



MALAYSIA AIRPORTS HOLDING BERHAD INTEGRITY PACT

INTEGRITY PACT

The Integrity Pact (IP) is a concept introduced by Transparency International to assist Governments, Business Institutions and the Public to curb corruption in the field of public contracting. IP establishes mutual contractual rights and obligations to reduce the high cost and distortionary effects of corruption in public contracting.

Procurement and Contract Division is currently ongoing the implementation process of the Integrity Pact in order to enhance the governance and practices with regards to integrity practices in MAHB. It is a set of declaration process by MAHB employees involved in procurement activities as well as MAHB vendors to refrain themselves from getting involved in corrupt practices throughout the procurement processes. The Integrity Pact implementation is intended to increase awareness among MAHB employees and MAHB vendors on corruption offences and subsequently eradicate corrupt practices in MAHB such as:

- Offering, seeking and accepting bribes to or from companies, firms, individuals and MAHB employee. Bribes can be in the form of money, gifts, donations, discounts, bonuses, jobs, services and /or favours as defined under Section 3 of Malaysian Anti-Corruption Commission Act 2009 [Act 694].
- Abuse of power by MAHB employees in the selection process of companies and firms in which such MAHB employee have vested interest.
- Conspiracy among companies, firms, individuals and MAHB employees to obtain MAHB procurement award.

Objectives for the implementation of the Integrity Pact are:

1. To enhance transparency in MAHB procurement approach that will reduce and eradicate corrupt practices.
2. To avoid bidders from offering or giving bribes.
3. To avoid MAHB employees from receiving bribes.
4. To require bidders to report any bribery/act of corruption to the authorities.
5. To ensure MAHB will not incur unnecessary costs in carrying out MAHB procurement activities.
6. To prohibit unauthorized use of MAHB's proprietary information by employees and vendors.

Both Vendors and MAHB employees are responsible to lodge a report on any corrupt practices.