

THE CHARTERED CERTIFIED ACCOUNTANTS’ CODE OF ETHICS AND CONDUCT

GUIDE

1 JULY 2025

These regulations must be read in conjunction with the other regulations in the Association’s Rulebook. A regulation may affect members, affiliates, registered students, firms and non-members in different ways depending on the application of other regulations to those members, affiliates, registered students, firms and non-members. Regulations are not always cross-referenced to each other.

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Introduction

1. The Code of Ethics and Conduct forms part of the ACCA Rulebook.
2. In this guide to the Code of Ethics and Conduct, use of the word **Code** refers to the ACCA Code of Ethics and Conduct, unless there is an explicit indication to the contrary.

How the Code of Ethics and Conduct is structured

3. The Code is comprised of:
 - Guide to the Code of Ethics and Conduct
 - Section A: *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants
 - Sections B and C: Supplementary requirements and guidance.

Section A: IESBA Code

4. ACCA has adopted, and incorporated in full, the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA).
5. The IESBA Code establishes ethical requirements for members of IFAC member bodies, and requires ACCA to apply ethical standards that are no less stringent than those stated in the IESBA Code. Therefore, in adopting the IESBA Code, a reference in the IESBA Code to a **member body**, a **professional body** or the **relevant professional body** is to be interpreted as ACCA.

Purpose of the IESBA Code

6. The IESBA Code sets out **fundamental principles** of ethics for professional accountants, reflecting the profession's recognition of its public interest responsibility. These principles establish the standard of behavior expected of a professional accountant. The fundamental principles are: integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.
7. The IESBA Code provides a **conceptual framework** that professional accountants are to apply in order to identify, evaluate and address **threats** to compliance with the fundamental principles. The IESBA Code sets out requirements and application material on various topics to help accountants apply the conceptual framework to those topics.
8. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out *International Independence Standards*, established by the application of the conceptual framework to threats to **independence** in relation to these engagements.

How the IESBA Code is structured

9. The IESBA Code contains the following material:

- *Part 1 – Complying with the Code, Fundamental Principles and Conceptual Framework*, which includes the fundamental principles and the conceptual framework and is applicable to all professional accountants.
- *Part 2 – Professional Accountants in Business*, which sets out additional material that applies to professional accountants in business when performing professional activities. Professional accountants in business include professional accountants employed, engaged or contracted in an executive or non-executive capacity in, for example:
 - Commerce, industry or service.
 - The public sector.
 - Education.
 - The not-for-profit sector.
 - Regulatory or professional bodies.

Part 2 is also applicable to individuals who are professional accountants in public practice when performing professional activities pursuant to their relationship with the firm, whether as a contractor, employee or owner.

- *Part 3 – Professional Accountants in Public Practice*, which sets out additional material that applies to professional accountants in public practice when providing professional services.
- *International Independence Standards*, which sets out additional material that applies to professional accountants in public practice when providing assurance services, as follows:
 - *Part 4A – Independence for Audit and Review Engagements*, which applies when performing audit or review engagements.
 - *Part 4B – Independence for Assurance Engagements Other than Audit and Review Engagements*, which applies when performing assurance engagements that are not audit or review engagements.
- *Glossary*, which contains defined terms (together with additional explanations where appropriate) and described terms which have a specific meaning in certain parts of the IESBA Code. For example, as noted in the Glossary, in Part 4A, the term “audit engagement” applies equally to both audit and review engagements. The Glossary also includes lists of abbreviations that are used in the IESBA Code and other standards to which the IESBA Code refers.

10. The IESBA Code contains sections which address specific topics. Some sections contain subsections dealing with specific aspects of those topics. Each section of the IESBA Code is structured, where appropriate, as follows:

- *Introduction* – sets out the subject matter addressed within the section, and introduces the requirements and application material in the context of the conceptual framework. Introductory material contains information, including an

explanation of terms used, which is important to the understanding and application of each Part and its sections.

- Requirements – establish general and specific obligations with respect to the subject matter addressed.
- Application material – provides context, explanations, suggestions for actions or matters to consider, illustrations and other guidance to assist in complying with the requirements.

How to use the IESBA Code

The Fundamental Principles, Independence and Conceptual Framework

11. The IESBA Code requires professional accountants to comply with the fundamental principles of ethics. The IESBA Code also requires them to apply the conceptual framework to identify, evaluate and address threats to compliance with the fundamental principles. Applying the conceptual framework requires having an inquiring mind, exercising professional judgment, and using the **reasonable and informed third party test**.
12. The conceptual framework recognizes that the existence of conditions, policies and procedures established by the profession, legislation, regulation, the firm, or the employing organization might impact the identification of threats. Those conditions, policies and procedures might also be a relevant factor in the professional accountant's evaluation of whether a threat is at an **acceptable level**. When threats are not at an acceptable level, the conceptual framework requires the accountant to address those threats. Applying safeguards is one way that threats might be addressed. **Safeguards** are actions individually or in combination that the accountant takes that effectively reduce threats to an acceptable level.
13. In addition, the IESBA Code requires professional accountants to be independent when performing audit, review and other assurance engagements. The conceptual framework applies in the same way to identifying, evaluating and addressing threats to independence as to threats to compliance with the fundamental principles.
14. Complying with the IESBA Code requires knowing, understanding and applying:
 - All of the relevant provisions of a particular section in the context of Part 1, together with the additional material set out in Sections 200, 300, 400 and 900, as applicable.
 - All of the relevant provisions of a particular section, for example, applying the provisions that are set out under the subheadings titled "General" and "All Audit Clients" together with additional specific provisions, including those set out under the subheadings titled "Audit Clients that are not Public Interest Entities" or "Audit Clients that are Public Interest Entities."
 - All of the relevant provisions set out in a particular section together with any additional provisions set out in any relevant subsection.

Requirements and Application Material

15. Requirements and application material are to be read and applied with the objective of complying with the fundamental principles, applying the conceptual framework and, when performing audit, review and other assurance engagements, being independent.

Requirements

16. Requirements are designated with the letter “R” and, in most cases, include the word “**shall**.” The word “shall” in the IESBA Code imposes an obligation on a professional accountant or firm to comply with the specific provision in which “shall” has been used.
17. In some situations, the IESBA Code provides a specific exception to a requirement. In such a situation, the provision is designated with the letter “R” but uses “may” or conditional wording.
18. When the word “**may**” is used in the IESBA Code, it denotes permission to take a particular action in certain circumstances, including as an exception to a requirement. It is not used to denote possibility.
19. When the word “**might**” is used in the IESBA Code, it denotes the possibility of a matter arising, an event occurring or a course of action being taken. The term does not ascribe any particular level of possibility or likelihood when used in conjunction with a threat, as the evaluation of the level of a threat depends on the facts and circumstances of any particular matter, event or course of action.

Application Material

20. In addition to requirements, the IESBA Code contains application material that provides context relevant to a proper understanding of the IESBA Code. In particular, the application material is intended to help a professional accountant to understand how to apply the conceptual framework to a particular set of circumstances and to understand and comply with a specific requirement. While such application material does not of itself impose a requirement, consideration of the material is necessary to the proper application of the requirements of the IESBA Code, including application of the conceptual framework. Application material is designated with the letter “A.”
21. Where application material includes lists of examples, these lists are not intended to be exhaustive.

Appendix to Guide to the Code

22. The Appendix to this Guide provides an overview of the IESBA Code.

Sections B and C: Supplementary requirements and guidance

23. Section B of the Code holds supplementary requirements and guidance relevant specifically to professional accountants in public practice, and Section C holds supplementary requirements relevant specifically to professional accountants in

business. However, professional accountants may find the guidance in any part of the Code applicable to their specific circumstances.

24. With effect from 1 July 2025, the additional ACCA requirements and guidance that previously augmented the IESBA Code (and were differentiated from the original text of the IESBA Code by the use of *italics*) have been relocated to this Guide or the new Sections B14 to B18 in the Supplementary requirements and guidance for professional accountants in public practice.

Scope and authority of the Code

25. Where there may be perceived to be any conflict between the requirements of the IESBA Code in Section A and the supplementary requirements and guidance in Sections B and C, the more stringent requirements shall apply.
26. Where statutory and regulatory requirements are concerned, ACCA members, affiliates, registered students, ACCA firms, regulated non-members and all persons who otherwise agree to be bound by the Code are reminded that they must also refer to, and comply with, the legislation and regulatory requirements of the countries in which they work.
27. In some specialist areas of work, such as audit, assurance of sustainability reporting, insolvency, financial services and legal services, professional accountants are subject to a variety of statutory and regulatory requirements. Where this Code imposes a more stringent requirement than statutory and regulatory requirements, or vice versa, the more stringent requirement will apply, unless prohibited by law or regulation.

To whom does the Code apply?

28. Reference throughout the Code is made to **professional accountants**, which is interpreted as members or, where appropriate, students, affiliates, ACCA firms, regulated non-members or persons who otherwise agree to be bound by the Code.
29. ACCA members, affiliates, registered students, regulated non-members and all persons who otherwise agree to be bound by the Code are required to observe proper standards of conduct. The Code applies to all ACCA members, affiliates, registered students, regulated non-members and all persons who otherwise agree to be bound by the Code in relation to all matters connected to their professional lives. This means that in matters connected to their professional lives, they must refrain from taking any action which amounts to a departure from the standards set out in this Code. In both their professional and personal lives, they must also refrain from what is described in ACCA's bye-law 8 as misconduct.
30. Registered students and affiliates are bound by the ethical requirements of ACCA, as affirmed by their declaration on the application forms to be enrolled as registered students.
31. Registered students remain bound by ACCA's ethical requirements during the period between successful completion of the examinations and their admission to membership (ie those having affiliate status). On admission to membership they become subject to the same requirements in their new capacity.

Non-compliance with the Code

32. An ACCA member, affiliate, registered student, regulated non-member or person who otherwise agrees to be bound by the Code who fails to comply with this Code (incorporating the IESBA Code) will be liable to disciplinary action. Two committees have been appointed by Council to enforce ACCA's ethical standards: Disciplinary Committee and Appeal Committee. The committees derive their powers from the bye-laws. Those failing to observe the standards expected of them may be required to answer a complaint before ACCA's Disciplinary Committee.
33. It is not possible to specify all those combinations of circumstances in which a professional accountant may be held by Disciplinary Committee to have fallen below the standard expected. However, the Code (which may be added to or varied from time to time) sets out ACCA's ethical requirements in relation to those professional situations that most commonly arise.

IFAC copyright and permissions statement

34. The ACCA Code of Ethics and Conduct includes the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA), published by the International Federation of Accountants (IFAC) in September 2024 and is used with permission of IFAC. Contact Permissions@ifac.org for permission to reproduce, store or transmit, or to make other similar uses of this document.
35. The *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA), published by the International Federation of Accountants (IFAC) in September 2024, is used by ACCA with permission of IFAC. Such use of IFAC's copyrighted material in no way represents an endorsement or promotion by IFAC. Any views or opinions that may be included in the ACCA Rulebook are solely those of ACCA, and do not express the views and opinions of IFAC or any independent standard setting board supported by IFAC.

Further guidance

36. ACCA members, affiliates, registered students, ACCA firms, regulated non-members or persons who otherwise agree to be bound by the Code who are in doubt as to their correct course of action in particular cases may obtain further guidance from ACCA. It is advisable to seek guidance prior to embarking on a course of action.

Technical Advisory Services

37. A professional accountant faced with an ethical problem may contact Technical Advice and Support in their region for confidential advice.

Guidance factsheets

38. Professional accountants are referred to the guidance factsheets issued by ACCA. These are available on the ACCA website at <https://www.accaglobal.com/gb/en/member/regulation/factsheets.html>

39. ACCA has issued a factsheet on the **Code of Ethics and Conduct** which will assist professional accountants in discharging their professional obligations. The factsheet contains information on additional resources and guidance, including the [Ethics](#) section on the ACCA website, [CCAB Ethical Dilemmas Case Studies](#), [CCAB Guidance on the Boundaries of Personal and Professional Life in Ethics](#), and [Professional Conduct in Relation to Taxation](#).
40. The Whistleblowing and Speaking Up section on ACCA's Ethics webpages signposts independent organisations which have been established to provide support for employees troubled by ethical dilemmas at work, such as Protect (www.protect-advice.org.uk) in the United Kingdom, which can provide more detailed guidance on the requirements of the whistleblowing legislation.

Appendix

Overview of the IESBA Code

