

# BMMB ORGANISATIONAL ANTI-CORRUPTION PLAN (OACP) 2023 – 2025

# BMMB CHAIRMAN'S MESSAGE

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**Assalamualaikum & salam sejahtera.**

At Bank Muamalat Malaysia Berhad (BMMB), our commitment to create "Better lives, together" is more than just a brand message, but is a value that drives everything we do. I am proud to say that we are taking significant steps towards achieving our vision of becoming the preferred Islamic financial provider while delivering the best value to our stakeholders, society, and the environment.

To achieve this, we have developed the BMMB Organisational Anti-Corruption Plan (OACP) in accordance with the National Anti-Corruption Plan (NACP) requirement. The NACP represents the government's determination to combat corruption and integrity misconduct in Malaysia. Our OACP is an essential part of our organization's integrity agenda, which aims to establish a high level of integrity culture and professionalism in our product and service delivery.

Through effective execution, we are assured that the BMMB OACP plan and initiatives will have a positive impact on our efforts to achieve our vision and mission. Our hope is to successfully implement this plan to achieve an organization based on integrity, accountability, and professionalism.

**Tan Sri Tajuddin Atan**  
Chairman

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# EXCERPTS FROM PCEO, CCO AND CIGO'S MESSAGE

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"Integrity is not just a value, it's a courageous act of speaking the truth and doing the right thing. It's the foundation of a culture that fosters respect, joy, and positivity in the workplace, making every moment of our lives more meaningful and fulfilling. By embodying this culture, we can create a workplace where every staff feels valued and supported, allowing them to reach their full potential both professionally and personally"

**Khairul Kamarudin**

President & Chief Executive Officer

"Integrity is a vital component of economic success, and the cost of corruption can affect the entire business ecosystem, as a valuable asset that contributes to an organization's long-term success and stability. By upholding integrity in all aspects of business operations, we can ensure that our organization thrives and positively impacts the broader community"



**Mohamad Muhsin Bin Mohd Anas**  
Chief Compliance Officer

# EXCERPTS FROM PCEO, CCO AND CIGO'S MESSAGE

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"A work ethic rooted in integrity helps prevent corruption and misconduct from becoming the norm. Transparency and professionalism build customer trust, forming the pillars for sustainable business growth."

**Wan Kamarudin Wan Omar**  
Chief Integrity & Governance Officer

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# STATEMENT OF COMMITMENT

BMMB Organisational Anti-Corruption Plan (OACP) 2023 – 2025 represents the Bank’s commitment to combat corruption and integrity misconduct by having governance that promotes transparency, accountability and high standard of integrity culture. It is developed in accordance with the mandatory initiative prescribed in the National Anti-Corruption Plan (NACP).



## STRATEGY 6 – Inculcating Good Governance in Corporate

### 6.2 Greater Corporate Entities Resilience against the Threat of Corruption

6.2.1 To oblige the Statutory Bodies, State-Owned Enterprises (SOEs), Company Limited by Guarantee (CLBG) and private sector regulated by regulatory bodies to develop OACP with the assistance of three agencies, i.e. MACC, National Centre for Governance, Integrity and Anti-Corruption and the Malaysian Institute of Integrity (IIM).

## BMMB OACP as response to issues and challenges faced by Malaysia

### CORRUPTION PERCEPTION INDEX (CPI) 2022

The 2022 CPI by Transparency International shows that most countries failing to stop corruption with global average remains unchanged for over a decade at just 43 out of possible 100 points.

Malaysia in 2022 ranked at 61 out of 180 countries with the score of 47, a declined from 48 score in FY2021.

### NATIONAL RISK ASSESSMENT (NRA) 2020

Findings from the NRA assessment serve to guide reporting institutions to better assess effectiveness of their AML/CFT controls. Five high-risk crimes identified during the assessment were:



Fraud



Corruption



Smuggling



Organised Crimes



Drug Trafficking

### CORRUPTION IN BANKING INDUSTRY

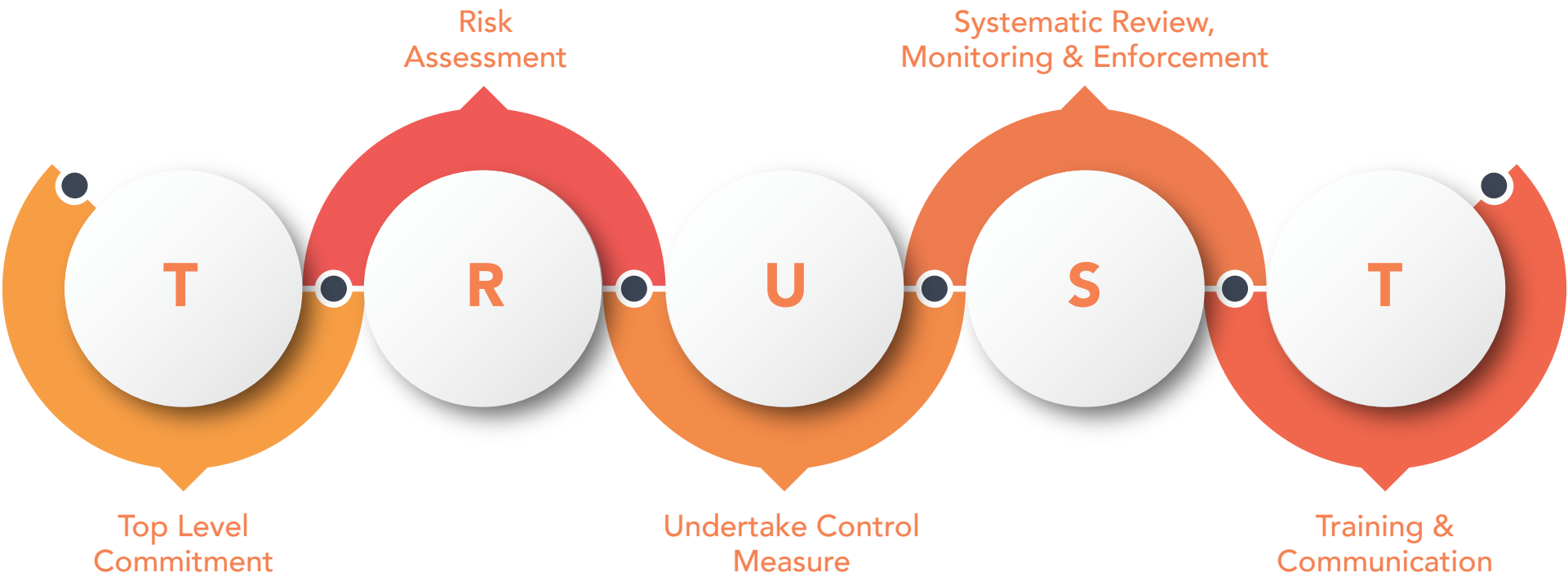
There have been a number of reported corruption cases involving banking institution, among others:

- Bank officer allegedly accepting bribes to ensure approval of financing application.
- Bank CEO arrested for misappropriation of bank’s fund.
- Bank officer facilitated scam syndicates to easily open accounts and conceal suspicious transaction reports.

# GUIDELINES ON ADEQUATE PROCEDURES



BMMB is committed to support Malaysia’s aspiration towards a corrupt-free nation, and as an effort to cultivate integrity practices within the Bank, a number of initiatives have been completed to ensure compliance with the following principles of Guidelines on Adequate Procedures issued by Prime Minister Department.



# BMMB OACP DEVELOPMENT

01

## Top Level Commitment

Approval for the development of a BMMB OACP with the assistance of the Malaysian Institute of Integrity (IIM) and appointment of FiMWC as OACP Committee

02

## Corruption Risk Assessment (CRA)

Development of BMMB CRA to identify potential risks of integrity and anti-corruption related governance

03

## Action Plan

Determine action plan to manage the identified potential risks, together with the responsible departments and its implementation milestone

04

## Refining

Review and refine of OACP document with IIM

- Corruption Risk Assessment (CRA) and Action Plan Workshops completed in January 2023
- Workshops participated by Designated Compliance Officers, representing departments in BMMB Head Office
- Data used during the workshops:

**BMMB POLICIES & PROCEDURES**

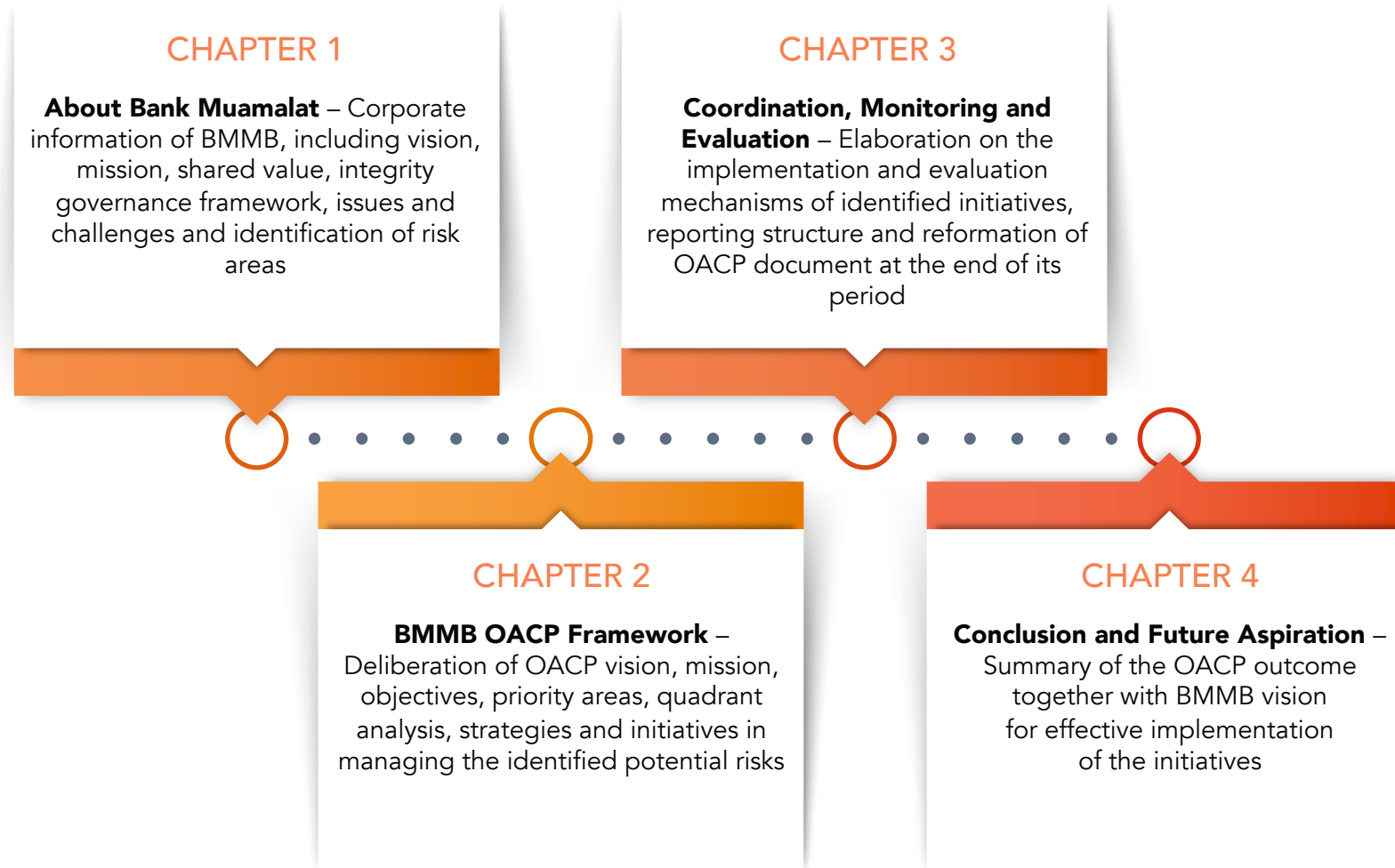
**RCSA**

**AUDIT REPORT**

**COMPLIANCE REPORT**

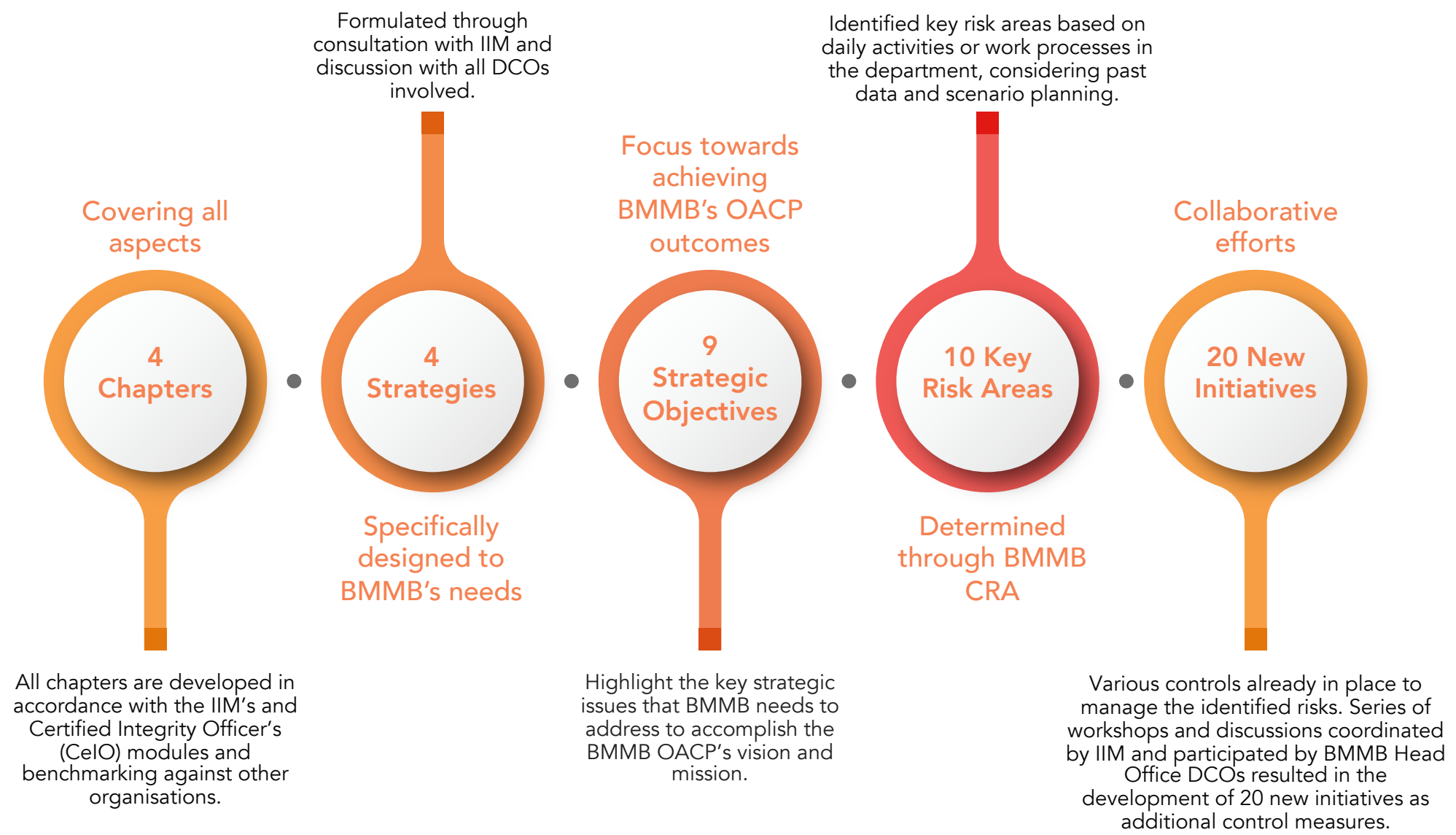
**SCENARIO PLANNING**

# BMMB OACP CHAPTERS





# SUMMARY OF BMMB OACP



# BMMB OACP VISION, MISSION & OBJECTIVES



## VISION

To become the preferred Islamic financial services provider that committed to high level of integrity and free from corrupt practices



## MISSION

To ethically deliver best value to stakeholders, society and environment



## OBJECTIVES

- To maintain good governance practices with clear priorities on integrity and anti-corruption strategies
- To ensure ethical, fair and transparent business practices for sustainable business growth
- To continuously strengthen integrity culture free from corruption among BMMB staff

# PRIORITY AREAS, STRATEGIES & STRATEGIC OBJECTIVES

BMMB OACP	PRIORITY AREAS	GOVERNANCE	BUSINESS	OPERATIONS	HUMAN CAPITAL DEVELOPMENT
	STRATEGIES	Strengthening governance in Bank Muamalat Malaysia Berhad (BMMB)	Provide Ethical, Fair and Transparent Business Services for Sustainable Business Growth	Strengthening Controls in Operations to Address Corruption Risk	Implement Appropriate Training on Integrity & Corruption Risk
	STRATEGIC OBJECTIVES	Ensure Adequate Internal Controls to Advocate Robust Control Mechanism	Strengthening Process Towards Ethical, Fair and Transparent Business Conduct	Minimize Corruption Risk in the Bank's Processes and Operation	High Level of Staff Awareness Against Threat of Bribery and Corruption
		Promote Governance Through Strengthening of Accountability and Professionalism	Cultivate Integrity Culture in Daily Business Activities	Promote Ethical Work Process Through Strengthening of Accountability	Foster Professionalism, Accountability & Integrity of Bank Staff
				Address Weaknesses and Minimize Risks in the Bank's Processes and Operations	

# SIGNIFICANT INITIATIVES

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1 >

## TRAINING AND AWARENESS

Continuous and ongoing awareness programme on Anti-Bribery & Corruption, integrity related matters, product transparency, fair treatment and safeguard of customers' data

2 >

## INTEGRITY STRENGTHENING

Instil the spirit of BMMB Code of Conduct among BMMB staff and to examine the effectiveness of the Code via integrity tools

3 >

## ANTI-BRIBERY & CORRUPTION CONTROL

Periodic Corruption Risk Profiling and Corruption Risk Assessment to further identify potential anti-corruption and integrity risks, together with its mitigation control

4 >

## PROCESS ENHANCEMENT

Strengthen existing processes and procedures, including enhancement of dual control functions and impose enhancement of related policies and procedures

# COORDINATION, MONITORING & EVALUATION

## IMPLEMENTATION MECHANISM

### EXECUTION TIER

Respective initiatives' owner with collaboration with DCO to execute the OACP's initiatives and update the progress in the MORIS System



### SUPERVISION TIER

IGU to monitor all initiatives are executed adequately and in accordance to the timeline stated in the OACP

## COORDINATION, MONITORING & EVALUATION

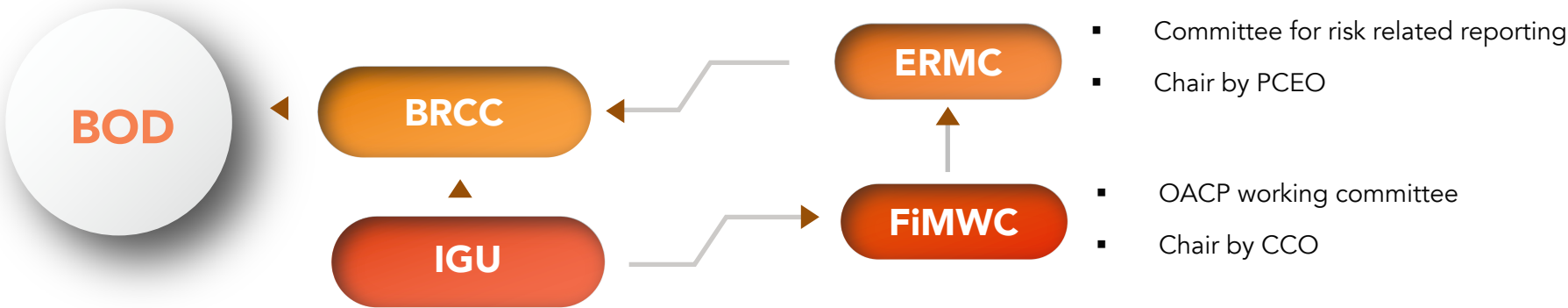
The initiatives implementation progress are continuously tracked and assessed to determine successful implementation via half-yearly progress report



On annual basis, IGU will evaluate the completed initiatives to gauge their effectiveness and update the OACP document should there is necessary changes to the initiatives' activities with a view to ensure all identified risks are appropriately managed

## OACP IMPLEMENTATION ACHIEVEMENT REPORT AND REFORMATION

IGU to provide OACP implementation achievement reports to senior management and Board Committee on annual basis. Governance structure for the reporting as follows:



The implemented OACP initiatives will be evaluated at the end of the document period of 2025 and the reformed OACP will be issued in the following year

# ACKNOWLEDGEMENT



Special thanks to those who have taken the time in providing us with essential content of The Bank and designing the BMMB Organisational Anti-Corruption Plan 2023-2025.

# ABBREVIATIONS



**AML/CFT**

Anti-Money Laundering and  
Counter-Terrorist Financing

**BMMB**

Bank Muamalat Malaysia Berhad

**CCO**

Chief Compliance Officer

**CeIO**

Certified Integrity Officer

**CIGO**

Chief Integrity & Governance Officer

**CLBG**

Company Limited by Guarantee

**CPI**

Corruption Perception Index

**CRA**

Corruption Risk Assessment

**DCO**

Designated Compliance Officers

**FiMWC**

Fraud & Integrity Management  
Working Committee

**IGU**

Integrity & Governance Unit

**IIM**

The Malaysian Institute of Integrity

**MACC**

Malaysian Anti-Corruption Commission

**MORIS**

Muamalat Operational Risk Solution

**NACP**

National Anti-Corruption Plan

**OACP**

Organisational Anti-Corruption Plan

**PCEO**

President & Chief Executive Officer

**RCSA**

Risk Control Self-Assessment

**SOE**

State-Owned Enterprise



For further information or enquiries, you may reach us at:

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