



Matrix

FOR PARTNERS



We recognise that our economic impact extends beyond our developments to the communities and supply chains we engage with. By supporting local procurement and supplier partnerships, Matrix strengthens regional economies and fosters inclusive growth. This approach ensures that our success creates shared value, empowering communities and reinforcing our role as a responsible property developer.

Sustainability Pillars



Long-Term Economic Continuity



Resilient and Trustworthy Business

UNSDGs Supported



Material Topics in this Section

M6

Local Procurement & Supplier Management

SUSTAINABLE VALUE CHAIN

M6

Legend:  Achieved  On-track  Attention Required

KPIs & Targets:
1 Sustainable Procurement via Green Vendors
APPROACH/ STRATEGY

Conduct internal environmental audits or ESG assessments on vendors prior to engagement

TARGET

- To conduct at least one annual environmental assessment on vendors
- To ensure 90% ESG compliance among vendors categorised as manufacturers

FY2026 PERFORMANCE

 ESG assessments have been conducted covering our vendors, with over 90% assessed complying with the Group's standards.

2 Supplier's Sustainability Requirements
APPROACH/ STRATEGY

Ensure alignment by:

- Conducting continuous engagements with green vendors on ESG requirements
- Providing a checklist of requirements for vendors to ensure compliance prior to engagement

TARGET

- 100% open engagement with vendors on ESG requirements
- 95% quality control on materials procured

FY2026 PERFORMANCE

 All our active suppliers have complied with the Group's ESG requirements, and no material rejections were recorded.

3 Regional Material
APPROACH/ STRATEGY

Using material sourced locally or within 500 km of the project site for construction

TARGET

Materials are sourced locally unless it is not locally available

FY2026 PERFORMANCE

 All materials used during construction have been sourced locally.

GROUP PERFORMANCE & HIGHLIGHTS

99%

of suppliers were local suppliers


99%

of procurement spending directed towards local suppliers


95%

of suppliers voluntarily signed the Matrix Sustainable Supply Chain Policy

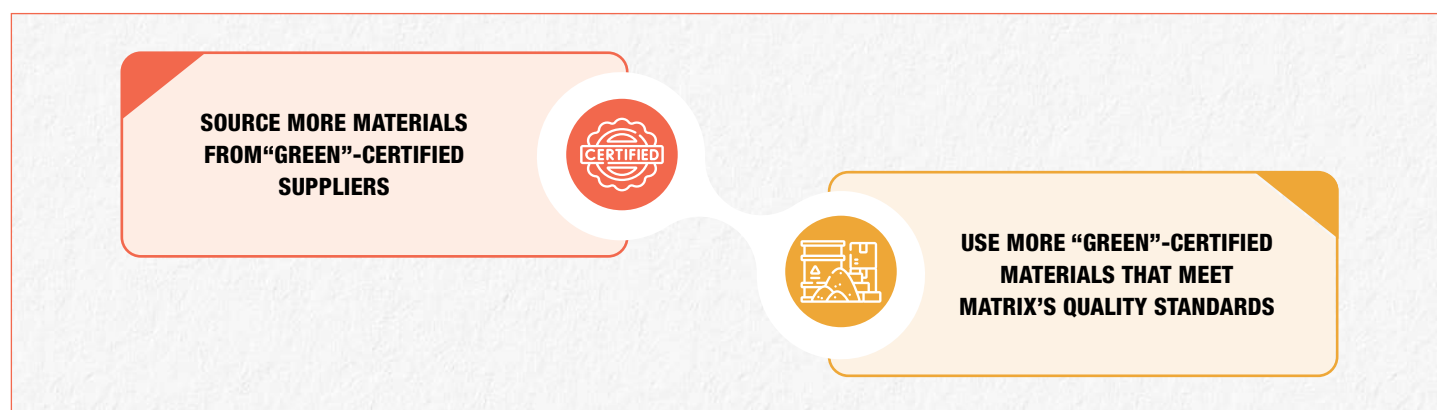

Zero

suppliers removed due to poor ESG performance

The Group adopts a procurement approach that emphasises engaging vendors in the regions where we operate. By sourcing locally wherever possible, the Group strengthens community economies, supports entrepreneurship, and builds resilient supply chains. Local procurement is pursued unless specific goods or services are unavailable or present clear financial disadvantages, ensuring that decisions remain both responsible and commercially sound.

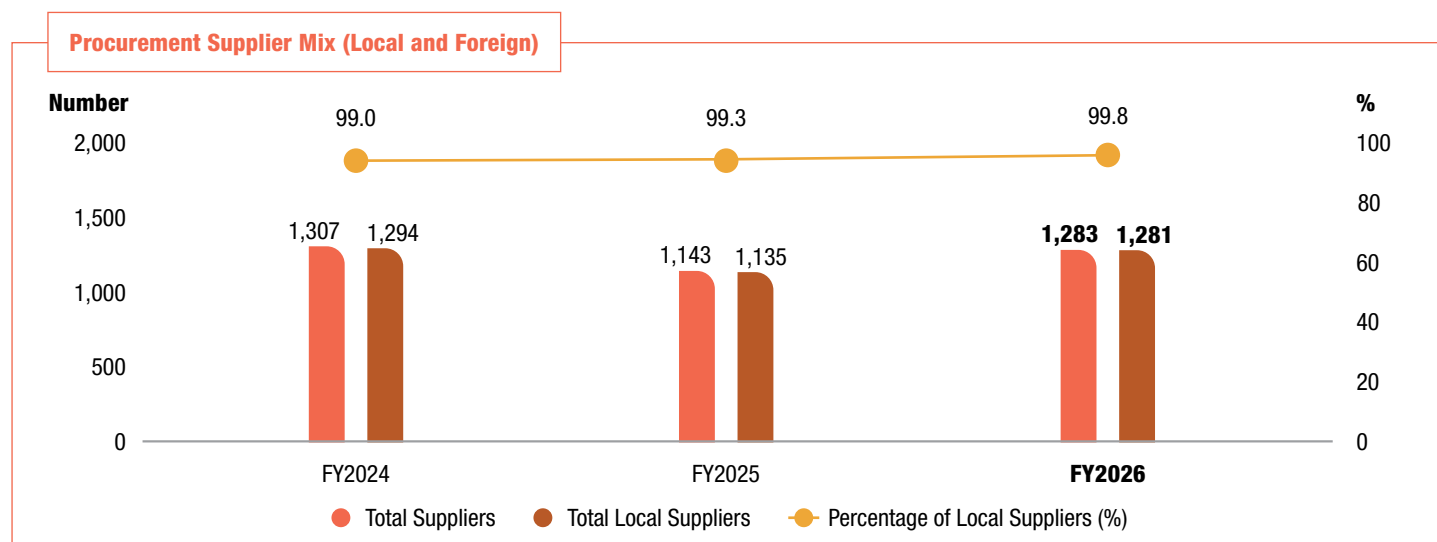
This strategy generates wide-ranging benefits. It stimulates job creation, encourages knowledge transfer, and nurtures local business growth. At the same time, shorter supply chains reduce logistics requirements, improve delivery timelines, and lower environmental impacts. By minimising reliance on overseas imports, Matrix helps reduce Scope 3 greenhouse gas emissions associated with transportation, aligning procurement practices with its broader sustainability agenda.

To safeguard fairness and transparency, Matrix applies a merit-based tendering process for contracts of significant value. A dedicated Tender Committee oversees this process, ensuring confidentiality and impartial evaluation. While tenders are the standard practice, exceptions may be made in urgent situations or where specialised expertise is required, in which case direct negotiations are permitted.



Looking ahead, Matrix remains committed to maximising local procurement for FY2026. In addition, the Group actively seeks opportunities to integrate environmentally friendly products into its supply chain, reinforcing its commitment to sustainable development and responsible business practices.

As part of our commitment to sustainable procurement, Matrix aims to increase the share of green-building materials and other certified environmental materials. In FY2026, Matrix secured 99.5% of its supplies from local vendors with 99.8% of its supplier mix being locally-sourced.



SUSTAINABLE SUPPLY CHAIN

Our procurement activities are primarily guided by the Group's Sustainable Supply Chain Policy and the Sustainable Procurement Policy, both of which can be found on Matrix's website. This policy establishes a comprehensive framework that suppliers must follow to qualify for providing goods and services to Matrix, encompassing the following aspects:

QUALITY PRODUCTS AND SERVICES



Achieving quality and excellence while protecting intellectual property and Matrix's assets

BUSINESS ETHICS



Zero tolerance for corruption, bribery and money laundering

ENVIRONMENTAL MANAGEMENT



Complying with local environmental legislation including:

- Managing waste properly
- Optimising resources with the use of energy, raw materials and water

HUMAN RIGHTS AND LABOUR RIGHTS



Respecting the protection of human rights and supporting basic labour rights outlined in Malaysian Labour Law such as:

- Equality of opportunity and treatment
- Meeting Malaysian law in terms of minimum pay, working hours, overtime hours and overtime differentials
- Prohibiting child and forced labour in any form

OCCUPATIONAL HEALTH AND SAFETY



Providing a healthy, safe and well-managed working environment and preventing incidents and injuries

GOVERNANCE



Good corporate citizenship and compliance with all applicable Malaysian laws, regulations and generally accepted practices

As of FY2026, 95% of our suppliers have voluntarily signed on to the Matrix Sustainable Supply Chain Policy.

SUPPLIER ASSESSMENT

	FY2024	FY2025	FY2026
Suppliers screened with good ESG performance	1,190	1,143	1,119
Suppliers removed for poor ESG performance	0	0	0
Suppliers that endorsed our ABAC Policy	1,171	1,135	1,221
Percentage of suppliers screened for ESG performance (%)	91.0	100.0	87.2
Percentage of suppliers who endorsed ABAC Policy (%)	89.6	99.3	95.2
Percentage of suppliers who have signed off on Matrix's Sustainable Supply Chain Policy (%)	90.3	99.3	95.0

Note: The Hospitality and Education divisions were not screened for their ESG performance, nor did they endorse the ABAC policy. The divisions were not included in the supplier performance data above.

Our supply chain is predominantly local, with 99.5% of the Group's total procurement spending and 99.8% of suppliers being local. This is our way of reinforcing supply-chain resilience and economic value within the communities where the Group operates.

The main objective of conducting supply chain assessments is to build a resilient, transparent, and responsible supply chain that secures reliable, cost-effective, and sustainable sourcing, while ensuring that the Group's ESG standards extend beyond our own operations and across the entire network of suppliers, contractors, and vendors. By embedding ESG criteria into supplier engagement, the Group manages procurement risk, supports local economic development, and reduces the environmental footprint of our value chain, including Scope 3 emissions associated with transportation.

Supplier assessments begin even before their appointment through a pre-qualification process. Under this, prospective suppliers are required to complete the Supplier Declaration Form, our supplier ESG self-assessment, where they provide company particulars and complete a structured declaration covering environmental, social, and governance criteria, including:

SUPPLIER ESG SELF-ASSESSMENT



ENVIRONMENTAL

- Existence of a sustainability/ environmental policy
- Dedicated sustainability officer
- Monitoring/ Auditing of environmental practices
- Record of environmental fines or improvement notices in the past five years
- Assessment of impacts on deforestation, raw material depletion, and water use



SOCIAL

- Presence of diversity, inclusion, and human rights policies (especially those prohibiting child and forced labour)
- Compliance with Employment Act 1955
- Inspection/ Audit reports on labour/ human rights non-compliance
- Health and safety policies
- Record of health and safety fines or penalties in the past five years



GOVERNANCE

- Code of Ethics or Anti-Bribery Policies
- Record of debarments, suspensions, or criminal investigations for bribery, money laundering, fraud, or tax evasion in the past five years
- Disclosure of relationships with people connected to the Group

In addition, all suppliers must comply with and commit to:

- The relevant regulatory requirements, including federal, state, and municipal laws and regulations
- All industry standards and limits set for environmental and social impacts, including HSE
- The protection of the environment and labour rights within their operations

By signing the declaration, suppliers also confirm that the information provided is accurate, accept that false information may result in termination, and acknowledge and undertake to adhere to the Group's ABAC Policy. To enforce these standards, designated procurement personnel are trained in vendor management, evaluating suppliers against predefined criteria, and conducting desktop audits and physical inspections.

Matrix is progressively enhancing its social and human rights due diligence framework across the supply chain. The Group is implementing a phased, risk-based supplier screening programme covering key human rights issues, including forced labour, child labour, fair employment practices, occupational health and safety, and non-discrimination, with a target of achieving 100% supplier screening within the next three years.

While, as of FY2026, 87.2% of our suppliers have been screened for ESG performance, we are looking into developing a comprehensive roadmap to ensure that all suppliers are consistently screened annually by FY2030. This is to be implemented in three main phases:

