

**ZHULIAN®**

**ZHULIAN CORPORATION BERHAD**

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

**SUSTAINABLE SUPPLY  
CHAIN & PROCUREMENT  
POLICY**

**ZHULIAN CORPORATION BERHAD****Sustainable Supply Chain & Procurement Policy****1. INTRODUCTION**

Zhulian Corporation Berhad and its subsidiaries (“the Group”) is a leading manufacturer and direct selling of quality plated jewellery, nutritional supplements, food and beverages, personal care, home care products, and beauty through our multi-level marketing network across ASEAN markets.

We are committed to conducting business ethically, responsibly, sustainably and creating long-term value for our stakeholders while minimising environmental impact and promoting social responsibility within our supply chain.

**2. PURPOSE**

This policy outlines the Group’s commitment to:

- Integrating sustainability principles into procurement and supply chain management.
- Ensuring responsible sourcing practices that uphold ethical, environmental, and social standards.
- Building resilient and sustainable partnerships with suppliers, contractors, and service providers.

**3. SCOPE**

This policy applies to all the Group entities, employees, contractors, and all suppliers, including subcontractors and service providers, involved in the provision of products, raw materials, and services.

**4. COMMITMENTS**

The Group will:

**4.1 Responsible Sourcing**

- Prioritise suppliers who align with our sustainability values and comply with applicable laws, regulations, and industry standards.
- Source materials that are ethically produced, environmentally sustainable, and socially responsible.
- Encourage the use of recycled, recyclable, or biodegradable materials, particularly in packaging and promotional materials.

**4.2 Local Economic Contribution**

- Support local economies by sourcing goods and services locally where practicable.
- Collaborate with small and medium enterprises (SMEs) and community-based suppliers to foster shared growth.

**4.3 Environmental Responsibility**

- Reduce environmental impact across the supply chain by promoting efficient resource usage (energy, water, raw materials) and minimising waste.
- Support the transition to a circular economy through product design that encourages reuse, recycling, and minimal packaging waste.
- Promote biodiversity and reduce greenhouse gas emissions by optimising logistics and transportation practices.

**4.4 Ethical Business Practices**

- Maintain transparent and fair supplier pre-qualification, evaluation, and performance monitoring processes.
- Enforce zero tolerance for bribery, corruption, forced labour, child labour, and discrimination.
- Respect human rights by ensuring fair wages, safe working conditions, and freedom of association.

**4.5 Innovation and Product Sustainability**

- Integrate sustainability into product design, considering lifecycle impacts from sourcing to disposal.
- Promote products that deliver health, wellness, and environmental benefits to consumers.

**5. IMPLEMENTATION & COMMUNICATION**

- This policy will be published on Zhulian Group's corporate website and communicated to all suppliers, contractors, and relevant stakeholders.
- Suppliers will be required to acknowledge and comply with this policy as part of contractual agreements.
- Training and awareness sessions will be conducted for employees and key supply chain partners.

**6. MONITORING & REVIEW**

- Zhulian Group will periodically review supplier compliance through audits, assessments, and feedback mechanisms.
- This policy will be reviewed at least once every two years, or sooner if necessary, to ensure continued relevance and effectiveness.

**7. GOVERNANCE**

- The Purchasing Department, in collaboration with the Sustainability & ESG Committee, will oversee the implementation of this policy.
- Non-compliance may result in corrective actions, suspension, or termination of business relationships.

**8. EFFECTIVE DATE**

This Policy is reviewed and approved by the Board of Directors of Zhulian Corporation Berhad on 22 October 2025