



Guidance to the ICAS Code of Ethics:

Fundamental ethics
principle of professional
behaviour – paragraph
115.1 A2

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Contents

1	Introduction	2
2	A career for life	2
3	Key principles under paragraph 115.1 A2	3
4	Duty to report	5
5	Other sources of guidance	6

1. Introduction

With effect from 1 July 2026, the ***ICAS Code of Ethics*** ('the Code') incorporates additional application material in relation to the fundamental ethics principle of Professional Behaviour at paragraph 115.1 A2:

"115.1 A2 A reasonable and informed third party would expect that a professional accountant, in their professional life, treats others fairly, with respect and dignity and, for example, does not bully, harass, victimise, or unfairly discriminate against others".

This does not change the substance of the Code but is introduced to strengthen members' understanding of the importance of ethical conduct in their professional life.

The paragraph was developed by The Institute of Chartered Accountants in England and Wales (ICAEW) and adopted into their Code with effect from 1 July 2025. This was following an ICAEW consultation process to which ICAS responded. The paragraph has subsequently been incorporated into the ICAS Code of Ethics to assist with consistency between the professional bodies.

This guidance aims to clarify ICAS' expectations of a member's conduct, both in their professional and personal lives and the types of behaviour that would fall within the scope of paragraph 115.1 A2.

2. A career for life

As highlighted in ICAS' The Power of One ***Personal responsibility and ethical leadership*** publication: "To be a Chartered Accountant, or CA, is more than just a professional qualification – it is a 'career' for life".

The ICAS Code of Ethics states at paragraph 1.2:

"Professional accountants have a responsibility to take into consideration the public interest... and to maintain the reputation of the accountancy profession. Personal self-interest must not prevail over those duties."

These extracts emphasise the role of the individual – the 'personal' responsibility that every CA must take in order to live by the ethical principles of ICAS. The obligation is placed upon every CA to take individual responsibility for the maintenance of the highest standards of ethical behaviour throughout their career – safeguarding not only their own reputation, but also that of their organisation and their profession, to the benefit of the public in general.

ICAS members have to comply with the five fundamental principles enshrined in the ICAS Code of Ethics: Integrity; Objectivity; Professional Competence and Due Care; Confidentiality; and Professional Behaviour.

Subsection 115 of the Code (effective from 1 July 2026) states the following in relation to Professional Behaviour:

"R115.0 Professional accountants shall conduct themselves with courtesy and consideration towards all with whom they come into contact when performing their work.

R115.1 A professional accountant shall comply with the principle of professional behaviour, which requires an accountant to:

- (a) Comply with relevant laws and regulations;
- (b) Behave in a manner consistent with the profession's responsibility to act in the public interest in all professional activities and business relationships; and

(c) Avoid any conduct that the accountant knows or should know might discredit the profession.

A professional accountant shall not knowingly engage in any business, occupation or activity that impairs or might impair the integrity, objectivity or good reputation of the profession, and as a result would be incompatible with the fundamental principles. *This includes avoiding any conduct that would be counter to values of equality, diversity and inclusion.*

115.1 A1 Conduct that might discredit the profession includes conduct that a reasonable and informed third party would be likely to conclude adversely affects the good reputation of the profession.

115.1 A2 A reasonable and informed third party would expect that a professional accountant, in their professional life, treats others fairly, with respect and dignity and, for example, does not bully, harass, victimise or unfairly discriminate against others.

R115.2 When undertaking marketing or promotional activities, a professional accountant shall not bring the profession into disrepute. A professional accountant shall be honest and truthful and shall not make:

- (a) Exaggerated claims for the services offered by, or the qualifications or experience of, the accountant; or
- (b) Disparaging references or unsubstantiated comparisons to the work of others.

115.2 A1 If a professional accountant is in doubt about whether a form of advertising or marketing is appropriate, the accountant is encouraged to consult with the relevant professional body.”

