



## Code of Conduct for Directors and Committee Members of BSL

### Preamble

1. BEAM Society Limited (the "BSL") is fully committed to the principle of honesty, integrity and fair play in the conduct of its business. To uphold public trust and protect public interest, it is important for all Directors<sup>1</sup> and Committee Members<sup>2</sup> to handle BSL's business in a just and impartial manner so that BSL's reputation will not be tarnished by dishonesty, impropriety or corruption. To this end, this Code of Conduct sets out the standard of behaviour expected of all Directors and Committee Members. In the case of any special circumstances that warrant special treatment deviating from this Code of Conduct, prior approval from the Board of Directors (the "Board") shall be required.

### General Standards

2. A Director or Committee Member shall ensure that his conduct would not bring BSL into disrepute.
3. A Director or Committee Member shall not at any time or in any respect do anything which may compromise or impair his integrity, impartiality, objectivity or ability to perform BSL duties.
4. A Director or Committee Member shall adhere to the spirit and the letter of any rules, codes or orders made for BSL's practices and procedures or for Directors or Committee Members' behaviour in relation to the business of BSL.

### Specific Standards

#### Prevention of Bribery

5. BSL is a public body under the Prevention of Bribery Ordinance (Cap. 201) ("POBO"). All Directors and Committee Members of BSL are "public servants" for the purpose of the Ordinance. Directors

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<sup>1</sup> A "**Director**" means a director of BSL who has been appointed as such under the Companies Ordinance (Cap. 622). A reference to the masculine gender in this code covers both the feminine and masculine gender.

<sup>2</sup> A "**Committee Member**" means an individual who is appointed to any committee set up by BSL including but not limited to steering committees, panels, task forces, working group and sub-committees involved in making decisions about work or services to be contracted by BSL or projects to be assessed by or on behalf of BSL. A reference to the masculine gender in this code covers both the feminine and masculine gender.

and Committee Members are agents of BSL governed by Sections 4, 8, 9, and 19 of the Prevention of Bribery Ordinance (POBO, Cap. 201) (and other provisions where appropriate). A Director or Committee Member commits an offence under POBO if he, without the Board or relevant Committee's permission, solicits or accepts any advantage in connection with the Board or relevant Committee's business. **Annex 1** provides the full text of POBO Sections 4, 8, 9, and 19 and the legal definition of an advantage. In addition, all Directors and Committee Members are prohibited from offering, soliciting or accepting any advantage in conducting BSL's business, whether in Hong Kong or elsewhere, except that they may accept (but not solicit) gifts or souvenirs when offered on a voluntary basis as permitted in Clauses 7 - 18 herein.

6. Directors and Committee Members shall note that one may commit an offence under the POBO irrespective of whether he, or any other person acting on his behalf, directly or indirectly solicits or accepts any advantage, and whether for himself or for any other person.

### **Solicitation and Acceptance of Advantages**

7. Directors and Committee Members are prohibited from soliciting or accepting any advantage from any persons or companies having official dealings with BSL.
8. Even if the offeror does not have any official dealings with BSL, a Director or Committee Member shall decline an offer of an advantage if the acceptance could affect his objectivity in conducting BSL's business, induce him to act against BSL's interest or place him under an improper obligation, or where he believes the offeror has such an intention, or lead to the perception or allegation of impropriety or conflict of interest.
9. A Director or Committee Member shall always consider the public perception when accepting an offer of an advantage and ensure that the solicitation or acceptance of any advantages can stand up to public scrutiny and will not bring BSL into disrepute.
10. When a Director or Committee Member is in doubt, he should consult the Board.

### **Gifts/Souvenirs Presented to Directors or Committee Members in their Capacity as such**

11. A gift/souvenir presented to a Director or Committee Member in his capacity as such should be regarded as a gift/souvenir to BSL (e.g. a gift/souvenir presented by the organisers to a Director

or Committee Member representing BSL to officiate at ceremonies).

12. A Director or Committee Member shall follow the procedures set out in **Annex 2** for the disposal of gifts/souvenirs received in the above circumstances.

*Sponsorships Offered to Directors or Committee Members in their Capacity as such*

13. Directors and Committee Members may be offered sponsorships in their capacity as such by persons/organisations other than BSL itself for official purposes such as attending local/overseas conferences, conventions, product trial activities, etc. Such sponsorships should be regarded as sponsorships offered to BSL and referred to the Board or relevant Committee for consideration of acceptance.

14. The Board or relevant Committee should consider whether it is appropriate to accept the offer based on the following general criteria:

- a) acceptance of the sponsorship will benefit BSL as a whole and not bring BSL into any disrepute;
- b) BSL will not feel obliged to do something in return for the offeror;
- c) the sponsorship is not excessive in value or frequency;
- d) the sponsor will not be given or be perceived to derive an unfair advantage over other persons or organisations; and
- e) acceptance will not give rise to any actual or perceived conflict of interest (e.g. the offeror is a supplier/contractor bidding for BSL's contracts).

15. If the Board or relevant Committee decides to accept the sponsorship, it should then select a suitable Director or Committee Member to attend the sponsored activity on its behalf.

*Advantages Offered to Directors and Committee Members in their Private Capacity*

16. Where a Director or Committee Member is offered an advantage in his private capacity, he may accept it if –

- a) the acceptance will not affect the performance of his duties as a Director or Committee Member; and
- b) he will not feel obliged to do something in return in connection with BSL business for the offeror.

