



PBA HB

PBA Holdings Bhd

200001012513 (515119-U)

Memenuhi segala keperluan bekalan air anda

Meeting all your water supply needs

ORGANISATIONAL ANTI-CORRUPTION PLAN (OACP)

PARVEEN KAUR A/P PALL SINGH

INTEGRITY SENIOR EXECUTIVE

**CERTIFIED INTEGRITY OFFICER (CEIO) FOR
GOVERNMENT LINKED COMPANY**

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- Source of risk (based on 7 terms of Corruption Risk Management reference)
- Existing controls and effectiveness
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I - Introduction

PBA HOLDINGS BHD. (PBA) - HOLISTIC WATER SUPPLY MANAGEMENT

PBA Holdings Bhd.'s principal subsidiary is Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP), the licensed water operator that serves the State of Penang in Malaysia. With a land area totalling only 1,048 sq. km, Penang is a state with unlimited potential but very limited raw water resources. Our primary business is to sustain continuous good water supply in Penang. With population growth and increasing socio-economic developments, we have to employ holistic water supply management strategies. As such, we manage both water demand and supply in a water-stressed state.

KEY CORPORATE OBJECTIVES

1. Uninterrupted water supply
2. Customer satisfaction
3. Skilled, competent and motivated workforce
4. Effective teamwork
5. Timely and orderly development of water resources
6. Productive utilisation of financial and other resources
7. Continuous improvement in all fields
8. Compliance with all relevant legislations
9. Effective relations with government agencies and industrial organisations

VISION

Meeting all your water supply needs.

MISSION

Be the leading organisation in water supply.

COMMITMENT

We will be environmentally sensitive, responsible, proactive, professional, innovative and committed to excellence and sustainable development.

We will be responsible for the development of water supply and delivering the best possible service by being customer-oriented.

CORE VALUES

Accountability

Communication

Teamwork

Integrity

On-Going Learning

New Ways of Improvement

CORPORATE INFORMATION



PBA Holdings Bhd 200001012513 (515119-U)

BOARD OF DIRECTORS

YAB TUAN CHOW KON YEOW
Non-Independent and Non-Executive Chairman

YB DATO' Ir. HAJI AHMAD ZAKI YUDDIN BIN ABD. RAHMAN
Non-Independent and Non-Executive Deputy Chairman

YB PROF. DR. P. RAMASAMY A/L PALANISAMY
Non-Independent and Non-Executive Director

YB PUAN ZABIDAH BINTI SAFAR
Non-Independent and Non-Executive Director

YB TUAN ZAIRIL KHIR JOHARI
Non-Independent and Non-Executive Director

YB TUAN MUHAMMAD FAIZ BIN FADZIL
Non-Independent and Non-Executive Director

YBHG. DATO' AGATHA FOO TET SIN
Senior Independent and Non-Executive Director

YBHG. DATO' BRIAN TAN GUAN HOOI
Independent and Non-Executive Director

PUAN MARY GERALDINE PHIPPS
Independent and Non-Executive Director

ENCIK HA CHARM MUN
Independent and Non-Executive Director

CIK LIM KIM SUAN
Independent and Non-Executive Director

CORPORATE STRUCTURE



PBA SIGNS CORPORATE INTEGRITY PLEDGE WITH THE MALAYSIAN ANTI-CORRUPTION COMMISSION (MACC)

On Monday, 18 April 2016, PBA became the first water operator in the Northern Region to sign the Corporate Integrity Pledge (CIP) with the Malaysian Anti-Corruption Commission (MACC), thus marking yet another milestone in the annals of PBA.

The CIP signing is an important corporate commitment that supports anti-corruption principles. All PBA employees have pledged not to be involved in any form of corruption.

PURSUANCE TOWARDS ECONOMIC SUSTAINABILITY

Compliance with Requirements and Regulations

We understand that meeting regulatory requirements lays the foundation for a healthy company with transparent operations. Hence, strictly adhering to regulatory requirements is important to us. Management allocates sufficient resources to ensure effective and timely responses to regulatory developments. At the same time, the Group constantly monitors its compliance performance.

We carried out internal reviews and audit programmes to benchmark our performance against regulatory targets and the industry's best practice. These initiatives help us identify areas for improvement and to familiarise our employees with the regulatory requirements.

The following is a list of primary rules and regulations that are related to the Group's business and operations:-

1. Penang Water Supply Enactment 1998
2. Water Services Industry Act 2006
3. National Water Services Commission Act 2006
4. Water Services Industry (Licensing) Regulations 2007
5. Personal Data Protection Act 2010
6. Water Services Industry (Water Reticulation & Plumbing) Rules 2014
7. Water Services Industry (Water Services Deposits, Fees & Charges) Regulations 2014
8. Water Services Industry (Water Supply Services Agreement Between Consumer and Water Distribution Licensee) Rules 2014
9. Water Services Industry (Rates for Water Supply Services) (State of Penang) (Amendment) Regulations 2015
10. Water Services Industry (Bulk Water Supply Agreement) Rules 2015
11. Uniform Technical Guidelines 2017

During the year, Suruhanjaya Perkhidmatan Air Negara (“SPAN”) conducted a regulatory audit at various facilities. They assessed PBAPP’s quality performance monitoring for water quality service. We provided full assistance and support to the auditors throughout the audit. No major issues were reported and the Group managed to achieve and maintain positive KPI results throughout the year in assessment.

We are constantly adapting our business to new regulations. The Malaysian Anti-Corruption Commission (Amendment) Act 2018 took effect on 1 June 2020. Furthermore, SPAN introduced an Integrity and Anti-bribery Framework in 2019 for water operators. We have formed an Integrity Committee to ensure compliance with integrity regulations and laws.

Conducting business ethically and with integrity is important to improve our stakeholders’ confidence in us. The Board set the tone from the top by approving PBA’s Integrity Framework. It consists of the Integrity Policy and procedures pertaining to the prevention, detection and management of bribery and corruption. The Integrity Policy is disclosed on the PBA website. In November 2020, PBA with the MACC conducted an Integrity training session. It was attended by Top Management and Executives. PBA with the MACC have been continually conducting further sessions for the staff of the entire company.

BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Group is led by Board members who have a wide range of competencies and experience ranging from the accounting, business, legal and public service sectors.

The Board of the Company strives to ensure that the Company’s strategic objectives set are well-conveyed throughout the Company in order to achieve the Company’s short and long term goals of the Company as a fundamental

part of discharging its responsibilities to protect and create value for all stakeholders and raise the Company's performance. The Board is guided by the prevailing legal and regulatory requirements such as the Companies Act 2016 and the Main Market Listing Requirements, the Malaysian Code on Corporate Governance, as well as the Company's Constitution and Board Charter in discharging its fiduciary duties and responsibilities. The Board had ensured that it had set the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Company.

All the Directors of the Company had objectively discharged their duties and responsibilities at all times as fiduciaries in the best interests of the Company.

Presently, the Board comprises only Non-Executive Directors and their role is to provide constructive challenge, strategic guidance, offer specialist advice and hold the Management to monitor and account in delivering the approved targets and business plans within the risk appetite set by the Board. They have free and open contact with the Management at all levels and they engage with the external and internal auditors to address matters concerning the Management. They will monitor business performance and scrutinize the performance of Management against the Company's objectives and targets.

To enable the Board to carry out its responsibilities in meeting the Company's goals and objectives, the Board had, among others carried out the following as guided by the Board Charter:-

- a. To develop, monitor and review the Group's strategic plan to ensure that sufficient resources are available or have been allocated to meet its objectives;
- b. To ensure the Group's core values, vision and mission and shareholders' interests are met;
- c. To supervise the operations of the Group and evaluate whether established targets are achieved;
- d. To identify principal risks and ensure the implementation of appropriate systems to manage these risks;

- e. To promote better investor relations and shareholder communication;
- f. To review the adequacy and the integrity of the Group's internal control systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- g. To set up such committees, policies and procedures to effectively discharge the Board's roles and responsibilities;
- h. To initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for Directors to attend courses, seminars and participate in development programs as the Board judges appropriate;
- i. To ensure that the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility; and
- j. To monitor the compliance with all relevant statutory and legal obligations.

The Board delegates the ordinary Management of the Group's business to the Chief Executive Officer ("CEO") and Management Committee of Division Heads and Heads of Department. Management's performance was assessed by the Board through the quarterly reports which were tabled to the Board. The reports included a comprehensive summary of the Company's risks and financial performance during each reporting period. The Board is also kept informed of the key strategic initiatives, significant operational issues and the Company's performance based on the approved Key Performance Indicators ("KPIs").

In order to ensure the effective discharge of its functions and responsibilities to oversee the Company's affairs, specific powers of the Board were delegated to the related Board Committees and CEO. The Board Committees consists of the Audit and Risk Management Committee ("ARMC") and the Nomination and Remuneration Committee ("NRC").

The Board Committees are entrusted with specific responsibilities to oversee the Company's affairs with authority to act on behalf of the Board in

accordance with their respective terms of reference. Although specific powers are delegated to the Board Committees, the Board keeps itself abreast of the key issues and decisions made by each Board Committee through the reports by the Chairpersons of the Board Committees.

However, significant matters such as approval of financial results, declaration of dividends, risk appetite setting, short term and medium-term business plans/policies, annual budget and appointment of key responsible persons are reserved for the Board's considerations and approval.

The Board is committed to maintaining a good risk management framework and sound system of internal control within the Group.

The Board is aware of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 had taken effect on 1 June 2020. The amended MACC Act incorporates corporate liability on corruption. It applies to both a commercial organisation and its employees.

CORRUPTION

The MACC defines corruption is the act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his/her job description.

The Corporate Research and Investigations Group reports that combating corruption has increasingly risen to the top of policymakers and company agendas. Despite the fact that it has long been a prevalent issue, there is a greater awareness of the negative implications of corruption on both social and economic development. Malaysia has a history of implementing measures to tackle corruption and bribery, with cases occurring for the past four decades and no indication of it slowing. Cases such as the Sabah Water Department, 1MDB, Port Klang Free Zone (PKFZ) and Immigration Department Scandal in 2018 illustrate how corruption and bribery are embedded within Malaysia's political and government institutions. As such, efforts must be made to tackle

it effectively, with evidence suggesting that the increasing number of agencies which aim to do so are failing. However, the adoption of newly devised measures such as the introduction of corporate liability for corruption offences coming into effect in June could be a turning point for tackling bribery and corruption within Malaysia.

