



CFA Institute

**ASSET**

**MANAGER**

**CODE**

**OF PROFESSIONAL**

**CONDUCT**

**DEMONSTRATE A COMMITMENT  
TO A HIGHER STANDARD**



# DEMONSTRATE A COMMITMENT TO A HIGHER STANDARD

In the wake of high-profile investment scandals, providing skeptical investors with confidence in your firm's commitment to high standards of ethical and professional conduct is paramount.

One way asset management firms can do this is through voluntary compliance with an objective standard developed by a globally respected leader in the investment profession. The Asset Manager Code of Professional Conduct provides a robust framework for affirming investor interests.

A city skyline at sunset, featuring various skyscrapers and buildings. A prominent yellow square is located in the top left corner. The text is overlaid on the image, with the first part in white and the second part in yellow.

**CURRENTLY MORE  
THAN 750 ASSET  
MANAGEMENT FIRMS,  
INVESTMENT FIRMS,  
PRIVATE BANKS, AND  
HEDGE FUNDS IN MORE  
THAN 25 COUNTRIES  
CLAIM COMPLIANCE  
WITH THE CODE.**

**ADOPTING IT WILL  
SEND A STRONG  
MESSAGE THAT YOUR  
FIRM IS SERIOUS  
ABOUT ETHICS TOO.**



# WHAT DOES THE CODE COVER?

The principles of the Code outline the ethical and professional responsibilities of firms that manage assets on behalf of clients while allowing flexibility in implementation for asset managers of various sizes and structure.





The Code provides practical guidelines in six main areas of conduct designed to apply to all facets of the manager–client relationship:

1. Loyalty to clients
2. Investment process and actions
3. Trading
4. Risk management, compliance, and support
5. Performance and evaluation
6. Disclosures

Supported by specific guidance, the general principles of the Code state that investment managers have these responsibilities to their clients:

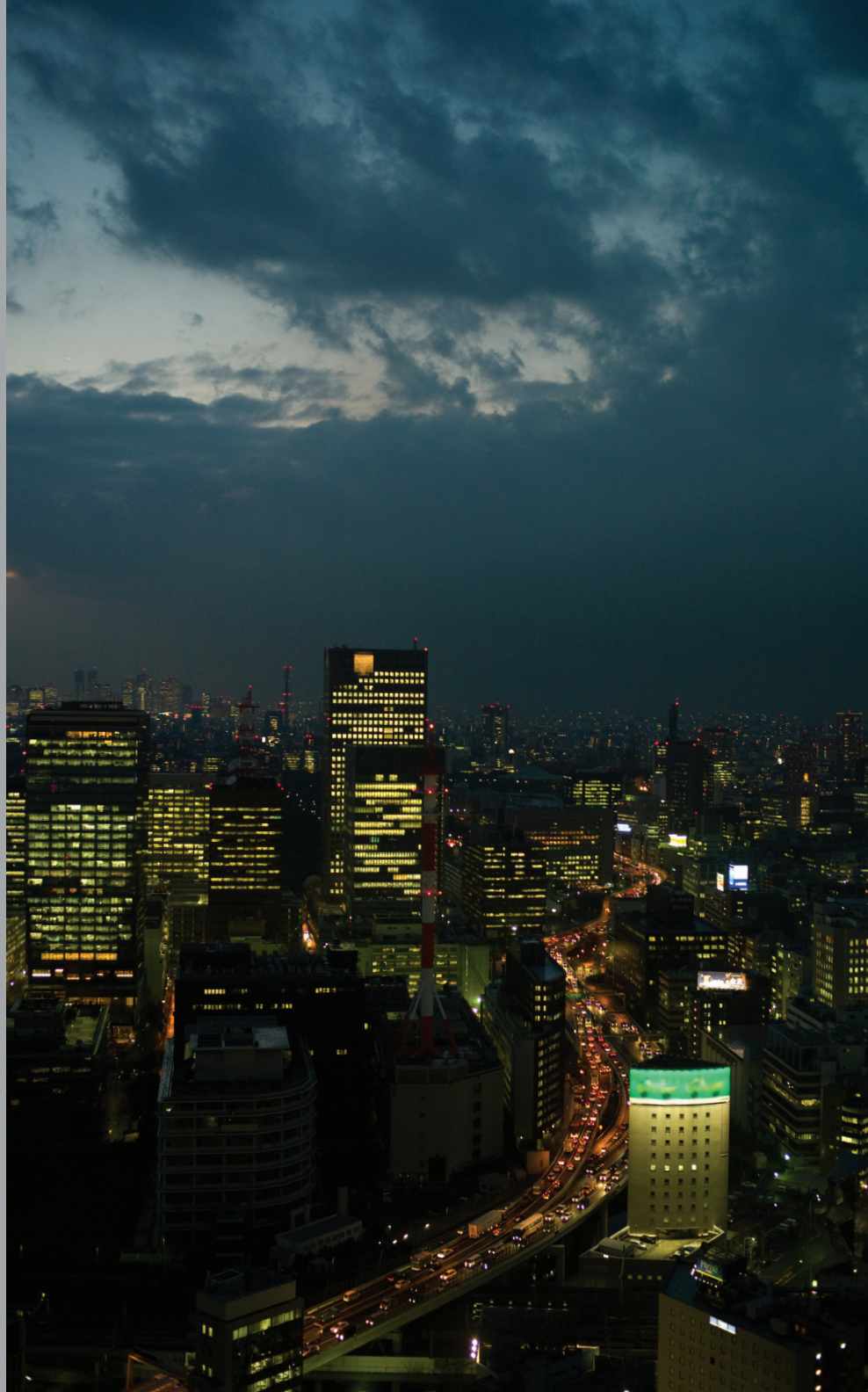
- › To act in a professional and ethical manner at all times
- › To act for the benefit of clients
- › To act with independence and objectivity
- › To act with skill, competence, and diligence
- › To communicate with clients in a timely and accurate manner
- › To uphold the rules governing capital markets