17. If a Director or Committee Member feels that he would be obliged to reciprocate an advantage by returning to the offeror a favour connected with any BSL business, he should decline the offer.

18. When a Director or Committee Member is in doubt as to whether he should accept an offer of advantage, it is advisable for him to apply the “sunshine test”<sup>3</sup> and consult the Board or relevant Committee Chairperson/Secretary.

### **Acceptance of Entertainment**

19. Although entertainment when offered by way of a favour is not an advantage per se and its acceptance is generally not subject to the POBO, a free entertainment may, in certain circumstances, amount to “a discharge of an obligation to pay” which is an advantage under section 2 of the POBO. For example, where a public servant visits a restaurant with which he has official dealings and at the end of the meal the restaurant owner waives the bill, this may amount to an acceptance of an advantage.

20. Directors or Committee Members should avoid lavish, or unreasonably generous or frequent entertainment that would put them in an obligatory position in the discharge of their duties, compromise their impartiality or judgement, or bring them or BSL into disrepute bearing in mind public perception. When offered entertainment, a Member should consider whether the entertainment offered could be regarded as:

- a) excessive – taking into account its value, substance, frequency and nature;
  - b) inappropriate – taking into account the relationship between the Director and Committee Member and the offeror (e.g. whether they have any direct official dealings);
- or

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<sup>3</sup> In the sunshine test, the person concerned should ask himself if he would be happy to openly discuss with the general public what he is doing. If he feels uncomfortable about that, what he is doing is probably conflicting with the ethical standard generally expected by society.

- c) undesirable – taking into account the character or reputation of the host or known attendees.

## **Offer of Advantage**

- 21. Directors and Committee Members are prohibited from offering advantages to any director, or staff of any company or organisation, for the purpose of influencing such person or company in any dealings, or any public official, whether directly or indirectly through a third party, when conducting the business of BSL. It is also an offence under the POBO for any person while having dealings with a public body to offer an advantage to the public body's members and employees. A Member shall ascertain the intended recipient's company policy before offering.
- 22. A Director or Committee Member shall as far as possible refrain from bestowing gifts/souvenirs to others during the conduct of official activities. Where it is necessary or unavoidable due to operational, protocol or other reasons, the number of gifts/souvenirs to be bestowed should be kept to a minimum and the exchange of gifts/souvenirs should be made from organisation to organisation. Gift/souvenir items should not be lavish or extravagant and standard souvenirs inscribed with BSL's logo are preferred.

## **Conflict of Interest**

### Definition

- 23. A conflict of interest situation arises when the private interest of a Director or Committee Member competes or conflicts with the interest of BSL. "Private interest" includes both the financial and personal interests of Directors or Committee Members and those of their connections, including family members, relatives, friends, clubs and societies to which they belong, as well as people to whom they owe a favour or are obligated in any way.

### Managing conflict of interest

- 24. Directors and Committee Members should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of BSL) or the perception of such conflicts. They should not use their official position or any information made available to them in the course of their duties to benefit themselves, their relations or any other persons with whom they have

personal or social ties. There are circumstances in which a tie of kinship or friendship, or some other association or loyalty which does not give rise to a financial interest, can influence the judgement of a Member in discharging his official duties, or may reasonably be perceived as having such an influence. As such, a Member's duty to avoid or declare a conflict of interest goes beyond the disclosure of interests that are definable in pecuniary terms. They should avoid putting themselves in a position that may lead to an actual or perceived conflict of interest. Failure to avoid or declare such conflict may give rise to criticism of favouritism, abuse of authority or even allegations of corruption. In this connection, Directors and Committee Members shall comply with the guidelines on declaration of interests in **Annex 3** and declare Register of Interests in **Annex 4**. When a Director or Committee Member (including the Chairperson of the Board or relevant Committee) has an actual or potential conflict of interest in any matter under consideration by BSL, he should, as soon as practicable after he has become aware of it, make a declaration to the Chairperson (or the Board or relevant Committee) through the applicable reporting channel using a prescribed form (**Annex 5**).

#### *Directors or Committee Members bidding for BSL's contracts*

25. As a matter of principle, Directors and Committee Members should avoid personally participating in the bidding of BSL's contracts or in the awarded contract work to prevent the public perception that the Directors or Committee Members are using their capacity to obtain financial gains from BSL. The aforementioned personal participation also includes acting as sub-consultants, advisors or the like during the bidding process or during the contract work.
26. However, in exceptional circumstances listed below, such participation may be allowed:
- a) The concerned member is only a Committee Member but not a Director, and the concerned contract is not managed by that Committee.
  - b) Single and restricted quotation/tendering.
  - c) Where there are not enough responses to an open invitation to express interest/tender and a re-invitation has to be issued, provided that: (i) the lack of responses is not due to unnecessarily stringent requirements; (ii) a Director or Committee Member has expertise to provide the concerned goods or services; AND (iii) the concerned Director or Committee Member has not accessed restricted tender information during the previous exercise.

- d) Any other special circumstances with sufficient justifications to show that such participation is unavoidable and publicly defensible, in which case Board of Directors' approval shall be sought.

27. In circumstance (a), the Committee Member has to submit **Annex 7** to the Board. The Board should assess the merits of individual applications and grant approval if the member's participation does not pose any unfair advantage or conflict of interest, and thus publicly defensible.

