

Regulation No. 14 - Anti-Bribery

1. Definition of “Bribery

- 1.1 A bribe refers to money, goods, service or other forms of benefit which are given (including solicitation and promise thereof) with the intention of inducing someone, in association with the performance of one’s business, to carry out an inappropriate act (including illegal acts and improper use of occupational status or authority) or in return for such an act.
- 1.2 The process of giving and receiving a bribe is called “bribery and corruption.”
- 1.3 These provisions include and apply not only to bribery with respect to above-mentioned civil service employees or politicians but also to any activities similar to bribery with respect to third parties other than civil service employees or politicians.

2. Prevention of Bribery

Bribery in any form is strictly prohibited in MSIG Asia/BPI MS. For prevention of bribery and any activities similar to bribery, BPI MS shall take the following actions:

2.1 Establishment of organization

Clarify role-sharing related to and the division in charge of Anti-Bribery Measures and develop an organizational system for internal control according to company size, etc. In MSIG Asia, Policy Owner of this PRG is responsible for ensuring the prevention of bribery.

2.2 Development of rules to prevent bribery

Develop internal rules and procedures for preventing acts of bribery and any activities similar to bribery, and for investigating, reporting on and disciplining offenders in the event of an act of bribery or any activity similar to bribery. This can be achieved by adopting this PRG with necessary adjustment, if any.

2.3 Fostering of Corporate Culture

Demonstrate a strong top-level commitment to convey a clear anti-bribery message to all officers and employees (by management such as the CEO or the COO).

3. Training

Foster an environment whereby bribery is not acceptable: for example, by providing anti-bribery training.

4. Attention to risks associated with transactions made via 3rd party

When dealing with an outsourcing contractor, consultant, agency etc. (hereinafter referred to as "third party"), pay particular attention to bribery risks.

5. Risk assessment in respect of bribery

Conduct an annual risk assessment to identify bribery risks.

6. Coping with extra-territorial application

Develop a framework taking into account development of extra-territorial application of foreign laws and regulations after consultation with Head Office. For MSIG Asia, this regulation and Guidance Note 6 shall apply for this purpose.

7. Suggested Procedures for the Prevention of Bribery

7.1 BPI MS should implement policies and procedures to prevent, investigate, and report acts of bribery and any activities similar to bribery, and to discipline offenders

7.2 These measures should reflect and be consistent with those detailed in the above "Chapter 2 Dishonest and Unlawful Acts Handling Guidelines".

8. Preventive measures for bribery

8.1 Formulation of rules on the following preventive measures are recommended in MSIJ "Compliance Manual (for International Operation):

8.1.1 Introduction of a system to limit the value of gifts and entertainment and to make advance applications and follow-up reports

8.1.2 Record-keeping (retain appropriate evidence against the possibility of payments for gifts and entertainment and payments to third parties)

8.1.3 Monitoring (periodic monitoring of payments for gifts and entertainment, and of payments to third parties)

8.2 In MSIG Asia, these frameworks are in place per A-4 Code of Business Conduct PRG

8.3 In addition, following procedure is recommended in MSIJ "Compliance Manual (for International Operation):

Employee Management (conduct reference checks during the recruitment process)

8.4 In MSIG Asia, the reference check is being done per C-6 Recruitment and Selection PRG.

