Integrity Self-Assessment Tool

ESG for MSMEs and SMEs

Assessment Area/s	Yes	Continuous Improvement Plans in place	Needs Assistance
Social - People			
Good Practice 1 Our employees receive minimum wage/pay and benefits as mandated by labor standards.	☐	☐	☐
Good Practice 2 Our employees work under humane and productive working conditions and provided with a healthy and safe working environment (able to Work from Home) *See **Appendix, S-GP2***	☐	☐	☐
Good Practice 3 We have a legally compliant policy on employment of children or underaged minors.	☐	☐	☐
Best Practice 1 We practice diversity and inclusion in employment. *See **Appendix, S-BP1***	☐	☐	☐
Best Practice 2 We provide assistance to communities or the underprivileged.	☐	☐	☐
Governance 1 - Ethical Business Policies and Practices			
Good Practice 1 Integrity is expressly stated as one of our organization's core values.	☐	☐	☐
Good Practice 2 We have a Code of Ethics and Business Conduct. *See **Appendix, G1-GP2***	☐	☐	☐
Best Practice 1 Our Chief Executive Officer or similar designated officer signed an Integrity Pledge.	☐	☐	☐
Best Practice 2 We implement an effective training program to imbed a values-based corporate culture and a culture of integrity.	☐	☐	☐

Assessment Area/s	Yes	Continuous Improvement Plans in place	Needs Assistance
Best Practice 3 We participate actively in activities that promote integrity outside of our organization.	☐	☐	☐
Governance 2 - Anti-corruption and Anti-bribery policies			
Good Practice 1 We have policies on anti-corruption and anti-bribery. They are circulated within the organization.	☐	☐	☐
Best Practice 1 The organization conducts training to cascade the policies on anti-corruption and anti-bribery to sustain awareness of the policy.	☐	☐	☐
Best Practice 2 We have rolled-out a well-defined program to implement the anti-corruption and anti-bribery policies. (e.g. periodic training , transaction testing)	☐	☐	☐
Governance 3 - Accounting & Tax Compliance and Reporting			
Good Practice 1 We maintain books of accounts, report income and report expenses in accordance with accounting standards. *See **Appendix, G3-GP1***	☐	☐	☐
Good Practice 2 We file corporate tax returns and pay taxes in a timely manner based on full declaration of revenue and receipts for income, Value Added Tax (VAT) and Local Business Tax (LBT) purposes.	☐	☐	☐
Best Practice 1 We have undergone a tax compliance review by a third party expert.	☐	☐	☐
Best Practice 2 We do not take aggressive tax positions that can result to valid tax exposures.	☐	☐	☐
Best Practice 3 We include non-financial information in addition to financial reporting to enhance disclosure. *See **Appendix, G3-BP3***	☐	☐	☐
Governance 4 - Whistleblowing Program			
Good Practice 1 **Internal Whistleblowing Policy** We have a whistleblowing policy where our employees can report complaints and allegations of unethical business practices of our officers and employees. *See **Appendix, G4-GP1***	☐	☐	☐

Assessment Area/s	Yes	Continuous Improvement Plans in place	Needs Assistance
Best Practice 1 **External Whistleblowing Policy** We have a whistleblowing policy where our employees and third parties can report complaints and allegations of unethical business practices of our employees. *See **Appendix, G4-BP1***	☐	☐	☐
Governance 5 - Supplier/Third Party Contracts			
Good Practice 1 Our procurement policy includes competitive bidding procedures.	☐	☐	☐
Good Practice 2 Persons approving supplier contracts should not have a conflict of interest issue.	☐	☐	☐
Best Practice 1 We have a conflict of interest policy.	☐	☐	☐
Best Practice 2 Our supplier contracts contain clauses that require our suppliers to have integrity policies and practices in place (e.g. sign the Integrity Pledge).	☐	☐	☐
Governance 6 - Contact Person and Training			
We have an Integrity Officer or its equivalent who performs the following:			
• Lead and implement an integrity program* within our organization and/or serves as the central point of contact for our business partners to ensure our continued compliance with the business partner's integrity program *(See **Appendix G6-GP1**)*;	☐	☐	☐
• At least once a year, attend or send a representative at integrity trainings conducted by an accredited external training provider or by a business partner as part of their Third Party integrity program *(See **Appendix G6-GP1**)*;	☐	☐	☐
• Ensure that the members of our organization are kept up-to-date on any developments related to our integrity program *(See **Appendix G6-GP1**)* as well as that of our business partners; and,	☐	☐	☐
• Allocate a budget in implementing this integrity program *(See **Appendix G6-GP1**)*	☐	☐	☐
Good Practice There is a designated Integrity Officer or its equivalent who has adequate experience and sufficient time to carry out his/her function. *See **Appendix, G6-GP2***	☐	☐	☐
Best Practice Our Integrity Officer has a direct reporting line to the owner and the governance body.	☐	☐	☐

