	Information Technology
QM	Quality Management
SoQM	System of Quality Management

1. BACKGROUND AND PURPOSE OF GAO CODE OF ETHICS

Governmental Audit Office of EU funds (hereinafter: GAO) is held to meet high expectations and earn the trust of stakeholders (legislative and executive bodies, auditees and others). Therefore, GAO needs to act as model organisation and inspire confidence and credibility. As ethical behaviour is a key component in establishing and sustaining the needed trust and reputation, a code of ethics is a prerequisite for the functioning of GAO.

This Code of Ethics considers the relevant laws and regulations of the Republic of Serbia and the International Standards of Supreme Audit Institutions (ISSAI 130). It provides a set of values and principles on which to base behaviour and it gives additional guidance on how to embed those values in daily work and in the particular situations of GAO.

The Code of Ethics is intended for all those who work for, or on behalf of GAO. This includes the GAO's Director and Deputy Director and all individuals directly employed by or contracted to conduct certain activities or tasks on behalf of the GAO. All these individuals, hereafter referred to as staff, should adhere to the stated values in their professional activity and, as applicable, in their private life.

Ethical behaviour of staff is also influenced by the environment in which they work. Accordingly, the Code of Ethics addresses the responsibilities of GAO in promoting and safeguarding ethics and ethical values in every aspect of the organisation and its activities.

The Code of Ethics comprises an overall approach to ethical behaviour, a description of the GAO overall responsibilities and the five fundamental values that guide ethical conduct.

Descriptions of the GAO overall responsibilities and of the values include:

- a) requirements that GAO and the staff should comply with,
- b) application guidance to help GAO and their staff to meet the requirements – this includes the meaning of the requirements, underlying concepts, suggested procedures for implementing the requirements, and examples of good practices.

Note: No code can address all ethical circumstances that will arise in practice. Accordingly, the Code of Ethics is written at a principle level. GAO and the staff should apply their professional judgement to the circumstances they encounter and follow the relevant requirements set out in this Code of Ethics.

In addition, the GAO employees are obliged to comply with the Civil Servants Code of Conduct adopted by the Government of the Republic of Serbia. The Code of Conduct for civil servants regulates the rules of their ethical behaviour, as well as the manner of monitoring its application.

2. OVERALL APPROACH TO ETHICAL BEHAVIOUR

2.1. Fundamental ethical values

Ethical values are the concepts of what is important and should drive GAO and the staff decisions.

Ethical principles guide how these values should be carried out in practice and what should be appropriate behaviour. This Code of Ethics is based on five fundamental values:

- **Integrity** – to act honestly, reliably, in good faith and in the public interest,
- **Independence and objectivity** – to be free from circumstances or influences that compromise, or may be seen as compromising, professional judgement, and to act in an impartial and unbiased manner,
- **Competence** – to acquire and maintain knowledge and skills appropriate for the role, and to act in accordance with applicable standards and with due care,
- **Professional behaviour** – to comply with applicable laws, regulations and conventions, and to avoid any conduct that may discredit the GAO,
- **Confidentiality and transparency** – to appropriately protect information, balancing this with the need for transparency and accountability.

2.2. Risks and controls

Risks (“threats” or “vulnerabilities”) of non-compliance with the above values can be influenced by a number of risk factors. These include, but are not limited to:

- political influence and external pressure from auditees or other parties,
- personal interests,
- inappropriate bias from previous judgements made by the GAO or GAO staff,
- advocating the interests of auditees or other parties,
- long or close relationships.

These risks can be either real or perceived. Where risks are identified that threaten any of the five fundamental values, the significance of such threats is evaluated and appropriate controls (often also referred to as “safeguards”) need to be put in place to reduce the risk of unethical behaviour to an acceptable level. These controls can be put in place by legislation, regulation or the GAO itself.

The GAO has established a comprehensive internal framework that supports the identification, assessment, prevention, and management of risks. This framework consists of the following key strategic documents:

- **Risk Management Strategy** is an internal policy that enables the GAO to systematically identify, analyse, evaluate and manage all risks that may affect its operations, independence and integrity. The Strategy identifies “Ethics and integrity” as a specific risk area requiring focused attention. This includes adherence to the Code of Ethics, risk of fraud and misappropriation of public funds, risk of conflict of interest and other ethical concerns affecting institutional integrity. Furthermore, the GAO has declared “zero-tolerance” (lowest level of risk appetite) to ethics and integrity, with a strict focus on preventing corruption, irregularities and conflicts of interest. This zero-tolerance policy signifies that the GAO does not accept any level of exposure to this type of risk and accordingly, implements strict controls and immediate responses in case of potential violations.

