



## Frequently Asked Questions

### Employee Screening Procedures

**Q1 What are the employee screening requirements for trust or company service provider (“TCSP”) licensees?**

Answer: TCSP licensees must implement anti-money laundering and counter-financing of terrorism policies, procedures and controls having regard to the nature, size and complexity of its businesses and the money laundering and/or terrorist financing (“ML/TF”) risks arising from those businesses, and which must include employee screening procedures. TCSP licensees must also have adequate and appropriate screening procedures in order to ensure high standards when hiring employees.

**Q2 When should a TCSP licensee conduct employee screening and how should it be done?**

Answer: Employee screening should be conducted at the recruitment stage (before the employees are appointed to their role) and on an ongoing basis.

Good ethical behaviour should be required of all levels of employees within a TCSP licensee. Employees of the licensee should act with integrity in carrying out their role and responsibilities. Recruitment and performance appraisal systems for employees should be designed so as to include integrity as a key assessment factor. The level of assessment should be proportionate to their role in the licensee and the ML/TF risks they may encounter.