



GlobalFoundries' Supplier Handbook

Introduction	3	RFI/RFP/RFQ process	11
About Us	3	Supplier registration	11
Our Vision	3	Contracts	12
Our Mission	3	Qualification Requirements	12
Our Values	3		
Our Manufacturing Locations	4	Supply Of Goods and Services to Globalfoundries	13
Our Supplier Interacting Organizations	4	Product Safety	13
		Shipment of Goods	13
General Expectations	4	OTD Expectations	14
		Stock Level	14
Quality Management	5	Invoicing	14
Supplier Quality Engineering Framework	6	Quality Requirements	14
Supplier Quality Management Tools	7		
Management of changes	7	Business Continuity Plans	14
Control of Non-Conformances and Corrective Actions	7	Supply Chain Control Strategy	15
Supplier Audits	8		
Sub-Supplier Monitoring and Audits	8	Supplier Temporary Shutdown	15
Sourcing at GlobalFoundries	9	Supplier Relationship Management at GlobalFoundries	15
Supplier Diversity & Inclusion	10	Supplier Segmentation	15
Responsible Sourcing	10	Global supplier rating	15



People around the world rely on semiconductor chips every day, throughout the day, and most do not even know it. Chips are everywhere — inside everything from appliances to thermostats, smartphones to automobiles, and industrial equipment to medical devices. In fact, just one automobile may have as many as 1,500 chips. These incredibly complex feats of human ingenuity power our world, fuel the global economy and enrich our lives.

At GlobalFoundries (GF), we know that our role as one of the world's leading semiconductor chip manufacturers is vital to humanity, and we take that role seriously. We are redefining innovation and semiconductor manufacturing by developing feature-rich process technology solutions that provide leadership performance in pervasive high growth markets.

GF recognizes the critical role our suppliers play in an increasingly competitive environment, which requires continual innovation, an unyielding quality mindset and a strong commitment to meet customer expectations. GlobalFoundries aims for a strong collaborative relationship with our suppliers that enables mutual trust and benefit, and includes alignment on performance expectations, sharing of data and risks, and cooperation to drive continuous improvement.

In this Supplier Handbook, we provide a high-level overview of our Supplier Management Program. This program guides our journey to build a high-performance supplier base in key segments that will strengthen our competitive position in the marketplace. Based on clearly communicated expectations and aligned goals we can continue to meet or exceed the expectations of our customers and improve GlobalFoundries' and our suppliers' performance in all aspects of our QCOST (Quality, Cost, Operations, Services, Technology, BCP and Compliance) approach.

We welcome our suppliers to Create, Partner, Embrace and Deliver together with us.

Thank you

John Hollister
Chief Financial Officer
GlobalFoundries

John Lepper
Vice President, Global Quality
GlobalFoundries



Introduction

About Us

GlobalFoundries (GF) is one of the world's leading semiconductor manufacturers and the only one with a truly global footprint. As a steadfast partner, with a unique mix of design, development, and fabrication services, GF works collaboratively with our customers to bring a broad range of innovative products to the market. With a global customer base, a talented and diverse workforce and an at-scale manufacturing footprint spanning three continents, GF is delivering a new era of more.

Our Vision

We are changing the industry that is changing the world.

Our Mission

At GF, we innovate and partner with our customers to deliver solutions for all humanity. We manufacture semiconductors around the globe.



14 Locations

Spread across three continents



6 Technology Platforms

Supporting thousands of specialized application solutions



200+ Global Customers 100+ Global Partners

With many of today's leading semiconductor companies



~13,000 employees

Making up a talented, diverse global workforce

Our values

We approach our work and our relationships with unyielding integrity and four key principles.

