



## **VENDOR ETHICS**

## 1. Definition / Abbreviation

- 1.1. ARCC – Audit, Risk and Compliance Committee
- 1.2. ARCD – Audit, Risk & Compliance Division
- 1.3. The Board – Board of Directors of IJN
- 1.4. Employees – Any individual who is working and get paid by IJN
- 1.5. HCOD – Human Capital and Organizational Development
- 1.6. HOD – Head of Department
- 1.7. IJN – Institut Jantung Negara
- 1.8. Conflict of Interest – Situation in which an individual's personal interests or interest of the person connected clashes with the professional interest owed to his/her employer, potentially undermining the impartiality of the individual concerned. Conflict of interest includes actual, potential or perceived interest.
- 1.9. Vendor – Any external parties either individual or organisation with whom may come into contact during the course of work for IJN, and includes but not limited to the actual and potential consultants, suppliers, distributors, business contacts, agents, advisers including their representatives.
- 1.10. Top Management – Group Chief Executive Officer, Group Deputy Chief Executive Officer and Chief Clinical Officer

## 2. Introduction

- 2.1. At IJN, the employees are encouraged to conduct business-dealings with vendors that uphold the principles of good corporate governance, namely integrity, transparency, independence, accountability, fairness, and social responsibility.
- 2.2. In this respect, an effective vendor relationship is important in any business dealings.
- 2.3. With this Vendor Ethics, it is to clarify and institutionalise:
  - 2.3.1. What is considered to be acceptable business behaviour and by implication what behaviour that is not tolerated;
  - 2.3.2. Available channels to communicate or report unethical behaviour; and
  - 2.3.3. The implications of non-compliance to the Vendor Ethics.

### 3. Objective

- 3.1. Vendors of IJN to conduct their business in accordance with the highest ethical standards and must strictly comply with all laws and regulations on bribery, corruption and prohibited business practices.

### 4. Scope

- 4.1. This Policy applies to the entire IJN Group, its employees, current or potential vendors and their family members.

### 5. Principles

- 5.1. IJN vendors to maintain and observe the highest ethical standards as follows:
- 5.1.1. Shall not, directly or indirectly, offer anything such as money, goods or a service, to anyone as consideration for the decision, opinion, recommendation, vote or other exercise of discretion or violation of a known legal right by any officer or employee of IJN;
  - 5.1.2. Shall not directly or indirectly, offer, give or agree or promise to give to anyone any gratuity for the benefit of/or at the direction or request of any officer or employee of IJN;
  - 5.1.3. To immediately inform IJN contact (or a member of IJN management) in the event that any employee or director of IJN corruptly solicits or obtained or has made an attempt to obtain gratification for himself/herself or for any other persons.

### 6. Policy and Procedure

#### 6.1. Representative from vendor

- 6.1.1. IJN expects all its vendors to honestly declare and warrant that:
- 6.1.1.1. It will comply with all legislation, regulations and statutory requirements relating to the provision of the products/services to IJN;
  - 6.1.1.2. It is not related (e.g., common shareholders, Board members, senior management) to any of the other vendors participating in a similar bid;
  - 6.1.1.3. It is a duly authorised/certified provider of the supplied products/services and shall not, expressly or impliedly hold itself out to be an agent/representative of a third party provider of the same products/services;
  - 6.1.1.4. It will only supply products that are certified to be of merchantable and satisfactory quality;

- 6.1.1.5. The vendor possesses the necessary capabilities, equipment and suitable place of business to perform its obligations;
- 6.1.1.6. The vendor utilises its capabilities, equipment and suitable place of business to perform its obligations;
- 6.1.1.7. It shall not contract out or subcontract or outsource any portion of the products/services unless prior written consent from IJN has been obtained; and
- 6.1.1.8. It shall maintain the highest standards of integrity and quality of work at all times.
- 6.1.1.9. It shall at all material times execute the responsibilities honestly and fairly in the best interests of IJN and shall exercise reasonable care to avoid any situations of potential and/or actual conflict of interests; and promptly inform IJN in writing of a situation of actual and/or potential conflict of interest.

## 6.2. Requirements from Our Vendors

- 6.2.1. All IJN's current and potential vendors are expected to adhere to the principles and policies prescribed in the Vendor Ethics. In fulfilling these responsibilities, all vendors, their employees and representatives must:
  - 6.2.1.1. Read and understand the Vendor Ethics;
  - 6.2.1.2. Self-monitor compliance with the Vendor Ethics;
  - 6.2.1.3. Report possible violations of the Vendor Ethics by informing authorised representatives of IJN of any situation causing the vendors to operate in violation of the Vendor Ethics; and
  - 6.2.1.4. Cooperate fully in any investigation.
- 6.2.2. IJN will do its utmost to deal only with vendors who themselves adopt and adhere to the Vendor Ethics and/or any other policy or code of conduct that aims to promote similar principles as the Vendor Ethics. In this respect, IJN commits to monitoring the performance of its vendors and will adopt necessary disciplinary measures in cases where the ethics of its vendors comes into question.

6.2.3. To facilitate the monitoring of our vendors' compliance to the Vendor Ethics, IJN expects our vendors to:

6.2.3.1. Develop and maintain all necessary documentation to support compliance, such documentation must be accurate and complete;

6.2.3.2. Provide IJN's representatives with access to relevant records, upon IJN's request;

6.2.3.3. Allow IJN's representatives to conduct confidential interviews with the vendor's employees and with management separately;

6.2.3.4. Allow IJN's representatives to conduct announced and unannounced site visits of vendor locations; and

6.2.3.5. Respond promptly to reasonable inquiries from IJN's representatives in relation to the implementation of the Vendor Ethics.

### 6.3. Integrity Pledge

6.3.1. All IJN's potential and awarded vendors are expected to sign and submit the IJN Integrity Pledge with vendors.

6.3.2. For potential vendors intended to participate in any IJN's tender process are required to submit the signed integrity pledge as a part of mandatory tender document. Failing to do so might lead to disqualification from the tender process.

6.3.3. Meanwhile, awarded vendors who are succeed in the tender process are required to sign and submit another integrity pledge which will be attached together with the tender contract. Failing to do so, IJN might have to reconsider the tender's award decision including but not limited to revoke the tender's award decision.

### 6.4. Communication Channels

6.4.1. If a vendor has questions about the Vendor Ethics or wishes to report a questionable behaviour or possible violation of the Vendor Ethics, the Concerned Individual is encouraged to work with his or her primary IJN contact in resolving a business practice or compliance concern. However, IJN recognises that there may be times when this is not possible or appropriate. In such instances, a Concerned Individual should contact any of the following:

6.4.1.1. Call IJN's Integrity & Governance Unit (IGU) at 03-2617 8290 or 03-2617 8975

6.4.1.2. Send an email to IGUnit@ijn.com.my

6.4.1.3. Website:  
<https://www.ijn.com.my/whistleblower-report-form/>

6.4.1.4. Write to:  
Audit, Risk & Compliance Department,  
Institut Jantung Negara,  
145, Jalan Tun Razak,  
50400 Kuala Lumpur.

## 7. Penalties

- 7.1. Any violation of this Vendor Ethics Policy may result in disciplinary actions being invoked against that party, in addition to any contractual or legal remedies.
- 7.2. The disciplinary actions applied will depend on the nature and seriousness of the breach and on the degree of commitment shown by the vendors in breach to its obligations under the Vendor Ethics Policy.
- 7.3. The range of disciplinary actions available to be imposed on parties includes:
  - 7.3.1. Formal warnings – that the continued non-compliance will lead to more severe actions;
  - 7.3.2. Disclosure of nature of breach to all IJN subsidiaries companies;
  - 7.3.3. Immediate termination of contract, without recourse; and/or
  - 7.3.4. Preclusion from tendering for any work in the supply chain, for a specified period. These preclusion actions may be restricted to tender opportunities associated with IJN for lesser breaches, or in more severe cases, may be applied for IJN and all its subsidiaries companies.

## 8. Authority Levels

- 8.1. If a vendors has any doubts and is seeking clarification of this Vendor Ethics Policy, IGU should be referred as per clause 6.4 to ensure consistent treatment across the IJN Group.