



**PayNet**

**VENDOR CODE OF CONDUCT**

Effective 4 September 2017

# PREAMBLE

Payments Network Malaysia Sdn Bhd (PayNet) is the national payments network and shared central infrastructure for Malaysia's financial markets.

As the national provider of financial market utilities, PayNet aims to build inclusive, accessible and efficient payments and financial eco-systems for Malaysia. In line with this developmental objective, PayNet's shareholders do not receive dividends, and surplus profits are instead re-invested to ensure that the nation's financial market infrastructures and payment eco-systems are resilient, competitive and accessible to all.

The PayNet Group Vendor Code of Conduct (PVCOC) has been developed to reflect PayNet Group's values in conducting all of its business in an honest and ethical manner. This PVCOC is intended to clarify the standard of behavior essential for Vendor(s).

It is extremely important for all Vendor(s) to become familiar with the rules and regulations in the PVCOC as violation to this Code may, after due process, result in expulsion, termination of agreement and/or other administrative actions deemed appropriate by PayNet Group.

# APPLICABILITY OF PAYNET VENDOR CODE OF CONDUCT

All contractors and consultants of  
PayNet Group

and/or

Any person (s) appointed in any  
capacity to deliver goods or  
perform any part of the services,  
including their employees, agents,  
suppliers and sub-contractors of  
PayNet Group

# INTRODUCTION

# TO PAYNET

## VENDOR CODE OF CONDUCT

- ❖ Before the commencement of the services, it is the responsibility of the Vendor(s) to ensure that its representative(s) understands and complies with this PVCOC. The Vendor(s) must inform PayNet Group if the Vendor(s) knows, or has reason to believe, that a violation by it or its representative(s) may have occurred or is likely to occur
- ❖ PayNet Group may from time to time, require the Vendor(s) to provide attestation in writing of its compliance with this PVCOC, and expects the Vendor(s) to provide PayNet Group with responses to PayNet Group's request for information about compliance with this PVCOC
- ❖ PayNet Group expects that all Vendor(s) will cooperate with PayNet Group in any investigation PayNet Group may conduct. The Vendor(s) must provide additional information to facilitate PayNet Group's investigation into allegation of inappropriate or unethical behavior involving PayNet Group's employee or the Vendor's representative(s)
- ❖ PayNet Group reserves the right to take action on the Vendor(s) for breaching the PVCOC. PayNet Group may require the Vendor(s) to substitute any representative who breaches the PVCOC or behaves in a manner that is unlawful or inconsistent with the PVCOC. The replacement representative must be equipped with equal or better skills and knowledge, and must be agreed to in writing by PayNet Group
- ❖ PayNet Group has the right at any point in time to request information from Vendor(s) to verify the Vendor's reliability in order to ensure that PayNet Group's interest is protected at all times

# REGULATIONS AND ETHICS

## Compliance with laws and internal policies

Compliance to relevant internal policies and procedures established by PayNet Group are required by Vendor(s) and their representative(s) at all times

While conducting business with PayNet Group, all Vendor(s) and their representative(s) are required to conduct their business activities in full compliance with the applicable laws and regulations of their respective countries

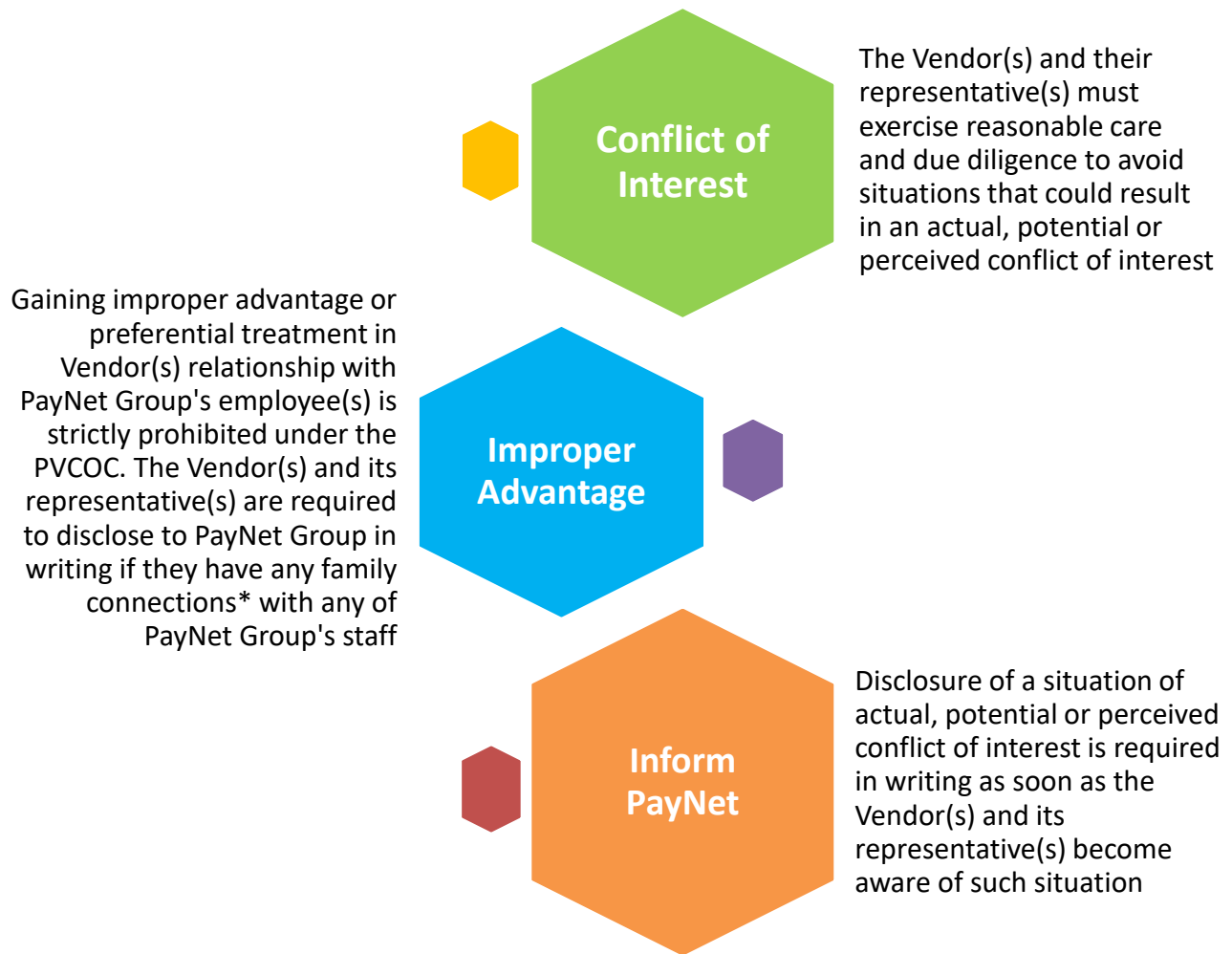
In addition to any specific obligations under the Vendor(s) agreement with PayNet Group, the Vendor(s) must comply with the applicable laws, rules and regulations of the jurisdictions in which they operate in

Vendor(s) and their representative(s) are required to obtain all necessary licenses and permits to conduct the activities for which they have been contracted for by PayNet Group

Whenever there is non-compliance with any of the requirements set out in this PVCOC, PayNet reserves the right to terminate the agreement or arrangement with the Vendor(s) at any time

# REGULATIONS AND ETHICS

## Conflict of interest



\* Family Connection refers to the following:

- i. Spouse, or their siblings;
- ii. Siblings, or their spouses;
- iii. Lineal ascendant or descendant;
- iv. Lineal ascendant or descendant of the spouse;
- v. A lineal descendant of a person referred to in (ii) above;
- vi. Uncle, aunt or cousin;
- vii. Son-in-law or daughter-in-law;

# REGULATIONS AND ETHICS

## Anti-bribery and anti-corruption

*When conducting business with PayNet, all Vendor(s) and their representative(s) shall:*

Take all measures to prevent corrupt practices, unfair means and illegal activities at all times while carrying out its contractual obligations for or on behalf of PayNet

Not involve in activities such as extortion, embezzlement or requesting for, receiving or facilitating kick-backs

Not offer or provide, directly or indirectly, any form of bribe, gratification, gift or favour to an employees, agents or other representative of PayNet involved, for the purpose of being improperly influenced in making any business decision or for the purpose of conferring any advantage in its conduct of business with PayNet

Not solicit or accept, directly or indirectly, any form of bribe, gratification, gift or favour from employees, agents or other representatives of PayNet involved, for the purpose of being improperly influenced in making any business decision or for the purpose of conferring any advantage in its conduct of business with PayNet

Not offer or provide any gratification to any public official

Declare any non-corrupt practices in relation to all payments made by PayNet Group to Vendor(s) for the delivery of goods or services to PayNet Group

# REGULATIONS AND ETHICS

## Gifts and entertainment

Vendor(s) and their representatives must not offer gifts or entertainment or other incentives to PayNet Group's employee(s) or their family members, in order to obtain or retain the business, secure preferential treatment to influence PayNet Group's business decision

If a Vendor(s) is unsure as to whether the gift or entertainment offered would be in breach of PVCOC, the Vendor(s) must consult with the intended recipients' supervisor or a higher authority

# REGULATIONS AND ETHICS

## Misrepresentation

Misrepresenting Vendors' capabilities to PayNet Group in order to gain procurement contract(s) with PayNet Group is strictly prohibited at all times

When securing contracts with other organisations, the Vendor(s) is strictly prohibited from misrepresenting its capabilities in delivering goods and services to PayNet Group



# PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

## Confidentiality obligation and data protection

- ❖ Vendors are required to have appropriate policies, procedures and security controls in place to protect PayNet Group's confidential information and prevent any information leakage
- ❖ Vendors are required to comply with PayNet Group's policies and the applicable laws on the protection of personal privacy, including personal data
- ❖ Vendors are required to treat with confidentiality all information related to the business and affairs of PayNet Group which is not generally available to the public
- ❖ Disclose or sharing of any of PayNet Group's confidential information with a third party outside the requirements defined in their contractual or non-disclosure agreement with PayNet Group, without obtaining PayNet Group's permission in writing, is strictly prohibited at all times, unless required by law
- ❖ Written approval from PayNet Group is required before Vendors are allowed to access any of PayNet Group's information technology environment and infrastructure as well as transfer of any information
- ❖ Vendors must not plagiarise information from PayNet Group or from other sources in delivering their services to PayNet Group
- ❖ Proper citations or references of its sources of information must be provided by Vendor(s), to avoid concerns over plagiarism

# PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

## Publication of materials

Prior written permission is required to be obtained by the Vendor(s) if it intends to publish any material/content owned by PayNet Group

Publication of any materials on PayNet Group's confidential information or material/content owned by PayNet Group by the Vendor(s) is strictly prohibited

All information or material/content disclosed to the Vendor(s) or obtained by the Vendor(s) during the contract with PayNet Group is deemed confidential, unless stated otherwise

Where the Vendor(s) publishes material/content owned by PayNet Group, proper citations and references to PayNet Group are to be made

# PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

## Giving of reference

PayNet Group may provide references to the Vendor(s) or its representative(s) upon the vendor's request and on a case-to-case basis, subject to the discretion and the approval of PayNet Group

# PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

## Restriction on making public statements

The Vendor(s) is not allowed to make or circulate any public statement on anything relating to the business or affairs of PayNet Group

# PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

## Protection of intellectual property

- ❖ The Vendor(s) must respect all intellectual property (IP) rights in its dealings with PayNet Group. PayNet Group views infringement of its IP seriously and will take legal action to protect its IP rights
- ❖ The Vendor(s) is required to comply with PayNet Group's information technology and security policies and procedures. This is to ensure the confidentiality, security and privacy of PayNet Group's assets and information is being maintained and protected at all times
- ❖ Only software and information technology that have been legitimately acquired and licensed are allowed to be used by the Vendor(s) while providing services to PayNet Group. Such software and information technology must be used in accordance with their terms of use or license
- ❖ In the event the Vendor(s) or its representative(s) is given permission to use PayNet Group's resources such as systems and emails, it is to be used exclusively for PayNet Group's official business. Usage of PayNet Group's resources by the Vendor(s) for any unauthorised, illegal or malicious acts is strictly prohibited by PayNet Group at all times
- ❖ The Vendor(s) must comply with the IP rights of PayNet Group and all other third parties. Additionally, the Vendor(s) is required to manage all transfers to or from PayNet Group, in a manner that protects PayNet Group's IP rights

# WORKPLACE CULTURE AND BEHAVIOUR

## Professional workplace culture and behaviour

- ❖ PayNet Group expects the Vendor(s) to operate in accordance with PayNet Group's values
- ❖ In the course of its dealings with PayNet Group and while on PayNet Group's premises, the Vendor(s) must behave and are expected to be properly attired and presentable during the course of performing their duty which reflects PayNet Group's professional image at all times
- ❖ PayNet Group will not tolerate any substance abuse on its premises or during the performance of the Vendor(s) contractual obligations
- ❖ The Vendor(s) is expected at all times to responsibly use PayNet Group's infrastructure and facilities, to avoid wastage and damage of PayNet Group's assets
- ❖ PayNet Group views forming of cartels and/or collusion with other Vendor(s) to gain procurement advantage as a serious offence
- ❖ The Vendor(s) or its representative(s) is strictly prohibited from engaging with the staff of PayNet Group during the procurement process. Any such engagement will be seen as an attempt to influence the tender/procurement process, and PayNet Group reserves the right to penalise the Vendor(s) or its representative(s) in any way deemed necessary during the evaluation process

# WORKPLACE CULTURE AND BEHAVIOUR

## Security and access

### Policies and Procedures

- Compliance with PayNet Group's security policies and procedures while operating in any of PayNet Group's premises by the Vendor(s) is required at all times

### Vetting

- Sufficient information must be provided by the Vendor(s) for PayNet Group to perform security vetting of its representative(s). The Vendor(s) is also required to comply with all reasonable requests for further documents or information

### Security Pass

- The Vendor(s) must display PayNet Group's security pass at all times while on PayNet Group's premises. The Vendor(s) is 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

# REPORTING OF POTENTIAL BREACH

- ❖ Any party with knowledge of a potential or questionable breach of the PVCOC, may report in confidence via the following channels to the parties listed below. All information will be handled with the utmost discretion. The identity of the concerned reporting party will be treated with the strictest confidentiality at all times
- ❖ PayNet Group will evaluate all concerns received and will conduct the appropriate investigations accordingly. In some cases, PayNet Group may report the questionable breach to the relevant authorities
- ❖ PayNet Group will not tolerate any retaliation taken by its employee(s), or Vendor(s) or its representative(s) against any individual for reporting in good faith questionable behaviors or possible violation of the PVCOC
- ❖ Staff/Vendor(s) are encouraged to report potential breaches to the following designated personnel:
  - i. Chairman of the Group Audit Committee;
  - ii. Group Chief Executive Officer;
  - iii. Director of Risk and Compliance;
  - iv. Director of Internal Audit Division; or
  - v. Head of Integrity

By email

- Disclosures can be made via email to
  - [paynet.audit.chairman@gmail.com](mailto:paynet.audit.chairman@gmail.com)
  - [auditchairman@paynet.my](mailto:auditchairman@paynet.my)
  - [headofintegrity@paynet.my](mailto:headofintegrity@paynet.my)

or

- Disclosures can be addressed to the preferred recipient from the list above via letter in the following format:

PRIVATE AND CONFIDENTIAL –  
DO NOT OPEN IF NOT THE ADDRESSEE

**<Preferred Recipient Designation>**  
Payments Network Malaysia Sdn Bhd  
Level 12, Tower 2A, Avenue 5, Bangsar South  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

By letter

For general enquiries please contact us using the contact details below:

**Procurement Department**

**Payments Network Malaysia Sdn Bhd (PayNet)**

Tower 5, Avenue 3, Bangsar South,

8 Jalan Kerinchi, 59200 Kuala Lumpur

+603 2264 8600

[vendorcoc@paynet.my](mailto:vendorcoc@paynet.my)