Create

- Innovate beyond what is possible today.
- Differentiate our technology to enable customer success.
- Have a passion for problem-solving.
- Create value for our customers and for our shareholders

Embrace

- Diversity is a competitive advantage.
- The best ideas come from being inclusive.
- Act with a shared sense of purpose.
- Respect everyone

Partner

- Collaborate across all borders & boundaries.
- Strive for win-win outcomes.
- Build trust as the basis of every relationship

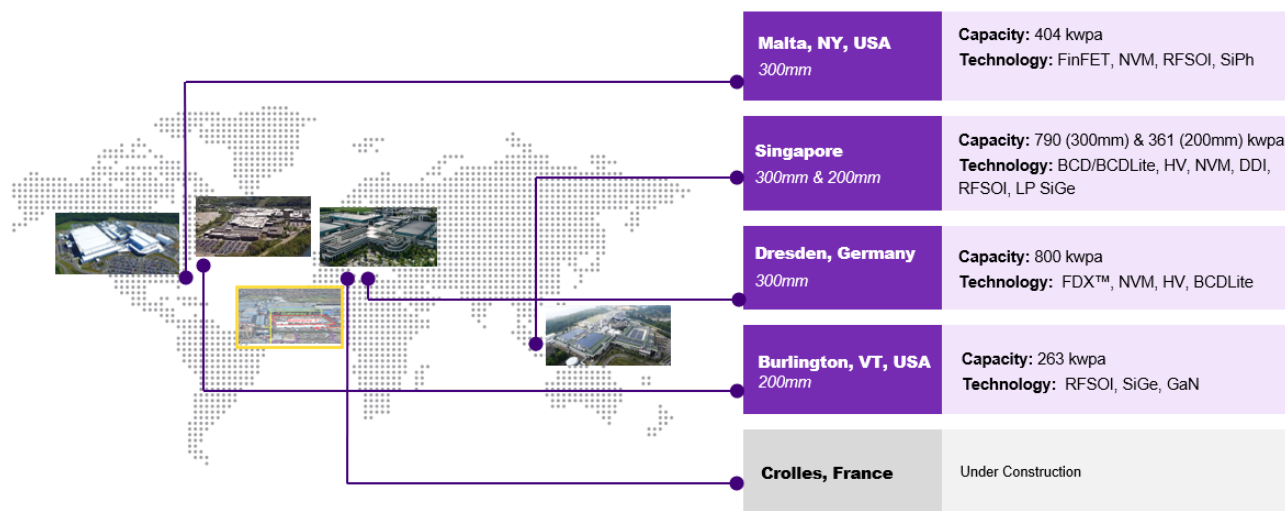
Deliver

- Our customers can count on us to deliver on our commitment.
- Work effectively, efficiently, and decisively.
- Focus on outcomes and are accountable for results.
- Celebrate and reward success.
- Nothing matters without safety



Our Manufacturing Locations

GlobalFoundries provides manufacturing services worldwide with locations in the United States, Europe, and Asia.



Our Supplier Interacting Organizations

GlobalFoundries' organizations interact with our suppliers to ensure that goods and services are delivered according to the agreed upon requirements. The table below shows the key supplier interfacing processes and which GlobalFoundries organization coordinates the related activities with our suppliers.

Process	Responsible GlobalFoundries' Organization
Sourcing & Contract Management	Global Supply Chain (GSC)
Purchase Execution (PO)	
Business Continuity Planning	
Supplier Relationship Management	
Incoming Quality Validation	Global Supplier Quality & Material Engineering (GSQE&ME)
Handling of Non-Conformance	
Supplier Audits	
Change Management	
Forecast, Inventory Management, Goods Receipt	Global Materials Management & Logistics
Invoicing	Finance Accounts Payable

General Expectations

GlobalFoundries' general expectations and mandatory requirements are summarized in GlobalFoundries' Supplier Code of Conduct. We expect our suppliers to acknowledge this document as part of our supplier onboarding process and when suppliers participate in a Sourcing Event such as a Request for Quotation (RFQ).

GlobalFoundries' Supplier Code of Conduct can be found at gf.com under GF Communities / GF Suppliers.



Quality Management

GlobalFoundries' products land in safety-related systems, including aviation applications and automated driver assist systems. No room for failures exists in these applications. GlobalFoundries cannot rely on inspections to detect defects or failures. Preventive action and the continual improvement process must ensure that no defects are created.

GlobalFoundries expects each supplier to understand the role they play in providing our customers with zero-defect products and we seek 100% commitment from our suppliers to GlobalFoundries' Quality Policy, which can be found at gf.com under About Us / Quality Management.

Quality Policy
Our customers' manufacturing arm of choice

The Zero Excursion, Zero Defect Mission
We are recognized as best in class for delivering robust differentiated solutions

Customer centric	First time right mindset	Continual Improvement
We are committed to exceed our customers' quality expectations by understanding and delivering to their requirements.	Our skilled workforce follows robust processes to prevent problems, reduce risk, and improve performance using predictive data analytics.	We drive for zero defects through the process maturity continuum of correcting, controlling, improving, preventing, anticipating.

Standard Compliance Requirements

ISO 9001 is the basis of the GlobalFoundries' quality assurance system for all organizational units, including its external manufacturing facilities and suppliers. GlobalFoundries adopts IATF 16949 as the automotive quality assurance system for process control with the focus on error prevention.

The supplier shall maintain a quality management system which is ISO 9001 / IATF 16949 certified (whichever is applicable) covering all manufacturing sites. New supplier or new manufacturing site must be at least ISO 9001:2015 QMS certified and have a documented Environmental Safety and Health Management System. For Wafer suppliers must be IATF 16949:2016 compliant (confirmed by third party). A pre-qual system audit shall be conducted either on site or documentation per Appendix 6. On site audit shall be conducted for any new local warehouse engaged by supplier.

The supplier has to maintain their Company profile in GlobalFoundries' MatQual System (Material Selection & Evaluation data-based system). This includes the update of contact email addresses and update of expiring management system certifications, e.g., ISO 9001, ISO 14001, ISO 45001, IATF 16949 & other certifications for all the manufacturing sites.

It is the responsibility of the supplier to inform GlobalFoundries immediately if their ISO certification is expired or revoked.



The supplier shall manufacture and evaluate the delivered products in accordance with the most recent revisions of these quality standards. GlobalFoundries will monitor the status of the supplier to achieve ISO 9001 / IATF 16949 certification (where applicable) during the following instances:

- Supplier Initial qualification / evaluation
- Supplier Audit
- Operational Business Review (OBR) for Supplier performance rating
- Periodic review (Quarterly) by GlobalFoundries

Supplier Quality Engineering Framework

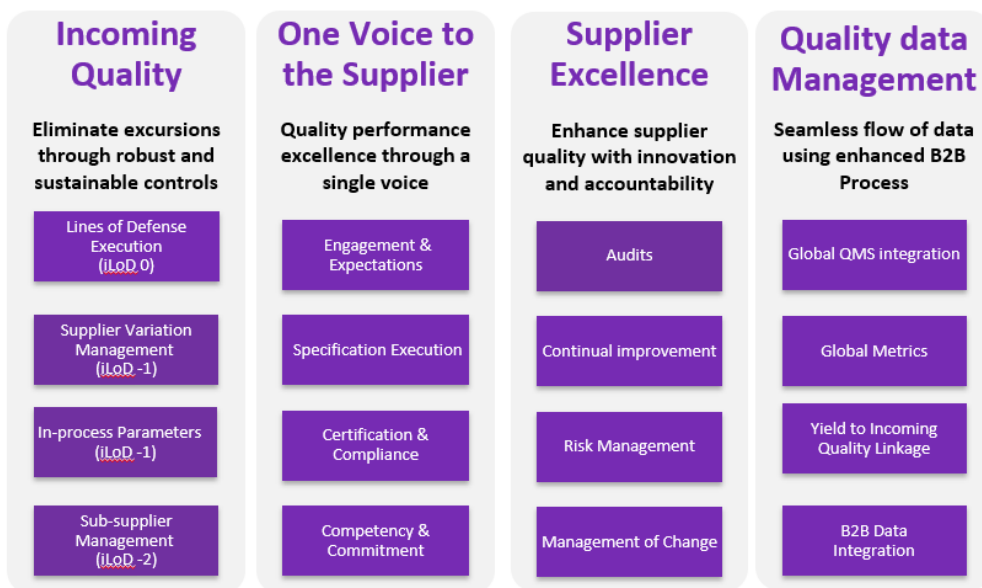
The 4-16 Strategic Quality Engineering Framework as shown below defines the key priorities for GlobalFoundries’ supplier quality management to achieve automotive quality excellence and it applies to its full extent for all suppliers delivering goods to GlobalFoundries’ manufacturing processes.

