

Policy & Procedural Manual



Code Title : Supplier Code of Conduct
Code Number : 120-01
Effective Date : 17 December 2024
Approved by : Board of Directors

SUPPLIER CODE OF CONDUCT

1. Purpose

- 1.1 TMK Chemical Bhd and its subsidiaries (the “**Group**”) are dedicated to achieving excellence in sustainability within our business by operating with environmental and social responsibility and aiming to adopt a high standard of corporate governance.
- 1.2 This Supplier Code of Conduct (the “**Code**”) sets out the minimum standards of conduct to which the Group’s Suppliers (as defined below) are expected to comply with. These standards of conduct are broadly categorised as:
- 1.2.1 Business conduct and ethics;
 - 1.2.2 Labour and human rights;
 - 1.2.3 Health and safety; and
 - 1.2.4 Environment.

2. Scope

- 2.1 This Code is applicable to all Suppliers of the Group. For purposes of this Code, “**Supplier**” means all third parties that provide goods and/or services to, or are permitted to perform duties and functions for, any company within the Group (“**TMK Entity**”), whether directly or indirectly, and includes without limitation, its employees, manufacturing facilities, suppliers and other business partners.
- 2.2 The Group expects our Suppliers to communicate the standards and expectations contained in the Code throughout their organisation and their supply chain to ensure that the Code is at all times complied with throughout the entire supply chain.
- 2.3 The Code of Conduct shall form part of any agreement entered into between the Supplier and a TMK Entity, regardless of whether it is expressly incorporated into the contract by reference or not. By the acceptance of any purchase order from any TMK Entity, the entering into any contracts with any TMK Entity, and/or the supply of any goods and/or services to any TMK Entity, the Supplier acknowledges and signifies its acceptance of the Code and agrees to comply with the Code.
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3. Business Conduct and Ethics

3.1 Legal Compliance

Supplier shall observe and comply with all applicable laws and regulations in their respective countries of operations. In cases where the standards in the Code differ from national laws or other applicable regulations or standards, Suppliers must comply with the stricter requirements.

3.2 Anti-Corruption, Anti-Bribery

Any form of bribery and corruption will not be tolerated. Suppliers must establish procedures and systems to monitor actual and potential act of bribery and corruption and comply with our Anti-Bribery & Anti-Corruption Policy, which can be found on our website at <https://www.tmkchemical.com>.

3.3 Anti-Money Laundering

Any involvement in money laundering activities is strictly prohibited. Suppliers are required to report any suspicious transactions or any money laundering concerns to the Group.

3.4 Conflict of Interest

Suppliers must not engage in any personal or business activity that conflicts with the interest of the Group, and must avoid any situation that may result in a conflict of interest or the perception of a conflict of interest.

3.5 Fair Competition

Suppliers must not engage in any anti-competitive conducts or arrangements such as price fixing, market or customer allocation, market sharing or bid rigging with competitors. Suppliers must adopt fair practices in all its business conduct and dealings with, or on behalf of, any TMK Entity.

If the Supplier is aware of any anti-competitive practices whilst participating in the Group's tender process, the Supplier shall immediately report to the Group in writing via our whistleblowing channel, specified in our Group's Whistleblowing Policy which can be found on our website at <https://www.tmkchemical.com>.

3.6 Confidentiality & Intellectual Property

Suppliers must uphold the principles of confidentiality and respect the intellectual property of the Group and any third parties. Suppliers must strictly observe all non-disclosure agreements (or its equivalent) between the Supplier and any TMK Entity or any third parties, and protect the Group's or third parties' confidential information to the same standard as the Supplier would protect its own confidential information.

3.7 Disclosure of Information

Suppliers must ensure business information that are disclosed in all business dealings are accurate and not misleading. Falsification of documents or concealment or misrepresentation of fact is unacceptable to the Group. The Supplier must notify the Group if there is any change or update in information provided to the Group.

3.8 Personal Data Protection

Personal data provided by or on behalf of the Group must only be used, accessed, and disclosed as permitted by the Supplier agreement and in compliance with all applicable laws and regulations.

3.9 Trade and Sanctions

Suppliers must comply with all applicable trade and sanctions laws and regulations, and must not engage with any sanctioned territories or sanctioned parties where it is prohibited or restricted to do so.

4. Labour and Human Rights

4.1 Voluntary labour

The Group does not tolerate slavery, forced labour, or human trafficking in any form at any stage of its supply chain. All work should be voluntary and not performed under threat of penalty or coercion. Employees must enjoy freedom of movement during the course of their employment to the extent applicable under employment laws.

4.2 Child Labour

Suppliers must ensure their operations are free from the exploitation of child labour. Employees must not be younger than the legal minimum age of the country of employment.

4.3 Fair and equal treatment

The Supplier must treat its employees with fairness, dignity and respect, and provide a working environment that is free of emotional, verbal and physical abuse. Employees must not be subjected to discrimination in hiring, compensation or discipline, on the basis of nationality, race, ethnicity, gender, age, disability, disease, religion, political beliefs, union membership, marital status, physical attractiveness and/or sexual orientation.

4.4 Work Hours and Wages

Employee compensation including wages, overtime pay, benefits and paid leave, must meet or exceed legal minimum and/or industry standards and/or collective bargaining agreements, whichever is higher. Employee working hours, including considerations for voluntary overtime work, and the granting of leave of any form, must be in accordance with applicable local laws.

4.5 Freedom of Association

Suppliers must respect its employees' rights to participate in or associate themselves with any unions, organisations or peaceful assemblies freely without fear of reprisal, intimidation or harassment.

5. Health and Safety

5.1 Occupational Health and Safety

Suppliers must promote and maintain a safe, healthy and conducive workplace and working environment. In addition, Suppliers must have in place occupational, health and safety policies and regularly conduct workplace risk assessments. Suppliers must provide their employees with all necessary equipment and tools to ensure their safety at work including the provision of appropriate Personal Protective Equipment (PPE).

5.2 Emergency Preparedness

Suppliers must ensure that potential emergency situations and events are to be identified and assessed, and their impact minimised by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training and fire drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans. Suppliers must establish a procedure and management system for preventing, managing, monitoring and reporting occupational injuries and illnesses of their workers.

6. Environment

6.1 Environmental sustainability

The Group expects Suppliers to actively work to improve the environmental performance of their operations and to reduce the impact of their operations on the natural environment. This includes measures to mitigate adverse environmental impacts, and to improve material and resource efficiency, reduce waste and prevent pollution.

6.2 Environmental Permits

Suppliers must obtain and maintain all environmental permits, approvals and registrations required for their business operations, and comply with the reporting requirements for these permits.

6.3 Environmental Management

Suppliers must have, or work towards having, an effective environmental management system through which they are able to manage and monitor resource use, energy and water consumption, greenhouse gas emission, waste management, etc. In addition, Suppliers in production or manufacturing must select and use only chemicals or raw materials that are of quality, safe, up to standard, and not harmful or damaging to natural ecosystems and the environment.

7. Compliance with the Code

7.1 Supplier selection

The Group will evaluate Suppliers' compliance with the Code during the Suppliers' selection or onboarding process, and/or at any other time during the Supplier's relationship with the Group.

7.2 Audit

Suppliers must provide relevant documentation supporting its compliance with the Code, upon request by the Group, and facilitate and support the Group's audits to verify compliance with the Code.

7.3 Non-compliance, breaches, and termination

Suppliers are required to promptly report to the Group any legal violations or non-compliance of the Code or other policies of the Group, and promptly adopt and implement corrective action plan in order to actively progress towards compliance.

Should the Supplier breach any provision of the Code, the Group shall be entitled to terminate any business transactions with the Supplier without any liability, and the Supplier shall be liable for any and all liabilities, losses, damages, costs and expenses arising out of or resulting from or in connection with such breach.

7.4 Whistleblowing

Suppliers can file complaints or report any evidence regarding non-compliance with the Code in writing via our whistleblowing channel, specified in our Group's Whistleblowing Policy which can be found on our website at <https://www.tmkchemical.com>.

8. Revision

The Group has the absolute right to add, amend, review or delete any of the contents of the Code as and when necessary and that all such amendments shall be binding on the Suppliers with effect from the date the amended Code is uploaded on our website at <https://www.tmkchemical.com>.
