

# THE UK ACTUARIAL PROFESSION

## ED2 ACTUARIAL PROFESSION STANDARD

### CONDUCT

#### 1. Application & status

- 1.1 This Standard applies to all members of the UK Actuarial Profession and sets out the mandatory approach to conduct in any circumstance where a member gives professional advice or services. For the purposes of the Actuaries' Code and this standard, Faculty Students and Affiliates are considered as members and within the Actuaries' Code all members are considered as actuaries.
- 1.2 Please note that those sections of this Standard denoted by "*For amplification*" are intended only to explain and qualify the main sections of this Standard. Compliance with a "*For amplification*" section is evidence of compliance with the related mandatory requirement, but non-compliance with such a section is not of itself a breach of a Standard.

#### 2. The Conduct principle

- 2.1 The Actuaries' Code states: "*Actuaries act with honesty and integrity undertaking their duties in the best interests of their clients (who may be their employer).*"

#### 3. Honesty and Integrity

- 3.1 A member is expected to uphold high standards of honesty and integrity in all professional dealings commensurate with maintaining the reputation of the Profession.
- 3.2 Outside the member's professional life, the need to uphold the reputation of the Profession requires that a member acts with propriety, behaving in an honest and trustworthy way, respecting the rights of others.
- 3.3 *For amplification:* Although the requirement in respect of professional dealings is necessarily higher, a member is still expected to behave properly in other areas. This is particularly aimed at their dealings in financial and related matters, and when discharging positions of trust. However the Actuaries' Code is not intended to impinge upon matters of personal relationships.
- 3.4 *For amplification:* A member will not do anything that intentionally misleads people as to their position. In particular a member will not imply that what they say is on behalf of the Profession unless authorised to do so. This does not prevent references to any work done for or position held in the Profession in any publication, so long as this is not used to imply any exclusive standing or expertise in the subject.

#### **4. Best Interests**

**4.1 A member is expected to assess and act in the best interests of their clients (who may be their employer) co-operating with others who also serve these clients.**

4.2 *For amplification:* The best interests of an entity may not be identical with the wishes of its owners or management. A member will normally assume that it will be in the interests of that entity to comply with legal requirements, of whatever nature. It will often be in the best interests of that entity to treat third parties fairly.

4.3 *For amplification:* The requirement in respect of the best interests of clients or employers does not override other duties in the Actuaries' Code or in Actuarial Standards. Where there are real or perceived conflicts between sections of the Actuaries' Code then a member must use judgement and/or seek guidance as to the appropriate course of action.

#### **5. Advertising**

**5.1 A member shall not engage in any advertising or business solicitation with respect to actuarial services that the member knows or should know is false.**

#### **6. Non-compliance with this Standard**

**6.1 The Actuarial Profession is committed to enforcing the Code through disciplining members who do not meet the standards of behaviour, integrity, competence or professional judgement which other members or the public might reasonably expect of a member. Failure to comply with the Code or this Standard may result in a member becoming liable to disciplinary action.**