28. In circumstances (b) and (c), Board's approval has to be sought before inviting the concerned Director or Committee Member to personally participate in the bid. In response to the invitation, the Director or Committee Member should submit **Annex 7** to indicate his decision on whether to participate in the bid. If the member decides to bid, the concerned Committee Chairperson should remind (via the acknowledgement slip in the Form) the member that he should not be present in any subsequent discussion concerning the tender and should refrain from getting restricted tender information other than in the capacity of a bidder.

29. In circumstance (d), any Director or Committee Member may submit **Annex 7** to the Board to seek special approval to participate in the bid. In granting approval, the Board should ensure that the circumstances are unavoidable and publicly defensible.

30. In addition, BSL has established a set of "Guidelines on Managing Possible Conflict of Interest Arising from Directors or Committee Members Bidding for Contracts of BSL" as set out in **Annex 8**. The Secretariat, all Directors and Committee Members should follow the said Guidelines to manage conflict of interest arising from Directors or Committee Members bidding for BSL's contracts.

31. The aforementioned provisions do not apply to joint activities with Founding Members.

### **Use of Confidential or Privileged Information**

32. A Director or Committee Member shall not take advantage of, or let any person or organisation benefit from, the confidential or privileged information obtained in his capacity as a Director or



Committee Member.

33. A Director or Committee Member shall not disclose any confidential or privileged information of BSL to any party unless he is authorised to do so.
34. A Director or Committee Member who has access to or in control of such information should at all times ensure its security and prevent any abuse, unauthorised disclosure or misuse of the information.
35. Special care should be taken when handling any personal data of both the Members and service recipients to ensure compliance with the Personal Data (Privacy) Ordinance (Cap. 486) and BSL's data privacy policy.
36. A Director or Committee Member shall continue to observe his duty of confidentiality after he has left BSL. He should not use, or take advantage of any classified or proprietary information obtained in the course of their official duties.
37. When a Director or Committee Member is in doubt as to whether certain information may be disclosed, it is advisable for him to apply the "sunshine test" (mentioned in Clause 18 above) and consult the Board or relevant Committee Chairperson/Secretary.
38. Without restricting the generality of the foregoing, a Director or Committee Member shall comply with the Directive on Classification and Handling of Information given in **Annex 9**.

### **Misconduct in Public Office**

39. A Director or Committee Member who misconducts himself in relation to his official duties may commit the common law offence of MIPO. The common law offence of "misconduct in public office" ("MIPO") extends the reach of criminal law beyond bribery into various types of misconduct of public officers when discharging their official duties. The elements constituting the offence of MIPO are as follows:

- a) a public official;



- b) in the course of or in relation to his public office;
  - c) willfully misconducts himself by act or omission (for example, by willfully neglecting or failing to perform his duty);
  - d) without reasonable excuse or justification; and
  - e) such misconduct is serious, not trivial, having regard to the responsibilities of the office and the office-holder, the importance of the public objects which they serve and the nature and extent of the departure from those responsibilities.
40. The misconduct must be deliberate rather than accidental in the sense that the official either knows that his conduct is unlawful or wilfully disregards the risk that his conduct is unlawful. Wilful misconduct without reasonable excuse or justification is culpable.
41. The essential feature of the offence is an abuse by the public official of the powers, discretions or duties exercisable by virtue of his official position conferred on him for the public benefit. A public officer may commit MIPO even if his misconduct does not involve any bribery or he does not have any pecuniary gains as a result.
42. Some examples of the past conviction cases are described below:
- a) A Chairperson of a public body responsible for considering licence applications improperly discussed with the applicants and their agents before convening board meetings and provided classified documents relating the licence applications to a personal friend working for the applicants. He also failed to declare the conflict of interest in respect of his relationship with the licence applicants and their agents when considering their applications.
  - b) A deputy head of a public body dishonestly claimed the cost of return airfares for attending meetings and overseas subsistence allowances to which he was not entitled.
  - c) A civil servant responsible for the award of service contracts had misused his office by exerting improper influence over the award of contracts to a company which was not qualified for tendering for the contracts and in which his relatives had a financial interest.
  - d) A civil servant responsible for conducting a registration examination assisted a friend in obtaining the registration dishonestly, and provided the latter with classified information relating to the examination.



## **Use of BSL's Assets and Resources**

43. Directors or Committee Members in charge of or having access to any assets of BSL, including funds, property, information, and intellectual property should use them solely for the purpose of conducting BSL's business. They should make the best use of BSL's assets and resources in terms of money, property, goods or services economically and effectively. Any appropriation of BSL's properties for personal use or personal gain is strictly prohibited and may amount to an offence under the Theft Ordinance (Cap. 210).

## **Gambling**

44. A Director or Committee Members shall not engage in frequent or excessive gambling of any kind, or any games of chance involving high stakes. Directors or Members shall not gamble with persons having official dealings with BSL or over whom they have enforcement responsibilities.

## **Loans**

45. Directors or Committee Members shall not accept a loan from or through the assistance of, any person or organisation having official dealings with BSL. There is, however, no restriction on borrowing from a licensed bank or financial institution.

## **Indebtedness**

46. Directors or Committee Members shall avoid allowing themselves to get into a position where any debts they may have become unmanageable and other financial embarrassment which may bring BSL into disrepute.

47. Directors and Committee Members are required to notify the Chairperson if proceedings are taken against them with a view to bankruptcy. Members who become insolvent or bankrupt<sup>4</sup> even though no proceedings have been taken against them yet, should also report their case to BSL.

