

# TRACE | *certification*

Intermediary or supplier risk level

**MEDIUM-HIGH**

## A detailed due diligence review, analysis and approval process that eliminates screening costs

TRACE*certification* is the only due diligence review, analysis and approval process available that allows third parties to own their verified due diligence information. TRACE*certification* portable due diligence reports contain a wealth of anti-bribery compliance information establishing that the commercial intermediary has been thoroughly vetted, trained and certified by TRACE. The report is packaged for the purpose of sharing third party verified due diligence information with an unlimited number of business partners. TRACE*certification* is part of the *TRACE Anti-Bribery Compliance Solution* and supports organizational efforts to meet third party compliance and promote business ethics.

TRACE has spent over a decade setting the standard for risk based, anti-bribery due diligence by continually benchmarking the practices of hundreds of multinational corporations. The parameters of the TRACE*certification* due diligence process have been defined by this in-depth experience, setting TRACE apart from vendors. With extensive research capabilities, an internationally recognized TRACE questionnaire and an experienced staff, TRACE*certification* provides a defensible, high-quality proof of compliance.

The TRACE*certification* due diligence process is divided into five distinct areas:

1. Comprehensive questionnaire provides detailed visibility into the business, its complete structure, operations, locations, registrations and certifications.
2. Full disclosure of key individuals' ties to government is delivered within the content of the questionnaire, CVs going back ten years and a screening process within a Politically Exposed Persons (PEP) database.
3. Due diligence analysts collect information related to prior bankruptcies, criminal convictions or pending investigations, providing clarity into the organization's legal and ethical business behavior.
4. Evidence of a compliance program, policies and procedures via a copy of internal documentation or the adoption of the TRACE Code of Conduct is incorporated.
5. A comprehensive research effort into violations of law or anti-bribery rules among any key party or entity within the organization is performed and clarified within two reports. Due diligence analysts run two distinct open-source media search efforts including inquiries into sanctions lists, law enforcement lists, international regulatory enforcement lists and multiple other bodies' lists.

TRACE*certification* provides ongoing monitoring of third party relationships with constant screening of names against international sanctions and enforcement lists that are updated every 24 hours.

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A review that reaches completion will result in the certification of the candidate by TRACE on the basis of the candidate having been forthcoming and transparent during the due diligence process. As part of the due diligence process, TRACE will work with the candidate to obtain the information listed below and follow-up with the candidate regarding any discrepancies or adverse information identified during the course of the review. TRACE*certification* involves an annual renewal requirement and a mandatory online anti-bribery training course administered by TRACE.

### TRACE*certification* Report at a Glance:

- › Detailed company information, including information on subsidiaries and affiliated entities
- › Business registrations, as applicable
- › Corporate literature or a company description
- › Beneficial ownership (except for shareholders owning less than 5% of publicly-traded companies)
- › Identification of directors and key employees
- › Curriculum vitae for owners, directors and key employees
- › Additional ownerships, directorships and employment of all owners, directors and key employees
- › Current government employment of owners, directors and key employees
- › Previous government employment of owners, directors and key employees
- › Contact information for three business references
- › One financial reference or audited financial statement
- › Media search dating back ten years in a comprehensive international database
- › Denied party screening and two negative media searches
- › Intermediary code of conduct

### TRACE*certification* Annual Renewal:

TRACE*certification* requires certified parties to update their verified due diligence information on an annual basis. Candidates work alongside due diligence analysts to review questionnaires and update information that has changed over the year. Every other year a new business or financial reference contact is collected. A TRACE due diligence analyst screens key individuals and entities on negative media, denied parties listings and PEP connections dating back one year on individuals and entities previously documented in the TRACE*certification* report and will research dating back ten years on any new entities.

#### **COMPLETION TIME**

TRACE*certification*: 4-6 weeks

#### **PRICING**

Associated cost is paid by the prospective partner. TRACE Corporate Membership is not required.

*TRACEcertification is not a guarantee against past or potential wrongdoing by the certified entity or a guarantee against potential liability. A summary of any "red flags" identified during the TRACEcertification review will be included in the report, but not all red flags preclude TRACEcertification. Companies doing business with the TRACE Certified entity should request a full copy of the underlying report.*

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## About TRACE

TRACE provides an end-to-end, cost-effective and practical solution for anti-bribery and third party compliance for global organizations. The *TRACE Anti-Bribery Compliance Solution* offers multinational companies and their commercial intermediaries an unparalleled membership program, scalable and customizable training options and risk-based due diligence and advisory services. TRACE International is a non-profit membership organization that pools resources to provide members with anti-bribery compliance support while TRACE Incorporated offers both members and non-members customizable risk-based due diligence, in-person training and consulting services. With a shared mission to advance commercial transparency, TRACE International and TRACE Incorporated provide companies with one complete anti-bribery compliance solution. For more information, visit [www.TRACEinternational.org](http://www.TRACEinternational.org).

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