

MEDIA PRIMA BERHAD'S SUPPLIERS' CODE OF CONDUCT

INTRODUCTION

Media Prima Berhad (MPB) desires to maintain a reputation for integrity that is in keeping with its social responsibilities and position. In accordance with this objective, MPB requires all its Suppliers to observe high ethical business standards of honesty and integrity and to apply these values to all aspects of their business and professional practices.

MPB is committed to legal compliance and ethical business practices in all its operations and seeks to do business with Suppliers who share that commitment. The Suppliers' Code of Conduct (the Code) defines MPB's minimum expectations. No code can be all-inclusive, but MPB expects its Suppliers to act reasonably in all respects and to ensure that no abusive, exploitative or illegal conditions exist at their workplaces.

MPB requires its Suppliers to extend principles of fair and honest dealing to all others with whom they do business, including employees, subcontractors and other third parties. MPB also expects its Suppliers to ensure that no abusive, exploitative or illegal conditions exist at the workplaces of their suppliers and subcontractors.

The Code applies to all suppliers, vendors, contractors and any other persons doing business with MPB and its subsidiary companies (the Group).

Supplier is defined as a person or entity that supplies goods and/or services to the Group. Supplier shall include contractors, service providers and consultants, their principals, employees, subcontractors and agents.

As a condition of doing business with the Group, each and every Supplier must comply with this Code. MPB reserves the right to terminate its business relationship with any Supplier who violates this Code of Conduct or whose suppliers or sub-contractors violate this Code of Conduct.

LEGAL COMPLIANCE

- (a) MPB expects its Suppliers to comply with all applicable laws and regulations including, but not limited to, any local, state or federal laws relating to human rights, employment, discrimination, environment, and health and safety.
- (b) MPB will only do business with Suppliers who obey the laws of the country in which they operate and the principles expressed in this Code of Conduct.
- (c) MPB will not do business with Suppliers who intentionally and continually violate the laws.
- (d) MPB will not do business with parties who are likely to harm its reputation.
- (e) All dealings with MPB must conform and comply with the laws and MPB policies.
- (f) MPB also expects its Suppliers to conform their practices to the published standards for their industry.

ETHICAL BUSINESS PRACTICES

MPB Suppliers must be committed to the highest standards of ethical conduct when dealing with employees, suppliers, and customers.

Business Courtesies (Gifts, Entertainment and Gratuities)

- (a) MPB's policy on gifts, entertainment and gratuities is designed to preserve and maintain its reputation as an enterprise that acts with integrity and bases decisions only on legitimate business considerations.
- (b) It is strictly prohibited for MPB employees, directors, or any of their family members, to request or solicit for business courtesies under any circumstances.
- (c) The offering or giving of bribes, kickbacks, lavish gifts or guarantees in any form to any MPB employees or directors is also strictly prohibited.
- (d) Receiving gifts, entertainment or other gratuities from people with whom MPB do business is generally not acceptable, since this may be construed as attempts to influence decisions. The only exceptions to the above policy are normal business practices in Malaysia, e.g. business luncheons or token souvenirs of nominal value, such as small promotional items bearing another Company's name.
- (e) MPB also understands though, that giving practices vary among cultures. In some rare situations, it would be impractical to refuse or return a gift. This may include gifts that are offered during celebration of a festival, or special occasions such as official launches or openings. In such cases, MPB expects its employees to practice good business sense and discretion.

Conflicts of Interest

- (a) MPB will not permit conflicts of interest on the part of its Suppliers. Accordingly no Supplier shall knowingly become involved in a conflict of interest situation or upon discovery, allow such conflict of interest without reporting.
- (b) This means that MPB employees, directors or any of their family members cannot receive gifts, loans, business deals or other special preferences beyond what are otherwise ordinarily available from a person or organisation that does, has done, or wants to do business with the Group, because doing so could imply an obligation on the part of the Group and potentially pose a conflict of interest.

Purchasing and Procurement Practice

- (a) MPB conducts its business on the basis of the superior quality of goods and services it buys and sells. MPB expects its Suppliers to conduct business with integrity and communicate honestly regarding the nature of the goods they supply. All information given by Suppliers to MPB in the course of their work shall be accurate and not to mislead. Similarly, MPB's relationship with them will be characterised by honesty and fairness.
- (b) MPB observes the following sound procurement practices:
 - (i) All Suppliers are treated equally and all are afforded the same information at the same time.
 - (ii) No information leaks during the procurement process.
 - (iii) No conflict of interest through relationships, receipt of gifts etc. to ensure no favouritism amongst Suppliers. Any conflict of interest (or potential thereof) through relationships or friendships with people in other companies invited by MPB to tender for any project will be declared to the Tender and/or Procurement Committee.
 - (iv) Transparency, which ensures that the procurement process is auditable and justifiable, and can stand up to scrutiny.
 - (v) More than one MPB staff and function is involved in the procurement process, which ensures counter check on the staff and visibility that not one person makes decision.
 - (vi) Suppliers are selected on a competitive basis based on total value, which includes quality, service, technology and price, to ensure best deal for the Group and this process can stand up to scrutiny by any party.
 - (vii) Terms and conditions defining MPB's relationship with Suppliers are communicated early in the supplier selection process and agreements to such terms and conditions, or any acceptable modifications, are reached before work begins. Included in these standard terms and conditions are MPB's policies regarding payment terms, confidentiality and the use of intellectual property.

ACKNOWLEDGEMENT

As stated at the outset, each and every supplier must comply with this Suppliers' Code of Conduct for the MPB Group. MPB reserves the right to terminate its business relationship with any Supplier who violates this Code of Conduct or whose suppliers or sub-contractors violate this Code.

Please confirm your agreement with all of the foregoing by signing in the space below.

We hereby confirm that we have read MPB's Suppliers' Code of Conduct and agree to abide by the principles outlined therein.

Signature: _____

Name: _____

NRIC / Passport No.: _____

Designation: _____

Date: _____

Company Stamp: _____