- **Quality Management Manual** is an internal procedure that establishes and regulates the functioning of the System of Quality Management (hereinafter: SoQM) within the GAO. The SoQM is based on the identification and assessment of quality risks, with adherence to relevant ethical requirements (such as these ones set out in ISSAI 130) recognised as one of its key quality objectives.
- **Integrity Plan** is developed in line with the Law on Prevention of Corruption. This preventive mechanism involves a self-assessment of risks related to corruption and other irregularities, as well as the definition of specific measures aimed at eliminating or mitigating those risks. The Integrity Plan serves as a key internal policy document supporting ethical conduct and risk prevention, including the prevention and management of conflicts of interest.

Together, these three internal instruments constitute a robust and integrated framework that ensures the systematic identification, evaluation and effective mitigation of risks associated with ethics, thereby promoting accountability and integrity through clearly defined and verifiable measures.

3. OVERALL RESPONSIBILITIES OF GOVERNMENTAL AUDIT OFFICE

Overall responsibilities of GAO in respect of ethics, comprise the following:

- Adoption and implementation of a code of ethics and making it public,
- Emphasising the importance of ethics and promoting an ethical culture in the organisation,
- Leadership sets the tone at the top by its actions and example, acting consistently with the ethical values,
- Requiring all staff to always engage in conduct which is consistent with the values and principles expressed in the code of ethics and providing guidance and support to facilitate their understanding,
- Requiring that any party it contracts to carry out work on its behalf commit to the GAO ethical requirements,
- Implementing an ethics control system to identify and analyse ethical risks, to mitigate them, to support ethical behaviour, and to address any breach of ethical values, including protection of those who report suspected wrongdoing,
- Establishing procedures to address identified conflicts between its ethical requirements and the standards of professional bodies that the GAO staff may be a member of.

To promote and safeguard ethics in every aspect of the organisation and its activities, GAO implements an ethics control system that includes appropriate specific strategies, policies and procedures to guide, manage and control ethical behaviour.

This ethics control system is integrated within the GAO overall internal control system.

Note: Main components of the ethics control system are:

- Code of Ethics,
- Leadership and tone at the top,
- Ethics guidance,
- Ethics management and monitoring.

3.1. Code of Ethics

This Code of Ethics sets out ethical values and principles and the way GAO expects its staff to behave, therefore guiding individual behaviour.

All employees are required to understand and fulfil their responsibilities in relation to the legal and ethical requirements as set out in this Code of Ethics. This Code of Ethics elaborates how those responsibilities are to be applied in practice and identifies the relevant laws and regulations governing GAO's work. The Code of Ethics is based on the requirements of the ISSAI 130 standard, with which all employees should also be familiar.

This Code of Ethics, along with the policies and procedures governing its implementation, has been developed in alignment with the GAO's institutional culture, legal and social framework. It comprises the following elements:

- statements about the values that guide conduct,
- descriptions of the associated expected behaviours,
- specific examples of ethical dilemmas and sensitive situations,
- ethical conflict resolution and provisions for dealing with misconduct,
- whistle-blowing procedures.

The Code of Ethics was developed through an inclusive process, involving consultations with the Audit Authority of an EU Member State, internal discussions across all groups and a dedicated meeting with senior management for presentation and open dialogue.

Note: Staff are obliged to follow this Code of Ethics which is transparent and available to all (please see Section 5 on Publicity and availability of the Code of Ethics).

