

Code of Corporate Behaviour for Directors and Employees of the Central Depository & Settlement Co. Ltd (CDS)

Introduction

This Code sets out the standards of behaviour that all directors and employees of CDS are expected to uphold in conducting the company's business.

The objective of the Code is to ensure that:

- high standards of corporate and individual behaviour are observed by all directors and employees of the CDS; and
- all persons dealing with CDS whether it be employees, directors, shareholders, suppliers, customers or competitors can be guided by the stated values and policies of CDS.

Adherence to the Code is a term of holding office for the directors of the CDS and of employment for employees of the CDS. Breach of the Code by a director may render him unfit to continue in office and by any employee may render him subject to disciplinary action including termination of employment.

The Code

1. The directors and employees of the CDS shall act with high standards of honesty, integrity, fairness and equity in all aspects of their function or employment with the company.
2. Directors and employees of the CDS will not adopt a behaviour that will conflict with the interests of the company or prejudice the performance of their professional duties.
3. Directors and employees of the CDS will not engage in behaviour that will negatively affect the reputation and image of the company.
5. The company will give special care to the environment.
6. Assets of the company shall be acquired, maintained and used for legitimate business purposes only.
7. Directors and employees shall avoid all situations of conflict of interest and when such a situation occurs, shall declare same.

Breaches and Complaints

1. Any breach of the Code by a director or employee should be reported to the Corporate Governance Committee through the secretary.
2. Any complaint regarding the behaviour of a director or employee should also be reported to the Corporate Governance Committee through the secretary.
3. When a breach or complaint is reported, the Corporate Governance Committee shall give an opportunity to the person/s affected to appear before and be heard by the Committee.
4. Following the hearing, the Committee shall report its findings in writing.
5. When the breach or complaint concerns an employee of the company, the Managing Director shall take appropriate action based on the report of the Committee.
6. When the breach or complaint concerns a Director or the Managing Director, the findings shall be tabled before the Board for appropriate action to be taken.

Approved by the Board of CDS at its meeting held on 26th March 2009

Chaitanand Jheengun
Company Secretary