

Supplier Sustainability Declaration

Version 5 (August 2023)

Contents

Preface	4
Document version history	4
A. LABOR.....	6
1) Freely Chosen Employment.....	6
2) Young Workers.....	6
3) Working Hours.....	7
4) Wages and Benefits.....	7
5) Humane Treatment.....	7
6) Non-Discrimination / Non-Harassment.....	7
7) Freedom of Association	7
B. HEALTH AND SAFETY.....	8
1) Occupational Safety	8
2) Emergency Preparedness.....	8
3) Occupational Injury and Illness.....	8
4) Industrial Hygiene	9
5) Physically Demanding Work.....	9
6) Machine Safeguarding	9
7) Sanitation, Food, and Housing	9
8) Health and Safety Communication.....	9
C. ENVIRONMENT	10
1) Environmental Permits and Reporting	10
2) Pollution Prevention and Resource Reduction.....	10
3) Hazardous Substances.....	10
4) Solid Waste	10
5) Air Emissions	10
6) Materials Restrictions.....	10
7) Water Management	1
8) Energy Consumption and Greenhouse Gas Emissions.....	1
D. ETHICS	2
1) Business Integrity	2
2) No Improper Advantage.....	2
3) Disclosure of Information	2
4) Intellectual Property.....	2
5) Fair Business, Advertising, and Competition	2

6) Protection of Identity and Non-Retaliation.....	2
7) Responsible Sourcing of Minerals	2
8) Privacy.....	3
E. MANAGEMENT SYSTEMS	4
1) Company Commitment	4
2) Management Accountability and Responsibility	4
3) Legal and Customer Requirements	4
4) Risk Assessment and Risk Management.....	4
5) Improvement Objectives	4
6) Training.....	4
7) Communication	4
8) Worker Feedback, Participation, and Grievance	5
9) Audits and Assessments.....	5
10) Corrective Action Process	5
11) Documentation and Records	5
12) Supplier Responsibility.....	5
REFERENCES	6
SUPPLIER’S ACKNOWLEDGEMENT OF THE LUMILEDS SUPPLIER SUSTAINABILITY DECLARATION	7

Preface

The Lumileds Supplier Sustainability Declaration sets out the standards and behaviors we require from our suppliers and their suppliers. This way, we and our supply chain actively provide fair, discrimination-free, and safe working conditions and promote a cleaner and more sustainable environment. It also describes good ethical behavior and a management system to ensure compliance with these requirements. We endorse The Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Code of Conduct. Our Supplier Sustainability Declaration is based on the RBA Code of Conduct Version 7.0 (2021). This declaration aims to ensure constructive dialogue between employers and workers can occur at Lumileds' suppliers.

We expect all Lumileds' suppliers providing products, components, parts, sub-assemblies, materials, packaging, services, or solutions to or on behalf of Lumileds to comply with this Supplier Sustainability Declaration.



Dr. Christian Förster
Director EHS & Sustainability

Document version history

Date	Author	Version	Changes
August 2023	RBA / Sustainability Office / Procurement	5	Minor revisions due to change of ownership and formatting; RBA Code of Conduct 2021 January 2021 remained unchanged
June 2021	RBA / Sustainability Office / Procurement	4	Revision of the policy in line with version 7.0 of the RBA Code of Conduct January 2021
June 2018	RBA / Sustainability Office / Procurement	3	Revision of the policy in line with version 6.0 of the RBA Code of Conduct January 2018
May 2016	EICC / Sustainability Office / Procurement	2	Revision of the policy in line with version 5.1 of the EICC Code of Conduct January 2016
April 2015	EICC / Sustainability Office / Procurement	1	New Lumileds policy in line with version 5.0 of the EICC Code of Conduct November 2014

RESPONSIBLE BUSINESS ALLIANCE CODE OF CONDUCT (v 7.0)

The Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC), Code of Conduct establishes standards to ensure that working conditions in the electronics industry, or industries in which electronics are a vital component, and its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

Considered as part of the electronics industry for purposes of this Code are all organizations that may design, market, manufacture, or provide goods and services that are used to produce electronic goods. The Code may be voluntarily adopted by any business in the electronics sector and subsequently applied by that business to its supply chain and subcontractors, including contract labor providers.

To adopt the Code and become a participant (“Participant”), a business shall declare its support for the Code and actively pursue conformance to it and its standards by a management system as herein.

Participants must regard the Code as a total supply chain initiative. At a minimum, Participants shall also require their next-tier suppliers to acknowledge and implement the Code.

Fundamental to adopting the Code is the understanding that a business, in all its activities, must operate in full compliance with the laws, rules, and regulations of the countries in which it operates.¹ The Code encourages Participants to go beyond legal compliance, drawing upon internationally recognized standards, to advance social and environmental responsibility and business ethics. In no case can complying with the Code violate local laws. If, however, there are differing standards between the RBA Code and local law, the RBA defines conformance as meeting the strictest requirements. In alignment with the UN Guiding Principles on Business and Human Rights, the provisions in this Code are derived from and respect internationally recognized standards, including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.

The RBA is committed to obtaining regular stakeholder input in developing and implementing the Code of Conduct.

The Code is made up of five sections. Sections A, B, and C outline standards for Labor, Health, and Safety, and the Environment, respectively. Section D adds standards relating to business ethics. Section E outlines the elements of an acceptable system to manage conformity to this Code.

¹ The Code does not intend to create new and additional third-party rights for workers.

A. LABOR

Participants are committed to upholding the human rights of workers and treating them with dignity and respect, as understood by the international community. This applies to all workers, including temporary, migrant, student, contract, direct employees, and any other type of worker. The recognized standards, as set out in the References, were used in preparing the Code and may be valuable sources of additional information.

The labor standards are:

1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery, or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons using threat, force, coercion, abduction, or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility and unjustified restrictions on entering or exiting company-provided facilities, including, if applicable, workers' dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in their native language that contains a description of the terms and conditions of employment. Foreign migrant workers must receive the employment agreement before the worker departing from their country of origin, and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per the worker's contract. Employers, agents, and sub-agents may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only keep documentation if such holdings are required by law. In this case, workers should never be denied access to their documents. Workers shall not be required to pay employers' agents or sub-agents recruitment fees or other related fees for their employment. If any such costs are found to have been paid by workers, such fees shall be repaid to the worker.

2) Young Workers

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15 for completing compulsory education or under the minimum age for employment in the country, whichever is greatest. Participants shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Participants shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of student's rights by applicable laws and regulations. Participants shall provide appropriate support and training to all student workers. Without local law, the wage rate for student workers, interns, and apprentices shall be at least the same as other entry-level workers performing equal or similar tasks. If child labor is identified, assistance/remediation is provided.

3) Working Hours

Studies of business practices link worker strain to reduced productivity, increased turnover, and increased injury and illness. Working hours are, at most, the maximum set by local law. Further, a workweek should be at most 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed at least one day off every seven days.

4) Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including minimum wages, overtime hours, and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall receive a timely and understandable wage statement with sufficient information to verify accurate compensation. All use of temporary, dispatch, and outsourced labor will be within the limits of the local law.

5) Humane Treatment

There is to be no harsh or inhumane treatment, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers, nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

6) Non-Discrimination / Non-Harassment

Participants should be committed to a workplace free of harassment and unlawful discrimination. Companies shall not engage in discrimination or harassment 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. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests or physical exams, that could be used in a discriminatory way. This was drafted considering the ILO Discrimination (Employment and Occupation) Convention (No.111).

7) Freedom of Association

In conformance with local law, participants shall respect the right of all workers to form and join trade unions of their choosing, bargain collectively, engage in peaceful assembly, and respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

B. HEALTH AND SAFETY

Participants recognize that in addition to minimizing work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production, and worker retention and morale. Participants also recognize that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

Recognized management systems such as ISO 45001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be valuable sources of additional information.

The health and safety standards are:

1) Occupational Safety

Worker potential for exposure to health and safety hazards (chemical, electrical, and other energy sources, fire, vehicles, and fall hazards, etc.) are to be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Reasonable steps must also be taken to remove pregnant women and nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers, including those associated with their work assignments, and provide reasonable accommodations for nursing mothers.

2) Emergency Preparedness

Potential emergencies and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training, and drills.

Emergency drills must be executed at least annually or as local law requires, whichever is more stringent. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment, and property.

3) Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track, and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.

4) Industrial Hygiene

Worker exposure to chemical, biological, and physical agents must be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards are identified, participants shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled by such means, workers must be provided with and use appropriate, well-maintained personal protective equipment free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards.

5) Physically Demanding Work

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, must be identified, evaluated, and controlled.

6) Machine Safeguarding

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) Sanitation, Food, and Housing

Workers must be provided access to clean toilet facilities, potable water, and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the participant or a labor agent are to be maintained to be clean and safe and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting and heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with proper entry and exit privileges.

8) Health and Safety Communication

Participants shall provide workers with appropriate workplace health and safety information and training in the language of the worker or a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety-related information shall be posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers before the beginning of work and regularly after that. Workers shall be encouraged to raise any health and safety concerns without retaliation.

C. ENVIRONMENT

Participants recognize that environmental responsibility is integral to producing world-class products. Participants shall identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources within their manufacturing operations while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco-Management and Audit System (EMAS) were used as references in preparing the Code. They may be a valuable source of additional information.

The environmental standards are:

1) Environmental Permits and Reporting

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) Pollution Prevention and Resource Reduction

Emissions and discharges of pollutants and waste generation 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 other means. Natural resources, including water, fossil fuels, minerals, and virgin forest products, must be conserved by modifying production, maintenance, facility processes, substitution, reuse, conservation, recycling, or other means.

3) Hazardous Substances

Chemicals, waste, 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) Solid Waste

Participants shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

5) Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting substances, and combustion byproducts generated from operations must be characterized, routinely monitored, controlled, and treated before discharge. Ozone-depleting substances are to be effectively managed by the Montreal Protocol and applicable regulations. Participants shall conduct routine monitoring of the performance of their air emission control systems.

6) Materials Restrictions

Participants are to adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

7) Water Management

Participants 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. All wastewater must be characterized, monitored, controlled, and treated as required before discharge or disposal. Participants shall regularly monitor the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

8) Energy Consumption and Greenhouse Gas Emissions

Participants are to establish a corporate-wide greenhouse gas reduction goal. Energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions will be tracked, documented, and publicly reported against the greenhouse gas reduction goal. Participants must look for methods to improve energy efficiency and minimize energy consumption and greenhouse gas emissions.

D. ETHICS

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

1) Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Participants shall have a zero-tolerance policy to prohibit any forms of bribery, corruption, extortion, and embezzlement.

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, providing, or accepting anything of value, either directly or indirectly through a third party, to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring, record-keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3) Disclosure of Information

All business dealings should be transparently performed and accurately reflected on the Participant's business books and records. Information regarding participants' labor, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed by applicable regulations and prevailing industry practices. Falsifying records or misrepresenting conditions or practices in the supply chain is unacceptable.

4) Intellectual Property

Intellectual property rights are to be respected, transfer of technology and know-how is to be done to protect intellectual property rights, and customer and supplier information is to be safeguarded.

5) Fair Business, Advertising, and Competition

Standards of fair business, advertising, and competition are to be upheld.

6) Protection of Identity and Non-Retaliation

Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers² are to be maintained unless prohibited by law. Participants should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

7) Responsible Sourcing of Minerals

Participants shall adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organisation for Economic Co-operation and

² Whistleblower definition: Any person who discloses improper conduct by an employee or officer of a company or by a public official or official body

Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

8) Privacy

Participants are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Participants must comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

E. MANAGEMENT SYSTEMS

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

The management system should contain the following elements:

1) Company Commitment

Corporate social and environmental responsibility policy statements affirming Participant's commitment to compliance and continual improvement, endorsed by executive management and posted in the facility in the local language.

2) Management Accountability and Responsibility

The Participant clearly identifies senior executive and company representative(s) responsible for ensuring the implementation of the management systems and associated programs. Senior management reviews the status of the management systems regularly.

3) Legal and Customer Requirements

A process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

4) Risk Assessment and Risk Management

A process to identify the legal compliance, environmental, health and safety³, and labor practice and ethics risks associated with Participant's operations. Determination of the relative significance of each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5) Improvement Objectives

Written performance objectives, targets, and implementation plans to improve the Participant's social, environmental, and health and safety performance, including a periodic assessment of the participant's performance in achieving those objectives.

6) Training

Programs for training managers and workers to implement Participant's policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

7) Communication

A process for communicating clear and accurate information about Participant's policies, practices, expectations, and performance to workers, suppliers, and customers.

³ Areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, plant/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria, and worker housing/dormitories.

8) Worker Feedback, Participation, and Grievance

Ongoing processes, including an effective grievance mechanism, to assess workers' understanding of and obtain feedback on violations against practices and conditions covered by this Code and to foster continuous improvement. Workers must be given a safe environment to provide grievances and feedback without fear of reprisal or retaliation.

9) Audits and Assessments

Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

10) Corrective Action Process

A process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

11) Documentation and Records

Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements, along with appropriate confidentiality to protect privacy.

12) Supplier Responsibility

A process to communicate Code requirements to suppliers and to monitor supplier compliance with the Code.

REFERENCES

The following standards were used in preparing this Code and may be valuable sources of additional information. The following standards may or may not be endorsed by each Participant.

Dodd-Frank Wall Street Reform and Consumer Protection Act
<http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>

Eco Management & Audit System http://ec.europa.eu/environment/emas/index_en.htm

Ethical Trading Initiative www.ethicaltrade.org/

ILO Code of Practice in Safety and Health
www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf

ILO International Labor Standards www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm

ISO 14001 www.iso.org

National Fire Protection Association www.nfpa.org

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>

OECD Guidelines for Multinational Enterprises <http://www.oecd.org/investment/mne/1903291.pdf>

Regulation (EU) 2017/821 laying down supply chain due diligence obligations for Union importers of tin, tantalum, and tungsten, their ores, and gold originating from conflict-affected and high-risk areas.
<https://eur-lex.europa.eu/eli/reg/2017/821/oj>

Universal Declaration of Human Rights <https://www.un.org/en/universal-declaration-human-rights/>

United Nations Convention Against Corruption <https://www.unodc.org/unodc/en/treaties/CAC/>

United Nations Convention on the Rights of the Child
<https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>

United Nations Convention on the Elimination of All Forms of Discrimination Against Women
<https://www.ohchr.org/EN/ProfessionalInterest/Pages/CEDAW.aspx>

United Nations Global Compact www.unglobalcompact.org

United States Federal Acquisition Regulation www.acquisition.gov/far/

Responsible Business Alliance
<http://www.responsiblebusiness.org>

SA 8000 <https://sa-intl.org/programs/sa8000/>

Social Accountability International (SAI) www.sa-intl.org

SUPPLIER'S ACKNOWLEDGEMENT OF THE LUMILEDS SUPPLIER SUSTAINABILITY DECLARATION

The Supplier confirms that it has received, read, understood, and agreed to comply with the requirements laid out in this document. The binding requirements are always based on the most recent version of the RBA CoC. It is the supplier's responsibility to check for changes on the official RBA website regularly and will be fully compliant within three (3) months of published changes or notification by Lumileds.

Date:

Name of the supplier:

Address of the supplier:

Name of authorized signee:

Position of authorized signee:

Signature of authorized signee: