

APPENDIX E



CAHYA MATA SARAWAK

CODE OF ETHICS AND BUSINESS CONDUCT

**FOR CONTRACTORS, SUPPLIERS AND
CONSULTANTS**

(Rev. 4 | September 2010)



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To: Our Valued Contractors, Suppliers and Consultants

1.0 GENERAL

Cahya Mata Sarawak Berhad and its Group of Companies (collectively, “CMS”) is committed to leading with integrity and conducting all its business relationships with the highest ethical standards. As contractors, suppliers or consultants are an integral part of its success, CMS requires you, including your directors, owners, employees and/or agents, at all times to abide by the terms of this Code of Ethics and Business Conduct (“Code”) and to conduct your business dealings with CMS in accordance with this Code, over and above the necessary compliance required under laws applicable to your business.

Compliance with this Code is mandatory to maintain your status as registered contractor, supplier or consultants of CMS.

2.0 FAIR COMPETITION

- (a) CMS expects you to compete honestly, fairly and ethically for all business opportunities. You should also ensure that all statements and representations made and other information provided to CMS are true and accurate in all respects.
- (b) You must not, where applicable with respect to your engagement as contractors, suppliers or consultants:
 - (1) aid or collude with any other parties/entity to manipulate the tendering process;
 - (2) engage in any anti-competitive conduct including tender rigging and entering into any arrangement/agreement with other party/entity which will affect or compromise the genuine competition among any of the tenderers; and
 - (3) submit more than one tender by having your related party/entity to submit other tender(s) when participating in any tenders called by CMS.

For the purpose of this paragraph, your “related party/entity” shall include a party/entity:

- (i) that has common shareholders, directors, management and/or operating premises with you; or
- (ii) in which any of your shareholders or directors or their close family members (including their spouse, children and parents) have an interest, either legally or beneficially.”



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3.0 COMPLIANCE WITH SECURITIES AND INSIDER TRADING LAWS

You are expected to comply with all applicable securities and insider trading laws governing transactions in the Securities of CMS. If you possess or have access to any material, non-public information gained through your dealings with CMS, you shall not use such information to trade in the Securities of CMS or the Securities of any other company to which the information relates. For the purposes of this Clause, “Securities” include shares, bonds and other financial instruments.

4.0 ILLEGAL OR IMPROPER PAYMENTS

You shall not make or offer bribes, kickbacks, payments of money or anything (including gifts, loans, properties, the use of services, entertainment or any other benefits) of more than the nominal value (collectively, “Payments”) to any CMS director or employee, or any family member or associate of such director or employee. You should also refrain from making Payments to any government employee or representative or to any other third party –

- (a) for the purpose of obtaining or retaining business related in any way to CMS; and/or
- (b) where such Payments appears to influence or compromise judgment or if it appears to be an attempt to obligate or influence the recipient in order to secure unfair preferential treatment.

You should also not solicit or accept any Payments where acceptance thereof could reasonably be construed as an attempt by the offering party to secure preferential treatment.

5.0 CONFLICTS OF INTEREST

In your dealings with CMS, you are required to act with total objectivity and to avoid any conflicting interests. You are obliged to disclose to CMS any actual or potential conflict of interest with CMS or any of its directors or employees. Examples of potential conflicts of interest include the following:

- (a) any financial relationship between you and any CMS director or employee, or any family member or associate of such director or employee;
- (b) any financial or close personal relationship between any of your directors or key employees and any CMS director or employee, or any family member or associate of such director or employee; and
- (c) any outstanding offer of employment to, or the current or former employment of, any current or former CMS director or employee, or any family member or associate of such director or employee, by you.



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6.0 REQUESTS FOR INFORMATION

Prior to a contract award, you shall not solicit or obtain, directly or indirectly, from any CMS director or employee, any information relating to current or future contracts, or a specific pending procurement, unless such information is available at the same time and in the same form to all other tenderers, proposers, contractors, suppliers and/or consultants.

7.0 PARTICIPATION IN PROCUREMENT DEVELOPMENT

Unless specifically requested or agreed upon by CMS in writing, in the event that you participate or participated in the development of any, tender, proposal, contractual instruments or technical specifications, you (and any other company, firm or entity under your control or management, or under your owner or director's control or management) shall not participate as a tenderer, sub-tenderer, proposer or sub-proposer on that particular procurement or project or perform any work on that particular procurement or project or any other procurement that would constitute a potential conflict of interest or would give you an unfair advantage over other tenderers, proposers, contractors, suppliers and/or consultants on that procurement or project.

8.0 OFFERS OF EMPLOYMENT

You shall not offer, or promise to offer, either directly or indirectly, any employment or business opportunity to any CMS director or employee, or any family member or associate of such director or employee, if such offer or promise is conditioned, expressly or impliedly, on the awarding of a present or future contract or preferential treatment in the awarding of a contract at any time to anyone by CMS.

9.0 CONGRATULATORY OR CONDOLENCE ADVERTISEMENTS

You shall not publish or cause to be published, in any newspaper, daily, journal, magazine and/or other publications, any congratulatory or condolence advertisement for or in respect of CMS, or any CMS director or employee, or any family member or associate of such director or employee, unless the prior written approval of CMS has been obtained.

10.0 ACCURATE ACCOUNTS AND RECORDS

CMS requires you to maintain proper, accurate and reliable business and financial records. You should not have any false, misleading or inaccurate entries or omissions in your accounts, books or other records in connection with your business or dealings with CMS. The retention, disposal or destruction of records of or pertaining to CMS must always comply with legal and regulatory requirements.



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11.0 CONFIDENTIALITY

You are expected to safeguard CMS' Confidential Information and not use, publish or disclose it other than as may be necessary to fulfill your contractual obligations to CMS and/or where disclosure is within the scope to which such Confidential Information was provided. For the purposes of this Clause, "Confidential Information" includes trade secrets, processes, formulas, methods, marketing and/or sales plans, product development plans, pricing, business and financial plans, forecasts, customer and employee information, competitive analysis, information not generally known to the public and other information marked "confidential".

12.0 USE OF CMS PROPERTY

Where in the course of performing your work or services, you are required to use any property belonging to or in the possession of CMS, you shall ensure that due care is given to such property and protect the same as though it was your own. Further, such property shall only be used for or in relation to CMS' business related purposes only.

13.0 OTHER IMPROPER BEHAVIOUR

- (a) CMS prohibits you from performing work activities for or on behalf of CMS under the influence of any substance, including drugs or alcohol, which prevents you from conducting your work safely and effectively.
- (b) CMS is committed to maintaining an environment in which every employee has a right to a work environment free from harassment. Unlawful harassment may include harassment of a sexual or gender-based nature. Harassment of any form or kind will not be tolerated. Therefore, when conducting business for or on behalf of CMS, we expect you to treat everyone you interact with appropriately.

14.0 CONDUCT OF PERSONNEL

You are fully responsible for the quality and performance of your employees and representatives (collectively, "Personnel"), and retain full responsibility for the selection of such employees and representatives. However, CMS is entitled to request for the removal of any of your Personnel assigned at any level to perform a contract with CMS if CMS determines, in its absolute discretion, that such Personnel is not able to adequately or appropriately perform the services required for that particular contract or is otherwise in breach of this Code.



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15.0 PROVISIONS OF CODE NOT EXHAUSTIVE

This Code does not address every situation or circumstance. As a general guide, you should refrain from conduct which you know or ought reasonably to know is likely to create in the minds of an objective observer the perception that you are using or performing your contract with CMS in an improper manner.

Further, the provisions of this Code is over and above the requirements set out in any contract with CMS or any other written document issued by CMS.

16.0 REPORTING

You are required to report to CMS any conduct believed in good faith to be an actual, apparent or potential violation of this Code, as well as any inappropriate behaviour or activities of a CMS director or employee. CMS holds its directors and employees to high ethical standards and requires them to avoid engaging in any activity that involves even the appearance of impropriety or conflict of interest.

Any request, notice, report or disclosure to CMS under this Code shall be addressed to –

The Group Managing Director
Cahya Mata Sarawak Berhad
Level 6, Wisma Mahmud
Jalan Sungai Sarawak
93100 Kuching
Sarawak

Reports will be handled as confidentially as possible.

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