

Camin Cargo Control's Ethics Compliance Code

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Introduction

The International Federation of Inspection Agencies (IFIA) is an association of companies whose business is to verify their clients', or third parties', products, services or systems.

The value that IFIA Members provide to their clients is trust. For this reason IFIA has chosen to adopt and implement a Compliance Code that enshrines the substance of the integrity that IFIA membership stands for.

The Compliance Principles address technical and business professional conduct and ethics in relation to the following areas:

- Integrity
- Conflicts of interest
- Confidentiality
- Anti-bribery
- Fair marketing.

It is a condition of IFIA membership that Members implement and abide by the Compliance Code. This entails:

- approval of the Member's implementation by IFIA
- a Compliance Program throughout the Member's Organization
- policies and procedures in accordance with the Code
- training of staff globally, and
- regular monitoring of compliance with the Code.

To ensure the effectiveness of their implementation, Members are required to submit their Compliance Program to an annual independent examination whose results are reported to IFIA.

The result is a sound and verified basis for trust.

Code Objective

The objective of this IFIA Compliance Code ("Code") is to enhance the status of the Profession¹ by ensuring that each IFIA Member ("Member")² abides by high standards of professional conduct throughout its Organization³ to assure its ethical behaviour and the integrity of its services.

Code Definitions

Any words and expressions which are defined in the IFIA Articles of Association, dated 12 October 2001, shall have the same meaning in this Code unless otherwise defined herein.

Code Documentation

This Code is based on the following documentation which shall be utilised by Members to implement a Compliance Program ("Program") in their own Organizations:-

- (i) **IFIA Compliance Principles:** stipulating the fundamental Principles of Compliance to be adopted and followed by Members in all areas of their business activities (Section I)
- (ii) **IFIA Compliance Rules:** providing the implementation requirements of the IFIA Compliance Principles (Section II).

Supplementary Guidance Documentation

The following supplementary documentation, although not forming part of this Code, is available for the guidance of Members to facilitate the implementation of their Programs:-

- **IFIA Compliance Training Guide:** for employee training.
- **IFIA Guidance Check List for Members' Internal Compliance Audits:** for internal auditors.

¹ "**Profession**" means fields of business concerned with the assessment of relevant requirements as per normative documents such as standards, technical specifications, client specific requirements, codes of practice and regulations including, but not limited to, sampling, testing, inspection, analysis, evaluation, verification, conformity assessment and certification (Article 1, IFIA Articles of Association dated 12 October 2001).

² "**Member**" means a corporation or firm or other legal entity (but not an individual) engaged in its own right and/or through Subsidiary Companies, Associated Companies or Related Firms in carrying on the business of the Profession which meets the criteria for membership, and includes any entity designated as a group Member under Article 7(a) of the Articles of Association (§ 3, IFIA Council Regulation No.1 as amended June 2005). Except where the context otherwise requires, references in this Code to a Member include other entities within a Member's Organization.

³ "**Organization**" means the Member and the Member's Subsidiary Companies, and any corporations, firms or other bodies, over which the Member has effective legal and/or management control, whether or not engaged in the Profession. Fields of business falling outside the Profession are included, in order to enhance and protect the reputation of the Profession as a whole, since they still fall under the control of the Member. Such fields of business are required to comply either with the Code or with any equivalent arrangements which apply to the relevant business and which cover, as a minimum, the IFIA Compliance Principles (§13, IFIA Council Regulation No.1 as amended June 2005).

I Compliance Principles

1. Integrity

Camin Cargo Control shall operate in a professional, independent and impartial manner in all its activities.

Camin Cargo Control 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, Camin Cargo Control shall ensure that such tolerances are not abused to alter the actual test findings.

Camin Cargo Control 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. Conflicts of interest

Camin Cargo Control 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.

Camin Cargo Control shall avoid conflicts of interest between its companies and/or divisions engaged in different activities but which may be providing services to either the same client or each other.

Camin Cargo Control shall ensure that its employees avoid conflicts of interest with the activities of the company.

3. Confidentiality

Camin Cargo Control shall treat all information received in the course of the provision of its services as business confidential to the extent that such information is not already published, generally available to third parties or otherwise in the public domain.

4. Anti-bribery

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

Camin Cargo Control 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, or employees of any such party, or government officials.

5. Fair marketing

Camin Cargo Control shall only present itself and conduct marketing, including any comparisons with or references to competitors or their services, in a manner that is truthful and not deceptive or misleading or likely to mislead.

II. Compliance Rules

1 Implementation

Camin Cargo Control shall implement a Program⁴, based on this Code, throughout its Organization.

2 Compliance Principles and Rules

- 2.1 Camin Cargo Control's Management Team shall confirm its commitment to implementing this Code by publishing IFIA Compliance Principles.
- 2.2 Camin Cargo Control's Management Team shall confirm its commitment to implementing this Code by adopting the enclosed IFIA Compliance Rules.
- 2.3 Within one month of publication, Camin Cargo Control will submit a copy of the Compliance Principles and Rules which apply throughout its Organization, and any subsequent updates thereof, to the Director General of IFIA for verification of compliance with this Code.
- 2.4 The IFIA Director General shall, within two months of receipt of Camin Cargo Control's Compliance Principles and Rules, or any updates thereof, carry-out a documentary review and confirm to Camin Cargo Control either that it appears to comply with IFIA requirements or that it needs clarification or revision.

3 Appointment of Compliance Officer

Camin Cargo Control's Management Team, which has ultimate responsibility for its compliance Program, shall nominate a Senior Manager as the Compliance Officer, who, irrespective of his or her other responsibilities shall have responsibility and authority for the co-ordination of the implementation of the Program throughout the Organization. Additionally, Senior Managers throughout the Organization shall have responsibility for implementation of the Program in their area of responsibility.

4 Establishment of a Compliance Committee

Camin Cargo Control's Management Team will also be the established Compliance Committee responsible for carrying out periodic reviews⁵ of the progress of the Program and provide policy guidance.

5 Human Resources

5.1 Recruitment

Prior to job offer, prospective employees shall be informed of the Compliance Program (Principles and Rules).

⁴ "**Program**" means the entire system employed by Camin Cargo Control to ensure compliance with the Code including our Compliance Principles and Rules and any other tools deemed appropriate such as software, processes, internal procedures, etc.

5.2 Employee commitment

Camin Cargo Control shall ensure that:-

(a) each employee shall be provided with a copy of Camin Cargo Control's Compliance Principles and Rules and requested to sign a declaration that it has been received, read and understood. A record shall be kept in the file of the Employee.

(b) each Senior Manager⁶ shall be required to sign an annual declaration (see section 10.1) that the Program has been implemented in his/her area of responsibility.

(c) each employee shall be required to sign, as a condition of employment, a Non-Disclosure Agreement prohibiting the disclosure to other parties of any confidential business information obtained during the course of his or her employment (see section 13.3.1).

Camin Cargo Control's Rules shall make it clear that Employees will not suffer demotion, penalty or any other adverse consequences arising from strict implementation of the Program even if it may result in a loss of business.

5.3 Training

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

5.4 Consultation on Code development

Employees shall have the opportunity to provide input on the development of the Program during performance evaluations, staff training sessions or review meetings, or directly to the Compliance Officer.

5.5 Employee performance evaluation

Camin Cargo Control shall ensure that each Employee has an on-going understanding of the Compliance Program during employee performance evaluations.

5.6 Employee "Help Lines"

Camin Cargo Control shall make provision for "help" email address where employees may obtain guidance on any question or matter of concern relating to the implementation or interpretation of the Program. 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.

6 Security Measures

Camin Cargo Control shall implement adequate security measures in its Organization's premises containing confidential business information to ensure that (i) access is restricted to authorized personnel only and (ii) documents/data are stored in designated secure areas and disposed of in a secure manner.

⁶ The term "**Senior Manager**" shall be defined by each Member depending upon its Organization but shall, at least, include the Senior Manager or Executive in each country of operation and his or her superiors (e.g. regional managers, global managers, etc.).

7 External Communications

Camin Cargo Control shall ensure effective external communications by:-

- 7.1 Publicly disclosing Camin Cargo Control's Principles and, if appropriate, related information.
- 7.2 Providing facilities and tools⁷, to receive enquiries, complaints or feedback from relevant interested parties.

8 Reporting of Violations

- 8.1 Employees shall be encouraged to report details of violations or suspected violations to either (a) the Compliance Officer or (b) the employee's Superior or member of Senior Management or internal auditor who shall, in turn, inform the Compliance Officer. 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.
- 8.2 Employees shall be required to report any solicitation for, or offer of, an improper payment or advantage coming to their knowledge in the same manner as provided for under section 8.1.

9 Member's Investigations and Sanctions

- 9.1 The Compliance Officer shall initiate, where appropriate, an investigation into any violation of the Program reported to him/her or coming to his/her knowledge.
- 9.2 Camin Cargo Control 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) The 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 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.

10 Effectiveness of the Program Implementation

10.1 Management declarations

Camin Cargo Control shall require its Senior Managers throughout its Organization to prepare and sign, on an annual basis, a Compliance Declaration (Annex A). These Compliance Declarations shall be received, in respect of all applicable locations and/or activities, by the Compliance Officer who shall submit an annual summary report to the Compliance Committee.

⁷ e.g. dedicated "compliance information lines", client surveys, etc.

10.2 Internal audits

Camin Cargo Control shall require its internal auditors, as part of their internal audit plan, to verify that the Compliance Principles and Rules have been implemented within the Organization and that the Management Declarations, as per section 10.1, (a) have been completed in conformance with Annex A and (b) reflect compliance with the Principles and Rules and (c) in respect of those locations selected for site audits, correctly reflect the actual situation. Such site audits shall review the processes in place to ensure the effective application and implementation of the Program. The IFIA Guidance Check List for Members' Internal Compliance Audits should be used for guidance or reference as appropriate.

The compliance findings resulting from 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.

10.3 External examinations

10.3.1 Frequency

The effectiveness of the implementation of the Program shall be examined at least annually by an independent external auditor. The required scope of the examination is detailed in section 10.3.5.

10.3.2 Independent external audit firm

The independent external audit firm appointed to carry-out this examination:-

- (a) shall be (i) either the firm engaged for the audit of Camin Cargo Control's (consolidated) financial statements or another external audit firm entrusted with auditing Camin Cargo Control's Program and, in either case, (ii) a member of a recognized national professional accountancy Organization or approved by the IFIA Council as being appropriately qualified for the verification of Camin Cargo Control's Program, and
- (b) must employ a uniform international audit approach and methods.

10.3.3 Use of complementary external audit firms

(a) If, as per section 10.3.2(b), it is necessary to use different external audit firms (which shall comply with section 10.3.2(a)), or correspondent audit firms which do not apply a uniform approach and methods, Camin Cargo Control and its external audit firm shall be required to report to the Director General of IFIA on the arrangements made to ensure that a consistent examination of the Program implementation is achieved in respect of all locations. In such cases, Camin Cargo's primary external audit firm shall act as the co-ordinator of the other external audit firms and prepare one consolidated Assurance Report.

(b) Camin Cargo's appointed external audit firm may, by agreement with Camin Cargo, utilize the services and reports of independent management system certification or accreditation bodies⁸ which have performed audits of Camin Cargo's management systems based on international standards⁹. However, such certification and accreditation bodies or their reports

⁸ Certification Bodies shall be accredited by a member of the International Accreditation Forum Multilateral Arrangement. Accreditation Bodies shall be signatories to the IAF or ILAC (International Laboratory Accreditation Cooperation) Multilateral Arrangement.

⁹ For example, ISO 9001, ISO/IEC 17020 or ISO/IEC 17025.

shall not be used for the verification of financial and related aspects, included in the specific Anti-Bribery requirements and section 11, without the prior approval of the IFIA Council.

10.3.4 Notification to IFIA of Member's appointed external audit firm(s)

Prior to the appointment of the external audit firm(s), or any subsequent proposed changes thereof, Camin Cargo Control shall submit details to the Director General of IFIA for confirmation of compliance with IFIA requirements.

10.3.5 Scope of examination

For the purposes of demonstrating that Camin Cargo Control is in conformance with the IFIA Compliance Code, Camin Cargo Control shall require the external audit firm to proceed as set out in EITHER paragraph 10.3.5.1 OR paragraph 10.3.5.2 below:-

10.3.5.1(a) Perform an assurance review Procedures based on ISA¹⁰ as adapted for the IFIA Compliance Code to include as a minimum the following steps:-

- (i) Verify that Camin Cargo Control has established a Compliance Program incorporating the requirements of the IFIA Compliance Code.
- (ii) Verify that Camin Cargo Control's current Compliance Programme (including the Principles) remains identical to those submitted to, and approved by, IFIA as Camin Cargo Control's implementation of the current version of the IFIA Compliance Code.
- (iii) Observe the existence of internal management systems, processes and controls in respect of (a) alleged violations (b) Camin Cargo Control's Compliance Committee records¹¹ and (c) compliance training.
- (iv) Review the following consolidated management statements:-
 - Political Contributions
 - Charitable Contributions and Sponsorships
 - Intermediaries' remuneration
 - Extraordinary expenditures relating to gifts, hospitality and expensesand verify whether these statements:-
 - reconcile with the accounting records and supporting documentation
 - have been approved by the Camin Cargo Control's Compliance Committee where applicable.
- (v) Verify that all Management Declarations have been received and test¹² the follow-up systems employed for ensuring that all matters of concern or reports have been addressed or acted upon by the Compliance Officer or, where applicable, his/her nominated delegate(s).
- (vi) Any other areas and audit procedures as considered appropriate by the external audit firm and agreed with Camin Cargo Control.

¹⁰ "ISA" is the International Standard on Auditing.

¹¹ "Records" shall include Minutes of meetings, decisions and approvals.

¹² "Test" shall mean verification by sampling which, in respect of systems, shall include examination of specific records to confirm that the actions taken are in conformance with Member's Program.

(b) Perform the assurance Review Procedures, as per section 10.3.5.1(a), by audit sampling in respect of both Camin Cargo Control's locations and the systems and documentation applicable to those locations. The audit sampling shall be agreed between the auditor and Camin Cargo Control, based upon a compliance risk assessment and taking into account Camin Cargo Control's Organization and peculiarities.

(c) Maximize the use of the services of Camin Cargo Control's Corporate Internal Audit function and/or Internal Quality Auditors to avoid duplication of efforts and minimize additional costs.

(d) Report in accordance with Annex B and as provided in paragraph 10.3.6 below.

Note: Reportable Conditions

Significant deficiencies in the design or implementation of Camin Cargo Control's Programme that adversely affect Camin Cargo Control's ability to ensure conformity with the IFIA Compliance Code should be deemed reportable conditions. Where such conditions are detected by the external audit firm during performance of the assurance review, they should be reported regardless of whether or not Camin Cargo Control has already taken corrective action.

The external audit firm should not be required to include in its Report any minor non-conformities detected. These should be communicated separately to Camin Cargo Control's management for corrective action within the time frame stipulated by the auditor.

10.3.5.2(a) Perform procedures agreed between Camin Cargo Control and the external audit firm and approved by the Director General, in accordance with Annex C.

(b) Perform these procedures by audit sampling in respect of both Camin Cargo locations and the systems and documentation applicable to these locations. The audit sampling should be agreed between the auditor and Camin Cargo Control taking into account Camin Cargo Control's organization and peculiarities.

(c) Maximize the use of Camin Cargo Control's internal audits to avoid duplication of effort and minimize additional costs in so far as is permitted by the local standards under which the agreed upon procedures are being performed.

(d) Report on each procedure referred to in 10.3.5.2(a) above in accordance with Annex C and as provided in paragraph 10.3.6 below.

10.3.6 External audit firm's "Assurance Report"

Camin Cargo Control should require the external audit firm to issue a Report based on the Proforma Report, contained in either Annex B or Annex C (whichever is relevant), which is provided for guidance and may be adjusted as considered appropriate by the external audit firm and/or as may be required by professional standards.

Camin Cargo Control is required to send a copy of its external audit firm's Report to the Director General within 6 months of the end of Camin Cargo Control's financial year.

The Director General will submit to the IFIA Council summary reports of the Reports received. In the event that Report contains Reportable Conditions, the Director General will follow these up, where applicable, in conformance with the IFIA Complaints and Disciplinary Procedures.

10.3.7 Reportable Conditions¹³

Reportable Conditions which are detected by the external audit firm during performance of the Assurance Review Procedures shall be reported in the Assurance Report regardless of whether or not corrective action has already been taken.

The external audit firm shall not be required to include in its Assurance Report any minor non-conformities detected. These shall be communicated separately to Camin Cargo Control's management for corrective action within the time frame stipulated by the auditor.

10.3.8 IFIA follow-up of Assurance Reports

- (a) The Director General of IFIA shall submit to the IFIA Council summary reports of the Assurance Reports received.
- (b) In the event that an Assurance Report contains Reportable Conditions, the Director General of IFIA shall follow these up, where applicable, in conformance with the IFIA Complaints and Disciplinary Procedures.

11 Application of Camin Cargo Control's Principles and Rules in Business Relationships

To ensure that Camin Cargo Control's Compliance Principles and Rules are applied, to the extent appropriate, in its business relations with parties external to its Organization such as intermediaries, joint venture partners, agents and subcontractors, contractors and suppliers, Camin Cargo Control shall implement the following :-

11.1 Intermediaries¹⁴

To ensure (a) each Intermediary's compliance with Camin Cargo Control's Compliance Principles and (b) avoid improper payments being channelled through Intermediaries, Camin Cargo Control shall provide all Intermediaries with a copy of Camin Cargo Control's Compliance Principles and:-

11.1.1 Prior to appointing an Intermediary, or renewing or substantially revising the terms of the appointment of an Intermediary appointed prior to the entry into force of this Code, conduct due diligence which shall include:-

- (i) A risk analysis
- (ii) An interview with the Intermediary
- (iii) Confirmation that, in the event of his/her/its appointment, or re-appointment, he/she/it accepts that his/her/its contract with Camin Cargo Control shall require his/her/its full compliance with the Principles and allow that this may be periodically verified by Camin Cargo Control.
- (iv) An investigation of the Intermediary's background which, for Intermediaries required to deal with government officials, shall be performed by an independent investigator and the findings reviewed and approved by Camin Cargo Control's Compliance Committee.

¹³ **"Reportable Conditions"** means :-

Significant deficiencies in the design or implementation of the Member's Program that adversely affect the Member's ability to ensure conformity with the IFIA Compliance Code.

¹⁴ **"Intermediary"** is any entity or individual external to the Member, that/who is required, as part or all of its/his/her responsibilities, to promote the services of the Member. This shall include consultants and advisors.

(v) A verification that the remuneration paid to each Intermediary is appropriate and justifiable for legitimate services rendered, and does not facilitate improper payments by an Intermediary, through :-

(A) A remuneration analysis. This may include, where appropriate, consideration of:-

- (a) the remuneration of other Intermediaries already used by Camin Cargo Control for performing a similar function
- (b) quotations from other prospective Intermediaries
- (c) local market information on rates paid to Intermediaries
- (d) justification for the rate proposed for the prospective Intermediary, and

(B) A review of the remuneration analysis and, for Intermediaries required to deal with government officials, an approval by Camin Cargo Control's Compliance Committee prior to appointment of the prospective Intermediaries.

- 11.1.2 Monitor the Intermediary's continual compliance with Camin Cargo Control's Principles and, in the event of breach, take remedial action which could, for serious breaches, result in termination of the contract.
- 11.1.3 Where appropriate, undertake to provide training and support to the Intermediary.
- 11.1.4 Maintain records of fulfilment of the above mentioned requirements, including a copy of the contract with the Intermediary, consistent with Camin Cargo Control's Compliance Principles.
- 11.1.5 Account for the intermediaries' remuneration in a separate general ledger account in the Member's accounting records. Camin Cargo Control shall consolidate all such payments made by any of its operations forming part of its Organization.
- 11.1.6 Prepare annually a consolidated management statement of Intermediaries' remuneration.
- 11.1.7 Not deal with Intermediaries which it knows to be involved in bribery.

11.2 Joint venture partners

- 11.2.1 Camin Cargo Control shall conduct due diligence of prospective joint venture partner(s), as outlined in section 11.1.1.
- 11.2.2 Camin Cargo Control shall not deal with any joint venture partner(s) which it knows to be involved in bribery.
- 11.2.3 Camin Cargo Control shall monitor the joint venture partner's compliance with its Principles through monitoring of its conduct and, as appropriate, periodic verification.

11.3 Agents¹⁵ and subcontractors¹⁶

¹⁵ "**Agent**" shall mean any entity external to the Member that is required as part or all of its responsibilities to provide operational services, within the definition of Profession (see footnote 1), on behalf of the Member.

¹⁶ "**Subcontractors**" shall mean entities or persons performing out-sourced activities within the definition of the Profession (see footnote 1).

- 11.3.1 Camin Cargo Control shall undertake due diligence of prospective agents and subcontractors, as outlined in section 11.1.1.
- 11.3.2 Camin Cargo Control shall, where appropriate, provide training for agents and subcontractors.
- 11.3.3 Camin Cargo Control shall not deal with agents and subcontractors which it knows to be involved in bribery.
- 11.3.4 Camin Cargo Control shall monitor the agent's or subcontractor's compliance with the it's Principles through monitoring of his/her/its conduct and, as appropriate, periodic verification.

11.4 Contractors and suppliers

- 11.4.1 Camin Cargo Control shall conduct its procurement practices in a fair and transparent manner.¹⁷
- 11.4.2 Camin Cargo Control shall undertake due diligence in evaluating major prospective contractors and suppliers. Camin Cargo Control's Compliance Committee shall provide guidance to employees on the definition of "major prospective contractors and suppliers" and the scope of due diligence.
- 11.4.3 Camin Cargo Control shall make known its Compliance Principles to major contractors and suppliers.
- 11.4.4 Camin Cargo Control shall avoid dealing with contractors and suppliers which it knows to be involved in bribery.

12 Complaints and Disciplinary Procedures

- 12.1 Complaints concerning alleged non-compliance with this Code by other Members shall be lodged with IFIA in accordance with the IFIA Complaints and Disciplinary Procedures. Camin Cargo Control shall refrain from submitting such complaints to other parties unless it is necessary to do so to protect Camin Cargo Control's reputation.
- 12.2 Breaches of this Code may lead to sanctions imposed by the IFIA Council subject to the rules, including rights of appeal, set out in the IFIA Complaints and Disciplinary Procedures.

13 Specific Applications of Camin Cargo Control's Compliance Principles

13.1 Integrity

- 13.1.1 Camin Cargo Control shall provide guidance to its employees for dealing with clients who expect it to abuse tolerances to obtain acceptable results.

¹⁷ "**Fair and transparent manner**" shall mean that the Member's purchasing and procurement processes ensure level and equal terms of competition and should set out and publicise how bids and quotations are invited and assessed. This will include the criteria and specifications against which decisions are made and confirm that competitive bids are obtained for all larger contracts and full information is provided on the decision process.

13.1.2 In respect of those business sectors in which Camin Cargo Control is active, Camin Cargo Control shall comply with any sector specific Integrity Rules published by the applicable IFIA Committee.

13.1 Conflicts of interest

13.1.1 In order to avoid conflicts of interest, or the appearance of conflicts of interest, in its business transactions and services, Camin Cargo shall maintain a policy regarding conflicts of interest.

13.1.2 Camin Cargo Control's policy shall provide guidelines to employees in order to avoid conflicts of interests between

- i) Camin Cargo and related entities in which Camin Cargo has a financial or commercial interest and to which it is required to provide services, and
- ii) Camin Cargo company's and/ or divisions engaged in different activities but which may be providing services to either the same client or each other.

13.1.3 Camin Cargo Control's policy shall provide, at a minimum, that its Employees shall not:

- a) directly or through relatives, friends or intermediaries, acquire an interest in a supplier, a client or a competitor of Camin Cargo, 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;
- b) hold any position with a competitor or client;
- c) conduct any company business with any member of their family or with an individual or Organization with which they or their family is associated;
- d) employ a member of their family without approval of Camin Cargo Control's management.

13.3 Confidentiality

13.3.1 Camin Cargo Control 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.

13.3.2 Camin Cargo Control shall ensure that all intermediaries, joint venture partners, agents, subcontractors, contractors and suppliers are made aware of the confidential nature of business information that they may handle through their dealings with Camin Cargo Control, and that they should not disclose confidential information to other parties.

13.4 Anti-bribery

13.4.1 Compliance with laws

- a) Camin Cargo Control shall ensure that the Principles and Rules of its Program meet the requirements of this Code and local laws relevant to countering bribery in all the jurisdictions in which it operates.
- b) In the event that the local laws specify additional or different requirements, which are not covered by their Program, Camin Cargo shall modify its Program for the country(ies) concerned. Records shall be kept of countries where their Program has been modified.

13.4.2 Analysis of risks

Camin Cargo Control'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 Camin Cargo Control's Principles and Rules which warrants a review of the existing control measures occurs.

13.4.3 Political contributions¹⁸

In order to ensure that Camin Cargo Control, its employees, agents or intermediaries 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, Camin Cargo shall implement the following:-

- (i) Camin Cargo Control shall maintain a Policy and criteria for political contributions.
- (ii) Proposed political contributions shall be subject to prior review and approval by the Camin Cargo Control's Compliance Committee and shall take into account the applicable laws in the countries concerned.
- (iii) All political contributions made by Camin Cargo Control shall be accounted for in a separate general ledger account in its accounting records. Camin Cargo Control shall consolidate all such payments made by any of its operations forming part of its Organization
- (iv) Camin Cargo Control shall prepare annually a consolidated management statement of all political contributions made including those made on its behalf by its employees, agents and intermediaries.

13.4.4 Charitable contributions and sponsorships¹⁹

To ensure that charitable contributions and sponsorships are not being used as a subterfuge for bribery:-

- (i) Camin Cargo shall maintain a Policy and criteria for charitable contributions and sponsorships.

¹⁸ "**Political contributions**" include any contribution, made in cash or kind, to support a political cause. Contributions in kind can include gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fund raising events and contributions to research Organizations with close associations with a political party.

¹⁹ "**Charitable contributions**" in the context of anti-bribery shall mean payments in excess of \$ 12,000 (twelve thousand dollars) made for the benefit of society for charitable, education, social welfare and similar causes. The payments are made without demand or expectation of business return.

"**Sponsorship**" in the context of anti-bribery shall mean a transaction in excess of \$ 12,000 (twelve thousand dollars) where the enterprise makes a payment, in cash or in kind, to associate its name with an activity or other Organization and receives in consideration for the sponsorship fee, benefits such as advertising credits in media, events and publications, use of facilities and opportunities to promote its name, products and services. It is a business transaction and part of promotion and advertising.

- (ii) Camin Cargo Control's Compliance Committee shall stipulate designated levels of approval of charitable contributions and sponsorships.
- (iii) Prior to approval of each proposed charitable contribution or sponsorship in excess of \$ 12,000, a due diligence review shall be conducted to ensure that:-
 - (a) The Organization receiving the contribution or sponsorship is reputable following a purpose unequivocally in the public interest and having the financial and personnel resources required to reach its purpose. Care should be taken to ensure that the Organization is not a "front" for some other purpose. Donations to individuals shall be avoided unless approved and monitored by Camin Cargo Control's Compliance Committee.
 - (b) There are no conflicts of interest²⁰.
- (iv) Sponsoring agreements shall be in writing and state the consideration being offered by Camin Cargo Control: if funds are offered, the use of these funds shall be specified in detail and an opportunity to check on their use must exist.
- (v) Records shall be maintained locally of all charitable contributions and sponsorships and progress monitored to ensure that they have been used for the intended purpose.
- (vi) All charitable contributions and sponsorships made Camin Cargo Control shall be accounted for in a separate general ledger account in its accounting records. Camin Cargo Control shall consolidate all such payments made by any of its operations forming part of its Organization.
- (vii) Camin Cargo Control shall prepare annually a consolidated management statement of all charitable contributions and sponsorships made by Camin Cargo Control or on its behalf.

13.4.5 Facilitation payments²¹

- (i) Facilitation payments shall be discouraged and only made when absolutely necessary.
- (ii) If a facilitation payment is necessary, Camin Cargo Control shall subject the payment to be in compliance with the following requirements:-
 - (a) there is no doubt as to the entitlement of Camin Cargo to the action to be performed
 - (b) the demander of the facilitation payment has a clear and non-discretionary obligation to perform the task
 - (c) the payment is modest
 - (d) the payment is appropriately accounted for.

²⁰ **Conflicts of interest** could occur if an employee of a customer or public body involved in the transaction has an association with the recipient Organization and his/her judgement regarding the award of contracts, or review of tenders, could be perceived as being affected by the contribution or sponsorship. Similarly, employees or business partners of the Member may have links with the recipient Organizations which could result in a conflict of interest.

²¹ **"Facilitation payment"** is a small payment 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. A facilitation payment must never be made in order to retain or obtain business. In certain countries the performance of routine or necessary actions (e.g. processing of permits or visas; provision of telephone or electricity services) cannot be obtained unless a facilitation payment is made. Internationally there are differing views on the acceptability of facilitation payments although the OECD Convention on Combating Bribery and the US Foreign Corrupt Practices Act make provision for facilitation payments where necessary.

13.4.6 Gifts, hospitality and expenses

To ensure that the offer or receipt of gifts, hospitality or expenses does not: -

- (a) Influence, or be perceived to influence, a contractual or material transaction or
- (b) serve, or be perceived to serve, as an inducement to act in breach of duty,

Camin Cargo Control shall implement the following:-

- (i) Camin Cargo Control's Compliance Committee shall set limits / guidelines²² on the value of gifts, hospitality or expenses that may be given without special authorization from the its Compliance Committee.
- (ii) Guidelines shall be provided to employees on the circumstances under which (a) gifts, hospitality or expenses may be received and (b) gifts may be kept by Employees or should be surrendered to Camin Cargo Control's management for disposal.²³
- (iii) General criteria shall be provided to employees for compliance of gifts, hospitality and expenses with the Code. Examples of such criteria are that they should be:-
 - *Made for the right reason:* the gift or entertainment should be given clearly as an act of appreciation or genuine business intent
 - *Without obligation:* the gift, entertainment or expense does not place the recipient under any obligation
 - *Without expectations:* expectations are not created in the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction
 - *Made openly:* if made secretly then the purpose will be suspect
 - *In accordance with stakeholder perception:* the transaction would not be viewed unfavourably by key stakeholders if it were made known to them
 - *Reported:* the gift or expense should be recorded and reported to management
 - *Reasonable value:* the size of the gift is small or the value of the entertainment accords with general business practice
 - *Legal:* it conforms to the laws of the country where it is made;
 - *In conformance with the recipient's rules:* the gift or entertainment meets the rules or code of conduct of the receiving Organization
 - *Infrequent:* the giving or receiving of the items is not a frequent happening between the giver and the recipient
- (iv) All extraordinary expenses / proceeds, falling outside the limits / guidelines set in section 13.4.6 (i), related to gifts, hospitality and expenses, shall be accounted for in a separate general ledger account in its accounting records. Camin Cargo Control shall consolidate all such payments made by any of its operations forming part of its Organization.
- (v) Camin Cargo Control shall prepare annually a consolidated management statement, of all extraordinary²⁴ expenses / proceeds.

13.4.7 Accounting and bookkeeping

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

²² Guidelines shall take into consideration compliance with local laws. Limits may have to be varied depending upon (a) the hierarchical level at which the giving or receiving takes place and (b) the country and local customs and socially acceptable practices.

²³ Possible means of disposal could include general distribution to all employees (e.g. through lottery) or donation to charity.

²⁴ "**Extraordinary**" shall mean outside the limits / guidelines set in section 13.4.6 (i)

13.5 Fair marketing

13.5.1 Camin Cargo Control shall provide guidelines to employees, agents and intermediaries to ensure that they understand and adhere to the Principle governing Fair marketing.

13.5.2 Camin Cargo Control's presentations and publications²⁵ shall accurately and unambiguously reflect its network and affiliations, resources / capabilities, experience and services provided.

²⁵ **Presentations and publications** may include, but not be limited to, meeting or conference/seminar presentations, Tenders or Offers of services, web-sites, promotional material, etc.

Annex A

Confidential

Management Declaration

Camin Cargo Control's Compliance Program

Management Declaration for the year ending:

20_____

To:.....(Camin Cargo Control's *Compliance Officer*)

Name of Manager:.....Job Title:.....
Locations and/or activities covered by this Declaration:.....
.....
.....
.....

I do hereby declare that in implementation of Camin Cargo Control's Compliance Program in each of the locations and/or activities, as listed above, falling under my area of responsibility and for the given year:-

1. To the best of my knowledge I, and the members of staff reporting to me, have complied in all respects with the Compliance Principles and Rules;
2. I have verified that the Compliance Principles and Rules have 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 Principles and Rules, 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 Compliance Committee in respect of any violation of the Principles and Rules.

Signature.....

Place.....

Date.....

ANNEX B

Proforma Assurance Report of External Audit Firm

Assurance Report on Camin Cargo Control's Compliance Program

1. Purpose of assurance review

We have performed review procedures on the management and reporting processes of the Compliance Programme of Camin Cargo Control over the year or the period to to determine whether these incorporate the requirements of the IFIA Compliance Code dated January 2006 (First Edition) and whether this has been adequately implemented within Camin Cargo Control's Organization.

Camin Cargo Control is responsible for the development and maintenance of the management and internal reporting processes of the Compliance Programme. Our responsibility is to report on the management and reporting processes of the Compliance Programme based upon our review procedures.

2. Scope of assurance review

The scope of our review procedures was to:-

(i) Verify that the current Compliance Principles and Rules of Camin Cargo Control remain identical to those submitted to, and approved by, IFIA.

(ii) Verify that Camin Cargo Control has established a Programme incorporating the requirements of the Code.

(iii) Observe the existence of internal management systems, processes and controls in respect of (a) alleged violations (b) Compliance Committee records and (c) compliance training.

(iv) Review the following consolidated management statements:-

- Political Contributions
- Charitable Contributions and Sponsorships
- Extraordinary expenditures relating to gifts, hospitality and expenses
- Intermediaries remuneration

and verify whether these statements :-

- reconcile with the accounting records and supporting documentation.
- have been approved by the Compliance Committee where applicable.

(v) Verify that all Management Declarations from Senior Managers in all countries of operation have been received and test the follow-up systems employed for ensuring that all matters of concern or reports have been addressed or acted upon by the Compliance Officer or, where applicable, his/her nominated delegate(s).

(vi) Any other areas and assurance review procedures as considered appropriate by us and agreed with Camin Cargo Control.

We based our review primarily on management and other information provided to us by the company's management and staff. We also interviewed personnel responsible for the Compliance Program, including the Compliance Officer, Managers and other appropriate employees. We also performed tests, on a sample basis, of relevant documentation including Group policies, management and reporting structures, documentation and systems in place at
(specify country(ies) visited).

There are no generally accepted international standards for these other Assurance Engagements. In the absence of such standards, we based our approach on best practices as well as on the underlying principles of the standards of the International Federation of Accountants but adapted as necessary. We, therefore, planned and performed our procedures to obtain a reasonable basis for our conclusions. However, as we have not performed an audit, we do not express an audit opinion.

3. Results of our assurance review

During our review the following aspects²⁶ were noted for follow-up action:-

Based on our review procedures, with the exception of the above mentioned findings (*where applicable*) nothing has come to our attention to cause us to believe that:-

- (i) the Compliance Program does not meet the requirements of the IFIA Compliance Code
- (ii) the Compliance Program has not been adequately enforced and implemented
- (iii) the systems for collection, analysis and aggregation of Compliance Programme violations are not functioning as designed and that
- (iv) the consolidated management statements for intermediary remuneration, political contributions, charitable contributions and sponsorships, and extraordinary expenditures relating to gifts, hospitality and expenses do not properly reflect the figures as reported by the affiliates or reporting units.

4. Recommendations

From our work, we have provided the following recommendations to management which have been agreed:-

Name of External Audit Firm

Date

²⁶ Only general information to be provided here. Specific details shall be reported separately to Camin Cargo.