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MMC CORPORATION BERHAD
(30245-H)

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY AND FRAMEWORK


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AMENDMENT PAGE

Revision No.	Date	Description Of Change	Reason For Change	Signature
1.	27 August 2019	Initial release of document	Nil	
2.	25 November 2020	Changes were made to the relevant sections of this policy. Inclusion of Integrity and Governance functions and structure.	Compliance with Prime Minister Directive Series 1 No.1 Year 2018 : Establishment of The Integrity and Governance Unit in Government-Linked Companies (GLCs), Companies Owned by The Ministry and Government Agencies Including The State Government, the Government has directed that all Heads of Government-Linked Companies (GLCs), companies owned by the Ministry and Government agencies including the State Government to establish an Integrity and Governance Unit (IGU).	

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1.0 INTRODUCTION

The Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act**" or the "**Act**") which came into force on 1 January 2009 was aimed as a catalyst to improve corruption prevention in Malaysia. In 2018, MACC (Amendment) Act 2018 have been gazetted and the principle of commercial organisation's criminal liability (corporate liability) was introduced in Section 17A of the Act. The Malaysian Anti-Corruption Commission has stated that the corporate liability provision of the MACC Act will be in force as of 1 June 2020.

Maintaining a workplace culture with strong ethics and integrity is part of a competent governance framework and is fundamental to good organisational performance toward creating a business environment that is fair, transparent and free from bribery and corruption. These principles of governance are embedded in MMC Corporation Berhad ("**MMC**" or the "**Company**")'s core value I.N.T.E.C (Integrity, Innovation, Teamwork, Excellence and Commitment).


The MMC Anti-Bribery and Anti-Corruption Policy & Framework ("**MMC ABAC Policy**" or the "**Policy**") is designed as a foundation for MMC and its Group of Companies to establish, implement, maintain, review and improve an anti-bribery and anti-corruption system to support the Company's four strategic objectives:

- i. Maximise shareholder value;
- ii. Provide excellent service to stakeholders;
- iii. Lead in value innovation; and
- iv. Become the preferred employer.

Pursuant to Guidelines on Adequate Procedures issued by the Government, the MMC ABAC Policy has been designed to provide company with a framework to establish the necessary measures to prevent the occurrence of corrupt practices in relation to our business activities. MMC encourage the use of the Company whistleblowing channel to raise concerns in relation to real or suspected corruption incidents (please refer to MMC Whistleblower Policy).

The MMC ABAC Policy is link to other Company policies, guidelines and procedures and it seeks to ensure that the Company's employees, businesses and anyone acting for and on behalf of the Company comply with applicable laws and the provisions of this Policy.

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2.0 DEFINITIONS

“**Appointed Officer**” means authorised person appointed to receive reports on Whistleblowing matters.

“**Bribery**” is defined in Appendix 1 of this Policy.

“**Business Partner**” refers to a third party with which any of the company within the Group of Companies has a business arrangement, such as a joint venture (either incorporated or contractual) or a partnership. These include third parties, other than the suppliers that the relevant company enters into relationships with in order to satisfy local content requirements or regulations.

“**Corruption**” is defined in Appendix 1 of this Policy.

“**Disciplinary Offence**” means any action or omission which constitutes a breach of discipline in the Company as provided by law or the Company’s code of conduct, code of ethics, policies and/or a contract of employment, as the case maybe.

“**Gratification**” is defined in Appendix 1 of this Policy.

“**Governing Body**” refers to MMC Board of Directors or equivalent body.

“**Improper Conduct**” is any conduct which if proved, constitutes a Disciplinary Offence or a criminal offence. The definition is further defined in the MMC Corporation Berhad’s Whistleblower Policy.

“**MMC**” or the “**Company**” refers to MMC Corporation Berhad.

“**MMC Group**” or “**Companies**” refers collectively to MMC Corporation Berhad, its subsidiaries (including operating companies) and associate companies.

“**Personnel**” refers to the Company directors, executives, employees, temporary staff or workers, and interns.

“**Top Management**” refers to the Group Managing Director and Head of Departments.


“**Whistleblower**” means any person who makes a disclosure of Improper Conduct in accordance with MMC Corporation Berhad’s Whistleblower Policy.

Under this MMC ABAC Policy, words in the singular includes the plural and words in the plural includes the singular.

3.0 OBJECTIVES

The objectives of the MMC ABAC Policy are to:

- i. implement an Anti-Bribery and Anti-Corruption management for the Company.
- ii. determine and provide the resources needed to establish, implement, maintain and ensure continuous improvement of the Anti-Bribery and Anti-Corruption management.
- iii. enhance the current controls of the Company bribery and corruption risks.
- iv. eliminate any form of bribery and corruption or prevent the occurrence and potential recurrence of bribery or corruption within the Company.
- v. to provide a defence against corporate liability as introduced by the MACC (Amendment) Act 2018.

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4.0 ANTI-BRIBERY AND ANTI-CORRUPTION POLICY STATEMENT

MMC is committed to conduct business ethically and in full compliance with all applicable laws and regulations in every jurisdiction that MMC and/ or its Group of Companies operates. Based on MMC Group Code of Ethics (“COE”), MMC shall treat every client, business partner, authority and members of the public with integrity, responsibility, accountability, respect and courtesy.

Every Personnel of MMC and its Group of Companies including any agent, person or entity engaged under a contract for service or engaged by MMC or its Group of Companies for any business-related activity formally and informally should maintain the values of integrity, honesty and professionalism at the highest level at all times during his/her employment/engagement under MMC or when representing MMC or its Group of Companies in business transactions with third parties.

In essence, MMC Group is fully committed to:

- adopting a zero-tolerance approach to any form of corruption.
- creating human capital with high ethical value and integrity.
- acting in a fair, ethical and honest manner with all our employees and business associates.
- upholding all applicable laws where MMC operates.


This Anti-Bribery and Anti-Corruption Policy Statement is complementary to and is to be read together with the following:

- MMC Board Policy Manual
- MMC Group Code of Ethics
- MMC Anti-Bribery and Anti-Corruption Policy and Framework
- MMC Finance Policy
- MMC Human Resource (“HR”) Operating Manual
- MMC Whistleblower Policy
- MMC Group Procurement Policy
- MMC Vendor Code of Conduct
- Limits of Authority for MMC Corporation Berhad
- MMC Enterprise Risk Management Policy and Framework
- MMC Related Party Transaction Policies and Procedures
- MMC Competition Compliance Policy
- All other relevant MMC policies, frameworks, procedures, standards, rules and regulations.

This Anti-Bribery and Anti-Corruption Policy Statement demonstrates MMC’s commitment towards having a strong culture of high ethical practice among its Personnel and embedding values comprising Integrity, INnovation, Teamwork, Excellence and Commitment (**I.N.T.E.C**) in all business practices.

YBhg. Dato’ Sri Che Khalib Mohamad Noh
Group Managing Director
MMC Corporation Berhad


Date: 27 August 2019
Revision No.: 1.0

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5.0 SCOPE

MMC ABAC Policy is applicable to every Personnel, any agent, person or entity engaged under a contract for service or engaged by MMC for any business-related activity formally and informally.

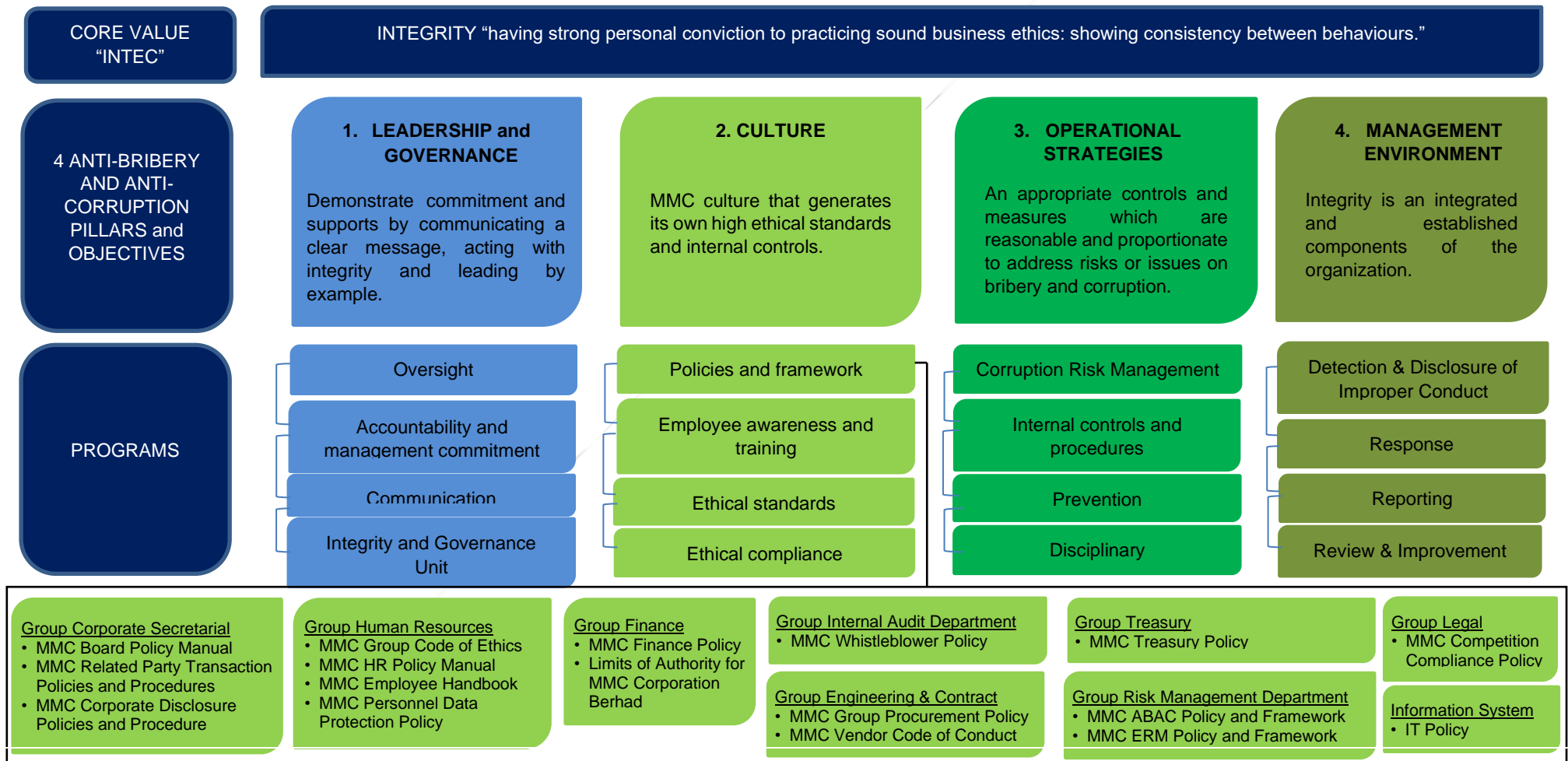
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6.0 MMC ANTI-BRIBERY AND ANTI-CORRUPTION FRAMEWORK

