



ORGANISATIONAL ANTI-CORRUPTION STRATEGY 2024 - 2028

QHAZANAH SABAH BERHAD

#LeadWithIntegrity

TABLE OF CONTENT



From the Chairman's Desk	ii
GCEO's Statement	iii
HIGU's Foreword	iv
Abbreviations & Acronyms	v
Executive Summary	vi
Chapter 1: Introduction	1 - 6
Chapter 2: Our Integrity Journey	7 - 15
Chapter 3: Our OACS's Development	16 - 26
Conclusion	27 - 30
Credits	31
Appendices	32 - 40

FROM THE CHAIRMAN'S DESK



Bismillahirrahmanirrahim, Assalamualaikum W.B.T.

I am proud to present the Organisational Anti-Corruption Strategy (OACS) 2024-2028, marking a significant milestone in Qhazanah Sabah Berhad's ongoing commitment to maintaining the highest standards of integrity and governance. This strategic initiative underlines our firm stance on zero-tolerance for corruption, ensuring that integrity and transparency are embedded across all levels of our organisation.

At QSB, we recognise that fostering a culture of ethical behaviour is not only a legal responsibility but a moral duty. Our Integrity and Governance Unit (IGU) plays a crucial role in driving this mission, overseeing the implementation of effective internal controls and governance frameworks. Through this unit and the OACS, we align ourselves with national and state-level aspirations, including the National Anti-Corruption Strategy (NACS) 2024-2028 and the Sabah Maju Jaya (SMJ) Development Plan 2021-2025, reinforcing our dedication to sound governance and ethical practices.

The OACS outlines a comprehensive approach to preventing, detecting, and addressing corruption. This strategy is more than a document—it is a commitment to proactive action that strengthens our operations, enhances accountability, and fosters an organisational culture where ethical conduct is the norm. Additionally, QSB has obtained the ISO 37001:2016 Anti-Bribery Management System (ABMS) certification, further ensuring that we meet international standards and comply with the Ministerial Guidelines on Adequate Procedures under Section 17A of the MACC Act 2009.

Finally, I would like to extend my congratulations to QSB's top management for successfully formulating the OACS QSB 2024-2028. I look forward to seeing this strategy become a platform for advancing QSB's integrity, governance, and compliance agenda. With strong support from all stakeholders, I am confident that we will achieve the objectives of the OACS and continue to set the benchmark for ethical leadership in the industry.

Thank you.

A handwritten signature in black ink, appearing to read "Yusof Yacob".

DATUK DR. YUSOF YACOB
CHAIRMAN
QHAZANAH SABAH BERHAD

GCEO'S STATEMENT



At Qhazanah Sabah Berhad (QSB), integrity and good governance are at the heart of everything we do. As one of the key Government-Linked Companies (GLC) in Sabah, we are committed to upholding the highest ethical standards while driving sustainable growth. Corruption remains a significant obstacle to development, and we are dedicated to fostering a culture of transparency and accountability.

To further strengthen this commitment, QSB has successfully obtained the ISO 37001:2016 Anti-Bribery Management System (ABMS) certification. This internationally recognised standard provides a robust framework for preventing, detecting, and addressing bribery risks. Achieving this certification involves enhancing our policies, procedures, and controls to ensure the highest levels of integrity in our operations.

Further reinforcing our anti-corruption efforts, we have established the Integrity and Governance Unit (IGU) in line with the Prime Minister's Directive No. 1 of 2018. This unit plays a key role in managing integrity-related issues and enforcing governance initiatives across the organisation. Our efforts also align with the Sabah Maju Jaya (SMJ) Development Plan 2021-2025, reflecting the state government's commitment to ethical business practices.

To provide a structured approach, we have introduced the Organisational Anti-Corruption Strategy (OACS) for 2024-2028, built on three strategic pillars: Enhancement, Education, and Compliance. These guide action plans that serve as key performance indicators for relevant divisions and departments, ensuring measurable progress in our integrity initiatives. The successful completion of drafting the OACS is a testament to our dedication to integrity and governance. We extend our heartfelt congratulations to the Steering Committee and OACS editorial team for their hard work and commitment in developing this initiative.

Moving forward, QSB remains steadfast in fostering an ethical, transparent, and corruption-free business environment. Through collective action and a strong commitment to good governance, we aim to build public trust and contribute to a sustainable and prosperous future for Sabah.

Ahmad Rizal Dahli
DATUK AHMAD RIZAL DAHLI
GROUP CHIEF EXECUTIVE OFFICER
QHAZANAH SABAH BERHAD

HIGU'S FOREWORD



Alhamdulillah, Qhazanah Sabah Berhad (QSB) has successfully embarked on a new chapter in strengthening integrity and governance by introducing a new paradigm through the publication of the QSB Organizational Anti-Corruption Strategy (OACS) for 2024–2028.

The primary objective of this strategy is to implement and maintain a good standard of corporate governance, integrate ESG principles, and ensure a commitment to integrity that extends beyond anti-corruption measures—encompassing social responsibility and environmental protection—while further strengthening our compliance framework to ensure adherence to all relevant laws, regulations, and ethical best practices.

The publication of this plan supports the call of the Sabah State Government, as articulated in the Sabah Maju Jaya (SMJ) 2021–2025 Development Plan, which reflects the Government's inspiration to implement an Action Plan and good Governance Plan for Sabah.

The OACS is introduced as an inclusive approach to reinforcing integrity and preventing corruption. It is structured and continuously programmed around three key strategies—Enhancement, Education, and Compliance—and will serve as a Key Performance Indicator (KPI) for all divisions and departments/units within QSB throughout 2024–2028.

Furthermore, the development of the QSB OACS is one of the prerequisites for achieving the ISO 37001:2016 Anti-Bribery Management System (ABMS) certification, which is currently being pursued by QSB.

It is our hope that with the implementation of the QSB OACS 2024–2028, QSB will be recognized as one of the leading Government-Linked Companies (GLCs) dedicated to addressing integrity issues and strengthening governance, as well as being acknowledged as an organization committed to translating the government's vision into a robust Action Plan and good corporate Governance Plan for Sabah.

Nurahim Abd Rahim

NURAHIM BIN ABD RAHIM

HEAD

INTEGRITY AND GOVERNANCE UNIT
QHAZANAH SABAH BERHAD

GLOSSARY

ABBREVIATIONS & ACRONYMS

ABMS	Anti-Bribery Management System
BIGC	Board Integrity & Governance Unit
BOD	Board of Directors
CRA	Corruption Risk Assessment
CRM	Corruption Risk Management
ESG	Environmental, social, and governance
FD	Finance Division
GLC	Government-Linked Company
IGU	Integrity & Governance Unit
MOF	Ministry of Finance
NACP	National Anti-Corruption Plan
NACS	National Anti-Corruption Strategy
OACS	Organisational Anti-Corruption Strategy
QSB	Qhazanah Sabah Berhad
IGU	Integrity & Governance Unit
IT	Information Technology Division
HRAD	Human Resource & Administration Division
IA	Internal Audit Unit
LAPD	Legal & Property Division
P&C	Policy & Compliance Unit



EXECUTIVE SUMMARY

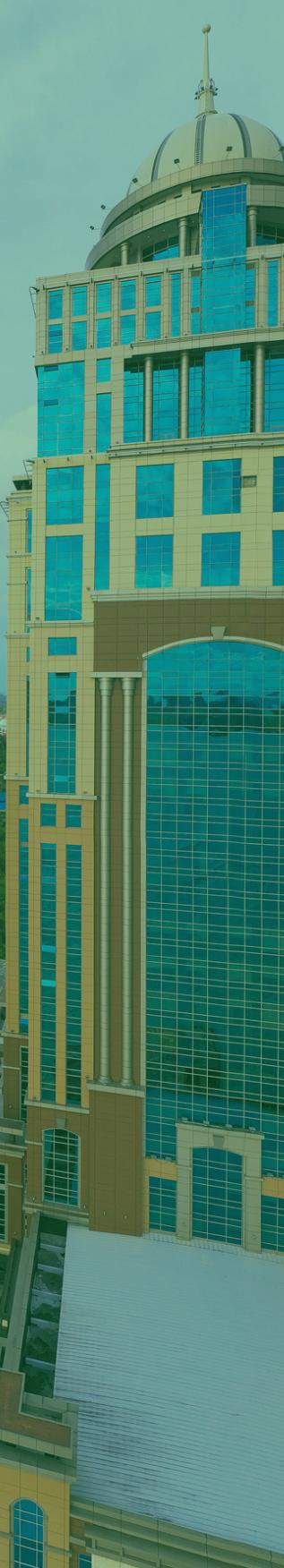
The **National Anti-Corruption Plan (NACP) 2019 - 2023** achieved significant milestones, completing 77% of its initiatives. Building up to this success, the **National Anti-Corruption Strategy (NACS) 2024-2028** introduces a comprehensive framework to address governance, integrity, and anti-corruption challenges nationwide.

In alignment with NACS, QSB has formulated its **Organisational Anti-Corruption Strategy (OACS) 2024 - 2028** to serve as a strategic guide for combating corruption and promoting integrity within the organisation. The OACS outlines integrated action plans to address governance challenges, mitigate corruption risks, and enhance ethical standards across the company.

This initiative highlights QSB's commitment to create and maintain a clean and zero-corruption work environment, aiming to reduce misconduct and uphold the highest standards of integrity among its staff.

CHAPTER 1

Introduction



QHAZANAH SABAH GROUP AT A GLANCE

Qhazanah Sabah Berhad (QSB) was incorporated on 6th April 1995 as an investment arm of Sabah State Government under the Malaysian Companies Act 1965. It was initially incorporated as a public company limited by shares but subsequently became a private limited company on 15th September 1995. Following the rebranding to QSB in year 2021, the company status was changed to a public company limited by shares the same year.

Since its establishment, QSB has been operating under the purview of Sabah State Ministry of Finance (MOF). Our primary objective is to function as a catalyst to drive Sabah's economic development and growth in various sectors and at the same time creating opportunities for both the people and players in the industry.

QSB generates revenues from its subsidiary companies which operate in various business ventures ranging from ports management and services, telecommunication, vehicle fleet management and related services, energy, property development and healthcare services, wholesale and trading of consumer goods.

Today, QSB is well on track to not only actively participate in economic developments of the State but also equip itself to embark on new ventures and innovation in modern technologies to ensure it lives up to the expectation as the enabler of Sabah's economy.

QSB VISION, MISSION AND OBJECTIVES

VISION

To establish QSB as Sabah State Government's strategic partner in economic development

MISSION

To support the State Government's vision of transforming Sabah into a progressive and developed state.

OBJECTIVES

- 01** To act as a catalyst for the development of economic sectors identified by the State Government
- 02** To act as the corporate vehicle to equip the State Government with the required skills and resources for overseas ventures and greenfield projects, and to provide a conductive economic environment for Malaysian non-Sabah companies to set-up operations or undertake joint ventures in Sabah.
- 03** To assist the Small Medium Industries in the State as well as the development and participation of Bumiputeras.

CORPORATE PHILOSOPHY



3 PRINCIPLES



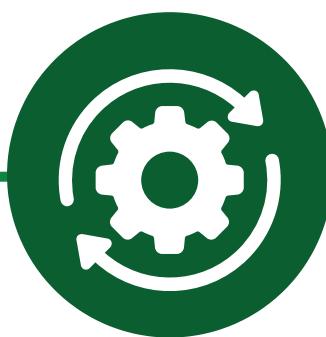
PROTECT

Protect the exclusive rights and interest of Sabah



PRESERVE

Preserve the wealth and ownership of Sabahan



PROGRESS

Progress economics growth and development of Sabah

5 Core Values



Work Quality

A common consideration in managing the performance of task, programs, projects and individuals.



Work Ethic

The ability to maintain proper moral values within the workplace.



Teamwork

The collaborative effort of a group to achieve a common goal or to complete a task in the most effective and efficient way



Mutual Respect

Underpins good relationships amongst employees within an organization. To have respect for a person involves a fundamental belief in their right to exist, to be heard, and to have the same opportunities as everyone else.

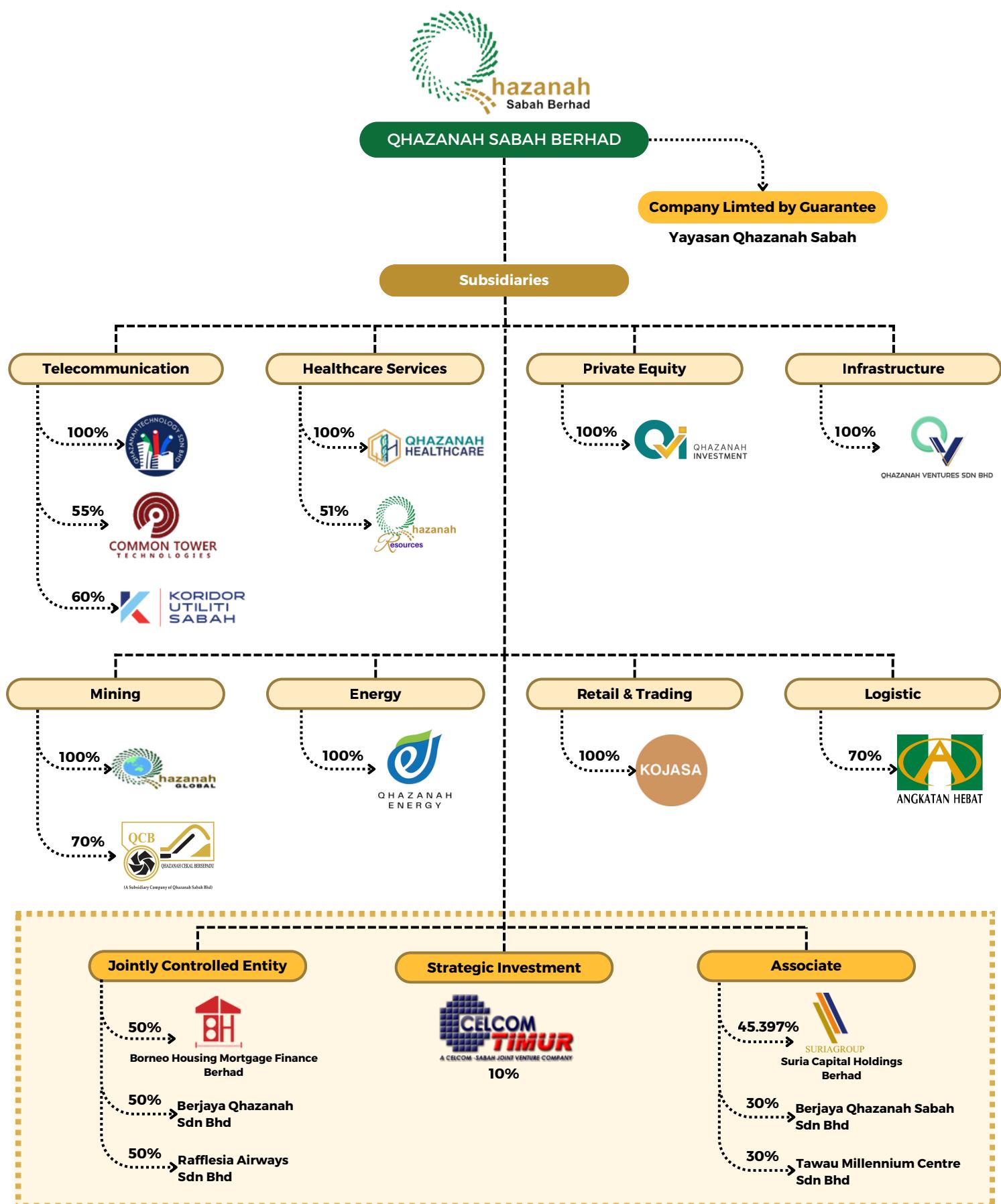


Positive Thinking

Approach unpleasantness in a more positive and productive way



QSB GROUP STRUCTURE



CHAPTER 2

Our Integrity Journey



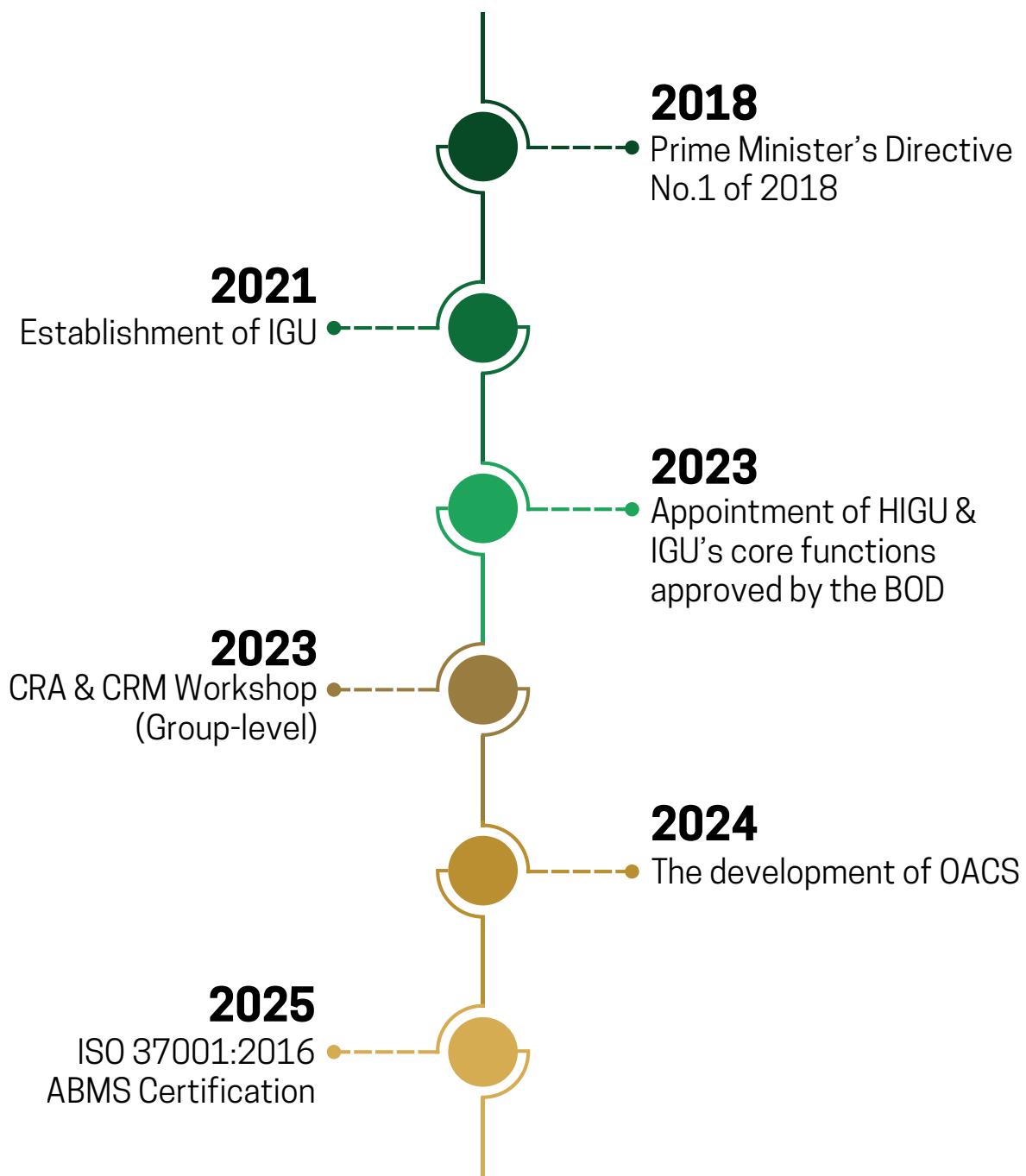
"Integrity is choosing your thoughts and actions based on values rather than personal gain." - Chris Karcher



Lead With Integrity

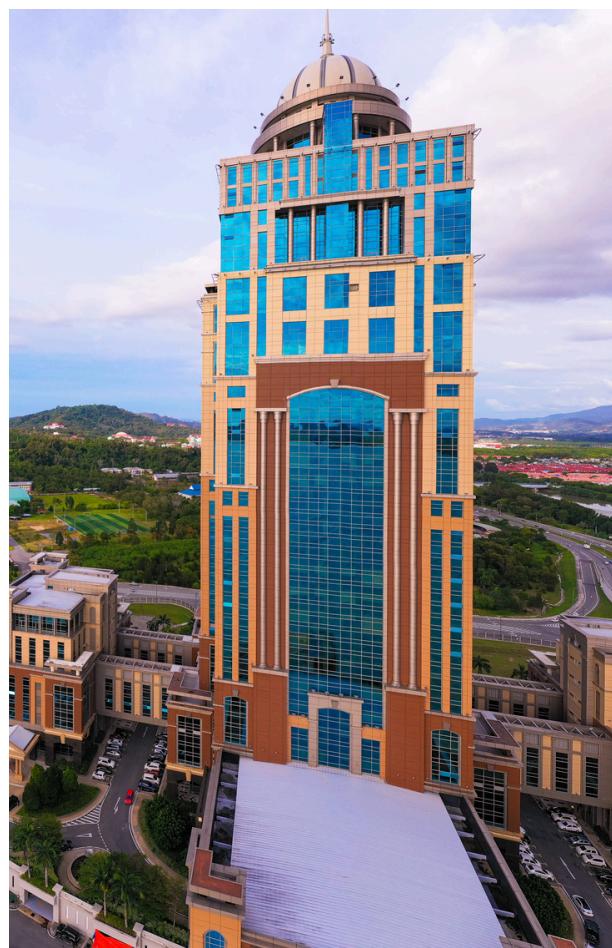
This motto signifies QSB's strong commitment to ethical leadership, promoting a culture of sincerity, accountability, and transparency in every aspect of its operations.

INTEGRITY TIMELINE



Integrity

is choosing your thoughts and actions based on values rather than personal gain.



MALAYSIAN ANTI-CORRUPTION COMMISSION (MACC) ACT 2009

Corruption is defined as an act of giving or receiving of any gratification or reward in the form of cash or in-kind of value for performing a task in relation to his/her job description.

Main offences stipulated in MACC Act 2009



- 01 **Section 16 & 17(a):** Soliciting / receiving gratification (bribe)
- 02 **Section 17(b):** Offering / giving gratification (bribe)
- 03 **Section 18:** Intending to deceive (false claim)
- 04 **Section 23:** Using office or position for gratification (abuse of power/position)

Introduction of “Corporate Liability” for bribery and corruption through Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, effective 1st June 2020.

“ Section 17A (1): a commercial organisation commits an offense if an associated person promises gratification to any person with an intent to obtain or retain business or an advantage in the conduct of business for commercial organisation. ”

REQUIREMENT FOR THE CLAUSE 6.1 & 6.2 OF ISO 37001:2016 ABMS

CRM JOURNEY

The establishment of OACS is a requirement by Malaysia's National Anti-Corruption Strategy (2024 - 2028). It is developed using information derived from the Corruption Risk Assessment (CRA) which was conducted in 14-22 August 2023 with the assistance of GIC Pro Network.

This OACS is focused on corruption-related challenges within the company. Initiatives and action plans are identified as control measures based on the CRA, uniting all Governance, Integrity and Anti-Corruption efforts to strengthen the organisation's fight against corruption.



Datuk Abdul Wahab bin Abdul Aziz, CEO of GIC Pro Network together with participants from QSB during CRM Workshop

FULL IMPLEMENTATION OF IGU CORE FUNCTION



Complaint Management

Manages secure whistleblowing channels for secure reporting, investigating, and resolving complaints related to misconduct, corruption, or integrity breaches.



Detection & Verification

Identifies and investigates potential corruption risks or unethical practices to address gaps and strengthen compliance.

Governance

Ensures alignment of organisational policies, procedures, and operations with governance standards and regulatory requirement.



Integrity Enhancement

Promotes ethical behaviour and a strong culture of integrity through training, awareness campaigns, and resources.



ADEQUATE PROCEDURES T.R.U.S.T PRINCIPLE &

To fulfill the requirements outlined under Section 17A(5) of the Malaysian Anti-Corruption Commission Act and the Ministerial Guidelines on Adequate Procedures, QSB's Board of Directors officially endorsed the T.R.U.S.T Principle during its 130th Board of Directors Meeting on 9th May 2024.

T

Top Level Commitment

- Practice the highest level of ethics & integrity;
- Comply with anti-corruption laws & regulations;
- Manage key corruption risk of organisation.

R

Risk Assessment

- Identify evolving risks of corruption;
- Overcome any weaknesses in the system & internal controls.

U

Undertaking Control Measures

- Establish policies & procedures;
- Develop a corruption reporting system;
- Exercise due diligence.

S

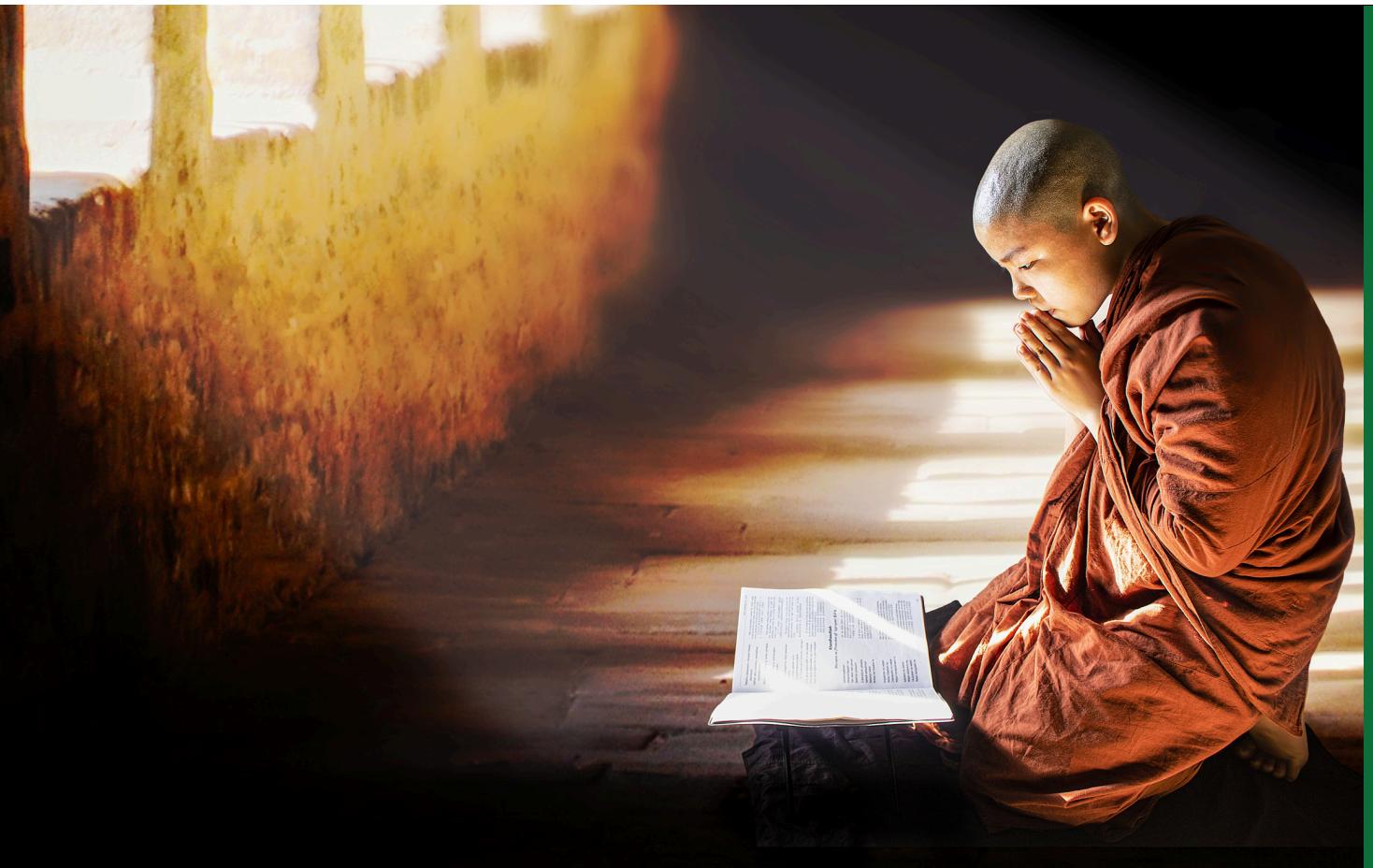
Systematic Review, Monitoring & Enforcement

- Evaluate its effectiveness & efficiency;
- Ensure full compliance to the policies & procedures.

T

Training & Communication

- Communicate & spread awareness about anti-corruption policies & procedures;
- Inculcate a bribery-free culture.



"If people lack moral values and integrity, no system of laws and regulations will be adequate."

Dalai Lama XIV

CHAPTER 3

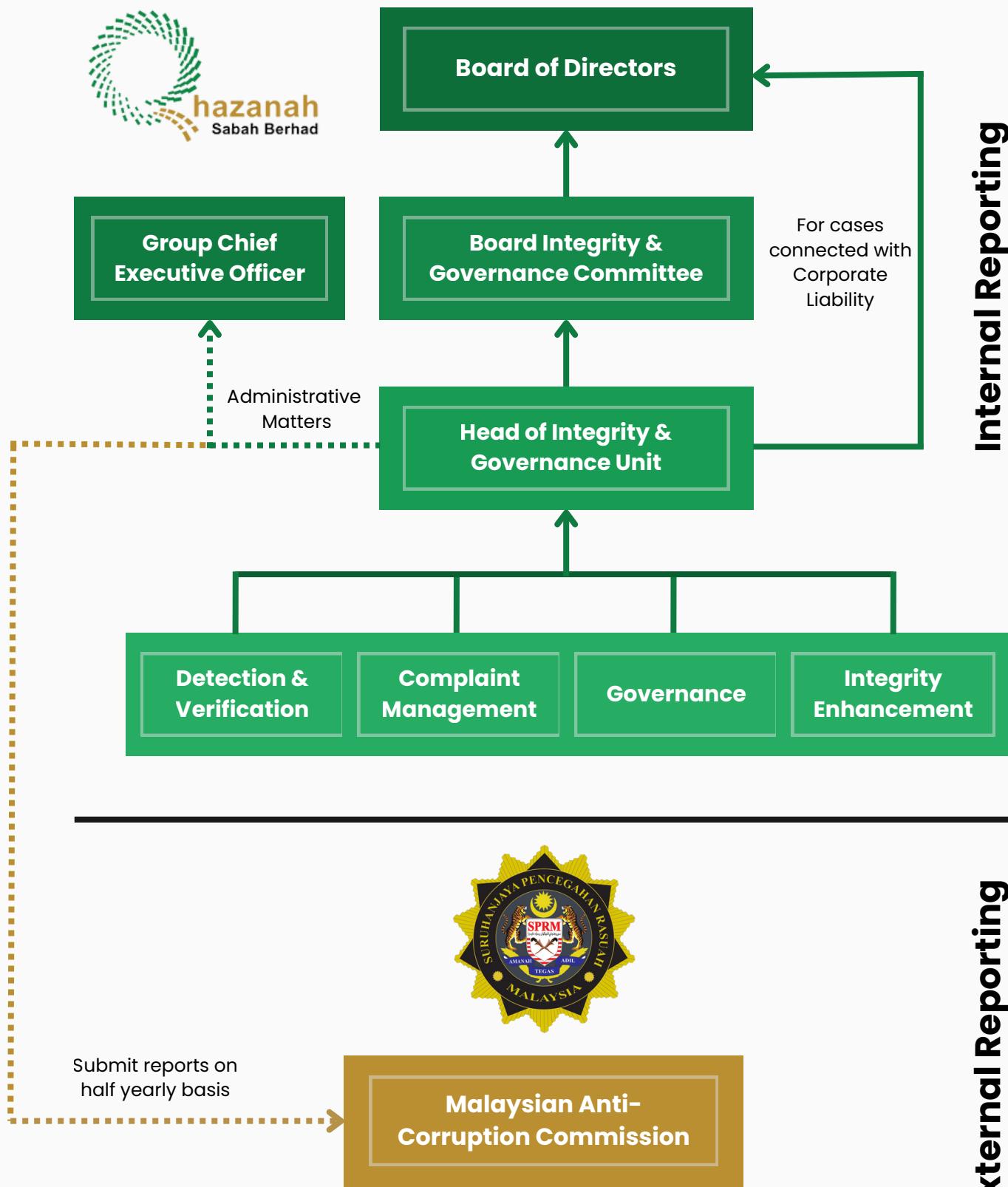
Our OACS's Development



Dwight D. Eisenhower

"The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office."

OACS's **Governance Framework**

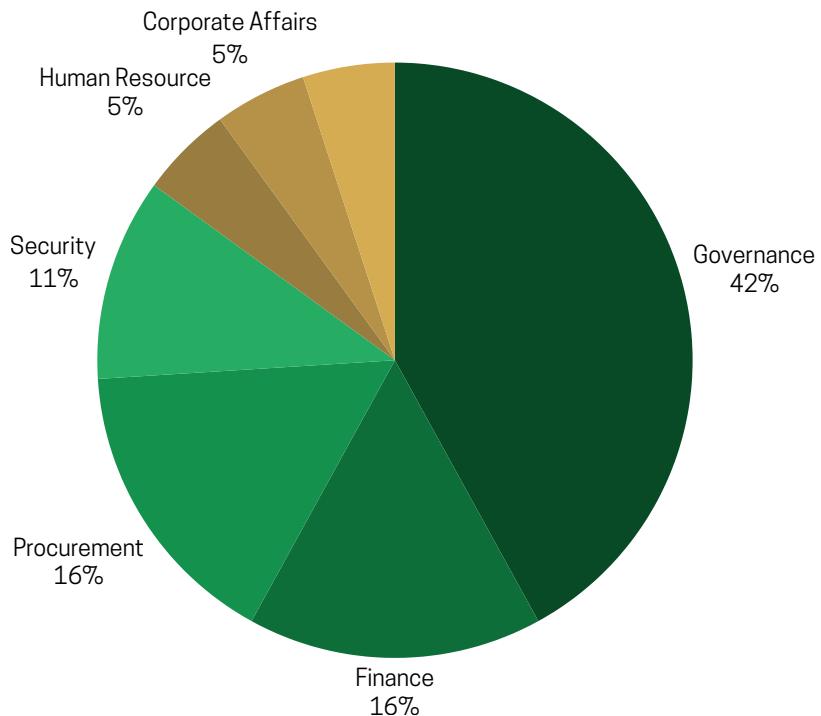


Submit reports on
half yearly basis

Malaysian Anti- Corruption Commission



Corruption Risk Assessment



No	Risk Category	Risk Percentage
01	Governance	42%
02	Finance	16%
03	Procurement	16%
04	Security (data)	11%
05	Human Resource	5%
06	Corporate Affairs	5%
07	Administration	5%

(From: CRM WORKSHOP AUG 2023)

VISION

To be recognized as the pinnacle of integrity amongst all corporations and Government-Linked Companies (GLC) in Sabah.

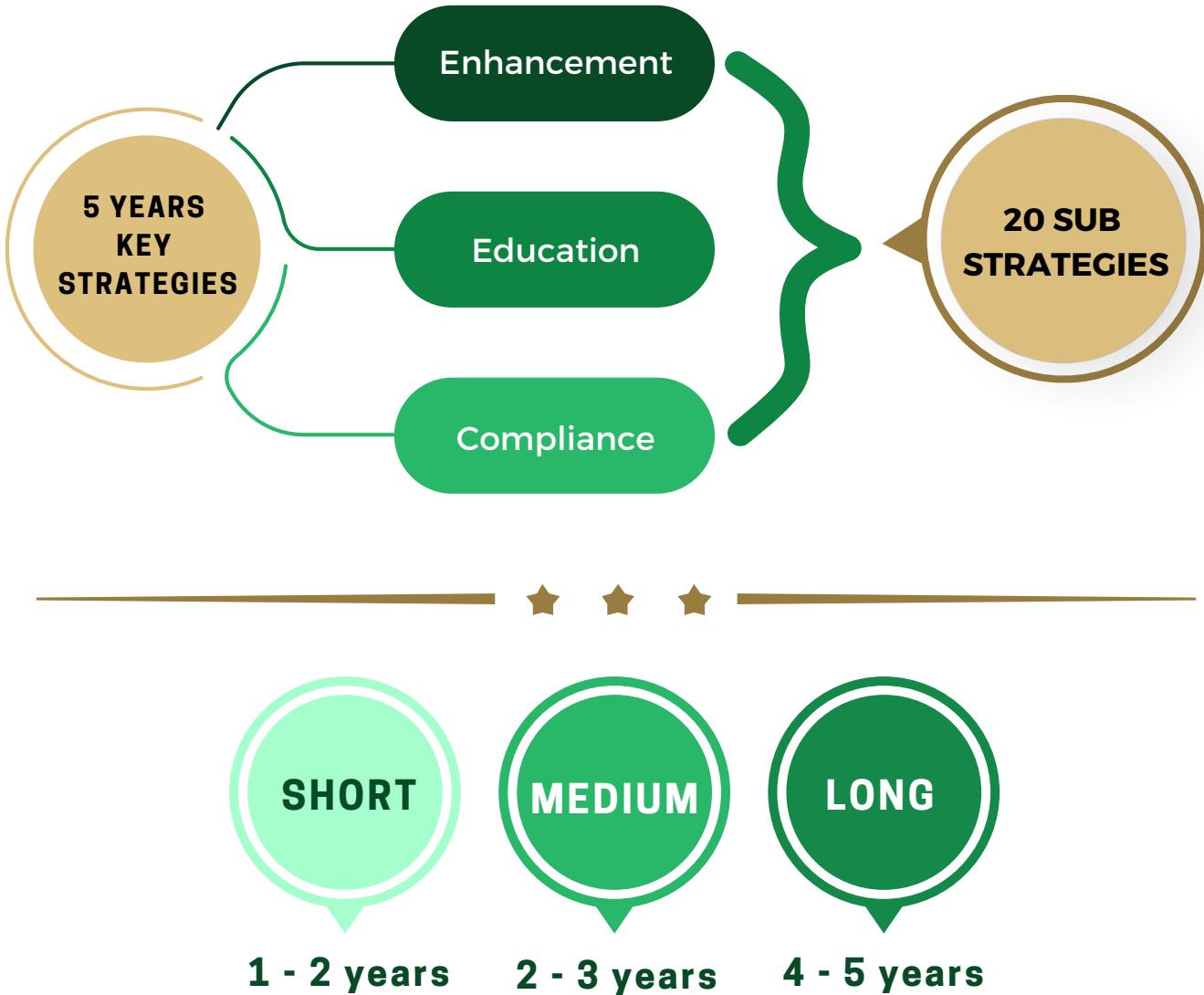
MISSION

To embed the principles of integrity, transparency, and accountability into all aspects of our operations and relationships, thereby ensuring ethical conduct, enhancing stakeholder trust, and contributing to sustainable development.

OACS's OBJECTIVES



OACS's KEY STRATEGIES



STRATEGY 1: ENHANCEMENT

Focuses on developing and strengthening key anti-corruption frameworks, such as policies, procedures, and systems, to ensure robust internal controls and ethical governance across all levels of the organization.

No.	Sub-strategy	Period	Lead Division	Supported by
1.	To develop and introduce comprehensive anti-corruption policies and procedures.	Short	IGU	All divisions/ departments and units
2.	To develop and implement a comprehensive digitalised Anti-Bribery Management System (ABMS) framework.	Medium	IGU & IT	All divisions/ departments and units
3.	To update the Employment Policy Manual (EPM).	Medium	HRAD	1. LAPD 2. P&C
4.	To revise financial and non-financial controls in Financial Authority Limit (FAL).	Short	FD	IA
5.	To develop and introduce the Code of Ethics.	Short	HRAD	CoSec
6.	To appoint Integrity Liaison Officer (ILOs) at subsidiary levels.	Short	IGU	Subsidiary Companies

STRATEGY 2: EDUCATION

Aims to build awareness, understanding, and commitment to integrity principles through training, public campaigns, and engagement with employees and stakeholders.

No.	Sub-strategy	Period	Lead Division	Supported by
1.	To attend specialised training for Integrity Governance Unit's officers. (4 trainings for each officer)	Medium	IGU	HRAD
2.	To conduct comprehensive policy and procedures training and awareness programs quarterly, for all QSB Group employees.	Long	IGU	HRAD
3.	To conduct Enhancing Integrity Program (EIP) annually, based on ESG, company's core values and corporate philosophy.	Long	IGU	CMC
4.	To develop and implement internal and external publicity campaigns to our stakeholders.	Long	IGU	1. CMC 2. IT
5.	To build strategic partnerships with stakeholders to develop collaboration in preventing bribery and corruption through shared resources, expertise, and initiatives.	Long	IGU	MACC, BIGoNS, IGUs in other GLCs & organisations
6.	To organise specialised trainings for governing bodies and top management annually.	Long	CoSec	1. IGU 2. HRAD 3. COMTRAC SSM/MICG
7.	To organise educational engagement sessions quarterly with employees, stakeholders, and industry experts to gather insights and ensure alignment with best practices.	Long	IGU	Group-wide

STRATEGY 3: COMPLIANCE

Ensures adherence to anti-corruption laws, guidelines, and organizational policies through monitoring, audits, and the implementation of structured reporting mechanisms to uphold accountability and transparency.

No.	Sub-strategy	Period	Lead Division	Supported by
1.	To establish an effective monitoring system that ensures adherence to ministerial guidelines on adequate procedures, compliance with Malaysian Anti-Corruption Commission (MACC) standards.	Medium	IGU	1. P&C 2. IA 3. CoSec 4. LAPD
2.	To implement surveillance mechanisms to align with ISO 37001:2016 Anti-Bribery Management System (ABMS) provisions.	Medium	IGU	1. LAPD 2. IT
3.	To implement a whistleblowing monitoring system.	Short	IGU	1. LAPD 2. IT
4.	To conduct internal audit and ABMS compliance checks annually.	Long	IA	1. IGU 2. P&C
5.	To strengthen the implementation of all anti-bribery and anti-corruption policies across the company by conducting Strategy Performance Review Meeting annually.	Long	IGU	Group-wide
6.	To set up a coaching and mentorship program annually to guide new employees and management on ethical practices.	Medium	HRAD	IGU
7.	To set-up ESG framework for QSB Group.	Medium	ISBD	FD



OACS'S MONITORING & ASSESSMENT

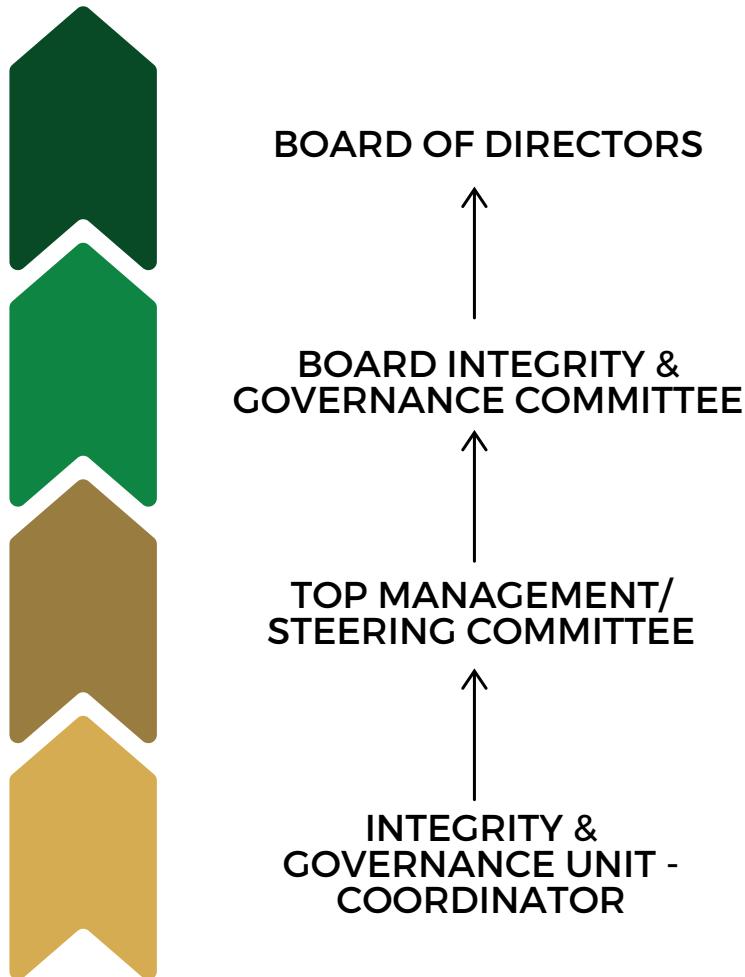
The monitoring and assessment process include:

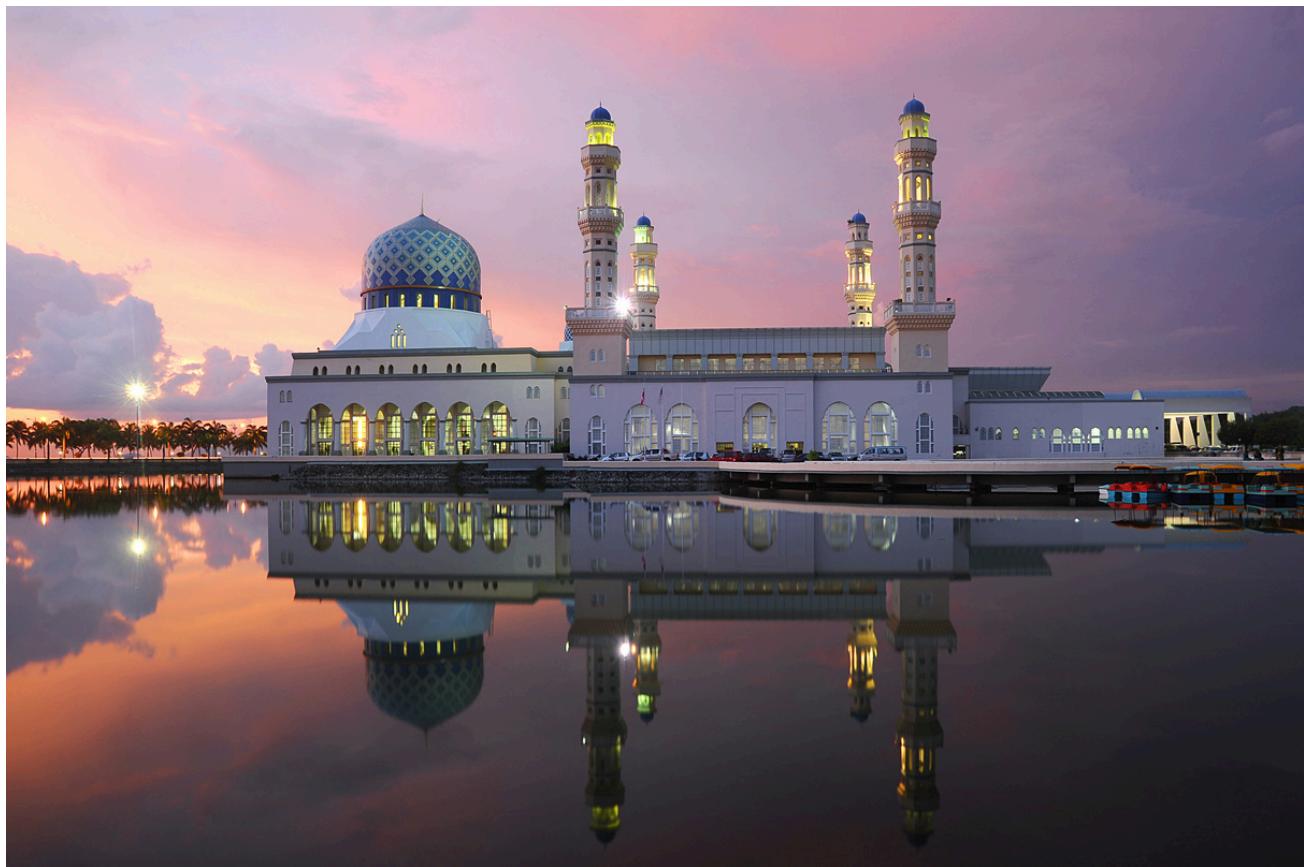


To present **OACS implementation reports** to the Top Management and the Board Integrity & Governance Committee (BIGC) on **quarterly basis**.



To conduct **evaluations and reviews** on the **effectiveness of the OACS** on **annual basis**.





Al - Baqarah, 188

“And do not consume one another’s wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful]”

CONCLUSION



CONCLUSION



The Organisational Anti-Corruption Strategy (OACS) 2024 – 2028 serves as an essential framework for QSB's commitment to addressing corruption and promoting a culture of integrity, accountability, and transparency across all levels of the organisation. By aligning with Malaysia's National Anti-Corruption Strategy (NACS) 2024 – 2028, the OACS unifies governance, integrity, and anti-corruption efforts into a cohesive approach.

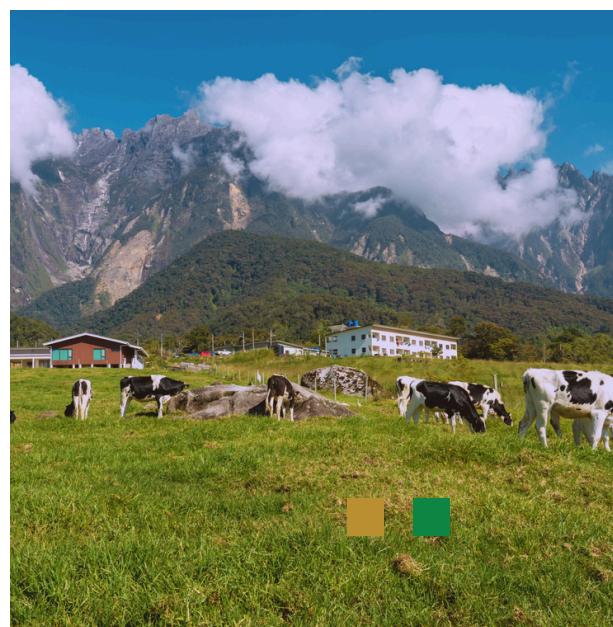
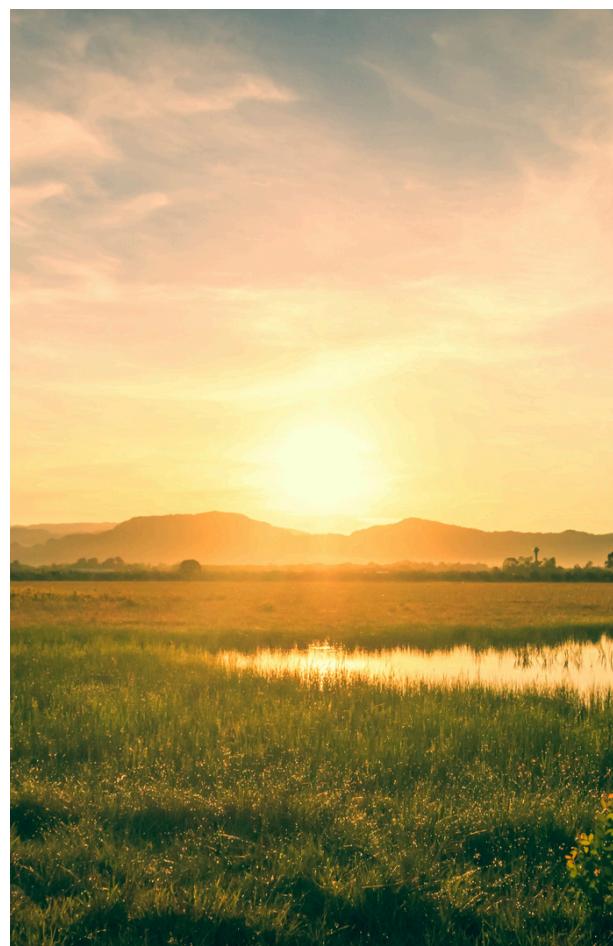
Through the implementation of its three key strategies, Enhancement, Education, and Compliance, QSB aims to strengthen internal controls, reduce corruption risks, and uphold ethical standards across its operations. This comprehensive plan not only reinforces QSB's zero-tolerance stance on corruption but also establishes a model for integrity within the corporate and governmental landscape in Sabah.

As QSB moves forward, the OACS will act as a foundation for achieving a clean, corruption-free environment, building trust among stakeholders, and contributing to the sustainable development of Sabah. Together, we will “Lead With Integrity” to create a brighter, more ethical future.

Integrity

is keeping a commitment even after circumstances have changes.

David Jeremiah



CREDITS

(List of contributors and editorial team members for OACS 2024 - 2028)

Sincere appreciation to the OACS Technical Committee Members for their utmost cooperation in the establishment of QSB OACS 2024 – 2028 document.



ADVISOR

YBhg. Datuk Ahmad Rizal Dahli



REVIEWER

Mr. Rudy Jaglul



EDITOR IN CHIEF

Mr. Nurahim Abd Rahim



WRITE-UP TEAM

Ms. Aqilah Z. Said



Mr. Mohd Haziq Murshidi



Ms. Julia Abdullah



Ms. Adila Petry



GRAPHIC DESIGNER & ILLUSTRATOR

Ms. Hanis Zulaikha Lee Abdullah @ Lee Khai Ting



COORDINATOR

Ms. Nurzairina Abdul Hadi

APPENDICES

ACTIVITIES & EVENTS

20
23

CRM Workshop

August 2023



20
24

ACTIVITIES & EVENTS

Yayasan Bumiputera Sabah Briefing: Establishment of IGU

10 September 2024



20
24

ACTIVITIES & EVENTS

FORUM INTEGRITI 2024 Di Ambang Pintu Kerja: Menyuluh Jalan Tanpa Rasuah

2 July 2024



Suria Capital Holdings Berhad: OACS Study Visit

12 September 2024



ACTIVITIES & EVENTS

20
24

Konvensyen Integriti, Tadbir Urus dan Anti-Rasuah (KITA) 2024

14 - 15 October 2024



20
24

ACTIVITIES & EVENTS

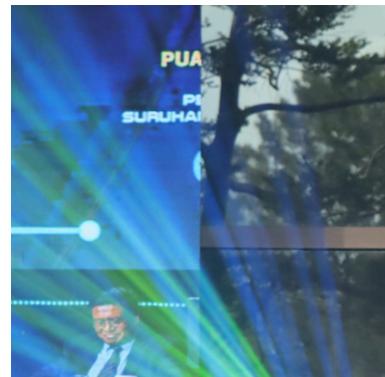
Lembaga Tabung Angkatan Tentera (LTAT) Visit

16 October 2024



Whistleblowing Form Launching

18 October 2024



20
24

ACTIVITIES & EVENTS

Angkatan Hebat Sdn Bhd In-House Training

5 November 2024



QSB Group Integrity Pledge (IBR)

23 November 2024



Thank You

“

To give real service you must add something which cannot be bought or measured with money, and that is sincerity and integrity.

- Douglas Adam

”



Address

Level 5 & 6, Block B, Menara Kinabalu, Kota Kinabalu, Sabah.



Telephone

088 - 264 000



Website

www.qhazanahsabah.com.my