



## Private Sector Collective Action Coalition Against Corruption

# Self-Evaluation Tool for Countering Bribery

## *Version 2.1*

*16 September 2016*



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# 1 Introduction

This Self-Evaluation Tool (SET) for countering bribery has been developed by Thai Institute of Directors (IOD) as Secretary of Private Sector Collective Action Coalition Against Corruption (CAC). The SET was adapted from a similar tool developed by Transparency International for companies to self-evaluate on anti-bribery Programmes. It aims to enable companies to appraise the strength, completeness and effectiveness of their anti-bribery policies and procedures against the framework of the Business Principles for Countering Bribery (BPCB). An explicit policy of zero tolerance of bribery is the starting point for a company in countering bribery and it needs to be supported by implementation of the policy including detailed policies, organisational structures, assignment of responsibilities and documented procedures. The company will wish to assure itself that its policies and practices are adequate to meet assessed risks, live up to its values and that stakeholders are confident in the company's approach and performance. SET also provides guidance on indicators that can be used for external reporting and these can also serve as performance indicators for internal measures of progress and provide a basis for internal audit and external assurance.

To achieve the defined purpose, the Private Sector Collective Action Coalition Against Corruption (CAC) collaborated with PwC Thailand (PwC) to help design and improve the SET including providing training for companies participating in this programme.

## **2 About SET**

SET provides an in-depth check-list aligned to the Business Principles for Countering Bribery (2009 Revision). It aims to assist companies to:

1. Identify strengths and areas for improvement;
2. Stimulate approaches and thinking related to anti-bribery;
3. Provide content for a report to management, the Audit or Governance Committee or the Board on the design completeness, effectiveness and reliability of the anti-bribery Programme;
4. Provide a basis for internal audit or an independent verification or assurance provider.

## 3 The Business Principles for Countering Bribery

The Business Principles for Countering Bribery (BPCB) are a voluntary code for countering bribery by the private sector first published in 2002 with a revised edition published in April 2009. The BPCB were developed through a multi-stakeholder process led by Transparency International comprising a steering group of companies, business associations, non-governmental organisations and trade unions, and other consultations. IOD encourages companies to consider using the Business Principles as a starting point for developing their own anti-bribery Programmes or as a benchmark for existing one

## 4 Methodology of SET

This first edition of SET provides a set of *Core Indicators* that represent the base line for accepted good practice set out in the Business Principles for Countering Bribery. The Core Indicators pose questions based on a systems approach of:

- 1) Is there a policy?
- 2) Is there a procedure? This can be either part of an implemented procedure<sup>1</sup> or be a standalone procedure
- 3) Is the procedure being implemented?<sup>2</sup>
- 4) Is there public reporting?

The over-arching policy of zero tolerance of bribery will need to be elaborated with detailed policies and then the challenge lies in implementation of the policies. Procedures put policies into effect and enable actions to be carried out consistently. The company needs to know that its policies and procedures are well designed and working. Although a company may be reasonably assured that its anti-bribery Programme is well designed and adequately effective, the company will need to reassure its stakeholders. This can be done through transparency of its activities and reporting on its anti-bribery Programme. SET therefore provides some examples of measures that can be used to report externally<sup>3</sup>.

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<sup>1</sup> Amended as of January 4, 2013

<sup>2</sup> Amended as of January 4, 2013

<sup>3</sup> Amended as of January 4, 2013

## 5 Carrying out the Self-Evaluation

There are 71 Core Indicators; there are many areas of organisational activity that need evaluation and an individual area to be assessed may have a small number of indicators. Not all indicators will be relevant to a company's particular circumstances or approach to anti-bribery, for instance the company may not have agents. As a result, the company may answer "not applicable (N/A)". IOD will not provide a benchmark for comparison between companies as individual companies' circumstances will vary according to their business structure, sectors, markets, risks of bribery and their risk approaches.

In completing an indicator, the company can record an assessment of the status and supporting evidence using columns as described below.

<b>Y</b>	<b>Yes, the company assesses it meets that indicator</b>
<b>N</b>	<b>No, the company assesses it does not meet that indicator</b>
<b>N/A</b>	<b>Not applicable</b>
<b>Unclear</b>	<b>Uncertain what the company's position is</b>
<b>In plan</b>	<b>Work is in progress or in plan meet the indicator</b>

Following completion of the self-evaluation, the company can prepare a summary report identifying strengths, improvement areas and a timetable for action. The report should be considered for submission to responsible management and Board committees such as the Audit or Governance Committees or, if they exist, the risk management or corporate responsibility committees and ultimately to the Board of Directors or owner. The self-evaluation report can be used as the basis for an assurance whether carried out by an internal audit or by an external auditor.

The company must answer all "Mandatory" indicators before submission to the Chairman of the Board. The audit committees or an auditor shall evaluate the SET and report the results of the assessment before the CAC issues the Certificate for the participating company.

If the company is listed in the Stock Exchange of Thailand, the audit committee definition follows the Notification of the Securities and Exchange Commission no.32/2551 which states that the audit committee must comprise of at least three members, and all members must be independent directors. If the company is not listed in the Stock Exchange of Thailand, the person who signs off the review of this self-evaluation, instead of the audit committee, must be a Non-Executive Director of the company.

## 6 Conditions of use

CAC accepts no liability (including liability in negligence) for and gives no undertakings concerning the accuracy, completeness or fitness for the purpose of the information provided or the results, feedback or other information deriving from the use of SET. Before relying on any information or material derived from the use of SET in any important matter, users should obtain appropriate professional advice relevant to their particular circumstances.

In addition, CAC will not disclose or distribute the information contained in the Self Evaluation Form that has been prepared by the Company, unless written permission has been given by the Company.<sup>4</sup>

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<sup>4</sup> Added as of January 4, 2013



## **7 Certification Process**

After companies have signed up for participation in CAC and completed all Self-Evaluation indicators. The company will then be able to obtain certificates from CAC by following these steps:

1. Submit the SET to the company's Chairman of the Board for signature
2. Submit the signed Self-Evaluation Tool to IOD
3. Follow one of the procedures described below;
  - 3.1 Submit completed SET to the Audit Committee to review information and obtain approval from the Chairman of the Audit Committee or;
  - 3.2 Submit SET to the company's auditors and present the report to the Chairman of the Board; or
  - 3.3 Appoint another auditor to assess SET and present the report to the Chairman of the Board. The appointed auditor must be approved by the Securities and Exchange Commission.
4. Submit the Audit Committee's report or an auditor's report to IOD
5. IOD shall review the information of each company. In the case of a listed company, IOD shall use information from the Stock Exchange of Thailand, and if not listed, IOD shall use information provided from other sources.
6. IOD shall collect and present participating companies to the CAC for Certificates on a quarterly basis.
7. If company does not comply with the SET, CAC will call the particular company for inquiry.

In receiving the certificate from the CAC, every answer to all "Mandatory" indicators in SET must be "YES".

## 8 Self-Evaluation indicators

### The Principles

#### Prohibition of bribery in any form **Mandatory**

The first of the two Business Principles is: ‘**The enterprise shall prohibit bribery in any form whether direct or indirect**’. The company’s Programme must be based on a policy of zero tolerance of bribery. This will be a clear written statement that the company prohibits bribery and that it will not tolerate its directors, employees or third parties in their relationship with the company, being involved in bribery whether by offering, promising, soliciting, demanding, giving or accepting bribes or behaving corruptly in the expectation of a bribe. An example no-bribes statement is: ‘*The company has a zero tolerance of bribery and corruption. This policy extends to all the company’s business dealings and transactions in all countries and associates operate. This policy is given force in a detailed anti-bribery Programme which is constantly revised to capture changes in law, reputation demands and changes in the business. All directors and employees are required to comply with this policy.*’

A definition of bribery will help the company identify the scope of risks. The definition could be adopted from one already in use such as that in the Business Principles which is: ‘the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal or a breach of trust.’ It can be further defined by detailing the various forms of bribery presenting greater risk and its extension to the company’s relations with third parties.

Core Indicators		Y	N	N/A	Un-clear	In Plan?	Evidence reference
1	Does the company have a stated formal policy of zero tolerance of bribery?						
2	Has the policy of zero tolerance of bribery been formally approved by the Board?						
3	Does the company have a definition of what it means by bribery?						
4	Is the definition comprehensive, covering bribery in any form which might result in improper influence including any gifts or services, cash or in-kind, bribery of public officials and private-to-private bribery?						

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Core Indicators		Y	N	N/A	Un-clear	In Plan?	Evidence reference
5	Does the company prohibit managers and employees from soliciting, arranging or accepting a bribe for the employee's benefit or that of the employee's family, friends, associates or acquaintances?						
6	Does company have a Code of Conduct or equivalent policy document which includes an explicit statement of the no-bribes policy?						
7	Does the company have an externally reported statement of policy of zero tolerance of bribery?						

**Commitment to an anti-bribery Programme *Mandatory***

The second of the two Business Principles is: ***'The company shall commit to the implementation of a Programme to counter bribery.*** The company must give substance to its zero tolerance of bribery policy through developing and committing publicly to a detailed anti-bribery Programme. The commitment should be made formally with written approval by the Board and supported by management as this will set out the company's aims for implementing its no-bribes policy. Demonstrating commitment to a Programme is also important as it provides an impetus and the leadership for development of a comprehensive Programme. The Programme can be communicated by publication in such as a brochure setting out in some detail guidance for employees or business partners on how the company's no-bribes policy should be complied with.

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	<b>Core Indicators</b>	<b>Y</b>	<b>N</b>	<b>N/A</b>	<b>Un-clear</b>	<b>In Plan?</b>	<b>Evidence reference</b>
<b>8</b>	Is there an expressed commitment to implement a Programme to counter bribery (i.e. values, code of conduct, detailed policies and procedures, risk management, internal & external communication, training & guidance, internal controls, oversight monitoring and assurance)?						
<b>9</b>	Does the company have a formal Programme to implement its policy of zero-tolerance of bribes?						
<b>10</b>	Has the Programme been formally approved by the Board?						

## Development of the Programme for countering bribery

Once the company has decided on its policy of zero tolerance of bribery and committed to introducing a Programme it must give substance to this by developing a detailed anti-bribery Programme. The development of the Programme is not a one-off exercise but a continuous process of implementation, monitoring, reporting and improvement.

### Documentation *Mandatory*

As with any management process, the anti-bribery Programme should be fully documented with a system of document controls for the principal policies and procedures. This enables roles and responsibilities to be defined with consistency of approach, policies and procedures to be tracked and kept up-to-date and an audit trail provided. Without a detailed documented Programme anti-bribery systems may not identify and address vulnerabilities from bribery, procedures may be ad hoc with gaps and inadequacies or employees working to outdated documents and the sanctions procedures may be challenged when applied.

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
11	Is the Programme documented? (with a system of document control for the principal policies and procedures)						

## Use of risk assessment to develop a tailored Programme **Mandatory**

An effective anti-bribery Programme will be one tailored to the company's particular business circumstances and risks. Risk assessment enables the company to identify the areas most at risk of bribery, the potential impact and, within its risk approach, design the Programme and set in place measures and resources needed to mitigate the risks.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
12*	In developing the Programme was a risk assessment carried out to determine the extent of the risk of bribery to the business?  <i>[Please fill more risks detail as per Annex 1]</i>						
13*	If a risk assessment was carried out, is the Programme tailored to reflect the specific bribery risks identified?  <i>[Please fill more risks detail as per Annex 1]</i>						
14	Does the company have a description of the anti-bribery Programme (eg. a brochure setting out in some detail guidance for employees or business partners on how the company's no bribery policy should be compiled with)?						

## Consistency with anti-bribery laws *Mandatory*

It is usual for a company to state publicly a policy to comply with the laws and regulations in all the countries in which it operates. Thus it should be made clear to employees and intermediaries that they should make it their business to understand what the local laws provide, the risks and sanctions.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
15	Does the company have an externally reported statement that the company's policy is to be consistent with anti-bribery laws of Thailand? <sup>5</sup>						

## Specific forms of bribery

The most prevalent forms of bribery will require clarification of the no-bribes policy through detailed policies and use of judgement. The Programme should deal with these appropriate to the assessed risk.

### Political Contributions

A political contribution is a contribution, financial or in-kind, to support a political cause. Defining what a political contribution is presents some difficulty. Financial contributions can include loans. In-kind contributions can include gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events and contributions to research organisations with close associations with a political party. The release of employees without pay from the employer to undertake political campaigning or to stand for office could also be included in the definition.

Political contributions can be a legitimate way for a company to support the democratic process by providing financial and other support to assist political parties to carry out their role but laws and practises can vary between countries. Political contributions can be vulnerable to abuse with companies using contributions to gain undue influence to win contracts or shape legislation favourable to their business. Some companies prohibit all political contributions because of the risks attached and the potential to damage reputation.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
16	Is there a written policy covering political contributions whether made directly or indirectly?						

<sup>5</sup> Amended as of January 22, 2013

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17	Does the company have a definition of political contributions?						
18	If the policy is not to make political contributions, does the company have procedures to prevent political contributions being made?						

**Policy allowing political contributions**

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
19	If the policy is to allow political contributions, does the policy specify that political contributions shall be in accordance with applicable law?						
20	If the policy is to allow political contributions, is there a review and approval procedure with designated levels of approval?						

**Charitable Contributions**

Charitable contributions can present risk as they involve payments made without tangible return and may be used as a subterfuge or route for bribery. Donations can be steered for corrupt purposes to 'front' charitable, sporting or philanthropic organisations or used to create undue influence such as donating to a favoured cause of a decision maker or customer. Donations made through an intermediary present further risk as they can be subject to less control and follow-up. If the company has a foundation or trust it may fall outside the company's Programme, donations may be made without reference to the company and might be seen by stakeholders as undue influence on a decision maker for a potential contract.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
21	Is there a written policy covering charitable contributions?						
22	Are there procedures and controls to ensure that charitable contributions are not used as a subterfuge for bribery?						



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<b>23</b>	Is there a review and approval procedure for charitable contributions with designated levels of approval?						
<b>24</b>	Is there a procedure to monitor charitable contributions to ensure that they are not used as a subterfuge for bribery?						

**Sponsorships**

Sponsorships unlike charitable contributions are made for business objectives and usually for brand or reputation management purposes. They can present risk as they involve payments made for services or benefits that are often hard to measure and track. Sponsorships can be subject to kickbacks; funds can be steered for corrupt purposes to ‘front’ charitable, sporting or philanthropic organisations or used to create undue influence such as sponsoring a favoured cause of a decision maker or a customer. Hospitality is often tied into sponsorship and can be inappropriate when the tickets and entertaining are of high value such as attending a major sporting event. For all these reasons the company should have a precise documented policy for sponsorships supported by selection criteria made public, review procedures and detailed controls including evaluation of sponsorships made. If the sponsorship policy is clearly defined then it can assist in resisting any approaches for bribes to be made using sponsorship.

<b>Core Indicators</b>		<b>Y</b>	<b>N</b>	<b>N/A</b>	<b>Un-clear</b>	<b>In plan?</b>	<b>Evidence reference</b>
<b>25</b>	Is there a written policy covering sponsorship?						
<b>26</b>	Are there procedures and controls to ensure that sponsorships are not used as a subterfuge for bribery?						
<b>27</b>	Are there procedures for approval and payment of sponsorships which are in line with the normal purchasing procedures?						
<b>28</b>	Is there a procedure to monitor sponsorships to ensure that they are not used as a subterfuge for bribery?						

## Gifts, Hospitality and Expenses *Mandatory*

Gifts, hospitality and expenses present risks related to bribery. They may be used by corrupt third parties to manoeuvre the company's employees to a position of obligation and prepare the way for a corrupt act or by an employee corruptly to build favours with prospective clients. Negligence, inexperience and ignorance can equally be risks when giving or receiving gifts, hospitality and expenses. Inappropriate gifts, hospitality or expenses given to a potential client may cause offence or infringe the client's own rules and could lead to exclusion from bidding from business. A further risk is that in some societies there are gift-giving cultures and it may prove difficult for employees to know where to draw a line. Because of the high risks attached to gifts, hospitality and expenses, the company should have a clear written policy supported by communications and guidelines, controls and detailed procedures. Controls can include thresholds for the value of gifts, hospitality and expenses and can be made flexible to account for local customs and the varying financial value of such expenses in different countries.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
29	Does the company have written policies to employees covering gifts, hospitality and expenses?						
30	Do the policies prohibit the offer or receipt of gifts, hospitality or expenses whenever these could affect or be perceived to affect the outcome of business transactions?						
31	Are there procedures and controls, including thresholds and reporting procedures, to ensure that the company's policies relating to gifts, hospitality and expenses are followed?						
32	Is there a procedure to communicate to employees the guidelines for gifts, hospitality and expenses?						
33	Is there a procedure to communicate to business partners the guidelines for gifts, hospitality and expenses?						

## Programme Implementation Requirements

### Organisation and Responsibility

This section reviews the extent to which the company has an appropriately structured organisation that assigns responsibilities and accountability for performance and compliance of the Programme. Success in implementing the Programme will depend greatly on the ability of support functions such as finance, legal, security and internal audit and the company should ensure they have the skills and resources to implement the Programme. Operational functions should accept the value of the Programme and carry it through their departments.

#### Commitment to a Programme and assignment of responsibilities

##### **Mandatory**

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
34	Has the Board of Directors committed to an anti-bribery policy?						
35	Does the Board of Directors provide oversight to the Programme either directly or through a Board committee?						
36	Does a director or senior manager have responsibility for implementing the Programme?						
37	Is unambiguous responsibility and authority assigned to managers for carrying out the Programme?						

**Demonstration of commitment by Board and management *Mandatory***

Board and management commitment means that they should do more than provide formal commitment and oversight. Members of the Board, senior management or the owner-manager should be seen by employees and business partners to be active in the support of the Programme. This means not only acting clearly with integrity but speaking at employee and external events, communicating through internal and external channels and above all providing leadership and example.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
38	Does the company make compliance with the Programme mandatory for directors?						
39	Is there a sanctions procedure for breaches of the Programme by Directors?						

**Business Relationships**

While the focus of the company's Programme will be on its internal systems and the attitude and behaviour of its employees and any contract staff, the company should recognise that this will be insufficient in carrying out an effective anti-bribery Programme. Bribery can take place through agents and other intermediaries and the company may be liable for investigation and prosecution for acts carried out by such parties. Employees too can be subject to approaches and offers from third parties. Therefore, the company should encourage anti-bribery performance in its related companies and such parties.<sup>6</sup>

<sup>6</sup> Amended as of January 22, 2013

## Implementing the Programme across the company and its subsidiaries

### **Mandatory**

	<b>Core Indicators</b>	<b>Y</b>	<b>N</b>	<b>N/A</b>	<b>Un-clear</b>	<b>In plan?</b>	<b>Evidence reference</b>
<b>40</b>	Is there a policy to inform all business entities over which it has effective control and its agents to implement the company's Programme? <sup>7</sup>						
<b>41</b>	Are there procedures to inform all business entities over which it has effective control and its agents to apply this policy? <sup>8</sup>						

### Support and operational functions **Mandatory**

Success in implementing the Programme will depend greatly on the ability of support functions such as finance, legal, security and internal audit and the company should make sure they have the skills and resources to implement the Programme. The prime functions at risk from bribery will include contracting and purchasing, supply chain management, marketing and sales.

	<b>Core Indicators</b>	<b>Y</b>	<b>N</b>	<b>N/A</b>	<b>Un-clear</b>	<b>In plan?</b>	<b>Evidence reference</b>
<b>42</b>	Are there procedures to examine sales and marketing procedures regularly where risks of bribery apply and to implement appropriate remedies?						
<b>43</b>	Are there procedures to examine contracting and purchasing procedures regularly where risks of bribery apply and to implement appropriate remedies?						

<sup>7</sup> Amended as of January 22, 2013

<sup>8</sup> Amended as of January 22, 2013

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44	Are there procedures to ensure that support and operational functions have the skill and resources to assist in implementing the programme?						
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## Human Resources

A Programme will succeed only if it has the support and commitment of employees. The implementation of a Programme touches on all aspects of Human Resources (HR) management. This section assesses the extent to which the HR policies and procedures support the Programme. These include recruitment, induction/orientation, training, performance appraisal, recognition, promotion and sanctions procedures. The success depends also on the involvement of employees in forming the initial Programme and its continuing improvement. Employee representatives can usefully be integrated with the project team developing the Programme.

### Alignment of human resources practises with the Programme

#### **Mandatory**

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
45	Do the company's human resources practices including those for recruitment, training, performance evaluation, remuneration, recognition and promotion reflect the company's commitment to the Programme?						

### Protection of employees for refusing to pay bribes **Mandatory**

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
46	Is it the company's policy that no employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the company losing business?						

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47	Are there procedures to make clear through communications that no employee will suffer demotion, penalty, or other adverse consequences for refusing to pay bribes even if such refusal may result in the company losing business?						
48	Are there procedures to implement the company's policy that no employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the company losing business?						

**Mandatory compliance with the programme and sanctions** ***Mandatory***

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
49	Is there a policy to make compliance with the Programme mandatory for employees?						
50	Is there a procedure to implement the policy for employees of mandatory compliance with the Programme?						
51	Does the company have procedures to communicate clearly to employees the sanctions that would be applied in the event of violation of its Programme?						
52	Are there procedures to apply appropriate sanctions to employees in the event of breach of the Programme up to and including termination in appropriate circumstances?						



## Training

Education and training is critical to the company's anti-bribery efforts and is fundamental in obtaining the commitment of directors and employees to the Programme. The overall purpose of the training programme will be to support the company's culture of zero tolerance of bribery. The company should ensure that recruits (including appointments to the Board) are given training in the Programme on joining the company or upon appointment in the case of agents. It should be mandatory for employees to comply with the Programme and recruits should be trained in what this means in practice and the sanctions that could be applied in the event of a breach of the policy.

### Training of directors, managers and employees **Mandatory**

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
53	Are there procedures to ensure appropriate induction/orientation training is given to recruits so that they clearly understand the company's Programme, know the company's expectations and the sanctions procedure in the event of a violation?						
54	Are there procedures for continuing appropriate training of directors, managers and employees so that they clearly understand the company's Programme, know the company's expectations and the sanctions procedure in the event of a violation?						

## Raising Concerns and Seeking Guidance

An effective Programme will have a policy, procedures and channels for providing advice, encouraging suggestions for improvements and raising issues. Anti-bribery communication channels are usually termed help lines, 'hot lines' or 'whistle-blowing' channels. They may not only be for use by employees but channels can also be provided for use by business partners or the general public. Evidence suggests that although such channels are not heavily used, they can be important in revealing significant abuses of a Programme. The Programme should also encourage employees to seek guidance or discuss issues before making complaints. The complaints channels can be used for this, but the company can consider providing other channels through which an employee can seek guidance.

## Complaints channels for employees *Mandatory*

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
55	Does the company provide secure and accessible channels through which employees should feel able to raise concerns and report violations (“whistle-blowing”) in confidence and without risk of reprisal?						
56	Does the company provide secure and accessible channels through which employees can seek advice on the application of the Programme?						

## Communication

Communication is one of the critical areas for the success of an anti-bribery Programme. The main concern for internal communication will be to ensure that along with all other important messages for employees, the message on the no-bribes policy and how the employee should act remains high on each person’s agenda. Companies that make effective internal communication are in a better position to require adherence, achieve compliance, sanction non-conformance, and ultimately see that the employees’ actions live up to the company’s values and no-bribes policy.

External communication should be used to make the company’s Programme transparent to stakeholders and demonstrate the credibility of its Programme. This will help strengthen corporate reputation, deter attempts from those wishing to bribe, can be useful in stimulating comment and feedback from stakeholders and also reinforce the internal communication messages.

## Internal communication *Mandatory*

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
57	Does the company have procedures for communicating its Programme in an accessible way to all its employees?						

## Guidelines on the Programme *Mandatory*

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
58	Is there a procedure to provide written guidelines on the Programme to all employees?						

## External communication *Mandatory*

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
59	Is there a policy to publicly disclose information about the Programme?						
60	Is there a procedure to publicly disclose information about the Programme?						

## Internal Control and record keeping

A company's internal controls must provide "reasonable assurance" that payments and receipts are authorised by management and the Board. A bribery incident represents a breach of the company's controls. The internal controls related to the Programme will be designed based on an assessment of the risk of bribery within the company's operations.

Internal controls systems are the policies and procedures that help ensure that the Board's and management's directives are carried out and meet the corporate governance policies of the company. Internal controls are broadly defined as a process, implemented by a company's Board of Directors or equivalent function, management or other personnel, designed to provide reasonable assurance regarding the efficiency of operations, the reliability of financial reporting, and compliance with applicable laws and regulations. Audit is the process by which the reliability of internal controls, documentation and reported performance is checked and verified to provide assurance to management, investors and other stakeholders. The audit will be carried out by an internal audit function and may also be supported by external independent verification or assurance. The Board is ultimately responsible for the system of internal controls although it is customary to delegate to management the task of establishing, operating and monitoring the system of internal controls. To build confidence of stakeholders, the Board should be transparent and disclose an assessment of the effectiveness of internal controls within the company.

### Internal controls system *Mandatory*

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
61	Does the company has a system of internal controls to counter bribery? <sup>9</sup>						
62	Do the internal controls include financial and organisational checks and balances over the company's accounting and record keeping practices and other business processes related to the Programme?						
63	Is there an Audit Committee that provides oversight of internal controls, financial reporting processes and related functions including countering bribery?						

<sup>9</sup> Amended as of January 22, 2013

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64	Does the company ensure that there is appropriate separation of duties?						
65	Is there a procedure to discuss the results of internal audits of the Programme with relevant operational personnel?						

**Books and Records *Mandatory***

	Core Indicators	Y	N	N/A	Un-clear	In plan?	Evidence reference
66	Are there procedures to maintain available for inspection accurate books and records that properly and fairly document all financial transactions?						
67	Are there procedures to ensure that there are no 'off-the-books' accounts, inadequately defined transactions or false entries?						

**Review and Internal Audit *Mandatory***

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
68	Is there a procedure to ensure that the internal control systems, in particular the accounting and record-keeping practices, are subject to regular internal audits to provide assurance that they are effective in countering bribery?						
69	Is there a procedure for ensuring that there is an adequate audit trail to support all recorded transactions?						

## Monitoring and review

The company should seek continuously and actively to improve its Programme as circumstances and risks change and it learns from experience, benchmarking and stakeholder consultation. In designing the Programme it will have been decided which department or function holds the responsibility for the Programme including monitoring and improvement. Sometimes this will be the responsibility of an ethics department, some companies hand this work to the internal auditors, others rely on the legal department to oversee compliance or a small company may appoint one of the directors or managers. The choice is less important than that compliance is not just with laws but with the company's Programme. Tests and assessment of risks will need to be made at all stages of the implemented anti-bribery Programme on a continuous basis.

## Reviews by Audit Committee and the Board *Mandatory*

The Board may delegate oversight of the Programme to the Audit Committee. The Audit Committee should review the Programme and related internal control systems regularly and receive reports on the Programme's adequacy and effectiveness. The Audit Committee will review assessments of risks and recommend mitigating actions to the Board for action by management. It will receive regular internal audit reports and any external assurance or verification reports on the Programme. The Audit Committee should report to the Board regularly and recommend actions to the Board and management.

Core Indicators		Y	N	N/A	Un-clear	In plan?	Evidence reference
70	Is there a procedure for senior management to periodically report the results of Programme reviews to the Audit Committee, Governance Committee, or the Board?						
71	Is there a procedure for prompt reporting of any issues or concerns to senior management and the Board?						

## 9 Company's information

### Signing by Chairman of the Board

<p>The Board of Director has considered and authorized the Company to send the completed Self-Evaluation Tool to the CAC council for the certification process and acknowledged that CAC Council shall be entitled to change the status of juristic persons participating in the Coalition, including those having declared their intentions and those having been certified as CAC members. Any status change will oblige the rights to use the CAC mark that indicates its status. Such status changes could also affect categorization of juristic persons by other agencies that base their classification of juristic persons on the status assigned by the CAC.<sup>10</sup></p>	
Name of the Chairman of the Board	
Signature	
Signing date	

### Company's detail

Name of company being evaluated	
Type of business	
Contact person	
Job title	
Address	
E-mail	
Telephone	
Mobile telephone	

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<sup>10</sup> Amended as of December 21, 2015



## 10 Audit Committee's review

Refer to Self-Evaluation Tool for Countering Bribery Chapter 7, Use ✓ in the boxes below to specify the company's choice of reviewer

- A.  Audit Committee as reviewer
- B.  Company's auditor as reviewer
- C.  Other auditor as reviewer approved by the Securities and Exchange Commission (SEC)

If the company's auditor is the reviewer as in choice (A), the Head of the Audit Committee shall provide a signature in this document, where indicated below to confirm the review. For choice (B) or (C), each company shall submit the report to the IOD auditor along with the completed SET to continue the next steps.

### Signing the review by the Head of Audit Committee

<b>The Audit Committee has organized for sufficient procedures to review compliance with the Self-Evaluation Tool for Countering Bribery of ..... Public Company Limited. The Audit Committee hereby views that the answers to all indicators are accurate and sufficient to send to CAC committee for the purposes of the certification process.<sup>11</sup></b>	
<b>Name of the Chairman of the Audit Committee</b>	
<b>Signature</b>	
<b>Signing date</b>	

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<sup>11</sup> Amended as of January 4, 2013

## ANNEX 1

### *Table of Corruption Risk Assessment*

**Please identify at least or more 3 Corruption risks related to your industry**

Risk area	Corruption risk description	Likelihood / Impact	Key controls in place (action already taken)	Further actions to be taken	Residual risk (after action taken)	Overall risk owner / action owner
1.						
2.						
3.						