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| Code of Ethics |
| Westpac Bank |
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| **Student’s Name** |
| **5/6/2020** |

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# Overview

Westpac is the major banking organization that delivers institutional banking and wealth management services. The bank has the vision to become the best service company and applies the vision through embracing strong customer relationships. It focuses on meeting the financial requirements of customers and deliver higher returns to its shareholders. In order to achieve the desired vision, the bank do not compromises with its values and deals in fair and translucent manner with all the investors (Westpac Group, 2020a)

Apart from the corporate values of Westpac, the bank also designs code of ethics for guiding the actions and the behaviour of the all the workers and the representatives. It is a business document that highlights the professional standards that are expected from all the members of bank. This code of ethics helps in maintaining the integrity in public interactions and protects the reputation of the company (Westpac Group, 2020a).

From the review of the current business articles, it is analysed that the Westpac is accused for violation of money-laundering laws and found guilty for conducting misbehaviour and indifference with the customers. The bank does not carry out proper due diligence. Moreover the regulators at Westpac are charging money for nothing and curbing the bonus culture in organization. This, in turn, develops the emerging need to redesign its code of ethics and overhaul the focus on the customer satisfaction. It will also aid in maintaining the reputation of the bank (Johnson, 2019).

# Code of Ethics

It includes the ethical principles that provides the outline of the expectations from the employees and governs the behaviour and decision at the bank. It is designed to highlight the broad standards and the obligations that employees are required to address. It also allows maintaining the internal focus and guiding the actions of members.

# Westpac Bank Code and Objectives

Westpac focuses on maintaining the highest ethical practices through the development of high standards. It allows protecting the interest of the stakeholders. Through this framework, the bank expects professional conduct from its employees. It includes the standards that strive for ethical conduct of all the members in the bank. Westpac considers it as natural extension of its values and allows specifying the relevant laws and policies (Westpac Group, 2020).

The code specifies that all the actions must be conducted with full integrity, honesty and due diligence. It values professionalism and specifies to work as team. It ensures transparency in actions to maintain the accuracy. It gets the support from the all the executives and board and also breaching of the code leads to serious disciplinary actions. It can also lead to termination of the employment.

# Objective of Code

Westpac concentrates on designing the code of ethics to ensure the ethical and honest conduct of its senior level executives and the employees. It allows the company to ethically handle the apparent conflicts of interest and allows in delivering the right service to its customers. The main purpose of the code is to make fair and timely disclosure of the reports of the bank and protects the confidential information (Westpac Group, 2020).

# Coverage of Code

The code of ethics is designed for all the members including the employees, senior executives, members of board and the contractors. It will cover the certain guidelines and policies for addressing the below described issues:

## Discrimination

In accordance to equal opportunity act, the bank focuses on developing appropriate workplace environment where all the employees are treated equally and with all the respect. It is analysed that the condition of discrimination arises when some persons are treated less favourably in comparison to other members of bank. Some of the examples under the discrimination are gender based promotions, unfavourable behaviour with the members due to their individual characteristics which includes nationality, gender, disability, age and other personal characteristics (Victorian Equal Opportunity and Human Rights Commission. 2018).

In consideration to the above discussed issues, the bank confront the laws of fair work act 2009(cth.) and focuses on maintaining the professionalism by being accountable for their actions. Under this act, the company focuses on working as team and treats all the members with respect and kindness. It allows creating healthy working environment under which the employees are free from favouritism and unacceptable behaviour of senior members. It helps in prevention of any practice of harassment, discrimination and bullying of the employees (Schmidt, MacWilliams and Neal-Boylan, 2017).

## Exploitation

In the current scenario, the labour and the sexual exploitation have turned into serious issue. The term exploitation is defined as misbehave conducted by the higher level position members to the lower level workforce. It includes using of the abusive language, providing inconvenience to the employees through isolating them or shifting their rosters. Furthermore it also includes the sexual exploitation of employees (Australian Government, 2018).

In order to control the above mentioned issues, Westpac Bank focuses on abiding various recognised human rights and principles. It follows UN Guiding Principles on Commerce and Human Rights. Through these principles the bank do not engages in modern slavery practices and also develops nil forbearance policy for the wrongdoing in the type of threatening and negative repercussions. It focuses on not tolerating any king of misbehaviour and exploitation (Australian Government, 2018).

In order to maintain the confidentiality and higher degree of sensitivity, the bank focuses on taking the strict actions and penalise for the sexual abuse caused to the victims.

The bank has coordinated with its HR manager and pertinent agencies to handle and understand the severity of the issue and solve the issue with maintenance of the high confidentiality. It will help in preventing the exploitation (Ocampo, 2015).

## Corruption

In accordance to fraud and offence commission, Corruption is defined as intentional improper conduct and intentionally causing the malfunction of presentation. It includes indecent actions like bribe, prearranged crimes and also the events of currency laundering and patronage of terrorism (Gorsira, Denkers and Huisman, 2018).

In order to prevent the above mentioned issues, Westpac abides to Anti-Bribery and Corruption Compliance Program which includes worldwide Anti-Bribery and Corruption Policy and states the definite emphasis that Westpac bank does not gets involved in giving and receiving of bribes and also making of facilitation payments. It expects that all the employees must be fair and accurate in their actions (Westpac Group, 2020c).

Under this programme it follows the global standards which state that no individual of Westpac must be involved in the bribery and corrupt practices. Furthermore, they will also not engage in bribery with any private party or public official. It will also include prohibition of facilitation payments (Westpac Group, 2020c).

In order to prevent and detect the Anti-Bribery and Corruption risks, Westpac focuses on providing mandatory training to its employees and conducts risk assessments. Moreover, Westpac has also adopted whistle blowing policy to allow the individuals to complain and maintain confidentiality. The company ensures that the case misconduct caused is evaluated and investigated to resolve it properly (Shacklock and Galtung, 2016).

## Dishonest and Fraudulent Behaviour

Fraud describes the intentional act for taking the unnecessary benefit. It can happen internal and external part of the organization. It mainly involves money laundering, terror financing and also contribution of the secret data for the personal benefit. To avoid such actions Westpac focuses on applying stringent policies which further aids in protecting the interest of the customers and other stakeholders (Haas and Hornuf, 2017).

The bank ensures complete detection and investigation of the conduct that has lead to violation of the fraud policy. Furthermore, it has planned corrective actions to prevent the fraudulent behaviour of all the members.

Westpac is highly committed towards maintaining the integrity and conduct the business with full honesty and fairness. In order to prevent such actions, the bank has designed Speaking Up policy under which it provides the guidance for raising the concern and provides the opportunity to directly disclose the issue with the regulators of the Westpac.

This policy includes the guidelines stated under ASIC’s Regulatory Guide 270 and also includes the legislative and the regulatory requirements. Furthermore the bank has also provided whistle blowing policy for protecting the interest of the stakeholders and brings honesty and integrity in the actions of all employees (Haas and Hornuf, 2017).

## Whistleblower Protections

The bank considers protection of its customers and stakeholders as their highest priority. It focuses on maintaining the integrity and conducts the business activities with full honesty and fairness. Through the adoption of this policy, the bank provides the freedom to its employees, contractors, managers to speak against the corruption, discrimination, fraud and the misconduct faced by them in any means. It does not disclose the identity of the victim and the person do not faces any kind of injustice (Lavena, 2016).

Adoption of this policy allows the bank to take appropriate conduct and guard the intention of the stakeholders. It allows creating healthy working environment and attaining higher profitability. In the Westpac Whistleblower protection policy, the employees possess the choice to raise the concern online or through employee concern hotline. The main aim of designing this policy is to make the employees feel confident and protect them from reprisal (Westpac Group, 2020d).

This policy covers the activities of wrongdoing like corrupt conduct, conduct that involves substantial risk to the public health or to environment, any fraudulent or illegal activity or any other activity that causes loss to Westpac. Westpac follows the Australian Standard “Whistleblower Protection Programs for Entities”, AS 8004-2003 and the New Zealand Protected Disclosures Act (2000) (Westpac Group, 2020d).

If the employees breach the whistleblower policy of Westpac, it will create disadvantage and disciplinary action will be taken. It can also lead to the termination of the employee.

## Enforcement

From the above discussed scenario, the importance of enforcement has increase in folds. The designing of the code is of no use if it is not implemented. In Westpac, there is a compulsion for every the staff i.e. directors or the workforce to adhere all the procedure prescribed in the policy of ethics. It also states the condition that the management has the full right of taking the disciplinary actions against the person who is involved in breaching of the contract (Vashisht, 2017).

The actions involved in breaching of cod includes warning, demotion, heavy penalties, withholding of promotion or even can lead to termination of the employees. It will be dependent upon the severity of the offense conducted.

The enforcement of the code has become important because it allows the bank to defend the concern of the customers and the stakeholders. Furthermore, it aids in maintaining the professional standards and guides the actions of all the members in the bank.

In order to sustain the authenticity and severity of the code, the bank applies various lawful duties for the contravention of the regulatory compulsion mentioned in the code. It will include The Australian Prudential Regulation Authority (APRA), Corporations Act, 2001 and the Reserve Bank of Australia Act for taking the severe actions and prevent the misconduct and the fraudulent behaviour at Westpac Bank (Westpac Group, 2020).

# Conclusion

From the above discussion, it is imperative to note designing of code of ethics is mandatory for creating protective environment and improve the reputation of Westpac. It will aid to protect the customers from money laundering and will prevent the misconduct created by the employees. It will include the disciplinary actions and will even turn into termination of the employees who breach the guidelines of the code.

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