

Guidance on Good Practice and Checklist for Adequate Procedures —

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01 Foreward

The Corporate Liability Provision or Section 17A, Malaysian Anti-Corruption Commission (Amendment) Act 2018 which took effect on 1 June 2020 provides that “a commercial organisation commits an offence if any person associated with the commercial organisation commits a corrupt act (i.e gives, agrees to give, promises or offers to any person any gratification) in order to obtain or retain business or advantage for the commercial organisation”.

S17A (3) provides where an offence has been committed by a commercial organisation, a person who is a Director, Controller, Officer or who is concerned in management of the commercial organisation’s affairs at the time of commission of offence is deemed to have committed that offence. The burden shifts to the commercial organisation, its Directors, Partners and Management to demonstrate that they have put in place “adequate procedures” to deter persons associated with the commercial organisation from committing corrupt acts of gratification.

The Minister in the Prime Minister’s Department had, in December 2018, issued pertinent Ministerial Guidelines on Adequate Procedures, covering five (5) key principles of T.R.U.S.T, that is to be established as lines of defence for the commercial organisation as well as those charged with governance and management of the organisation.

The penalties, upon conviction under S17A, may entail a fine of not less than (10) times the value of the gratification or RM1 million, whichever is higher; AND/OR a jail sentence not exceeding twenty (20) years. In view of the hefty penalties, it is crucial for Directors, Partners and Management to have systems in place / adequate procedures to prevent the commission of such offences.

The key here is strong commitment from the top; assessment and management of bribery/corruption risks; monitoring, reviewing and enforcing internal policies/procedures; as well as training and communication to internal and external parties associated with the organisation. Those in charge of integrity and compliance now play a vital role in safeguarding the interests of shareholders by setting the organisation's anti-bribery objectives/strategies; ensuring regulatory compliance; endorsing related policies; and reviewing and monitoring organisational activities in relation to those established policies, processes and procedures.

Today, the roles of the Directors, Senior Management and those in charge of Integrity and Compliance are further extended with the need for an eye for detail and knowledge/expertise in the assessment and management of key bribery/corruption risks that their organisation may face. This includes the call to drive/supervise an organisation's compliance function, establishing appropriate lines of authority and reporting, setting anti-bribery objectives and supporting the allocation of resources to achieve those objectives, questioning and communicating efforts taken by the organisation to mitigate the bribery/corruption risks observed, ensuring that there is an easily accessible whistleblower hotline, and systematically reviewing audit findings on the effectiveness and efficiency of the organisation's anti-bribery/corruption programme.

Transparency International Malaysia, with support from the Malaysia Reform Initiative (MARI) and USAID, had conducted a series of workshops and roundtable discussions with senior representatives from numerous private sector entities to devise a "Guidance for Good Practice and Checklist on Adequate Procedures" to assist those in charge of formulating an anti-corruption plan within their very own organisations and internal or external auditors whom are tasked to look into matters concerning the same.

We would also like to thank the Malaysian Anti-Corruption Commission for their time and efforts in attending our workshop as observers in this project.

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02 Introduction

Overview

Section 17A of the MACC Act 2009 makes a commercial organisation strictly liable for failing to prevent the giving or even promising of gratification for the advantage of the organisation. If a person associated with the organisation is found to have corruptly given, agreed to give, offered, or promised a gratification for the benefit of the organisation, the provision presumes corporate liability on the part of the organisation and its directors. The only defence for the organisation and its board is to show that there were adequate procedures to prohibit, prevent, and detect such conduct.

Thus, Transparency International Malaysia has developed a checklist to guide commercial organisations on the implementation of a holistic anti-bribery and corruption programme (ABC Programme) covering the actions of employees as well as associates within the organisation's stakeholder network.

This checklist was adapted for the Malaysian context from the 2010 UK Bribery Act Adequate Procedures Guidance published by Transparency International UK (TI-UK). Transparency International Malaysia conducted two workshops with stakeholders in July 2021 to adapt the checklist, with subsequent editing and writing of additional points by an editorial panel. The workshops were supported by a grant from Malaysia Reform Initiative (MARI). TI Malaysia thanks the following organisations that contributed to the discussion:

- | | |
|--------------------------------|---|
| 1. Boustead Holdings Berhad | 7. Sime Darby Berhad |
| 2. Cyberview Sdn Bhd | 8. SME Corp. Malaysia |
| 3. Duopharma Biotech Berhad | 9. Suruhanjaya Syarikat Malaysia |
| 4. Institut Integriti Malaysia | 10. The Institute of Internal Auditors Malaysia |
| 5. MAXIS Berhad | 11. Top Glove Corporation Berhad |
| 6. MIDF Berhad | 12. Veritas Architects Sdn Bhd |

The list has also been submitted to MACC as a reference document in investigations.

Scope of Section 17A in the MACC Act 2009


The organisation may be liable for the actions of subsidiaries or entities that it controls, as well as that of associates. With regards to individuals, the section also makes the organisation liable for the actions of any persons associated with the organisation. Persons associated with the organisation as envisioned by Section 17A covers not only employees, but also directors, partners, or persons who perform services on behalf of the organisation. The nature of “services” is also open-ended in Section 17A, which directs the court to consider “all the relevant circumstances” and not merely to take the nature of the relationship at face value. Associated persons thus could include business associates such as contractors and suppliers, agents and intermediaries, and co-investors in joint ventures as well as joint venture entities or special purpose vehicles, regardless of the level of operational control that the commercial organisation has over the entity.

In setting up adequate procedures, the commercial organisation must therefore **assess all stakeholder relationships** through which it gains benefits for compliance and commitment to the ABC Programme.


Adequate Procedures


Every commercial organisation has its own operating model that generates a unique risk profile when it comes to bribery and corruption. Thus, the depth of due diligence procedures, the level of communication, documentation, review and disclosure that are considered adequate may vary depending on factors such as the size of the organisation, the nature of the risk, the level of risk exposure, and the complexity of its business relationships.


The checklist therefore should not be considered a mere “ticking the box” exercise. Instead, it serves as a benchmark list of best practices for organisations that are implementing an ABC Programme for the first time or reviewing an existing programme. A commercial organisation that is truly committed to promote integrity must implement a holistic ABC Programme that responds to the level of corruption risk inherent in its operations and stakeholder relationships.

-  **Top-Level Commitment**

The Board's and Top Management's commitment towards anti-corruption is visible and translates consistently into implementation.

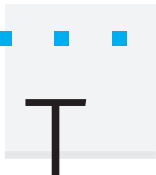
The Board endorses and oversees the development of a holistic ABC Programme. The primary objective is to set the tone for zero tolerance of bribery and corruption.
-  **Risk Assessment**

The ABC Programme should include a periodic Risk Assessment to identify the CO's risk exposure. The assessment should cover all geographic locations where it operates and seeks new markets, and all persons associated with the CO, including eg business partners, significant investments, agents and intermediaries, suppliers, and joint ventures.
-  **Undertake Control Measures**

Informed by the risk assessment, Management develops or updates control measures to provide reasonable assurance of preventing or detecting bribery. Control measures are adequate, properly documented, and proportionate to the level of risk exposure
-  **Systemic Review, Monitoring & Enforcement**

The programme undergoes regular review to improve the efficacy of controls and keep up with the changing risk environment.

This includes updating the risk assessment, revising policies, and improving procedures.

There is consistent internal enforcement of control measures which is overseen by the Board, eg through internal audits, as well as independent assessment by external auditors.
-  **Training & Communication**

The CO ensures effective implementation of the ABC Programme by communicating the ABC Programme and providing adequate training to all employees and stakeholders.

