

CODE OF PROFESSIONAL CONDUCT

Introduction

The Hong Kong Institute of Chartered Secretaries ('HKICS' or the 'Institute') is an independent professional body. It is dedicated to the promotion of the profession of the Chartered Secretary, including its members' role in the formulation and effective implementation of good corporate governance policies in Hong Kong and throughout China.

The Institute was first established in 1949 as an association of Hong Kong members of the Institute of Chartered Secretaries and Administrators (ICSA) of London. It became a branch of ICSA in 1990 before gaining local status in 1994.

Admission to membership of HKICS is conditional upon the Council of the Institute first being satisfied that an applicant is a member of ICSA. Members undertake to observe and be bound by the Bye-laws of ICSA and provisions of the Memorandum and Articles of Association of HKICS.

Set out below is a Code which has been approved by the Council of the Institute and which members are expected to follow as a Code of Professional Conduct.

Code of Professional Conduct

Members of the Institute are expected to observe the highest standards of professional conduct and ethical behaviour in all their activities and to uphold the objectives of the Institute.

In particular, members shall:

- abide by the letter and spirit of the Memorandum and Articles of Association of the Institute and any codes or bye-laws made pursuant thereto;
- uphold the ICSA's Charter and comply with its Bye-laws;
- at all times be cognisant of their responsibilities as professional persons towards the wider community;
- maintain good corporate governance, management and efficient administration in their professional capacity as a Chartered Secretary;
- exercise probity, honesty and diligence in carrying out their duties and responsibilities;
- conduct all business dealings strictly according to all statutory rules and regulations;
- safeguard the interests of their employers, colleagues or clients;

- respect the confidentiality of information they encounter in the workplace and through their working relationships;
- declare to their employers, where appropriate, any conflict of interest which, to their best knowledge, arises and as has arisen;
- exercise due care and diligence in performing their duties and ensure the currency of their knowledge, skills and technical competencies in relation to their professional activities; and
- refrain from conduct or action which detracts from the reputation of the Institute or ICSA.

Members shall not:

- enter into any agreement or undertake any activity which may be in conflict with the legitimate interests of their employers or clients, or which may prejudice the performance of their professional duties;
- knowingly be a party to any illegal or unethical activities;
- solicit or accept any advantages, whether in Hong Kong or elsewhere, when conducting business on behalf of their employers; or
- use confidential information obtained in the performance of their duties for any personal gain or in a manner which would be detrimental to their employers or clients.

Notification to Employer

Members are encouraged to inform their employers at the time of employment that they are subject to the Code of Professional Conduct and to disciplinary proceedings in the event of not complying with the Code or with the Articles of Association. A copy of the Code and the Memorandum and Articles of Association should be provided to an employer if so requested.