**"BEING GLOBAL IS AN ESPECIALLY VALUABLE ASPECT OF THE ASSET MANAGER CODE, AS WE INVEST THROUGH THE BEST MANAGERS ON A GLOBAL BASIS. HAVING THE CONFIDENCE THAT THEY ADHERE TO THE STANDARD ACROSS THE GLOBE IS CRITICAL."**

**MARK DELANEY, CFA**

Chief Investment Officer  
AustralianSuper





# WHO BENEFITS?

Both investors and asset managers who value high ethical and professional standards benefit from the adoption of a universal code of conduct.





### Benefits for asset managers

- › Sends a message to investors, regulators, and partners that they are voluntarily operating under higher ethical and professional standards
- › Creates a strong reputation for a firm's values that can help retain and attract clients
- › Provides a communication and promotional tool to demonstrate the value they placed on protecting client interests

### Benefits for investors

- › Provides a useful tool to quickly identify firms that commit to a common standard of ethical principles and sound professional practices
- › Assists in the initial and ongoing due diligence reviews of external managers
- › Helps with asking difficult questions of and setting expectations for managers
- › Sets a uniform global standard for comparing the practices of managers from different markets or regions without having to know the specific regional laws governing their operations

# HOW TO COMPLY

In order to attain official compliance, each asset management firm must attest that its individual code of ethics and operating procedures affirm the principles represented by the Code by completing and submitting a claim of compliance form (available at [www.cfainstitute.org/assetcode](http://www.cfainstitute.org/assetcode)).

In many cases, asset managers may be able to comply simply on the strength of their existing practices, while others can simply add to (rather than replace) existing codes of ethics.

For more information on the Asset Manager Code of Professional Conduct, please contact us at [ethics@cfainstitute.org](mailto:ethics@cfainstitute.org) or visit [www.cfainstitute.org/assetcode](http://www.cfainstitute.org/assetcode)

"OUR INDUSTRY HAS  
MOVED INTO A WORLD  
WHERE THERE HAS  
TO BE AN ELEMENT OF  
**'COMPLIANCE CULTURE'**  
EMBEDDED WITHIN THE  
CORPORATE CULTURE.  
THE ADOPTION OF THE  
ASSET MANAGER  
CODE IS A CRITICAL  
PART OF THIS."

**DANIEL BROBY, FSIP**

Chief Investment Officer  
Silk Investment



# ABOUT

# CFA INSTITUTE

CFA Institute is a global community of more than 100,000 investment professionals committed to promoting the highest standards of investment ethics, education, and professional excellence in order to create an environment where investors' interests come first, financial markets function at their best, and economies grow.

In addition to developing standards like the Asset Manager Code of Professional Conduct and the Global Investment Performance Standards (GIPS®), we administer the widely respected Chartered Financial Analyst® (CFA®) and Certificate in Investment Performance Measurement (CIPM®) credentials.

Learn more at [www.cfainstitute.org](http://www.cfainstitute.org)



CFA Institute

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