

TIANMA MICROELECTRONICS CO., LTD.

Supplier Code Of Conduct

I. Principle

TIANMA MICROELECTRONICS CO., LTD. (hereinafter referred to as “TIANMA”) is committed to promoting sustainable and responsible business practices worldwide. We are dedicated to collaborating with our supplier partners to promote sustainable development across the entire supply chain and industry. TIANMA warmly invites all supplier partners to embrace this Code of Conduct and provide products or services in a sustainable and responsible manner.

II. Scope

This Code of Conduct is applicable to all suppliers that products and/or services to TIANMA Microelectronics Co., Ltd., its wholly-owned or controlled subsidiaries, as well as entities directly or indirectly under the management of TIANMA.

This Code of Conduct applies to all suppliers that provide products and/or services to TIANMA MICROELECTRONICS CO., LTD., our wholly-owned or majority-owned subsidiaries, and directly or indirectly managed companies (collectively referred to as "TIANMA").

III. Reference

This Code of Conduct is referred to the Responsible Business Alliance (RBA) Code of Conduct, covering important areas such as Labor, Health & Safety, Environment, Business Ethics, Management Systems, and Supply Chain Management. We explicitly prohibit zero-tolerance issues as absolute requirements. All business activities should comply with applicable laws and adhere to this Code of Conduct regardless of suppliers' locations. In case of any inconsistency between this Code of Conduct and applicable laws or conflicts with written agreements or commitments made by TIANMA regarding relevant content, the higher standard or requirement shall prevail.

IV. Guidelines

- **Green procurement, commitment to sustainable development**

We are committed to complying with national and local laws and regulations, as well as international standards. We will actively take on social responsibility and refrain from using materials that cause harm or damage to the environment and social harmony during the production and manufacturing of products. We will work closely with our supply chain partners to jointly promote responsible sustainable procurement.

V. Key Areas

1. Labor

Suppliers must commit to upholding the human rights of all types of employees, including temporary workers, foreign laborers, apprentices, contract workers, direct employees, and any other type of employee according to internationally recognized human rights standards and treat them with dignity and respect.

- 1) **Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used.**
- 2) **Child labor is not to be used in any stage of manufacturing. The term “child” refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.**
- 3) **Working hours are not to exceed the maximum set by local law.**
- 4) **Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits.**
- 5) **There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment.**
- 6) **Suppliers should be committed to a workforce free of harassment and discrimination. Suppliers shall not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression,**

ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

- 7) In conformance with local law, Suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities.
- 8) Suppliers should behave in a socially responsible manner by respecting the rights of local communities and indigenous people, including their cultures and traditions in each country in which they operate.

2. Health and Safety

Suppliers should make every effort to minimize work-related injuries and illnesses, and continually enhance the investment in employee health, safety, and training.

- 1) Worker potential for exposure to safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and fall hazards) are to be identified and assessed, and controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tag out), and ongoing safety training.
- 2) Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures.
- 3) Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness.
- 4) Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled according to the hierarchy of controls.
- 5) Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified,

evaluated and controlled.

- 6) Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.
- 7) Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.

3. Environmental

Suppliers should recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized, while respecting land, forests, and water rights, and ensuring public health and safety.

- 1) All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.
- 2) Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment, modifying production, maintenance and facility processes, or by other means.
- 3) Chemicals and other materials posing a hazard to humans or the environment are to be identified, labeled and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.
- 4) Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).
- 5) Suppliers shall conduct routine monitoring of the performance of its air emission control systems. Environmental noise levels are within regulatory limits.
- 6) Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination.
- 7) Participants shall establish and report against an absolute corporate-wide

greenhouse gas reduction goal. Energy consumption and all Scopes 1, 2, and significant categories of Scope 3 greenhouse gas emissions shall be tracked, documented, and publicly reported.

- 8) Suppliers should actively utilize renewable energy sources, including but not limited to solar and wind energy, to reduce reliance on non-renewable energy sources.
- 9) Suppliers should actively utilize green materials and propose solutions that incorporate recycled materials and/or materials of natural origin.
- 10) Suppliers should take measures in accordance with the principles of biodiversity, including protecting the rights of wildlife and promoting the development of a sustainable supply chain, to ensure the conservation of biodiversity.

4. Ethics

To meet social responsibilities and to achieve success in the marketplace, Suppliers and their agents are to uphold the highest standards of ethics including:

- 1) The highest standards of integrity are to be upheld in all business interactions. Suppliers shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.
- 2) Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted.
- 3) All business dealings should be transparently performed and accurately reflected on Suppliers' business books and records. Information regarding Suppliers labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.
- 4) Intellectual property rights are to be respected. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights. Customer and Suppliers information is to be safeguarded.
- 5) Standards of fair business, advertising and competition are to be upheld.

- 6) Programs that ensure the confidentiality, anonymity and protection of Suppliers and employee whistleblowers are to be maintained, unless prohibited by law. Suppliers should have a communicated process for their employees to be able to raise any concerns without fear of retaliation.
- 7) Suppliers are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including Suppliers, customers, consumers and employees.
- 8) Know and follow all laws and regulations related to the shipping, handling and transportation of products to or on behalf of TIANMA. This includes source country and destination country customs laws, paying all necessary duties and taxes and following local transportation laws.
- 9) Suppliers shall not manufacture nor use unauthorized raw materials and parts, nor use or sell counterfeit raw materials and parts.

5. Management System

Suppliers shall adopt or establish a management system whose scope is related to the content of this Code of Conduct. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the Suppliers' operations and products; (b) conformance with this Code of Conduct; and (c) identification and mitigation of operational risks related to this Code of Conduct. The system shall facilitate continual improvement.

- 1) Suppliers shall state their corporate social and environmental responsibility policy affirming the commitment to compliance and continual improvement, endorsed by executive management and posted in the facility in the local language.
- 2) The Suppliers shall clearly identifies senior executive and company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.
- 3) Suppliers shall set up a process to identify, monitor and understand applicable laws, regulations and customer requirements, including the

requirements of this Code of Conduct.

- 4) Suppliers shall establish a process to identify the legal compliance, environmental, health and safety and labor practice and ethics risks associated with Suppliers' operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.
- 5) Suppliers shall formulate written performance objectives, targets and implementation plans to improve the social and environmental performance, including a periodic assessment of the performance in achieving those objectives.
- 6) Suppliers shall provide training programs for managers and workers to implement Suppliers' policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.
- 7) Suppliers shall build a process for communicating clear and accurate information about Suppliers' policies, practices, expectations and performance to workers, suppliers and customers.
- 8) Suppliers shall set up ongoing processes, including an effective grievance mechanism, to assess employees' understanding of and obtain feedback on or violations against practices and conditions covered by this Code of Conduct and to foster continuous improvement.
- 9) Suppliers shall conduct periodic self-assessments, or participation in aperiodic compliance assessments or audits from TIANMA, to ensure conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility.
- 10) Suppliers shall have a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.
- 11) Suppliers shall create and maintain documents and records to ensure regulatory compliance and conformity to the requirements along with

appropriate confidentiality to protect privacy.

6. Supply Chain Management

Suppliers shall conduct risk management and assessment for the next tier suppliers, including material restrictions, responsible mineral sourcing and compliance risks etc., to ensure their compliance with requirements in this Code of Conduct and supervise the continuous improvement of the next tier suppliers.

- 1) Suppliers shall comply with all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.**
- 2) Suppliers shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request.**
- 3) Suppliers shall deliver this Code of Conduct to their next tier suppliers, require them to comply with it, and monitor their compliance to this Code of Conduct and continuous improvement.**
- 4) Suppliers should make an effort to create a diverse and inclusive supply chain ecosystem by actively seeking out and partnering with companies from various backgrounds, including those owned by minorities, women, veterans, as well as small and medium-sized suppliers.**

VI. RED LINE REQUIREMENTS

1. Prohibition of Child Labor

Suppliers shall take effective measures to identify employees' age. All employees, no matter students, dispatched employees or temporary employees, must reach the legal young worker age.

2. Prohibition of Prison Labor or Forced Labor

Suppliers shall not use prison or similar organizations as their Suppliers or subcontractors, hire prisoners or other forced workers, or withhold or keep any employee's ID document. Employees can resign freely after submitting proper notification and must not be forced to work overtime.

Furthermore, Suppliers shall not engage in any form of human trafficking or forced labor, either directly or indirectly, for the purpose of exploitation. Suppliers shall not use forced or involuntary labor in the course of any work, nor shall they withhold personal identity or immigration documents and refuse to allow the worker to view such documents.

3. Prohibition of Violence

Suppliers shall treat workers humanely, respect their dignity, prohibit oral abuse, physical punishment, or illegal searches. No gender-based body searches allowed.

4. Conformity with the Minimum Wage Standard Required By Local Law

Suppliers shall ensure that all employees (including students, dispatched employees, and temporary employees) are paid the agreed wages promptly, which must not be lower than the local minimum wage standard and overtime pay regulated by laws. Suppliers shall not deduct the pay without proper reasons.

5. Eliminate Any Significant Risks of Major Fires, Explosion Incidents, and Structural Hazards.

Suppliers shall properly manage flammable and explosive substances, effectively control the fire sources, and regularly maintain firefighting equipment and emergency passage and organize evacuation drills. Dormitories must not be in the same building of the workshop or warehouse to prevent the fire disaster. Suppliers shall pay attention to the structural safety of buildings, and if significant structural safety hazards are identified, they should be promptly closed the issue.

6. Guarantee of Worker Health and Safety

Suppliers shall provide safe and healthy facilities for working and living and effectively monitor high-risk operations and equipment to prevent occupational accidents, food poisoning, occupational poisoning, or occupational diseases. Fatal

accidents on site are prohibited.

7. Prohibition of Illegal Emission of Hazardous and Toxic Waste

Suppliers shall comply with applicable environmental laws and regulations, not illegally discharge waste water, exhaust gases, and waste residue, and shall regularly monitor the pollutant discharge.

8. Avoiding Media Crisis or Severe Collective Events

Suppliers shall take effective measures to avoid media crisis or severe collective events, It includes collective labor dispute, strike or slow-down, collective poisoning or other adverse incident.

9. Infectious Disease Preparedness and Response

Suppliers shall implement written infectious disease preparedness and response procedures to identify, assess, and control the spread of infectious diseases in the workplace. Suppliers shall closely follow guidance from relevant health authorities to determine the best approach to incorporate recommended measures into infectious disease preparedness and response plans. Adequate reserves of protective equipment shall be maintained to ensure the health and safety of employees in the event of an outbreak, along with regular drills and exercises.

10. Prohibition of Commercial Bribery and Dishonesty in Any Form

Suppliers shall observe the highest honesty and integrity standard. Paying and taking bribes in any form are prohibited. Suppliers shall not falsify or provide incomplete information, guide/train employees before or during audits, retaliate against employees during or after audits, or obstruct the auditing process.

VII. Reporting and Management

The compliance of Suppliers with this Code of Conduct may be audited or assessed by TIANMA Team or a third party designated by TIANMA. Suppliers shall cooperate fully and provide the auditor(s) or assessor(s) with full access to production facilities, worker records, workers for confidential interviews etc.

If Supplier fails to comply with this Code of Conduct, full details of the

non-compliant incident investigation outcome and corrective countermeasures deployed to prevent reoccurrence shall be immediately reported to TIANMA. Until corrective countermeasures are implemented, TIANMA may temporarily suspend new RFQs to the supplier within TIANMA's procurement activities or cancel open orders, discontinue use of non-compliance production sites, or terminate business relationship, as appropriate. TIANMA reserves the right of compensation from suppliers for losses or/and expenses caused by supplier non-compliance incidents.

VIII. Review and Update

TIANMA will regularly review and update this Policy, and ensure its approval.

This Policy is made in both English and Chinese. In case of any discrepancy between the two versions, the Chinese version shall prevail.