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<sup>4</sup> Individual voluntary arrangement (IVA) is an alternative to bankruptcy under the Bankruptcy Ordinance. A staff member taking up an IVA is regarded as insolvent and should report the case to BSL.



## **Use of Funds**

48. Directors and Committee Members shall ensure that all BSL's funds are used in a prudent and responsible manner to safeguard BSL's interest. They should only approve funds for any project/activity/expenditure item which falls within the ambit of the funds and can achieve the purpose of the funds.
49. Directors and Committee Members shall particularly ensure that an open, fair and competitive mechanism is adopted for the procurement of goods/services and recruitment of staff for BSL.

## **Misuse of Capacity as a Member**

50. Directors and Committee Members shall not misuse their official capacity as such to gain benefit for themselves or others, or render favour to any person/organization.

## **Reporting Suspected Criminal Offences and Irregularities**

51. A Director or Committee Member shall report, either directly or through Secretary of the Board as appropriate, all instances of crime or alleged crime discovered in the course of his official duty to the appropriate law enforcement authority at the first practicable opportunity. He has no discretion in deciding which cases of crime or alleged crime to report. He should avoid making any enquires or taking any action that may hinder or frustrate subsequent investigation by the law enforcement authority concerned.
52. Attempting to bribe a public servant is a criminal offence under the POBO. Such attempts should be reported promptly to the ICAC. All such reports should be treated in the strictest confidence.
53. A Director or Committee Member shall also report other irregularities observed in the course of their official duty to the Board/ Secretary of the Board. All such reports should be treated in the strictest confidence.

## **Compliance**

54. Directors or Committee Members shall understand and comply with this Code when performing duties of BSL. They shall adhere to the spirit and the letter of any rules or orders made for BSL's practices and procedures or for Members' behaviour in relation to the business of BSL.



55. Directors or Committee Members shall comply with all local laws and regulations when conducting BSL's business, and also those in other jurisdictions, when conducting business there.

56. Any member in breach of the Code will be subject to disciplinary action, including termination of appointment. In case of suspected corruption or other criminal offences, a report will be made to the ICAC or the appropriate law enforcement agencies.

### **Review**

57. This Code is subject to review and revision from time to time by BSL.

### **Enquiry**

58. Any enquiries, comments or suggestions in relation to this Code may be referred to Assistant Manager – Corporate Affairs.

## Annex 1

### Extracts from the Prevention of Bribery Ordinance (Cap. 201, Laws of Hong Kong)

#### Section 4 – Bribery

- (1) Any person who, whether in Hong Kong or elsewhere, without lawful authority or reasonable excuse, offers any advantage to a public servant as an inducement to or reward for or otherwise on account of that public servant's –
- (a) performing or abstaining from performing, or having performed or abstained from performing, any act in his capacity as a public servant;
  - (b) expediting, delaying, hindering or preventing, or having expedited, delayed, hindered or prevented, the performance of an act, whether by that public servant or by any other public servant in his or that other public servant's capacity as a public servant; or
  - (c) assisting, favouring, hindering or delaying, or having assisted, favoured, hindered or delayed, any person in the transaction of any business with a public body,
- shall be guilty of an offence.
- (2) Any public servant who, whether in Hong Kong or elsewhere, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his –
- (a) performing or abstaining from performing, or having performed or abstained from performing, any act in his capacity as a public servant;
  - (b) expediting, delaying, hindering or preventing, or having expedited, delayed, hindered or prevented, the performance of an act, whether by himself or by any other public servant in his or that other public servant's capacity as a public servant; or
  - (c) assisting, favouring, hindering or delaying, or having assisted, favoured, hindered or delayed, any person in the transaction of any business with a public body,
- shall be guilty of an offence.
- (2A) Any person who, whether in Hong Kong or elsewhere, without lawful authority or reasonable excuse, offers any advantage to the Chief Executive as an inducement to or reward for or otherwise on account of the Chief Executive's –
- (a) performing or abstaining from performing, or having performed or abstained from performing, any act in his capacity as the Chief Executive;
  - (b) expediting, delaying, hindering or preventing, or having expedited, delayed, hindered or prevented, the performance of an act, whether by the Chief

Executive in his capacity as the Chief Executive or by any public servant in his capacity as a public servant; or

- (c) assisting, favouring, hindering or delaying, or having assisted, favoured, hindered or delayed, any person in the transaction of any business with a public body,

shall be guilty of an offence.

- (2B) If the Chief Executive, whether in Hong Kong or elsewhere, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his –

- (a) performing or abstaining from performing, or having performed or abstained from performing, any act in his capacity as the Chief Executive;
- (b) expediting, delaying, hindering or preventing, or having expedited, delayed, hindered or prevented, the performance of an act, whether by the Chief Executive in his capacity as the Chief Executive or by any public servant in his capacity as a public servant; or
- (c) assisting, favouring, hindering or delaying, or having assisted, favoured, hindered or delayed, any person in the transaction of any business with a public body,

he shall be guilty of an offence.

- (3) If a public servant other than a prescribed officer solicits or accepts an advantage with the permission of the public body of which he is an employee being permission which complies with subsection (4), neither he nor the person who offered the advantage shall be guilty of an offence under this section.

- (4) For the purposes of subsection (3) permission shall be in writing and –

- (a) be given before the advantage is offered, solicited or accepted; or
- (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance,

and for such permission to be effective for the purposes of subsection (3), the public body shall, before giving such permission, have regard to the circumstances in which it is sought.

