



PRECISE

**Suppliers Sustainability
Code of Conduct**

Effective from 15 May 2024

Suppliers Sustainability Code of Conduct

1. Introduction

Precise Corporation Public Company Limited and its subsidiaries (the “Company”) are committed to conducting business in a sustainable and ethical manner, in alignment with the principles of good corporate governance and a strong sense of responsibility toward society and the environment. The Company recognizes the critical importance of sustainable supply chain development and is dedicated to promoting fair trade practices, including the respect for human rights, occupational health and safety, environmental protection, and business integrity.

The Company has therefore established this Suppliers’ Code of Conduct and Sustainability Guidelines with the objective of encouraging its business partners to operate in a sustainable manner that aligns with the Company’s values and business practices. This Code and these Guidelines also serve as a foundation for collaboration between the Company and its business partners in contributing to social and environmental advancement, with the ultimate goal of achieving shared growth and long-term sustainability.

In addition to applicable laws, regulations, and the Company’s Code of Business Conduct, the principles underlying this Suppliers’ Code of Conduct and Sustainability Guidelines are also informed by internationally recognized charters and standards, including those established by the International Labour Organization (ILO), the United Nations Global Compact (UNGC), and other relevant global frameworks.

2. Supplier Guidelines – 7 Key Areas

2.1 Business Ethics

Suppliers shall comply with all applicable laws, regulations, and requirements, and shall conduct their business ethically, in accordance with the principles of good corporate governance, to foster sustainable and mutually beneficial growth.

2.1.1 Ethical and Honest Business Conduct

Suppliers shall operate with integrity and uphold high ethical standards. They shall demonstrate honesty, transparency, and accountability in all business dealings, and shall treat all stakeholders fairly, respectfully, and responsibly.

2.1.2 Respect for Intellectual Property

Suppliers shall respect the intellectual property rights of others and shall not engage in any activity that infringes upon trademarks, copyrights, patents, trade secrets, or other proprietary rights.

2.1.3 Data Protection and Confidentiality

Suppliers shall safeguard the privacy and personal data of individuals, as well as protect any confidential or proprietary information belonging to the Company or its business partners. All such information must be handled in compliance with applicable data protection, privacy, and cybersecurity laws and regulations.

2.1.4 Cybersecurity

Suppliers shall implement appropriate measures to safeguard and protect all data, networks, and digital systems used in their operations, ensuring compliance with applicable laws and regulations governing information security and cybersecurity.

2.1.5 Conflicts of Interest

Suppliers shall avoid any relationships or activities that may result in an actual or perceived conflict of interest with the Company. In the event that a conflict of interest arises or is likely to arise, the supplier must promptly disclose the details to the Company in a transparent and timely manner.

2.1.6 Anti-Corruption

Suppliers shall strictly comply with all applicable anti-corruption and anti-bribery laws and regulations. This includes prohibitions on bribery, extortion, embezzlement, fraud, kickbacks, favoritism, and the improper giving or receiving of gifts, hospitality, or other benefits. Suppliers are expected to establish, maintain, and enforce robust anti-corruption policies, procedures, and internal controls to prevent and detect misconduct.

2.1.7 Fair Competition

Suppliers shall comply with all applicable competition and antitrust laws and shall conduct their business based on principles of mutual trust, fairness, and respect. They shall promote fair competition and responsible trading practices by establishing transparent, reasonable, and non-discriminatory commercial terms and pricing structures.

2.1.8 Financial Integrity and Disclosure

Suppliers shall uphold financial integrity by maintaining accurate, complete, and timely financial records in accordance with applicable accounting standards and legal requirements. Suppliers shall also ensure the proper disclosure of relevant financial information to the Company and implement appropriate controls to prevent the misuse of insider or confidential information.

2.2 Quality and Standards of Products and Services

Suppliers shall provide products and services that consistently meet quality, safety, and environmental responsibility requirements. They shall establish, implement, and maintain effective quality control and management systems to ensure compliance with all applicable laws, regulations, industry standards, and contractual obligations related to product and service quality and safety.

2.2.1 Production Quality Control

Suppliers shall implement robust quality control measures throughout all stages of production, including product design, manufacturing processes, and quality inspections, to ensure compliance with applicable laws, industry standards, and contractual requirements.

2.2.2 Responsible Sourcing

Suppliers shall procure and deliver products and services that meet the required specifications, are of high quality and safe, and do not negatively impact communities, society, or the environment. All sourcing activities must comply with applicable trade laws and restrictions. Suppliers shall establish and implement due diligence procedures to assess and select sub-suppliers and to verify the origins of raw materials.

This includes identifying any materials associated with conflict minerals, illegal practices, or human rights violations. Suppliers are also expected to maintain and apply a sustainable sourcing policy throughout their supply chain.

2.2.3 Traceability

Suppliers shall ensure traceability by maintaining transparent and verifiable records of the sources of raw materials, products, and services. They shall disclose relevant certifications and documentation demonstrating compliance with applicable quality and safety standards.

2.3 Human Rights

Suppliers shall conduct their business operations in full compliance with internationally recognized human rights principles, recognizing that these are fundamental rights inherent to all individuals.

2.3.1 Compliance with Human Rights Principles

Suppliers shall uphold and respect the human rights and individual freedoms of all persons. This includes the rights to life, liberty, personal security, freedom of thought, expression, belief, and religion, as well as the rights to equality, non-discrimination, and peaceful coexistence. Suppliers shall foster diversity and ensure equal treatment

for all individuals regardless of race, gender, age, nationality, ethnicity, religion, disability, sexual orientation, or political opinion.

2.3.2 Freedom of Association and Collective Bargaining

Suppliers shall recognize and respect the rights of employees to freely associate, join or form trade unions, and engage in peaceful assembly and lawful collective bargaining, in accordance with applicable national laws and international standards.

2.3.3 Land Rights

Suppliers shall respect the legitimate land rights of local communities and Indigenous peoples. Any acquisition, lease, or use of land must be conducted in a lawful and transparent manner, based on the principles of Free, Prior, and Informed Consent (FPIC). Suppliers shall ensure that such activities do not negatively impact the livelihoods, cultural identity, or traditional way of life of affected communities, and shall comply with all applicable laws, regulations, and international standards relating to land rights and community engagement.

2.4 Fair Treatment of Labor

Suppliers shall treat all workers fairly and ethically, in compliance with applicable labor laws, international labor standards, and human rights principles.

2.4.1 Non-Discrimination and Equality

Suppliers shall uphold the principles of dignity, respect, and equality for all workers. Discrimination in any form—based on race, nationality, ethnicity, indigenous or minority status, language, religion, gender, age, education, disability, political opinion, or any other status—is strictly prohibited.

2.4.2 Ethical Employment

Suppliers shall ensure that all recruitment and employment practices are ethical, transparent, and auditable. Employment contracts must be provided in a language that the worker understands. Workers shall retain their freedom of movement at all times, and under no circumstances shall recruitment or placement fees be charged to workers, either directly or indirectly.

2.4.3 Labor Protection

Suppliers shall uphold the rights and fair treatment of all categories of workers, including but not limited to young workers, women, pregnant women, older persons, persons with disabilities, and migrant workers. A safe, healthy, and inclusive working environment shall be provided. Suppliers must ensure fair employment terms, including lawful termination procedures, and shall pay wages and provide benefits in

full compliance with applicable laws and regulations. The use of child labor is strictly prohibited; no individual shall be employed below the legal minimum working age in the respective country of operation.

2.4.4 Prohibition of Forced Labor

Suppliers shall not engage in or support any form of forced, bonded, indentured, or involuntary labor, including modern slavery or human trafficking. All work must be conducted on a voluntary basis, and workers shall not be subjected to coercion, threats, abuse, or deception in any form.

2.4.5 Wages, Benefits, and Working Hours

Suppliers shall set working hours, rest periods, and days off in strict compliance with applicable labor laws and regulations. Wages and benefits shall be paid accurately, on time, and in full accordance with employment contracts and statutory requirements. Employees shall be entitled to all forms of legally mandated leave, including annual leave, sick leave, maternity/paternity leave, and other applicable leave, in accordance with relevant labor laws and the supplier's internal policies.

2.5 Occupational Health, Safety, and Working Environment

Suppliers shall provide a safe, healthy, and secure working environment for all employees, in full compliance with applicable laws and recognized occupational health, safety, and environmental (HSE) standards. This includes maintaining adequate industrial hygiene, implementing appropriate workplace controls, and ensuring insurance coverage for occupational illnesses and work-related injuries.

Suppliers should also establish and maintain business continuity and emergency preparedness plans to safeguard health, safety, and the environment during crises. These plans must address potential disruptions caused by incidents such as fires, floods, earthquakes, pandemics, national emergencies, or prolonged political instability. Regular training, drills, and review of emergency response protocols shall be conducted to ensure readiness and resilience.

2.5.1 Management of Production and Service Processes

Suppliers shall manage all production and service processes in accordance with applicable occupational health, safety, and environmental standards to prevent harm to personnel, the public, and the environment. All activities must comply with relevant laws, regulations, and contractual HSE obligations.

2.5.2 Safe and Hygienic Working Conditions

Suppliers and contractors shall ensure that all workplaces and working environments are safe, hygienic, and properly maintained in accordance with applicable laws and recognized standards. They shall provide employees with appropriate personal protective equipment (PPE) that complies with applicable safety standards and is suitable for the nature and risk level of the work performed. Additionally, suppliers and contractors shall implement effective systems for the identification, management, monitoring, and reporting of work-related injuries and illnesses. These systems shall also include mechanisms for the reporting and investigation of near-miss incidents, unsafe conditions, and substandard practices, with the aim of continuous improvement in occupational health and safety performance.

2.5.3 Monitoring, Auditing, and Compliance

Suppliers and contractors shall establish robust monitoring and audit processes to ensure ongoing compliance with applicable occupational health and safety laws, their internal HSE policies, and any contractual or regulatory requirements. These processes shall include regular internal audits, safety inspections, performance evaluations, and the timely reporting of health and safety activities and outcomes.

2.5.4 Occupational Risk Communication and Hazard Disclosure

Suppliers shall effectively communicate occupational risks, control measures, standard operating procedures, and applicable health and safety standards to all employees and subcontractors. Suppliers must also provide the Company with accurate and up-to-date information regarding any hazards associated with their equipment, products, or services prior to delivery or the commencement of any related activities, and promptly notify the Company of any changes that may impact health, safety, or the environment.

2.5.5 Personal Protective Equipment (PPE)

Suppliers shall provide employees with adequate, appropriate, and risk-based personal protective equipment (PPE) that meets legal and industry standards. PPE shall be maintained in good working conditions and suppliers shall ensure that employees are trained in its correct usage and required to wear it consistently in accordance with applicable safety procedures.

2.5.6 Emergency Preparedness and Response

Suppliers shall identify and assess potential emergency scenarios and establish comprehensive emergency preparedness and response plans. These shall include prevention and mitigation measures, incident response protocols, post-incident recovery procedures, communication plans, regular emergency training and drills, availability of first aid, and the provision and maintenance of essential emergency response equipment. Such equipment shall include, but not be limited to, fire detection and suppression systems, fire extinguishers, emergency lighting, and clearly marked, unobstructed emergency exits.

2.6 Responsibility to Communities and Society

Suppliers shall operate as responsible corporate citizens by conducting their business with due regard for the social, economic, cultural, and environmental impacts on the communities in which they operate. They shall respect cultural diversity, local customs, and community values; engage in constructive dialogue with local stakeholders; and support inclusive, equitable, and sustainable community development. Suppliers are encouraged to proactively contribute to initiatives that enhance the well-being, resilience, and long-term prosperity of society.

2.7 Environmental Responsibility

Suppliers shall operate in an environmentally responsible manner by complying with applicable environmental laws and regulations, adopting recognized best practices, and taking proactive steps to protect and conserve natural resources and ecosystems in the communities where they operate.

2.7.1 Compliance with Environmental Laws and Standards

Suppliers shall comply with all relevant environmental laws, regulations, and standards. They must obtain and maintain all required environmental permits and licenses and conduct regular audits and monitoring to ensure that key environmental parameters—such as air emissions, noise levels, wastewater discharge, soil and groundwater quality, and ecosystem protection—remain within legal and regulatory thresholds.

2.7.2 Prevention and Mitigation of Environmental Impacts

Suppliers shall establish and implement effective measures to prevent, control, and mitigate environmental impacts resulting from their operations, including manufacturing, service delivery, and transportation activities. These measures shall apply to all stages of the operation—before, during, and after—and shall be based on

the principles of pollution prevention, including the reduction of waste, control of emissions and discharges, and the efficient use of natural resources, energy, and raw materials.

2.7.3 Environmental Performance Monitoring and Reporting

Suppliers shall establish systems to monitor and report environmental performance data on a regular basis. This includes, but is not limited to, inventories of greenhouse gas (GHG) emissions, consumption of natural resources, energy usage, waste generation, wastewater discharges, and air pollutant emissions.

2.7.4 Climate Change Mitigation

Suppliers shall implement measures to mitigate climate change by identifying sources of greenhouse gas emissions and adopting appropriate strategies to reduce emissions across their operations, in alignment with internationally recognized climate goals.

2.7.5 Prevention of Hazardous Substance Releases

Suppliers shall establish and maintain effective controls to prevent the leakage, spillage, or release of hazardous substances into the environment. These measures shall be designed to minimize potential adverse impacts on ecosystems and surrounding communities and shall include emergency response plans for incidents involving hazardous materials.

2.7.6 Avoidance and Restriction of Hazardous Chemicals

Suppliers shall avoid and restrict the use of toxic, hazardous, or prohibited chemicals in their products, services, and operations, in full compliance with applicable laws, regulations, and international standards. Suppliers are expected to adopt safer alternatives and follow best practices for chemical management to minimize environmental and health impacts.

The following substances, among others, shall be avoided or restricted:

- Chlorine, bromide, and iodine (commonly used in bleaching and dyeing processes)
- Heavy metal dyes (e.g., chromium, copper, zinc, and nickel)
- PVC-based paints
- Volatile organic solvent-based adhesives
- Phenobicarb derivatives
- Sulfur hexafluoride (SF_6)
- Chromium compounds
- Azo dyes

- Formaldehyde
- Sulfur dyes
- Pentachlorophenol (PCP)

Suppliers shall maintain an up-to-date inventory of chemicals used and ensure that restricted substances are not present in final products or processes, unless explicitly permitted under applicable legal exceptions. Safety data sheets (SDS) and proper labeling must be provided for all chemical substances handled.

2.7.7 Promotion of Environmental Responsibility

Suppliers shall actively promote environmental responsibility and collaborate with the Company to support the Group's green product and service strategies. Suppliers are encouraged to adopt environmentally and socially responsible business practices that contribute to long-term sustainable business performance and value creation for all stakeholders.

2.7.8 Promotion of Biodiversity and Natural Habitats

Suppliers shall support and promote the conservation of biodiversity and the protection of natural habitats to maintain ecological balance and environmental sustainability. This includes assessing and managing biodiversity-related risks and implementing appropriate mitigation measures—such as avoidance, minimization, restoration, and compensation—particularly in operations located near or within key biodiversity areas. Suppliers shall refrain from activities that contribute to deforestation and shall actively support reforestation and land conservation efforts.

The Company expects suppliers to apply its environmental and sustainability standards—particularly those related to climate change mitigation, product responsibility, and biodiversity management—in a manner that is proportionate to their specific risks and impacts, in order to prevent, minimize, and remediate adverse environmental effects in an effective and appropriate manner.

3. Implementation of the Supplier Code of Conduct

Suppliers shall actively promote, communicate, and ensure the effective implementation of this Supplier Code of Conduct and related Sustainability Practices among their employees, workers, subcontractors, and other relevant parties. This is to foster an ethical, responsible, and sustainable business environment throughout the entire supply chain.

