



# **MATRIX CONCEPTS HOLDINGS BERHAD**

## **Sustainable Supply Chain Policy**

Matrix Concepts Holdings Berhad's ("MCHB") promotes sustainable development and strives to address sustainability throughout its value chain and expects its Suppliers to operate in the same manner. For this reason suppliers are a vital part of MCHB's sustainability strategy.

MCHB encourages its Suppliers for collaboration towards more sustainable operations. The general aim for this co-operation is to reduce the risks associated with the partnerships and to strengthen the reputation of and the trust in the industry. MCHB expects that all its Suppliers comply with the following sustainable principles. This is one of the criteria for entering into and maintaining all business relationships with MCHB.

MCHB has a process in place to follow-up the compliance of Supplier's sustainability.

### **1. BUSINESS ETHICS**

#### **Integrity**

Integrity is fundamental to all our dealings and statements, and is an essential aspect of sustainable operations.

#### **Rejection of corruption and bribery**

The Supplier is required to have zero-tolerance for corruption, bribery and money laundering. The Supplier is required to comply fully with all applicable laws and regulations regarding corruption, bribery and money laundering. The Supplier must not pay bribes or other illegal payments to obtain or retain business or to facilitate favorable decisions or services. The Supplier must not participate in or support money laundering under any circumstances.

### **2. COMPLIANCE**

#### **Compliance with laws and regulations**

The Supplier is required to comply with all applicable Malaysian's laws, regulations, and generally accepted practices. The Supplier shall also show good corporate citizenship in areas of operations, e.g. occupational health and safety, employees rights, environmental management, financial disclosures and taxation.

### **3. HUMAN RIGHTS AND LABOR RIGHTS**

The Suppliers is required to respect the protection of human rights and accept and support the basic labor rights stated by the Malaysian's Labor Law. These include the abolition of forced labor, and equality of opportunity and treatment.

#### **Remuneration and working times**

The Suppliers shall pay at least the minimum required by Malaysian's law for regular working hours, overtime hours and overtime differentials.

#### **Child labor, forced labor**

The Supplier is required to prohibit and refrain of the use of child labor or forced labor in any form or engage subcontractors or suppliers to do the same.

### **4. OCCUPATIONAL HEALTH AND SAFETY**

The Supplier is required to provide a safe, healthy, and well-managed working environment and prevent incidents and injuries. :-

- i. The Supplier shall follow and comply with local occupational health and safety legislation and official regulations.
- ii. The personnel shall be provided with clean and safe working conditions and adequate and fully operational personal safety equipment.
- iii. The personnel shall be provided with appropriate occupational health services and training according to the legislation and common practice of Malaysia.
- iv. The Supplier shall monitor and have a process for investigation in place for any accidents and occupational injuries.
- v. The personnel shall be provided with the statutory insurance coverage of the country of operations to ensure social welfare in cases of accident or injury.

### **5. ENVIRONMENTAL MANAGEMENT**

The Supplier is required to provide resource efficient, clean and well-managed operations and prevent environmental incidents and damage.

- i. The Supplier shall follow and comply with local environmental legislation and official regulations, as well as anticipate changes in them.
- ii. The Supplier shall ensure that its waste is appropriately sorted and forwarded on, according to local legislation, to be utilized or recycled to minimize the environmental impacts and risks. Toxic waste shall be forwarded to appropriate processing.
- iii. Substances hazardous to the environment or health shall be identified, and it shall be ensured that their use, storage, and disposal are performed in a safe and controlled way. Safe data sheets and instructions for eventual accidents shall be up to date.

- iv. The Supplier shall strive towards continually reducing the use of energy, raw materials and water as well as minimizing waste and emissions to air, water and the ground in its operations.

## **6. PRODUCTS AND SERVICES**

### **Quality and excellence**

The Supplier shall allocate adequate resources and the required competence for reaching the level of quality MCHB expects and for ensuring both cost-efficiency and the continuous improvement of quality.

### **Intellectual property and company assets**

The Supplier shall safeguard MCHB's intellectual property and confidential information, and must not allow access to them by outsiders. The Supplier shall also respect the intellectual property rights of other parties.

### **Restricted materials**

The Supplier shall also be committed to ensure that minerals contained in their products are sourced with due respect for human rights and the desire to support development through our supply chain practices.

## **ENFORCEMENT OF PRINCIPLES IN MCHB'S SUSTAINABLE SUPPLY CHAIN POLICY**

MCHB is following and evaluating its suppliers' compliance with sustainability actively and will ask its suppliers to complete a self-assessment annually.

If the Supplier is not compliant with MCHB's Sustainable Supply Chain policy MCHB will:

- Start a discussion with the Supplier regarding a correction process and will provide guidance for improvement.
- If the requirements of MCHB's Sustainable Supply Chain policy are yet not followed, MCHB reserves the rights to terminate the contract with Supplier without prejudice to any other rights, whether under contract or at general law, including already placed and future orders.

More information of MCHB's values, Code of Conduct, can be found at [www.mchb.com.my](http://www.mchb.com.my).

**HO KONG SOON**  
**GROUP MANAGING DIRECTOR**

**MATRIX CONCEPTS HOLDINGS BERHAD**

**SUPPLIERS EVALUATION FORM**

|                          |  |
|--------------------------|--|
| Name of Supplier         |  |
| Contact person-in-charge |  |
| Contact mobile tel no    |  |
| Products supplied        |  |

Please complete the questionnaire below:-

|                                                                                                                                      |                      |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Ensuring that all your workers are all above the minimum legal working age and no child labour                                       | <b><u>YES/NO</u></b> |
| Timely and fair payment of workers in accordance with Malaysia's Labour Law                                                          |                      |
| Payment of workers to comply with the minimum legal wage in Malaysia                                                                 |                      |
| Protecting workers rights including their right to a clean living, healthy environment and safe workplace                            |                      |
| Treating workers equally and not tolerating discrimination in any form including age, race, gender, background and other differences |                      |
| Respecting workers' basic rights as per Malaysian law                                                                                |                      |
| Ensuring minimal environmental impact through operations including resource wastage (energy and water)                               |                      |
| Monitoring pollution such as emissions, waste management etc                                                                         |                      |
| Rejection of corruption and bribery                                                                                                  |                      |
| Ensuring cost efficiency and quality of products                                                                                     |                      |

Verified by,

.....  
Supplier  
(Chop & Sign)

.....  
Procurement Department  
Matrix Concepts Holdings Berhad