## **Section 8 – Bribery of public servants by persons having dealings with public bodies**

- (2) Any person who, without lawful authority or reasonable excuse, while having dealings of any kind with any other public body, offers any advantage to any public servant employed by that public body, shall be guilty of an offence.



## Section 9 – Corrupt transaction with agents

- (1) Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his –
  - (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
  - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business, shall be guilty of an offence.
  
- (2) Any person who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's –
  - (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
  - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business, shall be guilty of an offence.
  
- (3) Any agent who, with intent to deceive his principal, uses any receipt, account or other document –
  - (a) in respect of which the principal is interested; and
  - (b) which contains any statement which is false or erroneous or defective in any material particular; and
  - (c) which to his knowledge is intended to mislead the principal, shall be guilty of an offence.
  
- (4) If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).
  
- (5) For the purposes of subsection (4) permission shall –
  - (a) be given before the advantage is offered, solicited or accepted; or
  - (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance,



and for such permission to be effective for the purposes of subsection (4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

## **Definition of an Advantage (Section 2)**

### **“Advantage” means:**

- (a) any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;
- (b) any office, employment or contract;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- (e) the exercise or forbearance from the exercise of any right or any power or duty; and
- (f) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (a), (b), (c), (d) and (e)

but does not include an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap 554), particulars of which are included in an election return in accordance with that Ordinance.

## **Definition of Entertainment (Section 2)**

The provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time as, such provisions.

## **Section 19 – custom not to be a defence**

In any proceedings for an offence under the Ordinance, it shall not be a defence to show that any such advantage as is mentioned in the Ordinance is customary in any profession, trade, vocation or calling.



## Annex 2

### **Procedures for Handling Gifts/Souvenirs Given to Board Members in their Capacity as Such**

All gifts/souvenirs received by Directors or Committee Members of BSL in their capacity as such should be forwarded to the Secretary of the Board or relevant Committee for disposal in the following manner:

- (a) If the gift/souvenir is of perishable nature (e.g. food or drink, etc.), it may be shared among Directors or Committee Members and staff on a suitable occasion, or donated to another charitable organisation.
- (b) If the gift/souvenir is a useful item, it may be retained and used by BSL, or donated to another charitable organisation.
- (c) If the gift/souvenir is suitable for display (e.g. a painting, vase, etc), it may be displayed at appropriate locations of BSL's office.
- (d) If the gift/souvenir is a personal or non-personal item with a value below HK\$[500], it may be donated as a prize in functions organized by BSL.
- (e) If the gift/souvenir is a personal or non-personal item with a value of or above HK\$[500], the person received it should make a declaration with and surrender it to BSL.
- (f) If the gift/souvenir is distributed to all participants in public activities, such as a ball pen, file folder or key clasp, etc, it may be retained by the recipient.
- (g) Any gift/souvenir of high value should be returned to the offeror.

## Annex 3

### Guidelines on Declarations of Interests by Directors and Committee Members

#### General Principles

Some public councils, boards and committees are autonomous and have extensive powers over policy and financial matters. To maintain public confidence in the integrity of members (including the Chairperson), as well as in the impartiality of their advice tendered to the committee, it is important that all members of such committees should disclose their general pecuniary interests on appointment to the committee, in addition to the report of conflicts of interests as and when they arise.

#### Register of Members' Interests

- (1) Directors and Committee Members shall register in writing their general interests when they first appointed. Updates are required annually which include:
  - (i) proprietorships, partnerships or directorships of related<sup>5</sup> companies;
  - (ii) related remunerated employments, related offices, related trades, related professions or related vocations; and
  - (iii) related shareholdings in a publicly listed or private company (20% or more of the company's issued share capital); and/or
  - (iv) other declarable interests, taking into consideration the nature of work of individual committees.
  
- (2) Specific interest (concerning an issue to be discussed at a meeting, for example) are required to be declared at the meeting.
  
- (3) A register of interests in a parent company suffices. Members need not to separately list out the parent company's stake in its subsidiaries, if any. However, Members must bear in mind

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<sup>5</sup> Definition of BSL's related sectors: (i) Architects; (ii) Town Planners; (iii) Building Engineering and Management; (iv) Landscape Architects; (v) Facility Management; (vi) Surveyors; (vii) Construction; (viii) Building Services Operation & Maintenance; (ix) Environmental Protection; (x) Environmental Consultancy; (xi) Real Estate Developers; (xii) Real Estate Agency; (xiii) Interior Designers.



to declare ALL conflicting interests at the meeting when appropriate.

- (4) Access of the register of interests will be limited to authorized personnel (Secretaries of committees etc.) and will be examined only on need basis.

