



Belgium

Canada

France

Italy

USA

Rules Governing the ETHIC Intelligence Certification Committee

June 2010

1. Composition of the Certification Committee

- All members of the Certification Committee (hereafter “the Committee”) are chosen among internationally–recognised experts in the field of company integrity, wherein they maintain an excellent record and reputation.
- To safeguard Committee independence vis-à-vis third-party interests, Committee Members (hereafter “the Members”) cannot be :
 - employees of any governmental or intergovernmental public organization;
 - employees of any industrial or commercial company (with the exception of law firms and consulting firms).
- The Committee is chaired by Philippe Montigny, founder of ETHIC Intelligence.
- Additional Members are appointed by the Committee Chairman after due consultation with incumbent Members and with Mark Pieth, Chairman of the Basel Institute on Governance¹.

2. Role of Committee Members

- Certification files are drafted by a Reviewer (hereafter “the Reviewer”) accredited by ETHIC Intelligence and supervised by an ETHIC Intelligence official (hereafter “the Monitor”).
- The Monitor provides technical assistance to the Reviewer at any time of the Certification process and in particular to ensure that:
 - the Certificate chosen is relevant to the Client’s needs;
 - the appropriate means (number of man/days, levels of expertise, travel, etc.) are devoted to carrying out the audit;
 - Certificate terms of reference are tailored to the Client’s needs;
 - Certification files are drafted in accordance with Committee requirements (quality and quantity of information, relevance of both the analysis and the final evaluation, etc.). The Monitor will, in particular, validate the Certification file before its presentation to the Committee.
- Certification files contain :
 - an on–site verification report based on detailed answers to standardized questions (including sources such as interviews and documents);
 - an evaluation report featuring an analysis of the on–site verification report. Said analysis is based on the various criteria contained in the Certificate Terms of Reference. For each criterion, the Reviewer presents an analysis identifying strengths and weaknesses, formulates recommendations for improvement and provides a rating based on a scale from one to five. At the end of the evaluation report, the Reviewer gives a general assessment on whether or not the Client’s anti–corruption policy meets Certificate requirements. The evaluation report clearly states that the Reviewer is solely responsible for this general assessment and that said assessment is in no way binding on Committee Members.
- If the Reviewer considers that the Certification file fails to meet any of the requirements stipulated in the Certificate Terms of Reference, the Certification file is not transmitted to the Committee Chairman and the Client is invited to remediate all identified shortcomings within one year before resubmitting the file to the Committee.

¹ The Basel Institute on Governance assesses the quality of ETHIC Intelligence certifications and conducts biennial validations of ETHIC intelligence certification processes.

- If the Reviewer considers that the Certification file meets all requirements set forth in the Certificate Terms of Reference, the Certification file is transmitted to the Committee Chairman. Prior to submission, both reports are signed by the Client who, in doing so :
 - Acknowledges the accuracy and completeness of the information contained therein;
 - Consents to examination by the Certification Committee.
- The Certification file is reviewed by three Members who are themselves selected by the Committee Chairman. Members are selected in such a way as to preclude any conflict of interest and, as such, the Chairman cannot, under any circumstances, select:
 - A Certification Committee Member that has recommended a Client to be certified.;
 - Any Certification Committee Member having had, during a reasonable period of time, direct or indirect relations of any sort (amicable, family, employee, consultant, etc.) with the Client.
- Members study the Certification file independently, individually and thoroughly, and, after careful consideration, determine whether or not to concur with the Reviewer's final assessment, *i.e.* whether the Certificate should or should not be awarded. Members will in no way be held responsible for any of the ratings, comments or opinions attributed by the Reviewer in the evaluation report. Member assessments themselves can only be positive (awarding of Certificate) or negative (declining of Certificate).
- The Committee Chairman does not participate in any Certification File examination or deliberations. His role is limited to preparing, organizing the work of the Committee.

3. Awarding of Certificates

- Members submit their decision and/or opinion(s) to the Committee Chairman, in writing, within fifteen days of receipt of the Certification File. The fifteen days may be exceeded if they fall within the winter or summer holiday periods.
- Members considering that a Certificate should be awarded submit their decision in writing based on the sample letter attached hereto. In this letter, Members may also include other comments and/or recommendations based on their assessment of the Certification File. Members' conclusions are integrated into the ***Decision to award and register the Certificate*** which is subsequently transmitted to the Client.
- Any Member requiring clarification on a specific point submits a request in writing to the Committee Chairman, who then transmits this request to the Reviewer and the Monitor for clarification as well as to the two remaining Members for information. The answer is transmitted to the Members, the Reviewer and the Monitor.
- Any Member experiencing concerns on the awarding of a Certificate informs the Committee Chairman in writing. The Committee Chairman then forwards these concerns to the two remaining Members and arranges a conference call, under his chairmanship, between the three Members, the Reviewer and the Monitor.
- During the conference call, the Chairman participates in the discussion with a view to reaching a consensus among Members.
- The decision to grant or deny certification is submitted to a vote at the end of the meeting, the outcome of which is decided by a two-thirds majority among the Members.
- Any unresolved concerns held by Members following the majority vote are addressed in an action plan which details the necessary steps the Client must take to address said concerns. The Committee Chairman drafts and submits said action plan to the Client.
- The Reviewer or the Monitor evaluates the action plan's implementation prior to re-examination by the Committee.

Model opinion letter sent by Committee Members to the Chairman Used only for decisions to award Certificate

**To: Mr. Philippe Montigny
Chairman of the Certification Committee
ETHIC Intelligence International**

Dear Sir,

You have provided me, as Member of the ETHIC Intelligence International Certification Committee, with two documents prepared by [XXX] (the Reviewer) under the supervision of [YYY] (The Monitor): an on-site verification report and an evaluation report of [ZZZ] (hereafter "the Company").

You requested that I critically examine these documents for their relevance and value with a view to granting [ZZZ] a Certificate regarding its Compliance Policy.

Careful review of the documents provided leads me to conclude that they have been established in a rigorous, objective and impartial way and accurately reflect the true nature of said Compliance Policy.

As a result, I am in agreement with the overall evaluation reached by the Reviewer, namely that the Compliance Policy meets Certificate criteria. As such, I recommend that ETHIC Intelligence award the Certificate.

The Reviewer has made a certain number of recommendations within the Certification File on which I would like to comment and/or to which I would like to add, based on my assessment of the documents provided and under the same circumstances. I trust the Client will implement the following recommendations to meet the evolving standards of international best practices:

- a. xxxxxxxx
- b. xxxxxxxx
- c. xxxxxxxx
- d. xxxxxxxx
- e. xxxxxxxx

Thank you in advance for transmitting this letter to the Client. I am available to answer to the best of my abilities any questions the Client might have on this subject.

Yours sincerely,

[*name*]
Certification Committee Member
ETHIC Intelligence International

Model opinion letter sent by Committee Members to the Chairman Used only for decisions to deny Certificate

**To: Mr. Philippe Montigny
Chairman of the Certification Committee
ETHIC Intelligence International**

Dear Sir,

You have provided me, as Member of the ETHIC Intelligence International Certification Committee, with two documents prepared by [XXX] (the Reviewer) under the supervision of [YYY] (The Monitor): an on-site verification report and an evaluation report of [ZZZ] (hereafter "the Company").

You requested that I critically examine these documents for their relevance and value with a view to granting [ZZZ] a Certificate regarding its Compliance Policy.

Careful review of the documents provided leads me to conclude that the Compliance Policy does not meet [Certificate criteria, contrary to the overall evaluation reached by the Reviewer. I recommend that ETHIC Intelligence deny the Certificate for the reasons listed hereinafter, which must be addressed prior to further consideration for certification.

- f. xxxxxxxx
- g. xxxxxxxx
- h. xxxxxxxx
- i. xxxxxxxx
- j. xxxxxxxx

For the sake of continuous improvement, I believe that the Client might find these comments useful. Therefore I thank you in advance for transmitting this letter to the Client. I am available to answer to the best of my abilities any questions the Client might have on this subject.

Yours sincerely,

[name]
Certification Committee Member
ETHIC Intelligence International