3.2. Leadership

The leadership of the GAO plays a fundamental role in embedding ethical values throughout the institution. This commitment is reflected in the following practices and initiatives:

- **Setting ethics as an explicit priority** - The management regularly communicates the importance of ethics to all staff. Through annual individual meetings, ethical values and expectations are clearly reinforced, providing a confidential space for employees to raise questions or dilemmas.
- **Reinforcing this priority by clear, consistent and regular messages** - The visibility of the Code of Ethics is ensured at the GAO's internal network. Ethical topics are regularly included in internal presentations and discussions, showing the GAO's strong focus on ethics in its daily work.
- **Implementing strategies, policies and procedures to promote ethics** - Core strategic documents of GAO – Development Strategy of the Audit Authority and Risk Management Strategy, explicitly incorporate ethical principles. In addition, internal procedures related to audit, quality management and human resources management emphasize the importance of independence, integrity and impartiality in audit work.
- **Leading by example** - The leadership of the GAO maintains the highest standards of professionalism, impartiality and accountability in their work, fostering credibility and trust within the institution.

- **Maintaining high standards of professionalism, accountability and transparency in decision-making** - The GAO has implemented a comprehensive Financial Management and Control (hereinafter: FMC) system that clearly defines managerial accountability at all levels and supports responsible, transparent and ethical decision-making.
- **Encouraging an open and mutual learning environment** - Staff are encouraged to openly raise ethical concerns and dilemmas. Different views are respected, and open dialogue is supported at all levels of the GAO. Discussions with management and Integrity Coordinator help to building mutual understanding.
- **Recognizing ethical behaviour and addressing misconduct** - Ethical behaviour is recognized by giving responsibility to staff who show integrity and professionalism. At the same time, any misconduct is handled according to relevant laws and rules.
- **Applying ethics policies and procedures consistently and fairly** - All ethics-related policies and procedures are applied uniformly to all employees, regardless of seniority or function.

3.3. Ethics Guidance

Clear communication is necessary to increase staff's awareness and understanding of the Code of Ethics.

The GAO provides ethics guidance through the following mechanisms:

- **Workshops and training** – All employees attend the “Ethics and Integrity” training at least once every three years, in accordance with national legislation. This mandatory training is organized and delivered either online or by an educated/accredited trainer. Participation is mandatory and monitored through official attendance records. The assigned Coordinator for Horizontal Matters (hereinafter: Coordinator for HM) maintains a detailed training register and GAO regularly reports on the completion of mandatory training to the Anti-Corruption Agency. This obligation is further regulated by the Instruction on the Implementation of Training in the Area of Corruption Prevention and Integrity Strengthening.

In addition to the mandatory training, GAO may organize additional internal trainings, workshops or projects on ethics and integrity topics, to further develop staff competencies and maintain a high standard of ethical awareness and conduct.

- **Leadership engagement** – As described in the previous section (b. Leadership), GAO leadership plays a central role in maintaining an ethical environment by setting a clear example, promoting open communication and supporting staff in resolving ethical dilemmas.
- **Disseminating ethics topics and good practices** – Through active and continuous communication, including seminars, internal newsletters, brochures and other informative materials. In addition, internal ethics counselling support employees in understanding and applying ethical principles.

Although ethical behaviour is primarily the responsibility of staff, institutional support is ensured through the appointment of the Integrity Coordinator. The Integrity Coordinator performs the following functions:

- provides advice and guidance on the prevention of conflicts of interest, assesses the effectiveness of conflict of interest rules and proposes improvements, maintains records of reported conflicts of interest and related preventive measures, and reports on conflict of interest management within GAO,

- receives notifications of received gifts and keeps a corresponding register,
- participates in the preparation of the Integrity plan and monitors its implementation.

3.4. Ethics management and monitoring

Incorporating ethics in daily management is essential to reinforce values. This includes:

- recognizing ethics as a criterion in recruitment, performance appraisal and professional development,
- recognizing good ethical behaviour and applying safeguards to specific risks, such as those arising from conflicts of interest or confidentiality issues.

Monitoring controls help GAO mitigate ethics risks. GAO applies the following monitoring controls:

a) Maintaining registers to track interests, gifts and hospitality records of received gifts

GAO keeps the Gift Register, including mandatory written notifications, assessment of gift value and whether the gift is retained as personal or transferred as public property. The Integrity Coordinator ensures proper registration and annual submission of the Gift Register to the Anti-Corruption Agency.

b) Conducting self-assessment and internal reviews, that are used regularly as a monitoring tool

Within two internal control systems - the Quality Management (hereinafter: QM) and the FMC, regular self-assessments are conducted to identify and evaluate risks, including those related to ethics. Based on these assessments, the GAO defines and implements appropriate measures to reduce identified risks.

As part of this process, various tools may be used to monitor the ethical culture within GAO, to identify potential vulnerabilities and gather staff feedback on the effectiveness of ethics-related policies and practices. Possible tools include anonymous ethics questionnaire, brochures, workshops, debates or other interactive formats aimed at raising awareness and encouraging open dialogue on ethical issues. The collected input is used to assess the overall functioning of the ethical system and to determine appropriate follow-up actions aimed at strengthening integrity and supporting continuous improvement.

c) Establishing and implementing policies on ethical misconduct and whistleblowing

The Rulebook for Internal Whistleblowing Procedure, which regulates the procedure for reporting unethical or unlawful conduct within the institution, while ensuring the protection of whistleblowers in accordance with the law.

GAO has developed the Procedure for Managing Conflict of Interest to identify, disclose and resolve potential conflicts of interest between auditors and auditees. This procedure is complementary to the Code of Ethics and should be read and applied in conjunction with it. It ensures transparency and integrity throughout the audit process by operationalizing the ethical principles defined in the Code of Ethics. One of the ways to ensure compliance with these principles is through the signing of Declarations of Impartiality and Confidentiality by the staff involved in audit engagements. This Declaration is an Annex to the above-mentioned Procedure for Managing Conflict of Interest.

Cases of misconduct are addressed in accordance with the Law on Civil Servants, which regulate timely and appropriate response, investigation and sanctioning procedures.

Note: Information gathered from the procedures above can be used to regularly evaluate, update and improve ethics policies. GAO may report to relevant stakeholders on these evaluations (for example in its annual reports or in any underlying reports to relevant mandated bodies (e.g. on cases of whistleblowing)).

4. FUNDAMENTAL ETHICAL VALUES

4.1. Integrity

Integrity – to act honestly, reliably, in good faith and in the public interest.

➤ Responsibility at the level of GAO

GAO emphasises, demonstrates, supports and promotes integrity. GAO ensures that the internal environment is conducive for staff to raise ethical breaches. GAO shall respond to integrity breaches in a timely and adequate manner.

To promote integrity, GAO implements and maintains an ethics control system, consisting of a well-balanced set of measures and controls

➤ Responsibility at the level of GAO staff

The GAO's leadership lead by example. GAO staff set a good example by acting honestly, reliably, in good faith and in the public interest. In the course of their work, they are trustworthy. They comply with the policies and standards set by the organisation.

GAO staff take care to exercise responsibilities and use the powers, information and resources at their disposal solely for the benefit of the public interest. They do not use their position to obtain favours or personal benefits for them or for third parties. GAO staff are aware of integrity vulnerabilities and approaches to mitigate them, and act accordingly.

To promote integrity, GAO implements and maintains an ethics control system, consisting of a well-balanced set of measures and controls. In order to sustain public trust, GAO's employees are expected to act above reproach, not engaging in any improper activity.

At the individual level, staff are expected to identify, avoid, or report circumstances that might expose them to integrity vulnerabilities related to working for the GAO and in the public sector environment and avoid or disclose them as appropriate.

These circumstances may relate to:

- a) personal, financial or other interests or relationships that conflict with the GAO's interests,
- b) acceptance of gifts or gratuities,
- c) abusing power for personal gains,
- d) involvement in political activities, participation in pressure groups, lobbying, etc.,
- e) access to sensitive and/or confidential information,
- f) access to, and use of, valuable resources of the GAO.

Circumstances related to the private lives of GAO staff may also threaten their integrity, such as their own financial situation or personal relationships.

All the above-mentioned circumstances are regulated by the Law on Civil Servants and Code of Conduct for the Civil Servants, which sets binding rules of conduct for public employees. Staff are therefore obliged to be familiar with and comply with these provisions, as well as internal policies, regulations and rules related to integrity. If staff feels that integrity control weaknesses exist within the GAO, they bring these to the attention of Integrity Coordinator.

To ensure that integrity controls remain current, GAO's leadership and staff participate in regular training, meetings and events to promote a culture of integrity and to learn about new risks and specific cases.

4.2. Independence and objectivity

Independence and objectivity – to be free from circumstances or influences that compromise, or may be seen as compromising, professional judgement, and to act in an impartial and unbiased manner.

➤ Responsibility at the level of GAO

GAO is functionally independent from all entities involved in the management, control and supervision system that are subject to the audit. This independence is prescribed by underlying legal and regulatory framework. GAO adopts policies for its independent and objective functioning

GAO establishes a framework to enable the identification of significant threats to independence and objectivity, and the application of controls to mitigate them, as well as provide guidance and direction for staff in this respect. Further details on related responsibilities and procedures are outlined in Annex 2 of the Quality Management Manual.

GAO adopts policies to ensure that audit staff, particularly at senior level, do not develop relationships to audited entities that may put their independence or objectivity at risk.

GAO does not provide advisory or other non-audit services to an auditee, where such services would include assuming management responsibilities.

Independence and objectivity of the GAO and its staff are regulated by the internal Procedure for Managing Conflict of Interest, which is complementary to the Code of Ethics and should be read and applied in conjunction with it. This document prescribes mechanisms for identification, prevention and resolution of actual and potential conflicts of interest in compliance with national legislation and internationally accepted auditing standards. The key controls are summarized below:

a) Declarations of interests and conflicts of interest

Immediately upon employment and subsequently on an annual basis, all staff members are required to sign a Declaration of Impartiality and Confidentiality, disclosing any personal or professional interests that may affect their independence. This obligation also applies to external experts engaged by the GAO.

b) Supervision and review mechanism to exclude outside influence

Considering factors such as decision-making authority, influence on others, relations with third parties and access to sensitive information, all positions in the GAO are classified as sensitive. Mitigation measures, including the four-eyes principle and clearly defined responsibilities, are applied to safeguard independence and objectivity.

c) Provision for non-audit services to an auditee

Although the provision of non-audit services is not typical for the GAO, if such situations arise, the same principles and safeguards regarding independence and objectivity fully apply.

d) Removal from audit team or review of significant judgments

Head of Audit Group and, where applicable, the Director is responsible for resolving potential conflict of interest situations declared by the auditor. They are obliged to make formal decisions on the exclusion and replacement of the affected team member from specific engagement.

e) Management of “revolving door” situations

As part of the recruitment process, new employees are required to disclose any previous engagements with auditee entities. In the event that a “revolving door” situation is identified, the individual shall be precluded from participating in any related audit activities for a minimum period of one year.

f) Rotation of staff or equivalent measures

The principle of staff rotation is applied where appropriate, to enhance audit quality or to maintain independence. This approach involves the creation of mixed audit teams composed of members from different groups, which enhances cross-functional collaboration and broadens perspectives. Rotation also serves as a mechanism for professional development and career advancement by enabling employees to move both horizontally and vertically within the organization.

g) Objective professional judgment despite prior work

GAO is committed to maintaining a professional environment that promotes objective judgment, irrespective of any prior engagement. Leadership consistently demonstrates unwavering commitment to these principles without compromise, ensuring that past institutional activities neither influence nor diminish the impartiality of current professional judgments.

In accordance with its mandate, GAO may be unable to refuse to engage in or continue with an audit. If no controls are effective to eliminate or reduce a threat to independence or objectivity to an acceptable level, GAO leadership may consider reporting the threat.

➤ Responsibilities at the level of GAO staff

a) GAO staff are free of impairments to independence and objectivity, whether real or perceived, that result from political bias, participation in management, self-review, financial or other personal interest, or relationships with, or undue influence from, others. For this purpose, GAO staff:

- maintain independence from political influence and are free from political bias,
- are not involved in the auditee management’s decision-making,
- do not audit their own work,
- avoid auditing entities in which they have recently been employed, without appropriate safeguards,
- avoid circumstances where personal interests could impact decision-making,
- avoid circumstances where relationships with the management or personnel of the auditee or other entities could impact decision-making,
- refuse gifts, gratuities or preferential treatment that could impair independence or objectivity.

- b) GAO staff identify possible threats and situations in which their independence or objectivity may be impaired.
- c) GAO staff inform the management about any pre-existing relevant relationships and situations that may present a threat to independence or objectivity.

Note: Common situations where threats to independence and objectivity may appear are described in the ISSAI 130. The significance of those threats needs to be assessed in each case. Decision should be taken according to the GAO's framework, considering the specific circumstances of the case, possible consequences and ensuring consistency with the values and principles at stake.

4.3. Competence

Competence – to acquire and maintain knowledge and skills appropriate for the role, and to act in accordance with applicable standards and with due care.

GAO has adopted policies to ensure that tasks required by its mandate are performed by staff that have the appropriate knowledge and skills to complete them successfully, including:

- I. putting in place competence-based recruitment and human resources policies,
- II. assigning work teams that collectively possess the needed expertise for each assignment,
- III. providing staff with appropriate training, support and supervision,
- IV. providing tools to enhance knowledge and information sharing, and encourage staff to use the tools,
- V. addressing challenges arising from changes in the public sector environment.

Auditees' and other stakeholders' trust in GAO's judgements, and the credibility of those judgements, rely on work being performed competently. Thus, GAO assemble the appropriate competences needed as well as provide support to continuing professional development.

➤ **Assembling the appropriate competences**

In order to ensure that audit tasks are performed by competent staff, that resources are managed in efficient and effective way and that staff work on assignments for which they are competent, the GAO:

- a) identifies adequate knowledge and skills needed to perform each type of engagement required by its mandate (this may include setting up multidisciplinary teams that collectively have the required knowledge and team-working skills);
- b) assigns staff to specific tasks according to their identified capabilities and according to their capacities.

Some tasks and audits may require specialised techniques, methods or skills from disciplines not available within GAO. In such cases, external experts may be used to provide knowledge or carry out specific tasks.

➤ **Continuing professional development**

Maintaining and developing professional competence is a keyway to keep up with technical, professional and business developments, to respond to a changing environment and increased stakeholders' expectations. Examples of fields where the GAO may need to invest time and resources to remain current include information technologies and evolving public sector management and

accounting frameworks. A continuous learning environment to support staff in applying and developing their competence is implemented by:

- a) initial and continuous training strategies and programmes in key areas for the GAO's performance,
- b) development and updating of manuals and written guidance,
- c) coaching, supervision and feedback mechanisms,
- d) personal development plans,
- e) knowledge-sharing tools, such as internal network and databases.

➤ **Responsibilities at the level of GAO staff**

GAO staff perform their job in accordance with applicable standards and with due care.

GAO staff act in accordance with the requirements of the assignment, carefully, thoroughly and on a timely basis.

GAO staff maintain and develop their knowledge and skills to keep up with the developments in their professional environment in order to perform their job optimally.

In meeting the requirements, GAO staff:

- a) understand the role and tasks to be performed,
- b) know the applicable technical, professional and ethical standards to be followed,
- c) are able to work in variety of contexts and situations, depending on the job/tasks' requirements,
- d) acquire new knowledge and abilities, updating and improving skills as needed.

In case their expertise is not appropriate or sufficient to perform a specific task, GAO staff raise this with their superiors and GAO management.

Note: Competence of the GAO staff reflects the requirements set out in ISSAI 150. Moreover, internal acts: Rulebook on internal organisation and job systematization and Human Resources Manual, as well as Quality Management Manual, list down all relevant areas related to the competence of the staff.

4.4. Professional behaviour

Professional behaviour – to comply with applicable laws, regulations and conventions, and to avoid any conduct that may discredit the GAO.

➤ **Responsibilities at the level of GAO**

GAO is aware of the standard of professional behaviour expected by its auditees and other stakeholders, as defined by the laws and regulations, and conduct their business accordingly and in line with their mandate. GAO assists staff in adhering to that standard.

Conduct consistent with the values of professional behaviour includes acting in a manner that would cause a reasonable and informed third party, having knowledge of relevant information, to conclude that the work meets applicable standards.

To promote the highest standard of professional behaviour and to identify activities that are inconsistent with that standard, the GAO provides guidance on expected behaviour and implements controls to monitor, identify and resolve inconsistencies. Key policies and controls are included in the ethics control system, falling within relevant annexes of the GAO's Quality Management Manual.

The leadership of GAO promotes professional behaviour by adhering to the policies and procedures in place and setting an example.

➤ **Responsibilities at the level of GAO staff**

The staff comply with the laws, regulations and conventions of the society in which they operate, as well as with the guidance for their behaviour established by the GAO. Also, the staff does not engage in conduct that may discredit the GAO. The staff inform their superiors about any arising conflicts between the GAO's and their profession's ethical requirements.

Staff need to be aware of the GAO's policies and procedures relating to professional behaviour, of the applicable professional standards and of the laws, regulations and conventions of their society, all of which bind them within and outside the working environment.

In that context, staff need to understand the impact of their actions on the GAO's credibility and to consider how their behaviour, both within and outside the working environment, may be perceived by colleagues, family and friends, auditees, the media and others. While expectations of what constitutes acceptable professional behaviour may differ depending on whether one is inside or outside the workplace, staff need to consider stakeholders' expectations along with the GAO's mandate when determining a course of action.

The expectations of stakeholders may vary depending on the regulations and conventions of the society. However, common expectations include acting according to ethical values, adhering to the legal and regulatory framework in place, not misusing their position, applying diligence and care in performing their work and acting appropriately when dealing with others.

Staff apply appropriate prudence and care in order that their actions or opinions do not compromise or discredit the GAO and its work, for example when using social media.

If a particular course of action is legally permitted but does not meet the standard of professional behaviour, staff avoid that course of action.

Staff need to cooperate by sharing relevant knowledge and information within the organisation through internal reports, briefings, trainings, internal network or engaging in mixed audit teams or working groups.

Note: All employees are required to comply with the Code of Conduct for Civil Servants and the GAO Dress Code, which set clear standards for professional behaviour and appearance in the workplace.

4.5. Confidentiality and transparency

Confidentiality and transparency – to appropriately protect information, balancing this with the need for transparency and accountability.

➤ **Responsibilities at the level of GAO**

GAO ensures the following:

- balancing the confidentiality of audit-related and other information with the need for transparency and accountability,
- establishing an adequate system for maintaining confidentiality as needed, especially with regard to sensitive data,
- providing that any parties contracted to carry out work for GAO are subject to appropriate confidentiality agreements.

The GAO has put in place the Information Security Policy which establishes clear rules and controls to protect the confidentiality of information, to ensure appropriate transparency and to eliminate or reduce to an acceptable level potential risk to confidentiality infringements.

This policy systematically addresses all requirements related to safeguarding sensitive data and outlines procedures that align with national legislation, including among others: Information Security Law, Law on Business Secret Protection, Law on Classified Information and Law on Personal Data Protection.

Controls that GAO uses comprise the following:

a) policies for communication with stakeholders, including the media

GAO ensures controlled, accurate and timely communication with external stakeholders, including the media, in accordance with the Law on Free Access to Information of Public Importance.

As a public institution, GAO adheres not only to internal standards of confidentiality and transparency but also to principles of public accountability. In accordance with the Code of Conduct for Civil Servants, GAO informs the public through its website about the standards of behaviour that citizens have the right to expect, as well as the procedures for submitting complaints regarding the conduct of its staff.

b) regularly emphasising the importance of confidentiality

The importance of confidentiality is continuously reinforced through onboarding, annual declarations¹ and staff training. The Information Security Policy further underlines this obligation by defining user responsibilities and prohibiting unauthorized disclosure, with clear rules on acceptable behaviour and consequences for violations.

c) obtaining appropriate declarations of staff's compliance with confidentiality rules

All staff and external experts sign a Declaration of Impartiality and Confidentiality upon recruitment and renew it annually, ensuring all individuals are bound by confidentiality obligations.

d) providing guidance on what information, documents and materials need to be treated as confidential, and the stage of work at which they need to be treated as confidential, which might include a system of classification and labelling of confidential information

¹ In accordance with the Procedure for managing conflict of interest.

The Information Security Policy defines classification categories (e.g. public, sensitive, confidential) and provides rules for handling and labelling such information. Information obtained or created during audit work is considered sensitive by default unless stated otherwise. The GAO has employees certified for handling classified information, in accordance with the Law on Classified Data and national security regulations.

e) consulting with regard to applying confidentiality rules and legal requirements concerning conditions of disclosure

f) providing guidance and advice for cases when professional obligation to maintain confidentiality may be overridden by other legal responsibilities regulated by national laws, and assigning specific procedures for reporting on such cases

In cases where staff are uncertain about the application of confidentiality rules or when legal obligations may require the disclosure of information, they should consult their immediate supervisor. Compliance with applicable laws guides the resolution of such conflicts.

g) safe storage conditions of information in any form (paper, electronic, audio, etc.)

The measures regarding the safe storage of information in any form are prescribed by applicable national legislation, relevant information security standards, and the GAO's Information Security Policy. All personnel are responsible for ensuring these security measures are consistently followed to safeguard the confidentiality, integrity, and availability of information.

h) appropriate allocation of access rights to archives, IT systems and physical areas

Access rights are granted individually, based on the need-to-use principle and job responsibilities and must be approved by Director or Deputy Director. Access is regularly reviewed and physical access to secure areas is restricted to authorized personnel only.

i) procedures for disposing of data storage devices, either in paper or electronic form

This is governed by the Decree on Office Operations of State Administration Bodies, which stipulates that all data and documents are handled, stored and destroyed in a manner that protects confidentiality, integrity and compliance with applicable laws and ethical standards.

➤ **Responsibilities at the level of GAO staff**

The GAO staff:

- are aware of the legal obligations and of the GAO's policies and guidelines concerning both confidentiality and transparency,
- do not disclose any information acquired as a result of their work without proper and specific authority, unless there is a legal or professional right or duty to do so,
- do not use confidential information for personal gain or for gain of third parties,
- are alert to the possibility of inadvertent disclosure to third parties of confidential information,
- maintain professional confidentiality during and after termination of employment,
- appropriately protect information and do not disclose it to third parties unless they have proper and specific authority, or there is a legal or professional right or duty to do so.

Controls/safeguards that are applied at the individual level:

a) within the GAO, using professional judgement to respect the confidentiality of information; in particular, keep the confidentiality of information in mind when discussing work-related issues with other employees,

- b) in the case of doubt whether suspected breaches of laws or regulations should be disclosed to appropriate authorities (or parties), consider obtaining legal advice available within the GAO to determine the appropriate course of action in the circumstances,
- c) in private life, maintaining confidentiality within the family, social or other environments, including social media,
- d) securing electronic data carriers, such as laptops and portable data storage devices,
- e) maintaining the confidentiality of passwords.

Implementation of these controls is ensured through the Information Security Policy, as well as the consistent application of relevant national regulations. These frameworks establish clear obligations and standards for maintaining confidentiality, safeguarding data and access credentials and ensuring responsible conduct in both professional and private contexts.

5. PUBLICITY AND AVAILABILITY OF CODE OF ETHICS

Upon the adoption of a new Code of Ethics, all GAO employees will be informed by the Group for Methodology and Audit Quality Control via e-mail about its entry into force and the location of the document on the GAO internal network.

All employees are required to sign the Distribution list to acknowledge their familiarity with the document. The Group for Methodology and Audit Quality Control is responsible for collecting all employee signatures on the distribution list upon the entry into force of new Code of Ethics.

The Distribution list stating the following:

- The number of the new GAO's Code of Ethics,
- The date of entry into force of the Code of Ethics,
- The new Code of Ethics replaces the previous Code of Ethics,
- The signature and the date of signing the internal Distribution list by each employee.

The original signed copy of the Code of Ethics², together with the corresponding Distribution list, are stored in the secured storage of the Group for Methodology and Audit Quality Control, while the electronic version of the Code of Ethics is maintained on the GAO internal network.

An internal training session on this topic will be organized for employees by the Group for Methodology and Audit Quality Control upon adoption of this new Code of Ethics.

In addition, as part of our commitment to uphold the principles outlined in the Code of Ethics and internationally accepted auditing standards, all employees are required to acknowledge their responsibilities through signing the **Declaration to Comply with the Code of Ethics and Internationally Accepted Auditing Standards (Annex 2)**.

This Declaration serves as a formal acknowledgment that the employee is aware of and committed to complying with the Code of Ethics, as well as applicable auditing standards, hereby ensuring accountability and professional responsibility in the performance of audit activities.

The Coordinator for HM is responsible for the administrative collection of these Declarations and for ensuring their timely submission - by the end of March each year or immediately upon employment. Once signed, the Coordinator for HM immediately forwards the declarations to the Group for

² Hard copy or/and CD/DVD media

Methodology and Audit Quality Control by email in the case of electronically signed documents, or in hard copy form when manually signed.

The Head of the Group for Methodology and Audit Quality Control ensures that electronic and hard copy declarations are properly stored in the Group's records, both digital and physical.