

1. OBJECTIVE

This Policy has been developed for MBM Resources Berhad (“MBMR”) and its subsidiaries (“MBMR Group” or “the Group”) to establish clear sustainability expectations across the supply chain in addressing environmental, social and governance matters.

The Group engages with a diverse range of suppliers and recognises the importance of managing and addressing environmental, social, and governance impacts across its entire supply chain. This Policy reflects the Group’s commitment to a sustainable and ethical supply chain.

2. SCOPE & APPLICABILITY

This Policy applies to all suppliers, vendors and service providers. It sets out the minimum compliance requirements expected of these parties. This Policy forms a key component of the Group’s broader initiatives to enhance its sustainability approach and foster responsible practices throughout its business operations.

This Policy should be read together with GRMCP01: Anti-Bribery and Anti-Corruption Policy, GHCP01: Code of Business Conduct & Ethics and GRMCP05: Sustainability Policy and Framework.

3. DEFINITIONS & INTERPRETATIONS

“RMSC”	refers to the Risk Management and Sustainability Committee of MBMR;
“Board”	refers to the Board of Directors of the relevant companies within the Group;
“Directors”	refers to all executive and non-executive directors, independent and non-independent directors of MBMR and the subsidiaries;
“Document”	refers to this GRMSP08: Sustainable Supply Chain Policy;
“MBMR”	refers to MBM Resources Berhad;
“MBMR Group” or “the Group”	refers collectively to MBMR and its Subsidiaries;

“Subsidiary/ies”	refers to a subsidiary or subsidiaries of MBMR, as may be applicable;
“Suppliers”	refers to all entities appointed by the Group, comprising suppliers, vendors and other relevant third parties providing goods and/or services;
“GRMS”	refers to Group Risk Management and Sustainability.

4. ENVIROMENT

4.1 ENVIRONMENTAL IMPACT

Suppliers are encouraged to work towards reducing the environmental impact of their business operations by adopting environmentally responsible practices aimed at managing air and noise pollution, mitigating environmental impacts and minimising overall pollution.

Suppliers must comply with all applicable environmental laws and regulations. Suppliers are required to stay informed of relevant regulatory developments and implement necessary measures to ensure continued compliance.

4.2 WASTE MANAGEMENT

Suppliers should strive to minimise waste generation and manage all types of waste responsibly. Suppliers must ensure that all waste generated, including hazardous waste, is handled, stored, treated, and disposed of safely and responsibly, in accordance with applicable environmental laws and regulations.

4.3 ENERGY MANAGEMENT

Suppliers are encouraged to monitor, manage, and reduce energy consumption across their operations through efficient practices, equipment, and technologies. Where feasible, suppliers should implement energy-saving initiatives.

4.4 CARBON EMISSION

Suppliers are encouraged to take steps to reduce greenhouse gas emissions associated with the Group’s products by adopting renewable energy sources and implementing efficiency measures. Where practicable and feasible, suppliers might be requested to provide data on emissions related to the manufacturing and distribution of the Group’s products.

5. SOCIAL

5.1 LABOUR LAW

Suppliers shall adhere to all applicable provisions of the Employment Act 1955, as well as any other relevant national labour laws and regulations.

5.2 CHILD LABOUR

Suppliers must ensure that no child labour is practiced in any part of their operations. Employment shall only be offered to individuals who meet the legal minimum age requirements, in full compliance with the Employment Act 1955 and the Children and Young Persons (Employment) Act 1966 or any other prevailing national legislation.

5.3 FORCED LABOUR

Suppliers shall prevent all forms of forced labour by ensuring compliance with the Employment Act 1955, the Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act 2007 and the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446), as well as any other applicable national labour laws and regulations.

5.4 WORKING HOURS

Suppliers are required to comply with the Employment Act 1955 as well as any other applicable labour laws, which governs working hours, rest periods, and overtime. Overtime shall only be undertaken within statutory limits and shall be compensated at the overtime rates prescribed by law.

5.5 MINIMUM WAGE

Suppliers are required to provide at least the minimum wage and comply with all applicable national labour laws, including the Employment Act 1955, the Minimum Wages Order, and any other prevailing national laws and regulations.

5.6 EQUAL OPPORTUNITIES AND ANTI- HARASSMENT

Suppliers shall observe non-discriminatory practices in the workplace and ensure equal opportunities in all aspects of employment. Under no circumstances shall any form of harsh or inhumane treatment be tolerated, including, but not limited to, sexual harassment, sexual abuse, physical or psychological coercion, verbal abuse, or threats of such treatment.

5.7 HEALTH AND SAFETY

Suppliers shall provide and ensure a safe and healthy working environment for its employees, in accordance with all applicable occupational health and safety laws and regulations. All workplace-related incidents within the Group's premises shall be reported to MBMR or the respective subsidiary, in line with the applicable requirements and standard operating procedures.

6. GOVERNANCE

6.1 BRIBERY AND CORRUPTION

Suppliers are required to adhere to the Group's Anti-Bribery and Anti-Corruption Policy and fully comply with all requirements stipulated therein. Suppliers must implement appropriate measures to prevent bribery, corruption and any unethical practices in its business operations.

6.2 DATA PRIVACY AND CYBER SECURITY

Suppliers are required to comply with the Personal Data Protection Act 2010 and any other applicable regulations. Suppliers must ensure that all information related to the Group is protected through appropriate cybersecurity and internal control measures. Any actual or suspected data breach involving the Group's information must be reported to MBMR or the respective subsidiary, in line with the applicable requirements and standard operating procedures.

7. REVIEW AND IMPROVEMENTS

This Policy shall be reviewed at least annually to ensure that it is updated with any new changes to the laws and regulations pertaining to sustainable supply chain.

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Last updated on 27th August 2026