

# TNB Sustainable Procurement Code of Conduct (SPCC)

TNB believes that all supplier/contractor relationships should be based on principles of good governance such as integrity, accountability, fairness and a no tolerance rule towards bribery and corruption. These principles extend to all the company's procurement activities in all countries in which it or its subsidiaries and majority- owned joint-venture companies operate. These principles are given force in a detailed Sustainable Procurement Code of Conduct ("SPCC"), which is constantly revised to reflect duly the changes in law, reputational demands and changes in the business. All TNB employees, directors and suppliers/contractors are required to comply accordingly with SPCC.

## CONTENTS

Paragraph	Description of Title	Page
1.	Definitions	2
2.	Introduction	4
3.	Scope	4
4.	Compliance of SPCC	4
5.	Guiding Principles of SPCC	5
6.	Conduct Business with Integrity and Good Ethics	5
7.	Representations From Suppliers/Contractors	6
8.	Responsibilities of Employees, Employees Seconded to TNB and Directors	7
9.	Responsibilities Of Suppliers/Contractors	7
10.	Environmental Practices	8
11.	Health & Safety	8
12.	Labour Rights	8
13.	Commitment to TNB Innovation Policy	9
14.	Protection of Assets including Information and Intellectual Properties	9
15.	Parties' Data Protection, Security and Access	9
16.	Whistleblowing or Reporting of Potential Breach	10
17.	Revisions	10
<b>Appendices</b>		
Appendix 1	Declaration of Interest	11
Appendix 2	Declaration of Integrity	12
Appendix 3	Representations to Tenaga Nasional Berhad	13
Appendix 4	Undertaking to Tenaga Nasional Berhad	13
Appendix 5	TNB Innovation Policy	14
	<b>List of References</b>	15

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

## 1. DEFINITIONS

### (i) **Authorised Representatives of TNB**

The Procurement & Supply Chain Division, Internal Audit Department, Internal Affairs Department and Security Department of TNB.

### (ii) **Bribery**

Any action, which would be considered as an offence of giving or receiving “gratification” under Malaysian Anti-Corruption Commission Act 2009 (revised 2018) (MACC Act).

“gratifications” under Section 3 of MACC Act means-

- a) money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
- b) any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
- c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- d) any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
- e) any forbearance to demand any money or money’s worth or valuable thing;
- f) any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted and including the exercise or the forbearance from the exercise of any right or any official power or duty; and
- g) any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).

### (iii) **Child (or “child”)**

As defined in Section 1A(1) Children And Young Persons (Employment) Act 1966 As at 1<sup>st</sup> December 2011, means any person who has not completed his fifteenth year of age.

### (iv) **Corporate Governance (“Corporate governance”, “corporate Governance”, “Governance” or “governance”)**

As outlined under Companies Act 2016 [Act 777], Malaysia Code of Corporate Governance 2017 (“The MCCG”)<sup>1, 6</sup>, Securities Commission Malaysian Code On Corporate Governance (MCCG) (as at 28 April 2021) and Bursa Malaysia Corporate Governance Guide.

### (v) **Corruption**

For the purpose of SPCC, corruption is defined primarily as any action, which would be considered as an offence of giving or receiving “gratification” under the Malaysian Anti-Corruption Commission Act 2009 (MACC Act).

### (vi) **Conflict of Interest (“CI”)**

- (a) When a person’s own interests either influence, have the potential to influence, or are perceived to influence their decision-making at TNB<sup>2, 3, 4</sup>:

- (1) Can exist when an individual is in a position to take advantage of his or her role at TNB for his or her personal benefit, including the benefit of his or her family and/or friends, in which his or her interest may conflict/potentially conflict with TNB’s interest.
- (2) Can make it difficult for an individual to fulfill his or her duties impartially and correctly.
- (3) Can exist even if it results in no unethical or improper acts. Even the appearance of improper influence in one’s decision-making may be an issue.
- (4) Will undermine the values of good faith, fidelity, diligence and integrity in the performance of one’s duties and obligations as expected by TNB.

- (b) The situations under which conflicts of interest may arise include but are not limited to:

- (1) When one, in the exercise of one’s authority, give preference to one’s interests or the interests of one’s family/household members, associates or friends rather than to the interests of TNB.
- (2) When one is/are such person(s) in the position to influence decisions that is/are to be made by TNB with respect to dealings with a business, enterprise or entity owned or partially owned by such person, one’s family/household members, associates or friends.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

- (3) When one competes with or against TNB, one must therefore avoid conflicts of interest between one's personal dealings and one's duties and responsibilities in the conduct of TNB's business. In particular, the use of TNB office position, confidential information, assets and other TNB resources for personal gain, or for the advantage of others with whom one is/are associated, is prohibited.
- (4) When one has a financial interest in a supplier, contractor, competitor, customer and one is/are involved in TNB's decision-making process relating to or of relevance, to them.
- (5) When one has a financial interest in a transaction in which one know TNB is involved or plans to be involved.
- (6) When one receives fees, commissions or other benefits from a supplier, contractor, competitor or customer.