All employees and external stakeholders are made aware of the requirements of the organisation's ABC Programme, and the consequences of violating the programme.

Procedures Guidelines published by the Prime Minister's Department:

Figure 1 The TRUST Principles for adequate procedures against corruption

Using the Checklist

The checklist is divided into the five TRUST Principles. Some of the principles are further divided into multiple categories, to provide structure to the assessment:

TRUST Principle	Category
TOP-LEVEL COMMITMENT	-
RISK ASSESSMENT	-
UNDERTAKE CONTROL MEASURES	<ul style="list-style-type: none"> • Human Resources • Facilitation Payments • Gifts, Hospitality & Expenses • Political Contributions • Charitable Contributions • Whistleblowing Channels & Advice Lines • Internal Controls • Accurate Books & Records • Subsidiaries • Significant Investments • Contractors and suppliers • Agents and other intermediaries • Joint ventures and consortia
SYSTEMATIC REVIEW, MONITORING AND ENFORCEMENT	-
TRAINING & COMMUNICATION	<ul style="list-style-type: none"> • Training • Communication

Table 1 List of Categories for the TRUST Principles

The checklist has different input fields to enable management to document the process of reviewing, improving, and implementing adequate procedures. A sample of a filled-up checklist is provided below:

Please use the editable/printable checklist to fill in notes, refer to page (x) for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
TOP-LEVEL COMMITMENT							
1	The board of directors or equivalent body has formally approved the anti-bribery and corruption programme (ABC Programme).	X		X		Implemented since dd/mm/yy	<ul style="list-style-type: none"> ABC Policy Employee Handbook – Ch.4: Maintaining a corruption-free culture
2	A board sub-committee or specific directors provide oversight of the ABC programme.				<ul style="list-style-type: none"> 2 independent directors are functionally designated to oversee, but there is no subcommittee Board to appoint subcommittee with terms of reference 	<ul style="list-style-type: none"> Draft terms of reference: dd/mm/yy Board approval and 1st subcommittee meeting: dd/mm/yy 	<ul style="list-style-type: none"> Board meeting minutes Terms of reference
3	Anti-bribery and corruption is a standing item on the board agenda		X		Insert standing item on Board agenda	<ul style="list-style-type: none"> dd/mm/yy (by next Board meeting) 	<ul style="list-style-type: none"> Board meeting minutes

Table 2 Example of a filled-up checklist

Guidance for SMEs

SMEs have the same duty to put in place adequate procedures against corruption, and cannot use disadvantages in size, narrow profit margins, nor lack of resources as excuses for a weak anti-corruption culture. At the same time, the standard for adequate procedures would also take into account factors of proportionality and reasonability. Smaller and less complex organisations could employ simple and cost-effective procedures to implement an effective ABC Programme with a strong tone from the top.

Guidance for adapting the checklist procedure for SMEs:

Tone From The Top

- SMEs can use a single Anti-corruption and anti-Bribery Policy (ABC Policy) document to capture all its policies on acceptable and unacceptable Gifts, Hospitality and Entertainment, Charitable and Political Contributions, and Sponsorships.
- For SMEs which are too small to have dedicated compliance officers, a director, member of senior management, or a compliance taskforce or committee comprising suitable senior and trusted personnel could be empowered to:
 - o Oversee the risk assessment process
 - o Implement adequate procedures
 - o Oversee the review and monitoring
 - o Provide in-house briefings on the ABC Programme

Risk Assessment

- Risk assessment should still cover all areas of the SME's operations and all stakeholders. An independent risk assessment exercise is encouraged.
- SMEs that are too small to engage consultants for independent assessment can consider assigning a manager or committee to be trained in basic risk assessment.
- Self-assessment should minimally identify the risk exposure towards bribery and corruption according to role and functions of employees, agents, intermediaries, business partners, and other associates. Assessment should not be based on subjective perceptions or personal relationships (a role such as sales and marketing may be assessed to be at high risk of corruption even if the specific employee is regarded as trustworthy).
- Resources for implementing control measures and training should be prioritized or roles that are at higher risk of encountering bribery and corruption.

Undertake Control Measures

- Due diligence procedures could involve minimally a background or reference check, a request to see the other party's ABC Policy, and internet search for publicly reported incidents or court cases involving corruption.
- Due diligence should be documented. A simple documentation process could include a signed checklist to acknowledge the above mentioned, checks, and a folder to save web searches and notes of reference checks that were done prior to committing with the other party.

Systematic Review, Monitoring & Enforcement

- Ongoing review and monitoring could be undertaken by a manager or committee with the oversight of independent directors of the Board or its equivalent.
- SMEs are encouraged to include assessment of adequate procedures within the scope of work of external auditors to obtain independent review and recommendations on the ABC Programme.

Training & Communication

- SMEs could source for suitable external training programmes for employees or have a senior manager provide simple in-house briefings on the ABC Programme for training & communication.
- SMEs that are vendors to MNCs or large local companies should actively participate in the latter's compliance programmes, if any, and should ensure attendance of any relevant training or briefing that is made available. SMEs may wish to keep attendance records of such training as a form of documentation of training.
- Often, the SME is not in a position to dictate contract clauses pertaining to compliance to its ABC Programme. In these cases, communication to stakeholders could be in the form of standard letters with the ABC Policy attached and an acknowledgement of receipt, or through mutual declarations or pledges.

03 Checklist

Filling in the Checklist

Please use the QR codes below in order to access the printable or editable version of the checklists for easier access.



Print Version



Digital Version

By accessing these QR codes, you hereby agree to comply to **NOT MODIFY** the pre-existing text in this document while assuring to only fill in the columns which are permissible. Transparency International is not responsible for distributions of altered samples of this document.

Print Version Instructions

Please scan the 'Print Version' of the QR code to access a print-friendly PDF of the checklists. This file can be printed in multiple standard horizontal A4 sized sheets of paper in either black and white or color.

Digital Version Instructions

Please scan the 'Digital Version' of the QR code to access an editable Excel file, which can be easily filled in by using Microsoft Excel in a PC (Mac & Windows) or Mobile Device (iOS & Android).



Top-Level Commitment

Under the leadership of the Board and top management, the commercial organisation should publicly commit to a detailed ABC Programme. The organisation's commitment should be made formally through policies endorsed by the Board, periodically reviewed by the audit committee or equivalent body, and implemented by top management through clear lines of authority. The Board has the ultimate responsibility for establishing a culture of zero tolerance for bribery and corruption.

Beyond a paper endorsement, the Board would show that it attaches strategic importance to the effective implementation of the ABC Programme through:

1. Staying updated and knowledgeable – through briefings on the law and anti-corruption measures.
2. Regular oversight – countering bribery should be a standing item on the board agenda and the board should receive regular reviews on the implementation of the programme, reports on any incidents or allegations of bribery and actions taken to correct deficiencies.
3. Dedicating resources for implementation – assigning specific responsibility to senior management for the development and implementation of a detailed ABC Programme.
4. Clear and frequent communication – board members should frequently reinforce the ABC Programme through communications in engagements with internal and external stakeholders.
5. Setting the right priorities – it is clear that management and board will support the refusal to pay bribes even if there is a loss of business opportunities.
6. The organisation's Anti-bribery and Anti-corruption Policy (ABC Policy) is the master policy of the ABC Programme, which guides the development of related policies, guidelines and documented procedures. The ABC Policy should include key objectives and value statements, as well as a clear definition of bribery and corruption which is consistent with the MACC Act 2009 and other relevant laws.

In assessing the organisation's top-level commitment through the checklist, the following examples of evidence may be referred to:

Element	Examples of Evidence
Board-level commitment	<ul style="list-style-type: none"> • Board resolutions, agenda and minutes • Anti-bribery and anti-corruption policy (ABC Policy) • Board and sub-committee terms of reference includes oversight and review of the ABC programme • Related policy documents, eg Gifts, Hospitality & Entertainment Policy, Political Contributions Policy, Charitable Contributions Policy, etc. • Board members' code of conduct, declaration of interest, pledge, etc • Chairman's statement • Townhall meetings (with integrity as key agenda item)
Board competencies and understanding	<ul style="list-style-type: none"> • Directors' onboarding / ABC Programme briefing material • Record of directors' attendance at relevant briefings
Accountability and oversight for anti-corruption	<ul style="list-style-type: none"> • Job descriptions, key performance indicators, and organisational structure (shows that top management is responsible for implementing the ABC programme, with clear lines of authority)
Public disclosure of the ABC Programme and alignment with international benchmarks	<ul style="list-style-type: none"> • Annual report / Consolidated Report / Ethics, Sustainability & Governance Report

Table 3 Examples of evidence for top-level commitment

Checklist: Top-Level Commitment

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Top-Level Commitment							
1	The <i>Board of directors</i> or equivalent body has formally approved the <i>anti-bribery and corruption programme (ABC Programme)</i> .						
2	A <i>Board</i> sub-committee or specific directors provide oversight of the <i>ABC Programme</i> .						
3	<i>Anti-bribery and corruption</i> is a standing item on the <i>Board</i> agenda.						
4	The <i>Board of directors</i> and <i>top management</i> demonstrate visible and active commitment to implementation of the <i>ABC Programme</i> .						
5	The <i>Board</i> and <i>top management</i> provide an example for transparency and integrity through their own behaviour.						
6	The <i>Board</i> and <i>top management</i> promote a culture of integrity within the organisation.						
7	The <i>Board of directors</i> has oversight of the implementation of the <i>ABC Programme</i> , including providing instructions based on:						
a	Regular review of reports on implementation, audit, risk assessment, control measures and performance from <i>top management</i>						
b	Recommendations from the regular review of the <i>ABC Programme</i>						
c	Independent assessment of the adequacy of the <i>ABC Programme</i> through an audit committee.						
8	There is a documented <i>Anti-bribery and Corruption</i> policy (<i>ABC Policy</i>) that has been formally approved by the <i>Board of directors</i> or equivalent body.						
9	The <i>Board</i> encourages the use of any reporting or whistleblowing channels in relation to any suspected or real <i>corruption</i> incidents.						
10	<i>Board members</i> receive regular training and updates and are knowledgeable on relevant laws and regulations.						
11	The Chief Executive Officer or equivalent is responsible for ensuring that the programme is carried out consistently with clear lines of authority.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Top-Level Commitment							
12	A competent person in a senior role is assigned responsibility for implementing the <i>ABC Programme</i> and is adequately resourced.						
13	Clear lines of authority are assigned to managers for carrying out the <i>ABC Programme</i> .						
14	There is a policy for the CO to be consistent with all relevant anti- <i>bribery</i> laws in all the jurisdictions in which it transacts its business.						
15	The CO or its legal adviser maintains a register of anti- <i>bribery</i> laws and monitors changes in law and court decisions.						
16	The CO publicly discloses information about the <i>ABC Programme</i> including the management systems employed. Explanation: For example, the list of policies under the programme, and management systems or certification in place as endorsed by the <i>Board</i> in the Annual Report.						
17	The CO reports on its <i>ABC Programme</i> aligned to international guidance such as: a. The Global Reporting Initiative Sustainability Reporting Framework b. The UN Global Compact – TI Reporting Guidance on the 10th Principle Against Corruption.						
18	The ABC policy includes:						
a	A definition for <i>bribery</i> and <i>corruption</i> that is consistent with the MACC Act 2009 and other relevant laws, and a statement prohibiting acts amounting to <i>bribery</i> and <i>corruption</i> .						
b	A high-level public statement such as a Corporate Values statement which includes a commitment to business integrity.						
c	A definition for <i>facilitation payments</i> , prohibition of <i>facilitation payments</i> , and a policy for dealing with demands for <i>facilitation payments</i> under duress.						
d	There is a procedure for dealing with breaches of the <i>ABC Programme</i> by <i>Board members</i> .						



Risk Assessment

The risk assessment is necessary to provide an overview of the organisation's exposure to corruption and bribery risk. Management can then respond adequately to such risks by implementing control measures that are proportionate to the likelihood and impact of such risks to the organisation.

The scope of the risk assessment should cover all business activities in all locations where the organisation has active operations, whether directly or through associated persons. There should be a prior process of stakeholder mapping to identify all associates through whom the organisation is exposed to corruption risk. Third-party risk in all its forms should be included as part of the assessment. The assessment should also consider corruption risks specific to local conditions and business cultures, as well as inherent risk in the sector or activity.

The risk assessment can be integrated with the organisation's existing risk assessment process, or be conducted on its own. The board should have oversight of the risk assessment process, and should delegate the responsibility for its implementation to a senior manager.

The risk assessment process should be repeated periodically, and particularly when significant changes have occurred in the business environment, eg routinely every three years, or when a merger or acquisition occurs. A corruption and bribery risk assessment can also be part of the due diligence procedure for business expansion plans.

In assessing the organisation's policies through the checklist, the following examples of evidence may be referred to:

Element	Examples of Evidence
Risk Assessment	<ul style="list-style-type: none"> Minutes of board meeting and audit committee meeting - eg. instructions to management to undertake risk assessment, comments and further instructions on findings Letter of Appointment or contract of services (for independent risk assessment consultant) Risk Register and latest Risk Assessment Report - corruption and bribery risk assessment which covers all operational functions, group entities, regions, and stakeholders. Documentation on risk control and mitigation measures undertaken - eg. periodic reports to audit committee or the board, risk mitigation action plan, etc. Record of risk assessment procedure

Table 4 Examples of evidence for risk assessment

Checklist: Risk Assessment

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Risk Assessment							
19	The <i>Board</i> or equivalent body has oversight of the risk assessment process.						
20	Responsibility for risk assessment for <i>bribery</i> and <i>corruption</i> is assigned.						
21	There is regular risk assessment for <i>bribery</i> and <i>corruption</i> which includes all operations under the CO's effective control.						
22	The risk assessment process identifies and prioritises risks from <i>bribery</i> and <i>corruption</i> , and covers these areas:						
a	Opportunities for <i>corruption</i> due to weaknesses in governance and internal procedures						
b	Financial transactions that may disguise corrupt payments						
c	Risk exposure through business activities in different countries and sectors, as applicable						
d	Risk exposure through external parties that act on behalf of the CO						
e	Risk exposure through relationships with <i>third parties</i> in the CO's supply chain.						
23	Detailed policies and procedures to counter <i>bribery</i> and <i>corruption</i> are developed and improved based on the assessed risks.						



Undertake Control Measures

The risk assessment would reveal the risk exposure and any gaps in procedures for the commercial organisation with regards to the ABC Programme. Thereafter, the recommendations for risk mitigation would primarily involve implementing or strengthening control measures. Control measures comprising policies, procedures, and record-keeping form the core implementation of any ABC Programme.

A significant part of control measures is accurate and updated documentation. A strong document trail combined with regular reporting and reviews provides reliable evidence that a procedure is mandatory and systematically enforced. All policies should be approved, signed and dated by the Board and the accompanying procedures should likewise be documented by management.

The main areas for control measures can be summarised as:

- a. Recruitment – ensuring a proper business case and due diligence for new hires, particularly in roles with high exposure to the risk of bribery.
- b. Marketing or hospitality expenditures and donations – due diligence and control measures to ensure that these outflows are not used to disguise bribes.
- c. Third party risk – ensuring a proper business case, due diligence, and continuous compliance of third parties that are closely involved with the organisation's business.