Increased efforts have been made to combat corruption, both nationally, regionally and globally due to the growing concern regarding its increasing incidence and negative implications. As a result of the extensive nature of corruption and bribery, the World Bank once identified it as one of the key barriers to social and economic development. Corruption is regarded as a complex, multifaceted phenomenon. Nevertheless, it is widely defined as the abuse of public power and violation of rules for private gains. Whilst there is a perception that it is carried out primarily by government officials, this issue can take place across a range of sectors and be executed by those other than government officials. Forms of corruption which take place include bribery, extortion, fraud, embezzlement, blackmail, illegal gambling, laundering and nepotism, all in which encompass the abuse and misuse of public power and authority. This includes public officials taking or offering bribes through money or service which is dishonest. Subsequently, it is often the abuse of trusted power for the benefit of personal gain. It is considered as a consequence of poor governance and undermines the legitimacy of the state.

CORRUPTION OFFENSES

Four (4) main offences stipulated in the Malaysian Anti-Corruption Act 2009 (MACC Act 2009) (Act 694):-

1. Soliciting/Receiving Gratification (Bribe) [Sections 16 & 17(a) MACC Act 2009]
2. Offering/Giving Gratification (Bribe) [Section 17(b) MACC Act 2009]
3. Intending to Deceive (False Claim) [Section 18 MACC Act 2009]
4. Using Office or Position for Gratification (Bribe) (Abuse of Power/Position) [Section 23 MACC Act 2009]

CORRUPTION RISK ASSESSMENT WITHIN PBA

PBA shall perform an annual corruption risk assessment, or when and where required, to identify, analyse and assess the internal and external corruption risks.

PBA shall understand its exposure to corruption risk at a group level, as well as at a department level.

PBA shall assess how existing systems and controls are managing these corruption risks. The risk assessment results will determine the appropriate processes and controls to mitigate the identified corruption risks.

The risk assessment results and the remedial actions shall be reported to the Board and to the Suruhanjaya Perkhidmatan Air Negara.

ORGANISATIONAL ANTI-CORRUPTION PLAN (OACP)

PBA is in the midst of setting up an Organisational Anti-Corruption Plan (OACP) for the Group.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Risk Management Committee (“RMC”) was formed in April 2002 by the Board. It is chaired by the CFO and comprises the CEO, Division Heads and Heads of Department. Since 2012, an enhanced Enterprise-wide Risk Management (“ERM”) framework has been incorporated within the Group to ensure a continuous and iterative process towards the enhancement of risk management across the Group.

The Board is committed to maintaining a good risk management framework and sound system of internal control within the Group. The Group embedded a risk management process for the identification, evaluation, reporting, treatment, monitoring and review of the major strategic, business and

operation risks within the Group. The Board through the ARMC would obtain updates on the periodic check on the internal control system.

The ARMC oversees and reviews the risk management and internal controls of the Company. The ARMC reviews and endorses the risk management framework, guidelines and other key components of risk management for implementation within the Company and throughout the Group. The ARMC also reviewed and endorsed the risk profiles of the Group. In addition, the ARMC reviewed the progress of ongoing risk management activities to identify, evaluate, monitor and manage key risks.

The ARMC also oversees the risk management framework of the Group, reviews the risk management policies formulated by the Management and advises the Board on areas of high risk identified by the Group and the adequacy of compliance and controls.

The details of the risk management are set out in the Statement of Risk Management and Internal Control (“SORMIC”) in PBA’s Annual Report. The SORMIC was reviewed by the external auditors who have reported that nothing has come to their attention that had caused them to believe that the said SORMIC is inconsistent with their understanding of the process the Group has adopted in the review of the adequacy and effectiveness of the Group’s risk management and internal control systems.

Treatment of risk requires the identification and evaluation of existing controls. The risks are further reviewed considering the controls implemented. Further monitoring and evaluation of risks are carried out from time-to-time to ensure that the controls remain relevant. The monitoring and reporting of risks, controls and management actions are carried out using the ERM system.

In addition, the Company has an in-house internal audit function within the Group where the Head of the Internal Audit, who reports directly to the ARMC, undertook an independent assessment on the internal control system on a quarterly basis and assured the ARMC that no material issue or major

deficiency had been noted which would pose a high risk to the overall system of internal control under review. The role of Internal Auditor is to provide independent and objective reports on the organisation's management, records, accounting policies and internal control.

On 3 May 2021, an Integrity Senior Executive was hired to comply with the requirements of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The following are a list of integral controls mechanisms in place:-

1. Quality Policy
2. Environmental Policy
3. Occupational Safety & Health Policy
4. Risk Management Policy
5. Whistleblower Policy
6. Information Security Policy
7. Code of Ethics
8. Integrity Policy
9. Integrity Procedure
10. Integrity Complaint Mechanism Procedure
11. Facilitation Payment

In line with PBA's zero-tolerance towards Bribery and Corruption, Directors, Employees and Associated Persons are strictly prohibited from offering, promising or making Facilitation Payments.

