



Education
MALAYSIA
GLOBAL SERVICES

**TERMS OF
REFERENCE
INTEGRITY AND
GOVERNANCE UNIT
[“TOR IGU”]**

Table of Contents

1.0	Background.....	2
2.0	Organisational Structure of the Unit.....	2
3.0	Roles and responsibility	2
4.0	Head of EMGS Integrity and Governance Unit (“Head of EMGS IGU”).....	4
5.0	Review.....	4

1.0 Background

- 1.1 EMGS Integrity and Governance Unit (the “Unit”) was established pursuant to Prime Minister’s Directive No.1 of 2018, Series 1 No.1 of 2018 dated 5th October 2018 (herewith known as “2018 Directive”); and to demonstrate EMGS’s on-going commitment towards good governance.
- 1.2 The 2018 Directive sets out that all Heads of Government-Linked Companies (GLCs), companies owned by the Ministry and Government agencies including State Government to establish an Integrity and Governance Unit (IGU).
- 1.3 The 2018 Directive further stipulates that the role of the IGU is to foster principle of abhorring corruption, abuse of power and malpractices at EMGS through four(4) core functions, namely:
 - a) Complaints Management;
 - b) Detection and Verification;
 - c) Integrity Enhancement; and
 - d) Governance.

2.0 Organisational Structure of the Unit

- 2.1. The Unit would be headed by the Head of EMGS Integrity and Governance (herewith referred to as “Head of EMGS IGU”); and where appropriate (at discretion of the EMGS’s Audit Committee Chairman) and without compromising the perception of independence of the unit, shall be administratively assisted by the following divisions/functions within EMGS:
 - Internal Audit Function;
 - EMGS Corporate Strategy Division;
 - Corporate Secretary Function;
 - And on matters regarding website and EMGS intranet facilities such as email, EMGS IT Personnel.

3.0 Roles and responsibility

- 3.1 EMGS’s Organisational Anti-Corruption Plan (“OACP”)
 - 3.1.1. Head of EMGS IGU shall develop and facilitate implementation of OACP in addressing integrity, governance and anti-corruption issues within EMGS and in relations to EMGS’s functions.
 - 3.1.2. Head of EMGS IGU may at his discretion work together with other organisations in implementing the OACP which includes, but not limited to the following:
 - Malaysian Anti-Corruption Commission(MACC);
 - National Center for Governance, Integrity, and Anti-Corruption (GIACC); and
 - Malaysian Institute of Integrity (IIM).
 - 3.1.3. The OACP may include the following activities/initiatives:
 - Periodic Internal Control Reviews especially on business area/business processes where risk of bribery and corruption is present;
 - Training/awareness initiatives for vendor; business partners and Malaysian Education Institutions.
 - 3.1.4. Head of EMGS IGU shall monitor OACP implementation and periodically review them in accordance with Prime Minister’s Directive 2019 and other similar directives.
- 3.2 Custodian of EMGS Code of Conduct and Business Ethics (the “Code”)
 - 3.2.1. Point of reference for to address any clarification in regards to any ambiguity and potential conflict arising from the Code.

- 3.2.2. Coordinate dissemination of the Code with relevant EMGS personnel.
- 3.2.3. Ensure Head of Division communicates the code to counterparty and relevant third party and obtain signed declaration of their awareness on the Code
- 3.3 Conflict of Interest Declaration
- 3.3.1. The Head of EMGS IGU oversees the conflict of interest reporting mechanism and in prescribing necessary action plan that should be taken in order to avoid appearance of conflict before any approval on transaction/contract is granted by highest office bearers designated in EMGS's Limit of Authority (LOA).
- 3.3.2. Head of EMGS IGU shall ensure that declaration of board members and key management personnel's interest as stipulated in the ABC Policy is done to the general public via the EMGS website (as part of director's biography) and/or via annual report.
- 3.4 Whistleblowing mechanism
- 3.4.1. The Head of the EMGS Integrity and Governance Unit shall oversee the whistleblowing mechanism in place at EMGS and act as first point of recipient of any or potential violation of EMGS Code of conduct, local regulations and laws otherwise known as tipping.
- 3.4.2. In line with the Whistleblowing policy, Head of EMGS IGU shall use his/her discretion in escalating concerns/tipping that may implicate board members to the Ministry of Higher Education for further action.
- 3.5 Gift Policy
- 3.5.1. In line with EMGS's Gift Policy, Head of EMGS IGU alongside with Head of Divisions of EMGS shall oversee continuous compliance towards the Gift Policy including its awareness, periodic audits and gift declaration mechanism.
- 3.6 Reporting to Public Body
- 3.6.1. The Head of EMGS IGU shall be responsible in submitting periodic report on the implementation of EMGS's OACP to relevant public bodies in Malaysia
- 3.7 EMGS Website
- 3.7.1. The Unit shall coordinate respective Head of Divisions at EMGS in regards to the Governance section of EMGS Corporate website is updated with the following:
- EMGS Code of Business Conduct and Business Ethics ("Code") ;
 - EMGS Anti Bribery and Corruption Policy ("ABC Policy");
 - EMGS Whistleblowing Policy;
 - EMGS Conflict of Interest Policy; and
 - EMGS Gift Policy
- 3.8 Internal Audit
- 3.8.1. In line with EMGS ABC, Head of EMGS IGU shall assist the Board in ensuring that internal control reviews of key business processes and functions are conducted periodically and includes compliance against applicable EMGS Code and EMGS policies and procedures.
- 3.9 Review of EMGS Policies and Procedures
- 3.9.1. Head of EMGS IGU shall from time to time as prescribed in the respective policies or whenever necessary review, update and seek board approval, and disseminate updated versions the following policies and procedure:
- EMGS Code of Business Conduct and Ethics ("Code");

- EMGS Anti Bribery and Corruption Policy (“ABC”);
- EMGS Conflict of Interest Policy (“COI Policy”);
- EMGS Whistleblowing Policy; and
- EMGS Gift & Hospitality Policy (“Gift Policy”)

4.0 Head of EMGS Integrity and Governance Unit (“Head of EMGS IGU”)

- 4.1 Head of EMGS IGU shall be appointed by the Audit Committee Chairman of EMGS in accordance with the Audit Committee Terms of Reference (“TOR of AC”) and shall be functionally responsible to the EMGS Board.
- 4.2 Head of EMGS IGU is administratively responsible to the Ministry of Higher Education and Management of EMGS.
- 4.3 Head of EMGS IGU shall possess the necessary competence based on standards stipulated by agencies such as MACC, GIACC and/or IIM; and shall possess independence not just in appearance but in mind in order to effectively discharge his/her roles and responsibility stipulated here.

5.0 Review

- 5.1 The Head of EMGS IGU shall review this terms of reference (IGU TOR) at least biennially or as and when required. The review shall include identifying improvements to the terms of reference and other matters before presenting to EMGS Board for their approval.