

# Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants

Fact Sheet  
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**IESBA**

International  
Ethics Standards  
Board for Accountants®

## What is it?

In October 2020, the IESBA released the final pronouncement, [Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants](#) (Role and Mindset Revisions).



## Why the Role and Mindset Revisions



In recognizing the breadth and significance of the accountancy profession's impact in businesses, governments and society at large, the profession and its members accept a responsibility to act in the public interest. However, doing so can be challenging, especially in times of economic, societal and technological change.

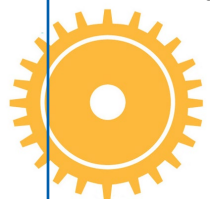
The Role and Mindset Revisions aim to reinforce the importance of the profession's public interest responsibility by stimulating professional accountants to better demonstrate the role, mindset and behavioral characteristics expected of them, thereby allowing them to meet public expectations in their various roles and fields of endeavor.

## What Outcomes are the Revisions Seeking to Achieve?

- ✓ More clearly recognizing the central role compliance with the Code plays in helping professional accountants and the profession meet their responsibility to act in the public interest
- ✓ A renewed mindset that encapsulates certain expected behavioral characteristics applied to all professional activities, including having an inquiring mind and standing one's ground or challenging others in difficult situations
- ✓ A greater awareness by professional accountants of the potential adverse influence of bias in their judgments and decisions, and an affirmation that they have an important role in promoting an ethical culture within their organizations



**The Role and Mindset Revisions will become effective as of December 31, 2021. Early adoption is permitted.**



## What are the key changes?



### Acting in the Public Interest

- ❑ Highlight the importance of compliance with the fundamental principles in helping professional accountants to meet their responsibility to act in the public interest
- ❑ Explain that compliance with the Code means not only compliance with the letter of the Code but also with its spirit
- ❑ Clarify that compliance with the Code does not mean a professional accountant will have always met their responsibility to act in the public interest



### Enhancements to the Fundamental Principles

- ❑ Strengthen the fundamental principle of integrity by emphasizing the importance of having the strength of character to act appropriately
- ❑ Strengthen the fundamental principles of objectivity, professional competence and due care and professional behavior, including some enhancements that reflect the impact of technology



### Having an Inquiring Mind

- ❑ A new requirement for professional accountants to have an inquiring mind when applying the conceptual framework
- ❑ Differentiate having an inquiring mind from the exercise of professional skepticism when performing audits, reviews and other assurance engagements



### Awareness of Bias & Importance of Organizational culture

- ❑ Emphasize the importance of being aware of one's bias in the exercise of professional judgment and include a list of 8 common examples
- ❑ Highlight the importance that a positive internal organizational culture has on the effective application of the conceptual framework
- ❑ Explicitly recognize that professional accountants have a role in promoting ethical behavior and culture in their organizations.