

APPENDIX 2

RED FLAGS

The following is a non-exhaustive list of possible red flags and do not necessary mean that corruption exists, but multiple warning signs/indications simultaneously raise the likelihood:

- a) Non-competitive evaluation process;
- b) Higher-than-average prices for goods or services;
- c) Employees becoming too friendly with vendors/suppliers;
- d) Pressure on staff to use a particular vendor/supplier;
- e) Continued use of vendors/suppliers who provide poor quality products or services;
- f) Been offered an unusually generous gifts or lavish benefits or entertainment;
- g) Known to engage in, or has been accused of engaging in improper business practices, improper conducts or has a reputation for paying or soliciting bribes;
- h) Demands gifts, kickbacks, commission or fees before committing or continue to sign up a contract/deal;
- i) Requests that payments is made to a country or geographic location different from where he/she resides or conducts business;
- j) Refuses to provide or provide insufficient, false, or inconsistent information in response to due diligence questions;
- k) Request the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us, or a shell entity serves as a middlemen especially when domiciled in secrecy haven;
- l) Not acting on his own behalf, but is trying to conceal the identity of the true beneficial owner;
- m) Has a reputation of having a “special relationship” with a government, political party or other public official or has been specially requested by a public official;
- n) Refuses to sign a commission or fee agreement or insist on the use of a side-letter relating to the payment of funds;
- o) Requests an unusually large or misappropriate commission, retainer, facilitation fee or other fees or an unexpected additional fee or commission to “facilitate” a service;
- p) Requests payment in cash or cash equivalent such as a money order but refuses to provide an invoice or receipt;
- q) Provide an invoice or receipt that appears to be non-standard or customizes;
- r) Requests that a transaction be structured to evade normal record-keeping or reporting requirements;
- s) Refuses to abide by this Policy or does not demonstrate that it has adequate internal anti-bribery and corruption policies and procedures in place.

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