

CODE *of* BUSINESS CONDUCT



Doing Things Right



Contents

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PSA International Pte Ltd

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1. Message from Group Chairman

PSA is recognised as an internationally renowned brand name in the ports and terminals business. As an industry leader, we are firmly committed to the strict observance of the highest standards in the code of business conduct. This means that we will operate and transact business at all times in accordance with sound ethical and professional standards in order to uphold and protect our excellent reputation.

PSA places a high priority on safeguarding our resources with regard to legal and regulatory requirements, the needs of our customers, and our commercial interests by providing a professional and quality environment. With the rapid increase in cross-border economic, social and technological exchanges, these will have a great impact on the organisation endeavouring to preserve employee morale, investors confidence and customer satisfaction. For a company to thrive and sustain in the long run, it has to be accountable to the immediate business environment in which it operates as well as to the global community.

The Code of Business Conduct is designed not as a compilation of company policies and procedures but is the basis for communicating and referencing standards on expected conduct providing a broad perspective of how we must approach our work, our relationships, our decisions and our actions. The economy does not stand still for any moment and neither can we. As the business environment becomes ever more competitive, it is essential that we adhere to these ethics and continue to deliver our long-standing commitment based on them and place each and every stakeholder at the heart of everything we do.

FOCK SIEW WAH
GROUP CHAIRMAN



2. Message from Group CEO

It is not enough to be good in just doing business; we must be good in doing good business - it is not just the result that matters, the process is equally important. PSA's policy is to conduct business in an ethical and responsible manner so that we can protect our reputation and optimise our long-term success.

The values, principles and statements made here are not new. This is because they have been entrenched in the organisation and closely adhered to such that we now have the legacy of a company that is known for its honesty, integrity and sense of duty to all our stakeholders.

Today, these qualities are enshrined in this Code of Business Conduct to continuously remind ourselves, that as a leader in our industry, we will operate at all levels of excellence in everything we do – including our standards of business conduct. The challenge is on us, even as we continue our global expansion in an increasingly complex and difficult business environment, to stay true to these qualities and uphold the good name of PSA. Only by so doing can we build on the solid fundamentals of our reputation and take the company to greater heights.

EDDIE TEH
GROUP CEO

3. Objectives

PSA aims to be a leader in global ports and terminals business. It is our firm belief that business must not only be conducted according to the highest standards of economic efficiency but the highest ethical standards as well. These standards go beyond minimum legal requirements and reflect the Group's long-term commitment to building a business that is successful, honest and responsible that all its employees can take pride in.

This Code reflects our business principles and offers guidance on what is expected of PSA employees in dealing with critical issues. It is essential that all our employees have access to the code, understand its contents and comply strictly with it at all times.

This code is not intended to be exhaustive in covering the issues or situations you may face as a PSA employee, neither does it replace more detailed policies and guidelines. It is meant as a reference guide, in addition to other PSA policies and guidelines applicable to your appointment and situation. PSA regions may enact more stringent guidelines in line with the letter and spirit of this code. Hence always consult your local PSA Human Resources should you require any clarification.

4. General Guidelines

As a rule of thumb, whenever an uncertainty arises, the following guidelines are offered to PSA employees:

- **Will PSA's reputation be at stake if the public knows about this?**
- **How would my family feel if they knew?**
- **What would my colleagues think of me if they knew?**
- **Should I be seeking advice from my manager or another colleague?**

These questions should guide employees to make the right decision. If still in doubt, they can consult Group Human Resource or Group Legal.

5. To Whom We are Responsible

A successful business is defined by its relationship with its shareholders, customers, employees, business partners and the community in which it operates. PSA aims to tap into the synergy of these relationships and create a collectively beneficial business environment. Its responsibilities are identified as follows:

- **Shareholders**

To safeguard shareholders' investment and to create and add economic value.

- **Customers**

To satisfy the unique needs of our customers by offering innovation, flexibility and service that create value for their businesses as their commercial success is, in turn, our success.

- **Employees**

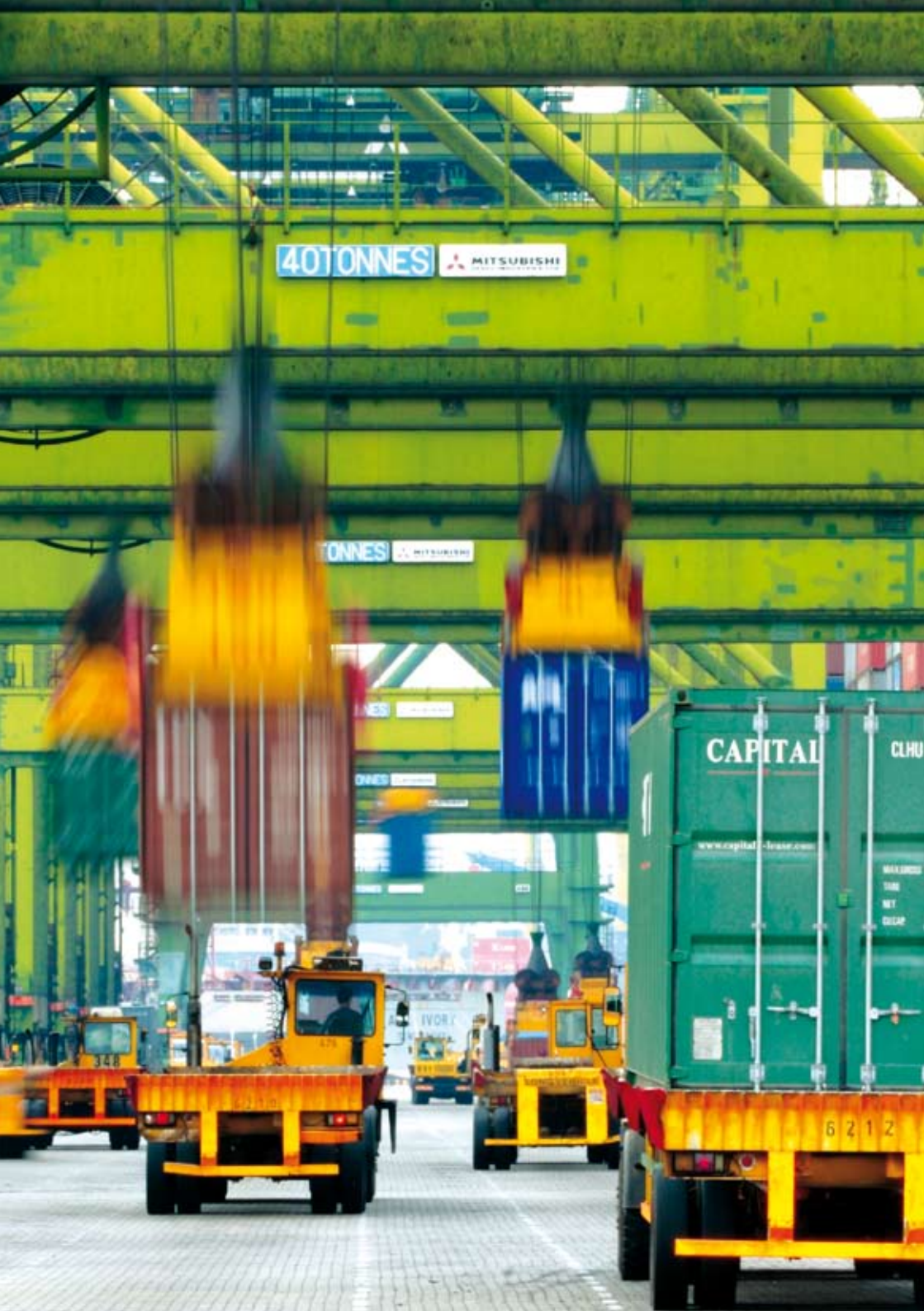
To recognise that employees are our greatest asset and to ensure that they have a safe and conducive working environment with equitable and competitive terms and conditions of service. The Group promotes a culture of trust, and the development and best use of human talent and resource.

- **Business Partners**

To cultivate meaningful, mutually beneficial and successful long-term relationship with our partners, suppliers and contractors based on trust and understanding.

- **Community**

To be a responsible corporate citizen and conduct business in a manner that promotes sustainable development for both PSA and the community. This involves full compliance with local laws and authorities, respect for local culture and giving due consideration to social and environmental issues in all commercial decisions.



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6. Our Business Principles

PSA supports free enterprise and a competitive market system. Its business decisions are based on sound economic principles and reliable market research, with a view for long-term profitability and adding economic value. These are essential as profitability is a measure of both efficiency and market confidence in PSA's services while the quantum of economic value-added is indicative of how far the returns create shareholder value. Hence, PSA is committed to staying over and above the competition through constant innovation and efficiency enhancements as well as being responsive to our customers and partners.

PSA operates in countries of diverse political, economic, social and environmental concerns. These concerns are important to PSA and will be fully considered, taking into account sustainable development and security of investments in decision-making.

7. Business Integrity

7.1 Bribery

PSA complies with all the laws of the jurisdictions in which it operates and conducts business in an open, transparent manner. Bribery is fundamentally inconsistent with PSA's values and ethics and any direct or indirect payment, or promise of payment, made in any form, to gain perceived personal advantage for PSA will not be tolerated. All dealings made by PSA employees must be able to stand up to public scrutiny and audit checks.

Gifts, favours and entertainment are to be handled with caution. Accepting excessive gifts and entertainment can affect business judgement and create expectations which are potentially embarrassing for PSA if not met. Likewise, offering excessive gifts or entertainment to others can be open to misinterpretation.

Business gifts, favours and entertainment may be provided on PSA's behalf only if:

- They are consistent with generally accepted business practice and ethical standards;
- They cannot be construed as bribes or kickbacks in any way, with regard to form, cost, frequency of giving and the circumstances under which they are given;
- They do not violate the applicable law, regulation or policy of any country or company involved; and
- PSA will not be embarrassed by its disclosure

In determining their propriety, the following factors are considered:

- Cost, frequency and timing;
- Whether the setting is conducive to building a business relationship;
- Whether the gift, favour and entertainment is, or can be, fully visible to the management of the organisation whose employee or representative receives it.

Approval must be sought from senior management, if the recipient represents the government or is regulator-linked, before the gift, entertainment or favour can be made. Please note that any such action must never be construed as an attempt by PSA to exert improper influence on such individuals.



7.2 Conflict of Interest

A conflict of interest occurs when an employee's personal interest interferes with that of PSA. PSA employees are expected to act at all times in the company's best interests and to exercise sound judgement unclouded by personal interests or divided loyalties. You must avoid the appearance of, as well as an actual, conflict of interest in any undertaking you may have as a PSA employee.

- **Prohibited activities:** As a PSA employee, you may not be concurrently employed by any competitor of PSA's business where the temptation to misuse PSA's resources, especially confidential information, may arise. In any situation, you have a duty to protect the interest of PSA by refraining from any conduct that would injure PSA in any way. This includes using company resources for outside business activities and engaging in any such activities that would adversely affect your work performance.
- **Activities requiring consent:** You must obtain prior written consent from your manager, department head or Human Resource, as appropriate, to engage in any business or commercial activity outside the company, whether the activity is intermittent or continuing, and whether or not compensation is received.
- **Volunteer activities:** You are not required to obtain prior approval for volunteer work in a non-profit organisation.
- **Personal benefits:** In connection with any transaction involving PSA, you may not receive any personal profit or advantage other than your compensation from PSA. Where in doubt, please refer to your local PSA policies on gifts, or consult your local PSA Human Resources, as appropriate.

- Insider Trading: You must also not take advantage of any confidential material or non-public information* obtained through your dealings with PSA's existing or potential customers or partners, for your personal benefits, such as trading in securities of our customers or partners' companies, or tipping others to trade as this may contravene local laws of many countries on insider trading.

* Non-public material information include confidential information not known to the general public and information which would be deemed 'significant' by a reasonable investor in making an investment decision regarding the purchase or sale of a company's securities. Examples of potential material information may include, but not limited to :

- Financial results
 - Known but unannounced future earnings or losses
 - Timing of major new product introductions or announcements
 - Execution or termination of significant contracts with business partners. e.g. news of a pending or proposed merger
 - Gain or loss of substantial customers / suppliers
 - News of the disposition or acquisition of significant assets
 - Litigation matters
 - Major changes to organisational structure or management team
- Disclosing potential conflicts: While there is no need for every outside activity to be reported, you must promptly disclose in writing to your department head any situation that could present a conflict of interest.

7.3 Fraud

PSA maintains a zero tolerance stand towards fraud. This stand covers not only all PSA employees and officers, but applies also to all PSA vendors, customers and partners to the extent that any PSA resources are involved or affected.

We consider fraud to be defined as intentional deception, misappropriation of resources or manipulation of data to the advantage or disadvantage of a person or entity. Some examples of fraud include:

- Falsification of financial results
- Falsification of expenses and invoices
- Alteration or falsification of records
- Failure to account for monies collected
- Knowingly providing false information on job applications or requests for funding

PSA has established internal controls, policies and procedures in an effort to deter, prevent and detect fraud.

All employees and officers have a duty to report concerns which they may have, or reliable information provided to them, about possible fraudulent activity of any officer, employee, vendor or any other party associated with PSA. Such concerns should be reported to the immediate supervisor, Head of Internal Audit or Head of Group Legal.

All reports will be taken seriously and will be investigated accordingly. If deemed necessary, PSA will notify and fully co-operate with the appropriate law enforcement agency in any investigation. Any investigation resulting in the finding of fraud will be referred to the Board of Directors through the Audit Committee.

7.4 Integrity of Accounts

PSA has the highest regard for truth, completeness and accuracy in the recording of business transactions. At all times, records must comply with recognised accounting standards and financial transactions must be executed only in accordance with management's authorisation, the Group Finance Policy and all relevant finance directives. No payment may be requested, approved or made with the intention that any part of such payment is to be used for any purpose other than as described in the document supporting it. All financial transactions fall under the purview of Group Finance and any related enquiries may be directed towards Group Finance or your country's Finance Division, whichever is more appropriate.

8. Political Activities

PSA is an independent business organisation, not affiliated to any political party and remains a neutral party to any partisan politics in the countries it operates in. However, when the need arises, PSA reserves the right to make its position known and lobby on issues that concern its businesses, shareholders, partners and customers.

PSA employees may exercise their right to take part in politics as long as there is no conflict of interest with PSA. However, any decision to become involved is entirely personal and voluntary. Employees should be mindful not to pass off political views as that of PSA's and the Group shall not be held responsible for any consequences arising from statements made in private capacity by its employees.

9. Working Environment

9.1 Health and Safety

Due to the nature of PSA operations, top priority is accorded to the health and safety of our employees. All operations involve a degree of risk and it is Group policy that this risk is objectively assessed and deemed to be minimal before operations can commence. PSA complies with all industry and national regulations and has a systematic approach both to prevent any safety breaches and to promote a culture of safety awareness. This involves treating health and safety like any other critical business activity with regular reporting, appraisals and improvements. For more specific details, consult the Health and Safety Guidelines in your country's Human Resource Division.

9.2 Environment

Environmental issues are appraised with the same regard as any other business factors. PSA fully complies with local environmental laws. We firmly believe in long-term sustainable development and investment decisions will only be made when the Group is convinced, taking into account all relevant feedback, that any environmental impact will be minimal and that it will not be more than what is necessary to achieve the ends.

9.3 Teamwork

Teamwork and co-operation are important aspects of the work ethics in PSA. We leverage on the dynamics of our collective skills, knowledge and experience to achieve the best for our customers.

PSA views its employees as its greatest asset and recognises the integral role that unions play in safeguarding the interests of its employees. It respects the decisions of unions and seeks the amicable resolution of union issues in a manner that is constructive, open, honest and ultimately beneficial to all parties involved.

9.4 Diversity

PSA respects employees as unique individuals with fundamental human rights and supports the cultural and ethnic diversity of its workforce. It is our belief that creating a work environment that enables us to attract, retain and fully engage diverse talents leads to enhanced innovation and creativity in our services.

PSA takes all allegations of harassment seriously, including sexual and racial harassment, and prohibits all forms of discrimination. Should you or anyone you know be subject to any form of discrimination or harassment, please contact Group Legal immediately. Your identity will be kept strictly confidential.

10. Handling Information

Clear, honest and open communication, subject to business confidentiality, is maintained in PSA to ensure full accountability.

Any information not released to the public by Group Corporate Communications is considered confidential and should only be handled on a 'need-to-know' basis that the job involved requires. The use of company information for personal gain is strictly prohibited and may constitute a criminal offence. Confidential information may be disclosed outside PSA only by PSA employees who are authorised under the Group Media Communications Policy. Where any doubt arises, you are advised to consult Group Corporate Communications for clarification on how to handle sensitive information.

PSA is entitled to obtain information to keep up with developments in the relevant industry, including information regarding its competitors. However, any such information is to be obtained only through honest, ethical and legal methods as authorised by the management.



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TARE	7,540 LB
	3,420 KG
NET	59,660 LB
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DANGER
DO NOT ENTER

11. Whistle Blowing

As part of PSA commitment to uncompromising integrity, PSA has established the Whistle Blowing policy for its employees, business partners and others to report any questions or concerns they may have in regard to compliance with the PSA's Code of Business Conduct, or the laws, or regulations that govern PSA's business.

The policy seeks to protect a person, who in good faith, reports a misconduct or malpractice within the PSA Group from any form of disadvantage. It is important that the employee communicates the question or concern through one of the many available channels. Employee may also write to Ethics@psa.com.sg or contact Ethics Hotline at 65 6279 5511.

Detailed information can be found in the Code of Business Conduct website under the whistle blowing policy sub-heading.

12. Administration

All PSA employees are responsible for fully understanding and complying with PSA's Code of Business Conduct. Violations of the Code will not be tolerated and violators will face disciplinary action or dismissal by PSA. Where local laws are also breached, violators will be reported to the relevant authorities. In cases involving monetary losses, PSA may pursue the recovery of such losses. If you have an enquiry or report to make, please contact Group Legal or Group Human Resources. Enquiries pertaining to financial matters may be directed to Group Finance. All enquiries will be handled discreetly and every effort will be made to maintain the confidentiality of information, within the limits allowed by law.

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