



# Anti-Bribery & Anti-Corruption Policy

*Version 1.0*

## CONTENTS

SECTION	PAGE
1.0 INTRODUCTION	3
2.0 OBJECTIVE	3
3.0 SCOPE	4
4.0 DEFINITION	4
5.0 REFERENCE	6
6.0 ANTI-BRIBERY AND ANTI-CORRUPTION POLICY	6
7.0 RISK ASSESSMENT	7
8.0 GIFT, ENTERTAINMENT, HOSPITALITY & TRAVEL	8
9.0 FACILITATION PAYMENTS	12
10.0 CONFLICTS OF INTEREST	13
11.0 DUE DILIGENCE	14
12.0 DONATIONS AND SPONSORSHIPS	14
13.0 PROCUREMENT PROCESS	15
14.0 STUDENT RECRUITMENT PROCESS	15
15.0 STAFF RECRUITMENT PROCESS	16
16.0 RESPONSIBILITIES OF EMPLOYEES	16
17.0 REPORTING OF POLICY VIOLATIONS	17
18.0 RECORD KEEPING	18
19.0 AUDIT REVIEW AND MONITORING	18
20.0 SANCTIONS FOR NON-COMPLIANCE	19
21.0 TRAINING AND COMMUNICATION	19

## **1.0 INTRODUCTION**

- 1.1 AIMST University is committed to conduct its operations in an ethical, responsible, transparent and efficient manner plus inspires to reinforce good governance, preventive system and ensuring compliance to procedures, code of conduct and relevant laws in place. The management of AIMST University would like to stress the importance of a zero tolerance approach to bribery and corruption in any actions and decisions taken, both internally and externally.
- 1.2 This Anti-Bribery and Anti-Corruption Policy sets out AIMST University principles in dealing with improper solicitation, bribery and other corrupt activities and related issues that may arise in the institution day to day operations. This policy provides a clear statement of the conduct to the staff and affiliated members which is expected by the institution. This policy also applies to any external parties who have interest in AIMST University.
- 1.3 This policy was developed in accordance with the guidelines issued pursuant to the subsection (5) of section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Act 694). This policy is not intended to provide definitive answers to all issues related to bribery and corruption. If multiple documents speak on the same subject, then the more stringent provision shall apply at all times.

## **2.0 OBJECTIVE**

- 2.1 The objectives of the AIMST University Anti-Bribery and Anti-Corruption policy are as follows:
  - To provide guidance for the staff ,affiliated members and external parties and to assist them to identify and deal with bribery and corruption issues, as well as understanding their roles and responsibilities,
  - To provide guidance on appropriate actions to be taken when dealing with situations involving corruption and bribery, and
  - To create a working environment free of bribery and corruption in order to enhance the trust and confidence of AIMST University stakeholders.

### **3.0 SCOPE**

3.1 This policy shall be applicable to:

- a) Individuals working at all levels and grades, including senior management, deans, directors, head of departments, managers and employees whether full-time, part-time, contract or temporary.
- b) consultants, contractors, trainees, seconded staffs, volunteers, interns, agents, sponsors, suppliers, customers and any other person associated sub-contractors, representatives and service providers of any kind performing work or services with AIMST University.

### **4.0 DEFINITION**

Bribery	Offering, promising, giving, accepting or soliciting of an undue advantage of any value directly or indirectly in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to that person's duties, action or decision.
Corruption	The provision or receipt of monetary or non-monetary bribe or reward of high value for performing in relation to their duties. This includes misuse of a position or power for private gain or the misuse of private power in relation to business outside the realm of government.
Facilitation Payments	Small sums or bribe, unofficial payment made to secure or expedite the performance of a routine action by the concerned authorities.
Gifts	Any form of monetary or non-monetary such as goods, services, cash or cash equivalents, fees, rewards, facilities, or benefits given to or received by staff, his or her spouses or any other person on his or her behalf, without any or insufficient consideration known to the organization.

Exposed Position	Staff position identified as vulnerable to bribery through a risk assessment which may include any role involving: procurement or contract management; financial approvals; human resource; relations with government officials or government departments; sales; positions where negotiation with an external party is required; or other positions which the organization has identified as vulnerable to bribery.
Gratification	<p>It is defined in the MACC Act to mean the following:</p> <ul style="list-style-type: none"> <li>a) money, donation &amp; sponsorship, 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;</li> <li>b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</li> <li>c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</li> <li>d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</li> <li>e) any forbearance to demand any money or money's worth or valuable thing;</li> <li>f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any</li> </ul>

official power or duty; and

- g) any offer, undertaking or promise, whether conditional or unconditional, of any Gratification within the meaning of any of the preceding paragraphs (a) to (f).

Donation and  
Sponsorship

Charitable contributions and sponsorship payments made to support the community. Examples include sponsorship of educational events, supporting NGOs, and other social causes;

## **5.0 REFERENCE**

- 5.1 Guidelines on Adequate Procedures Pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009.

## **6.0 ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

- 6.1 In line with the introduction of section 17A of the MACC (Amendment) Act 2018, the Malaysian Anti-Corruption Agency (MACC) has launched the guidelines on adequate procedures pursuant to new section 17A(5) in December 2018. This guidelines is based on five (5) principles; i.e. T.R.U.S.T.

- T - Top Level Commitment
- R - Risk Assessment
- U - Undertake Control Measures
- S - Systematic Review, Monitoring and Enforcement
- T - Training and Communication

This policy has been developed based on the above principles.

- 6.2 This policy clearly prohibits all forms of bribery and corrupt practices, and makes no distinction between whether they are being made to persons in the public or private sectors.
- 6.3 AIMST University relationships with the staff, stakeholders and external parties are based on transparency and integrity. Staff and affiliated members must not directly or indirectly pay, offer or promise any gratification to any public official, party or their family members as an inducement for or reward for acting

improperly. Furthermore, he or she must not directly or indirectly pay, offer or promise any gratification to relevant stakeholders or any other external parties for the purpose of exerting influence, soliciting payment or other unfair or illegal preferential treatment.

- 6.4 He or she will not suffer demotion, penalty or other adverse consequences in retaliation for refusing to pay or receive bribes or participate in other illicit behaviour.
- 6.5 In addition to bribery, he or she must not participate in any corrupt activity, such as extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering.

## **7.0 RISK ASSESSMENT**

- 7.1 AIMST University will conduct 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 the external corruption risk of the institution.
- 7.2 The corruption risk assessment will be conducted by designated personnel(s) as decided and appointed by the management. The corruption risk assessment will be conducted at least once in a year.
- 7.3 An ad-hoc assessment may be conducted upon requested by the management or as when required by the laws or regulations / other specific requirements relevant to anti-corruption that specifically required to conduct a corruption risk assessment at a more frequent period as defined thereafter.
- 7.4 A separate risk registers on corruption risk will be maintained and updated in the required timeframe and will be reviewed and discussed when it is needed.

### **Note:**

***Refer to Corruption Risk Management Policy & Procedure.***

## 8.0 GIFT, ENTERTAINMENT, HOSPITALITY & TRAVEL

### 8.1 Gift

- a) AIMST University discourages its staff and affiliated members from giving or accepting gifts, or any other monetary facilities which would in any way influence any decisions that will undermine any day to day operations in the institution.
- b) The institution acknowledges that exchange of gifts is a very delicate matter where in certain cultures or situations, gift giving is customary, a tradition or central part of business etiquette.
- c) However, this policy does not prohibit the normal business hospitality of giving or accepting gift of reasonable to or from external parties for legitimate purposes, such if its purpose is to improve and maintain the image, building relationships, improving present products and services, or to establish cordial relations.
- d) The types of gift commonly **GIVEN** under the institution are as follow:
  - “Corporate gift” normally bears the institution’s name and logo and are of nominal / appropriate value such as table calendars, pens, notepads and plaques.
  - “Festive or ceremonial gifts” are traditional treats or gifts customary to the occasion such as hampers, oranges and dates.
- e) Corporate gifts, festive or ceremonial gifts may be given to relevant stakeholders or external parties provided it must always be approved by the management under normal business hospitality grounds. It should be clearly given as an act of appreciation or common courtesy associated with ceremonial occasions or festive seasons in some scenarios.
- f) The act of giving gifts shall not be used to cause or induce the receiver to improperly or illegally influence any day to day operations action or cause others to perceive an improper influence.



- g) The institution shall not have any expectation of any favour or improper advantages from the receiver and the gift is to be given in a transparent manner.
- h) The type of gift and its value must commensurate with the occasion and in accordance applicable laws.
- i) The gift is not to be given in cash or a cash equivalent.
- j) In the context of **RECEIVING** gift, staff and affiliated members are not allowed to receive any gifts regardless of value from any (whether actual or potential) stakeholders or external parties who have official dealings with the institution (such as parents, students, contractors, suppliers ,etc.).
- k) Where circumstances make it impossible, difficult or impractical to reject gift or where the rejection of the gift may affect the relationship with the stakeholders or external parties (other than cash or cash equivalent) or rejecting them is deemed as offensive given the local custom, staff and the affiliated members may accept the gift(s).
- l) The exceptions are given for the following scenarios or situation for instance:
  - small items or gifts of promotional nature (e.g. pens, low value or promotional material);
  - consumables like food gifts and hampers at nominal value; and
  - gifts that would be discourteous to refuse; example being presented in an event or a ceremony, token for training/talk and during invitation to speak at conferences or.
- m) He or she must not receive a gift or hospitality if they are aware or suspect that it would be in breach of the rules of the institution/organization where the recipient works or if it is against the local laws.

- n) Staff and the affiliated members are reminded that if the gift is accepted, it is deemed to have been accepted on behalf of the institution and becomes the property of the institution. ***All expenses and any gift received must be recorded by the staff in the gift register.***
- o) Staff and the affiliated members are advised to seek the advice of their respective heads for clarification and follow the Standard Operating Procedure (SOP) that is in place for the declaring gift(s).

## 8.2 Entertainment

- a) AIMST University acknowledges the need to provide reasonable and proportionate entertainment under appropriate circumstances. It is a common practice within the business context to provide entertainment to foster a good relationship.
- b) Staff and affiliated members may **OFFER** appropriate and proportionate entertainment that is legal and reasonable within their scope as well as exercise proper care and good judgement when providing entertainment to external parties, especially when it involves public/government officials.
- c) Staff and affiliated members must not directly or indirectly provide or offer to provide entertainment with a view to cause undue influence or in exchange for favours or advantages, as such acts are considered corrupt practices.
- d) Staff and affiliated members at all times conduct themselves with integrity in relation to **ACCEPTING ENTERTAINMENT**. The institution also recognises that occasional acceptance of appropriate and proportionate entertainment that is legal and reasonable provided by stakeholders or external parties as a legitimate way to network and to build relationships.
- e) However, it is important for our staff and affiliated members to exercise proper care and good judgement before accepting entertainment offered or provided by stakeholders or external parties. This is to safeguard the

institution reputation and avoid allegations of impropriety or undue influence or worse, corruption.

### 8.3 Hospitality

- a) AIMST University recognizes that **PROVIDING** corporate hospitality through corporate events or other public events (eg; medical camp) are a legitimate way to network, promote goodwill and build relationships with stakeholders and external parties.
- b) While providing appropriate and proportionate corporate hospitality is a reflection of the institution courtesy and responsibility to the community, staff and affiliated members must exercise proper care and good judgement to ensure that the arrangement is legal under applicable laws, made for the right reasons and reasonable in its form and limit.
- c) The institution is committed to complying with all applicable laws when providing corporate hospitality out. Staff and affiliated members must exercise special caution when providing corporate hospitality to public officials. It must not be given or give rise to the perception that it is given to gain any advantages of any kind or unduly influence the outcome of a decision made or to be taken.
- d) The institution recognises that occasional **ACCEPTANCE** of an appropriate level of corporate hospitality given in the normal course of business is usually a legitimate contribution to building good relationships. He or she must exercise proper care and good judgement to ensure that the arrangement is legal under applicable laws, made for the right reasons and reasonable in its form and limit.
- e) However, staff and affiliated members must refrain from accepting corporate hospitality from stakeholders or external parties who are in the position of interest in the institution.
- f) He or she must not directly or indirectly solicit corporate hospitality or accept corporate hospitality of any form that is excessive, inappropriate,

illegal or given in response to, in anticipation of, or to influence a decision. It must not be accepted or give rise to the perception that it is accepted to obtain gain or advantage of any kind or unduly influence the outcome of a decision.

#### 8.4 Travel

- a) AIMST University deems it is appropriate for external parties to incur travel-related expenses for staff who are engaged on matters such as being as an external examiner or as an invited speaker.
- b) However, the travel must first be approved by the respective deans or head of department and the senior management. There should not be any conflict of interest between the institution and the external parties.
- c) The institution also needs to pay travel expenses to designated recipients (such as external examiner, invited speakers, adjunct professor etc.) for official matters. Approval is needed and staff are reminded to follow the existing SOP's that are in place.

### 9.0 FACILITATION PAYMENTS

- 9.1 Facilitation payments to a person/organisation are done with an intention to secure or expedite a process or action. Facilitation payments are typically small, unofficial payments made to individuals or an official in an organization.
- 9.2 Under the Malaysian Anti-Corruption Commission (MACC) Act, facilitation payments in any nature are classified as acts of bribery and corruption. AIMST University strongly prohibits the staff and affiliated members in giving, offering, or promising of Facilitation Payments to concerned parties. The staff and affiliated members are also prohibited from receiving or requesting such payments whether in cash or in equivalent to cash.
- 9.3 If a Facilitation Payment is/are requested on behalf of the institution under certain circumstances by an external party, staff are advised to evaluate the

amount and the purpose of the payment. He or she should request to the concerned party/parties on the purpose and obtain an official receipt as an evidence for the payment. He or she is also encouraged to report and notify the management on the request made by the external party. Staff who have unintentionally made any payment and is unaware of the requirement are also required to report immediately to the higher management.

- 9.4 Any request for a Facilitation Payment should be refused unless one feels he or she is at risk of injury, of detention, or for his or her life, if he or she refuses. If one of these exceptions applies, a receipt should be obtained and the matter reported, as soon as possible, to the institution through the whistleblowing channel.

## **10.0 CONFLICTS OF INTEREST**

- 10.1 AIMST University strongly discourages its staff and affiliated members to avoid situations that present or create the appearance of, a potential conflict between their interests and those of the institution.
- 10.2 A conflict of interest exists when private interests, including personal, family, social, or financial interests, interfere in any way with their duties and responsibilities. He or she must not use their position, official working hours, institutions resources and assets, or information available to them for personal gain or to the institutions disadvantage.
- 10.3 In situations where conflict of interest arises, he or she is required to immediately declare the matter to their immediate head or the higher management.
- 10.4 Approval from their respective heads/higher management must be obtained before undertaking activities which may give rise to conflict of interest. He or she might be required to declare their conflict of interest, both on a scheduled basis, or on an ad hoc basis when it is required.

## **11.0 DUE DILIGENCE**

- 11.1 AIMST University has established criteria for conducting due diligence on relevant parties or personnel prior to entering into any formalized relationships. Appropriate due diligence are needed to be conducted when dealing with external parties to avoid the institution from being exposed to risks of external parties not following ethical business practices.
- 11.2 Staff and affiliated members must perform due diligence investigation on all external parties (vendors, services providers, contractors, sub-contractors, agents, customers, suppliers etc.) when it is necessary.
- 11.3 The scope of the due diligence investigation should include background and credit checks, document verification and interviews if needed. Due diligence investigation should be conducted prior to entering into any contractual relationship and preferably periodically.
- 11.4 The external parties must be duly briefed and reminded of AIMST University's zero tolerance on corruption and bribery through engagement sessions at least once a year or when it is needed.

**Note:**

***Refer to Due Diligence Guidelines.***

## **12.0 DONATIONS AND SPONSORSHIPS**

- 12.1 AIMST University will not make any donation or funding of any kind to political parties or individual politicians or towards political campaigns or initiatives for or on behalf of the institution. However any request for political donation or contribution must be pre-approved by the Board of Directors of AIMST University and no political contribution may be made unless the institution has received a satisfactory opinion from qualified local counsel as to its legality under applicable laws.

- 12.2 Staff may participate in political activities in their individual capacity with their own money and at their own time. Staff political views and actions are personal and does not reflect or represent AIMST University.
- 12.3 AIMST University will only provide charitable or educational donations and public welfare sponsorships if they are ethical and legal under applicable laws. All donation and sponsorship expenses must be approved in accordance with the institution requirements.

### **13.0 PROCUREMENT PROCESS**

- 13.1 AIMST University has established a policy and adheres to processes of internal controls on supplier selection.
- 13.2 Bidding process is open to all qualified bidders and no parties having the unfair advantage of separate, prior, close-door negotiations for a contract.
- 13.3 Appropriate assessment shall be conducted to individuals or external parties to ensure the business and background of the potential business partners are free from bribery elements or conflict of interest prior to procurement process.

**Note:**

***Refer to Manual of Purchasing Policies and Procedures.***

### **14.0 STUDENT RECRUITMENT PROCESS**

- 14.1 AIMST University has established a policy and procedures with regards to the student admission which is line with local acts and regulations.
- 14.2 In line with this policy, the institution will carry out the required due diligence exercise on potential candidates for each academic program when it is required.

**Note:**

***Refer to Student Admissions Policy.***

## **15.0 STAFF RECRUITMENT PROCESS**

- 15.1 The recruitment of staff shall be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of the staff.
- 15.2 In line with this policy, the Human Resources Division has established a procedure in line with Staff Recruitment Policy to carry out background checks to ensure that the potential employee has not been convicted in any corruption and / or bribery cases.

**Note:**

***Refer to Staff Recruitment Policy.***

## **16.0 RESPONSIBILITIES OF EMPLOYEES**

- 16.1 AIMST University staff are responsible for understanding and complying with this policy which includes the following:
- a) Be familiar with applicable requirements and directives of the policy and communicate them to their subordinates;
  - b) Promptly record all transactions and payments accurately and in reasonable detail;
  - c) Ask the relevant staff if any questions about this policy arise or if there is a lack of clarity about the required action in a particular situation;
  - d) Always raise suspicious transactions and other “red flags” (indicators of bribery or corruption) to immediate superiors for guidance on the next course of action;
  - e) Be alert to indications or evidence of possible violations of this policy;
  - f) Promptly report violations or suspected violations through appropriate channels;
  - g) Attend required anti-bribery and anti-corruption training as required according to position; and



- h) Not to misuse their position or AIMST University's name for any personal advantage.

## **17.0 REPORTING OF POLICY VIOLATIONS**

- 17.1 AIMST University firmly believes anti-bribery and anti-corruption policy must be abided at all times in any concerned activities in the institution. It is the duty of all staff and affiliated members to report when suspected violations of this policy and other matters of integrity. Failure to report is an offence under Section 25 Malaysian Anti-Corruption Commission (MACC) Act 2009.
- 17.2 Through the Whistleblowing Policy, AIMST University has established an accessible and confidential channel (via email) to report any suspected issue or suspicion of malpractices at the earliest possible stage. This reporting channel will be made available to internal and external parties. All concerns reported will be taken seriously, treated in confidential manner and investigated immediately.
- 17.3 He or she details will be protected unless the disclosure is required by law pursuant to an investigation or legislation and may be required to provide a statement as supporting evidence to any investigation.
- 17.4 AIMST University will not tolerate any retaliation against anyone who discloses actual or suspected violations in good faith. Staff or an affiliated member who retaliates against anyone who make such reports in good faith will be subject to disciplinary action, which could include including demotion, suspension, dismissal or other actions (including legal action) in which the institution may pursue.

### **Note:**

***Refer to Whistleblowing Policy & Procedure.***

## **18.0 RECORD KEEPING**

- 18.1 Adequate and relevant record will be maintained for seven (7) years by the appropriate personnel/department to ensure any transactions are executed in accordance with appropriate authorization. Supporting documents such as invoices, memoranda and other documents and records relating to dealings with external parties should be prepared and maintained with accuracy and completeness.
- 18.2 AIMST University will report and keep a written record (register) of the amount and reason for gifts, hospitality and entertainment received and given, including donations, sponsorships and expenses of similar nature.

## **19.0 AUDIT REVIEW AND MONITORING**

- 19.1 AIMST University is committed to making the anti-bribery and anti-corruption effort as a continuous effort to maintain the reputation and standards of the institution.
- 19.2 Regular audits will be conducted to monitor, review, improve and assess performance, efficiency and effectiveness of the policy. The audits will be conducted internally by AIMST University or by an external party appointed by the institution when it is required.
- 19.3 Any non-compliance reported during the audit exercise will need to be addressed in a timely manner depending on the urgency of the matter. Any reviews to the policy should also be addressed to improve the existing anti-bribery and anti-corruption controls in the institution.
- 19.4 AIMST University may amend the policy at any time in order to improve its effectiveness at combatting bribery and corruption.
- 19.5 Staff and affiliated member of AIMST University are encouraged to raise any concerns or inadequacies that they might come across during the policy implementation to the management.

## **20.0 SANCTIONS FOR NON-COMPLIANCE**

- 20.1 AIMST University regards bribery and acts of corruption as a serious matter. Staff and affiliated members found to be non-compliant to the policy will be subjected to disciplinary proceedings, up to and including termination of employment.
- 20.2 For external parties, non-compliance may lead to penalties including termination of contract. Further legal action may also be taken in the event that the institution interests have been harmed by the results on non-compliance by individuals and/or organisations.

## **21.0 TRAINING AND COMMUNICATION**

### **21.1 Training**

- a) AIMST University will provide adequate training on anti-bribery and anti-corruption approach to the staff and affiliated members on the understanding and importance of preventing corruption in the institution. Both internal and external trainings will be arranged and conducted for all levels of staff.
- b) The training will be compulsory for the newly joined staff as part of their induction process. Training will also be provided on a regular basis, for staff appointed to or currently holding an Exposed Position (Bribery and Corruption risk related to the position). For existing staff, refresher training on anti-bribery and anti-corruption measures will be held once a year.
- c) Apart from the training during induction and role specific training, other ways of training format which may be observed are as below:
  - AIMST intranet or web-based programs
  - Town hall sessions
  - Retreats
  - An out-reach programs

## 21.2 Communication of Policy

- a) AIMST University anti-bribery and anti-corruption policy will be made available to the public and also appropriately communicated to all staff and affiliated members thorough the website and any other platforms (email, posters, newsletters etc.).
- b) Staff and affiliated members are required to sign a declaration that they have read and understood the policy and will at all times abide by it. Dissemination of this policy for new staff will be carried out at the time of induction.
- c) AIMST University's policy of zero-tolerance for bribery and corruption should be also communicated to all relevant stakeholders (agents, suppliers, contractors, business partners, parents etc.) by using the appropriate channels.
- d) If anyone has any queries about this policy, he or she should refer back to their respective head's or to the higher management.