Program to Counter Bribery

The enterprise, in consultation with employees, should develop a program, reflecting its size, business sector, potential risks and locations of operation, that clearly and in reasonable detail articulates values, policies and procedures to be used to prevent bribery from occurring in any activities under its effective control.

The Program should be consistent with all laws relevant to countering bribery in all the jurisdictions in which the enterprise operates. It should apply to all controlled subsidiaries, foreign and domestic.

d. Political Contributions

The enterprise, its employees or intermediaries, should not make direct or indirect contributions to political parties, party officials, candidates, organizations or individuals engaged in politics, as a subterfuge for bribery. All political contributions should be transparent and made only in accordance with applicable law. The Program should include controls and procedures to ensure that improper political contributions are not made.

Program Implementation Requirements

a. Business Relationships

The enterprise should prohibit bribery in all business transactions that are carried out directly or through third parties, specifically including subsidiaries, joint ventures, agents, representatives, consultants, brokers, contractors, suppliers or employees with which the enterprise is entitled.

The enterprise shall prohibit bribery in any form. Bribery is offering, promising, giving or otherwise demanding or accepting any pecuniary or other advantage, whether directly or indirectly, or in order to obtain, retain or direct business to a particular enterprise or to secure any other improper advantage in the conduct of business.

b. Communication

The enterprise should establish effective internal and external communication of the Program. The enterprise should publicly disclose its Program for countering bribery.

The enterprise should be open to receiving communications from relevant interested parties with respect to the Program.

c. Leadership

The Board (or equivalent) and the CEO should play a role in the launching of the Program and demonstrate ownership and commitment to the Code and Program.

The Board (or equivalent) and the CEO should also be satisfied that the Program is reviewed for effectiveness and, if appropriate, revised.

Training activities should be assessed periodically for effectiveness.

i. Organization and Responsibilities

The Board (or equivalent) should be satisfied that the Program is reviewed for effectiveness and, if appropriate, revised. They should periodically report to the Audit Committee or the Board the results of the Program review.

The enterprise should make clear that compliance with the Program is mandatory and that no employee will suffer detriment, penalty or other adverse consequences for refusing to pay bribes even if it may result in the enterprise losing business.

The enterprise should apply appropriate sanctions for violations of the Program, up to and including termination, in appropriate circumstances.

f. Monitoring and Review

Senior management of the enterprise should monitor the Program and periodically review the Program’s suitability, adequacy and effectiveness and implement improvements as appropriate.

The enterprise should publicly disclose its Program for countering bribery. The Audit Committee or the Board should make an independent assessment of the adequacy of the Program and disclose its findings in the Annual Report to shareholders.

g. Raising Concerns and Seeking Guidance

The Program should encourage employees and others to report concerns and report suspicious circumstances to responsible enterprise officials as early as possible.

To this end, the enterprise should provide secure and accessible channels through which employees and others can report concerns and report suspicious circumstances (‘whistleblowing’). In confidence and without risk of reprisal.

These channels should also be available for employees and others seek advice or suggest improvements to the Program. As part of this process, the enterprise should provide guidance to employees and others on applying the Program’s rules and regulations to individual cases.

h. Training

The enterprise should aim to create and maintain a trust-based and inclusive internal culture in which bribery is not tolerated. Managers, employees and agents should receive specific training on the Program, tailored to relevant needs and circumstances.

Where appropriate, contractors and suppliers should receive training on the Program.

Training activities should be assessed periodically for effectiveness.

Scope and Guidelines

a. Charitable Contributions

The enterprise should ensure that charitable contributions and sponsorships are not made as a subterfuge for bribery, and all charitable contributions and sponsorships should be transparent and made in accordance with applicable domestic law.

b. Gifts, Hospitality and Expenses

The enterprise should prohibit the offer or receipt of gifts, hospitality or expenses whenever such arrangements would be in violation of applicable domestic law.

c. Facilitation Payments

Recognizing that facilitation payments are prohibited under the anti-bribery laws of most countries, enterprises should eliminate them. Facilitation payments, also called ‘speed instead of the enterprise is entitled.

APEC Code of Conduct for Business

The enterprise should make clear that compliance with the Program is mandatory and that no employee will suffer detriment, penalty or other adverse consequences for refusing to pay bribes even if it may result in the enterprise losing business.

The enterprise should apply appropriate sanctions for violations of the Program, up to and including termination, in appropriate circumstances.

f. Monitoring and Review

Senior management of the enterprise should monitor the Program and periodically review the Program’s suitability, adequacy and effectiveness and implement improvements as appropriate. They should periodically report to the Audit Committee or the Board the results of the Program review.

The Audit Committee or the Board should make an independent assessment of the adequacy of the Program and disclose its findings in the Annual Report to shareholders.

g. Raising Concerns and Seeking Guidance

The Program should encourage employees and others to report concerns and report suspicious circumstances to responsible enterprise officials as early as possible.

To this end, the enterprise should provide secure and accessible channels through which employees and others can report concerns and report suspicious circumstances (‘whistleblowing’). In confidence and without risk of reprisal.

These channels should also be available for employees and others seek advice or suggest improvements to the Program. As part of this process, the enterprise should provide guidance to employees and others on applying the Program’s rules and regulations to individual cases.

h. Training

The enterprise should aim to create and maintain a trust-based and inclusive internal culture in which bribery is not tolerated. Managers, employees and agents should receive specific training on the Program, tailored to relevant needs and circumstances.

Where appropriate, contractors and suppliers should receive training on the Program.

Training activities should be assessed periodically for effectiveness.

i. Organization and Responsibilities

The Board (or equivalent) should be satisfied that the Program is reviewed for effectiveness and, if appropriate, revised. They should periodically report to the Audit Committee or the Board the results of the Program review.

The enterprise should make clear that compliance with the Program is mandatory and that no employee will suffer detriment, penalty or other adverse consequences for refusing to pay bribes even if it may result in the enterprise losing business.

The enterprise should apply appropriate sanctions for violations of the Program, up to and including termination, in appropriate circumstances.

f. Monitoring and Review

Senior management of the enterprise should monitor the Program and periodically review the Program’s suitability, adequacy and effectiveness and implement improvements as appropriate. They should periodically report to the Audit Committee or the Board the results of the Program review.

The Audit Committee or the Board should make an independent assessment of the adequacy of the Program and disclose its findings in the Annual Report to shareholders.

g. Raising Concerns and Seeking Guidance

The Program should encourage employees and others to report concerns and report suspicious circumstances to responsible enterprise officials as early as possible.

To this end, the enterprise should provide secure and accessible channels through which employees and others can report concerns and report suspicious circumstances (‘whistleblowing’). In confidence and without risk of reprisal.

These channels should also be available for employees and others seek advice or suggest improvements to the Program. As part of this process, the enterprise should provide guidance to employees and others on applying the Program’s rules and regulations to individual cases.

h. Training

The enterprise should aim to create and maintain a trust-based and inclusive internal culture in which bribery is not tolerated. Managers, employees and agents should receive specific training on the Program, tailored to relevant needs and circumstances.

Where appropriate, contractors and suppliers should receive training on the Program.

Training activities should be assessed periodically for effectiveness.

i. Organization and Responsibilities

The Board (or equivalent) should be satisfied that the Program is reviewed for effectiveness and, if appropriate, revised. They should periodically report to the Audit Committee or the Board the results of the Program review.

The enterprise should make clear that compliance with the Program is mandatory and that no employee will suffer detriment, penalty or other adverse consequences for refusing to pay bribes even if it may result in the enterprise losing business.

The enterprise should apply appropriate sanctions for violations of the Program, up to and including termination, in appropriate circumstances.

f. Monitoring and Review

Senior management of the enterprise should monitor the Program and periodically review the Program’s suitability, adequacy and effectiveness and implement improvements as appropriate. They should periodically report to the Audit Committee or the Board the results of the Program review.

The Audit Committee or the Board should make an independent assessment of the adequacy of the Program and disclose its findings in the Annual Report to shareholders.

g. Raising Concerns and Seeking Guidance

The Program should encourage employees and others to report concerns and report suspicious circumstances to responsible enterprise officials as early as possible.

To this end, the enterprise should provide secure and accessible channels through which employees and others can report concerns and report suspicious circumstances (‘whistleblowing’). In confidence and without risk of reprisal.

These channels should also be available for employees and others seek advice or suggest improvements to the Program. As part of this process, the enterprise should provide guidance to employees and others on applying the Program’s rules and regulations to individual cases.

h. Training

The enterprise should aim to create and maintain a trust-based and inclusive internal culture in which bribery is not tolerated. Managers, employees and agents should receive specific training on the Program, tailored to relevant needs and circumstances.

Where appropriate, contractors and suppliers should receive training on the Program.

Training activities should be assessed periodically for effectiveness.

i. Organization and Responsibilities

The Board (or equivalent) should be satisfied that the Program is reviewed for effectiveness and, if appropriate, revised. They should periodically report to the Audit Committee or the Board the results of the Program review.

The enterprise should make clear that compliance with the Program is mandatory and that no employee will suffer detriment, penalty or other adverse consequences for refusing to pay bribes even if it may result in the enterprise losing business.

The enterprise should apply appropriate sanctions for violations of the Program, up to and including termination, in appropriate circumstances.

f. Monitoring and Review

Senior management of the enterprise should monitor the Program and periodically review the Program’s suitability, adequacy and effectiveness and implement improvements as appropriate. They should periodically report to the Audit Committee or the Board the results of the Program review.

The Audit Committee or the Board should make an independent assessment of the adequacy of the Program and disclose its findings in the Annual Report to shareholders.

g. Raising Concerns and Seeking Guidance

The Program should encourage employees and others to report concerns and report suspicious circumstances to responsible enterprise officials as early as possible.

To this end, the enterprise should provide secure and accessible channels through which employees and others can report concerns and report suspicious circumstances (‘whistleblowing’). In confidence and without risk of reprisal.

These channels should also be available for employees and others seek advice or suggest improvements to the Program. As part of this process, the enterprise should provide guidance to employees and others on applying the Program’s rules and regulations to individual cases.

h. Training

The enterprise should aim to create and maintain a trust-based and inclusive internal culture in which bribery is not tolerated. Managers, employees and agents should receive specific training on the Program, tailored to relevant needs and circumstances.

Where appropriate, contractors and suppliers should receive training on the Program.

Training activities should be assessed periodically for effectiveness.
Corruption is a serious threat to good governance and deters investment. Therefore, fighting corruption is essential to the development of our economies for the benefit of our people.

Asia-Pacific Economic Cooperation - Santiago Declaration

November 2004