**(vii) Directors**

Members of the Board of Directors of TNB, including members of the Board of Directors of Subsidiaries and Joint-Venture Companies.

**(viii) Employees**

All TNB's employees including TNB personnel that are seconded or assigned to third party companies or organizations.

**(ix) Employees Seconded**

Personnel from third party companies or organizations seconded or assigned to TNB or to third party companies or organizations, from TNB.

**(x) Human Rights<sup>5</sup>**

- (a) Are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion or any other status; and
- (b) Include the right to life and liberty; freedom from slavery and torture; freedom of opinion and expression; the right to work and education where everyone is entitled to these rights without discrimination.

**(xi) Joint-Venture Companies ("JVC")**

All joint-venture companies, which are, directly or indirectly, majority-owned by TNB.

**(xii) Laws**

The applicable laws are the Laws of Malaysia.

**(xiii) Majority-owned**

Owns more than 50% of voting stock.

**(xiv) Official Authorities**

The Anti-Corruption Commission, the Police and the Companies Commission of Malaysia.

**(xv) Procurement Processes**

Total procurement processes including product planning, requisition, supplier selection, contract management and supplier evaluation.

**(xvi) Subsidiaries**

All companies which are, directly or indirectly, majority-owned by TNB.

**(xvii) Supervising Officer**

Head of Division, Head of Department or any selected and elected employees by the Head of Departments to provide advice on matters pertaining to the SPCC.

**(xviii) Suppliers/Contractors**

Used in singular and/or plural sense and/or in upper case and/or lower case, refer to entity that have formal or informal contracts with TNB which has been providing, provided or potentially will provide works, goods or services to TNB and includes such entity's' sub-suppliers, sub-contractors and/or service providers.

**(xix) TNB**

Tenaga Nasional Berhad, its Subsidiaries and its Joint-Venture Companies.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

## 2. INTRODUCTION

- (a) Corporate governance<sup>6</sup> provides a framework of control mechanism that support the company in achieving its goal, while preventing unwanted conflict. The pillars of corporate governance such as ethical behavior, accountability, transparency, and sustainability are important to the governance of companies.
- (b) TNB integrated sustainable strategy<sup>7</sup> connects sustainability pillars that are, Environmental, Social, and Governance (ESG) matters with TNB's corporate strategy that is Reimagining TNB 2025 (RT), to enable TNB contributing towards the United Nations Sustainable Development Goals (UN SDGs) and becoming a leading provider of sustainable energy solutions in Malaysia and internationally.
- (c) TNB is committed to ensuring responsible management of its procurement process. The Sustainable Procurement Code of Conduct (SPCC) outlines the practices and professional conduct expected of all Suppliers/Contractors of TNB towards upholding TNB's values of integrity, transparency and accountability.

## 3. SCOPE

SPCC applies to all Employees, Employees Seconded, Directors and Suppliers/Contractors including their employees and directors.

## 4. COMPLIANCE WITH SPCC

### 4.1 Compliance with SPCC by Employees

- (a) Failure by Employees to comply with SPCC may result in disciplinary action being invoked against the Employees concerned in accordance with "Prosedur Tata tertib TNB" or any other disciplinary procedures that are currently in force; or
- (b) Failure to comply with SPCC by Employees Seconded to TNB from government-linked companies, government agencies or other companies may result in disciplinary actions being invoked against the Employees Seconded in accordance with the rules and procedures of the relevant government-linked companies, government agencies or the companies.

### 4.2 Compliance With SPCC by Directors

- (a) Directors have a duty to avoid conflict of interest as provided for under Section 221 and Section 222 of the Companies Act 2016; and/or
- (b) Failure by Directors to declare conflicts of interest may give rise to civil or criminal liabilities under Companies Act 2016.

### 4.3 Compliance With SPCC By Suppliers/Contractors

- (a) It is the responsibility of Suppliers/Contractors to ensure that its representatives understand and comply with SPCC.
- (b) In the event a breach has been committed, TNB has the right to take any action that TNB deems fit against Suppliers/Contractors, which include:
  - (i) Suspension or termination of contract;
  - (ii) Deduction of any amount of money paid or promised to be paid;
  - (iii) Requiring Suppliers/ Contractors to substitute any representative who breaches the SPCC or acting inconsistent with SPCC; or
  - (iv) Disqualify the Suppliers/Contractors, including those subjected to consequence management by TNB, from participating in any tender or procurement exercise.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

## 5. GUIDING PRINCIPLES OF SPCC

SPCC is guided by the core values<sup>8</sup> of TNB namely integrity, collaborative, professionalism, customer centric, forward thinking and mindfulness, and as such focuses on three (3) key elements of ethical conduct:

- (a) Zero tolerance on corruption;
- (a) No conflict of interest; and
- (b) Honest and accurate representation of capabilities.

## 6. CONDUCT BUSINESS WITH INTEGRITY AND GOOD ETHICS<sup>9, 10</sup>

6.1 The Suppliers/Contractors must uphold the highest standard of integrity and ethical conduct in all business interactions and dealings with TNB and these include:

6.1.1 Compliance with laws and TNB's internal policies, set out as follows:

- (i) Laws: Suppliers/Contractors and their representatives must conduct their business activities in full compliance with the applicable laws and regulations while conducting business with TNB.
- (ii) Approvals: Suppliers/Contractors and their representatives must obtain all necessary licenses and permits to conduct the activities for which they have been contracted by TNB.
- (iii) Internal Policies: Suppliers/Contractors and their representatives must comply with the relevant internal policies and procedures established by TNB.

6.1.2 Conflict of Interest, set out as follows:

- (i) Suppliers/Contractors must avoid any act or omission, which may give rise to a conflict of interest in the discharge of the Suppliers/Contractors work in relation to the agreement entered into with TNB.
- (ii) Suppliers/Contractors must not gain any improper advantage or preferential treatment in their relationship or dealings with TNB's Employees, Employees Seconded to TNB and/or Directors.
- (iii) Suppliers/Contractors shall not directly or indirectly induce any TNB Employees to leave his/her employment and become an employee of the Suppliers/Contractors if it gives rise to an undue advantage being gained by the Suppliers/Contractors.
- (iv) Suppliers/Contractors must declare to TNB by submitting the Declaration of Interest form in Appendix 1 if the Suppliers/Contractors have any family relationship with TNB's Employees, Employees Seconded to TNB and/or Directors.
- (v) Should there be any situation of an actual or potential conflict of interest and/or improper advantage, Suppliers/Contractors must report of such situation to TNB in accordance to paragraph 10.

6.1.3 Fraud, Bribery and Corruption, set out as follows:

- (i) TNB takes a zero-tolerance approach towards fraud, bribery, corruption and any form of dishonesty in its business dealings. All Suppliers/Contractors are expected to share TNB's values and must at all times refrain from engaging in or being involved in any form of fraud, bribery or corruption.
- (ii) TNB adopts a "No Gift" Policy. Suppliers/Contractors are strictly prohibited from directly or indirectly offering gifts, entertainment, travel or other form of gratification to TNB employees, Employees Seconded to TNB and/or Directors and/or their family members which may give rise to the perception or appearance of a potential conflict of interest before, during or after a procurement process.
- (iii) Suppliers/Contractors are strictly prohibited from any involvement, directly or indirectly in money laundering or terrorism financing activities.

6.1.4 Suppliers/Contractors are prohibited from:

- (i) directly or indirectly soliciting or accepting any form of bribery;
- (ii) being directly or indirectly involved in activities such as extortion or facilitating, requesting

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

- (iii) for or receiving kick-backs; or
- (iv) offering any gratification of any kind whatsoever to TNB Employees, Employees Seconded to TNB and/or Directors and/or their family members as an inducement or reward in order to obtain any advantage before, during or after the procurement process.

#### 6.1.5 Fair dealing, Open and Effective Competition:

Suppliers/Contractors shall not conspire, collude or form cartel with other Suppliers/Contractors for the purpose of reducing or eliminating competition during procurement process of submission of tenders or quotation.

#### 6.1.6 Misrepresentation

Suppliers/Contractors are prohibited from making any misrepresentation by misrepresenting their capabilities in the services rendered, works completed or supplies delivered:

- (a) at pre-award and/or post award in TNB contracts; and
- (b) for works, services, and/or supply, which are executed with or without a formal contract with TNB.

## 7. REPRESENTATIONS FROM SUPPLIERS/CONTRACTORS

### 7.1 The Suppliers/Contractors must declare in writing in **Appendix 3** to TNB, that the Suppliers/Contractors:

- (a) are duly authorized /certified provider of the products/services and shall not, expressly or impliedly hold themselves out to be an agent/representative of a third party service provider for similar products/services;
- (b) will at all times supply products that are of merchantable quality and must be reasonably fit for TNB's purpose;
- (c) possess and utilize the necessary capabilities, equipment and suitable place of business to perform their obligations;
- (d) shall not totally subcontract the works/services;
- (e) shall operate with integrity and conduct business in an ethical and fair manner; and
- (f) shall be accountable and honor their commitment in accordance with the terms and conditions of the contract, which has been agreed between them and TNB.

### 7.2 If the Suppliers/Contractors are companies with 51% Bumiputera status, the Suppliers/Contractors undertake and issue an undertaking under Appendix 4 that the company has fulfilled all the requirements stated under Ministry of Finance *Bahagian 1 Panduan Pendaftaran Akaun Asas Dan Syarikat Bagi Perolehan Bekalan dan Perkhidmatan* under paragraph 4.5.5 including:

#### 7.2.1 **Daftar Bertaraf Bumiputera (51%)**

- (a) *Syarikat dimiliki oleh Warganegara Malaysia dari segi penguasaan dan pegangan ekuiti, Lembaga Pengarah, Pengurusan, kakitangan, struktur/carta organisasi dan fungsi pengurusan sekurang-kurangnya 51% oleh Bumiputera. Baki 49% saham boleh dikuasai oleh bukan Bumiputera dan asing;*
- (b) *Jawatan Ketua Eksekutif, Pengarah Urusan atau Pengurus Besar dan jawatan-jawatan penting lain (key post) hendaklah dipegang oleh Bumiputera sekurang-kurangnya 51%;*
- (c) *Pengurusan Kewangan dari segi penandatanganan cek dan dokumen penting Kewangan syarikat hendaklah ditandatangani oleh Bumiputera; dan*
- (d) *Peratusan pegangan ekuiti tertinggi secara individu hendaklah dikuasai oleh Bumiputera. Manakala gaji/caruman KWSP tertinggi hendaklah dikuasai oleh Bumiputera.*

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

- 7.3 Supplier/Contractor shall submit to TNB *Sijil Akuan Pendaftaran Syarikat Bumiputera* issued by Ministry of Finance.
- 7.4 Despite the requirements mentioned in Para 7.2 above, the **Daftar Bertaraf Bumiputera** will be subjected to revisions issued by TNB without notices to the Supplier/Contractor.

**8. RESPONSIBILITIES OF EMPLOYEES, EMPLOYEES SECONDED TO TNB AND DIRECTORS**

All Employees, Employees Seconded to TNB and Directors are responsible in complying with SPCC. The Employee, Employee Seconded to TNB and Director must:

- (a) Be familiar with applicable requirements and directives of SPCC;
- (b) Promptly complete trainings and participate in educational programs/ events in relation to SPCC;
- (c) Promptly report violations or suspected violations of SPCC through appropriate channels;
- (d) Always raise suspicious transactions to immediate superiors for guidance on next course of action;
- (e) Cooperate fully in any investigation which may be conducted by TNB’s Procurement & Supply Chain Division, Internal Audit Department, Internal Affairs Department and Security Department; and
- (f) Commit to conduct TNB’s business with integrity, in compliance with SPCC as well as applicable company policies, laws and regulatory requirements.

**9. RESPONSIBILITIES OF SUPPLIERS/CONTRACTORS**

9.1 All current and potential Suppliers/Contractors must **comply with SPCC**.

9.2 Supplier/Contractor, their employees and representatives must:

- (a) Be familiar with applicable requirements and directives of SPCC;
- (b) Report possible violations of SPCC, in accordance with Paragraph 16 [**WHISTLEBLOWING OR REPORTING OF POTENTIAL BREACH**]; and/or
- (c) Cooperate with TNB in any investigation TNB may conduct in relation to any allegation of inappropriate or unethical behaviour involving TNB’s Employees, Employees Seconded to TNB, Directors or representatives of Suppliers/Contractors pursuant to any business interaction or procurement exercise.

9.3 TNB is committed to conducting its business in a legal, ethical and responsible manner and will conduct its business with Suppliers/Contractors that uphold the same principles. TNB will monitor the performance of its Suppliers/Contractors and will take necessary action when there is non-compliance or breaches of SPCC. To ensure the compliance of SPCC, Suppliers/Contractors must:

- (a) Maintain all accurate and complete documentations to support compliance;
- (b) Provide Authorized Representatives of TNB with complete and unrestricted access to relevant records, upon TNB’s request;
- (c) Allow Authorized Representatives of TNB to conduct confidential interviews with their management, directors and employees individually;
- (d) Allow Authorized Representatives of TNB to conduct site visits to the Suppliers’/Contractors’ locations in any manner; and
- (e) Respond promptly to inquiries from Authorized Representatives of TNB regarding implementation of SPCC.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

**10. ENVIRONMENTAL PRACTICES** <sup>9, 10, 11</sup>

10.1 Suppliers/Contractors should comply with all existing legislation and regulations regarding environmental protection. TNB encourages and supports Suppliers/Contractors to operate in an environmentally responsible manner:

- (a) Minimization of waste;
- (b) Recycling;
- (c) Use of non-toxic chemicals;
- (d) Proper disposal of hazardous materials;
- (e) Responsible use of natural resource;
- (f) Adopt environmentally friendly technologies; and
- (g) Sustainable practices.

10.2 As part of TNB’s collective efforts to mitigate climate change, TNB aims to work towards carbon neutrality by reducing CO2 emissions throughout the value chain, minimizing the impact on our planet and people.

**11. HEALTH & SAFETY** <sup>12</sup>

11.1 Suppliers/Contractors shall comply with the laws and regulations including pertaining to the occupational safety, security, working environment and well-being of their employees/workforce. Such compliances include comply with relevant occupational health and safety regulations and create a work environment that prioritizes employee health, prevents accidents, injuries, and work-related illnesses.

11.2 In maintaining an inclusive, safe, healthy workplace as well as in an environmentally friendly and sustainable manner, Suppliers/Contractors shall:

- (a) have a competent and responsible team dedicated to managing health, safety, environmental, and sustainability programs and driving improvements; and
- (b) establish and maintain suitable organizational structures and procedures to effectively manage risks in these areas and ensure that all workers are sufficiently aware of the risks and properly trained to implement control measures.

**12. LABOR RIGHTS** <sup>11, 13, 14, 15,16,17</sup>

12.1 TNB is committed to create a diverse and inclusive culture whilst upholding labour rights by inter alia eliminating modern slavery and any forms of forced labour including child labour <sup>18</sup> and promoting freedom of association and fair treatment, all in accordance with Laws of Malaysia. Consequently, Suppliers/Contractors shall:

- (a) comply with all legislation and regulations in Malaysia, including but not limited to:
  - (i) fair labour and employment;
  - (ii) prohibiting employment of modern slavery and any forms of forced labour including child labour; and
  - (iii) ensure our operations fully comply with applicable working hours, uphold the minimum standard living wage and benefits.
- (b) Participate in and complete where relevant, all human capital orientation required by TNB including training and lifelong learning, fostering continuous growth through training initiatives.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024



**13. COMMITMENT TO TNB INNOVATION POLICY** <sup>19, 20</sup>

13.1 TNB encourages Suppliers/Contractors to:

- (a) show strong commitment and participate duly with TNB’s innovation policy, process and outcomes; and
- (b) demonstrate to TNB that Suppliers’/Contractors’ solutions including works, services, and/or product are/is as an innovation and of value-creation to TNB and/or other third party.

13.2 TNB encourage Suppliers/Contractors to support open innovation identified by TNB, and pursue appropriate and value-creation goals to TNB, such as:

- (a) Solutioning to specific business needs and opportunities, including new processes, products & services as well as solutions to technical, analytical and scientific problems;
- (b) Development of and crystallizing as well as driving to fruition, new opportunities or business model as well as culture of innovation and collaboration; and
- (c) Promoting to TNB, awareness on critical and strategic topics and issues.

13.3 TNB Innovation Policy is found in **Appendix 5**.

**14. PROTECTION OF ASSETS INCLUDING INFORMATION AND INTELLECTUAL PROPERTIES** <sup>9, 11, 20</sup>

14.1 With regards to confidentiality information, Suppliers/Contractors shall:

- (a) keep confidential all information made available by TNB for the purposes of the procurement (confidential information);
- (b) not disclose or share any of TNB’s confidential information to any person without first, obtaining TNB’s prior written consent in writing;
- (c) not disclose TNB’s confidential information for any purpose except to the extend necessary to exercise its rights and perform its obligations for the procurement;
- (d) demonstrate appropriate industry standard and best practices for data security control to ensure that all confidential information is protected and secure from loss and unauthorized use; and
- (e) be bound by the obligation of confidentiality which shall survive even after termination or expiration of agreement or contract.

14.2 With regards to data protection, Suppliers/Contractors must comply with relevant laws and TNB’s policies in relation to protection of personal privacy, including personal data.

14.3 With regards to the protection of Intellectual Property (IP)<sup>9</sup>, Suppliers/Contractors shall:

- (a) respect IP rights of parties where any transfer of technology and know-how must be done in a manner that do not infringe those IP rights including those of TNB. TNB views infringement of its IP seriously and will take necessary action to protect its IP rights;
- (b) deploy and undertake maintenance for software and technology which have been legitimately acquired or licensed, in accordance with their respective terms of use or license.
- (c) comply with IP rights of TNB and all other relevant third party.

**15. PARTIES’ DATA PROTECTION, SECURITY AND ACCESS**

- (a) Suppliers/Contractors must provide sufficient information to TNB, for the purpose of security vetting by TNB of their representative and comply with all reasonable requests by TNB for further documents and information.
- (b) Suppliers/Contractors must comply with TNB’s security policies and procedures prior to, during or after conducting businesses related to TNB within or beyond TNB’s premises.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

**16. WHISTLEBLOWING OR REPORTING OF POTENTIAL BREACH** <sup>2, 9, 10, 21</sup>

- (a) Any party or Suppliers/Contractors with knowledge of a potential or questionable breach/violation of this SPCC could raise those concerns in confidence and report under TNB’s Whistleblowing Policy the following Reporting channels:
  - (i) Online Whistleblowing Information System (WBIS): <https://wbis.tnb.com.my> or other modes or links as advised by TNB from time to time;
  - (ii) Whistleblowing toll free number: 1-800-888-862;
  - (iii) Email to one (1) of the designated officers by using the Whistleblowing; and

Name	Email Address
<b>Ong Ai Lin</b> Senior Independent Non-Executive Director	ongailin.integrity@tnb.com.my
<b>Kalivann Palanivelu</b> Chief Integrity Development Officer	kalivann.integrity@tnb.com.my
<b>Hasbah binti Hasbullah</b> Senior Manager, Integrity Department	hasbahh.integrity@tnb.com.my

**17. REVISION CONTROL**

This SPCC will be updated, amended or revised by P&SC Division, TNB from time to time to drive its adequacy as well as effectiveness in implementation and enforcement.

**[Dated 03 OCTOBER 2024]**

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

**DECLARATION OF INTEREST BY SUPPLIERS/CONTRACTORS TO TENAGA NASIONAL BERHAD (TNB) [SPCC]**

- (1) This declaration of interest is made to TNB pursuant to [ type in the contract number].
- (2) I/We <individual name/company name>, <NRIC/Company Registration Number> declare and confirm the following (Check “X” where appropriate):

(a)		Our shareholders/directors/personnel key management function and their close family members <sup>2</sup> do not have any relationship with any Employees, Seconded Employees of TNB or Directors; or
-----	--	--

(b)		The following shareholders/ directors/ personnel holding key management function has a relationship with an Employee or Seconded Employee or Directors of TNB, by virtue of their close family member’s position. Details are provided below:
-----	--	---

No.	Name & NRIC	Relationship with Suppliers/Contractors	Relationship with TNB

- (c) I/We including our shareholders/directors/personnel holding key management functions and their close family members do not have any interest that could be in conflict with my/our work with TNB;
- (d) For the duration of the engagement that I/we enter with TNB, I/we shall not do any act or commit any omission which may give rise to a conflict of interest in the discharge of my/our work in relation to the engagement entered into with TNB;
- (e) I/We agree to be bound by TNB Sustainable Procurement Code of Conduct and warrants that no conflict of interest exists or likely to arise in the performance of my/our obligations under the engagement; and
- (f) I/We declare and affirm that the contents of this declaration are true and correct.

<sup>2</sup> Close family members refers to ‘The person’s relatives as defined by the Malaysia MACC Act 2009 Section 3, or someone with whom the person has a personal friendship, or anyone living in the same household as the person. A broader term than ‘relative’ or ‘immediate family’. Reference: Conflicts of Interest Policy, TCIMS- 003, Integrity Department TNB, 1 August 2018, Revision 0 or subsequent versions.

- (3) In the event that a situation of an actual or potential conflict of interest arises after the date of this declaration, I/we shall within fourteen (14) calendar days disclose the same to TNB. Upon such disclosure, I/we agree that TNB may take any action as TNB deems fit with regards to the [insert Name of Suppliers/Contractors]’s existing or potential dealings, arrangements or agreements with TNB.
- (4) I/We acknowledge that the obligations in this declaration shall commence from the procurement exercise and survive throughout the engagement, including the termination or expiration of the engagement.

Acknowledgment of acceptance to the Declaration of Interest by:

Signature:	Witness Signature:
Name of Suppliers/Contractors’ representative:	Name of Witness:
Designation:	NRIC:
Date:	Date:

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

**DECLARATION OF INTEGRITY TO TENAGA NASIONAL BERHAD (TNB) <sup>21</sup>**

- (1) This declaration of integrity is made to TNB pursuant to [Insert contract name and number] (Agreement/Contract) executed between [Insert name of Suppliers/Contractors] [Insert Company No.] (Company) and TNB on [Insert date of Agreement/Contract].
- (2) [Insert name of Suppliers/Contractors] declare that it has read and understood the contents of TNB Sustainable Procurement Code of Conduct (SPCC) and acknowledge that:
  - (a) The SPCC forms part of the Agreement/Contract and is binding on the Company and/or its employees/directors; and
  - (b) The SPCC may be amended by TNB from time to time as may be notified to the Company by TNB.
- (3) In line with the Agreement/Contract and SPCC, the [Suppliers/Contractors] declare(s) that [Suppliers/Contractors] and its representatives shall:
  - (a) Comply with relevant laws, rules regulations as well as TNB’s policies, internal procedure before, during and after the duration of Agreement/Contract;
  - (b) Exercise reasonable care and due diligence to avoid any situations of potential and/or actual conflicts of interests;
  - (c) Inform TNB within fourteen (14) calendar days of the occurrence of an actual or potential conflict of interest situation;
  - (d) Not gain improper advantage or preferential treatment in their relationship with TNB’s Employees, Employees Seconded to TNB and/or Directors;
  - (e) Inform TNB of Suppliers/Contractors relationship with TNB’s Employees, Employees Seconded to TNB and/or Directors within fourteen (14) calendar days upon having knowledge of existence of any relationship, which may influence the objectivity of Suppliers/Contractors business conduct with TNB;
  - (f) Not to make any misrepresentations of its capabilities in order to gain TNB’s procurement or during its delivery of supplies and services to TNB;
  - (g) Operate in a professional manner in the course of its dealings with TNB and while on TNB’s premises; and/or
  - (h) Comply with TNB security policies and procedures while providing services at TNB’s premises.
- (4) The Suppliers/Contractors shall within fourteen (14) calendar days inform TNB of any breach or alleged or suspected breach of the Agreement/Contract, including SPCC and cooperate with TNB in any investigation of such breach or alleged breach or suspected breach involving Suppliers/Contractors representatives or TNB Employees, Employees Seconded to TNB or Directors.
- (5) Suppliers/Contractors acknowledge that TNB has the right to take any action at it deems fit if the Company or its representatives is found to have breached any requirements in the Agreement/Contract, SPCC or any other terms and conditions imposed pursuant to the Agreement/Contract. Such actions include:
  - (a) Suspension or termination of Agreement/Contract;
  - (b) Deduction of any amount of money paid or promised to be paid;
  - (c) Requiring the Suppliers/Contractors to substitute any representative who breaches the SPCC or acting inconsistent with SPCC; or
  - (d) Disqualify the Suppliers/Contractors from participating in any tender or procurement exercise including being black-listed by TNB.
- (6) If there are any individuals, including any Employees of TNB, Employees Seconded to TNB or Directors who solicit, receive, or agree to receive any gratification of any kind whatsoever for himself/herself or for other persons on the account of those individuals doing or forbearing to do anything, in respect of any matter related to the procurement, [Insert name of Suppliers/Contractors] shall raise this matter and report via <https://wbis.tnb.com.my/>.
- (7) [Insert name of Suppliers/Contractors] acknowledges that the obligations in this declaration shall commence from the procurement exercise and survive throughout the Agreement/Contract, including the termination and expiration of the Agreement/Contract.

Acknowledgment of acceptance to the Declaration of Integrity by:

Signature:	Witness signature:
Name of Company’s Representative:	Name of witness:
Designation:	NRIC:
Date:	Date:

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

**Appendix 3****REPRESENTATIONS TO TENAGA NASIONAL BERHAD**

[Insert the name of Suppliers/Contractors] hereby undertakes as follows:

- (1) We are duly authorised/certified provider of the products/services and shall not, expressly or impliedly hold themselves out to be an agent/representative of a third party service provider for similar products/services;
- (2) We will at all times supply products that are of merchantable quality and must be reasonably fit for TNB's purpose;
- (3) We possess and utilize the necessary capabilities, equipment and suitable place of business to perform our obligations;
- (4) We shall not totally subcontract the works/services;
- (5) We shall operate with integrity and conduct business in an ethical and fair manner; and
- (6) We shall be accountable and honour our commitment in accordance with the terms and conditions of the contract which has been agreed between us and TNB.

Signature:

Witness signature:

Name of Company's Representative:

Name of witness:

Designation:

NRIC:

Date:

Date:

**Appendix 4****UNDERTAKING TO TENAGA NASIONAL BERHAD**

[Insert the name of Suppliers/Contractors] hereby undertakes as follows:

- (1) *Has fulfilled all the requirements stated under Ministry of Finance Bahagian 1 Panduan Pendaftaran Akaun Asas Dan Syarikat Bagi Perolehan Bekalan dan Perkhidmatan under paragraph 4.5.5 for Daftar Bertaraf Bumiputera (51%);*
- (2) *Syarikat dimiliki oleh Warganegara Malaysia dari segi penguasaan dan pegangan ekuiti, Lembaga Pengarah, Pengurusan, kakitangan, struktur/carta organisasi dan fungsi pengurusan sekurang-kurangnya 51% oleh Bumiputera;*
- (3) *Jawatan Ketua Eksekutif, Pengarah Urusan, Pengurus Besar dan jawatan-jawatan penting lain (key-post) adalah dipegang oleh Bumiputera sekurang-kurangnya 51%;*
- (4) *Pengurusan Kewangan dari segi penandatanganan cek dan dokumen penting kewangan syarikat adalah ditandatangani oleh Bumiputera; dan.*
- (5) *Peratusan pegangan ekuiti tertinggi secara individu adalah dikuasai oleh Bumiputera. Gaji/caruman KWSP tertinggi adalah dikuasai oleh Bumiputera.*

Signature:

Witness signature:

Name of Company's Representative:

Name of witness:

Designation:

NRIC:

Date:

Date:

**TNB INNOVATION POLICY**



**TNB INNOVATION POLICY**

Tenaga Nasional Berhad (TNB) fully recognises that innovation is important for our prosperity, survival and to stay relevant today and in the future.

We are committed to innovate while maintaining focus on Service Excellence, Communication, Outlook, Relationship, Environmental Stewardship and Sustainable Company (S.C.O.R.E.S); and delivering value to our stakeholders (i.e. customers, employees and owners) in order to achieve our overarching vision to be among the leading corporations in energy and related businesses globally.

In line with this policy, TNB shall:-

- i. Ensure leadership commitment and support to drive the innovation agenda and ensure it is understood by all business units.
- ii. Establish framework for effective innovation management and execution.
- iii. Provide support mechanisms to tap innovation companywide, complement R&D initiatives from demonstration to commercialisation and subsequently widespread deployment to the market.
- iv. Promote a self-sustaining innovation culture.
- v. Encourage openness and fair treatment of ideas to harness unbridled creativity from all employees.
- vi. Stimulate intellectual freedom and encourage experimentation whilst appropriately balancing the associated risks.
- vii. Provide the necessary information, training and resources to enhance the capacity and competency level of its employees towards innovation.
- viii. Allocate appropriate resources, funding and incentives to foster innovation aimed at new markets and business ventures.
- ix. Adopt systems approach encompassing the entire business value chain from technology development to innovation in products, services, processes and business models.
- x. Ensure innovation has a high priority in our growth strategy and is integrated into the business plans.

As means of achieving the above objectives, TNB is committed to establish and support an innovation culture, and invites contribution from all its employees. We call upon every manager and employee to ensure that this policy is observed in all our activities.

*"POWERING THE NATION"*

( Datuk Seri Ir. Azman Mohd )  
 President/Chief Executive Officer  
 Tenaga Nasional Berhad

[END]

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024

## List of References

---

- <sup>1</sup> Pages 204 to 210, Tenaga Nasional Berhad (TNB). (2010). *Annual Report 2010, POWERING A SUSTAINABLE FUTURE*. Kuala Lumpur.
- <sup>2</sup> Sime Darby Anti-Bribery And Anti- Corruption Policy.
- <sup>3</sup> Asian Institute of Chartered Bankers Anti-Bribery And Corruption Policy.
- <sup>4</sup> Petronas Code of Conduct & Business Ethics PART IIA: CONFLICT OF INTEREST.
- <sup>5</sup> [Universal Declaration of Human Rights | United Nations](https://www.un.org/en/about-us/universal-declaration-of-human-rights),  
Reference: <https://www.un.org/en/about-us/universal-declaration-of-human-rights>.
- <sup>6</sup> Malaysian Code of Corporate Governance (Revised 2007).
- <sup>7</sup> Pages 13 to 21, Tenaga Nasional Berhad (TNB). (2022). *TNB SUSTAINABILITY REPORT 2022, Accelerating a responsible ENERGY TRANSITION*. Kuala Lumpur.
- <sup>8</sup> [Corporate Profile - Tenaga Nasional Berhad \(tnb.com.my\)](https://www.tnb.com.my/about-tnb/corporate-profile), Reference: <https://www.tnb.com.my/about-tnb/corporate-profile>.
- <sup>9</sup> Suruhanjaya Sekuriti *Vendor Code of Conduct* Revised 13 May 2019.
- <sup>10</sup> Bursa Malaysia *Vendor Code of Conduct*.
- <sup>11</sup> Supplier Code of Conduct, FGV Holdings Berhad.
- <sup>12</sup> GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018, by the Global Sustainability Standards Board (GSSB).
- <sup>13</sup> PETRONAS Code of Conduct and Business Ethics, PETROLIAM NASIONAL BERHAD (PETRONAS). (2022).
- <sup>14</sup> Genting Supplier Code of Conduct. (2021).
- <sup>15</sup> Children and Young Persons Employment (Act 1966).
- <sup>16</sup> Child Act 2001 (Act 611).
- <sup>17</sup> Employment Act (1955).
- <sup>18</sup> Page 86, Tenaga Nasional Berhad (TNB) *TNB SUSTAINABILITY REPORT 2022, Accelerating a responsible ENERGY TRANSITION*. Kuala Lumpur.
- <sup>19</sup> Page 7, Tenaga Nasional Berhad (TNB). *TNB SUSTAINABILITY REPORT 2022, Accelerating a responsible Energy Transition*. Kuala Lumpur.
- <sup>20</sup> *Open Innovation Handbook: Tools, methods and tips for tapping creativity to drive innovation*, Tenaga Nasional Berhad (TNB). (2014). Kuala Lumpur.
- <sup>21</sup> Page 18 , Tenaga Nasional Berhad (TNB). *TNB SUSTAINABILITY REPORT 2022, Accelerating a responsible ENERGY TRANSITION*. Kuala Lumpur.

Revision Series	Revision Date
2nd revision	03 OCTOBER 2024