

Intermediary or supplier risk level

MEDIUM-HIGH

World Renowned Standard-Setting Anti-Bribery Due Diligence Review

TRACE*standard* is a comprehensive, internationally recognized due diligence review, developed for companies enrolled in TRACE's unparalleled membership program. TRACE conducts TRACE*standard* due diligence on commercial intermediaries (individuals and entities) selected by the customer. A TRACE*standard* report contains a wealth of anti-bribery compliance information establishing that the intermediary has been thoroughly vetted, trained and certified by TRACE. TRACE*standard* is part of the TRACE Anti-Bribery Compliance Solution and supports organizational efforts to meet third party compliance and promote business ethics.

 This service is available exclusively to TRACE members.

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*standard* 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, a TRACE*standard* review provides a defensible, high-quality proof of compliance.

The TRACE*standard* due diligence process is divided into six 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. Thorough presentation of the organization's legal and ethical business behavior is realized as due diligence analysts inquire into external business and financial references. A unique set of questions provides clarity into prior bankruptcies, criminal convictions or pending investigations.
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.
6. Upon completion of the review, the candidate is granted TRACE membership on the basis of the candidate having been forthcoming and transparent during the due diligence process.

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

As part of the due diligence process, TRACE will work with the candidate to obtain the information listed below, including related documentation. TRACE will follow-up with the intermediary regarding any discrepancies or adverse information identified during the course of the review.

- › 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
- › Three business references
- › One financial reference or audited financial statement (TRACE will provide both if they are provided by the intermediary)
- › Media search dating back ten years in a comprehensive international database
- › Denied party screening and two negative media searches
- › Intermediary code of conduct

TRACEstandard Annual Renewal:

The TRACEstandard Annual Renewal service allows organizations to quickly update a TRACEstandard due diligence report. Third parties 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 two years on individuals and entities previously documented on the TRACEstandard report and will research dating back ten years on any new individuals added.

COMPLETION TIME

TRACEstandard: 4-6 weeks

PRICING

TRACEstandard: \$2000 USD

TRACEstandard Annual Renewal: \$1000 USD

Please note: The identification of specific “red flags” will in most cases not preclude TRACE membership; rather, the customer will receive a summary of “red flags” highlighting key issues identified during the due diligence review.

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 increase commercial transparency, TRACE International and TRACE Incorporated provide companies with one complete anti-bribery compliance solution. For more information, visit www.TRACEinternational.org.

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