Assessment Area/s	Yes	Continuous Improvement Plans in place	Needs Assistance
Environment			
Good Practice The organization complies with the following:			
1. Ecological Solid Waste Management Act of 2000 (RA 9003)	☐	☐	☐
2. Philippine Clean Water Act of 2004 (RA 9275)	☐	☐	☐
3. Philippine Clean Air Act of 1999 (RA 8749)	☐	☐	☐
4. All environmental laws that are relevant or applicable to our industry/ business	☐	☐	☐
Best Practice 1 The organization has a program to implement:			
• Environmental awareness program	☐	☐	☐
• Reducing use of paper, where such tasks can be done digitally or electronically	☐	☐	☐
• Recycling program	☐	☐	☐
• Reduction of use of non-biodegradable materials, single-use plastics	☐	☐	☐
• Periodic tree and mangrove planting	☐	☐	☐
• Water conservation program	☐	☐	☐
• Other initiatives that conserve energy and natural resources (e.g. control local and foreign travel)	☐	☐	☐
Best Practice 2 The organization has a program to implement:			
• Monitoring of energy consumption, GHG emission, water usage, hazardous wastes	☐	☐	☐
• Carbon (e.g. Net Zero) and plastic use offsetting	☐	☐	☐
• Waste segregation	☐	☐	☐
The organization has a program to:			
• Use of renewable energy	☐	☐	☐
• Buy carbon credit	☐	☐	☐

Reset Save

Appendix I - Integrity Indicator

Integrity Indicators are practices that comply with the applicable laws/standards and meet the reasonable expectation of stakeholders.

Social - People

S-GP2

Good Practice 3
Our employees work under humane and productive working conditions, in which case, there is a limit to overtime.

While it is understood that overtime may be required, the organization conducts its operations in ways that limit overtime to a level that promotes humane and productive working conditions.

The organization has a working environment free of abusive, threatening, and other improper behaviour and not tolerate harassment, and other disrespectful conduct, including sexual harassment, discrimination, and bullying.

The organization maintains a workplace including office furniture, equipment, etc., in a practical and safe condition in order to avoid physical injury to employees or situations hazardous to their health. This applies to both physical and mental health and extends to the home when work from home arrangements are in place.

S-BP1

Best Practice 1
Diversity and inclusion - The organization provides equal employment for all.

The organization has policies and procedures which make qualifications, skill and experience the basis for the recruitment, placement, training, and advancement of staff at all levels.

The organization does not discriminate against any individual in their employment or hiring practices. This includes discrimination based on race, ethnicity, colour, age, gender, gender identity or expression, sexual orientation, political beliefs, citizenship, national origin, religion, disability, parental status, economic/class status, veteran status, or any other protected status or characteristic that is not related to the individual's merit or the inherent requirements of the position sought.

The organization has a policy on contractual hires as mandated by law.

Governance 1 - Integrity Policy and Practices

G1-GP2

Good Practice 2
We have a Code of Ethics and Business Conduct.

The organization adopts a Code of Ethics and Business Conduct as well as an Integrity Policy containing, at the minimum, the areas covered in this Integrity Self-Assessment Tool.

Governance 3 - Accounting & Tax Compliance and Reporting

G3-GP1

Good Practice 1
We maintain books of accounts, fully report income, and accurately report expenses.

The organization adopts generally accepted accounting principles.

A Certified Public Accountant is primarily responsible for the preparation of the financial statements.

The financial statements are approved by the owner and the governance body of the organization.

The external auditor issued an unqualified opinion on the most recent financial statements of the organization.

G3-BP3

Best Practice 1
The organization includes non-financial information in addition to financial reporting to enhance disclosure.

The organization's leadership commits to adopt a sustainability strategy.

The organization adopts a sustainability strategy.

The organization implements a sustainability strategy.

The organization issues a sustainability report.

Governance 4 - Whistleblowing Program

G4-GP1

Good Practice 1
We have a whistleblowing policy where our employees can report complaints and allegations of unethical business practices of our officers and employees.

The whistleblowing policy includes a provision on non-retaliation.

G4-BP1

Best Practice 1
We have a whistleblowing policy where our employees and third parties can report complaints and allegations of unethical business practices of our employees.

The whistleblowing policy includes a provision on non-retaliation.

Governance 6 - Contact Person and Training

G6-GP1

Integrity Program refers to processes and activities with clear leadership from the owner(s) and management that allow the company to meet the integrity standards set out in the Integrity Self-Assessment Tool in the areas of: (1) Environment; (2) Social; and (3) Governance

G6-GP2

Good Practice
There is a designated Integrity Officer or its equivalent who has adequate experience and sufficient time to carry out his/her function.

There are sufficient resources to support the Integrity Officer.