Sample Code of Conduct (Simplified Version)

1. The *name of company* (hereafter referred to as the Company) regards honesty, integrity and fair play as our core values that must be upheld by all staff\(^1\) of the Company at all times. This Code sets out the basic standard of conduct expected of all staff, and the Company’s policy on acceptance of advantage and handling of conflict of interest when dealing with the Company’s business.

2. Under the Prevention of Bribery Ordinance (the Ordinance), any staff member who, without the permission of his employer or principal (i.e. the Company), solicits or accepts an advantage as a reward or inducement for doing any act or showing favour in relation to the latter’s business, commits an offence. “Advantage” is defined in the Ordinance and includes money, gift, loan, fee, reward, employment, contract, service, favour, etc. The person offering the advantage also commits an offence.

3. It is the Company’s policy that staff should not solicit or accept any advantage for themselves or others, from any person, company or organization having business dealings with the Company, except that they may accept (but not solicit) the following advantages when offered on a voluntary basis:
   - (a) advertising or promotional gifts or souvenirs of a nominal value; or
   - (b) gifts given on festive or special occasions, subject to a maximum limit of $_______ in value.

4. However, staff should decline an offer of advantage if acceptance could affect his/her objectivity in conducting the Company’s business or induce him/her to act against the interest of the Company, or acceptance will likely lead to perception or allegation of impropriety. If a staff member wishes to accept any advantage not covered in paragraph 3, he/she should seek permission from *(post of designated senior staff)*.

5. As defined in the Ordinance, “entertainment” refers to food or drink provided for immediate consumption on the occasion, and any other entertainment provided at the same time. Although entertainment is an acceptable form of business and social behaviour, a staff member should avoid accepting overly lavish or frequent entertainment from persons with whom the Company has business dealings (e.g. customers, suppliers or contractors) or from his/her subordinates to avoid placing himself/herself in a position of obligation (e.g. provision of favourable test reports to customers). To maintain impartiality, staff members, especially those carrying out inspection duties, should not accept free meals/entertainment from the organizations being assessed unless under very exceptional circumstances.

6. Staff should ensure that all testing and assessment records or certificates, receipts, accounts or other documents they submit to the Company give a true representation of the events or business transactions as shown in the documents. Intentional use of documents containing false information to deceive or mislead the

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\(^1\) Staff cover full-time, part-time and temporary staff, except where specified.
Company, regardless of whether there is any gain or advantage involved, may constitute an offence under the Ordinance.

7. Staff should perform their work objectively and impartially. They should also observe the technical and ethical requirements as defined in the relevant professional standards for testing, inspection and certification (e.g. ISO standards).

8. Staff should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Company) or the perception of such conflicts. They should not misuse their position or authority in the Company to pursue their own private interests which include both financial or personal interests and those of their family members, relatives or close personal friends. When actual or potential conflict of interest arises, the staff member should make a declaration to the management.

9. Some common examples of conflict of interest are described below but they are by no means exhaustive:

   (a) A staff member providing testing, inspection or certification services to a customer whom he/she, his/her relative or close personal friend has financial interest in the business of the customer.

   (b) A staff member undertaking part-time work as a product design consultant for a customer whom he/she is responsible for testing, inspecting or certifying the products of the customer.

   (c) A staff member involved in subcontracting out the Company’s testing services (e.g. selection of subcontractors) is closely related to or has financial interest in a potential subcontracting laboratory.

   (d) A staff member involved in the procurement of laboratory equipment (e.g. evaluation of suppliers’ quotations) is closely related to or has financial interest in a potential equipment supplier.

10. Staff in charge of or having access to any Company assets, including funds, property (e.g. laboratory equipment or consumables), information, and intellectual property, should use them solely for the purpose of conducting the Company’s business. Unauthorized use, such as misuse for personal gain, is strictly prohibited.

11. Staff should not disclose any commercially sensitive information of the Company and the customers (e.g. design, innovation, technology or other proprietary information of the products under testing or assessment) without authorization or misuse any Company information (e.g. unauthorized sale of the information). Those who have access to or are in control of such information, including information in the Company’s computer system, should at all times protect the information from unauthorized disclosure or misuse.

12. Any full time staff who wish to take up employment outside the Company must seek the prior written approval of (post of designated senior staff). The approving
authority should consider whether the outside employment would give rise to a conflict of interest with the staff’s duties or the interest of the Company.

13. It is the responsibility of every staff member of the Company to understand and comply with this Code, whether performing his/her company duties in or outside Hong Kong. Managers and supervisors should also ensure that the staff under their supervision understand well and comply with this Code.

14. Any staff member in breach of this 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.

15. Any enquiries about this Code or reports of possible breaches of this Code should be made to (post of designated senior staff).

(Name of Company)
Date :

[The Company may wish to include other guidelines on the conduct required of staff as appropriate.]