

# Vendor Code of Conduct

## 1 **VENDOR CODE OF CONDUCT**

### 1.1 **Vendor Code of Conduct**

The Vendor Code of Conduct (VCOC) establishes a set of standards on business and ethical practices, and professional conduct expected of all vendor / contractor / service provider working with the SME Bank.

The VCOC shall apply to all suppliers appointed by any SME Bank's function, business or individual working on behalf of SME Bank, contractors of the SME Bank and to any person(s) appointed by them in any capacity to deliver the goods or perform any part of the services, including their employees, agents, suppliers and sub-contractors ("their representative").

SME Bank expects its vendor / contractor / service provider to comply with the VCOC when engaging with the SME Bank and in conducting business with the SME Bank. It is the responsibility of every vendor / contractor / service provider to ensure that its representatives understand and comply with this VCOC. Vendors / contractor / service provider are expected to self-monitor and enforce compliance with this VCOC by their representatives.

In the event of any unintended contradiction between this VCOC and the law or SME Bank internal policies, the stricter provisions shall be used. This VCOC will be updated from time to time, when necessary.

### 1.2 **Compliance with Vendor Code of Conduct**

- a. SME Bank may from time to time, require the vendor / contractor / service provider to provide attestation in writing of its compliance with this VCOC.
- b. SME Bank expects that all vendor / contractor / service provider will cooperate with the SME Bank in any investigation the SME Bank may conduct. The vendor / contractor / service provider must provide additional information as required by the SME Bank to facilitate the SME Bank's investigation into allegation of inappropriate or unethical behaviour involving the SME Bank's employee or the vendor / contractor / service provider representative(s).
- c. SME Bank reserves the right to take any action that the SME Bank deems fit against the vendor / contractor / service provider for breaching the VCOC, such as:
  - i. Suspension or termination of contract;
  - ii. Deduction of any amount of money paid or promised to be paid;
  - iii. Requiring the vendor / contractor / service provider to substitute any representative who breaches the VCOC or acting unlawful/inconsistent with the VCOC. The replacement representative must be equipped with equal or better skills and knowledge, and must be agreed to in writing by the SME Bank; or

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- iv. Disqualify the vendor / contractor / service provider from participating in any tender or procurement exercise.
- d. The SME Bank has the right at any point in time to request information from the vendor / contractor / service provider) to verify the vendor's / contractor's / service provider's reliability in order to ensure that the SME Bank's interest is protected at all times.

## 1.3 Regulations and Ethics

The vendor / contractor / service provider must uphold the highest standard of integrity and ethical conduct in all business interactions and dealings with the SME Bank and these include:

- a. Compliance with laws and internal policies.
  - i. All vendor / contractor / service provider and their representative(s) must conduct their business activities in full compliance with the applicable laws and regulations of their respective countries while conducting business with the SME Bank.
  - ii. All vendor / contractor / service provider must comply with the applicable laws, rules and regulations of the jurisdictions in which they operate in and obtain all necessary licenses and permits to conduct the activities for which they have been contracted by the SME Bank.
  - iii. Vendors / contractor / service provider shall not engage or be involved in any forms of money laundering and terrorism financing activities.
  - iv. The vendor / contractor / service provider and their representative(s) must also comply with relevant internal policies and procedures established by the SME Bank.
- b. Conflict of Interest.
  - i. The vendor / contractor / service provider must exercise due diligence to avoid situations/act which may give rise to a potential or an actual conflict of interest.
  - ii. The SME Bank prohibits vendor / contractor / service provider from gaining improper advantage or preferential treatment in their relationship with the SME Bank's employee(s). The vendor / contractor / service provider is required to disclose to the SME Bank in writing if they have any family connection with any of the SME Bank's staff. Please refer to Appendix 1 for the declaration form.
  - iii. If at any point of time, a situation of actual or potential conflict of interest arises, the vendor / contractor / service provider must inform the SME Bank in writing of such situation as soon as they become aware of the situation.
- c. Anti-bribery and anti-corruption.

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SME Bank prohibits the vendor / contractor / service provider from:

- i. Directly or indirectly soliciting or accepting any form of bribery / corruption; and
- ii. Being involved in activities such as extortion, embezzlement or requesting for, receiving or facilitating kickback.

d. Gift and entertainment

The vendor / contractor / service provider and its representative(s) must not offer gifts or entertainment or other incentives to the SME Bank's employee(s) or their family members, in order to obtain or retain the business, secure preferential treatment to influence SME Bank's business decision.

e. Misrepresentation

- i. The vendor / contractor / service provider is strictly prohibited at all times of misrepresenting its capabilities to SME Bank in order to gain procurement contract(s) with the SME Bank.
- ii. In securing contracts with other organisations, the vendor / contractor / service provider is prohibited from misrepresenting its capabilities in delivering goods and services to the SME Bank.

## 1.4 **Accountability**

Vendor / contractor / service provider must be accountable and honour its commitment in accordance with the terms and conditions of the contract which has been agreed between the vendor / contractor / service provider and the SME Bank.

## 1.5 **Protection of Assets and Intellectual Property**

a. Confidentiality obligation and data protection.

- i. The vendor / contractor / service provider must treat with confidentiality all information related to the business and affairs of the SME Bank which is not generally available to the public.
- ii. The vendor / contractor / service provider must not disclose or share any of the SME Bank's confidential information to any person without obtaining the Bank's permission in writing, unless required by law.
- iii. The vendor / contractor / service provider must not disclose SME Bank's confidential information for any purpose except to the extent necessary to exercise its rights and perform its obligations for the procurement.
- iv. The vendor / contractor / service provider must have appropriate policies, procedures and security controls in place to protect SME Bank's confidential information and prevent any information leakage.
- v. The vendor / contractor / service provider must comply with the SME Bank's policies and the applicable laws on the protection of personal privacy, including personal data.

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- vi. The vendor / contractor / service provider is not allowed to access any of the SME Bank's information technology environment and infrastructure and transfer of any information without obtaining written approval from the SME Bank.
- vii. The vendor / contractor / service provider must not plagiarise information from the SME Bank or from other sources in delivering their services to the SME Bank.
- viii. The vendor / contractor / service provider must provide proper citations or references of its sources of information, to avoid concerns over plagiarism.
  
- ix. Vendor's / contractor's / service provider's obligation of confidentiality shall survive even after the termination or expiration of the engagement period.

If a vendor / contractor / service provider believes it is appropriate for business reasons or required by law or regulation, to disclose or use Confidential Information other than as described in this VCOC, and if the situation is not covered by the section of this VCOC, SME Bank must be consulted prior to such disclosure.

Violation of any law or regulation relating to obtaining or using another person's or entity's proprietary or confidential information, or misuse of SME Bank's confidential Information, may result in SME's termination of a vendor / contractor / service provider engagement and may be reported to appropriate authorities.

- b. Publication of materials
  - i. Unless stated otherwise, all information or material/content disclosed to the vendor / contractor / service provider or obtained by the vendors during the contract with the SME Bank is deemed confidential.
  - ii. The vendor / contractor / service provider must not publish the SME Bank's confidential information or material/ content owned by the SME Bank.
  - iii. The vendor / contractor / service provider must obtain the SME Bank's prior permission in writing if intends to publish any material/content owned by the SME Bank.
  - iv. Proper citations and references to the SME Bank are to be made where the vendor / contractor / service provider publishes material/content owned by the SME Bank.
  
- c. Giving of reference

SME Bank may provide references to the vendor / contractor / service provider or its representative(s) upon the vendor / contractor / service provider request and on a case-to-case basis, subject to the discretion and approval of the SME Bank.
  
- d. Restriction on making public statement(s)

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Vendor / contractor / service provider is prohibited from making or circulating any public statement on content related to the business or affairs of the SME Bank including making reference of the SME Bank's name for marketing purposes.

- e. Protection of intellectual property
  - i. The vendor / contractor / service provider in its dealings with the SME Bank must respect all intellectual property (IP) rights. SME Bank views the infringement of its IP seriously and will take legal action to protect its IP rights.
  - ii. The vendor / contractor / service provider must only use software and information technology that have been legitimately acquired and licensed, while providing services to the SME Bank.
  - iii. Such software and information technology must be used in accordance with their terms of use or license.
  - iv. The vendor / contractor / service provider is required to comply with the SME Bank's information technology and security policies and procedures, to ensure maintenance and protection of the confidentiality, security and privacy of the SME Bank's assets and information.
  - v. In the event the vendor / contractor / service provider or its representatives are given permission to use the SME Bank's resources such as systems and e-mails, it is to be used exclusively for the SME Bank's official business. SME Bank strictly prohibits the vendor / contractor / service provider from using the SME Bank's resources for any unauthorised, illegal or malicious acts.
  - vi. The vendor / contractor / service provider must comply with the IP rights of the SME Bank and all other third parties and manage all such transfers to or from the SME Bank, in a manner that protects the SME Bank's IP rights.

## **B.1.1.6 Workplace Culture and Behaviour**

Vendor / contractor / service provider must comply with all applicable laws, regulations and SME Bank's policies relating to work practices and environment including the following:

- a. Professional workplace culture and behaviour
  - i. The vendor / contractor / service provider must behave and dress in a professional manner which reflects the SME Bank's professional image at all times when dealing with the SME Bank and while at the SME Bank's premises.
  - ii. SME Bank does not tolerate harsh, inhumane treatment of any of SME Bank or the vendor / contractor / service provider employees, child labour, any form of discrimination and any substance abuse at SME Bank's premises or during the performance of the vendor / contractor / service provider contractual obligation.
  - iii. The vendor / contractor / service provider must use the SME Bank's infrastructures and facilities responsibly at all times.
  - iv. SME Bank views forming of cartels and/or collusion with other vendor / contractor / service provider to gain procurement advantage as a serious offence.

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- v. The vendor / contractor / service provider or its representative(s) is strictly prohibited from engaging with the staff of the SME Bank during the tender / procurement process. Any such engagement will be seen as an attempt to influence the tender / procurement process, and the SME Bank reserves the right to penalise the vendor / contractor / service provider or its representative(s) in any way deemed necessary during the evaluation process.
- b. Security and Access
- i. The vendor / contractor / service provider must ensure compliance with the SME Bank's security policies and procedures while operating in any of the SME Bank's premises.
  - ii. The vendor / contractor / service provider must provide sufficient information for the SME Bank to perform security vetting of its representative and comply with all reasonable requests for further documents or information.
  - iii. The vendor / contractor / service provider must display the SME Bank's security pass at all times while on the SME Bank's premises.
  - iv. Vendor / contractor / service provider are only permitted to access areas for which they have been authorised to access and which are necessary for the performance of their work or services.

### **B.1.1.7 Health and Safety**

SME Bank is fully committed to ensuring safe, injury-free workplaces. Achieving this goal requires the support, commitment and dedication of all of SME Bank's business partners, including all vendor / contractor / service provider. To achieve these goals, all vendors are required to:

- a. Comply with all relevant health and safety laws and regulations, as well as all standards established by SME Bank and/or industry requirements.
- b. Demonstrate a cultural commitment to maintaining a safe working environment.
- c. Ensure that all employees and contractors are qualified and equipped to perform activities safely.
- d. Develop and enforce health and safety procedures that are applicable to each vendor's operations and consistent with industry best practices.
- e. Provide adequate resources to manage workplace safety and to ensure that all personnel understand and properly exercise safety practices and procedures.
- f. Promptly inform SME Bank of any health and safety incidents that occur while performing services for or on behalf of, or delivering goods to, SME Bank or its clients.
- g. Prohibit the possession of unauthorized firearms or other weapons while on SME Bank's premises.

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## **B.1.1.8 Business Continuity**

Subject to the terms of any specific contractual provisions that apply, each vendor / contractor / service provider engaged by SME Bank is required to have adequate business continuity plans in place to continue to provide its services to a reasonable degree in the aftermath of an operational interruption, whether caused by a natural disaster, equipment malfunction, power failure, communications and/ or data network failure or disruption, terrorist act, cyber-attack, or other such exigency. Each vendor / contractor / service provider shall, upon request, disclose to SME Bank in reasonable detail the elements of its business continuity plans and its information security systems and controls.

## **B.1.1.9 Reporting of Potential Breach**

- a. SME Bank expects each vendor / contractor / service provider to promptly report to SME Bank any violation of this VCOC. If the vendor / contractor / service provider has the reason to believe that such vendor / contractor / service provider or any of its representatives, or the employee of SME Bank or its representatives, may have violated this VCOC or any applicable law, rule or regulation, or otherwise engaged in unethical behaviour, it is such vendor / contractor / service provider responsibility under this VCOC to promptly report the violation to:
  - i. website at <https://securemy.deloitte-halo.com/smebankspeakup>
  - ii. Send an email to [smebankspeakup@tipoffs.com.my](mailto:smebankspeakup@tipoffs.com.my)
  - iii. Call us at : 1 800 813 175
  - iv. Fax at: +60 3 7710 0260
  - v. Write to: SME Bank Speak Up,  
Peti Surat No. 8097  
Pejabat Pos Kelana Jaya  
46781 Petaling Jaya, Malaysia OR
  - vi. Lodge a report to the Malaysia Anti-Corruption Commission (MACC)'s office or the nearest police station.
- b. All reports and inquiries will be handled confidentially to the greatest extent appropriate under the circumstances. The identity of the reporting party will be treated with the strictest confidentiality at all times.
- c. SME Bank will not tolerate any retribution or retaliation by anyone against any individual who has, in good faith, sought out advice or has reported questionable behaviour and/or a possible violation.



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## Declaration of Interests by Vendor / Contractor / Service Provider



### Declaration of Interests by Vendor / Contractor / Service Provider

Company Name: .....

Type of contract/services tendered: .....

I, \_\_\_\_\_ (full name) the undersigned, representative of \_\_\_\_\_ (full name of the tenderer) submitting a tender in respect of the call for tender \_\_\_\_\_ (name of tender), hereby undertake and confirm that:

- Our shareholders/directors/staff holding key management function and their Close Relatives\* do not have any relationship with any personnel including, Director and Senior Management\*\* of SME Bank.
- The following shareholders/directors/staff holding key management function of (full name of the tenderer) \_\_\_\_\_ has a relationship with a personnel of the SME Bank and their Close Relatives\*, including Director and Senior Management\*\* of SME Bank. Details are provided below:

No	Name	Relationship with tenderer	Relationship with SME Bank
1			
2			
3			

I hereby declare that I have carefully read and completed this form myself and provided current and accurate information to the best of my knowledge.

Signatory:

Name of signatory:

Position in tenderer's company:

Date:

\* Close relatives refers to spouse and dependents of the spouse; child (including step children and adopted children) and spouse of the child; parent; and brother or sister and their spouses.

\*\* Director refers to an executive director or otherwise, and whether or not receiving compensation, and his close relative.

\*\*Senior management refers to the Chief Executive Officer and senior officers and his close relatives.