



**Universal Inspectorate & Services Co. Ltd**

# **Compliance Code**

## **(Principles & Programme)**

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# **I. Introduction**

## **I.I Statement of Ethics**

Universal Inspectorate & Services Co. Ltd. (UIS) is a trade services company specializing in the inspection, verification, and control of its client's products, services, or systems.

UIS committed to supplying high-quality inspection services that totally satisfy the agreed contractual requirements of its customers and meets its stakeholders' needs and expectations every time.

UIS provides training, education, and financial support to its employees to continually improve their performance.

Honesty is our credit; achieving the highest quality performance is our objective.

We are committed to continually improving our services to cope with the increasing competition and to satisfy our clients.

UIS does not have any commercial, industrial or financial interests that might affect its independence.

In providing these services and fulfilling its commitments UIS places great emphasis on professional and business ethics in all its business dealings. To ensure that these ethics are respected, it has adopted the following general principles.

## **GENERAL PRINCIPLES**

UIS ensures that all services and operations in which it participates respect the following general principles for the duration of their operational and contractual relationship:

1. Respect for the confidentiality of information,
2. Respect for intellectual property,
3. Respect for the environment,
4. Respect for contractual agreements,
5. Respect for the generally accepted ethics of the business environment within which it operates,
6. Respect for the individual rights of clients, suppliers, and employees.

In summary, UIS' operations, whether wholly-owned, affiliated or joint ventures ensure that in providing our services we adhere to the above-mentioned principles. Furthermore, UIS also ensures that the people and companies with whom it deals in the conduct of its activities apply the same general principles.

## UIS' ENGAGEMENT

UIS, its staff, and management are committed to:

1. Treating clients and business relations with respect and dignity,
2. Introducing and ensuring the application of rules of professional conduct that strictly exclude conflicts of interest among its staff and management,
3. Respecting the confidentiality of information provided by its clients, suppliers, and employees,
4. Doing business in a responsible manner, avoiding practices that may harm the image and interests of the company, its employees, and the inspection industry as a whole.

The company, including the Board of Directors and its Senior Management, are totally committed to the adoption of the highest levels of integrity in our day-to-day work as the core of our business activities.

UIS, as a member of the Testing Inspection and Certification, ensures that its business activities are in compliance with the TIC Council Compliance Code and its other sector-specific codes.

## 1. Application Compliance Principles

### 1. Integrity

- 1.1 **UIS** shall provide guidance to its employees for dealing with clients who expect the **UIS** to abuse tolerances to obtain acceptable results.
- 1.2 In respect of those business sectors in which the **UIS** is active, the **UIS** shall comply with any sector specific Integrity Rules published by the applicable TIC Council Committee.

## 2. Conflicts of interest

- 2.1 In order to avoid conflicts of interest, or the appearance of conflicts of interest, in the UIS's business transactions and services, the UIS shall maintain a policy regarding conflicts of interest.
- 2.2 The UIS's policy shall provide guidelines to employees in order to avoid conflicts of interests between.
- i. the UIS and related entities in which the UIS has a financial or commercial interest and to which it is required to provide services, and
  - ii. the UIS's companies and/or divisions engaged in different activities but which may be providing services to either the same client or each other.
- 2.3 The UIS's policy shall provide, as a minimum, that the UIS's Employees do not:
- i. directly or through relatives, friends or intermediaries, acquire an interest in a supplier, a client or a competitor of the UIS, except for the acquisition of shares of a client, supplier or competitor on a public stock exchange, and then only to an extent which does not grant significant influence over the affairs of the client, supplier or competitor and which does not make the employee unduly dependent on its financial fortunes;
  - ii. hold any position with a competitor or client;
  - iii. conduct any company business with any member of their family or with an individual or organization with which they or their family is associated;
  - iv. employ a member of their family without approval of the **UIS's** management.

## 3. Confidentiality and Data Protection

- 3.1 The **UIS** shall require each employee to sign a Non-Disclosure Agreement which prohibits the disclosure of any confidential business information, obtained during the course of his/her employment, to other parties, even after the end of the employment relationship.
- 3.2 The **UIS** shall ensure that all intermediaries, joint venture partners, agents, subcontractors, franchisees, contractors and suppliers are made aware of the confidential nature of business information that they may handle through their dealings with the **UIS**, and that they shall not disclose confidential information to other parties, even after the end of the contractual relationship.

## 4. Anti-bribery

### 4.1 Compliance with laws

The UIS shall ensure that the Principles and Rules of its Programme meet the requirements of this Code and local laws relevant to countering bribery in all the jurisdictions in which it operates.

In the event that the local laws specify additional or different requirements, which are not covered by their Programme, the UIS shall modify its Programme for the country(ies) concerned. Records shall be kept of countries where their Programme has been modified.

### 4.2 Analysis of risks

The **UIS's** Compliance Committee and/or the senior executive, or his delegate, in each country of operation shall organize periodic reviews to assess bribery risks and determine appropriate control measures. Such reviews shall be systematically conducted:

- i. Prior to the commencement of a new service or the start-up of operations in a new country and
- ii. Whenever a significant breach of the **UIS's** Programme which warrants a review of the existing control measures occurs.

### 4.3 Business Principles for Countering Bribery

The **UIS** shall employ good business practices and risk management strategies in accordance with the Business Principles for Countering Bribery as published by Transparency International and Social Accountability International (see [www.transparency.org](http://www.transparency.org)). These shall address at least the following areas:

#### 4.3.1 Political contributions

The UIS, its employees or agents shall not make direct or indirect contributions to political parties, organizations or individuals engaged in politics, as a way of obtaining advantage in business transactions.

The UIS shall account for all its political contributions in a separate ledger and consolidate all such payments made by any of the operations that form part of its organization.

#### 4.3.2 Charitable contributions and sponsorships

The UIS shall ensure that charitable contributions and sponsorships are not being used as a subterfuge for bribery.