3.1 Communication and Training

Suppliers shall communicate and provide training on the Supplier Code of Conduct and related Sustainability Practices to their employees, workers, and subcontractors. This is to ensure understanding and promote effective implementation, thereby enhancing sustainable supply chain management throughout their operations.

3.2 Management of the Supplier Code of Conduct

Suppliers shall undertake the following actions to support the effective implementation of the Supplier Code of Conduct and Sustainability Practices:

- 3.2.1 Acknowledge, sign, and fully comply with the Supplier Code of Conduct and related Sustainability Practices.
- 3.2.2 Establish and maintain appropriate management systems, controls, and processes to ensure ongoing compliance with the Supplier Code of Conduct and Sustainability Practices.
- 3.2.3 Permit the Company to conduct audits or assessments of their operations, and implement necessary improvements in accordance with the Company's findings and recommendations.
- 3.2.4 In cases where required corrective actions are not implemented within the prescribed timeframe, the Company reserves the right to take appropriate measures, including contractual remedies, in accordance with its internal policies and the terms of the agreement.

3.3 Complaints and Whistleblowing

- 3.3.1 Suppliers shall establish accessible, confidential, and effective mechanisms for complaints and whistleblowing, available to all stakeholders. These mechanisms must include a clearly defined non-retaliation policy and transparent, easy-to-understand procedures for receiving, investigating, and resolving complaints. Appropriate safeguards must be in place to protect the identity and rights of complainants and whistleblowers.
- 3.3.2 Suppliers may submit complaints or whistleblowing reports if they become aware of any actions or practices believed to be in violation of this Supplier Code of Conduct and Sustainability Practices. Such reports shall be made in accordance with the Company's Whistleblowing Policy and Procedures.
- 3.3.3 Suppliers shall notify the Company without delay of any actual or suspected incident, breach, or circumstance that may constitute non-compliance with this Supplier Code of Conduct and Sustainability Practices.

Appendix

Definitions

1. Fair Competition

Fair competition refers to market competition that is conducted openly, transparently, and on equal terms, allowing all business operators to compete freely and ethically. It excludes any behavior that distorts, restricts, or undermines market competition—such as collusion, abuse of dominance, or other anti-competitive practices—and prohibits actions that may cause harm to competitors, consumers, or the overall market.

2. Sexual Harassment

Sexual harassment refers to any unwelcome behavior of a sexual nature, or behavior based on sex, that infringes upon a person's dignity or creates an intimidating, hostile, degrading, humiliating, or offensive environment. This includes, but is not limited to, unwelcome physical contact, verbal remarks, gestures, or any non-verbal conduct of a sexual nature, whether occurring in the workplace or in any work-related context.

3. Human Trafficking

Human trafficking refers to the recruitment, transportation, transfer, harboring, or receipt of persons, by means of threat, use of force, coercion, abduction, fraud, deception, abuse of power, or abuse of a position of vulnerability, for the purpose of exploitation.

Exploitation includes, but is not limited to, sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude, organ removal, or any form of exploitation of another person's body. This definition also covers the giving or receiving of payments or benefits to obtain the consent of a person having control over another, for the purpose of exploitation.

4. Responsible Sourcing

Responsible sourcing refers to the integration of environmental, social, and governance (ESG) factors into procurement and sourcing decisions, alongside price, quality, and delivery considerations. Responsible sourcing aims not only to achieve financial value and profitability for the organization but also to generate positive social and economic impacts while minimizing negative environmental impacts.

5. Use of Inside Information (Insider Information)

The act of using material, non-public information obtained by virtue of one's position, duties, or access within the Company for improper personal gain or for the benefit of related parties. This includes, but is not limited to:

- Financial information, such as financial statements, financial reports, or operating results, of the Company and/or its business partners that have not yet been publicly disclosed through the stock exchange or other legally required channels.
- Production-related information, including production formulas and technical know-how, of the Company, its subsidiaries, and/or business partners;
- Information obtained from commercial contracts or business arrangements that could have a material impact on the operations of the Company and/or its business partners; and
- Information relating to the management or executives of the Company, its subsidiaries, and/or business partners, except for information that has been lawfully disclosed in accordance with applicable laws and regulations.

6. Traceability

A mechanism for tracking the origin of products and services across the entire supply chain—from raw material sourcing through production, distribution, consumption, and final disposal. It enables the identification of when, where, how, and by whom a product or service was produced. At each stage, relevant production data are collected to support both backward and forward traceability, thereby ensuring that consumers can have confidence in the quality, safety, and compliance of the products and services they purchase or use.

7. Discrimination

The unequal or unfair treatment of individuals in employment or in access to opportunities, without legitimate or legally justified reasons. Such treatment results in undue distinctions or disadvantages based on personal characteristics rather than on merit or lawful criteria.

8. Personal Data

Information relating to an identifiable individual that is protected under applicable data protection laws. This includes the safeguarding of such data, with particular emphasis on the lawful and secure collection, processing, use, disclosure, storage, and deletion of personal information.

9. Conflict of Interest

Any situation or action in which an individual or a group places personal interests above the interests of the organization, thereby influencing impartial decision-making or impairing the proper performance of their duties. Such conflicts may arise knowingly or unknowingly, intentionally or unintentionally, and in various forms, and may adversely affect the collective interest.

10. Social Responsibility

The responsibility of an organization to operate in an ethical, transparent, and well-governed manner, taking into account the interests, well-being, and development of communities and society both within and beyond the organization, thereby contributing to sustainable development.

11. Diversity

The presence and recognition of differences among individuals, including but not limited to differences in perspectives, culture, beliefs, language, race, nationality, gender, sexual orientation, gender identity, abilities, health status, social background, skills, and other personal characteristics.

12. Modern Slavery

Any situation in which an individual regardless of age or gender is exploited, controlled, or forced to work and is unable to refuse or leave due to threats, violence, coercion, deception, or abuse of power, resulting in the loss or significant restriction of personal freedom and rights.

13. The Company

Precise Corporation Public Company Limited and its subsidiaries.

14. Intellectual Property

Works resulting from human invention, creation, or innovation that are derived from intellectual effort and expertise. These may exist in tangible forms, such as products, or intangible forms, such as services, ideas, designs, or production processes.

15. Subcontractor

A party contracted by a primary contractor who has entered into a direct agreement with the Company to perform all or part of the contracted work, for which the primary contractor retains full responsibility.

16. Migrant Workers

Individuals who meet the definition provided in the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families—namely, “a person who is to be engaged, is engaged, or has been engaged in a remunerated activity in a State of which he or she is not a national.”

17. Forced Labour

Work or services demanded from an individual under coercion and not performed voluntarily. Coercion may involve threats, physical violence, sexual abuse, detention, debt bondage, or any other form of intimidation or abuse of power.

18. Human Rights

Fundamental rights to which all human beings are equally entitled, regardless of physical condition, race, nationality, ethnicity, skin color, ancestry, language, religion, social status, gender, gender identity, sexual orientation, age, disability, political opinion, or marital status. All individuals are equal in dignity and rights and must be protected from any form of violation.

19. Industrial Hygiene

The management, monitoring, and improvement of workplace conditions and practices to ensure the health and safety of workers. This includes identifying, assessing, and controlling environmental, occupational, and other risk factors that may harm workers’ health, cause discomfort, impair performance, or pose risks to surrounding communities.



Acknowledgement and Commitment

I hereby confirm that I have read, understood, and acknowledged the Suppliers' Sustainability Code of Conduct, and I agree to fully comply with all of its requirements in the conduct of my business operations. I further undertake to communicate the requirements of this Code to all relevant employees, workers, and subcontractors, and to ensure their compliance. Additionally, I consent to the Company conducting audits and assessments of my operations to verify compliance with the Suppliers' Sustainability Code of Conduct and to uphold its intent and principles.

In witness whereof, I have hereunto affixed my signature and the Company seal (if any) as evidence of this acknowledgement and commitment.

Supplier / Legal Entity Name:

Address:

Name-Surname:

Position:

Telephone: Email:

Signature: Date: