

**SAMPLE CODE OF CONDUCT**  
**FOR BOARD MEMBERS OF**  
**NON-GOVERNMENTAL ORGANISATIONS**  
**IN SOCIAL WELFARE SECTOR**

**Corruption Prevention Department**  
**Independent Commission Against Corruption**  
**2023**

## **Acknowledgement and Disclaimer**

For the purpose of updating this Sample Code of Conduct, the Corruption Prevention Department has consulted the Social Welfare Department, the Hong Kong Council of Social Service and a number of non-governmental organisations (NGOs) and industry practitioners. Their input and efforts are gratefully acknowledged.

While this Sample Code of Conduct is developed for NGOs in the social welfare sector, receiving government subventions and those need to be accountable to their sponsoring bodies / the public for the sponsorship / donations, NGOs in other sectors are also recommended to refer to this Sample Code when developing their Code of Conduct for Board Members.

## **Ethical Commitment**

1. [*Name of Organisation*] (hereafter referred to as the Organisation) regards honesty, integrity and fair play as our core values that must be upheld by all Board members<sup>1</sup> of the Organisation at all times. This Code sets out the basic standard of conduct expected of all Board members, including the Organisation’s policy on acceptance of advantage and handling of conflict of interest when dealing with the Organisation’s business.

*[The Organisation may wish to include other core values relevant to its duties and business.]*

## **Prevention of Bribery**

2. The Organisation prohibits all forms of bribery and corruption. All Board members are prohibited from soliciting, accepting or offering any bribe in conducting the Organisation’s business or affairs. In conducting all business or affairs of the Organisation, they must comply with the Prevention of Bribery Ordinance (Cap. 201) (POBO)<sup>2</sup> of Hong Kong.

*[The relevant sections of the POBO are detailed at **Appendix 1**.]*

## **Solicitation and Acceptance of Advantages<sup>3</sup>**

3. [*Name of Organisation*] prohibits Board members from soliciting or accepting any advantage from any persons or companies having official dealings with the Organisation (e.g. service recipients, suppliers, contractors, professional fund-raisers), and from staff to whom the Board may have an influence<sup>4\*</sup>, 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;
  - (b) discount or other special offers given by any person or company to them as customers, on terms and conditions equally applicable to other customers in general; or

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<sup>1</sup> “Board members” means members of the NGO’s governing body which may be referred to as “Management Board”, “Executive Committee”, “Management Committee”, “Council”, etc. in some NGOs. [*The Organisation should also ensure that members of the committees, sub-committees and panels under its governing body are covered by this code of conduct or a separate code tailor-made for them.*]

<sup>2</sup> Full text of the POBO is available at <https://www.elegislation.gov.hk/hk/cap201>.

<sup>3</sup> “Advantage” means almost anything which is of value, except entertainment (see footnote 8), including any gift (both of money and in kind), loan, fee, reward, commission, office, employment, contract, service and favour, etc.

<sup>4</sup> For example, staff members whose appointment, performance, remuneration and contract renewal are subject to the Board’s decisions, or who request for favour from Board members on matters related to the Organisation for himself or others.

(c) gifts given by donors to a Board member in his private capacity<sup>5</sup>.

*[\* Acceptance of gifts by Board members from staff whom they may have an influence could invite allegations of impropriety, hence it should be discouraged. However, if an Organisation wishes to give permission<sup>6</sup> for Board members to accept such an advantage, it should impose restriction as below –*

*(d) gifts given by staff to Board members who may have an influence over them on festive or special occasions, subject to a maximum limit of \$ \_\_\_\_\_ in value<sup>7</sup> .]*

4. Gifts or souvenirs described in paragraph 3(a) that are presented to Board members by virtue of their official positions or in official functions are deemed as offers to the Organisation. The Board member concerned should take it back to the Organisation and follow guidelines set out in **Appendix 2** for the disposal of gifts or souvenirs received. If a Board member wishes to accept from any persons or companies having official dealings with the Organisation, or from staff to whom the Board may have an influence any other advantages not listed in paragraph 3, he should seek the permission from *[the approving authority]*. In case of doubt, the Board member should refer the matter to *[insert an appropriate unit / officer]* for advice and instruction.
5. Even if the offeror does not have any official dealings with the Organisation, a Board member should decline an offer of an advantage if the acceptance could affect his objectivity in conducting the Organisation's business, induce him to act against the Organisation'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. Board members should ensure that the solicitation or acceptance of any advantages can stand up to public scrutiny and will not bring the Organisation into disrepute.

### **Acceptance of Sponsorship**

6. Sponsorship (which may comprise passage, accommodation, or other fees) is a form of advantage. Board members may be offered sponsorship in their official capacity by persons or other organisations for official purposes such as attending local / overseas conferences, conventions and product trial activities. Such sponsorship should be regarded as sponsorship offered to the Organisation and referred to the Organisation for consideration of acceptance, based on operational need, and assignment of the Board

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<sup>5</sup> If an Organisation considers there is incentive for a donor to offer advantage to a Board member in return for benefits (e.g. assisting the donor to become a Board member), it should exclude (c) from the blanket permission covered above. The Organisation should then follow the procedures described in paragraph 4 in processing the application for acceptance of advantage.

<sup>6</sup> Special permission is recommended from a control perspective as the Organisation can consider the circumstances in each case before its decision to grant the permission.

<sup>7</sup> The Organisation should consider setting different amounts allowed for festive and special occasions but they should be minimal as such they might not be perceived as influencing the recipient's impartiality, taking into consideration the recipient's income and public perception.

member / staff to attend the sponsored activity, based on suitability. The general criteria for considering whether or not to accept the sponsorship offer are suggested at **Appendix 3**.

7. A Board member may be offered sponsorship due to his personal expertise or professional membership. Though not representing the Organisation, care should be taken when such a sponsored visit is offered by a party having business dealings with the Organisation and the Board member's duty is directly related to, or could potentially or seen to be influenced by, the content or result of the visit. In accepting such sponsorship, Board members should ensure that their conduct and activities would not bring them or the Organisation into disrepute or lead to any actual or perceived conflict of interest.

### **Offer of Advantages**

8. Board members are prohibited from offering advantages to any director, staff member or agent of another company or organisation, for the purpose of influencing such person in any dealing, or any public official, whether directly or indirectly through a third party, when conducting the Organisation's business.
9. Board members should 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 gifts / souvenirs to be bestowed should not be lavish or extravagant, and be kept to a minimum in quantity and the exchange of gifts / souvenirs should be made from organisation to organisation.

### **Acceptance of Entertainment**

10. Board members should not accept lavish, or unreasonably generous or frequent entertainment<sup>8</sup> from any person having official dealings with the Organisation. When offered entertainment, a Board member should consider whether the entertainment offered could be regarded as –
  - excessive – taking into account its value, substance, frequency and nature;
  - inappropriate – taking into account the relationship between the Board member and the offeror (e.g. the offeror is bidding for the Organisation's contract); or
  - undesirable – taking into account the character or reputation of the host or known attendees.

*[The Organisation may insert additional guidelines on acceptance of entertainment and / or the reporting requirements.]*

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<sup>8</sup> As defined in section 2 of the POBO, "entertainment" means 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 the provision of food or drink.

## **Managing Conflict of Interest**

11. A conflict of interest situation arises when the “private interests” of a Board member compete or conflict with the interests of the Organisation or the official duties of the Board member. Private interests include financial and other interests of the Board member himself, and those of his connections including family and other relations, personal friends, the clubs and societies to which he belongs, any other groups of people with whom he has personal or social ties, and any person to whom he owes a favour or to whom he may be obligated in any way. Some common examples of conflict of interest are provided at *Appendix 4*.

### ***Avoidance and Declaration of Conflict of Interest***

12. A fundamental integrity requirement is that all Board members should avoid situations which may compromise (or be seen to compromise) their personal judgement or integrity at work or lead to conflict of interest. A Board member’s duty to avoid or declare a conflict of interest goes beyond the disclosure of interests that are definable in pecuniary terms.
13. When a situation involving a conflict of interest cannot be avoided, Board members should as soon as possible make full disclosure of all relevant interests which conflict, may conflict or may be seen to conflict with their official duties. The declaration guidelines are provided at *Appendix 5*. Any declarations made and the related decisions should be recorded in meeting minutes or using a declaration form (sample at *Appendix 6*) where practicable. If Board members have doubts concerning the handling of conflict of interest situation, they should immediately consult the Chairman / Secretary.

### ***Managing Declared Conflict of Interest***

14. Upon receipt of a report on conflict of interest situation, the Chairman or the Board should, as soon as practical, decide on the appropriate course of action to be taken such as to relieve the Board member of his involvement in the task, and give clear direction / instruction to the Board member concerned. The declaration and the decision / action should be properly recorded. The Chairman or the Board should ensure the Board members’ compliance with the instruction so as to effectively remove / mitigate the conflict of interest.
15. In deciding on the course of action to be taken, the Chairman or the Board should take into account the seriousness of the conflict and public perception. Mitigating measures which the Chairman or the Board can consider adopting are at *Appendix 7*.
16. As a matter of principle, Board members should avoid entering into any business contract (e.g. for the supply of goods or services) with the Organisation in their personal

capacity to prevent the public perception of Board members using their capacity to obtain financial gains from the Organisation. Where this is unavoidable, Board members should adhere to the guidelines on managing possible conflict of interest in bidding for the Organisation's business contracts as set out at *Appendix 8*.

### **Misuse of Official Position**

17. Persons occupying offices of NGOs which receive subventions from the Government / other sponsoring organisations or public donations for the provision of services in the community are placed in a position of trust. Our society expects persons in such a position to exercise the powers and discretions with integrity and fidelity, and in an incorrupt manner to serve the interest of the Organisation, and should not subordinate the interest of the Organisation to private interests.
18. Board members should act impartially and should not use their official position for personal gains nor accord preferential treatment to organisations or persons with whom they have connections. They should not use or permit the use of their official position or title or an authority associated with their office in a manner that is intended to coerce or induce another person to provide any benefit to himself or his relations, friends or associates. Nor should they use their official position or title in a manner that could reasonably be construed to imply that the Organisation sanctions or endorses their personal activities or those of another.

### **Confidentiality of Information**

19. Board members should not disclose any classified or proprietary information of the Organisation without authorisation or misuse any Organisation's information (e.g. for personal gain or the benefit of others). Special care should be taken when handling any personal data of the Board members, staff, volunteers and service recipients to ensure compliance with the Personal Data (Privacy) Ordinance (Cap. 486) and the Organisation's data privacy policy.
20. Board members should continue to observe their duty of confidentiality after they have left the Organisation. They should not use, or take advantage of any classified or proprietary information obtained in the course of their official duties.

### **Records, Accounts and Other Documents**

21. Board members should ensure, to the best of their knowledge, that any record, receipt, account or other documents they submit to the Organisation, gives a true representation of the events or transactions reported in the documents. Intentional use of documents containing false information to deceive or mislead the Organisation, regardless of whether the Board member may obtain any gain or advantage, may constitute a criminal offence.

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

22. A Board member should report, either directly or through [*insert an appropriate unit / officer in / the Chairman of the Organisation*] as appropriate, instances of crime or suspected crime discovered in the course of his work to the appropriate authority or law enforcement agency at the first practicable opportunity. A Board member should avoid making any enquires or taking any action that may hinder or frustrate subsequent investigation by the law enforcement authority concerned. All Board members who receive or have knowledge of such reports should treat the reports in the strictest confidence.

## **Compliance**

23. Any Board 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 appropriate law enforcement agencies.

## **Enquiry**

24. Any enquiries, comments or suggestions in relation to this Code may be referred to [*insert an appropriate unit / officer in the Organisation*].

## Extracts of the Prevention of Bribery Ordinance (Cap. 201)

### Section 9

- (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.

### Section 4

- (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.
- (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.

## Extracts of the Prevention of Bribery Ordinance (Cap. 201)

### 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.

**“Entertainment” means :**

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 8

- (1) Any person who, without lawful authority or reasonable excuse, while having dealings of any kind with the Government through any department, office or establishment of the Government, offers any advantage to any prescribed officer employed in that department, office or establishment of the Government, shall be guilty of an offence.
- (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 19

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

**Guidelines for Handling Gifts / Souvenirs  
Given to Board Members in their Official Capacity**

All gifts / souvenirs received by Board members in their official capacity should be forwarded to the Secretary for disposal in the following manner –

- If the gift / souvenir is of perishable nature (e.g. food, drink), it may be shared among service recipients, donated to a charitable organisation or, when this is not practical, shared among staff of the Organisation on a suitable occasion.
- If the gift / souvenir is a useful item, it may be kept for use by the Organisation or donated to another charitable organisation.
- If the gift / souvenir is suitable for display (e.g. a painting, vase), it may be displayed at appropriate locations of the Organisation premises.
- If the gift / souvenir is of low value, it may be donated as a prize in functions organised by the Organisation.
- If the gift / souvenir is a personal item of low value, such as a plaque or pen inscribed with the name of the recipient, it may be retained by the recipient.
- 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.
- Any gift / souvenir of high value should be returned to the offeror as far as possible.

## **Considering Factors for Acceptance of Sponsorship**

In considering whether or not to accept the sponsorship offer, the following general criteria are relevant –

- acceptance of the sponsorship will benefit the Organisation as a whole;
- acceptance of the sponsorship will not bring the Organisation into any disrepute;
- the sponsorship is not excessive in value or frequency;
- acceptance of the sponsorship will not give rise to any express or implied obligation towards the offeror;
- acceptance of the sponsorship will not give rise to any actual or perceived conflict of interest (e.g. the offeror is a supplier / contractor bidding for the Organisation's contracts); and
- the sponsor will not be given or be perceived to derive an unfair advantage over other persons or organisations.

## **Examples of Conflict of Interest for Board Members**

Some examples of conflict of interest are provided below but they are by no means exhaustive –

### **Procurement of Products or Services**

- A Board member involved in a procurement process (e.g. assessment of tender) has an interest in or is closely associated with a company which provides the Organisation with paid services (e.g. training, consultancy, legal, accounting), or bids for supply of goods or services to the Organisation.
- A Board member or his close relative / friend has financial interest in a professional fundraiser (e.g. a marketing or public relations company) which the Organisation engages to solicit donations.
- A Board member leases or sells his property to the Organisation.

### **Staff Administration**

- One of the candidates under consideration in a recruitment or promotion exercise is a family member, a relative or a close personal friend of the Board member responsible for the exercise.
- A Board member solicits assistance from the Organisation's staff in dealing with his own personal matters.

### **Others**

- A Board member attends a meeting for evaluation of an NGO supplier of which he is also a Board member.
- A Board member is involved in the allocation of seats or mechanism for publicity in an event which his company is also a sponsor.
- A client of a Board member's business bids for purchase of an asset owned by the Organisation.

## **Guidelines on Declaration of Conflict of Interest by Board Members of NGOs**

### **General Principles**

When a Board member (including the chairman) of a board or committee has a potential conflict of interest in a matter placed before the committee, he should make full disclosure of his interest. The basic principle to be observed is that Board members' advice, decisions or views should be disinterested and impartial and it is the responsibility of each Board member to judge and decide if the situation warrants a declaration, and to seek a ruling from the chairman in case of doubt.

It is impossible to define or describe all the situations that would call for such a declaration, because each individual case differs, and because of the difficulty of catering for unusual and unforeseen circumstances. On the other hand, it is not intended that a Board member should make a declaration of conflict of interest simply because the committee is considering a matter in which he has knowledge or experience.

### **Potential Conflict of Interest Situations**

The following are potential conflict of interest situations:

- (1) Pecuniary interests in a matter under consideration by the committee, held either by the Board member or by any close relative of his. Board members are themselves the best judge of who, in the particular circumstances, is a "close relative".
- (2) A directorship, partnership, advisory or client relationship, employment or other significant connection with a company, firm, club, association, union or other organisation which is connected with, or the subject of, a matter under consideration by the Board.
- (3) Some friendships which might be so close as to warrant declaration in order to avoid situations where an objective observer might believe a Board member's advice to have been influenced by the closeness of the association.
- (4) A Board member who, as a barrister, solicitor, accountant or other professional adviser, has personally or as a member of a company, advised or represented or had frequent dealings with any person or body connected with a matter under consideration by the Board.
- (5) Any interest likely to lead an objective observer to believe that the Board member's

advice might have been motivated by personal interest rather than a duty to give impartial advice.

### **Declaration of Conflict of Interest at Meetings**

The following are guidelines governing declaration of conflict of interest at meetings:

- (1) If a Board member (including the chairman) has any direct personal or pecuniary interest in any matter under consideration by the Board, he must, as soon as practicable after he has become aware of it, disclose to the chairman (or the committee) prior to the discussion of the item.
- (2) The chairman (or Board) shall decide whether the Board member disclosing a conflict of interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (3) If the chairman declares a conflict of interest in a matter under consideration, the chairmanship may be temporarily taken over by a vice-chairman.
- (4) When a known direct pecuniary interest exists, the secretary may withhold circulation of relevant papers to the Board member concerned. Where a Board 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 conflict of interest shall be recorded in the minutes of the meeting.

*(Name of the Organisation)*

**Declaration of Conflict of Interest**

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

To : (Approving Authority)

I would like to report the following actual / potential\* conflict of interest situation arising during the discharge of my official duties:

<b>Person(s) / organisation(s) with whom/which I have official dealings and/or private interest</b>
<b>My relationship with the person(s) / organisation(s) (e.g. relative)</b>
<b>My contact with the person(s) / organisation(s) (Please state the frequency of contact and the usual occasions of contact, etc.)</b>
<b>Relationship of the person(s) / organisation(s) with [<i>the Organisation</i>] (e.g. supplier)</b>
<b>Brief description of my duties which involved the person(s) / organisation(s) (e.g. handling of tender exercise)</b>
<b>File reference, if any, of the mentioned duties</b>

(Date)

\_\_\_\_\_  
(Name of Declaring Board Member)

**Part B – Approval** *(To be completed by Approving Authority)*

To : (Declaring Board Member)

*Part B(i) – In respect of the declaration in Part A of this form, it has been decided that:*

The declaration as described in Part A is noted. You are allowed to continue handling the work as described in Part A, provided that there is no change in the information declared above.

You are restricted in the work as described in Part A (e.g. prohibit from handling the specific part/duty that you have conflict, withdraw from discussion on a specific issue / case).  
Details : \_\_\_\_\_  
\_\_\_\_\_

You may continue to handle the work as described in Part A, but an independent Board member would be recruited to participate in, oversee or review part or all of the decision-making process (e.g. task another Board member with the required expertise to provide objective assessment on the matter).  
Details : \_\_\_\_\_  
\_\_\_\_\_

You are relieved of your duty as described in Part A, which will be taken up by another Board member through redeployment.  
Details : \_\_\_\_\_  
\_\_\_\_\_

Others (please specify) (e.g. you should not contact the person(s) / organisation(s) concerned until the conflict situation described in Part A no longer exists):  
Details : \_\_\_\_\_  
\_\_\_\_\_

*Part B(ii) – The justification(s) for the measure(s) as described in Part B(i) above is/are: (Factors of consideration including the materiality of the conflict, link between the conflict and the matter in question, and any possible negative public perception over the conflict / incident.)*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In all cases, please be reminded that you should not disclose any privileged / internal information of the subject matter to the person(s) / organisation(s) concerned and should further report if there are changes in circumstances necessitating reporting.

(Date)

\_\_\_\_\_  
(Name of Approving Authority)

**Part C – Keeping of Records** *(To be completed by the Declaring Board Member)*

To : (Designated Office / Staff Member for keeping the completed declaration form)

I noted the decision in Part B. The completed form is for your retention please.

(Date)

\_\_\_\_\_  
(Name of Declaring Board Member)

\* Potential conflict of interest refers to situation that may be developed into an actual conflict in the future.

## **Mitigating Measures for Managing Declared Conflict of Interest**

- Record – Where the risk in a conflict of interest situation is indirect, remote or insignificant, and the occurrence of such a situation is infrequent, it may be sufficient to take note of the conflict only.
- Restrict – Where a conflict is not likely to arise frequently and the Board member can be effectively separated from the part of activity or process in which the conflict arises, it may be suitable to restrict the Board member’s involvement in the task in which he has a conflict (e.g. withdrawing from discussion on a specific issue, abstaining from voting on the decisions) and access to the related information.
- Recruit – Where it is impractical to restrict a Board member’s involvement, an independent Board member / expert may be recruited to participate in, oversee, or review part or all of the decision-making process if appropriate (e.g. engaging expert in the selection of highly specialised items).
- Redeploy – Where it is inappropriate to allow the Board member who has declared a conflict of interest to handle a specific matter, it may be suitable to relieve of the Board Member’s duty which may then be taken up by another Board member through redeployment (e.g. redeploy the Board member to serve another sub-committee).

**Measures to Manage Possible Conflict of Interest  
Arising from Board Members Bidding for Contracts of  
*[Name of the Organisation]***

- When the need for a contract is discussed, Board members should be asked at the outset to declare whether they or any company associated with them are interested in bidding for the contract.
- Board members who have declared an interest to bid should not take part or be present at any subsequent discussions or meetings concerning the proposed contract, and should be prohibited from access to any information in relation to the contract (other than in the capacity of a bidder).
- Board members who have not declared an interest to bid (and the companies concerned) should not be allowed to bid subsequently.
- When a Board member (or a company associated with him) has expressed an interest to bid, the Organisation should ascertain whether any information relating to the contract has already come to the possession of the Board member in the course of his duties as a Board member. If so, such information should be made available to other bidders as well to ensure a level playing field.
- If a Board 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.
- Bidder identity should be anonymised before the evaluation of bids if a Board member (or a company associated with him) is one of the bidders.
- If a Board 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.