3. Key principles under paragraph 115.1 A2

As per paragraph R115.1 noted above, the Code sets out that a member must comply with relevant laws and regulations and avoid any conduct that they know or should know might discredit the profession.

Reasonable and informed third party test

As it states at paragraph 115.1 A1 of the Code: “Conduct that might discredit the profession includes conduct that a reasonable and informed third party would be likely to conclude adversely affects the good reputation of the profession”.

In considering whether there has been a breach of the fundamental ethics principle of professional behaviour, it is not therefore whether you consider your conduct to be appropriate, it is whether a reasonable and informed third party would be likely to conclude your conduct brings discredit to the profession.

The reasonable and informed third party test is described in paragraph 120.5 A9 of the Code as follows:

“120.5 A9 The reasonable and informed third party test is a consideration by the professional accountant about whether the same conclusions would likely be reached by another party. Such consideration is made from the perspective of a reasonable and informed third party, who weighs all the relevant facts and circumstances that the accountant knows, or could reasonably be expected to know, at the time the conclusions are made. The reasonable and informed third party does not need to be an accountant, but would possess the relevant knowledge and experience to understand and evaluate the appropriateness of the accountant’s conclusions in an impartial manner.”

The Code therefore clarifies that the reasonable and informed third party would not have to be an accountant, but would be an objective, knowledgeable, experienced and informed third party – i.e. not an uninformed member of the public – who could impartially consider the appropriateness of the accountant's conclusions.

Professional versus personal life

When assessing if a member's conduct amounts to misconduct, consideration will be given to whether the behaviour occurred in a member's professional or personal life. This distinction can be important because the standards of expected conduct differ between these two contexts. Poor conduct within a professional setting is more likely to bring discredit to the profession compared to similar behaviour occurring in a member's personal life. This means that higher standards of behaviour are expected of members in their professional life. It should be noted however, that some behaviour may be so serious that it brings discredit regardless of whether it takes place in a member's professional or personal life, for example criminal convictions.

The CCAB Ethics Group's publication ***Boundaries of professional and personal life in ethics*** offers useful guidance to help members understand the boundaries between personal and professional life.

Paragraph 115.1 A2 applies to conduct that takes place in a member's 'professional life'. The term 'professional life' is used to encompass a broad range of activities that link conduct in the life of a member to their profession as an accountant. The expectation of conduct exists in any element of their professional life, not just when performing their work. Any situation involving colleagues, clients, or where the member is representing their employer, or their profession, could be relevant. This could include, for example, work social events, even if they take place out of normal work hours and/or do not take place on work premises.

If a member's professional status is visible on social media accounts, any posts will likely be seen as made in their professional capacity. For example, LinkedIn profiles generally include professional details, so all LinkedIn posts are likely to be subject to the 'professional life' standard of conduct. Other social media accounts used may not be as explicit but if the nature of a member's profession is apparent, this is also likely to be enough for posts to be subject to the 'professional life' standard.

ICAS' *Social Media Policy* specifically states: "Social Media Users should be mindful that the fundamental ethics principles apply in both professional and personal capacities. On that basis, the terms of this policy apply equally when social media is used in a strictly personal capacity."

There is the overarching requirement at paragraph R115.1 not to bring discredit to the profession and to comply with all relevant laws and regulations. It is possible to bring discredit to the profession through actions entirely in an individual's private life if the conduct is seriously poor and therefore incompatible with the higher standards expected of a member of the profession, for example, if a member obtains a criminal conviction. The CCAB guidance also states examples could include: "a member using seriously offensive or threatening language causing distress, or threatening behaviour, towards a client or a member of the public outside of the work environment; or, a member posting comments on social media, such as discriminatory (e.g. racist, sexist, homophobic or ableist) comments that are seriously offensive or threatening to the extent that it calls into question the member's professional judgement and fitness to be a professional."

Examples of behaviours

Paragraph 115.1 A2 sets out both positive expectations and non-exhaustive examples of unprofessional behaviour. A professional accountant, in their professional life: "... treats others fairly and with respect and dignity and for example does not bully, harass, victimise, or unfairly discriminate against others."