The organisation should also view a secure whistleblower channel and helpline as a line of defence, and encourage instead of deterring whistleblowing. Whistleblowing is important as the possibility that an employee or associate would act inconsistently with the ABC programme can never be fully eliminated. Organisations that self-report and take early action in accordance with their stipulated policies when such incidents do occur, would be practicing adequate procedures consistently and would have a better chance at successfully putting up the defence. Organisations that attempt to hide the issue, on the other hand, would be at higher risk of enforcement action for corporate liability.

In assessing the organisation's policies through the checklist, the following examples of evidence may be referred to:

Element	Examples of Evidence
• Human Resources	<ul style="list-style-type: none"> Recruitment policy & SOP – shows due diligence conducted is proportionate to risk exposure of the role Criteria for performance evaluation and promotion – includes indicators of integrity HR policies – no punitive action for refusal to pay bribes, mandatory compliance to ABC Programme, consequence management framework (or policy for disciplinary action)
• Facilitation Payments	<ul style="list-style-type: none"> Policy and procedures for facilitation payments Record of when and how policy was communicated
• Gifts, Hospitality & Expenses	<ul style="list-style-type: none"> Gifts policy Limits of authority Budget limits and appropriate accounting entries for gifts, hospitality and expenses Gift register Gift depository / share point (appropriate disposal of gifts that cannot be returned)
• Political Contributions	<ul style="list-style-type: none"> Political contributions policy – includes eg clear prohibitions and/or criteria for contributions, due diligence requirement, declaration to shareholders. Due diligence report – tracing of beneficial ownership, ensuring contributions are not made to the interests of an individual politician or in the interest of a public officer who is in the position to give a business advantage. Appropriate accounting entries to reflect contributions.
• Charitable Contributions	<ul style="list-style-type: none"> Charitable contributions policy / CSR Policy / ESG Policy – includes guiding criteria for charitable contributions. Endorsement / Sponsorship policy. Independent approval committee or independent screening by third party – Committee TOR, declarations of interest, meeting minutes. Due diligence report – tracing of beneficial ownership, ensuring contributions are not made in the interests of a public officer or their nominees. Grant proposal and grant agreement. Recipient report – ensures contribution is spent as stipulated. Appropriate accounting entries to reflect contributions.

Element	Examples of Evidence
<ul style="list-style-type: none"> Whistleblowing Channels & Advice Lines 	<ul style="list-style-type: none"> Whistleblowing Policy & Procedure. Communication of whistleblowing channels and advice lines – eg. in website, contract clauses, employee handbook. Complaint logs – includes log of complaints, investigation, and actions taken. Minutes of audit committee / Board meeting. ESG Report / Annual Report (disclosure on number and type of enquiries, and follow-up action taken).
<ul style="list-style-type: none"> Internal Controls Accurate Books & Records 	<ul style="list-style-type: none"> Audit Committee terms of reference and meeting minutes. Internal and external auditors' reports. Organisation chart and reporting lines. Chart of accounts – no unclear categorisation, dubious categories, off-book or unreconciled expenses, or unexplained related party transactions. Limits of authority. Job description of personnel. Up-to-date, audited accounts.
<ul style="list-style-type: none"> Subsidiaries Significant Investments Contractors and suppliers Agents and other intermediaries Joint ventures and consortia 	<ul style="list-style-type: none"> Policies and procedures for due diligence – due diligence should be specific to the type of associated person and the nature of the risk involved. Due diligence report – dated prior to decision to enter into agreement. Contract clauses – requiring compliance to ABC Programme, option to terminate if in breach, and requiring disclosure and cooperation in investigations related to programme. Third party notification of ABC Programme and compliance requirement. Investment policy – eg clear criteria for investments with business value only, prohibition of co-investment with a public official or their nominee. Procurement policy. Vendor / Contractor code of conduct, integrity pact or integrity pledge.

Table 5 Examples of evidence for control measures

Checklist: Undertake Control Measures

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
	Human Resources						
24	Human Resources (HR) practices including those for recruitment, training, performance evaluation, remuneration, recognition and promotion are aligned with the CO's commitment to the <i>ABC Programme</i> .						
25	The recruitment process includes procedures to ensure that it is fair and transparent and free from <i>bribery</i> and <i>corruption</i> .						
26	Appropriate <i>due diligence</i> is carried out on recruiting <i>Board members</i> and employees.						
27	The CO has a policy of no punitive action: no employee will suffer demotion, penalty or other adverse consequences for refusing to pay bribes even if such refusal may result in the CO losing business.						
28	The CO clearly communicates the policy of no punitive action for refusal to pay bribes.						
29	Employees are required to read and sign annually that they have read the ABC Policy / Code of Conduct and other relevant policies of the <i>ABC Programme</i> .						
30	Employees are appraised on their commitment to the <i>ABC Programme</i> . Explanation: For example, through training attendance, compliance, and pledge requirements in appraisal.						
31	There are procedures to apply appropriate <i>consequence management</i> to employees in the event of breach of the programme, including termination in appropriate circumstances.						
	Facilitation Payments						
32	Training and guidance are provided to employees likely to encounter risks of <i>facilitation payments</i> on how to deal with them						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
33	There is a procedure to declare and accurately record <i>facilitation payments</i> made under duress - for example, extortion in dangerous or life-threatening situations.						
34	There are procedures to report demands for <i>facilitation payments</i> to the appropriate channels/authorities.						
	Gifts, Hospitality, Entertainment						
35	The CO has written policies covering receiving and providing <i>gifts, hospitality</i> and entertainment.						
36	The <i>gifts, hospitality</i> and entertainment policy:						
a	Prohibits the offer or receipt of <i>gifts, hospitality</i> or entertainment that could influence the outcome of business transactions						
b	Reflects the particular risks of <i>gifts, hospitality</i> and entertainment being used for <i>bribery</i> and <i>corruption</i>						
c	Requires controls, including thresholds and reporting procedures to ensure that the policies are followed						
d	Sets thresholds that emphasise limits, values, and frequency to exclude <i>gifts, hospitality</i> or entertainment that are not reasonable nor bona fide. Explanation: Thresholds may be set according to seniority level, country, or type of event, if applicable.						
e	Requires procedures to ensure that <i>gifts, hospitality</i> , and entertainment overseas also comply to the laws of those countries where they are made and received, for both private entities and public bodies/FPOs.						
37	There are procedures for ensuring proper handling of <i>gifts, hospitality</i> and entertainment, including:						
a	Communication to all employees of guidelines for giving and receiving of <i>gifts, hospitality</i> and entertainment						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.**IP:** In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
b	Declaration and disposal of <i>gifts</i> that cannot be returned						
c	Tailored training on the rules for <i>gifts, hospitality</i> and entertainment for employees in positions of influence and critical functions which are perceived as high risk						
d	Communication to <i>third parties</i> of the guidelines for <i>gifts, hospitality</i> and entertainment						
e	<i>Gifts, hospitality</i> and entertainment given are accurately recorded and accounted for						
f	Management conducts a documented review of <i>gifts, hospitality</i> and entertainment given or received to ensure compliance.						
Political contributions							
38	There is a written policy covering <i>political contributions</i> whether made directly or indirectly which defines <i>political contributions</i> .						
39	If the policy prohibits <i>political contributions</i> , the CO has procedures to prevent <i>political contributions</i> being made, whether directly or indirectly.						
40	If the policy allows <i>political contributions</i>, it has clear guidelines and criteria to ensure contributions are lawfully made, including:						
a	Requiring proper controls and criteria / guiding principles so that the contribution is not made as <i>gratification</i> for an advantage in business transactions						
b	Requiring assessment of risks associated with political contribution						
c	Requiring <i>due diligence</i> procedures for contribution - e.g., checking of <i>beneficial ownership</i> , ensuring the contribution is not channelled to the control of a <i>public officer</i> , individual, or such person's nominees						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
d	Prohibiting the promise of highly paid positions to public officers as a form of <i>gratification</i> , or the securing of influential positions within government bodies for the CO's executive (revolving door) Explanation: Hiring of former influential <i>public officers</i> or nomination to the <i>Board</i> requires a minuted decision at <i>Board</i> or Nominations Committee level. <i>Due diligence</i> may be required for hiring former influential <i>public officers</i> .						
e	Ensuring goodwill contributions in other countries comply with laws on <i>political contributions</i> of those countries.						
41	There are procedures to ensure that <i>agents</i> and <i>intermediaries</i> know and observe the CO's policy on contributions and responsible advocacy.						
42	There is a procedure to ensure any <i>political contributions</i> made are accurately recorded and accounted for.						
43	The CO discloses <i>political contributions</i> made by itself and its subsidiaries or a statement that it has made none.						
44	The CO discloses contracts entered into with government and public bodies.						
45	The CO publishes details of the top issues on which it practices advocacy with government bodies.						
	Charitable contributions						
46	There is a written policy covering <i>charitable contributions</i> for government and private sectors.						
47	There are procedures and controls to ensure that charitable contributions are not used for bribery and corruption. The procedures should:						
a	Prohibit contributions during the pre-, per- and post-bidding stages to beneficiaries connected to the decision-maker in a bid						
b	Establish a clear custodian of the policy						
c	Require <i>due diligence</i> on the beneficiary, particularly in identifying <i>beneficial ownership</i> and links to public officials (whether local or foreign)						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.**IP:** In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
d	Set designated levels of approval						
e	Monitor <i>charitable contributions</i> to ensure that they are not used deceptively for <i>bribery</i> and <i>corruption</i>						
f	Ensure <i>charitable contributions</i> are accurately recorded and accounted for.						
48	The CO ensures independent approval and equivalent controls to prevent contributions through its foundation/trust from being used for <i>bribery</i> and <i>corruption</i> . Explanation: for COs that have established a foundation / trust for charitable and philanthropic activities.						
49	The CO publishes details of all <i>charitable contributions</i> made by the CO and its subsidiaries.						
50	There is a written policy covering <i>sponsorship</i> .						
51	There are procedures and controls to ensure that <i>sponsorships</i> are not used for <i>bribery</i> and <i>corruption</i>, including:						
a	Approval and payment of <i>sponsorships</i> in line with normal purchasing procedures.						
b	Regular monitoring of <i>sponsorships</i> to ensure they are within guidelines and not used for <i>bribery</i> and <i>corruption</i>						
c	A procedure to ensure <i>sponsorships</i> are accurately recorded and accounted for.						
52	A list of <i>sponsorships</i> made is published publicly.						
Whistleblowing Channels and Advice Lines							
53	The CO has a whistleblowing policy and procedures for employees and stakeholders to raise concerns and report suspicious circumstances as early as possible.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
54	There are secure and accessible channels through which employees and stakeholders can: - raise concerns and make disclosures (whistle-blowing) in confidence and without risk of reprisal; and - seek advice on the application of the <i>ABC Programme</i> .						
55	There is full documentation of use and outcomes of whistleblowing channels and advice lines. Explanation: For example, the number of whistleblower reports with number of reports investigated, closed or resulting in management action						
56	The CO has in place whistleblowing channels and advice lines in the languages used by employees and stakeholders.						
57	The <i>Board</i> and <i>top management</i> review reports on use of whistleblowing channels and advice lines.						
58	There is a procedure for dealing with incidents of <i>bribery</i> and <i>corruption</i> .						
59	There is a procedure for reviewing and deciding whether to report incidents to the authorities.						
60	The CO reports publicly a description of public legal cases regarding <i>bribery</i> and <i>corruption</i> , if applicable.						
	Internal Controls						
61	The CO has a system of internal controls to counter <i>bribery</i> and <i>corruption</i> .						
62	The internal controls include financial and organisational checks and balances over the CO's accounting and record keeping practices and other business processes related to the <i>ABC Programme</i> .						
63	There is an audit committee/oversight committee that provides oversight of internal controls, financial reporting processes and related functions including countering <i>bribery</i> and <i>corruption</i> .						
64	The CO ensures that there is appropriate separation of duties for financial transactions.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.**IP:** In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
	Accurate Books and Records						
65	There is a procedure to implement accountability throughout the CO and its subsidiaries to enforce internal controls and keeping of proper books and records.						
66	There is a procedure for ensuring that there is an adequate audit trail to support all recorded transactions.						
67	There are procedures to ensure that there are no 'off-the-books' accounts, inadequately defined transactions, or false entries.						
68	The CO maintains available for inspection accurate books and records that properly and fairly document all financial transactions.						
69	There are cross-departmental meetings to review the effectiveness of internal control systems.						
	Subsidiaries						
70	The CO implements the <i>ABC Programme</i> in all business entities over which it has effective control.						
71	There is a procedure to carry out <i>due diligence</i> on 'legacy risks' with regards to <i>bribery</i> and <i>corruption</i> for mergers and acquisitions.						
72	The CO reports publicly the extent to which the <i>ABC Programme</i> is implemented in all the entities under the CO's effective control using measures such as numbers or percentage of employees, value of turnover, countries, business units.						
	Significant investments						
73	The CO carries out <i>due diligence</i> on its <i>significant investments</i> before entering into them. Explanation: Entities where the CO is a substantial minority shareholder are <i>significant investments</i> - for example, <i>Associate</i> companies.						
74	The CO conducts <i>due diligence</i> to counter <i>bribery</i> and <i>corruption</i> risk in its business relationships.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
75	The CO has policies and procedures to encourage the implementation of an <i>ABC Programme</i> equivalent to its own in entities in which it has a <i>significant investment</i> .						
76	The CO monitors its <i>significant investments</i> periodically to check that their <i>ABC Programmes</i> are adequate and working.						
77	The CO reports publicly on its policy for <i>significant investments</i> and how it is implemented.						
Contractors and Suppliers							
78	The CO has a public statement of commitment to conduct its contracting and procurement practices in a fair and transparent manner.						
79	The CO has procedures to carry out its commitment to conduct contracting and purchasing in a fair and transparent manner to counter the risk of <i>bribery</i> .						
80	The CO undertakes <i>due diligence</i> in evaluating prospective contractors and suppliers to ensure that they have effective <i>ABC Programmes</i> .						
81	The CO has a procedure to mitigate the risk when dealing with contractors and suppliers reasonably suspected to be paying bribes or to be acting in any way inconsistent with the <i>ABC Programme</i> .						
82	The CO has a policy and procedures to make known its <i>ABC Programme</i> to contractors, subcontractors and suppliers.						
83	The CO has procedures to monitor significant contractors and suppliers to ensure they have effective <i>ABC Programmes</i> .						
84	The CO ensures right of termination of contract in the event that contractors and suppliers pay bribes or act in a manner inconsistent with the <i>ABC Programme</i> .						
85	The CO reports publicly on measures of training given to contractors and suppliers.						
86	The CO reports publicly on the number of contractors' and suppliers' contracts terminated for non-conformance with the <i>ABC Programme</i> .						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.**IP:** In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
	Agents and Other Intermediaries						
87	In the appointment of agents and intermediaries, the CO:						
a	Verifies that there is a valid business case for appointments						
b	Undertakes and documents <i>due diligence</i> before appointment						
c	Requires all significant appointments to obtain prior approval of <i>top management</i>						
d	Reports publicly the number and/or percentage of <i>agents</i> and other <i>intermediaries</i> that have been subjected to <i>due diligence</i> review.						
88	In the payment to agents and intermediaries, the CO has procedures to ensure that:						
a	Compensation is appropriate and justifiable for legitimate services rendered						
b	Compensation is paid through bona fide channels						
c	Payments to off-shore accounts are lawful.						
89	In its contracts with agents and intermediaries, the CO makes the following provisions:						
a	Requires agents and other <i>intermediaries</i> to contractually agree to comply with the <i>ABC Programme</i>						
b	Ensures that there is contractual right of termination in the event that <i>agents</i> and other <i>intermediaries</i> pay bribes or act in a manner inconsistent with the <i>ABC Programme</i>						
c	Ensures there are provisions relating to the right of access to records and cooperation in investigations related to the <i>ABC Programme</i>						
d	Requires <i>agents</i> and other <i>intermediaries</i> to keep proper books and records available for inspection by the CO, auditors or investigating authorities.						
90	The CO communicates to <i>agents</i> and other <i>intermediaries</i> the obligation to comply with the <i>ABC Programme</i> , and the appropriate actions that would be applied in the event of a violation.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Undertake Control Measures							
91	The CO has a procedure to apply appropriate actions on <i>agents</i> and <i>intermediaries</i> that pay bribes or act in a manner inconsistent with the <i>ABC Programme</i> .						
92	The CO documents material aspects of the relationship with <i>agents</i> and other <i>intermediaries</i> .						
93	There is a procedure to monitor the conduct of <i>agents</i> and other <i>intermediaries</i> .						
Due diligence on Joint Ventures and Consortia							
94	There is a procedure to conduct <i>due diligence</i> before entering into a joint venture or consortium.						
95	There is a policy to ensure that the joint ventures and consortia over which the CO maintains effective control have <i>ABC Programmes</i> consistent with its own.						
96	Where the CO does not have effective control of a joint venture or consortium there is a procedure to communicate its <i>ABC Programme</i> to the other entities in the venture and encourage them to adopt a programme for the venture consistent with its own.						
97	There is contract protection where <i>due diligence</i> shows that a joint venture or consortium does not have an <i>ABC Programme</i> consistent with that of the CO.						
98	The CO has a procedure to monitor the <i>ABC programmes</i> and performance of its joint ventures and consortia partners.						
99	In the case of policies and practices that are inconsistent with its own <i>ABC Programme</i> , there is a procedure to take appropriate action.						
100	The CO has a plan to exit from the arrangement if <i>bribery</i> and <i>corruption</i> or any other inconsistencies with the <i>ABC Programme</i> occurs or may be reasonably thought to have occurred.						
101	The CO reports publicly the joint ventures and consortia terminated because of inconsistency with the CO's <i>ABC Programme</i> .						



Systematic Review, Monitoring and Enforcement

Systematic monitoring and review ensure that the commercial organisation's control environment is continuously updated and improved to fully meet the requirements of the law in relation to anti-bribery and corruption. Monitoring and review should not be carried out as mere automatic drills, but should be guided by an intention to meet the compliance objectives.

Control measures can become irrelevant over time, through changes in the internal or external environment. In determining the overall framework and frequency of review, the organisation should keep in mind the sources of change that may bring about new compliance risks:

Internal Environment	External Environment
<ul style="list-style-type: none"> • shift in business cycles • expansion or consolidation • changes in employees and organisation structure • change in leadership 	<ul style="list-style-type: none"> • changes in anti-bribery and corruption laws • shifts in accepted business practice • market developments • political developments

The Board should require periodic reviews to be undertaken by management, with oversight of the review process, including receiving reports of the reviews and endorsing recommendations for improvement. The Board should take active interest in identified gaps and recommended improvements in the ABC Programme. The review function should operate independently from management, and can be conducted by internal and external auditors.

The review does not end with a report, but with an implementation plan for the recommendations made in the report. The continuous improvement process based on the review should be overseen by a senior member of management and there should be a requirement to report progress on implementation of recommendations to the Board.

Smaller organisations should note that the function of internal audit is not to develop or implement the ABC Programme, but to audit the programme in terms of operational compliance and adequacy. The separation of functions is key to ensuring the programme has proper monitoring, review, and enforcement.

In assessing the organisation's policies through the checklist, the following examples of evidence may be referred to:

Element	Examples of Evidence
<ul style="list-style-type: none"> • Monitoring & Review 	<ul style="list-style-type: none"> • Audit committee terms of reference and meeting minutes. • Internal audit plan. • Internal and external audit reports. • Ad hoc audits on critical functions and personnel. • Dashboards and management reports on key performance indicators for the ABC Programme. • Employee and stakeholder surveys. • Employee and stakeholder engagement minutes / reports. • Self-evaluation checklists. • Annual report – discloses monitoring and review mechanisms.
<ul style="list-style-type: none"> • Enforcement 	<ul style="list-style-type: none"> • Audit follow-up plans – corrective measures taken. • Record of incidents – including record of corrective and improvement actions taken. • Annual report – discloses number of incidents and enforcement actions taken.

Table 6 Examples of evidence for review, monitoring, and enforcement

Checklist: Systematic Review, Monitoring & Enforcement

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Systematic Review, Monitoring & Enforcement							
	Monitoring and Review						
102	Continuing and/or discrete evaluations are performed supporting the continuous improvement of the <i>ABC Programme</i> .						
103	The CO has key performance indicators to encourage and measure progress in improvement of the <i>ABC Programme</i> and its implementation.						
104	There is regular review of procedures in all <i>operational functions</i> identified in the risk assessment, with implementation of appropriate remedies. Explanation: For example, the risk assessment may require more frequent review in functions with higher risk exposure such as: - sales and marketing - contracting and purchasing						
105	Discussions are held with stakeholders, especially suppliers and contractors, to obtain their views on the <i>ABC Programme</i> .						
106	The CO benchmarks its <i>ABC Programme</i> internally and/or externally between business units.						
107	There is a procedure to discuss the results of internal audits of the <i>ABC programme</i> with relevant operational personnel.						
108	There is a procedure to address weaknesses identified through internal audits with a documented corrective action plan and a timetable for action.						
109	There is a procedure to use the experience from incidents to improve the <i>ABC Programme</i> .						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Systematic Review, Monitoring & Enforcement							
110	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 <i>bribery</i> and <i>corruption</i> as well as any other inconsistencies identified with its <i>ABC Programme</i> .						
111	<i>Top management</i> monitors the <i>ABC Programme</i> and periodically reviews its suitability, adequacy and effectiveness and implements improvements as appropriate.						
112	<i>Top management</i> periodically reports the results of the <i>ABC Programme</i> reviews to the audit committee, governance committee, <i>Board</i> or equivalent body.						
113	The audit committee reports regularly to the <i>Board</i> on its independent assessment of the adequacy of the <i>ABC Programme</i> .						
114	The <i>Board</i> or equivalent body has considered whether to commission external verification or assurance of the <i>ABC Programme</i> .						
115	External consultants are used to monitor and advise on the <i>ABC Programme</i> .						
116	The CO publishes details of public legal cases of <i>bribery</i> and <i>corruption</i> or any other inconsistencies involving itself.						



Training & Communication

The best-laid plans and reams of documents are ineffective unless the directors, management, and employees have sufficient understanding of the ABC Programme to implement it. Training is fundamental for employees to develop the skills necessary to manage situations such as solicitation of bribes.

Training in the ABC Programme should be part of onboarding for new directors, employees, and agents. The organisation should also consider extending training to core vendors and suppliers. There should be a continuous training programme for existing managers and employees that is tailored to address the specific risk exposure relating to their roles.

For effective communication of the ABC Programme, the organisation should consider the languages, channels of communication, and types of messaging that are most effective in reaching its stakeholders. Communication can also be encoded in websites, codes of conduct or employee handbooks, and appointment letters. Communication should spell out not only the required guidelines but the consequences of acting inconsistently with the ABC Programme.

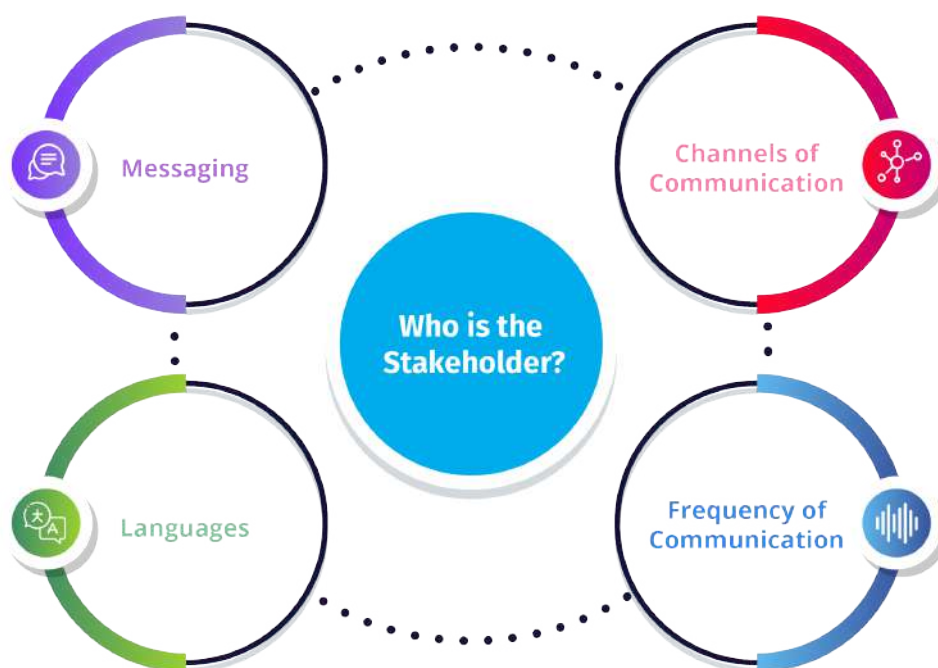


Figure 2 Factors to consider for effective communication of the ABC Programme

Finally, the organisation should take care to record instances of communication as part of its documentation of adequate procedures, and also for the purposes of review. This could include employee sign-offs on handbooks and policies, as well as attendance of training and briefing meetings on the ABC Programme.

In assessing the organisation's policies through the checklist, the following examples of evidence may be referred to:

Element	Examples of Evidence
• Training	<ul style="list-style-type: none"> • Tailored training plans. • Employee training record / attendance records for training. • Mandatory training requirement in performance and appraisal. • Employee surveys and aptitude test results in relation to the ABC Programme. • Vendor / Contractor code of conduct, briefing or training record. • Evaluation report. • Trainer's profiles.
• Communication	<ul style="list-style-type: none"> • Employee guidelines / handbook / code of conduct, etc – in languages that understood by all employees, and easily accessible. • Third party notification of ABC Programme and compliance requirement. • Annual report & other reports. • Website.

Table 7 Examples of evidence for Training & Communication

Checklist: Training & Communication

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Training & Communication							
	Training						
117	There are procedures to communicate the CO's ABC programme, expectations, and consequence management measures to employees through:						
a	Appropriate induction/orientation training for new employees						
b	Continuing appropriate training of managers and employees.						
118	The CO tailors its training for all functions based on the risk assessment to ensure that everyone has the knowledge, skills, and resources to adhere to the <i>ABC Programme</i> .						
119	Directors' and employees' records must have documentation of training received in the <i>ABC Programme</i> .						
120	The CO assesses training activities on the <i>ABC Programme</i> periodically for effectiveness.						
121	There is regular training of <i>third parties</i> and contract staff so that they clearly understand the <i>ABC Programme</i> , the CO's expectations for compliance, and sanctions in the event of a violation.						

Please use the editable/printable checklist to fill in notes, refer to **page 12** for more information.

IP: In Planning

No.	Item	Yes	No	IP	Plans for Implementation	Target Implementation Date	Evidence Reference
Training & Communication							
122	The CO reports publicly on the extent and quality of its anti-bribery training.						
123	The CO reports publicly on training given to <i>third parties</i> .						
	Communication						
124	The CO communicates its <i>ABC Programme</i> in an accessible way to all its employees and stakeholders including subsidiaries. This includes:						
	a Guidelines which communicate the requirements and prohibitions in the ABC policy.						
	b All relevant ABC policies, procedures and guidelines are documented in languages and using vocabulary that is understood by all levels of personnel.						
125	The CO measures employees' awareness and understanding of its <i>ABC Programme</i> Explanation: Employee awareness could be measured through survey, feedback forms, etc.						

Glossary

Term	Meaning	Source
Agent	means any person employed by or acting for another, and includes an officer of a public body or an officer serving in or under any public body, a trustee, an administrator or executor of the estate of a deceased person, a subcontractor, and any person employed by or acting for such trustee, administrator or executor, or subcontractor.	Section 3 MACC Act 2009
Anti-bribery and corruption Programme (ABC Programme)	The whole of a commercial organisation's anti-bribery efforts including values, code of conduct, detailed policies and procedures, risk management, internal and external communication, training and guidance, internal controls, oversight, monitoring and assurance.	TI-UK, The 2010 UK Bribery Act Ade-quate Procedures Guidance.
Associate	<p>"Associate", in relation to a person, means—</p> <p>(a) any person who is a nominee or an employee of such person;</p> <p>(b) any person who manages the affairs of such person;</p> <p>(c) any organisation of which such person, or any nominee of his, is a partner, or a person in charge or in control of, or has a controlling interest in, its business or affairs;</p> <p>(d) any corporation within the meaning of the Companies Act 2016, of which such person, or any nominee of his, is a director or is in charge or in control of its business or affairs, or in which such person, alone or together with any nominee of his, has or have a controlling interest, or shares to the total value of not less than thirty per centum of the total issued capital of the corporation; or</p> <p>(e) the trustee of any trust, where—</p> <p>(i) the trust has been created by such person; or</p> <p>(ii) the total value of the assets contributed by such person to the trust at any time, whether before or after the creation of the trust, amounts, at any time, to not less than twenty per centum of the total value of the assets of the trust;</p>	Section 3 MACC Act 2009

Term	Meaning	Source
Beneficial Ownership	<p>A beneficial owner is the natural person who directly or indirectly ultimately owns, controls or benefits from a company or trust fund and the income it generates. Whether he or she is the legal owner is irrelevant, as beneficial ownership — in spite of its name — refers to substantive control, not to formal ownership.</p> <p>The term is used to contrast with the nominee company owners, who might be registered as legal owners of the asset without any benefits. Nominees obscure the real company structure and owners. Professional nominees are paid a fee for their services but otherwise have no interest in the transactions. Nominees can also be family members or friends.</p>	Transparency International Policy Brief #02/2014
Board members / Board of directors / Directors	Board of directors may be substituted with Executive Committee, Executive Council, Partners, Owners, or other equivalent persons/body that have oversight and control of the commercial organisation, as the case may be.	
Bribery	Accepting/Receiving/Soliciting/Demanding/ Attempting to obtain gratification; Giving/Offering gratification; Receiving/Obtaining Valuables without due consideration	(Section 16 & 17, MACC Act 2009); (Section 165, Penal Code)
Charitable contribution	includes donations, projects for beneficiaries, and contributions in kind.	
Commercial organisation (CO)	In this checklist, commercial organisation may stand for an incorporated company, partnership, or any legal entity incorporated under the laws of Malaysia, as well as those that are incorporated under foreign laws and carrying on operations in Malaysia, as the case may be.	Refer to Section 17A MACC Act 2009
Consequence management	A consequence management framework seeks to ensure that an appropriate and proportionate action is consistently applied in response to an incident where the policies, standards and procedures of the CO were not adhered to. Consequence management for employees and Associates of the CO that are involved in acts of corruption could involve disciplinary or remedial actions, termination of the relationship, or reporting to enforcement authorities for criminal investigations.	

Term	Meaning	Source
Corruption	The abuse of entrusted power for private gain.	Transparency International
Due diligence	<p>Due diligence is a set of reasonable steps taken for assurance that a transaction such as entering into a partnership, hiring, donations, or acquisitions, are in compliance with the law. In the context of section 17A of the MACC Act, documented due diligence provides assurance that the commercial organisation has in place adequate procedures to ensure that itself and Associated parties are not involved in acts of bribery and corruption.</p> <p>The depth and complexity of assessment and research required in due diligence varies depending on the nature and risk exposure of the transaction.</p>	
Facilitation payments	Small unofficial payments made to secure or expedite the performance of a routine or necessary action to which the payer of the facilitation payment has legal or other entitlement.	TI-UK, The 2010 UK Bribery Act Adequate Procedures Guidance
Foreign public official (FPO)	<p>(a) any person who holds a legislative, executive, administrative or judicial office of a foreign country whether appointed or elected;</p> <p>(b) any person who exercises a public function for a foreign country, including a person employed by a Board, commission, corporation, or other body or authority that is established to perform a duty or function on behalf of the foreign country; and</p> <p>(c) any person who is authorised by a public international organisation to act on behalf of that organisation;</p>	Section 3, MACC Act 2009
Gift	Money, goods, services or loans given ostensibly as a mark of friendship or appreciation. A gift is professedly given without expectation of consideration or value in return. A gift may be used to express a common purpose and the hope of future business success and prosperity. It may be given in appreciation of a favour done or a favour to be carried out in the future. A gift has no role in the business process other than that of marking and enhancing relations or promoting the giver's enterprise by incorporating a logo or message on a promotional item	TI-UK, The 2010 UK Bribery Act Adequate Procedures Guidance

Term	Meaning	Source
Gratification	<p>(a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;</p> <p>(b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</p> <p>(c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</p> <p>(d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</p> <p>(e) any forbearance to demand any money or money's worth or valuable thing;</p> <p>(f) any other service or favour of any description, 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, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and</p> <p>(g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f);</p>	Section 3 MACC Act 2009
Hospitality	Includes entertaining, meals, receptions, tickets to entertainment, social or sports events, participation in sporting events, such activities being given or received to initiate or develop relationships between business people. The distinction between hospitality and gifts can blur, especially where the giver of the hospitality does not attend and act as host.	TI-UK, The 2010 UK Bribery Act Adequate Procedures Guidance
Intermediaries	Third parties that act through formal or informal arrangements on behalf of the commercial organisation. Intermediaries may include trustees holding offshore/foreign payment accounts, financiers, brokers, introducers, etc. Use of intermediaries may involve high risk exposure for the facilitation of off-book, unauthorised transactions such as bribery, kickbacks, and facilitation payments.	

Term	Meaning	Source
Kickback	A payment or in-kind bribe given by a person, such as a salesperson or a banking customer, as a reward for an improper action such as in awarding a contract or a loan	TI-UK, The 2010 UK Bribery Act Ade-quate Procedures Guidance
Legacy risks	Outdated policies, procedures, software or infrastructure that results in complexity and lack of oversight. Legacy risk can result in blind spots in procedures, or in too many overlapping procedures, such that the Board and management are unable to adequately identify and manage other risks, such as the risk of bribery and corruption.	
Nepotism	A form of favouritism based on familiar relationships whereby someone in an official position exploits his or her power and authority to provide a job or favour to a family member even though the family member may not be qualified or deserving.	TI-UK, The 2010 UK Bribery Act Ade-quate Procedures Guidance
Operational functions	Divisions or departments of the commercial organisation that report to a specific management executive as defined by its organisation structure - e.g sales & marketing, procurement, corporate communications, etc.	
Political contributions	Any contribution, made in cash or in kind, to support a political cause. Contributions in kind 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.	TI-UK, The 2010 UK Bribery Act Ade-quate Procedures Guidance
Politically exposed person (PEP)	A person who has been entrusted with a prominent public function, is a senior political aide, or is closely related to such persons. By virtue of a public position and the influence it holds, a PEP may present a higher risk for potential involvement in bribery	TI-UK, The 2010 UK Bribery Act Ade-quate Procedures Guidance
Public officer / officer of a public body	Means any person who is a member, an officer, an employee or a servant of a public body, and includes a member of the administration, a member of Parliament, a member of a State Legislative Assembly, a judge of the High Court, Court of Appeal or Federal Court, and any person receiving any remuneration from public funds, and, where the public body is a corporation sole, includes the person who is incorporated as such;	Section 3, MACC Act 2009

Term	Meaning	Source
Revolving Door	The promise of highly paid positions to public officers as a form of gratification, or the securing of influential positions within government bodies for a commercial organisation's executive by means of gratification or quid pro quo schemes.	
Significant business relationships	Major investors in the commercial organisation or in its subsidiaries could be examples of significant business relationships	
Significant investments	The CO has a significant investment when it would be considered a substantial shareholder in the entity, ie when it holds not less than five percent of the total number of voting shares or of that particular class of shares of the entity.	Section 136, Companies Act 2016 (adapted)
Solicitation	The act of a person asking, ordering or enticing someone else to commit bribery or another crime.	TI-UK, The 2010 UK Bribery Act Adequate Procedures Guidance
Sponsorship	A transaction where a company makes a payment, in cash or in kind, to Associate its name with a rights holder and receives in consideration for the sponsorship fee, rights and benefits such as the use of the rights holder's name, advertising credits in media, events and publications, use of facilities and opportunities to promote its name, products and services. It is a business transaction and part of promotion and advertising.	TI-UK, The 2010 UK Bribery Act Adequate Procedures Guidance
Subsidiary	A company has a subsidiary if: (i) it controls the composition of the subsidiary's Board of directors (ii) it controls more than half of the voting power of the subsidiary (iii) it holds more than half the issued share capital of the subsidiary (excluding preference shares) (iv) it has a subsidiary that owns a subsidiary, then the latter is also a subsidiary of the first-mentioned company (Explanation: If C is a subsidiary of B, and B is a subsidiary of A, then C is also a subsidiary of A).	Section 4, Companies Act 2016 (adapted)
Third party	Third parties could include (but are not limited to) Agents, contractors, suppliers, dealers, service providers.	
Top management	Top management in a commercial organisation refers to a person a) who is its director, controller, officer or partner; or b) who is concerned in the management of its affairs	Guidelines on Adequate Procedures, Prime Minister's Department

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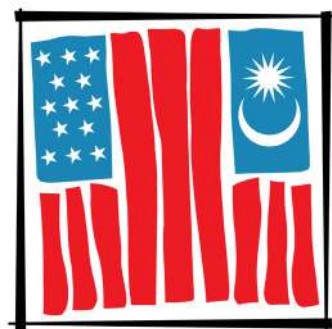
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