

# **CODE OF ETHNICS AND COMPLIANCE STANDARDS FOR VENDORS**

## **SCHEDULE A: CODE OF ETHICS AND COMPLIANCE STANDARDS FOR VENDORS**

CIMA's Group of Companies' ("CIMA Group") Procurement Division is responsible for the purchasing of a wide range of products and services used by CIMA and its subsidiaries and in assisting, monitoring and ensuring compliance in the purchasing activities and processing of tenders for projects in all the operating units. It is our policy that all purchasing activity is to be carried out in a consistent manner with the highest professional, ethical, moral and legal standards.

CIMA Group prohibits employees from accepting gifts in any form, including amongst others, hampers, payments, gift vouchers or any other merchandise from anyone soliciting business from CIMA Group. The same rule applies to extravagant entertainment, accommodation and travel facilities.

### **1. INTRODUCTION**

1.1 This Code of Ethics and Compliance Standards for Vendors ("Code") defines the behaviours and ethical standards expected from every Vendor dealing with CIMA Group. This Code extends to all procurement activities in CIMA Group.

1.2 Vendor is defined as a person, or entity that supplies goods and/or services; a vendor/ contractor/ service provider that provides goods or services to the company and its subsidiaries. Vendor shall include Contractors and Service Providers; Consultants; their principals, employees, sub-contractors and agents.

### **2. VENDOR'S CODE OF CONDUCT**

2.1 Vendor shall conduct all business dealings with CIMA Group in an honest and fair manner.

2.2 Vendor shall conduct their business dealings with CIMA Group which include requisition for information, submission of quotations, tenders and fulfilment of contracts in an open and transparent manner.

2.3 Vendor shall declare any potential conflicts of interest with CIMA Group to Buyer. Example: Vendor is having family ties/business partnership with shareholders, board members, senior management, tender committee members, etc of CIMA Group.

2.4 Vendor shall not deal directly with any of CIMA Group's employee whose family member holds financial interest in the Vendor's business.

# CODE OF ETHNICS AND COMPLIANCE STANDARDS FOR VENDORS

## 2. VENDOR'S CODE OF CONDUCT (CONT'D.)

2.5 Vendor shall comply with all applicable laws, legislation, regulations and statutory requirements in Malaysia. This includes intellectual property laws, environmental laws and regulations regarding hazardous material, air emissions and waste disposal in the provision of products or services to CIMA Group.

2.6 Vendor shall not conspire and/or collude either directly or indirectly with other party(ies) when dealing with CIMA Group.

2.7 Vendor shall not engage in procurement practices that result in unfair advantage.

2.8 Vendor shall not submit tenders without firm intention, conviction and/or capability or capacity to proceed with the contract.

2.9 Vendor shall endeavour to maintain the business relationships with CIMA Group in an open and transparent manner and adopt a non-adversarial approach to dispute resolution.

2.10 Vendor shall ensure, and shall educate their employees/ representatives/ sub-contractors to ensure that they understand and comply with the Code.

2.11 Vendor shall conduct their employment practices in full compliance with all applicable laws and regulations including: -

2.11.1 The responsibility and accountability for the information provided to CIMA Group and the information must be accurate and supported accordingly.

2.11.2 Ensuring that adequate steps are taken to comply with the relevant Health, Safety, Security and Environment regulations.

# CODE OF ETHNICS AND COMPLIANCE STANDARDS FOR VENDORS

## 3. BREACH OF THE CODE BY VENDOR

3.1 Vendor who has committed a breach of conduct shall immediately disclose to CIMA Group the nature of the breach. CIMA Group shall deliberate and decide on the next course of action depending on severity of the breach, which may include the followings: -

3.1.1 Penalties including enforcement of any contractual or legal remedies under the law;

3.1.2 Termination of contract;

3.1.3 Blacklisting of the Vendor and they shall be precluded from tendering of any work for a specified period or permanently. The Directors of the Vendor's company may also be blacklisted.

3.2 In the event of any unjust enrichment, CIMA Group reserves the right to seek the appropriate recourse.

## 4. REQUIREMENT FROM VENDOR

4.1 CIMA Group will only deal with Vendor who agrees to adopt and adhere to the Code. CIMA Group will monitor the performance of its Vendors and will take necessary action if there is non-compliance or breaches of the Code.

4.2 Vendor must ensure the following:

4.2.1 Maintain accurate and complete documentations to support compliance at all times;

4.2.2 Allow the authorized representatives of CIMA Group to conduct confidential interviews with their management, directors and employees individually upon request;

4.2.3 Allow the authorized representatives of CIMA Group to conduct site visits to the Vendors' locations from time to time; and

4.2.4 Respond promptly to enquiries from the authorized representatives of CIMA Group regarding implementation of the Code.

**5. DATA PRIVACY POLICY**

5.1 CIMA Group is committed to protecting all Personal Information kept by us. CIMA Group is bound by the Personal Data Protection Act 2010 (“PDP Act”) and all other applicable law in Malaysia in respect of privacy protection which set out a number of principles concerning Personal Information and consumer protection in Malaysia.

5.2 Unless the vendor withdraws consent in writing to receive communications from CIMA Group at any time, we will assume that the vendor has implied consent to use their personal data for business purposes in accordance with CIMA Group’s Privacy Policy published on our website at:

*<http://www.cima.com.my/cima/images/policy/CIMAPRIVACYPOLICY.pdf>*

5.3 Vendor must similarly abide by all applicable data privacy laws and regulations in Malaysia in respect of personal information obtained from CIMA Group if any.

**6. COMPETITION ACT 2010**

6.1 CIMA Group is committed to abide by the Competition Act 2010 to promote fair competition, encourages efficiency, innovation and professionalism in the business they are in. As such CIMA Group expects all their vendors to equally likewise comply to the Competition Act provisions while participating in the business with CIMA Group.

6.2 It is CIMA Group’s policy that any vendor participating in anti-competitive activity and has violated competition rules, will not be tolerated and will be removed from our panel of Approved Vendors Listings. CIMA Group will not be held liable for any further investigations and consequences arising thereof from any relevant governing authorities.

**7. REPORTING OF QUESTIONABLE BEHAVIOUR AND/OR POSSIBLE VIOLATION**

7.1 If a Vendor wishes to report a questionable conduct/or possible violation of the Vendor’s Code during the time the Vendor providing goods and services to CIMA Group, the Vendor can contact the following personnel :-

Managing Director or Chief Financial Officer  
CIMA Berhad  
11th Floor, Mercuri UEM  
Jalan Stesen Sentral 5  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

Tel: 03-2727 6700  
Fax: 03-2727 2113

End of page