

# TMC Life Sciences Berhad

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## **PROCUREMENT RESPONSIBLE SOURCING POLICY**

**Process Owner: Group Supply Chain**

**Last updated: 6 February 2026**

## **1.0 PURPOSE**

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The Responsible Sourcing Policy outlines TMCLS's (the Group) commitment to responsible sourcing practices and sets out the behaviour and standards that we expect all our suppliers to uphold. We expect that all our suppliers, whether directly or through their supply chain, conduct themselves in accordance with the principles and standards in this Policy and implement suitable management systems and processes. This policy shall apply to all Vendors when conducting work for the Group and all Vendor's employees, subsidiaries, affiliates and all other parties that they have appointed to conduct work for the Group.

## **2.0 POLICY STATEMENT**

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Vendors are required to understand and encourage to comply with the policy. They are encouraged to disseminate, educate and verify compliance of their employees, subsidiaries, affiliates and all other parties that they have appointed to conduct work for the Group.

Vendors shall read and declare compliance with the policy via the Vendor declaration of code of conduct. Through this pledge, the Vendor commits that all its operations are subject to the provisions contained in this policy.

## **3.0 GENERAL PRINCIPLE**

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### **3.1 Labour & Human Rights**

The Group is committed to ensuring an ethical business conduct that protects the rights of Employees and workers in our operations. When conducting work for the Group, Vendors are required to uphold respect for human rights including labour rights, by treating their Employees and workers with respect, trust, honesty and dignity, and by providing a fair and ethical workplace. The Group encourages its suppliers to facilitate training and education for their personnel to promote awareness of, and compliance with, all applicable labour laws and regulations. Suppliers should maintain accurate records for the training provided to personnel.

While conducting work for the Group, Vendors are encouraged to demonstrate the following standards of behaviours, where applicable:

#### **3.1.1 Human Rights and Labour Practices**

- a) Conduct their business in a manner that is comply with all applicable labour and employment laws and regulations, including the Minimum Wages Order 2018.
- b) Comply with applicable laws and regulations relating to remuneration and benefits, including minimum wages, overtime, superannuation, leave entitlements and other benefits, and ensure the timely payment of workers.
- c) Comply with applicable laws, regulations and conventions in relation to criminal conduct, in particular in relation to forced, bonded or compulsory labour, child labour, slavery (including modern slavery), servitude, forced marriage, debt bondage and human trafficking and in relation to modern slavery risk reporting requirements.

- d) Not engage in or tolerate the use of forced, bonded, compulsory labour, slavery, servitude, forced marriage, debt bondage or human trafficking, the use or threat of physical or other punishment, the use of deceptive recruiting, or the physical, sexual or psychological abuse, inhumane treatment or other forms of intimidation of workers.
- e) Provide workers with clear and understandable information about all relevant employment conditions before they enter employment.
- f) Review their operations and supply chain to identify any breaches of, or risk of non-compliance with laws and regulations.
- g) Comply with international and local obligations relating to the employment of children, including adhering to the minimum legal working age.
- h) Ensure working hours do not exceed the maximum hours per week required by applicable laws.
- i) Avoid subcontracting with individuals or entities reasonably known to disregard or be in breach of applicable labour laws and regulations.
- j) Ensure that only workers with a legal right to work shall be employed or engaged.

### **3.1.2 Anti-Discrimination & Harassment**

- a) Not engage in or tolerate direct and indirect discrimination based on gender, age, race, ethnicity, nationality, immigrant status, religion, marital status, sexual orientation, gender identity, pregnancy, disability, union membership or political affiliation, or any other status protected by applicable laws.
- b) Provide and support a workplace which is free from bullying, harassment, victimisation and abuse, whether physical, sexual, verbal or psychological.
- c) Promote the principles of diversity, inclusion and respect in the workplace and through their supply.

### **3.1.3 Indigenous Rights**

- a) Respect, protect and promote the rights and autonomy of Indigenous peoples.
- b) Uphold the right of Indigenous peoples impacted by their operations or supply chain to free, prior and informed consent.

### **3.1.4 Work Health and Safety**

- a) Comply with applicable workplace and product health and safety laws and respect workers' rights to refuse to perform work that is unsafe.
- b) Provide a safe and hygienic environment for workers and third parties, by identifying and managing risks, providing safe and appropriate equipment, training and resources, and ensuring access to facilities and amenities.
- c) Encourage workers to report safety concerns about their workplace, investigate those concerns and undertake remedial action if necessary.

- d) Identify, evaluate and control any exposure to chemical, biological and other harmful agents.
- e) Ensure that where accommodation is provided to workers that it is clean, safe and meets the basic needs of the workers it is provided to.

### **3.2 Transparency And Governance**

The group conducts its business with integrity and is committed to ensuring high standards of governance and business ethics throughout its supply chain.

The Group encourages our suppliers to:

#### **3.2.1 Ethical Business Practices**

- a) Comply with all applicable legal and regulatory requirements of the jurisdictions in which the supplier operates, including valid directions from government or government authorities. The standards outlined in this Policy do not replace or alter any legal or regulatory obligations of suppliers.
- b) Obtain, maintain and comply with all required permits, licences and registrations.
- c) Act and conduct their business in a fair, honest, ethical, transparent and professional manner.
- d) Ensure that no conflict of interest arises between any personal or business interests and their obligations and duties relating to their business relationship with the Group.
- e) Not engage in corruption of any kind, including fraud, bribery, secret commissions, kickbacks, illicit payments, facilitation payments or any other form of corrupt conduct, and comply with all applicable anti-bribery, anti-corruption and anti-money laundering laws and regulations.
- f) Not make a payment to any third party, including any of their agents, suppliers and subcontractors, if they know or suspect that person may use or offer all or part of the payment as a bribe.
- g) Ensure that the giving or accepting of any gifts, entertainment or hospitality is done in an open and transparent way and in compliance with TMCLS's policies, including but not limited to Anti-Bribery and Corruption Policy.
- h) Not engage in or tolerate association with any criminal organisations or illegal activity.
- i) Comply with international and applicable local laws and regulations relating to sanctions, export or import and trade controls.
- j) Not engage with person, country, or organisation listed under sanctions issued by the United Nations Security Council (UNSC) and/or sanctions, directives, or restrictive measures enforced by the Government of Malaysia or relevant competent authorities or take supply of goods or materials that originate from such sanctioned countries, or which were sourced or made using forced, bonded, compulsory labour, child labour, slavery (including modern slavery), servitude, forced marriage, debt bondage or human trafficking.

- k) Ensure accurate and complete books and records are kept, including of all financial transactions.
- l) Comply with all applicable policies and procedures of TMCLS.

### **3.2.2 Data Protection and Cyber Security**

- a) Not disclose or release any of the TMCLS Group's confidential or proprietary information to any third party, without the prior written consent.
- b) Not publicly disclose their supply association with the TMCLS Group or use the TMCLS Group's name or brand elements without the prior written consent.
- c) Have systems for identifying and protecting against cyber security risk, and taking reasonable actions to control and mitigate such risks.
- d) Proactively manage data protection and personal data to minimise the risk of that information being compromised or misappropriated

### **3.2.3 Quality**

- a) Ensure any supplied medical devices are compliant with applicable laws and standards, including the current ISO 13485 standard, medical device act etc.
- b) Maintain quality control systems which are compliant with applicable laws and standards, including the current ISO 9001 standard.
- c) Maintain and retain all required records which demonstrate compliance with applicable quality standards and regulations.
- d) Develop and maintain processes for voluntary and compulsory product recalls which comply with all applicable laws and regulations.
- e) Notify TMCLS immediately in writing if any product is directly or indirectly the subject of regulatory action, a product recall or where there is an event relating to the supplier or the product which could create adverse publicity.
- f) Have, maintain and retain (for the required periods) all appropriate records demonstrating the supplier's adherence to all relevant quality standards.
- g) Have and maintain all appropriate insurances with a reputable insurer to cover the supplier's business operations and risks and hold this insurance (including any run-off cover) for appropriate periods in accordance with the supplier's purchasing or supply agreement with TMCLS.

### **3.3 Sustainability**

TMCLS is committed to Caring for our Planet and operating sustainably. The Group seeks to build relationships with suppliers who are committed to environmental and resource sustainability.

#### **3.3.1 Environment**

- a) Comply with applicable environmental laws, regulations and standards and obtain, maintain and comply with necessary permits or approvals.
- b) Implement systems to manage, store and responsibly dispose of hazardous waste materials.
- c) Consider product packaging and ways to minimise the use of single-use plastic packing material.
- d) Seek opportunities to increase their reliance on renewable energy sources or zero carbon electricity.
- e) Minimise greenhouse gas emissions.
- f) Actively manage the environmental impact of their operations across all areas, including by maximising the efficient use of energy, water and resources, minimising waste and pollution and implementing policies and procedures in relation to ethical and compliant materials sourcing and biodiversity.

#### **3.3.2 Treatment of animals**

Maintain guidelines which ensure the ethical and humane treatment of animals, and whenever possible, promote the use of non-animal alternatives.

#### **3.3.3 Conflict Minerals**

Where suppliers source the minerals of tin, tungsten, tantalum, and gold (3TG) for the manufacture of electronic medical devices, ensure suppliers well aware that TMCLS does not support products and components of 3TG originating from conflict mineral sources.

### **3.4 Supplier Diversity**

TMCLS will seek to create diverse supplier relationships and collaborate in targeted industry partnerships to support positive change in our global supply chain.

Where permitted by procurement requirements and criteria, TMCLS will take a proactive approach to creating diverse supplier relationships that are mutually beneficial and foster stronger communities. The aim for supplier diversity in our procurement and sourcing activities is to provide opportunities for suppliers that are indigenous-owned, social enterprises, disability enterprises, women-owned (among others) to participate in relevant competitive market tenders.

### **3.5 Raising a Concern**

We encourage suppliers to report concerns in relation to any actual or suspected breach of this policy through the confidential whistleblower hotline at [whistleblower@tmclife.com](mailto:whistleblower@tmclife.com).