The UIS shall account for all its charitable contributions or sponsorships in a separate ledger and consolidate all such payments made by any of the operations that form part of its organization.

#### 4.3.3 Facilitation payments

Facilitation payments are defined as small 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.

Recognizing that facilitation payments are a form of bribery, the UIS shall work to identify and eliminate them.

#### 4.3.4 Gifts, hospitality and expenses

The UIS shall prohibit the offer or receipt of gifts, hospitality or expenses whenever such arrangements could affect the outcome of business transactions and are not reasonable and bona fide expenditures.

## 5. Fair Business Conduct

5.1 The **UIS** shall provide guidelines to employees, agents and intermediaries to ensure that they understand and adhere to the principle governing fair business conduct.

5.2 The **UIS** shall maintain a Fair Business Conduct policy prohibiting:

- i. intentionally making untrue statements about competitors, their operations, services or service offerings, when those making the statement know or shall reasonably know them to be correct
- ii. activities contrary to rules for anti-trust or tendering
- iii. inciting, inducing or encouraging any person to breach its confidentiality obligations
- iv. commercial espionage and/or data theft

## 6. Health and Safety

- 6.1 The **UIS** shall maintain a policy on Health & Safety that meets all legal requirements.
- 6.2 The **UIS** shall provide Health & Safety training to their employees appropriate for the activities they are engaged in.
- 6.3 The **UIS** shall encourage employees to report Health & Safety related incidents, record these incidents, investigate these incidents and if required, take corrective measures.

## 7. Fair Labour

- 7.1 The **UIS** shall maintain a policy on fair labour.
- 7.2 The **UIS's** policy shall state the **UIS's** commitment to the following:
  - i. Compliance with at least with minimum wage legislation and other applicable wage and working time laws.
  - ii. Prohibition of child labour — strictly prohibit the use of child labour.
  - iii. Prohibition of forced and compulsory labour — prohibit all forms of forced labour, whether in the form of prison labour, indentured labour, bonded labour, slave labour or any kind of non-voluntary labour.
  - iv. Respect of equal opportunities in the workplace
  - v. Zero tolerance of abuse, bullying or harassment in the workplace.

## 2. Compliance Programme

### Implementation

**UIS** is required to implement a Compliance Programme, based on this Code, throughout its organization. The Member may do this by integration of the Code's requirements into its quality management system.

### **UIS' Compliance Programmes**

**UIS** shall confirm its commitment to implementing this Code by publishing and adopting the **UIS's** own Principles and the key elements of implementation (**UIS's** Compliance Programme) which shall, at least:

- address all the **TIC Council** Compliance Principles and Requirements for Implementation,

- follow these Guidelines as specified in paragraph two of the Introduction to these Guidelines,
- apply throughout the whole of its organization.

## **Compliance Officer**

**UIS** shall nominate a Compliance Officer, who, irrespective of his or her other responsibilities shall have responsibility and authority for the co-ordination of the implementation of the Compliance Programme throughout the UIS's organisation. The Compliance Officer may nominate delegates to perform some or all of his/her functions within specified parts of the organisation. Additionally, Senior Managers throughout the organisation shall have responsibility for implementation of the Programme in their areas of responsibility.

## **Compliance Committee**

UIS shall establish a Compliance Committee to carry out periodic reviews of the progress of the Compliance Programme and provide policy guidance. The Compliance Committee shall, at least, consist of three members including the Chief Executive Officer (or equivalent), the Compliance Officer, representation from Legal (if member has a Legal function) and representation from HR (if member has a HR function).

## **Recruitment**

Prior to job offer, prospective employees shall be informed of the Compliance Programme.

## **Employee Commitment**

**UIS shall ensure that:**

- a) each employee is provided with a copy of the Compliance Programme and requested to sign a declaration that it has been received, read and understood. A record shall be kept in the employee's file;
- b) each Senior Manager is required to sign an annual declaration (see Annex A) that the Programme has been implemented in his/her area of responsibility.

UIS's Programme shall include provision that it be made clear that employees will not suffer demotion, penalty or any other adverse consequences arising from strict implementation of the Programme even if it may result in a loss of business.

## Training

All employees, including Managers, of UIS shall be required to undergo a Compliance Training Course. For the purpose of guidance in the preparation of course material, Members shall refer to the TIC Council Compliance Training Guide. A Record of course completion shall be kept in each employee's file.

## Employee "Help Lines"

UIS shall make provision for "help lines" (or equivalent - e.g., designated email) where its employees may obtain guidance on any question or matter of concern relating to the implementation or interpretation of the Programme.

### Employee Help Lines

**Tel: +35622582600 & +35622582620 – Malta**

**Email: [technical@uis.com.mt](mailto:technical@uis.com.mt)**

**Tel: +218911380099 & +218921231905 - Libya**

**Email: [uis-libya@uis.com.mt](mailto:uis-libya@uis.com.mt)**

At the employee's request, any such question shall be dealt with confidentially and the anonymity of the employee shall be protected to the extent reasonably practicable. Such help lines may utilize the UIS's internal resources and/or an external third-party organization.

## Security Measures

UIS shall implement adequate security measures in its organization's premises containing confidential business information to ensure that access is restricted to authorised personnel only and that documents/data are stored in designated secure areas and disposed of in a secure manner.

## External Communications

UIS shall make public its Compliance Principles and provide facilities to receive enquiries, complaints or feedback from interested parties.

## Reporting of Violations

UIS's employees shall be encouraged to report details of violations or suspected violations either direct to the Compliance Officer, or to the employee's superior, a member of senior management or an internal auditor. The reporting employee shall be fully protected against any form of reprisal

unless s/he acted maliciously or in bad faith. If requested, the employee's anonymity shall be protected to the extent reasonably practicable.

Employees shall be required to report any solicitation for, or offer of, an improper payment or advantage coming to their knowledge.

## **Investigations and Sanctions**

The Compliance Officer shall initiate, where appropriate, an investigation into any violation of the Programme reported to him/her or coming to his/her knowledge.

**UIS** shall maintain a documented procedure for the handling of investigations and sanctions which shall include requirements for:

- a) the maintenance of records of all reported violations and subsequent actions taken;
- b) the alleged perpetrator of such violation to have the right to be heard;
- c) **UIS's** management or Compliance Committee to decide on the appropriate corrective and disciplinary measures to be implemented if a violation has been established. These measures may include a reprimand, demotion, suspension or dismissal;
- d) the Compliance Officer to receive progress reports from his/her nominated delegates and/or the management in the locations concerned and prepare periodic summary reports for the Compliance Committee on investigations, violations established and the implementation of corrective actions and disciplinary measures.

## **Business Relationships**

To ensure that the **UIS's** Compliance Programme is applied to the extent appropriate in its business relations with parties external to the **UIS's** organization and that improper payments are not channelled through them, the Member shall ensure that such parties abide by the **UIS's** Compliance Programme to the extent that is appropriate. Such parties (who are also referred to as "Business Partners") include:

- intermediaries, (entities or individuals external to the Member who are required to promote the services of the **UIS** as part of their responsibilities, including consultants and advisers)
- joint venture partners

- agents (entities or individuals external to UIS who are required to provide operational services, within the Profession as defined in TIC Council's Articles of Association, on the UIS's behalf)
- subcontractors (entities or individuals performing outsourced activities within the Profession under a contract with the Member)
- franchisees (entities or individuals external to the UIS who carry on business within the Profession using the UIS's trading name and/or brand, the rights to which are purchased from UIS under a franchise contract)

UIS shall do this by at least:

- conducting due diligence before entering into or renewing any contract with the party
- making known its Compliance Principles to the party and seeking assurance that the party will comply with the principles in so far as these apply to activities performed on behalf of **UIS**
- except in the case of subcontractors, obtaining the party's contractual commitment to comply with the Compliance Principles and to allow **UIS** to verify this periodically
- monitoring the party's continual compliance with the principles (and in the event of discovering a breach taking remedial action)
- not dealing with any parties known to be involved in bribery.

Due diligence includes:

- a risk analysis
- an interview with the party
- an investigation of the party's background which, for intermediaries, shall be reviewed and approved by the Member's compliance Committee
- verification through a remuneration analysis, which shall be reviewed and approved by **UIS's** Compliance Committee, that the remuneration paid to each intermediary is appropriate and justifiable for legitimate services rendered, and does not facilitate improper payments by the intermediary.

**UIS** shall monitor compliance with their due diligence procedures.

In addition, for intermediaries and other parties as may be appropriate, **UIS** shall provide training and support.

**UIS** shall account for all intermediaries' remuneration in a separate general ledger account in its accounting records, consolidate all such payments made by any of its operations and prepare annually a consolidated management statement of all intermediaries' remuneration.

## Complaints and Disciplinary Procedures

Complaints concerning alleged non-compliance with this Code by other Members shall be lodged with TIC Council in accordance with the TIC Council Complaints Handling Procedure. **UIS** shall refrain from submitting such complaints to other parties unless it is necessary to do so to protect their reputation.

Breaches of this Code may lead to sanctions imposed by an Independent Dispute Resolution Panel subject to the rules set out in the TIC Council Complaints Handling Procedure. As regard the Fair Business Conduct Principle, only breaches of the specific prohibitions laid down in Section 5.2 i to iv putting at risk the reputation of the TIC Council or the TIC industry may be the subject of complaints and lead to sanctions under this Code and Guidelines.

## Accounting and Book Keeping

**UIS** shall maintain accurate books and records which properly and fairly document all financial transactions. Off-the-books accounts shall be prohibited.

## Health and Safety

**UIS** shall record and investigate all reported Health & Safety incidents and undertake corrective measures where appropriate.

## Compliance summary report

**UIS's** Compliance Officer shall prepare on an annual basis, a summary report covering statistics or confirmations to show compliance with the **UIS's** procedures and policies for the following areas:

- a) Violations — number of violations/suspected violations reported; number of violations substantiated; and confirmation that remedial actions have been determined and action undertaken/being undertaken for each substantiated violation / non-compliance.
- b) New or renewed intermediaries, joint ventures partners and franchisees.

- i. number of new or renewed intermediaries, joint ventures partners and franchisees in the financial year;
  - ii. confirmation that each has gone through the **UIS**'s due diligence procedures as required;
  - iii. confirmation that an appropriate contract/term of business has been put in place with each.
- c) Expenses - confirmation the expenses are in line with the **UIS**'s Compliance Programme and related policies for:
  - Political contributions
  - Charitable contributions and sponsorships
  - Expenditures relating to gifts, hospitality and expenses
  - Intermediaries' remuneration
- d) Health & Safety — number of Health & Safety incidents reported; and confirmation that remedial actions have been determined and action undertaken/being undertaken for each incident.

### 3. Verification

#### Management declarations

UIS shall require its Senior Managers throughout its organization to prepare and sign, on an annual basis, a Compliance Declaration which, as a minimum, shall be based on the template contained in Annex A. These Compliance Declarations shall be sent to the Compliance Officer who shall submit an annual summary report to the Compliance Committee.

#### Internal audits

UIS shall require its nominated internal auditors, as part of their internal audit plan, to verify that the Compliance Programme has been implemented within its organization and in particular that the Management Declarations have been completed in conformance with Annex A and reflect compliance with the Programme and, in respect of those locations selected for site audits, correctly reflect the actual situation. Such site audits shall review the processes in place and include testing, on a sampling basis, to ensure the effective application and implementation of the Programme. The TIC Council Guidance Check List for UIS' Internal Compliance Audits may be used for reference.

The violations / suspected violations of the Code identified during such audits shall be reported to the Compliance Officer who shall submit a summary report to the Compliance Committee. The Compliance Officer

and/or Compliance Committee shall take follow-up actions where appropriate.

## External Verification

UIS's implementation of the Programme is required to be verified through submission of documents and by agreed upon procedures carried out by the UIS's appointed recognized independent external audit firm.

### 1. Frequency

The external verification is conducted annually.

### 2. Appointment of audit firm

The UIS's appointed recognized independent external audit firm to carry out the verification by agreed upon procedures could be the firm engaged for the statutory audit of the UIS's (consolidated) financial statements. The appointed audit firm shall be a reputable organization that is a member of a recognized national professional accountancy organization.

### 3. Notification to TIC Council of UIS's appointed external audit firm

Prior to the appointment of the audit firm, or any subsequent proposed changes thereof, the Member shall submit details to the Director General for confirmation of compliance with TIC Council requirements.

### 4. Scope of verification

**UIS is required to carry out the following:**

#### 4.1 Submit documents for verification to TIC Council

The UIS is required to submit the following documents:

1. UIS's Compliance Programme, as well as policies in relation to each Principle (if separate).
2. The Terms of Reference for the Compliance Committee (or equivalent) including the specification that the Compliance Committee (or equivalent) is responsible for overseeing the Compliance Programme.
3. List of members of the Compliance Committee (including job title).

4. Compliance Programme training course material.
5. Material helping the awareness of the Employee Help Line (or equivalent -e.g., designated email).
6. Material encouraging employees to report details of violations or suspected violations and to whom they can report.
7. Screen print of Member's website where:
  - the Compliance Principles are explained.
  - an interested party can make inquiries, complaints or feedback.
8. Documented procedure for the handling of investigations and sanctions
9. Policies relating to confidential business information (information security policy, confidentiality policy).
10. Procedures for health & safety incident reporting and investigations.
11. Procedures for due diligence for initiating or renewing relationships with intermediaries, joint ventures partners and franchisees.
12. Procedure for contracting with intermediaries, joint venture partners and franchisees and related template(s) of contract / terms & conditions with a new / re-nerved intermediary, joint venture partner or franchisee.
13. Template of the annual management declaration based on the template in Annex A.
14. Scope of Internal Audit plan that includes the review of the implementation of the Compliance Code.
15. Annual summary reports prepared by the Compliance Officer covering statistics or confirmations to show compliance with Member's procedures and policies, as specified in Annex B.
16. Annual report of the results of the agreed upon procedures.

When submitting the documents, the **UIS** is required to self-assess whether the evidence being submitted meets all the evidence requirements (the evidence requirements are detailed in Annex B). The Member can explain the reasons for any deviations to the evidence requirements.

Unless otherwise stated, documents are required to be re-submitted only if they have been updated. All documents shall be reviewed and updated at least every three years or whenever there is an updated version of the Compliance Code and/or guidelines issued by TIC Council.

#### 4.2 Request audit firm to carry out agreed upon procedures

Annually, the Member requires an independent audit firm to carry out agreed upon procedures for the following areas:

- i. Understanding of compliance code by each new employee
- ii. Attendance of Compliance Programme training course(s) by employees
- iii. Employee Help Line (or equivalent - e.g., designated email) to raise queries and / or issues relating to the Compliance Programme
- iv. Reviewing and taking actions on enquiries, complaints and feedback from interested parties
- v. Understanding of the confidentiality requirements by each new employee
- vi. Schedules prepared for political contributions; charitable contributions and sponsorships; expenditures relating to gifts, hospitality and expenses; and Intermediaries' remuneration
- vii. Monitoring of annual compliance declaration submissions by Senior Managers

The specific agreed upon procedures is detailed in Annex C.

## 5. Audit firm's Report

The Member requires the audit firm to produce a Report showing the results of the agreed upon procedures using the template contained in Annex C.

The Member is required to submit its audit firm's Report to TIC Council within six months of the end of the Member's financial year.

## **SPECIFIC OF UIS' COMPLIANCE PRINCIPLES**

### 1. Integrity

The Member shall operate in a professional, independent, and impartial manner in all its activities.

The Member shall carry out its work honestly and shall not tolerate any deviation from its approved methods and procedures. Where approved test methods make provision for tolerances in results, the Member shall ensure that such tolerances are not abused to alter the actual test findings.

The Member shall report data, test results and other material facts in good faith and shall not improperly change them and shall only issue reports and

certificates that correctly present the actual findings, professional opinions or results obtained.

## 2. Conflict of interest

The Member shall avoid conflicts of interest with any related entity in which it has a financial or commercial interest and to which it is required to provide services.

The Member shall avoid conflicts of interest between the Member's companies and/or divisions engaged in different activities, but which may be providing services to either the same client or each other.

The Member shall ensure that its employees avoid conflicts of interest with the activities of the Member.

## 3. Confidentiality and Data Protection

The Member shall respect the confidentiality and privacy of client's information and ensure processes are in place to adequately protect such information.

## 4. Anti-bribery

The Member shall prohibit the offer or acceptance of a bribe in any form, including kickbacks on any portion of a contract payment.

The Member shall prohibit the use of any routes or channels for provision of improper benefits to, or receipt of improper benefits from, customers, agents, contractors, suppliers, employees of any such party, or government officials.

## 5. Fair Business Conduct

The Member shall conduct itself with the highest standards of business ethics and integrity and shall not do anything which would bring the reputation of TIC Council or the TIC industry into disrepute.

## 6. Health and Safety

The Member shall implement adequate training and procedures to protect the health and safety of employees, customers, and third parties and shall monitor incidents with the view of minimizing risks in the course of business operations.

## 7. Fair Labour

The Member is aware of its social responsibility for its employees and the people, communities, and environments in which it works and shall respect human rights.

### **Requirements for Implementation**

Each Member of TIC Council shall:

1. Commit itself to implement the Compliance Principles throughout its organisation through operation of a Compliance Programme which has been approved by TIC Council.
2. Appoint a Compliance Committee and Compliance Officer to oversee and manage the Compliance Programme.
3. Require all employees to comply with the Compliance Programme, train them accordingly and ensure their continuing understanding of the Compliance Programme.
4. Provide help lines for staff and encourage the reporting of violations on a confidential basis and free from reprisal except in malicious cases.
5. Publicly disclose its Compliance Principles and facilitate enquiries, complaints, and feedback.
6. Investigate and record all reported violations and apply corrective and disciplinary measures.
7. Protect the security of confidential business information.
8. Minimize health and safety risks in the workplace, monitor incidents, and put in place any necessary corrective measures.
9. Maintain accurate books and records which properly and fairly document all financial transactions.
10. Ensure that its Compliance Programme is applied to the extent appropriate to its business partners.
11. Monitor the effectiveness of its Programme through the use of annual management declarations and internal auditing.
12. Arrange for the effectiveness of the implementation of the Programme to be verified at least annually by a recognized independent external audit firm and meet the document submission requirements of TIC Council (including the submission of the Agreed Upon Procedures report).

**These** requirements are supported by Guidelines which are published separately, and which provide TIC Council Members with an approved means of meeting the requirements. Members whose Compliance Programmes do not follow the Guidelines in a particular respect may still have their

Programme approved by TIC Council, so long as they can demonstrate to the Director General that their Programme meets the relevant requirements of the Code in an equivalent way to that set out in the Guidelines.

Any Complaint to TIC Council about a TIC Council member's conduct which alleges a violation of the Compliance Code shall be handled pursuant to the Complaints Handling Procedure.

## ANNEX A: Management Declaration Template

Confidential

### Universal Inspectorate & Services Co, Ltd Compliance Programme

#### Management Declaration for the year ending

..... 20 .....

**To:** ..... (Name of UIS' Compliance Officer or Nominated delegate)

Name of Manager: ..... Job Title .....

Locations and/or activities covered by this Declarations .....  
.....  
.....  
.....

I ..... (Name of Manager) do hereby declare that in implementation of Universal Inspectorate & Services Co, Ltd. (UIS) Compliance Code for the year ending .....20..... In each of the locations and/or activities, as listed Above, falling under my area of responsibility: -

1. To the best of my knowledge I, and the members of staff reporting to me, have complied in all respects with the Compliance Programme;
2. I have verified that the Compliance Programme has been distributed to each Employee who had not previously received them;
3. I have fully and completely reported to the Compliance Officer any violation or suspected violation of the Programme, including any solicitation or offer of any improper payment or advantage, which has come to my knowledge;
4. I have fully and completely implemented all corrective and disciplinary actions required by the
5. Compliance Committee in respect of any violation of the Programme.

**Place** ..... **Date** .....

**Signature** .....

## ANNEX B: Detailed requirements for evidence to be submitted

Evidence to be submitted	Evidence Requirements
1) UIS's Compliance Programme as well as policies in relation to each principle (if separate)	<p>The programme shall cover the compliance code principles:</p> <ul style="list-style-type: none"> <li>- Integrity</li> <li>- Conflicts of interest</li> <li>- Confidentiality and Data Protection</li> <li>- Anti-bribery</li> <li>- Fair business conduct</li> <li>- Fair labour</li> <li>- Health &amp; Safety</li> </ul> <p>The programme and policies require to be in line with the details provided in the 'Application of Compliance principles' in the Compliance Code guidelines.</p> <p>The programme shall include:</p> <ul style="list-style-type: none"> <li>- reference to the Help Line.</li> <li>- provisions for protection of confidentiality for reporting violations.</li> <li>- a provision where employees can report known or suspected violations to the Compliance Officer, the employee's superior, a member of senior management, or an internal auditor.</li> <li>- requirement for employees to report any solicitation of, or offer of, an improper payment or advantage coming to their attention.</li> <li>- provision that it be made clear that employees will not suffer demotion, penalty or any other adverse consequences arising from strict implementation of the Programme even if it may result in a loss of business.</li> </ul>
2) The Terms of Reference for the Compliance Committee (or equivalent) including the specification that the Compliance Committee (or equivalent) is responsible for overseeing the Compliance Programme	<p>The Terms of Reference shall specify that the Committee is responsible for overseeing the Compliance Programme.</p> <p>The Terms of Reference shall specify the frequency of the Compliance Committee meetings. The Compliance Committee shall meet regularly (at least on an annual basis).</p>
3) List of members of the Compliance Committee (including job title)	<p>There shall be at least 3 members in the Compliance Committee.</p> <p>The members of the Committee shall include:</p> <ul style="list-style-type: none"> <li>- Compliance Officer (or reports into as attendee)</li> <li>- CEO (or equivalent)</li> <li>- Representative from Legal (if member has a legal function)</li> <li>- Representative from HR (if member has a HR function)</li> </ul>
4) Compliance Programme training course material	<p>The material shall include sections on:</p> <ul style="list-style-type: none"> <li>- Integrity</li> <li>- Conflicts of interest</li> <li>- Confidentiality and data protection</li> <li>- Anti-bribery</li> <li>- Fair business conduct</li> <li>- Fair labour</li> <li>- Health &amp; Safety</li> </ul> <p>Any training relevant to the financial year shall be submitted.</p>
5) Material helping the awareness of the Employee Help Line (or equivalent - e.g., designated email)	<p>The material shall explain:</p> <ul style="list-style-type: none"> <li>- that employee can obtain guidance on any question or matter of concern relating to the implementation or interpretation of the Compliance Programme.</li> <li>- at the employee's request, any such question shall be dealt with confidentially and the anonymity of the employee shall be protected to the extent reasonably practicable.</li> </ul>
6) Material encouraging employees to report details of violations or suspected violations and to whom they can report	<p>The material shall explain that the:</p> <ul style="list-style-type: none"> <li>- employee is fully protected against any form of reprisal unless he/she acted maliciously or in bad faith.</li> <li>- employee is required to report any solicitation for, or offer of, an improper payment or advantage coming to their knowledge.</li> </ul> <p>May be the same as submission 5.</p>
7) Screen print of Member's website where: - the Compliance Principles are explained. - an interested party can make inquiries, complaints or feedback.	N/A
8) Documented procedure for the handling of investigations and sanctions	<p>The procedures shall include requirements for:</p> <ol style="list-style-type: none"> <li>(a) the maintenance of records of all reported violations and subsequent actions taken;</li> <li>(b) the alleged perpetrator of such violation to have the right to be heard;</li> <li>(c) the Member's management or Compliance Committee to decide on the appropriate corrective and disciplinary measures to be implemented if a violation has been established. These measures may include a reprimand, demotion, suspension or dismissal; and</li> <li>(d) the Compliance Officer to receive progress reports from his/her nominated delegates and/or the management in the locations concerned and prepare periodic summary reports for the Compliance Committee on investigations, violations established and the implementation of corrective actions and disciplinary measures.</li> </ol>

9) Policies relating to confidential business information (information security policy, confidentiality policy)	The policy shall cover the need for the business to implement adequate security measures to ensure that access is restricted to authorized personnel only and that documents/data are stored in designated secure areas and disposed of in a secure manner.
10) Procedures for health & safety incident reporting and investigations	The procedures shall: <ul style="list-style-type: none"> <li>- define what a health &amp; safety incident is.</li> <li>- explain how the employee can report health &amp; safety incidents.</li> <li>- encourage employees to report health &amp; safety incidents.</li> <li>- explain how health &amp; safety incidents will be investigated and remedial actions will be determined.</li> </ul>
11) Procedures for due diligence for initiating or renewing the relationships with intermediaries, joint venture partners and franchisees	For intermediaries, joint venture partners and franchisees, the Member is required to have a written procedure that specifies the due diligence steps the Member is required to carry out and approval needed before initiating or renewing the contract with an intermediary, joint venture partner or franchisee.
12) Procedure for contracting with intermediaries, joint venture partners and franchisees and related template(s) of contract / terms & conditions with a new / re-newed intermediary, joint venture partner or franchisee	The contract / terms of business shall include: <ul style="list-style-type: none"> <li>- A requirement that the intermediary, joint venture partner or franchisee complies with Member's compliance programme; and</li> <li>- A provision allowing the Member to verify the intermediary, joint venture partner or franchisee's compliance with Member's compliance programme.</li> </ul> Where the Member does not have a standard template, Member shall submit examples of contracts which includes the above provisions.
13) Template of the annual management declaration based on the template in Annex A	Compliance declaration shall include the attributes in Annex A including locations and/or activities covered by the declaration as well as declaration of implementation of the Compliance Programme
14) Scope of Internal Audit plan that includes the review of the implementation of the Compliance Code	The Scope of the Internal Audit plan shall cover the Member's organization.
15) Annual summary reports prepared by the Compliance Officer covering statistics or confirmations to show compliance with Member's procedures and policies and policies, as specified in Annex B	On an annual basis (in line with financial year-end), the Member shall prepare an annual summary reports detailing: <ol style="list-style-type: none"> <li>1) Violations: <ul style="list-style-type: none"> <li>- Number of violations / suspected violations reported</li> <li>- Number of violations substantiated</li> <li>- Confirmation that remedial actions have been determined and action undertaken / being undertaken for each substantiated violation / non-compliance.</li> </ul> (The above statistics are required to cover those violations / suspected violations reported through Help Line as well as found during Internal Audits.) </li> <li>2) For new or re-newed intermediaries, joint venture partners and franchisees: <ul style="list-style-type: none"> <li>- Number of new or re-newed intermediaries, joint venture partners and franchisees in the financial year.</li> <li>- Confirmation that each has gone through the Member's due diligence procedures as required.</li> <li>- Confirmation that an appropriate contract / terms of business has been put in place with each.</li> </ul> </li> <li>3) Confirmation the expenses are in line with the Member's Compliance Programme and related policies for: <ul style="list-style-type: none"> <li>- Political contributions.</li> <li>- Charitable contributions and sponsorships.</li> <li>- Expenditures relating to gifts, hospitality and expenses.</li> <li>- Intermediaries' remuneration.</li> </ul> </li> <li>4) Health &amp; Safety: <ul style="list-style-type: none"> <li>- Number of health &amp; safety incidents reported</li> <li>- Confirmation that remedial actions have been determined and action undertaken / being undertaken for each incident.</li> </ul> </li> </ol>
16) Annual report of the results of the agreed upon procedures	N/A

## ANNEX C: Template Report for Agreed Upon Procedures results

### “Report on.....(Name of Member)’s Compliance Programme”

We have performed the agreed upon procedures enumerated below, which were agreed to by the Member and the TIC Council, solely to assist you the Member in reviewing your Compliance Programme in connection with your membership in TIC Council. The Member is responsible for implementing a Compliance Programme that conforms to TIC Council guidance. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Audit area	Agreed upon procedures	Results and Factual Findings (to be completed by audit firm)
I) Understanding of compliance code by each new employee	<p>For Members with 9 or less offices/locations:</p> <ol style="list-style-type: none"> <li>1. Obtain a list of all new employees during the 12 months to the financial year end.</li> <li>2. Select a sample of 10 new employees from this list. For Members who operate in multiple offices/locations (9 or less in total), the sample shall be selected across the offices/locations.</li> <li>3. For each selected employee, obtain the signed declaration that they have received, read and understood the Member's Compliance Programme and signed within 30 days of joining.</li> </ol> <p>For Members with 10 or more offices/locations:</p> <ol style="list-style-type: none"> <li>1. Obtain a list of the Member's offices/locations.</li> <li>2. Select 10 offices/locations from this list.</li> <li>3. For each of the 10 offices/locations selected by the auditor, the Member shall provide a list of all new employees during the 12 months to the financial year end.</li> <li>4. Select a sample of 10 new employees from the list of the 10 selected offices. The sample shall be selected across the offices/locations.</li> <li>5. For each selected employee, obtain the signed declaration that they have received, read and understood the Member's Compliance Programme and signed within 30 days of joining.</li> </ol>	<p>For Members with 9 or less offices/locations:</p> <ol style="list-style-type: none"> <li>1. Obtained from management a list of all new employees of the Member for the financial accounting period of [date] to [date]. (We make no comment with respect to the completeness or accuracy of the list.)</li> <li>2. non-statistically selected [xx] employees from the list covering different offices and locations.</li> <li>3. Confirmed each employee selected in 2. had signed declaration that they have read and understood the Compliance Programme and signed within [days for longest period] days of joining.</li> </ol> <p>For Members with 10 or more offices/locations:</p> <ol style="list-style-type: none"> <li>1. Obtained from management a list of all the Member's offices/locations.</li> <li>2. non-statistically selected 10 offices/locations from this list.</li> <li>3. For each of the offices/locations selected in 2. obtained from management a consolidated list of all new employees of the offices/locations selected for the financial accounting period of [date] to [date]. (We make no comment with respect to the completeness or accuracy of the list.)</li> <li>4. non-statistically selected 10 employees from the consolidated list in 3. covering different offices and locations.</li> <li>5. Confirmed each employee selected in 4. had signed declaration that they have read and understood the Compliance Programme and signed within [days for longest period] days of joining.</li> </ol>
II) Attendance of Compliance Programme training course(s) by employees	<p><b>For Members with 9 or less offices/locations:</b></p> <ol style="list-style-type: none"> <li>1. Obtain a list of all new employees during the 12 months to the financial year end.</li> <li>2. Select a sample of 10 new employees from this list. For Members who operate in multiple offices/locations (9 or less in total), the sample shall be selected across the offices/locations.</li> <li>3. For each selected employee, obtain training records showing their attendance of the Compliance Programme training course.</li> </ol> <p><b>For Members with 10 or more offices/locations:</b></p> <ol style="list-style-type: none"> <li>1. Obtain a list of the Member's offices/locations.</li> <li>2. Select 10 offices/locations from this list.</li> <li>3. For each of the 10 offices/locations selected by the auditor, the Member shall provide a list of all new employees during the 12 months to the financial year end.</li> <li>4. Select a sample of 10 new employees from the list of the 10 selected offices. The sample shall be selected across the offices/locations.</li> <li>5. For each selected employee, obtain training records showing their attendance of the Compliance Programme training course.</li> </ol> <p><b>Explanation. For any new employee (if sample selected), it is noted that they may yet to be trained depending on their date of joining and training schedule, / timetable.</b></p> <p><b>All employees shall have Compliance Programme training at least on a two-yearly basis.</b></p>	<p><b>For Members with 9 or less offices/locations:</b></p> <ol style="list-style-type: none"> <li>1. Obtained from management a list of all new employees of the Member for the financial accounting period of [date] to [date] (We make no comment with respect to the completeness or accuracy of the list.)</li> <li>2. non-statistically selected [xx] employees from the list covering different offices and locations.</li> <li>3. Confirmed each employee selected in 2. had attended the following Compliance Programme training courses within the last 2 years from financial year-end.</li> </ol> <p><b>For Members with 10 or more offices/locations:</b></p> <ol style="list-style-type: none"> <li>1. Obtained from management a list of all the Member's offices/locations.</li> <li>2. non-statistically selected 10 offices/locations from this list.</li> <li>3. For each of the offices/locations selected in 2. obtained from management a consolidated list of all new employees of the offices/locations selected for the financial accounting period of [date] to [date] (We make no comment with respect to the completeness or accuracy of the list.)</li> <li>4. non-statistically selected 10 employees from the consolidated list in 3. covering different offices and locations.</li> <li>5. Confirmed each employee selected in 4. had attended the following Compliance Programme training courses within the last 2 years from financial year-end.</li> </ol>

Audit area	Agreed upon procedures	Results and Factual Findings (to be completed by audit firm)
<p>III) Employee Help Line (or equivalent - e.g., designated email) to raise queries and / or issues relating to the Compliance Programme</p>	<p>1. Obtain the Employee Help Line number or email address. 2. Call / send email to confirm the Help Line is in operation. 3. Discuss with Management how queries and / or issues reported on Help Line are being investigated / looked into and resolved. 4. Obtain / inspect evidence showing that the queries and / or issues are being handled as explained in step 3.</p> <p>Explanation. Need to obtain/ inspect actual evidence showing operation - not just template.</p>	<p>1. Confirmed with management the following Employee Help Line details: [Help Line number] or [ Help Line email] 2. Contacted the Help Line on [Date] to confirm the Help Line is in operation. 3. Discussed with Management the queries and / or issues reported on Help Line are being investigated / looked into and resolved by [the team/person responsible] and tracked using [queries/issues tracking mechanize]. 4. Inspected the [queries/issues tracking mechanism] and confirmed that queries / issues status is being tracked and queries / issues are being resolved.</p>
<p>IV) Reviewing and taking actions on enquiries, complaints and feedback from interested parties</p>	<p>1. Obtain the Third-Party Help Line number or email address. 2. Call / send email to confirm the Help Line is in operation. 3. Discuss with Management how queries and / or issues reported on Help Line are being investigated / looked into and resolved. 4. Obtain / inspect evidence showing that the queries and / or issues are being handled as explained in step 3.</p> <p><b>Explanation. Need to obtain/ inspect actual evidence showing operation - not just template.</b></p> <p><b>Explanation. If the mechanism for third parties to raise queries and, /' or issues is the same as employees cover as part of III.</b></p>	<p>1. Confirmed with management the following Third-Party Help Line details: [Help Line number] or [Help Line email] 2. Contacted the Third-Party Help Line on [date] to confirm the Help Line is in operation. 3. Discussed with Management the queries and / or issues reported on Help Line are being investigated / looked into and resolved by [the team/person responsible] and tracked using [queries/issues tracking mechanize]. 4. Inspected the [queries/issues tracking mechanize] and confirmed that queries / issues status is being tracked and queries / issues are being resolved.</p>
<p>V) Understanding of the confidentiality requirements by each new employee</p>	<p><b>For Members with 9 or less offices/locations:</b> 1. Obtain a list of all new employees during the 12 months to the financial year end. 2. Select a sample of 10 new employees from this list. For Members who operate in multiple offices/locations (9 or less in total), the sample shall be selected across the offices/locations. 3. For each selected employee, obtain the signed confidentiality agreement or equivalent such as a signed declaration that they have read and understood the confidential business information policy.</p> <p><b>For Members with 10 or more offices/locations:</b> 1. Obtain a list of the Member's offices/locations. 2. Select 10 offices/locations from this list. 3. For each of the 10 offices/locations selected by the auditor, the Member shall provide a list of all new employees during the 12 months to the financial year end. 4. Select a sample of 10 new employees from the list of the 10 selected offices. The sample shall be selected across the offices/locations. 5. For each selected employee, obtain the signed confidentiality agreement or equivalent such as a signed declaration that they have read and understood the confidential business information policy.</p>	<p><b>For Members with 9 or less offices/locations:</b> 1. Obtained from management a list of all new employees of the Member for the financial accounting period of [date] to [date] (We make no comment with respect to the completeness or accuracy of the list.) 2. Non-statistically selected [xx] employees from the list covering different offices and locations. 3. Confirmed each employee selected in 2. had signed confidentiality agreement or equivalent within [days for longest period] days of joining.</p> <p><b>For Members with 10 or more offices/locations:</b> 1. Obtained from management a list of all the Member's offices/locations. 2. Non-statistically selected 10 offices/locations from this list. 3. For each of the offices/locations selected in 2. obtained from management a consolidated list of all new employees of the offices/locations selected for the financial accounting period of [date] to [date]. (We make no comment with respect to the completeness or accuracy of the list.) 4. non-statistically selected 10 employees from the consolidated list in 3. covering different offices and locations. 5. Confirmed each employee selected in 4. had signed confidentiality agreement or equivalent within [days for longest period] days of joining.</p>
Audit area	Agreed upon procedures	Results and Factual Findings (to be completed by audit firm)
<p>VI) Schedules prepared for political contributions; charitable contributions and sponsorships; expenditures relating to gifts, hospitality and expenses; and Intermediaries' remuneration.</p>	<p>1. Obtain the year-end schedule prepared by Management for: -Political contributions -Charitable contributions and sponsorships -Expenditures relating to gifts, hospitality and expenses -Intermediaries' remuneration 2. Discuss with management how they are comfortable each schedule is complete and accurate. 3. Obtain the review and approval of the schedules by the Audit Committee and/or Compliance Officer. (This can be part of the annual summary report - submission document 15).</p>	<p>1. Obtain the year-end schedule prepared by [job title of person preparing] for: -Political contributions -Charitable contributions and sponsorships -Expenditures relating to gifts, hospitality and expenses -Intermediaries' remuneration 2. Discussed with [job title of person preparing] how they are comfortable each schedule is complete and accurate. 3. Obtained the review and approval of the schedule by [name of committee or job title of person reviewing] confirming that the transactions are in adherence with the Member's policies.</p>

<p>VII) Monitoring of annual compliance declaration submissions by Senior Managers</p>	<p>1.Obtain evidence of monitoring of completeness of annual submissions by Senior Manager.</p> <p><b>Explanation. It is the responsibility of the Member to define and identify the Senior Managers across the organization.</b></p> <p>2.If the mechanism is not in place, raise a finding and obtain a list of Senior Managers.</p> <p><b>Explanation. It is the responsibility of the Member to define and identify the Senior Managers across the organization.</b></p> <p>3.Confirm the list of Senior Managers from 1. or 2. has at least one Senior Manager identified for each 'Group Member' specified by the Member within the Member's Group Membership (if applicable).</p> <p>4.Select a sample of 10 employees from list.</p> <p>5.For the selected samples obtain the annual signed management declaration.</p>	<p>1.Obtained [mechanism of monitoring completeness of annual submission by senior Manager] for the financial accounting period of (date) to (date)</p> <p>2.Was required / Was not required to obtain a list of Senior Managers.</p> <p>3.Confirmed with [job title] the list of Senior Managers from [Specify 1. Or 2.] has at least one Senior Manager identified for each 'Group Member' specified by the Member within the Member's Group Membership.</p> <p>4.non-statistically selected [xx] employees from the list.</p> <p>5.Confirmed each Senior Manager selected in 4. had signed the annual management declaration for the financial accounting period [date] to [date].</p>
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Factual Findings: Our findings with respect to the above procedures are as follows:

Please list any non-compliance / partial compliance findings from the agreed upon procedures performed or type 'N/A'

The agreed upon procedures that we have performed do not constitute an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements and, consequently no assurance will be expressed on the adherence to TIC Council's Compliance Code. Had we performed additional procedures or had we performed an audit or review, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Member and the Director General of the TIC Council, and is not intended to be and shall not be used by anyone other than these specified parties. This report relates only to the accounts and items specified above and does not extend to any consolidated financial statements of the Member, taken as a whole.

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Name of External Audit Firm

Date: