



## **SUPPLIER CODE OF CONDUCT**

The Supplier Code of Conduct ("SCOC") sets forth the framework of acceptable conduct expected of all contractors, consultants, suppliers, vendors and all other 3<sup>rd</sup> party companies ("Supplier"), inclusive of the individuals working with them at all levels and grades, including directors, employees, representatives and any other person(s) associated with the Supplier when providing goods and/or services to Employees Provident Fund Board ("EPF").

Through the SCOC, Supplier will learn the standards of behaviours expected and how to apply them throughout the course of business with EPF. The SCOC sets out the minimum acceptable standards but does not address each and every possible situation. Hence, Supplier is obliged to familiarise with and adhere to all applicable policies, procedures, laws, rules and regulations of the countries in which the Supplier intends to conduct business with EPF. Above all else, Supplier is expected to exercise good judgement in making the right decisions.

The SCOC is a complement to EPF's General Terms & Conditions of service, Procurement Policy and Integrity Pact. The SCOC also reflects EPF's commitment towards sustainability agenda and shall be applicable to Supplier. The SCOC, or parts of it, may be changed from time to time to meet EPF's needs or to address changing conditions.

Supplier may seek advice from EPF's Procurement Team via [procurement@epf.gov.my](mailto:procurement@epf.gov.my) in the event of any uncertainty on the interpretation or application of this SCOC and any of its standards.

## **1. BUSINESS ETHICS & INTEGRITY**

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### **1.1. General**

Supplier shall abide by the terms of the SCOC and acknowledge that compliance with the SCOC is required to maintain its status as an EPF registered supplier. Supplier shall ensure that all businesses conducted with or on behalf of EPF are in full compliance with applicable policies, procedures, laws, rules and regulations.

### **1.2. Business Stability**

As Supplier's financial health is crucial to EPF, Supplier may be requested to disclose certain financial reports from time to time throughout the course of business with EPF. EPF may also request information regarding Supplier's parent company if necessary. Supplier is expected to be responsible for notifying EPF promptly if a change in ownership or member(s) of the Board of Directors takes place.

### **1.3. Integrity and Ethical Conduct**

Supplier shall uphold and act based on the highest levels of integrity and ethical standards in all aspects of its operations. This includes (but not limited to) acting honestly, fairly and transparently in all of its business dealings and ensuring the accuracy, legitimacy and accessibility of all business records, transactions, information and documents.

In the course of conducting business with EPF, Supplier shall ensure all business and financial records and documents are prepared accurately, reliably, legibly and in a timely manner and conform to generally accepted accounting principles and all applicable laws and regulations.

### **1.4. Bribery & Corruption**

EPF practices zero-tolerance towards corruption. EPF has also introduced an Anti-Corruption Statement and is committed to combat bribery and corruption in the organisation. A bribe is any gratification, monetary or otherwise, and includes any privilege, special benefit, gift or other item of value or any kind of special or favoured treatment, that is improperly offered, promised or given for the purpose of obtaining, retaining or directing any business dealings, or other advantage in the conduct of business. Any act or attempt to corruptly offer or give, solicit or receive any gratification to and from any person in connection with any business dealing with EPF is a criminal offence under the Malaysian Anti-Corruption Commission Act 2009 (Act 694).

Supplier shall comply with all applicable anti-bribery or anti-corruption laws of all countries in which the Supplier intends to conduct business with EPF including Section 17(A) of Malaysian Anti-Corruption Commission Act 2009 (Act 694) and shall ensure its organisation and associates in the conduct of its business and affairs does not, at any time, engage in bribery or corruption. Supplier may be requested to disclose any convicted violation of anti-bribery or anti-corruption laws to EPF prior to or throughout the course of business with EPF from time to time.

EPF practices a strict "No Gift Policy". Supplier shall not promise, offer, grant, request, authorise or receive any bribes, kickbacks, pre-payments or payments of money or anything of value to/from anyone for the purpose of obtaining or retaining business or influencing any other favourable business decisions that are in any way related to EPF. General guidelines for offer and acceptance of business courtesies are as follows:

- a) Serves a bona fide business purpose;
- b) Does not inappropriately influence or appear to influence any business decisions;
- c) Is not offered during any pending/ongoing bidding or negotiation process;

- d) Is given openly and transparently; and/or
- e) Is not unlawful or contrary to ethical business principles, local business customs, or the customer, vendor, competitor, or partner's company policy.

In the course of conducting business with EPF, Supplier shall not directly or indirectly solicit, accept or agree to accept any sponsorship in the form of (but not limited to) cash or cash equivalents, personal services, loans, events or meals.

### **1.5. Anti-Money Laundering**

The term "money laundering" refers to the process of hiding the true nature or source of illegally obtained funds and passing it through any legitimate business channels from one place or person to another. Anti-money laundering laws are designed to help prevent legitimate businesses from being used by criminals and to assist law enforcement agencies to trace and recover criminal assets and terrorist funding.

Supplier shall comply with all applicable anti-money laundering laws in all countries in which the Supplier intends to conduct business with EPF and shall not, at any time, engage or be involved in any money laundering activities either directly or indirectly. The activities may include but are not limited to the following:

- a) Payments made in currencies that differ from invoices;
- b) Attempts to make payments in cash or cash equivalents out of normal business practice;
- c) Payments made by third parties that are not parties to the contract; and/or
- d) Payments made to accounts of third parties that are not parties to the contract.

### **1.6. Anti-Trust & Competition Laws**

Supplier shall comply with all applicable antitrust or competition laws of all countries in which the Supplier intends to conduct business with EPF. Supplier shall not, at any time, use illegal or unethical methods to compete in the market which includes but not limited to the following:

- a) Exchanging, agreeing or arranging to exchange commercially sensitive or competitive information with competitors;
- b) Fixing prices or terms related to pricing;
- c) Dividing up markets, territories or customers;
- d) Rigging a competitive bidding process (including arrangement to submit sham bids); and/or
- e) Adopting strategies to illegally exclude competitors from the market.

### **1.7. Safeguarding Resources**

Supplier is expected to safeguard EPF's resources which include property, assets, intellectual property, technology, trade secrets and other confidential, proprietary or sensitive information while performing work for EPF. The use of EPF's resources without proper approval or for anything other than performing work for EPF is strictly prohibited.

### **1.8. Disclosure of Information**

Supplier shall not use any of EPF's information for its personal gain and shall not share such information with any third party without prior written approval by EPF, which shall be granted at EPF's absolute discretion. Supplier is not allowed to reproduce copyrighted software, documentation or other materials and shall not transfer, publish, use or disclose the aforementioned other than in the ordinary course of business or as directed or authorised by EPF. Supplier shall also observe all applicable data privacy standards.

**1.9. Conflict of Interest**

Supplier is expected to prevent or immediately disclose any conflict of interest or possible appearance of conflict of interest. The term "conflict of interest" refers to any circumstances that may potentially or actually cause the Supplier to lose total objectivity when conducting business with EPF.

## **2. HEALTH, SAFETY & ENVIRONMENT**

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### **2.1. Communication**

Supplier shall ensure that its employees are aware, through any effective form of communication, of the Supplier's obligations with regard to site safety and employees' obligations of ensuring their own safety.

### **2.2. Safety Commitment**

Supplier shall provide a safe and healthy working environment for all its employees, contractors and visitors. This commitment extends to ensuring that all work is performed in a safe manner, with the aim of preventing accidents, injuries and illnesses. Supplier shall also comply with all applicable health and safety laws and regulations.

### **2.3. Workplace Safety Practices**

Supplier shall maintain and adopt robust safety practices to prevent accident and minimise occupational safety and health risks. This includes the proper use of personal protective equipment, machine guarding and the safe handling and storage of hazardous materials.

### **2.4. Emergency Preparedness**

Supplier is expected to have comprehensive emergency response plans and procedures, including (but not limited to) fire safety measures, evacuation plans and first aid provisions. Supplier shall also ensure that its employees are adequately trained on safe working practices, accident procedures and emergency evacuation procedures.

### **2.5. Facilities**

Supplier shall provide its employees with minimum and reasonable access to potable water and sanitary facilities, fire safety, emergency preparedness and response, industrial hygiene, adequate lighting and ventilation, occupational injury and illness prevention and machine safeguarding, where applicable.

### **2.6. Alcohol, Drug and Illegal Substances**

In the course of conducting business with EPF, Supplier shall clearly communicate and ensure that its employees do not use and carry, and are not under the influence of alcohol, drug or any illegal substance.

### **2.7. Environment Management System**

Supplier shall establish structured Environment Management System or at the very minimum, adopt its practices for managing environmental issues, which may include but not limited to the following:

- a) Where practicable, align with ISO14001 certification;
- b) Measure and report on the environmental impact of its business activities and operations;
- c) Seek to improve the impact of its operations on the environment;
- d) Protect the environment and adopt precautionary approaches to environmental matters;
- e) Ensure appropriate handling of hazardous materials (where applicable);
- f) Employ the use of eco-labelled or eco-friendly products in its operations;
- g) Minimise resource deployment, pollution, waste and greenhouse gas emissions; and/or

- h) Ensure compliance with applicable laws and regulations related to environmental protection.

## **2.8. Decarbonisation Policy**

Supplier is encouraged to establish a decarbonisation policy or framework which includes action plans, targets and mechanisms for tracking and reporting carbon emissions especially for the tracking and reporting of the following:

- a) Scope 1 emissions which are direct emissions that are owned or controlled by the Supplier; and
- b) Scope 2 emissions which are indirect emissions that result from the activities of the Supplier but occur from sources not owned or controlled by it.

At the very minimum, Supplier is expected to promote awareness among its employees and/or workers on the importance of understanding carbon footprint, adopting sustainable practices and engaging in decarbonisation initiatives.

## **2.9. Good Stewardship**

Supplier is expected to continually and actively engage in responsible management practices, demonstrating a commitment to sustainability and ethical operations. Supplier is also expected to demonstrate efforts to implement impact reduction measures, specifically focusing on reducing the negative environmental and social impacts arising from its core business activities.

## **2.10. Restricted Activities**

Supplier shall not engage in any exclusionary or restricted activities including but not limited to illegal deforestation, waste dumping, or any actions that result in environmental degradation or harm to local communities. Supplier is also expected to demonstrate efforts to implement robust monitoring and compliance mechanisms to ensure adherence to these standards across its supply chain.

### **3. LABOUR STANDARDS**

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#### **3.1. Equal Opportunity and Non-Discrimination**

Supplier is expected to uphold the principles of diversity of workforce, equal opportunity, non-discrimination and fair treatment in all aspects where everyone is treated fairly and equally.

Supplier shall not engage in any form of discrimination based on culture, race, colour, age, gender, gender identity or expression, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in its hiring and employment practices.

#### **3.2. Labour Law**

Supplier is expected to comply with industry norms and all applicable local labour laws of all countries in which the Supplier intends to conduct business with EPF which include but are not limited to working hours, work permit, etc.

#### **3.3. Child Labour**

Supplier shall not, at any time, employ the use of child labour. The term "child" refers to anyone:

- a) Under the local legal minimum employment age; or
- b) Under the age of completing compulsory education.

Supplier shall comply with all laws and regulations governing child labour and apprenticeship programmes in all countries in which the Supplier intends to conduct business with EPF.

#### **3.4. Forced Labour**

Supplier shall not use forced, coerced, bonded or indentured labour or involuntary prison labour. All work must be voluntary and to the extent permitted by law, workers employed by Supplier shall be allowed to leave at their own will upon giving reasonable notice. Workers employed by Supplier shall not be required to forfeit any personal documents (e.g. passport, identification, work permits etc.) as a condition of employment.

#### **3.5. Wages & Benefits**

Supplier shall ensure that compensation paid to its workers complies with all applicable wage laws in all countries in which the Supplier intends to conduct business with EPF (e.g. minimum wage, overtime and legally mandated benefits etc.).

#### **3.6. Freedom of Association**

Supplier is expected to respect the rights of its workers to associate freely, seek representation or join workers' councils in accordance with local laws of all countries in which the Supplier intends to conduct business with EPF. Supplier shall ensure that its workers are able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

#### **3.7. Humane Treatment**

Supplier shall treat its employees with respect and dignity. No employees shall be subject to any form of harassment which includes but not limited to physical, sexual, psychological or verbal harassment; or threat of any such treatment.

**3.8. Discrimination & Harassment Reporting**

Supplier is expected to establish a grievance and reporting procedures and mechanisms to prevent or handle any discrimination and harassment.

**3.9. Human & Labour Rights**

In the course of conducting business with EPF, Supplier is expected to demonstrate reasonable standards of practices that protect basic human and labour rights of its employees and workers.

## **4. COMMUNICATION & DOCUMENTATION**

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### **4.1. Communication**

Supplier is responsible for communicating the requirements of the SCOC to its employees, sub-contractors and/or any service providers which include ensuring language translations are made when necessary.

### **4.2. Documentation**

Supplier is responsible for maintaining records to demonstrate compliance to the SCOC and related laws of all countries in which the Supplier intends to conduct business with EPF.

## **5. REPORTING OBLIGATION**

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Any non-compliance with and/or breach of the SCOC could prevent EPF from achieving its overall corporate vision, mission and objectives. It could also damage EPF's reputation and brand. Coming forward with genuine concerns to report, in good faith, any non-compliance or breach of the SCOC can improve EPF's worth and value. Supplier shall be responsible to promptly report any instance of actual or suspected violation of the SCOC to the Department of Integrity and Corporate Governance, EPF at [speakup@epf.gov.my](mailto:speakup@epf.gov.my). All reports are taken seriously and will be handled in a confidential manner with disclosure limited to the conduct of a full investigation of the alleged violation.

## **6. NON-COMPLIANCE**

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### **6.1. Periodic Audits & Assessments**

EPF shall have the right to conduct periodic audits and assessments, at any time to ensure compliance with the SCOC and the Supplier shall provide fullest cooperation to EPF and/or its authorised person(s).

As part of the audit and assessment, and subject to any prohibition under applicable laws or Supplier's confidentiality obligation with third party, Supplier may also be asked to permit inspections of its sites and facilities and/or, furnish to EPF any relevant documents or records, at any time for verification purposes.

### **6.2. Consequence for Non-Compliance**

In the event that the Supplier refuses to acknowledge or comply with the SCOC or in instances where EPF is of the view that the Supplier fails to comply with the SCOC, EPF shall have the absolute discretion to:

- a) request the Supplier to remedy the non-compliance to the satisfaction of EPF;
- b) suspend the Supplier's services to EPF;
- c) deregister the Supplier from EPF's registered supplier;
- d) disqualify the Supplier from consideration of new business with EPF; and/or
- e) take any other action that EPF may deem appropriate.

If the Supplier is requested to remedy the non-compliance with the SCOC, the Supplier shall submit a remediation plan for EPF's written approval within three (3) months from the date of notice by EPF. Upon receiving EPF's written approval, the Supplier shall remedy the identified non-compliance of the SCOC in accordance to the remediation plan approved by EPF.