## **Declaration of Interests at Meetings**

The following are guidelines governing declaration of interests at meetings:

- (1) If a Director or Committee Member (including the Chairperson of the Board or Committee respectively) has any direct personal or pecuniary interest in any matter under consideration by the Board or relevant Committee, he must, as soon as practicable after he has become aware of it, disclose to the Chairperson (or the Board or Committee) prior to the discussion of the item. A Director shall in addition comply with Articles 13.1 to 13.5 of BSL's Articles of Association (see **Annex 11**).
- (2) The Chairperson (or the Board or Committee) shall decide whether the Director (subject to Articles 13.1 to 13.5 of BSL's Articles of Association) or Committee Member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, as a contractor, or should withdraw from the meeting. In particular pursuant to Article 13.5 of BSL's Articles of Association, a Director shall not vote (but shall be counted towards the quorum present at the meeting) in respect of any contract in which he is interested or any matter arising therefrom, and if he does so his vote shall not be counted.
- (3) If the Chairperson declares an interest in a matter under consideration, the Chairpersonship may be temporarily taken over by the Vice-Chairperson, or a Director or Committee Member appointed by a majority of votes if the Vice-Chairperson is not present.
- (4) When a known direct pecuniary interest exists, the Secretary may withhold circulation of relevant papers to the Director or Committee Member concerned. Where a Director or Committee Member is in receipt of a paper for discussion which he knows presents a direct conflict of interest, he should immediately inform the Secretary and return the paper.
- (5) All cases of declaration of interests shall be recorded in the minutes of meeting.



## Annex 4

### REGISTER OF INTERESTS

(Name \_\_\_\_\_) requests that the interests listed below should be included in the Register of Members' Interests.

- A. Proprietorships, partnerships or directorships of related<sup>6</sup> companies, public or private;
  
- B. Related remunerated employments, related offices, related trades, related professions or related vocations;
  
- C. Related shareholdings in companies, public or private (20% or more of the company's issued share capital); and/ or
  
- D. Other declarable interests, taking into consideration the nature of work of individual committees.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**Note:** The information provided in this form may be accessed to authorized personnel (Secretaries of committees etc.).

<sup>6</sup> Definition of BSL's related sectors: (i) Architects; (ii) Town Planners; (iii) Building Engineering and Management; (iv) Landscape Architects; (v) Facility Management; (vi) Surveyors; (vii) Construction; (viii) Building Services Operation & Maintenance; (ix) Environmental Protection; (x) Environmental Consultancy; (xi) Real Estate Developers; (xii) Real Estate Agency; (xiii) Interior Designers.

**Annex 5**  
**DECLARATION OF GENERAL CONFLICT OF INTEREST#**

**Part A – Declaration** *(To be completed by Declaring Director/Member)*

To : Chairperson of the Board/Committee\*

I would like to report the following existing/potential\* conflict of interest situation in relation to the discussion item:-

<b>i) Matter to be discussed by the Board/Committee*</b>
<b>ii) Brief description of my connection with the matter in (i) above (e.g. directorship in a company which is connected with the matter)</b>

\_\_\_\_\_  
 [Name of Declaring Director/Member]  
 [Date]

\* Please delete as appropriate

# This Annex is not applicable to TRC. TRC shall observe **Annex 6** instead.

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**Part B – Acknowledgement** *(To be completed by Chairperson)*

To: \_\_\_\_\_ *[Declaring Director/Member]*

The information contained in your declaration form of \_\_\_\_\_ *[Date]* is noted. It has been decided that :-

- You may continue to speak and vote on the matter as described in Part A, provided that there is no change in the information declared above.
- You may continue to speak but should not vote on the matter as described in Part A, provided that there is no change in the information declared above.
- You may remain in the meeting as an observer (i.e. should not speak/vote) on the matter as described in Part A, provided that there is no change in the information declared above.
- You should withdraw from the meeting and immediately return to the secretary any documents regarding the matter sent to you earlier.
- Others (please specify): \_\_\_\_\_

Reasons for decision made: \_\_\_\_\_

---

*[Name of Chairperson]*  
Chairperson of the Board/Committee\*  
*[Date]*

\* Please delete as appropriate



## **Annex 6 Conflict of Interest (For TRC Only)**

It was resolved at the special BoD meeting on 22 October 2013 that the most comprehensive Conflict of Interest (COI) terms shall apply for TRC who is involved with grading for project assessment. In the event of any existing/potential COI, the TRC member shall abstain from the meeting immediately and not participate in any discussion relating to that section. Any documents regarding the matter sent to the member earlier (if any) shall be returned to the Secretariat instantaneously and no reproduction is allowed.



**Annex 7**  
**Declaration of Conflict of Interest in Relation to Contract**

**Part A – Declaration** *(To be completed by Declaring Director/Member)*

To : Chairperson of the Board/Committee\*

I would like to report the following conflict of interest situation in relation to the following BSL contract:-

<b>i) Contract to be discussed by the Board/Committee*</b>
<b>ii) Brief description of my connection with the contract (e.g. the member is a Director in the concerned company or a sub-consultant to the contract)</b>

\_\_\_\_\_  
[Name of Declaring Director/Member]  
[Date]

\* Please delete as appropriate



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**Part B – Acknowledgement** *(To be completed by Chairperson)*

To : \_\_\_\_\_ *[Declaring Director/Member]*

The information contained in your declaration form of \_\_\_\_\_ (date) is noted.  
It has been decided that:-

- You should withdraw from all discussions relating to the contract, except when attending in the capacity of a supplier/service provider. You shall not vote in respect of matters connected with the contract.
  