MMC adopts ISO 37001:2016 Anti-bribery management systems which specifies a series of measures to assist organizations to prevent, detect and resolve instances involving bribery and corruption. **Figure 1** below provides an overview of the MMC Anti-Bribery and Anti-Corruption Framework.

Figure 1: MMC Anti-Bribery and Anti-Corruption Framework



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6.1 Leadership and Governance

6.1.1 Oversight – Governing Body

The Governing Body is responsible for establishing, governing, maintaining and reviewing the contents and operation of the MMC ABAC Policy. The Governing Body shall exercise discretion and reasonable oversight with respect to the adequacy, communication, effectiveness and implementation of the MMC ABAC Policy.

6.1.2 Accountability and management commitment – Top Management

The Top Management is accountable towards the implementation of the MMC ABAC Policy. In this respect, the Top Management’s responsibilities include the following:

- Implementing the MMC ABAC-Policy to all level of organisation within the Company and set the right “tone at the top”.
- Deploying adequate resources and assigned to person(s) who have the appropriate competence towards the effective implementation and operation of the MMC ABAC Policy.
- Review the anti-bribery and anti-corruption implementation program and propose for improvement as and when necessary.
- Putting in place the appropriate controls and contingency measures which are reasonable and proportionate, in order to address risks and issues on bribery and corruption.
- Providing ABAC awareness training to its employees and communicate the program.
- Ensuring overall oversight and assurance on compliance with the MMC ABAC Policy.

6.1.3 Communication

The MMC ABAC Policy shall be made available to all Personnel within the Company including Business Partners. To this end, the MMC ABAC Policy shall be published throughout the relevant company’s internal and external communication channel.

6.1.4 Integrity and Governance Unit (“IGU”) Core Functions

i. Group Risk and Integrity Management Department (“GRIMD”)

GRIMD is the custodian of the MMC ABAC Policy and shall take the reasonable and proportionate measures to ensure the implementation of the MMC ABAC Policy and programme throughout the Group.


GRIMD core functions under the ABAC Policy are:

a. Integrity Strengthening

- Plan, implement, and coordinate integrity strengthening programs to enhance the practice of integrity in the organisation.
- Providing advice, guidance and communicate to Personnel on the MMC ABAC Policy and issues relating to bribery and corruption.
- Providing adequate and appropriate anti-bribery and anti-corruption training and awareness to Personnel.
- Reporting on the performance of the MMC ABAC Policy to the Governing Body and Top Management at planned interval.
- Prepare articles/inputs for integrity strengthening for publication and promotion to staff.

b. Governance

- Update the MMC ABAC Policy to reflect relevant new changes as and when necessary.
- Conduct checks and research on policies, systems and work procedures and to suggest improvements.
- Coordinate the improvement of the organisation’s relevant procedures and systems.

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ii. Group Internal Audit (“GIA”)

GIA is the custodian of the MMC Whistleblower Policy and shall manage the overall system, process, and implementation of the Whistleblowing Policy. GIA shall monitor and evaluate the performance, efficiency and effectiveness of the MMC ABAC Policy and programme.

GIA core functions under the ABAC Policy are:

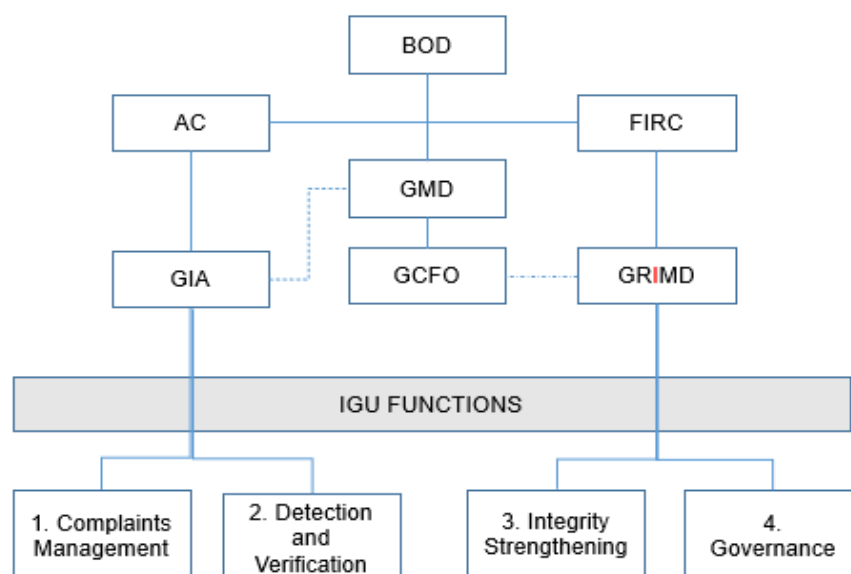
a. Complaints Management

- Supervise, monitor, and manage the receiving of information/complaints through MMCB Whistleblower channel on improper conducts, bribery and corruption in an appropriate and timely manner.
- Ensure action is taken on information/complaint on bribery and corruption.
- Ensure information/complaint related to administration or not related to IGU matters are forwarded to the relevant department in the organisation.
- Prepare Complaints Statistics Reports periodically for monitoring purposes and to provide the report to GRIMD on bribery and corruption matters.


b. Detection and Verification

- Detecting and verifying information/complaints related to on improper conducts, bribery and corruption in the organisation.
- Facilitate due and fair investigation process, any person who discovers or suspects any Improper Conduct within the Company, should not attempt to conduct investigations personally or interrogate any suspect.
- Prepare a report (“Assessment Report”) within seven (7) working days from the date the disclosure was made to the Audit Committee Chairman informing the results of the assessment and recommend either to ignore the disclosure or to take further action and to provide the same report to GRIMD on bribery and corruption matters.

Figure 2: MMC Integrity & Governance Structure



Provide numbers of WB cases related to corruption audits status to GRIMD

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6.2 Culture

6.2.1 Policies and framework

The current MMC's sets of policies and framework provide a foundation to support the culture of good corporate governance and integrity throughout the Company and its Group of Companies. This includes but not to limited to:

- **MMC Board Policy Manual** sets out the Board's strategic intent and outlines the Board's role and functions, composition, operation and processes, division of responsibilities between Board and Management.
- **MMC Group Code of Ethics ("COE")** outlines the Company's commitment to appropriate and ethical practices. It sets out the principles, practices and standards of personal and corporate behaviour. All Directors and employees of the respective Companies are required to comply with the COE. Failure to comply with the COE is a serious breach, and appropriate action will be taken for its non-compliance.

The MMC Group Code of Ethics among other describes broad guidelines on the company and employees' ethical practices on the followings:

- Individual's responsibilities
- Business practices and professionalism
- Conflict of interests
- External directorships
- Bribery and corruption
- Rewards and gifts
- Entertainment of customers
- Facilitation payments
- Sponsorship or charitable contributions
- Political, social or professional bodies or external activities
- Anti-Money Laundering and Counter Financing of Terrorism
- Insider trading
- Confidentiality
- Working environment
- Sexual harassment
- Violation
- Procedure guideline


- **MMC Whistleblower Policy** provides an avenue for employees and third parties to make good-faith disclosure and report instances of unethical, unlawful or undesirable conduct without fear of reprisal. The identity of the whistleblower and the concerns raised are treated with utmost confidentiality.
- **MMC Group Procurement Policy** outline the process of acquiring supplies or goods and services to fulfil MMC Group's strategic and operational needs, which require co-ordination of multiple discipline across the end procurement value chain; pre-procurement, procurement and post-procurement.

6.2.2 Employee awareness and training

The MMC ABAC-Policy aims to safeguard the Company core values by informing employees of the obligations, duties and commitments within their roles, the risks of corruption in their work and any changing circumstances which may be relevant to the employees. The awareness and training programmes shall be periodically updated as and when necessary to reflect relevant new information.

6.2.3 Ethical standards and compliance

Every Personnel within the Company is expected to understand and comply with the relevant company policies and standards. Every Personnel are responsible to ensure that their personal and business conduct demonstrates

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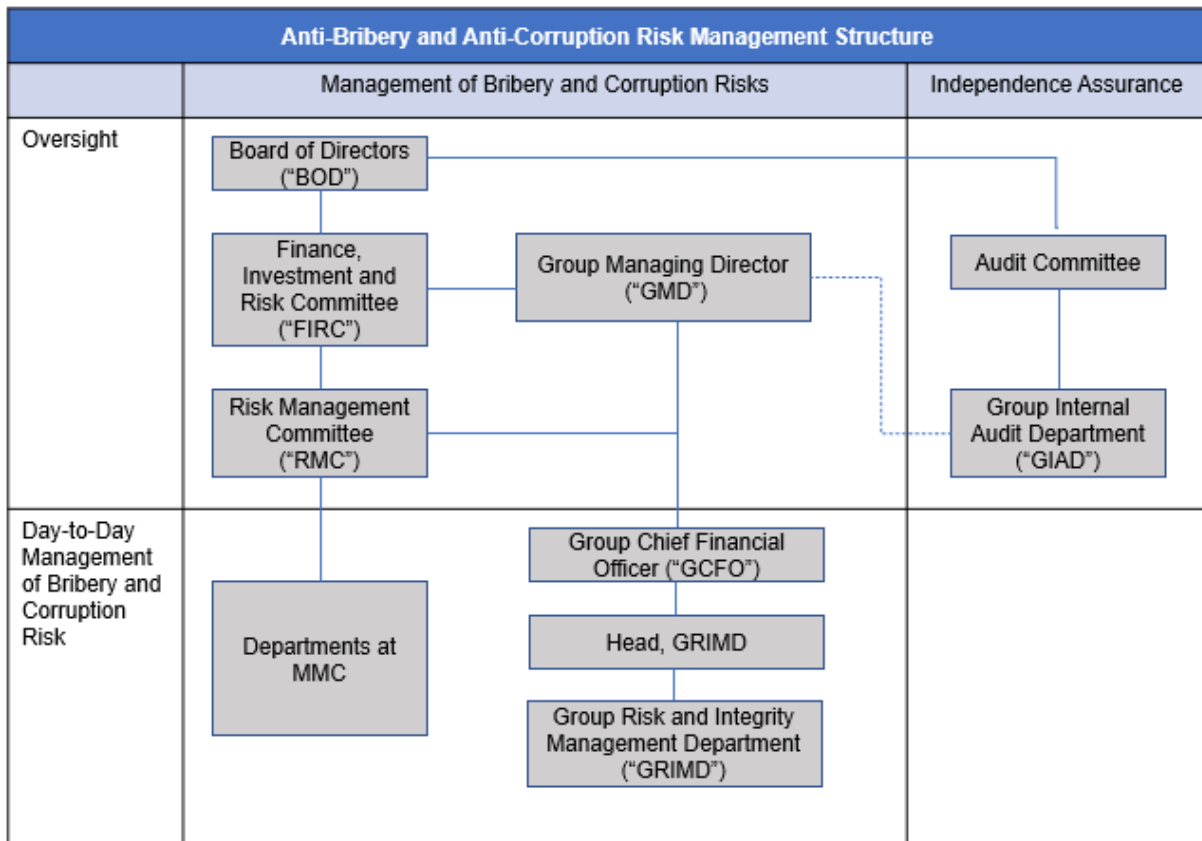
honesty, integrity, leadership, professionalism, loyalty, responsibility and trustworthiness towards fellow employees, customers, Business Partners, authorities and the public.

6.3 Operational Strategies

6.3.1 Corruption Risk Management (“CRM”).


Bribery and corruption risks identification and assessment are part of the wider MMC Risk Management Policy and Framework. Corruption risk management process helps the company to identify structural weakness that may facilitate bribery or corruption and provide a framework for all staff to take part in identifying risk factors and treatments and embeds bribery and corruption prevention within a well-established governance framework (refer Figure 3).

Figure 3: Anti-Bribery and Anti-Corruption Risk Management Structure.



The company should conduct bribery and corruption risk assessments periodically and when there is a change in law or circumstance of the business to identify, analyse, assess and prioritise the internal and external corruption risks of the company.

Where bribery and corruption risk assessment ratings are “MEDIUM” and above, the assessment shall include the nature and extend of bribery and corruption risk in relation to the transactions and this shall include due diligence to obtain sufficient information to assess the risk. The risk assessment for bribery and corruption shall be incorporated into the existing Enterprise Risk Management processes and system.

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On a quarterly basis, the Top Management will assess and update the bribery and corruption risk information via the Enterprise Risk Management System.

For the purpose of the quarterly reporting to the MMCB's Board of Directors, the Group Risk Management Department should only extract from the system the risks that are rated as "HIGH" and above (as per MMCB's established enterprise risk rating).

The risks are then compiled into the Group's Corruption Risk Management quarterly report and submitted to the Financial, Investment and Risk Committee (FIRC). The FIRC is requested if deem fit, to approved and recommend to the Board on the updates of the Group Corruption Risk Management Report for the quarter.

The Board then noted the reports so that they are aware of major bribery and corruption risks within the Group and ensure that appropriate actions are taken by the management to mitigate the risks.


Type of corruption and an act of corruption is further defined in **Appendix 1**.

6.3.2 Internal controls and procedures

The Company has strict internal controls to restrict and prevent any instances of bribery and corruption. There are clear and documented policies in respect of activities that may be vulnerable to bribery and corruption or in kind:

- **MMC Procurement Code of Conduct** outlines the key principles on conducting procurement process and activities to support fair competition, wide participation and good governance in compliance with the relevant laws, regulations and terms and conditions which protects both MMC and its vendors. The established due diligence process shall take placed to any relevant entity or personnel (such as agents, vendors, contractors, suppliers and consultants) prior to entering any formalised relationships with the company.
- **HR Operating Manual** defines the procedures relating to human resource functions governing operations and handling other related matters in achieving the organization's objectives. It also establishes the procedure and serves as a guideline for MMC employees to maintain good and professional conduct in a congenial working environment. The established due diligence process shall take placed to any Personnel prior to entering any formalised relationships with the company.
- **Corporate Disclosure Policies and Procedure ("CDPP")** is based on the Best Practices in Corporate Disclosure 2004 and Corporate Disclosure Guide 2012 issued by Bursa Malaysia to ensure the timely dissemination of material information to our shareholders and investors and to protect and maintain secrecy and confidentiality of the Company.
- **Related Party Transactions Policies and Procedure** provide an avenue for employees to understand the policies and procedures that need to be adhered to in identifying and treating Related Party Transactions to ensure compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and other applicable laws.
- **Limits of Authority ("LOA")** identifies the various persons/authorities responsible for various business transactions including matters that require Board approval. It sets out a clear line of accountability and responsibility of the relevant persons/authorities to facilitate decision making and approval at the appropriate level in the organization's hierarchy.
- **Vendor Code of Conduct** sets forth the principles and standards of conduct that MMC expects Vendors to adhere to in their provision of works, supplies and services to MMC Group.
- Clear role and responsibilities of each job position.

Internal Audit Reviews, which are undertaken according to Annual Group Internal Audit Plan, provides independent assurance on the adequacy, existence and effectiveness of the governance, risk management and control processes.

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6.3.3 Prevention

Preventive measures shall be taken with the aim to identify and resolve weaknesses in practices, systems and work procedures and continue to increase the level of efficiency by eliminating opportunities for bribery and corruption or in kind.

6.3.4 Disciplinary action

The Company has a clear framework to deal with instances where employees are not in compliance with the code of conduct as stipulated in HR Operating Manual. It seeks to ensure prompt, consistent and fair treatment for all employees and to assist in enabling both the employee and the Company to be clear about the expectations of both parties.

The Company has the rights to take disciplinary action against any employee found to have committed a breach of the company policies and procedures.

Further to disciplinary actions taken by the Company, any employee who commits an act of bribery or corruption risks violating the MACC Act 2009 and shall on conviction, be liable to penalty as stipulated under the Act (refer to **Appendix 2: Penalties for Bribery and Corruption**).

6.4 Management Environment

6.4.1 Detection and disclosure of improper conduct, response, and report

The Company shall not tolerate any improper conduct by any employee, any agent, person or entity engaged under a contract for service or engaged by MMC or its Group of Company which can lead to any act of corruption as outlined under *the Appendices* to the Policy herein and/or under any applicable laws.

An Improper Conduct includes committing any act of corruption as outlined under *the Appendices* to the Policy herein and/or under any applicable laws.


The success of the Company's anti-bribery and anti-corruption measures depends on all Personnel, including any person or entity engaged by the Company, adhering to the Company Policy & Framework. In this respect, all relevant parties are under an obligation to report or disclose any Improper Conduct, including acts of corruption, in accordance with the procedures set out in the Policy to enable the Company to take prompt action to investigate the reports and take further actions.

The Company shall provide a transparent and secure disclosure process upon discovery of any Improper Conduct to ensure anonymity of the Whistleblower without compromising the confidentiality of the report or security of the Whistleblower.

Any improper conduct that is discovered or genuinely suspected by the Whistleblower may be reported to:

- i. A disclosure of Improper Conduct may be made in writing to the Chief Internal Auditor (Appointed Officer) and the disclosure shall be marked as 'Confidential'.
- ii. Disclosures of Improper Conduct may also be reported directly to the Audit Committee Chairman via a sealed envelope marked 'Confidential' or via electronic e-mail to **mmcwreport@gmail.com**.
- iii. If the Improper Conduct involves the Appointed Officer, the Group Managing Director or any Board director, the Whistleblower is to report the matter directly to the Audit Committee Chairman.

Any Personnel who knows and fails to report an act of giving and offering of bribes or any other acts of corruption is liable to a misconduct under this Policy and risks committing an offence under the MACC Act 2009. If the person is convicted under the Act, he/she is liable to the penalties stipulated under the MACC Act 2009.

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The Company shall not penalise or hold any Personnel accountable for refusing to accept any gratification (defined under *Appendix 1* herein) even if the refusal results in the Company and/or any company within the Group of Companies suffering financial or non-financial losses.

6.4.2 Review & Improvement

The Top Management should ensure that regular reviews are conducted to assess the performance, efficiency and effectiveness of the anti-bribery and anti-corruption programme, and ensure the programme is enforced. The reviews should form the basis of any efforts to improve the existing anti-bribery and anti-corruption controls in place in the Company.

7.0 CONFIDENTIALITY


This MMC ABAC Policy is intended for the internal use of MMC Corporation Berhad and its Group of Companies only and shall not be reproduced in any form or be transmitted electronically or through other means or quoted or referred to in any public document or media without the prior written consent of the Company.

For any enquiries, please contact the Head, Group Risk and Integrity Management Department at 03-2071 1130.

8.0 DOCUMENT CHANGES

This document may be reviewed and/or amended at least once every three (3) years from the date this document is approved or whenever necessary to ensure its effective implementation. Any amendment to this Policy shall be affected by the MMC Board or its equivalent body.

The Company shall notify the employees if any changes is made to the MMC Anti-Bribery and Corruption Policy.

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APPENDIX 1

TYPE OF CORRUPTIONS


The Malaysian Anti-Corruption Commission (“**MACC**”) defined corruption as the act of giving or receiving any “gratification” or reward in the form of cash or in-kind value for performing a task in relation to his/her job description.

Gratification is defined as:

- i. money, donation, gift, loan, fee, reward, valuable security, property, or interest in property being property of any description whether movable or immovable, financial benefit or any other similar advantage or value;
- ii. any office, dignity, employment, contract of employment or services and agreement to give employment or render services in any capacity;
- iii. any payment, release, discharge or liquidation of any loan, obligation, or other liability, whether in whole or in part;
- iv. any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- v. any forbearance to demand any money or money’s worth or valuable thing;
- vi. any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceeding of a disciplinary, civil or criminal nature, whether or not already insinuated, and including the exercise or the forbearance from the exercise of any right or any official power of duty; and
- vii. any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (i) to (vi).

Further to the foregoing, the following acts shall constitute an act of Corruption:

- i. **Petty Corruption**
Also known as administrative corruption, it involves the exchange of very small amounts of money and the granting of small favours. These, however, can cumulatively result in considerable public losses.
- ii. **Grand Corruption**
It spreads through the highest levels of organization, bringing about major abuses of power, disobedience of the rule of law, economic instability and the breakdown of good governance.
- iii. **Active and Passive Corruption**
The former refers to the act of offering or paying a bribe (where the payment of a bribe has taken place) and the latter refers to the request or receiving of a bribe.
- iv. **Bribery**
Bribery is the most common form of corruption. It is described as the act of offering, promising, giving, accepting or soliciting of an undue advantage of any value ((which could be financially or non-financially), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person duties.
- v. **Embezzlement, Theft and Fraud**
Embezzlement, theft and fraud involve stealing by an individual exploiting his or her position of employment. Fraud involves the use of false or misleading information to induce the owner of a property to part with it voluntarily. Theft is universally regarded as falling within corruption definitions where it occurs, carrying with it as it does, a breach of a fiduciary duty.

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vi. Extortion

Extortion relies on coercion to induce cooperation, such as threats of violence or the exposure of sensitive information.

vii. Abuse of Function

The abuse of function or position is the performance of or failure to perform an act by a Personnel, in violation of the law, with a view to obtain an undue advantage for himself/herself or for another person or entity.

viii. Favouritism and Nepotism

Favouritism, nepotism and clientelism involve abuses of discretion. Such abuses can either involve a direct personal benefit or does not involve a direct personal benefit to the Personnel. Such abuses happen when a person or an organization is selected, regardless of qualifications, merit, or entitlement, for a job or benefit because of affiliations or connections.

ix. Creating and Exploiting Conflicting Interest

Creation or exploitation of some conflict between the individual's professional responsibilities and his or her private interest. The offering of a bribe creates such a conflict where none may have existed hitherto. In both the public and private sectors, employees and officials are routinely confronted with circumstances in which their personal interests conflict with their responsibility to act in the best interests of the state or their employer.

x. Improper Political Contribution

Political donations that are made in contravention of anti-corruption laws and regulations.

xi. Kickbacks

These are bribes fulfilled after an enterprise has awarded a contract to a customer. They take place in purchasing, contracting, or other departments responsible for decisions to award contracts. The supplier provides the bribe by kicking part of the contract fee back to the buyer, either directly or through an intermediary.

xii. Facilitation payments

These are typically payments made to secure or expedite the performance of a routine or necessary action to which the payer is entitled, legally or otherwise.

xiii. Charitable donations, sponsorship, travel, and promotional expenses

These are legitimate activities for entities but can be abused as a subterfuge for bribery. There are risks attached to such transactions where it may be perceived that an advantage has been given to obtain or retain business.

xiv. Conflict of interest


A conflict of interest occurs where a person or entity with a duty to the enterprise has a conflicting interest, duty, or commitment. Having a conflict of interest is not in itself a corruption, but corruption can arise where a Personnel the duty due to the enterprise by acting in favour to a separate interest to the detriment of the enterprise.

xv. Collusion

This can take various forms, of which the most common include bid rigging, cartels, and price-fixing.

xvi. Bid rigging

The way that conspiring competitors effectively raise prices in situations where purchasers acquire goods or services by soliciting competing bids. Essentially, competitors agree in advance who will submit the winning bid on a contract through a competitive bidding process. As with price fixing (see below), it is not necessary that all bidders participate in the conspiracy.

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xvii. Price fixing

An agreement among competitors to raise, fix, or otherwise maintain the price at which their goods or services are sold. It is not necessary that the competitors agree to charge exactly the same price, or that every competitor in a given industry join the conspiracy. Price fixing can take many forms, and any agreement that restricts price competition may violate applicable competition laws.

xviii. Cartels

A secret agreement or collusion between enterprises to commit illicit actions or fraud. Typically, this will involve price fixing, information sharing, or market rigging by setting quotas for production and supply.

xix. Illegal information brokering:


The brokering of corporate confidential information obtained by illegal methods.

xx. Insider trading

Any securities transaction made when the person behind the trade is aware of non-public material information and is hence violating his or her duty to maintain confidentiality of such knowledge.

xxi. Tax evasion

The illegal non-payment of tax to the government of a jurisdiction to which it is owed by a person, enterprise, or trust who should be a taxpayer in that jurisdiction.

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APPENDIX 2

PENALTIES FOR BRIBERY AND CORRUPTION

MACC AMANDMENT ACT 2018	UK BRIBERY ACT 2010	US FOREIGN CORRUPT PRACTICES ACT ("FCPA") 1977
Up to twenty (20) years imprisonment.	Up to ten (10) years imprisonment – accounting offences may be prosecuted under other Statues.	Up to five (5) years imprisonment for bribery, twenty (20) years for accounting offences.
Minimum fine of RM1,000,000 or not less than ten (10) times the sum or value of gratification; whichever is the higher.	Unlimited fine; additionally Serious Crime Prevention Orders, Winding up proceedings, debarment, director disqualification and regulatory / disciplinary action.	Criminal fines for entities of up to USD2 million (bribery) or USD25 million (violation of accounting provisions), or twice the benefit sought, and debarment; for individuals, fines of up to USD100,000 (bribery) or USD5 million (accounting offences).
Or both penalties of the fine and jail	Civil Recovery Orders – no criminal conviction required (lower threshold of proof).	Civil penalties of up to USD10,000 per (bribery) violation or USD500,000 per (corporate accountancy) violation.