

CODE OF ETHICS

DOING BUSINESS WITH THE AIR SELANGOR GROUP



COMPRISING:

- ❖ SYABAS
- ❖ PNSBW
- ❖ KONSORTIUM ABASS
- ❖ KASB

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I. MESSAGE TO ALL BUSINESS ASSOCIATES

Every business transaction should benefit all the parties involved. In doing business with our business associates, Pengurusan Air Selangor Sendirian Berhad (AIR SELANGOR) continually tries to ensure that a synergistic, mutually beneficial but ethical relationship is achieved. Such relationships are grounded on principles of honesty, integrity and respect. As such, AIR SELANGOR puts a premium on the reciprocity of its business associates in maintaining the integrity of this business relationship.

This Code of Ethics seeks to represent AIR SELANGOR's values and principles in doing business and to communicate these values to all the parties engaging in business with AIR SELANGOR.

AIR SELANGOR's employees have been made to understand the importance of strict adherence to its values and standards and the Group appreciates the active support of all its business associates in the maintaining of a high level of ethics in all their transactions with AIR SELANGOR.

All businesses are therefore requested to bear in mind to communicate this code of ethics to all the relevant parties within their organization, as AIR SELANGOR policy does not permit the Company to conduct business with any business associate who violates the code.

AIR SELANGOR believes that the code of ethics outlined in this document will offer a firm basis for business relationships between AIR SELANGOR and its business associates to grow under the most optimal conditions.

In this respect, AIR SELANGOR looks forward to active participation and support from its business associates, leading to long-term and mutually beneficial relationships.

II. POLICY ON GENERAL BUSINESS ETHICS

AIR SELANGOR believes in conducting every business transaction on the basis of integrity, mutual trust and respect so that its reputation and the level of excellence in service and goods provided by both AIR SELANGOR and its business associates are not compromised in any way. AIR SELANGOR believes that high standards of ethical conduct will result in a long term mutually beneficial business relationship.

▪ COMPLIANCE WITH LAWS

AIR SELANGOR is first and foremost a law abiding corporate citizen. It expects the same of its business associates in the course of all related business transactions. Compliance with all relevant laws, regulations and by-laws is the most basic pre-requisite of maintaining a high level of ethical behavior.

▪ BUSINESS RECORDS

AIR SELANGOR's policy and practice require the maintenance of appropriate business records and accounts that portray an accurate reflection of all business transactions conducted with its clients and business associates.

▪ ILLEGAL/QUESTIONABLE PAYMENTS

AIR SELANGOR prohibits all forms of illegal payments ("under counter money", "football money", etc.), commissions and fees, both solicited and unsolicited in order to induce the company or its subsidiaries to complete any business transaction with its clients or business associates. Illegal or questionable payments includes discounts, preferential treatment or gifts that may induce certain behaviors from Air Selangor employees. Such payments deviate from its code of ethics and breach the values the company seeks to uphold.

If a business associate is aware of any action or activity of any AIR SELANGOR employee or representative which is contradictory to this principle, he is advised to report to AIR SELANGOR's Whistleblowing Channel at etika.air@airselangor.com. Appropriate action will be taken if evidence of any wrongdoing is proven beyond a reasonable doubt. AIR SELANGOR would like to assure its business associates involved that any such communication made with or to the Group will be treated with strictest confidentiality and will be handled with discretion.

At the same time, if any business associate is found to be the active party in offering questionable payments to a AIR SELANGOR employee, AIR SELANGOR will not hesitate to terminate its business relationship with the offending party.

III. POLICY ON CONFLICTS OF INTEREST

AIR SELANGOR requires its employees to avoid any conflict between their personal interests and the interest of the company in dealings with its business associates.

- BUSINESS INTEREST OUTSIDE AIR SELANGOR

There are instances when AIR SELANGOR employees may participate in business or establish business relationships outside the Group. This may give rise to both legal and ethical concerns in the course of their work with AIR SELANGOR.

The following guidelines should be observed to avoid potential conflicts:

a) Full- time AIR SELANGOR employees should not be employed elsewhere nor should they participate in any outside business that takes up a substantial amount of their time which distracts them from focusing on their jobs at AIR SELANGOR or which negatively affects their performance at AIR SELANGOR, rendering them unable to offer full dedication to AIR SELANGOR.

b) Full-time AIR SELANGOR employees should not be involved in or be a part of any business directly or indirectly if the business is a competitor, supplier, contractor or customer of AIR SELANGOR. If there is an indirect involvement, prior disclosure should be made to the CEO of AIR SELANGOR, with the CEO having the ultimate decision as to whether such indirect involvement may be allowed.

If for whatever reason a AIR SELANGOR employee seeks to participate in an outside business, the employee must first make the disclosure to the Human Resource & Administration Department of AIR SELANGOR, and must obtain approval in writing of the CEO of AIR SELANGOR for such participation.

In light of the above, Business Associates of AIR SELANGOR are advised not to offer any agency, management or consultancy contracts to AIR SELANGOR employees. Similarly, AIR SELANGOR employees should not solicit or accept any agency, management or consultancy contract from its business associates or competitors.

All Business Associates are required to sign a Declaration of Non Collusion Form as per ***Appendix 1.***

IV. POLICY ON GIFTS AND ENTERTAINMENT

AIR SELANGOR has a strict NO GIFT POLICY. However, in the course of business transactions, it is normal for all parties to actively promote friendliness and amicability, often through small courtesies. AIR SELANGOR recognizes the importance of such efforts in building cordial relationships but wishes to define and draw the line in these areas.

Extravagant entertainment, including gifts, are not permitted and should not form the basis of any business transaction with AIR SELANGOR as AIR SELANGOR seeks to promote business relationships based on merit and integrity.

- AIR SELANGOR employees are therefore not permitted to accept cash gifts and should also reject non-cash gifts or gifts in kind. However, items that are distributed as part of a company's normal public relations effort or promotions campaign may be accepted if they are of nominal value and on occasion only. Generally, the practice of giving and receiving gifts is discouraged.
- AIR SELANGOR employees should not accept gifts in the form of air tickets, gift certificates or any other similar payments. Other gifts in this category include loans or cash advances, materials, services, repairs or improvements/ upgrades at no cost or nominal costs, etc. A breach in this respect may lead to the termination of services of the AIR SELANGOR employee and the relationship between AIR SELANGOR and the business associate involved.

V. POLICY ON CONFIDENTIALITY INFORMATION

Certain commercial and technical information relating to the Group and its projects as well as information pertaining to the customers may be proprietary, strategic, sensitive or personal in nature and will need to be treated with utmost confidentiality.

AIR SELANGOR employees should seek to protect the confidentiality of such information in order to protect and maintain the Group's competitiveness. Similarly, any confidential information provided to the company by its business associates and customers should be protected as if it were its own.

All business associates should refrain asking or enticing AIR SELANGOR employees to impart such confidential information. They should in fact seek to protect the confidentiality of such privileged information to which they may have access in the course of business transactions with AIR SELANGOR.



DECLARATION OF NON-COLLUSION

I [insert name of authorised person] (NRIC No.: [●]/Passport No.: [●]) on behalf of myself [and [insert the name of the tenderer] (Company No.: [●])] (“Tenderer”) do solemnly and sincerely declare that:-

1. The Tender submitted herewith is a bona fide Tender, intended to be competitive.
2. I/Tenderer have not colluded or entered into any arrangement, understanding and/or agreement with any other person(s) or tenderer(s) to fix or adjust the amount, price and/or rates as proposed in the Tender.
3. I/Tenderer have not done, and undertake that I/Tenderer shall not and shall ensure that my/Tenderer’s sub-contractors, suppliers and/or agents of the Tenderer shall not at any time before the date and time specified for the submission of the Tender, do any of the following acts:
 - (a) communicating with any person other than the authorised personnel of the Company calling for this Tender the amount, price and/or rates or approximate amount, price and/or rates of the proposed Tender (except where the disclosure, in confidence, of the approximate amount, price and/or rates of the proposed Tender was essential to obtain insurance premium quotations required for the preparation of the Tender);
 - (b) entering into any arrangement, understanding and/or agreement with any person to refrain such person from tendering or to fix or adjust the amount, price and/or rates of any Tender to be submitted;
 - (c) directly or indirectly, induce or solicit any person to submit a false or sham proposal or Tender; and
 - (d) offering, paying, giving or agreeing to give any money, inducement, consideration, commission, reward or any other benefits whatsoever directly or indirectly to any person for doing, having done, causing or having caused to be done any act or thing described above in relation to the proposed Tender or any other tender(s).
4. I/Tenderer have at all times complied with and have not at any time committed any offence under the Malaysian Anti-Corruption Commission Act 2009, Competition Act 2010 and/or any other applicable laws, rules and regulations;
5. I/Tenderer have not admitted and/or been found and/or convicted by any regulatory authority to have participated in or colluded or undertaken any act or behaviour which is or is intended to or has the effect or consequence of significantly restricting competition in Malaysia or any other jurisdiction(s);
6. I/Tenderer have not offered or agreed to pay or give any money, inducement, consideration, commission, reward or any other benefits whatsoever directly or indirectly to any person for doing

or having done or causing or having caused to be done any act or omission in relation to any other tender(s); and

7. I/Tenderer have not contacted any member or officer of, or any person engaged as an adviser by the Company about any aspect of the Tender in any form or manner not permitted under the Instruction to Tenderers including (without limitation) for the purposes of discussing the possibility of their future employment or engagement by the Company.

I also undertake that I shall not do or procure to be done any of the acts mentioned in paragraphs 1 to 7 above or (in the event of the Tender being accepted) do any of such acts at any time throughout the duration of the contract to be awarded to me by the Company.

I/Tenderer understand that if I/Tenderer have been involved in the conduct described above and/or falsely complete this declaration and/or we fail to declare any circumstances described above, then the Company shall be entitled to exclude or disqualify me/the Tenderer from the Tender or to withdraw, revoke or cancel the award or appointment (as the case may be) at any time.

In this declaration:

- (i) the word "person" includes a natural person, body, association or a company incorporated under the Companies Act 2016 or any legal entity capable of owning any rights, properties or interests and "agreement" includes any arrangement whether formal or informal and whether legally binding or not;
- (ii) reference to statutes including reference to any provisions, sections, articles or paragraphs shall include any such modification, consolidation, re-enactment or replacement thereof and/or any legislation or legislative provisions, sections, articles or paragraphs substituted therefor, and all regulations, subsidiary legislations, by-laws, guidelines, practice notes, codes of practice, statutory instruments or orders (as may be applicable) issued thereunder.

I make this solemn declaration conscientiously believing the same to be true.

Signed,

.....
(Director of the Company)

Name:

NRIC:

Date:

Company's Stamp: