

# Supplier Code of Conduct

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# Introduction

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MEGA P&C is dedicated to contributing to the sustainable development of the coatings and chemical industry through all business decisions and social initiatives. Consistent with this commitment, we are dedicated to fostering collaborative relationships with every tier of our supply chain, including raw material providers, service partners, contractors, and subcontractors, all built upon a foundation of fairness, integrity, and mutual respect.

Aligned with international standards such as the UN Guiding Principles on Business and Human Rights, this Supplier Code of Conduct represents MEGA P&C's non-negotiable commitment to human rights, working conditions, environmental protection, ethics, and compliance. Suppliers are expected to endorse these commitments and rigorously comply with all applicable laws and regulations.

## 1.1 Supplier Continuous Development

This Supplier Code of Conduct outlines the minimum requirements that MEGA P&C expects from its suppliers in terms of sustainable development. MEGA P&C encourages suppliers to exceed these standards and make exceptional contributions to the sustainable development of the coatings and chemical industry. To support this, MEGA P&C is committed to providing resources and assistance to help suppliers achieve continuous improvement.

## 1.2 MEGA P&C Commitment

Suppliers play a critical role in the development and success of MEGA P&C. MEGA P&C and its employees are committed to adhering to this Supplier Code of Conduct alongside its suppliers, contributing to human rights, working conditions, environmental protection, ethics, and compliance.

# Supplier Obligations

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## 2.1 Obligations

Suppliers are obligated to identify and analyze their impacts on human rights and the environment and to determine appropriate measures to mitigate or remedy adverse effects.

Suppliers must consider the interests of vulnerable groups.

Suppliers are required to develop and implement management systems, processes, and guidelines based on this Code, and to conduct training to enhance employee awareness and understanding.

Suppliers must closely communicate and cooperate with upstream suppliers and enforce the requirements of this Code through appropriate contractual provisions.

MEGA P&C reserves the right to request necessary data and information from suppliers to ensure implementation of this Code.

## 2.2 Reporting

MEGA P&C requires suppliers to report any actual or suspected violations of this Code. Suppliers may report violations via: [sustainability@megacoatings.com](mailto:sustainability@megacoatings.com).

If exceptional circumstances prevent compliance with any provision of this Code, suppliers must immediately notify the relevant department at MEGA P&C to jointly agree on corrective measures.

## 2.3 Audits

MEGA P&C reserves the right to verify supplier compliance with this Code. To this end, MEGA P&C employees or authorized third parties may, during working hours, review supplier facilities and operations, examine measures and documentation related to compliance, and interview supplier employees.

# Human Rights

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## 3.1 Child Labor

In accordance with the Convention on the Rights of the Child (Article 32), children shall not be employed below the minimum appropriate age. MEGA P&C requires suppliers to commit to not employing children under the age of 15 or below the legal age for completing compulsory education. Suppliers must establish age verification mechanisms as part of the recruitment process. If child labor is identified, suppliers must immediately take action to ensure the affected children are protected.

## 3.2 Young Workers

If employing young workers, suppliers must ensure:

- (a) The type of work does not negatively affect their safety, health, or physical and mental development;
- (b) Their working hours do not interfere with their education or other vocational training.

## 3.3 Forced Labor

MEGA P&C requires suppliers to commit to not using forced or compulsory labor as defined by ILO conventions, i.e., work or service exacted under threat of penalty. Suppliers must grant employees the right to terminate employment in accordance with contractual or statutory notice periods. Suppliers shall not retain employees' identity documents and shall ensure that no illegal payments or deposits are required for employment.

# Working Conditions

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## 4.1 Discrimination

Suppliers must prevent any form of discrimination against employees. No one shall be discriminated against based on gender, age, beliefs, background, disability, or other protected characteristics.

## 4.2 Occupational Health and Safety

Suppliers must provide employees with a safe and healthy working environment. Health and safety standards shall be implemented and adhered to, with regular reviews and assessments of risks to prevent work-related accidents, injuries, and illnesses. Workplaces must be constructed and maintained in compliance with applicable laws and regulations. All employees shall receive regular training on workplace health, safety, and emergency procedures.

## 4.3 Harassment

Suppliers must ensure that employees are not subjected to inhuman or degrading treatment, physical punishment, sexual harassment, abuse, psychological or physical coercion, and/or verbal abuse.

## 4.4 Compensation

Suppliers must comply with national regulations regarding minimum wages, benefits, and working hours, including overtime.

# Environmental

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## 5.1 Environmental Management

Suppliers must commit to complying with all applicable environmental laws and regulations. Appropriate environmental management systems shall be implemented to identify, assess, prevent, and reduce the negative environmental impacts of their activities and products. Suppliers shall actively promote environmental protection by controlling the consumption of energy, water, and raw materials to optimize the sustainable use of resources in production and operations.

## 5.2 Hazardous Materials and Product Safety

Suppliers must strictly comply with all applicable laws and regulations related to hazardous materials, chemicals, and substances. Hazardous materials shall be clearly labeled, and their handling, transportation, storage, recycling, and disposal shall be managed safely. Employees must be trained in product safety practices.

# Ethics and Compliance

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## 6.1 Business Integrity

Suppliers shall conduct business with integrity and fairness, rejecting all forms of bribery, corruption, or fraudulent practices. Business activities and structures shall be disclosed in accordance with applicable regulations and industry standards.

## 6.2 Competition and Antitrust

Suppliers shall comply with all applicable competition and antitrust laws and regulations. Healthy and effective competition within the industry ecosystem shall be promoted and maintained.





Guided by mutual trust and respect, we are confident that your company will demonstrate commitment to this Code through concrete actions and internal policies. We look forward to working together to build a harmonious and stable business environment and advance sustainable development.



For any inquiries, please contact the Sustainability Department of MEGA P&C:  
[sustainability@megacoatings.com](mailto:sustainability@megacoatings.com)



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