



# METRO RAIL ENGINEERING SERVICES PTE. LTD.

## BUSINESS INTEGRITY POLICY

### **Policy Statement**

It is Metro Rail Engineering Services Pte Ltd, policy to act with integrity and high ethical standards in all its business dealings, and to have a framework in place to guide employees and all who act on behalf of the company to ensure these standards are upheld.

### **Purpose**

The purpose of this Policy is to ensure that employees and those who act on behalf of the company do so in a manner that is consistent with the company's stated values and the way it wishes to be seen by its business partners and the community in general.

### **Scope**

This policy applies to its directors and employees of the company and to all contractors who act for and on behalf of the company in its business dealings and relationships with the community at large

### **Policy Outline**

MRES employees, and those who act on behalf of the company, have an obligation to conduct business consistent with the company's values. The values include the following:

### **Integrity**

High standards of ethical behavior, 'we do what we say'. We behave with honesty and transparency, take responsibility and accountability, aim to trust, and be trusted.

It is not acceptable for employees or those acting on behalf of the company to seek to obtain advantages for themselves, relatives or close friends, or other related parties, that are improper or in any way harm the company's interests or reputation. Where actual or perceived conflicts of interest arise, these should be declared in accordance with the processes set out below.

### **Conflicts of Interest**

An actual or potential conflict of interest occurs when an employee, director or contractor acting on behalf of the company can influence a decision that may result in a personal gain for that person or for a relative or close friend because of MRES's business dealings.

Potential conflicts of interest arise where a reasonable person would believe that a perception or appearance of a conflict may occur, or there is a risk that an actual conflict could arise.

No "presumption of guilt" is created by the mere existence of a relationship with outside interests. However, if an employee, director, or contractor acting on behalf of the company has any influence over transactions involving such things as purchases, contracts, leases, offers of employment or preferential treatment, it is imperative that they disclose to management as soon as they become aware, the possible existence of any actual, potential, or perceived conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee, director or relative has a significant interest in a firm with which MRES does business, but also when an employee, director or relative receives any gifts, rewards, payments or special consideration or treatment because of any transaction



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or business dealings involving MRES. Personal gain may also potentially result from an employee or director taking advantage of confidential information or other information by reason of their position in the company.

Best practice corporate governance also discourages transactions with third parties in which employees or directors may have a significant interest eg: where the employee or director may be a significant shareholder or otherwise have a significant beneficial interest in a company or business with which MRES may do business or which may be bidding for MRES business. Such relationships should be declared by the employee or director as soon as possible to allow consideration of whether a real or perceived conflict of interest may arise.

### **Outside Employment**

The employment agreements of MRES employees contain quite specific obligations on people not to engage in outside employment or business activities that may conflict with or otherwise influence their work for MRES. Employees are obligated to devote their time to working for the company unless express permission has been given by the company to undertake outside employment. Outside employment in this context would include activities such as employment, directorships, consultancies, or other contract work. The work may be paid or unpaid.

Employees wishing to undertake employment outside MRES, or accept directorships, consultancies, or the like, should first seek the permission of the company through their line manager who will consult with and obtain the approval of the Managing Director. Employees or managers should seek the advice of the Manager Human Resources prior to accepting or initiating any outside work activities.

### **Bribery, Corruption, Gifts, Meals, and Hospitality**

It is always unacceptable to promise, offer or accept bribes or other improper payments or favors, which may include gifts, entertainment, travel, flight upgrades or similar, whether it be for yourself, a relative or close friend, or an organization in which you or a relative or friend may have an interest (financial or otherwise).

#### **Bribery and Corruption**

Improper payments, gifts or favors promised or offered may constitute bribery and corruption:

- If it is illegal.
- If it creates an obligation or perception of obligation on either party.
- If it cannot be transacted transparently.
- If it is unreasonable or excessive in terms of value or frequency.
- If the intention of the payment, gift or favor is to obtain undue personal or business; advantage, or to encourage others to refrain from acting in the performance of their duties, or to willingly refrain from performing your own duties.
- If exposure is likely to cause embarrassment to the individual concerned or to MRES.

In giving effect to this policy, we will not:

- promise, offer, or accept improper payments to, through or from any person or organization with whom we conduct business. We will not seek to influence other parties to offer or accept improper



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payments whether on our behalf or otherwise. This includes, but is not limited to, customers, agents, suppliers, contractors, joint venture partners, subsidiaries, labor unions, government or regulatory agents and officials.

- offer philanthropic donations, community investment or political contributions to try to obtain or retain undue personal or business advantage or to refrain or encourage others from performing their duties

### **Gifts**

- The acceptance of gifts may sometimes give rise to apparent or potential conflicts of interest, as the receipt of gifts could be seen as a possible source of influence in the way a person conducts business on behalf of the company.
- As a rule, we should not accept any gift of significant value from outside interests in connection with the performance of our role with MRES. This includes gifts from vendors, suppliers, contractors, consultants, and other like organizations.
- As a guide, gifts that may be more than \$100 in value should not be accepted. Where there are cultural or significant business reasons for accepting a gift of significant value you should first inform your line manager and obtain the permission of the Managing Director to accept the gift. Where such a gift is accepted it should be shared generally across the company or donated to a charity of the Company's choosing. If acknowledgement is required, this should be given on behalf of the Company and not the individual employee.
- Letters of acknowledgement or thank you should be written on Company letterhead. The employee's line manager should be provided a copy of the letter and they should retain this on a register of gifts accepted by employees within their department.
- Gifts include material items, services, accommodation, tickets to events and so forth.
- If an employee believes there is an appropriate reason why an exception should be made regarding the acceptance of gifts, then they should make those reasons known to their line manager and the Managing Director who will decide whether an exception should be made. This request for an exception should be made before any gift is accepted wherever possible.

### **Meals & Hospitality**

- It is not unusual for employees to be invited for lunches or dinners by people or organizations with whom the Company does business or who seek Company business.
- This form of hospitality extended to or by prospective clients is not permitted.
- This form of hospitality is allowed in the following circumstances: – For or from existing customers, suppliers, or service providers no more than once per year; – In a contract negotiation scenario, only upon the successful conclusion of the contract; – If it is an integral part of a conference or Company workshop.
- No acceptance of free travel, accommodation etc. for a hospitality function is allowed except by prior agreement with the Managing Director.
- Any offers for the inclusion of a spouse, partner, or family in this form of hospitality should be approved by the Managing Director.



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### **Political Contributions**

No person will make any financial or in-kind contribution to a political party on behalf of MRES. Any contributions or benefits extended to a political party will be authorized by the Board of Directors.

### **Responsibility/Authority**

It is the responsibility of the Board of Directors to endorse this policy. The Executive and Line Management are responsible for the communication and deployment of this policy and for ensuring that all employees and contractors are aware of, understand, and comply with the MRES policy.

### **Review**

This Policy shall be reviewed in two years from the date of endorsement by the Board of Directors.