- Other, please specific: \_\_\_\_\_

---

**[Name of Chairperson]**  
**Chairperson of the Board/Committee\***  
**[Date]**

*\* Please delete as appropriate*

## Annex 8

### Guidelines on Managing Possible Conflict of Interest Arising from Directors or Committee Members Bidding for Contracts of BSL

- (1) Article 13.1 of the Memorandum and Articles of Association (see **Annex 11**) lays down the requirements for Directors to declare interest at a Board meeting at which the question of entering into a contract is first taken into consideration. Article 13.2 provides an option of giving general notice in case a Director is a member of a specified company or is connected with a specified person. The same declaration requirement and option of giving general notice shall also be applicable to Committee Members when the questions of entering into contracts are discussed at Committee meetings. Notwithstanding the above, when the need for a business contract is discussed, Directors or Committee Members should be asked at the outset to declare whether they or any company associated with them are interested in bidding for the contract.
- (2) When a Director or Committee Member is associated with an BSL contract, e.g. when he has won a bid, or he is subsequently engaged in the contract, a declaration of conflict of interest shall be made using **Annex 7**. The concerned member should withdraw from all discussions relating to the contract, except when attending in the capacity of a supplier/service provider. The member shall not vote in respect of matters connected with the contract.
- (3) Directors or Committee Members who have declared their (or their companies') interest to bid should not be present at any subsequent discussions or meetings concerning the contract. They should also be prohibited from access to the contract information (other than in the capacity of a bidder where appropriate). To avoid disturbance to meeting, the Board or Committee may assign the discussion of such contract as the last discussion item of the meeting so that the member concerned may leave the meeting room early.
- (4) If Directors or Committee Members, who are owners, directors or employees of the concerned companies, paid or unpaid, have not declared their and their companies' interest to bid, they and the concerned companies should not be allowed to bid subsequently. If they have not declared interest to bid, but wish to bid subsequently, the case shall be submitted to the Board for decision. In handling such case, the Board shall satisfy itself that there shall be valid justification for the delayed declaration and that the situation has not given rise to any unfair advantage to the concerned Directors or Committee Members or their companies.



- (5) When a Director or Committee Member (or a company associated with him) has expressed an interest to bid, BSL should ascertain whether any information relating to the contract has already come to the possession of the Director or Committee Member in the course of his duties as a Director or Committee. If so, such information should be made available to other bidders as well to ensure a level playing field.
  
- (6) If a Director or Committee Member (or a company associated with him) has put in a bid, care should be taken to ensure that he subsequently has no access to the submitted tender documents which may contain commercially sensitive information.
  
- (7) Where practicable, bidders' identities should be anonymised before the evaluation of bids if a Director or Committee Member (or a company associated with him) is one of the bidders.
  
- (8) If a Director or Committee Member (or a company associated with him) is successful in bidding for the contract, he should withdraw from all discussions relating to the contract, except when attending in the capacity of a supplier or a service provider.
  
- (9) The facts of any Director or Committee Member (or a company associated with him) being awarded a contract of BSL will be published in BSL's website and annual report for public information where practicable.

## Annex 9

### DIRECTIVE ON CLASSIFICATION AND HANDLING OF INFORMATION

Information may be stored or conveyed in whatever form, whether visual or audio, electronic or paper, etc. The following is the information classification and handling method adopted within BSL:

#### Classified Information:

1. **Restricted** – It refers to information that carries certain sensitivity. It shall be limited for internal use within BSL. Disclosure would cause embarrassment and legal liability to the organisation. Examples include minutes of meetings, signed service agreements, financial accounts, project information etc.
2. **Restricted (Tender)** – It refers to information related to tender or prequalification exercise and should only be available to members of the relevant task force/committee. It shall be restricted for use within the task force/committee, and shall not be disclosed to parties outside the task force/committee. Examples include tender specification / prequalification document before release, tender / prequalification evaluation criteria, list of tenderers, evaluation results, etc.
3. **Restricted (Personal)** – It refers to personal information that should be handled in accordance with the Personal Data (Privacy) Ordinance. Examples include personal data of staff, candidates for interviews, BEAM practitioners, BEAM Expert Panel members and external customers, employee performance appraisal, employee salary slips, employment contracts, etc.
4. **Confidential** – It refers to information that is sensitive or strategic, and is restricted based on individual access by designated personnel only. Disclosure would adversely affect the interests of the organisation or even cause damages. Examples include agreements between BSL and business partners, legal advice, salary proposal, fee revision proposal, strategic bidding documents, examination questions, matters related to BEAM Assessors, etc

**Unclassified Information:** Information that does not belong to the above four categories.

All Classified Information shall be marked by the Secretariat according to its category, and handled according to the principles of “need to know”.

Directors and Committee Members shall handle Classified Information in accordance with the guidelines stated in paragraphs 1 to 4 above and they shall sign a Non-disclosure Agreement as given in **Annex 10**.



## Annex 10

This **NON-DISCLOSURE AGREEMENT** is made this        day of        20\_\_\_\_,

Between

BEAM SOCIETY LIMITED (建築環保評估協會有限公司) whose registered office is situated at 1/F., Jockey Club Environmental Building, 77 Tat Chee Avenue, Kowloon Tong, Kowloon, company registration no. 1527916 (hereinafter referred to as "**Discloser**");

And

\_\_\_\_\_, holder of HKID card no. \_\_\_\_\_, (*please provide the first alphabet and the first three digits of your HKID*), (hereinafter referred to as "**Recipient**"), of residential address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Hong Kong.

### Background

- A. BEAM SOCIETY LIMITED is a company limited by guarantee under the Companies Ordinance Cap 622. It is a public body under the Prevention of Bribery Ordinance Cap 201.
- B. The Recipient is or will become a director or committee member of BEAM SOCIETY LIMITED. The Recipient acknowledges that he may or will become a public servant under the Prevention of Bribery Ordinance Cap 201.

### Definition

In this document unless expressed or implied to the contrary:

A "Director" means a director of BEAM SOCIETY LIMITED who has been appointed as such under the Companies Ordinance (Cap. 622).

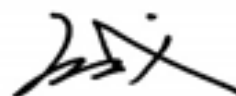
A "Committee Member" means an individual who is appointed to any committee set up by BEAM SOCIETY LIMITED including but not limited to steering committees, panels, task forces, working group and sub-committees involved in making decisions about work or services to be contracted by BEAM SOCIETY LIMITED or projects to be assessed by or on behalf of BEAM SOCIETY LIMITED.

Classified/ Confidential Information may mean any information directly or indirectly disclosed to the recipient during his course of directorship/committee membership. Such information includes but is not limited to, products, articles, notes, documents, plans, sketches, models, diagrams, statistics, memoranda, e-mails, drawings, charts, process, technique, algorithm, program, design, formula or test data relating to any research project, work in progress, future development, engineering, marketing, servicing, tendering, computer diskettes, financing or personnel matter relating to the Discloser, its present or future products, sales, suppliers, customers, employees, service provider, or business, whether oral or written, graphic or electronic form.

WHEREAS both parties desire to assure the confidential status of the information which the Discloser may avail to the Recipient for the latter's performance of duties owed to the Discloser.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. The Recipient undertakes not to use the Classified/ Confidential Information for any purpose except for the performance of his directorship/committee membership, without first obtaining the written agreement of the Discloser.
2. The Recipient undertakes to keep the Classified/ Confidential Information secure and not to disclose it to any third party.
3. The undertakings in clauses 1 and 2 above apply to all of the information disclosed by the Discloser to the Recipient, regardless of the way or form in which it is disclosed or recorded. However, without prejudice to any existing obligation of confidence, they do not apply to:
  - a) any information which is or in future comes into the public domain (unless as a result of the breach of this Agreement); or
  - b) any information which is already known to the Recipient and which was not subject to any obligation of confidence before it was disclosed to the Recipient by the Discloser.
4. Nothing in this Agreement will prevent the Recipient from making any disclosure of the Classified/ Confidential Information required by law or by any competent authority.
5. The Recipient will, on request from the Discloser, return all copies and records of the Classified/ Confidential Information to the Discloser and will not retain any copies or records of the Classified/ Confidential Information.
6. Neither this Agreement nor the supply of any information grants the Recipient any license, interest or right in respect of any intellectual property rights of the Discloser except the right to copy the Classified/ Confidential Information solely for the Purpose.
7. This Agreement can be terminated at any time upon thirty (30) days written notice to the other party. Save and except the disclosure of Classified/ Confidential Information, all provisions herein shall survive the termination of this Agreement for a period of two years.
8. This Agreement shall be governed, interpreted and enforced according to the laws of Hong Kong. The Hong Kong Courts will have exclusive jurisdiction to deal with any dispute which has arisen or may arise out of, or in connection with, this Agreement.



Signed: \_\_\_\_\_  
(Name : \_\_\_\_\_ )

Signed : \_\_\_\_\_  
(Ir CS Ho,  
General Manager of BEAM Society Ltd)

Date : \_\_\_\_\_

Date : \_\_\_\_\_

\* Please kindly return this to us via Fax No. 3996 9108, mail or email to [drinfo@beamsociety.org.hk](mailto:drinfo@beamsociety.org.hk)

**Annex 11**  
**(Extract from BSL's Memorandum and Articles)**

13.1 Any director who is in any way, directly or indirectly, interested in a contract or proposed contract (which is of significance in relation to the Association's business) with the Association shall, if his interest in such contract or proposed contract is material, declare the nature of his interest at the earliest meeting of the directors at which it is practicable for him so to do notwithstanding that the question of entering into the contract is not taken into consideration at that meeting.

13.2 Where a director gives to the board of directors a general notice stating that, by reason of facts specified in the notice, he is to be regarded as interested in contracts of any description which may subsequently be made by the Association, that notice shall be deemed for the purposes of these articles to be a sufficient declaration of his interest, so far as attributable to those facts, in relation to any contract of that description which may subsequently be made by the Association; but no such general notice shall have effect in relation to any contract unless it is given before the date on which the question of entering into the contract is first taken into consideration on behalf of the Association.

13.3 In any event, the Chairperson not in conflict, failing who, the Vice-Chairperson not in conflict, failing who, the other directors not in conflict, failing who, any Honorary Life Member not in conflict, failing who, any patron or honorary adviser of the Association not in conflict are entitled to adjudge whether or not the interest so declared or to be declared is material, and whether or not the contract business or matter concerned is of significance, and whether or not the overall circumstance of the case is material or of significance.

13.4 The above obligations and provisions for declaration of interest shall be extended to any member of committee or sub-committee or task-force or member of the Association, as the circumstance shall reasonably require, and to any other potential conflict of interest with the Association (which is of significance in relation to the Association's business, status, interest or relationship with any other organisations).

13.5 director, member of committee sub-committee or taskforce, or member of the Association (as the case may require) shall not vote (but shall be treated as present for counting the quorum of the relevant meeting) in respect of any contract business or matter counted as of significance in which his interest is counted as material including any matter arising thereof, and if he does so vote his vote shall not be counted; whereas the person making the declaration of interest shall be entitled to vote as usual, if either his declared interest has been adjudged immaterial, or the contract business or matter involved has been adjudged insignificant, or the overall circumstance of the case has been adjudged immaterial and insignificant.