

PNG POWER LTD

SUPPLIER CODE OF CONDUCT

1. Introduction

- 1.1. This Supplier Code of Conduct enables the development of ethical, transparent and value adding relationships between PNG Power Ltd (PPL) and each supplier.
- 1.2. All suppliers are expected to conform to the below code of conduct during any aspect of relationship with PPL. Failure to do so may result in cancellation of contract.
- 1.3. This code is to be applied in conjunction with the terms and conditions of contract between PPL and the supplier

2. Ethics

2.1. Conflict of Interest

2.1.1. Any Perceived or actual conflict of interest is to be identified and raised in writing either during the bidding process, supplier qualification process and/or during term of contract

2.1.2. Gifts

2.1.2.1. No gifts of any type (service, good) either directly or indirectly are to be offered to any PPL employee or director

2.1.2.2. Provision of hospitality is to be restricted to basic courtesy items under 40 Kina (e.g a tea or coffee during a meeting)

2.2. Labour and human rights

2.2.1. Suppliers are to comply with all applicable laws related to labour engagement including:

- 2.2.1.1. Anti-Discrimination
- 2.2.1.2. Anti-Harassment
- 2.2.1.3. Child Labour
- 2.2.1.4. Slave Labour
- 2.2.1.5. Freedom of association
- 2.2.1.6. Whistle-blower protection

3. Confidentiality

- 3.1. Suppliers are to treat any information gained about PPL as strictly confidential and not to be shared with anyone outside the direct provision of service or delivery of goods
- 3.2. Information can relate to PPL personnel, operational activities, strategic approach and/or any aspect of operations.

4. Health and Safety

- 4.1. Suppliers are to comply with all environmental regulations and ensure there is no negative environmental impact in the delivery of services or goods to PPL
- 4.2. Suppliers must comply with all applicable laws relating to workplace health and safety.
- 4.3. Suppliers must comply with all PPL onsite instructions related to health and safety.

5. Dispute Resolution

- 5.1. In the event that suppliers or tenderers wish to resolve a dispute with PPL the following pathway will be followed:

5.2. Stage 1

- 5.2.1. Submit Written Request to PPL employee nominated as Contract Manager or Tenders Manager
- 5.2.2. PPL to respond in writing, acknowledging request within 5 working days
- 5.2.3. PPL to respond, in writing, within 21 working days, with intended course of action to the request OR to confirm no action in response to the request

5.3. Stage 2

- 5.3.1. Submit Written Request to PPL Senior Procurement Manager which
 - 5.3.1.1. Includes stage 1 documentation
 - 5.3.1.2. Confirms the details of the complaint
- 5.3.2. PPL Senior Procurement Manager to respond in writing, acknowledging request within 5 working days
- 5.3.3. PPL Senior Procurement Manager to respond, in writing, within 21 working days, with intended course of action to the request OR to confirm no action in response to the request

5.4. Stage 3

- 5.4.1. Submission, in writing, by Supplier or Tenderer to PPL EGM FSS of intent to enter PNG Arbitration
- 5.4.2. PPL EGM FSS to respond in writing, acknowledging submitted intent within 5 working days
- 5.4.3. PPL EGM FSS to respond, in writing, within 14 working days, with intended course of action to the intent to enter PNG Arbitration

- 5.5. PPL commits to:

- 5.5.1. Responding in good faith to all disputes with the aim of resolving the issue without escalation
- 5.5.2. Participating, in the event that the above process fails to reach resolution, in the Arbitration processes as provided for under Papua New Guinea Law

6. Threats and Harm to PPL, PPL's Employees or PPL's Property

- 6.1. Threats, intimidation, abusive behaviour and endangering PPL, PPL's Employees or PPL's property may lead to the termination of contracts with PPL.

- 6.2. The Procurement Manager will provide a written advice or email to cease this behavior and commit to future civil relationship.
- 6.3. Continuation after the warning by the Procurement Manager may lead to the cancelation of all commercial relationships at the discretion of the EGMFSS.
- 6.4. Serious threats, intimidation, abuse, endangerment or actual harm will lead to the cancellation of all commercial relationships at the discretion of the EGMFSS.
- 6.5. PPL will seek compensation through the courts for serious incidents.