



**GlobalWafers Co., Ltd.**

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**GlobalWafers Co. Ltd.  
Supplier Code of Conduct  
&  
Supplier's Declaration on  
Compliance with Supplier Code of Conduct**

GlobalWafers Co. Ltd. and its affiliate companies which outstanding voting shares are held more than 50% by GlobalWafers Co. Ltd. directly or indirectly ("Buyer") is committed to comply with the highest level of legal, ethical, environmental and quality standard and expects all of its Suppliers to conduct business in a manner consistent with the foregoing standard.

As such, Buyer provides this document which consists of two parts: Supplier Code of Conduct, which defines the basic requirements placed by Buyer to all of its Suppliers (as defined in "Declaration of the Supplier") and put emphasis on Suppliers' responsibilities to comply with all laws, rules and regulations where Supplier's business is carried out and when any such law, rule or regulation should be applicable, and the Declaration of the Supplier which Supplier gives its commitment of the full compliance of Supplier Code of Conduct.

**Supplier Code of Conduct**

Supplier bears the responsibilities to comply with all laws, rules and regulations where Supplier's business is carried out and when any such law, rule or regulation should be applicable, including yet not limited to the followings:

**1. ABAC (Anti-Bribery; Anti-Corruption)**

**1.1** Supplier shall follow U.S. "Foreign Corrupt Practices Act (FCPA)", UK "Bribery Act 2010" and all anti-bribery and anti-corruption laws whenever applicable, in addition to applicable local R.O.C. laws.

**1.2** Supplier shall inform their employees, agents, representatives, suppliers, subcontractors and any role alike who directly or indirectly transact business with Buyer or on Buyer's behalf of their responsibilities to avoid bribery or corruptive behaviors. Under no circumstances may Supplier offer any payment, promise to pay, or authorization to pay any money, gift or anything of value to Buyer or on Buyer's behalf that is intended to influence Buyer's business decisions.

**1.3** Supplier shall periodically evaluate, verify and self-certify that it is not involved in and comply with all applicable laws regarding related party transactions, fictitious transactions, deceptions and corner-cuttings.

**2. Social and Environmental Responsibility**

**2.1** Supplier shall thoroughly recognize, comprehend, adopt and commit to the compliance with

“Responsible Business Alliance Code of Conduct” (“RBA”) and its subsequent updates. The latest full RBA provisions is available at: <http://www.responsiblebusiness.org/>.

**2.2** Supplier shall recognize that RBA establishes standards regarding issues on labor, health and safety, environment, and business ethics, which aim to ensure that working condition is safe in the electronics industry or industries in which electronic is a key component, and that business operations are environmentally responsible and conducted ethically. To adopt RBA, Supplier shall declare its support for RBA and actively pursue conformance to RBA and its standards in accordance with a management system as therein.

### **3. Conflict-Free Minerals**

**3.1** Supplier shall recognize that armed rebel organizations in the Democratic Republic of the Congo (DRC) and its surrounding regions operate through metal mining and trading invoke serious social and environmental problems, including human right violations, armed conflict, and international disputes.

**3.2** As a corporate citizen responsible for protecting human rights and ameliorating armed conflicts in DRC and its surrounding regions, Supplier is required to take due diligence within its supply chain to assure “Conflict-Free Minerals” with respect to gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co), mica used in its products sold, transferred or delivered to Buyer are not derived from or sourced from the foregoing areas.

**3.3** Supplier shall acknowledge that areas not confirmed to be “Conflict-Free Minerals” include direct exports from the DRC, as well as exports through Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Zimbabwe, Uganda, Tanzania, Kenya, and Zambia (countries of whom the U.N. Security Council note are global export routes for DRC-mined minerals).

**3.4** Supplier shall adopt a policy and exercise due diligence on the source and management of the gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co), mica in the products they manufacture in a way consistent with the “Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas” due diligence framework to assure that such minerals are conflict-free.

**3.5** If the products provided by Supplier involve usage of gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co), or mica as raw materials, Supplier shall complete and submit to Buyer the Conflict Minerals Reporting Template (CMRT) or Extended Minerals Reporting Template (EMRT), which may be downloaded from the RMI website:

<https://www.responsiblemineralsinitiative.org/reporting-templates/cmrt/>

<https://www.responsiblemineralsinitiative.org/reporting-templates/emrt/>

### **4. Trade Compliance**

**4.1** Supplier shall incessantly keep track of latest updates to ensure its compliance with all applicable Export Control Laws and Regulations, and shall completely and correctly notify Buyer of all such Export Control Laws and Regulations applicable to the supply, transfer or delivery to Buyer of Supplier’s products

or goods.

**4.2** Supplier shall not engage in any illegal, improper, anti-competitive or unfair business activities.

## **5. Non-infringement Products/Goods**

Supplier shall warrant that each of the product/good supplied, transferred or delivered to Buyer must not infringe, induce infringement of, or contribute infringement of any foreign or domestic intellectual property rights of any third party.

## **6. Prohibition against Silica-Based Products Involving Human Rights Violation**

**6.1** Supplier shall enhance its scrutiny regarding anti-forced labor compliance by documenting the source and origin of silica-based inputs within Supplier's supply chain. Such documentation (e.g. certificate of input origin, list of input suppliers) shall be duly provided to Buyer upon request in response to customs authority's investigation (e.g. U.S. CBP detention under Withhold Release Order) of any item involved with Supplier's product/good.

**6.2** Supplier shall warrant that, any of the silica-based products, components or materials supplied, transferred or delivered to Buyer must not be made by using forced labor, child labor, or any measure in violation of human rights.

**6.3** Supplier shall also warrant that, any of the intermediate goods or finished goods supplied, transferred or delivered to Buyer must not incorporate any silica-based product, component or material which is incompliant with the foregoing section, and must not be derived from or produced by using any silica-based product, component or material which is incompliant with the foregoing section.

**6.4** Supplier shall periodically update and review information regarding silica-related manufacturers subject to forced labor allegation. Buyer further encourages Supplier, on a voluntary basis, to mitigate compliance risk in its supply chain by sourcing polysilicon materials outside of Xinjiang. (For a convenient reference, certain entities in violation of human rights may be found on: Department of Commerce (DOC) Entity List and Department of Homeland Security (DHS) UFLPA Entity List)

## **7. Green Procurement**

Supplier shall fulfill its responsibilities as a global citizen by carrying out green procurement, and requiring its next-tier suppliers to cooperate with the following principles:

- i. The supplied products/goods shall comply with applicable environmental laws both domestically and abroad (such as RoHS, REACH and WEEE).
- ii. Prioritize the procurement of products designated with officially recognized Green Label (e.g., Energy Saving, Water Saving, Green Building Materials).
- iii. Supplier shall submit relevant test reports issued by an impartial third-party to assure the compliance with non-use of hazardous substances when necessary.

## **Declaration of the Supplier**

**To: GlobalWafers Co. Ltd. and its affiliate companies which outstanding voting shares are held more than 50% by GlobalWafers Co. Ltd. directly or indirectly (“Buyer”)**

We, \_\_\_\_\_, as a supplier of “Buyer”, are a corporation organized and existing under the laws of \_\_\_\_\_, with a principal place of business at \_\_\_\_\_. ("Supplier")

Supplier is willing to fulfill and conduct our business pursuant to Buyer’s expectation and, having acknowledged and unconditionally agreed that Supplier may be unfavorably treated by the authorities concerned in case of any violation of applicable law, rule or regulation, or by Buyer in case of any violation of the Supplier Code of Conduct.

Supplier hereby expressly declares that:

- I. We have prudently reviewed and fully comprehend Supplier Code of Conduct provided above, and hereby commit ourselves to comply with Supplier Code of Conduct and its principles and requirements.
- II. We agree that Buyer or a third party appointed by Buyer may at any time carry out inspections or audits on our premises to verify our compliance with Supplier Code of Conduct. We are willing to provide Buyer upon request with a written self-assessment regarding compliance with Supplier Code of Conduct as required by Buyer for auditing purpose within five business days after receiving such a request.
- III. Pursuant to Section 4.1 of the Supplier Code of Conduct, we hereby completely and correctly notify to Buyer our supply, transfer or delivery of \_\_\_\_\_ ( names of Supplier’s products or goods) —

Whether or not the products/goods are subject to the US Export Administration Regulations (EAR)?

YES  NO

If the answer is “YES”, please state the ECCN(s): \_\_\_\_\_.

- IV. In case of any breach of compliance with Supplier Code of Conduct, we agree that Buyer has the right to immediately and without reason or condition terminate the business relationship without assuming any liability or damages to us. We also acknowledge that Buyer holds the right for any legal action against relative laws or regulations that may be subject to prison sentence and/or penalties.
- V. We shall indemnify, hold harmless, and defend Buyer and its respective officers, directors, employees and agents against any and all costs, damages, settlement payments, and fees (including, but not limited to, attorneys’ and other professionals’ fees) attributable to any claims for, allegations of or executive sanctions on any violation of applicable laws or regulations arising out of or in connection with our failure to perform our obligations under this Declaration.
- VI. We are willing to report to Buyer promptly to [whistleblower@sas-globalwafers.com](mailto:whistleblower@sas-globalwafers.com) with details any red-flag

against Supplier Code of Conduct provided above initiated by any internal or external stakeholder of Buyer.

**Again, we are committed to the highest level of compliance with Supplier Code of Conduct, and will fulfill and conduct our business in a manner that is consistent with this Declaration.**

Supplier: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_