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

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### **1. Purpose**

This Policy states the stance of uab bank Limited (“uab bank”)’s on bribery and corruption. It complements uab bank ‘s Code of Ethics which states the standards of behavior expected from the Bank’s staff.

uab bank’s policy position is that any form of bribery and corruption is prohibited. This applies to promising, accepting, offering, paying, giving, soliciting, or authorizing bribes. The Bank also prohibits the falsifying and concealing of any books, records and accounts.

The standards of the Policy are the minimum standards and all current laws and regulations including Myanmar Anti-Corruption Law 2013 will apply. Corruption and bribery are criminal offences in Myanmar and exposes the Bank and its employees to prosecution, fines, imprisonment and loss of reputation.

### **2. Scope**

This Policy applies to all activities and operations of uab bank and its subsidiaries.

It also applies to all levels of staff including Members of the Board of Directors, Executive Directors, permanent staff, temporary staff, interns, advisers and consultants.

The engagement of third-party service providers (e.g. contractors, sub-contractors, suppliers, agents, business partners, intermediaries) will be subject to this policy

uab bank expects its Customers to observe a similar standard and this Policy also applies to Customers who misuse uab bank’s services and/or facilities for example to deposit or transfer the proceeds of bribes or try to entice staff with bribes.

### **3. What is Bribery and Corruption?**

Bribery is the crime of giving someone, especially someone in a position of authority, money or a gift, loan, fee or reward so that they will do something illegal or dishonest for you. Bribes are not restricted to cash payments, but include anything that has a value and is given to influence a decision to do business with another party.

Corruption is the abuse of an entrusted position or power for private gain.

### **4. Policy**

All uab bank Staff are prohibited from:

- Asking for or accepting a Bribe to influence a decision, to approve a loan, to obtain unauthorized access to confidential information, or to commit or omit to do an act, whether or not the outcome would have been the same without the Bribe
- Offering a Bribe
- Paying Bribes

## Anti-Bribery and Corruption Policy

- Making facilitation payments
- Using another party to conduct any of the above
- Using vendors or suppliers that do not have high standards on bribery and corruption
- Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption

uab bank will carry out appropriate due diligence on its clients, agents, contractors and suppliers to minimize the risk of being associated with acts of bribery or corruption.

In addition, the bribery and corruption risks are monitored and managed effectively in order to maintain a strong control system. Business line management, who act as the first line of defense, can seek further guidance from Compliance or Human Resources Department to the extent required.

Infringements of this Policy may result in disciplinary action by uab bank, including dismissal, and may involve criminal or regulatory proceedings for individuals.

This Policy is not intended to prohibit reasonable and appropriate customary, hospitality and promotional activity for genuine purposes. All gifts and hospitality must be for a genuine purpose, reasonable and given at arm's length. Gifts and/or hospitality must never be given or received where there is an intention to influence, induce or reward improper/ unofficial performance. In the event that any persons of which this Policy applies to is uncertain of such reasonableness, he/she may seek the advice of Senior Management for clarification.

A separate Gift Policy has been issued by uab bank to its employees relating to the acceptance of gifts.

### **5. Facilitation payments**

Facilitation payments are typically small unofficial payments paid to speed up an administrative process or secure a routine government action by an official. Examples of Facilitation payments include but are not limited to:

- Obtaining or expediting a permit, license or other official document or approval
- Securing police protection for a site against risk of theft or arson
- Securing safe or prompt entry or exit from a jurisdiction or with regard to border controls or crossing and
- The provision of utilities to a site, such as connection of water, electricity, gas or telephone services

Facilitation payments should be contrasted with official, lawful, receipted payments (typically to an organization rather than an individual) to expedite certain functions, e.g. where there is a choice of fast track services to obtain a passport.

uab bank's policy strictly prohibits any kind of Facilitation payments made by employees, agents or third parties acting on its behalf. However, if the safety or loss of liberty of staff or property is at risk, the payment should not be refused. In all circumstances any demand for Facilitation payments must be reported to Senior Management immediately.

## **6. Specific situations**

The following are examples of relationships and events that could lead to a higher risk of bribery and corruption.

### **Fee payments**

Where an agent or intermediary is used to make introductions to officials of public or government bodies and agencies, steps must be taken to ensure that any fee paid by uab bank is proportionate to the activity being performed and in accordance with local law.

### **Charitable donations**

When significant funds are donated in uab bank's name for charitable purposes, approval must be obtained from Senior Management. This is to avoid the use of charitable giving into a transfer of bribe. Any charitable donation must always be made directly to a recognized charitable organization or sponsored persons.

It is recognized that in Myanmar, charitable giving is a form of merit and that local uab bank branches may organize charitable giving as a local activity. In such circumstances where the activity is conducted at arm's length, the branch will inform the Zone Head.

### **Public officials**

In the context of Anti-bribery and anti-corruption, interaction with Public Officials have higher risk and appropriate due diligence must be conducted when dealing with public officials, their relatives or their close associates.

Public Officials are defined as individuals from National, regional, local or municipal bodies, state-owned companies, Central Bank, political parties and multilateral organizations.

### **Political donations**

No political contribution to a candidate for public office, an elected official, a political party or political action committee, can be made, on behalf of uab bank without prior approval from Senior Management.

### **Offers of employment**

Care must be taken when providing work experience or employments to people that are connected to, or are relatives of, senior public officials. Although it is not prohibited to employ

such staff, it is important to avoid any perception that any hiring is for an improper purpose. Where such a hiring is being considered, approval from Senior Management must be obtained.

### **General Procurement process**

In the procurement of goods and services, the receipt of anything of value from third party to employees is prohibited. The guidelines for procurement are stated in the Bank's Procurement Policy.

### **Loans, Credit Cards and Banking services**

No employee or third-party provider is to accept or receive bribes for approval or facilitation of loans, credit cards or any banking services. All fees and commission received by staff are to be strictly booked into the appropriate revenue accounts of the Bank.

## **7. Governance**

### **Board of Directors**

The Board of Directors will be responsible for reviewing and approving this Policy. The Board will also provide oversight through the Board Risk Committee which shall monitor all exceptions to this Policy

### **Senior Management**

Senior Management will have the collective duty to enforce and implement this Policy. Aside this, the obligations include:

- Leading by example: "Set the tone at the top"
- Holding other accountable for acting in accordance with our Code of Ethics, Policies, Frameworks
- Ensure that individuals under their supervision are aware of this policy
- Maintain workplace environment the encourages discussions
- Treat all complaints and reports confidentially

### **Obligations of Managers**

Management staffs at all levels are required to ensure that staff reporting to them are aware of this Policy, which includes acknowledgement on annual basis and adequate training provided to ensure understanding and compliance.

### **Support**

The Program lead will be the Risk & Compliance Department which will provide internal and external up-dates and make the necessary reports to the Management Committee and Board Risk Committee.

The Program will be reviewed for suitability, adequacy and effectiveness and improvements will be implemented where appropriate. The Risk and Compliance Department will make such monitoring and review and provide recommendations and feedback to Management and the Board on a regular basis.

All investigative duties will be performed by the Disciplinary Committee and supported by the Internal Audit Department.

Training courses are available at the uab bank Training School and the Human Resources Department will ensure that all employees are trained on this Policy and facilitate disciplinary measures.

## **8. Incident Reporting**

The Bank has adopted an Incident Reporting mechanism that require the reporting of all operational incidences and breach of policy. Such reporting is required to made by Compliance Officers and Section Heads within 24 hours of the incident to the Risk & Compliance Department and Operations Department at Head Office. Incidences are further escalated to the relevant Supervisors

Where a member of staff knows of an actual incident or breach of this Policy or any attempt to bribe or otherwise engage in corruption, he/she must report immediately to his/her Supervisor. Employees are encouraged to raise concerns and report violation without the fear of penalties or reprisals. Employee may also use following whistleblowing channels to report actual or potential violation of this policy:

- A. Direct Email Channel: [wb@uab.com.mm](mailto:wb@uab.com.mm)
- B. SMS Reporting Channel: 09 44 44 36 309

The Whistleblower Protection Policy of the Bank provides the necessary protection to those who report the whistleblower channels. You will find a copy of the Policy in the Bank's website.

If, in exceptional cases, deviation from this Policy is requested, such deviation must be discussed with Supervisors and Line Managers who should liaise with Senior Management to determine whether the request is acceptable and for the purposes of recording any such deviation together with the rationale for allowing any deviation.