



VIETNAM BUSINESS INTEGRITY INDEX

Indicators and Methodology for Internal Assessment by Company

Hanoi, September 2022

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1. INTRODUCTION

1.1 CONTEXT

Viet Nam has been stepping up its commitment and efforts to fight corruption:

ANTI-CORRUPTION LAW IN NOVEMBER 2018

Expanded its scope to include the private sector.

DIRECTIVE 10/CT-TTG

On strengthening anti-corruption and preventing harassment and causing trouble for citizens and enterprises in doing business.

COMPANIES' DISCLOSURE, TRANSPARENCY, CORPORATE INTEGRITY POLICIES

Have a direct impact on the level of businesses integrity more broadly in the market.

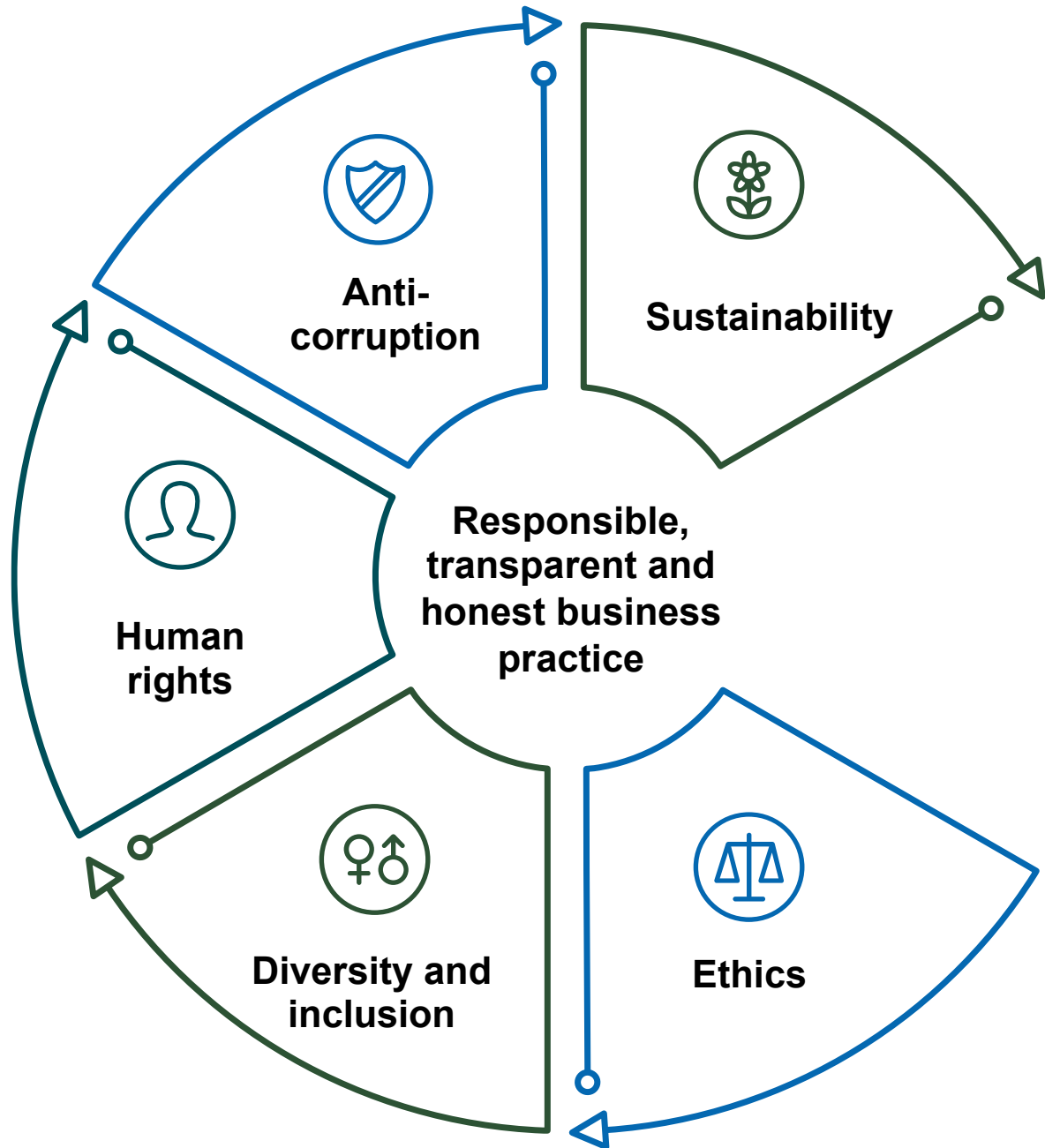
The index:

- Creates an objective and reliable tool that can measure the performance and assist the process of continuous improvement by participating companies
- Recognizes and highlights integrity-related issues in participating companies

- Provides information to stakeholders on compliance standards and integrity culture
- Encourages businesses to actively disclose information on governance, business integrity policies and relevant initiatives, etc

- Measures and monitors compliance
- Encourages companies to develop effective compliance and integrity programmes

- Encourages commitment to integrity of participating companies' staff and management
- Provides useful data to policy makers, researchers, activists and other stakeholders working on the BI agenda

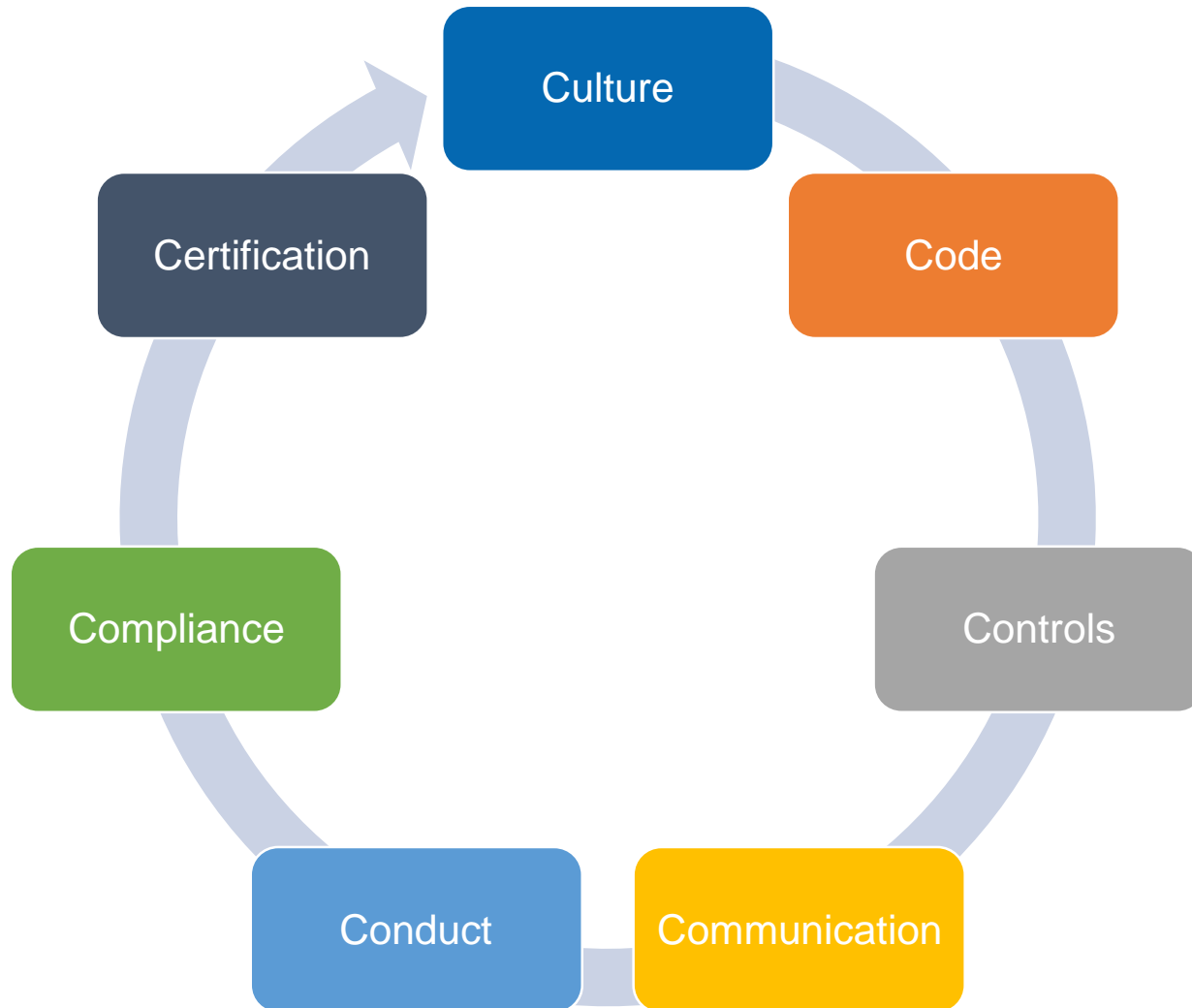


THE 5 DIMENSIONS OF BUSINESS INTEGRITY

Business integrity means operating in a fair, transparent, open and inclusive manner, includes 5 dimensions

2. THE VIETNAM BUSINESS INTEGRITY INDEX

2.1 FRAMEWORK



The index is built on the essential elements to building and operating a company based on integrity

2.2. CONDUCTING THE ASSESSMENT



USING SURVEY

- Efficiency
- Confidentiality
- Comparability



INVOLVING TEAMWORK

- Set up an **assessment team** or taskforce
- The survey sample size: ~ **20 to 80**
- **Random** sampling , Stratification
- Neutrality, anonymity of the respondents



INVOLVING EMPLOYEES

- Signal effect
- Awareness raising
- **Momentum creation**
- Irreversible
- Valuable information



CONDUCTING EXTERNAL VERIFICATION

- Improve **the quality of the assessment** or to add credibility to the analysis of the self-assessment done by the company

2.3. OPERATING PROCEDURES



To be necessary to **follow the key principles of business survey**, e.g., neutrality, anonymity of the respondents, etc.



To be used and employed **as a tool for looking forward** instead of looking backward as a tool for taking pro-active and preventative measures instead of simply identifying offenders and taking reactive or repressive measures.



A common responsibility to **enhance the integrity** of the company, and not as a means to tattle on colleagues or management.

2.4. INDICATORS



CULTURE



CODE OF
CONDUCT



CONTROL



COMMUNICATION



CONDUCT



COMPLIANCE



CERTIFICATION

1. CULTURE

Commitment from the top

- 1.1. **High-level public statement** from the top management
- 1.2. **Approval** by the Board or equivalent body or, if a family-owned company, the owner-manager
- 1.3. Company **understanding** of business integrity
- 1.4. Senior person or a team **assigned** to manage business integrity
- 1.5. **Integration** in the company value/mission/vision statements and specific actions
- 1.6. **Communication** throughout the company by the top management

Management

- 1.7. Management as a **role model**
- 1.8. Management **guidance** for employees

1. CULTURE

Employees

- 1.9. Employees **compliance**
- 1.10. Employees **curiosity**
- 1.11. Employees **feedback**

Training

- 1.12. Business integrity **training**
- 1.13. Training includes business **integrity elements**
- 1.14. Training **tailored, clear and easy** to understand
- 1.15. Training to **new** recruits
- 1.16. Training **updated, renewed and delivered** on a frequent basis

The Vietnam Business integrity index

2. CODE OF CONDUCT

- 2.1. Existence of a **Code of conduct**
- 2.2. Approval by the Board or equivalent body or, if a family-owned company, the owner-manager
- 2.3. Inclusion of **business integrity elements**
- 2.4. **Zero tolerance** policy and sanctions for violations
- 2.5. Employees familiarity with the COC
- 2.6. **Communication** of the COC to third parties
- 2.7. **Policies, procedures and guidance** documents underlying the COC
- 2.8. **Conflict** of interest situations
- 2.9. Regular review and **update**

3. CONTROL

- 3.1. **Internal** systems
- 3.2. Internal auditing and monitoring plans
- 3.3. **Oversight mechanism**
- 3.4. Board or equivalent body assessment
- 3.5. Top management **reviews**
- 3.6. Resources for the **business integrity programme**
- 3.7. Regular assessment on **risks** to business integrity
- 3.8. Continuous **improvement and changes**
- 3.9. Secure and accessible channels for **employees to raise concerns**
- 3.10. Secure and accessible channels for **third parties**
- 3.11. Action has a result of **whistleblowing**

4. COMMUNICATION

- 4.1. Regular **communication internally** about integrity issues
- 4.2. External communication
- 4.3. Employees **speak up** and **report**
- 4.4. **Multiple** reporting channels
- 4.5. Top management response
- 4.6. Employees comfort to report
- 4.7. Employee don't experience retaliation
- 4.8. **Top management knowledge** of behaviour goes on in the company
- 4.9. **Publicly discloses information** about business integrity including the management systems employed to ensure its implementation

5. CONDUCT

Employee and gender & inclusion

- 5.1. Top Management commitment to **gender equality, diversity, and inclusion**
 - 5.1.1. **Policies on discrimination** at work based on gender, ethnicity, and disability
- 5.2. **Illegal practices** like child labour or violating provisions of the labour laws
- 5.3. **Sexual harassment** or creating a hostile work environment
- 5.4. The company does not **violate workplace health and safety rules**
- 5.5. **Employee wage, overtime, or benefit rules**
- 5.6. **Employee privacy**
- 5.7. Workers' **representative company**
- 5.8. Workers' right to **collective bargaining**
- 5.9. Workers' right to **social dialogue**
- 5.10. Transparency in **recruitment and eliminating** gender & disability-based wage gaps
- 5.11. **Training and development**
- 5.12. **Abusive substances** (drugs, alcohol) at work in the company
- 5.13. **Gender** and **inclusive** strategy

5. CONDUCT

Community

- 5.14. **Safety risk** or **harming** the community
- 5.15. **Potential negative impacts** assessment on communities
- 5.16. **False or misleading** claims to the media
- 5.17. Physical or economical accessibility, quality or quantity of natural resources (water, land) in the local area
- 5.18. **False or misleading information** to regulators
- 5.19. **Protection of confidential** customer information

Social, Environment and sustainable development

- 5.20. **Social and environmental** standards and regulations
- 5.21. **Environmentally friendly** products
- 5.22. **Effective management** of waste
- 5.23. Measures to **prevent pollution**
- 5.24. **Biodiversity** and **natural habitats** during operations

6. COMPLIANCE

- 6.1. **Standard protocols** to address business integrity risks
- 6.2. Control, vigilance, and audit systems
- 6.3. **Data on compliance**, including information on reports of misconduct and breaches
- 6.4. **Access** to the top management board for serious issues or concerns

7. CERTIFICATION

- 7.1. **Management systems**, such as ISO standards (ISO37001, ISO37000, ISO37301)
- 7.2. **External independent certification**
- 7.3. **Public disclosure**

BUSINESS INTEGRITY SURVEY FORM/ CHECKLIST

3.1 PART A - GENERAL INFORMATION

A. Q1. Your level of Responsibility

- Rank and file Employee Senior Manager/Junior Executive
 Supervisor Senior Executive/Officer/Director
 Mid-Level Manager Other

A. Q2. More about yourself

Gender: Male Female Others

3.2 PART B – QUESTIONNAIRE ON BUSINESS INTEGRITY

Please give your opinion/ rating on the following statements	Strongl y Disagree	Disagre e	Neutr al / in plan	Agre e	Strongl y Agree
1. CULTURE					
Commitment from the top					
1.1. There is a high-level public statement from the top management which includes a commitment to business integrity?	○	○	○	○	○



QUESTIONNAIRE

The BI Score of the company is constructed in **5-steps** with each of the answers in the checklist/ questionnaire graded by using **the following scoring:**

- Strongly disagree: 2
- Disagree: 4
- Neutral / In plan: 6
- Agree: 8
- Strongly agree: 10

Scoring and computation

The BI Score of the company is constructed in 5-steps

Step	Action	Result
Step 1	For each of the 7 indicators, calculate the total corresponding to each answer of the indicator	
Step 2	Divide by the number of questions in the indicator	Individual score by indicator
Step 3	Add all individual scores	Individual total score
Step 4	Add all individual scores by indicators and divide by number of surveys	Company score by indicator
Step 5	Add all total individual scores and divide by number of surveys	Overall company score



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