While some terms may have legal definitions, they can also be understood more broadly in their ordinary or natural sense. For the purpose of this guidance, they are defined as follows:

Fairly: Demonstrates fairness, objectivity and impartiality in all professional dealings and in a way that maintains an ethical culture and public confidence in the profession. This includes handling complaints fairly.

Respect and dignity: This is about valuing others and their contributions and perspectives to ensure they receive equitable treatment. It does not mean you cannot hold opposing personal opinions on issues; neither does it mean you cannot speak up, or challenge someone more senior, if you have concerns about their conduct.

Bully: While there is no legal definition of bullying in the UK, it is commonly understood as behaviour that intimidates or undermines someone. For example, bullying is associated with actions such as:

- spreading malicious rumours;
- unfair treatment;
- regularly undermining someone or picking on them; and
- unfairly or unreasonably denying training or promotion opportunities.

Harass: Harassment can be defined as any unwanted conduct that has the purpose or effect of violating a person's dignity or creating an intimidating, hostile, humiliating, or offensive environment within professional and workplace settings. In the UK, harassment is unlawful under Section 26 of the [Equality Act 2010](#). While legal definitions and protections vary across jurisdictions, ICAS expects its members to uphold the highest standards of professional behaviour and respect in all interactions, ensuring that workplaces remain free from harassment. Members working internationally should be aware of the laws in their own jurisdiction while adhering to ICAS' ethical framework.

Victimise: According to the [Equality and Human Rights Commission](#), victimisation is a type of discrimination. It occurs when someone is treated less favourably because they have or are thought to be involved in a 'protected act,' such as raising a discrimination or harassment complaint at work.

Unfairly discriminate against others: discrimination is when someone is treated 'less favourably' than someone else because of their 'protected characteristics,' for example the person's age, sex or disability. However, there are circumstances, where you can positively or fairly discriminate to help people with a protected characteristic, for example because they are under-represented in a type of work. This is known in the UK as 'positive action'. ICAS is only concerned with unfair direct or indirect discrimination.

These negative behaviours are viewed seriously because they have the potential to undermine ethical cultures and the fundamental principles that underpin the profession. They are also particularly serious in a professional context because they can erode trust between colleagues and with clients and ultimately harm public trust in the profession.

4. Duty to report

Members have a duty to report any facts or matters which, in their reasonable opinion, indicate that a member, CA student member, affiliate or firm may be liable to disciplinary action.

ICAS has published guidance for members if they believe they may have a regulatory duty to report misconduct or incompetence to ICAS - [Reporting disciplinary matters to ICAS - ICAS](#).

This guidance does not address statutory reporting obligations to third parties (e.g. reporting money laundering concerns to the National Crime Agency). If advice is needed on other such reporting obligations, ICAS' ethics helpline can be contacted on +44 (0)131 347 0271.

5. Other sources of guidance

Professional accountants who are in doubt as to their ethical position may seek guidance from the following sources, available to all members of ICAS:

- ICAS Technical Helpdesk <https://www.icas.com/regulation-technical-resources/support>
- Alternatively, members with a Code of Ethics query which is not audit/assurance related may also contact us at complaints@icas.com or by telephone on + 44 (0) 131 347 0271.
- For ICAS' anti-money laundering helpline, telephone +44 (0)131 347 0271, or submit a query via the ICAS Technical Helpdesk. We provide guidance on general issues concerning the regulations, for example, the extent of identification procedures required, plus guidance for specific instances.

ICAS has also partnered with whistleblowing charity [Protect](#) to provide members and CA Student members with access to an independent, confidential helpline. This service offers free advice regarding whistleblowing and speaking up. ICAS Protect Helpline Number: 0800 055 7215.

In addition, we offer the [ICAS Ethics Buddy Service](#) which enables members with an ethical dilemma, where deemed appropriate, to have confidential, informal, discussions with an experienced member in order to explore their issue and assist them in considering how they might approach their dilemma.



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