In the event where a request for payment or actual payment has been made under duress as a direct result of violence or threats to the personal safety of the Director, Employee or Associated Person, the payment be reported as soon as practicable.

12. Dealings with Associated Persons

PBA shall perform the appropriate due diligence on its Associated Persons to determine the level of corruption risk they pose to PBA prior to their engagement. Associated Persons are strictly prohibited from being empanelled and/or providing services to or on behalf of PBA prior to the completion of the necessary due diligence procedures.

PBA shall perform due diligence and monitoring of its Associated Persons as and when required in accordance with established timelines, and upon the occurrence of the triggered event as listed Dealing of Associated Persons.

PBA shall establish appropriate controls to ensure that payments to Associated Persons are not for the purposes of making bribes or Facilitation Payments.

All contracts with Associated Persons shall include appropriate Integrity contractual safeguard clauses.

This section should be read in conjunction with the following:-

- a. Procedure on Tender Guidelines;
- b. Procedure on Quotation Guidelines; and
- c. Section 5 of the Procedure of PBA.

13. Gifts, Entertainment and Travel

The following Gifts, Entertainment and Travel fall outside of the scope of the Gifts, Entertainment and Travel Policy:-

- a. Gifts, Entertainment and Travel offered by PBA's Directors or Employees to other PBA's Directors or Employees, including their spouse/partner/children;
- b. Gifts, Entertainment and Travel received by PBA's Directors or Employees to other PBA's Directors or Employees' spouse, partner or children; and

- c. Gifts, Entertainment and Travel given or received in a purely personal capacity, provided it is:-
 - i. not connected to the person's employment with PBA;
 - ii. purely social and not related to PBA's business; and
 - iii. not paid for by PBA.

Directors and Employees shall continue to adhere to the key principles when undertaking the activity(ies) of the Gifts, Entertainment and Travel Policy, and shall not abuse the personal capacity exemption to circumvent the said Policy requirements on Gifts, Entertainment and Travel.

All giving of Gifts, Entertainment and Travel shall not be for the purpose of bribing, inducing or obtaining or retaining business, gaining an unfair advantage, influencing a government or regulatory decision for PBA or seeking illegal personal gain. For the avoidance of doubt, all receipt of Gifts, Entertainment and Travel shall not influence the business decisions of the Directors or Employees, and should be made in PBA's best interest.

Directors and Employees may accept invitations to social events or Entertainment within reason according to the scope of their business activities provided that these events or Entertainment activities:-

- a. do not conflict with the key principles in this Policy or to any ethical duties to PBA or to the Associated Persons; or
- b. do not become a regular feature, such that an obligation is created by the receiving of the events or Entertainment activities resulting in a decision that advantages the offeror's business.

Directors and Employees may, at their personal capacity attend events organised or paid for by external parties provided that there is no potential, perceived or actual Conflicts of Interest.

All offers and acceptance of Gift, Entertainment and Travel shall be approved by the relevant decision-makers pursuant to their respective Limits of Authority.

This section should be read in conjunction with PBA's Code of Ethics, PBA's Procedure on Accounts Payable, Cash Advance, Travelling Claim and Other Miscellaneous Claim Payment Operating Policies and Procedures.

14. Donations and Sponsorships

PBA, its Directors and Employees shall not provide donations or sponsorship with the following intentions:-

- a. bribing, inducing, obtaining or retaining business for PBA;
- b. gaining an unfair advantage for PBA;
- c. influencing a government or regulatory decision for PBA; or
- d. seeking illegal personal gain.

All giving and receiving of donations and sponsorships shall be carried out in accordance with the key principles of this Policy. For the avoidance of doubt, all receipt of donations and sponsorships shall not influence the business decisions of the Directors or Employees, and should be made in PBA's best interest.

Directors and Employees shall ensure that all donations and sponsorships are not used to hide or disguise Bribery and other improper payments or used to circumvent or avoid any of the provisions in PBA's Code of Ethics.

Directors and Employees may give or receive donations and sponsorship in a purely personal capacity, provided it is:-

- a. not connected to the person's employment with PBA;
- b. purely social and not related to PBA's business; and
- c. not paid for by PBA.

For the avoidance of doubt and notwithstanding, Directors and Employees shall not abuse the exemptions of this Policy to circumvent the Policy requirements on donations and sponsorships. Donations and sponsorships that give rise to actual or potential Conflicts of Interest shall be avoided, in line with PBA's Code of Ethics.

15. Managing Conflicts of Interest

Directors and Employees shall:-

- a. not knowingly place themselves in a position that would be in conflict with the interest or statutory duties of PBA;
- b. not accept or receive personal benefits arising from their employment capacity;
- c. not use their position, official working hours, PBA's 's resources and assets for personal gain or to PBA's disadvantage;
- d. not handle matters on behalf of PBA's in situations where they have an interest that conflicts with those of PBA's; and
- e. report any interests and situations that they know of, which give rise to actual or potential Conflicts of Interest.

16. Employment and Hiring

PBA shall not provide employment opportunities or similar offers to any person, including Associated Persons or persons related to an Associated Person for the purpose of bribing, inducing or obtaining or retaining business, gaining an unfair advantage, influencing a government or regulatory decision for PBA or seeking illegal personal gain.

To ensure that no element of corruption is involved in the hiring process, the recruitment of Employees shall be based on an approved selection criterion to ensure that only the most qualified and suitable individuals are employed and that the offer is supported by a genuine legitimate business need.

The offering of employment opportunities or similar offers, are only permissible if the following criteria are satisfied:-

- a. candidate selection is merit-based; and
- b. candidates are subject to the same selection process and checks regardless of sourcing channel (e.g. referrals, external applications).

Hiring decisions which could give rise to actual or potential Conflicts of Interest shall be avoided.

For the avoidance of doubt, this shall apply to the recruitment of all Employees, irrespective of whether the position is permanent temporary, including but not limited to, graduate scheme places, internships, work experience placements, apprenticeships or contract-based roles, or permanent (including fixed-terms employees) as per HR Policy and Procedure on Recruitment.

17. Escalation and Issues Management

Non-compliance:-

- a. Non-compliance with this Policy will be escalated to the Integrity Officer for further investigation.
- b. If the non-compliance with this Policy involves the Director(s) or a member(s) of the Senior Management, then escalation shall be made to the Board as soon as practicable.
- c. The investigation and disciplinary proceedings shall be co-ordinated by the Integrity Officer, Division Head of Human Resource pursuant to PBA's Disciplinary Procedure and, where relevant, with the endorsement of the Board.
- d. The outcome of the investigation will determine the appropriate disciplinary actions to be taken against the Director, Employee or Associated Person.
- e. In the event where a wrongdoing is established:-
 - I. PBA shall notify the relevant regulatory authority(ies) where Bribery or Corruption incidents have been identified;

- II. PBA shall provide full co-operation with the said regulatory authority(ies); and
- III. Directors and Employees may be subject to civil and/or criminal proceeding.

II - Organisational Anti-Corruption Plan (OACP)

******Please refer to the next page******

BORANG RUMUSAN DATA - LAPORAN SPRM

AD 02A

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Bribery
WHAT? Isu/ Permasalahan/ Kelemahan	Procurement staff accepting gifts from vendors without declaration of their personal interest and award vendors who do not provide the best value for the company.
WHEN? Bila kesalahan dilakukan	From 2021 to 2022
WHERE? Di mana kesalahan dilakukan	Procurement office located at Komtar, Penang
WHO? Pelaku yang terlibat	Procurement staff
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. For personal gain 2. Abuse of power and position
HOW? Bagaimana kesalahan dilakukan	Abuse of power

BORANG RUMUSAN DATA - LAPORAN TATATERTIB

AD 02B

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Integrity
WHAT? Isu/ Permasalahan/ Kelemahan	Hiring based on personal interest
WHEN? Bila kesalahan dilakukan	From 2021 to 2022
WHERE? Di mana kesalahan dilakukan	HR & Administration headquarters located at Komtar, Penang
WHO? Pelaku yang terlibat	HR's Hiring Division
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. Pressure from top management to hire a certain candidate 2. Protect HR's interest in the organisation
HOW? Bagaimana kesalahan dilakukan	Abuse of power

BORANG RUMUSAN DATA - LAPORAN TATATERTIB

AD 02B

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Integrity
WHAT? Isu/ Permasalahan/ Kelemahan	Finance department staff issued payment to vendor based on claims with false documents.
WHEN? Bila kesalahan dilakukan	2021
WHERE? Di mana kesalahan dilakukan	Finance Department at headquarters in Komtar, Penang
WHO? Pelaku yang terlibat	Account Payable Executive and vendor
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. Lack of supervision during check and control process 2. Lack of integrity awareness 3. Financially burdened
HOW? Bagaimana kesalahan dilakukan	Manipulation of system

BORANG RUMUSAN DATA LAPORAN AUDIT

AD 02C

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Integrity
WHAT? Isu/ Permasalahan/ Kelemahan	Finance department staff issued payment to vendor based on claims with false documents.
WHEN? Bila kesalahan dilakukan	2021
WHERE? Di mana kesalahan dilakukan	Finance Department at headquarters in Komtar, Penang
WHO? Pelaku yang terlibat	Account Payable Executive and vendor
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. For personal gain 2. Conflict of interest 3. Abuse of power
HOW? Bagaimana kesalahan dilakukan	Breach of Account Payable Policy and Procedures

BORANG RUMUSAN DATA LAPORAN AUDIT

AD 02C

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Integrity
WHAT? Isu/ Permasalahan/ Kelemahan	Hiring based on personal interest
WHEN? Bila kesalahan dilakukan	From 2021 to 2022
WHERE? Di mana kesalahan dilakukan	HR & Administration headquarters located at Komtar, Penang
WHO? Pelaku yang terlibat	HR's Hiring Division
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. Pressure from top management to hire a certain candidate 2. Protect HR's interest in the organisation
HOW? Bagaimana kesalahan dilakukan	Abuse of power

BORANG RUMUSAN DATA ADUAN

AD 02D

NAMA ORGANISASI	PBA Holdings Bhd.
KATEGORI (R/G/I)	Bribery
WHAT? Isu/ Permasalahan/ Kelemahan	Procurement staff accepting gifts from vendors without declaration of their personal interest and award vendors who do not provide the best value for the company.
WHEN? Bila kesalahan dilakukan	From 2021 to 2022
WHERE? Di mana kesalahan dilakukan	Procurement office located at Komtar, Penang
WHO? Pelaku yang terlibat	Procurement staff
WHY? Punca Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. For personal gain 2. Abuse of power and position
HOW? Bagaimana kesalahan dilakukan	Abuse of power

BORANG RUMUSAN HASIL SOAL SELIDIK

AD 02F

NAMA ORGANISASI	PBA Holdings Bhd.
DEMOGRAFIK SOAL SELIDIK	Survey conducted towards 200 respondents from various categories of positions and tenure group wide
ISU RASUAH	Approximately 30% of respondents fail to grasp the concept of bribery
ISU GOVERNANS	<ol style="list-style-type: none">1. Approximately 10% of respondents are not aware of the policies related to anti-bribery2. Approximately 30% of respondents agree some of anti bribery policies & procedures are ambiguous and obsolete3. Approximately 15% of respondents lack the understanding towards basic integrity principles
ISU INTEGRITI	<ol style="list-style-type: none">1. Approximately 20% of respondents agree that employers are biased when allocating rewards and recognition benefits (bonus, promotion)2. Approximately 40% of respondents agree with the punitive action against wrongdoers do not commensurate with the misconduct committed.
ISU KAWALAN DALAMAN	<ol style="list-style-type: none">1. Lack of checks and balances within the internal processes2. Lack of awareness of complaint reporting channels3. No tone from the top, lack of commitment/involvement from top management

BORANG KESIMPULAN KESELURUHAN ANALISIS DATA

AD 03

NAMA ORGANISASI		PBA Holdings Bhd.
KATEGORI DATA	RASUAH	1. Procurement staff accepting gifts from vendors without declaration of their personal interest and award vendors who do not provide the best value for the company.
	GOVERNANS / INTEGRITI	1. HR & Administration abuses the authority provided by PBA by manipulating the hiring process and employing new hires based on personal interest and in breach of HR's procedures. 2. Finance department staff issued payment to vendor based on claims with false documents.

BORANG SENARAI RISIKO MENGIKUT BIDANG DAN AKTIVITI ORGANISASI

CRA 01

Nama Organisasi: PBA HOLDINGS BHD.

Bidang	Operasi	Kewangan	Sumber Manusia
Aktiviti Utama	<ol style="list-style-type: none"> 1. Solution and product research 2. Inventory management 3. Procurement process optimization 4. RFP management 5. ROI analysis 6. Supplier evaluation and selection 7. Risk and compliance management 8. Contract negotiation 9. Data analysis 	<ol style="list-style-type: none"> 1. Undertake the financial duties of the organisation involving both internal and external parties. 2. Ensuring the organisation's financial policies are complied with. 3. Prepare and present annual budgets to the management and the Board. 4. Preparing of the organisation's annual financial report. 	<ol style="list-style-type: none"> 1. Human resource management involves staffing, training, disciplinary action, reward management and recognition 2. Manage the organisation's human resource planning
Isu/ Permasalahan/ Kelemahan	<ol style="list-style-type: none"> 1. Procurement staff accepting gifts from vendors without declaration of their personal interest and award vendors who do not provide the best value for the company. 	<ol style="list-style-type: none"> 1. Finance department staff issued payment to vendor based on claims with false documents. 	<ol style="list-style-type: none"> 1. HR & Administration abuses the authority provided by PBA by manipulating the hiring process and employing new hires based on personal interest and in breach of HR's procedures.

BORANG SENARAI RISIKO

CRA 02

Nama Organisasi: PBA HOLDINGS BHD.

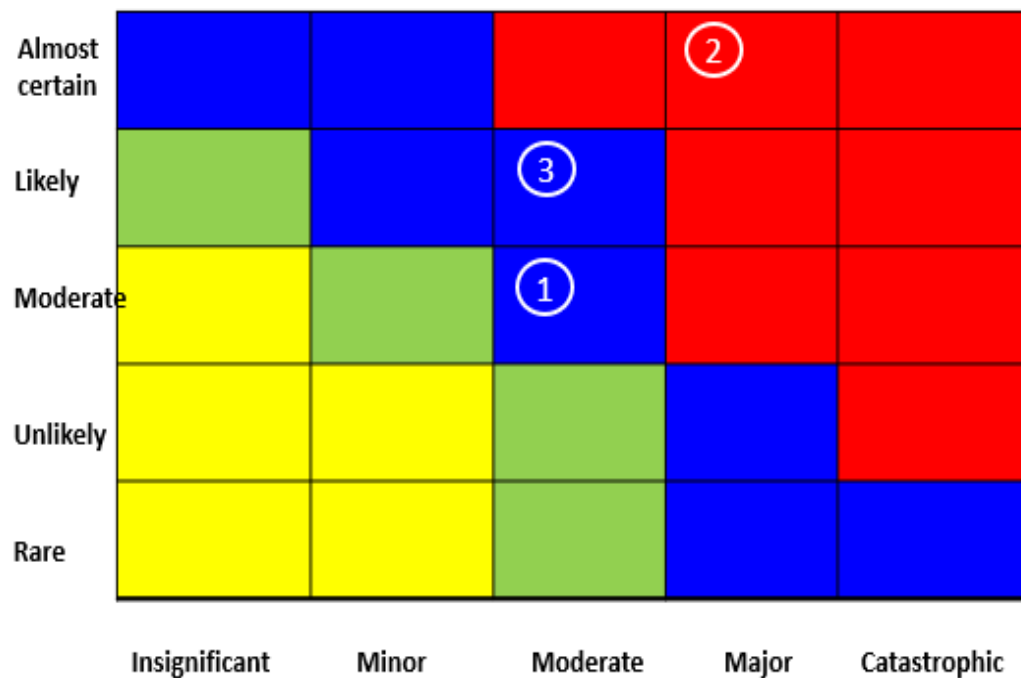
Kategori	Rasuah	Governans dan Integriti
Isu/ Permasalahan/ Kelemahan	1. Procurement staff accepting gifts from vendors without declaration of their personal interest and award vendors who do not provide the best value for the company.	1. HR & Administration abuses the authority provided by PBA by manipulating the hiring process and employing new hires based on personal interest and in breach of HR's procedures. 2. Finance department staff issued payment to vendor based on claims with false documents.

RISIKO	KATEGORI (RASUAH/ INTEGRITI/ GOVERNANS)	PUNCA	KESAN	KAWALAN SEDIA ADA	KEBERKESANAN KAWALAN SEDIA ADA	RESIDUAL RISK		
						IMPACT	LIKELIHOOD	RATING
Hiring based on personal interest	Integrity / Governance	<ul style="list-style-type: none"> Abuse of power Personal interest outweighs the best interest of the company 	<ul style="list-style-type: none"> Not attaining the level of required competence Fail to perform duty as per procedure The company's reputation is tarnished Low employee morale 	<ul style="list-style-type: none"> MACC Act Internal audit Hiring SOPs Conflict of Interest Policy 	Some weaknesses	Moderate	Moderate	Significant
Claims with false documents	Integrity	<ul style="list-style-type: none"> Lack of monitoring by supervisors Lack of integrity awareness Financially burdened 	<ul style="list-style-type: none"> Loss to the company The company's reputation is tarnished Low employee morale 	<ul style="list-style-type: none"> MACC Act Internal audit Code of Business Conduct and Ethics Internal Investigations SOP on claims 	Some weaknesses	Major	Almost certain	High
Accepting gifts from vendors without declaration	Bribery	<ul style="list-style-type: none"> Ambiguity in gift policy regarding the definition of gifts that can be received by employees Good working relationship between employees and vendors 	<ul style="list-style-type: none"> The company is obliged to the vendor in question Affects objectivity in company evaluation during project awards The company's reputation is tarnished Low employee morale 	<ul style="list-style-type: none"> MACC Act Internal audit Gifts & Entertainment Policy integrity and Anti-Corruption Pledge Disclosure Policy 	Some weaknesses	Moderate	Likely	Significant

RISIKO	KATEGORI (RASUAH/ INTEGRITI/ GOVERNANS)	KAWALAN TAMBAHAN	TERMA RUJUKAN	TANGGUNGJAWAB	TEMPOH MASA	TARGETED RISK		
						IMPACT	LIKELIHOOD	RATING
Hiring based on personal interest	Integrity / Governance	<ol style="list-style-type: none"> Annual declaration on conflict of interest Training on the Conflict of Interest Policy 	<ol style="list-style-type: none"> TOR 5 TOR 3 	<ol style="list-style-type: none"> IGU IGU/HR 	<ol style="list-style-type: none"> September 2022 August 2022 	MODERATE	UNLIKELY	MODERATE
False claims without supporting documents	Integrity	<ol style="list-style-type: none"> Improve on the SOP for claims Improve supervisor monitoring 	<ol style="list-style-type: none"> TOR 2 TOR 5 	<ol style="list-style-type: none"> Finance Finance 	<ol style="list-style-type: none"> June 2022 June 2022 	MODERATE	LIKELY	SIGNIFICANT
Accepting gifts from vendors without declaration	Bribery	<ol style="list-style-type: none"> Training on the Gift & Entertainment Policy Improve on the Gift & Entertainment SOP Increase conducting awareness and publicity programs 	<ol style="list-style-type: none"> TOR 3 TOR 2 TOR 3 	<ol style="list-style-type: none"> IGU/HR HR IGU 	<ol style="list-style-type: none"> June 2022 June 2022 June 2022 	MODERATE	MODERATE	SIGNIFICANT

RISK MAP – SENARAI RISIKO MENGIKUT BIDANG KEUTAMAAN

Nama Organisasi PBA HOLDINGS BHD.
RISK MAP – (Tarikh penilaian risiko)



No	Risiko	Bidang Keutamaan
1	Hiring based on personal interest	
2	Claims with false documents	
3	Accepting gifts from vendors without declaration	

SENARAI BIDANG KEUTAMAAN

PEMILIK RISIKO: PBA HOLDINGS BHD.

RISIKO (HIGH & SIGNIFICANT) <i>RUJ:CRA03</i>	KATEGORI RISIKO	BIDANG KEUTAMAAN	KAWALAN TAMBAHAN (INISIATIF OACP) <i>RUJ:CRA04</i>	STRATEGI OACP
	(R/G/I)			
Hiring based on personal interest	G/I	1. MANAGEMENT 2. GOVERNANCE	1. Annual declaration on conflict of interest 2. Training on the Conflict of Interest Policy	GOVERNANCE Improving effectiveness and transparency in governance
Claims with false documents	I	1. FINANCE 2. MANAGEMENT	1. Improve on the SOP for claims 2. Improve supervisor monitoring	MANAGEMENT Cultivate a high integrity work environment
Accepting gifts from vendors without declaration	R	1. GOVERNANCE 2. MANAGEMENT	1. Training on the Gift & Entertainment Policy 2. Improve on the Gift & Entertainment SOP 3. Increase conducting awareness and publicity programs	FINANCE Implement financial management efficiently and in an orderly manner so that the interest of the organisation will be protected by ensuring there is no waste of financial resources

Borang Pelan Tindakan OACP

Bidang Keutamaan	MANAGEMENT							
Strategi	Cultivate a high integrity work environment							
Objektif Strategik	Enhance and monitor compliance in accordance with the relevant regulations and instructions received							
Inisiatif	Bahagian / Cawangan Peneraju	Tempoh Masa	Pemantauan dan Penilaian	Tanggungjawab				Key Performance Indicator (KPI)
				R	A	C	I	
1. Implement procedures for enforcement actions to be carried out 2. Improve on quality of supervisor's monitoring 3. Improving on the Gift and Entertainment SOP 4. Ensure an annual conflict of interest declaration	1. HR 2. Finance 3. HR 4. HR	1. June 2022 2. Dec 2022 3. May 2022 4. Sept 2022	Top Management Meeting	Head of Unit	Head of Department	Top Management	CEO	Time Quality

Borang Pelan Tindakan OACP

Bidang Keutamaan	FINANCE							
Strategi	Implement financial management efficiently and in an orderly manner so that the interest of the organisation will be protected by ensuring there is no waste of financial resources							
Objektif Strategik	Empowering financial management with efficiency, trust and integrity							
Inisiatif	Bahagian / Cawangan Peneraju	Tempoh Masa	Pemantauan dan Penilaian	Tanggungjawab				Key Performance Indicator (KPI)
				R	A	C	I	
Improving the Claim Management SOP	Finance	June 2022	Top Management Meeting	Head of Unit	Head of Department	Top Management	CEO	Time Quality

Borang Pelan Tindakan OACP

Bidang Keutamaan	GOVERNANCE							
Strategi	Improving effectiveness and transparency in governance							
Objektif Strategik	Building comprehensive governance encompassing all aspects of management and operations							
Inisiatif	Bahagian / Cawangan Peneraju	Tempoh Masa	Pemantauan dan Penilaian	Tanggungjawab				Key Performance Indicator (KPI)
				R	A	C	I	
ISO 37001 Anti-Bribery Management Systems (ABMS)	IGU	July 2023	Board of Directors Meeting	Head of Department	Top Management	CEO	Board of Directors	Time Quality Quantity

Borang Pelan Tindakan OACP

Bidang Keutamaan	GOVERNANCE							
Strategi	Improving effectiveness and transparency in governance							
Objektif Strategik	Cultivate integrity and high values of governance							
Inisiatif	Bahagian / Cawangan Peneraju	Tempoh Masa	Pemantauan dan Penilaian	Tanggungjawab				Key Performance Indicator (KPI)
				R	A	C	I	
1. S17A MACC Act Training 2. Awareness training on the Whistleblowing Policy 3. Training on the Gift and Entertainment Policy 4. Increase awareness and publicity programs 5. Training on the Conflict of Interest Policy 6. Training on Integrity awareness	IGU / HR	Every (6) months	Board of Directors Meeting	Head of Unit	Head of Department	Top Management	CEO	Time Quality

Borang Pelaporan Pelaksanaan dan Pemantauan

Bidang Keutamaan	Strategi	Objektif Strategik	Inisiatif	Key Performance Indicator (KPI)	Status Pelaksanaan	Outcome	Cadangan / Ulasan
Finance	Implement financial management efficiently and in an orderly manner so that the interest of the organisation will be protected by ensuring there is no waste of financial resources	Empowering financial management with efficiency, trust and integrity	Improve on the SOP for claims	Time Quality	In the process of implementation	The level of awareness is increasing	According to schedule

Borang Kerangka Pelan Antirasuah Organisasi (OACP)

Visi	Meeting all your water supply needs with the highest integrity		
Misi	Reinforced integrity and corrupt-free governance will make us a leading organisation in water supply		
Matlamat	Becoming the leading water supply organisation without corruption		Ensuring efficient, responsible and prudent financial management
Bidang Keutamaan	MANAGEMENT	GOVERNANCE	FINANCE
Strategi	Cultivate a high integrity work environment	Improving effectiveness and transparency in governance	Implement financial management efficiently and in an orderly manner so that the interest of the organisation will be protected by ensuring there is no waste of financial resources