4–16 Strategic framework

To drive Zero Excursion Zero Defect with our suppliers and their sub-suppliers

4-16 Strategic Quality Framework

Driving Zero excursion Zero Defect mission



- All supplier quality improvement activities link to the 4-16 framework and are reflected in the respective supplier performance rating.
- GlobalFoundries is committed to a Zero Excursion Zero Defect (ZEZD) program to cultivate an automotive quality mindset and to achieve world-class operations excellence.
- We demand to be initiative-taking to prevent excursions and to anticipate problems and change by following the five step CCIPA approach of Correcting, Controlling, Improving, Preventing and Anticipating.



Supplier Quality Management Tools

GlobalFoundries provides suppliers direct access to certain quality management tools on our Global-FoundryView platform. For access, please visit gf.com under Portals / Global-FoundryView.

In Global-FoundryView you will find links to relevant specifications (AgilePLM), GlobalFoundries' corrective action system (iCAsE), the change management system (iChange), and the materials quality management system (MatQual).

Management of Change

Changes are risky and GlobalFoundries' change management system is used to ensure the risk is eliminated or mitigated in a systematic fashion, so that GlobalFoundries' customers can consider, qualify, and approve proposed changes in a reasonable time frame. Please find more details in QX-055 available in Global-FoundryView.

Control of Non-Conformances and Corrective Actions

Supplier must have a system in place to detect any abnormalities or non-conformance (NC) before shipment and prevent delivery of suspect or NC material.

QX-042 defines GlobalFoundries' procedure to ensure that all material, which does not conform or is suspected to be not conforming to specifications, is controlled and dispositioning is made appropriately. Please find more details in Global-FoundryView.

In case of a non-conformance, GlobalFoundries will initiate a Supplier Corrective Action Request (SCAR) in iCAsE. Guidelines for suppliers on the SCAR process as well as GlobalFoundries' expectations are defined in QX-058 and OS-007684, that are also available in Global-FoundryView.

The procedure for implementing a corrective and preventive action follows the 8D problem solving method.

Supplier Responsibilities Are

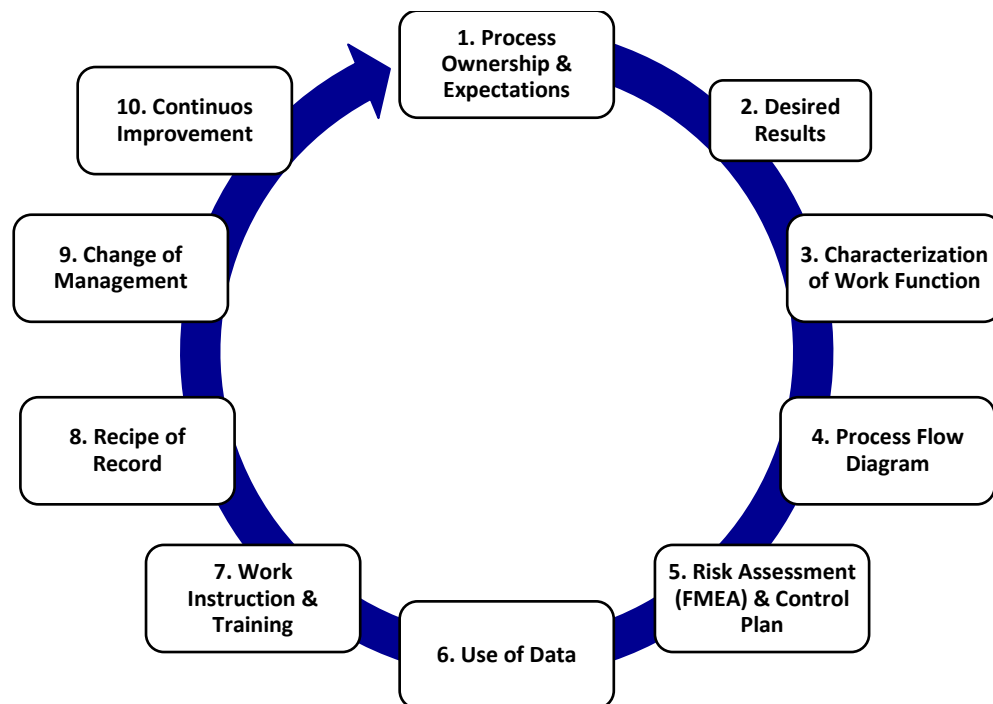
- | | |
|--|--|
| <ol style="list-style-type: none"> 1 Provide containment actions within 24 hours to prevent any further negative impact to GlobalFoundries. 2 Commonality analysis in order to identify and block all suspect goods for shipment to GlobalFoundries. 3 Ensure continuous supply of known good material. 4 Provide symptoms analysis and hypothesis for potential root causes. 5 Organize immediate return of sample material for analysis | <ol style="list-style-type: none"> 6 Provide data to prove identified root cause. 7 Provide 8D report within agreed timeline. 8 Define effective corrective and preventive action plan to eliminate identified problem and escape root cause and prevent recurrence. 9 Provide data to prove the effectiveness of corrective and preventive action 10 Continuously achieve target of zero SCARs for Priority 1 and 2. |
|--|--|

Supplier Audits

GlobalFoundries performs periodic quality system audits. Audits will be planned on an annual basis using a risk-based approach according to the Severity, Occurrence and Detection (SOD) Guideline below to identify and prioritize suppliers. The annual audit plan conducted at company level will be reviewed and all changes to the plan must be reviewed by the Commodity Strategy Team (CST) and endorsed by Global Supplier Quality & Materials Engineering manager and updated, if necessary.

Supplier Audit Approach

1. **Voice of the Process**
 - Product process flow from incoming materials to finished goods arriving at GF site.
 - Inclusive of all processes at the sub-supplier, supplier, and transit to the GF site
2. **10-step Process toolbox**
 - Tool / methodology that explores process robustness of every process step within the product flow.



The Supplier is Required to:

1. Support GlobalFoundries Supplier audits by providing all requested information right in time before the audit.
2. Give access to all necessary information during the audit that needed to perform the audit.
3. Upon receiving the audit plan, inform GlobalFoundries in advance if any other sign-off is required in addition to Non-Disclosure Agreement (NDA)
4. Provide 8D report for all identified Major Non-conformities.
5. Identify the root cause for all audit findings and define appropriate corrective / preventive actions.
6. Ensure that all defined actions are implemented within the date committed and to verify their effectiveness. Provide evidence for the effectiveness of implemented actions.



AUDIT SCORING TABLE

>90%	Pass with excellent result	ANTICIPATING
80 – 89%	Pass with good result	PREVENTING
70 – 79%	Pass with satisfactory result	IMPROVING
60 – 69%	Failed with few elements with satisfactory results	CONTROLLING
50 – 59%	Failed - Immediate actions needed	CORRECTING
<50%	Failed	Disqualified

Sub-Supplier Monitoring and Audits

Suppliers providing materials to GlobalFoundries' manufacturing processes should maintain a sub-supplier / sub-contractor management system in compliance with GlobalFoundries QX-074, including sub-supplier / sub-contractor ISO 9001 certification. This sub-supplier / sub-contractor management must encompass the following elements but not limited to:

- Qualification/disqualification process
- Material specifications
- Approved supplier list (ASL)
- SPC (Statistical Process Control) reporting and ship to control
- Outgoing Quality assurance and inspections
- Incoming quality assurance
- Supplier Change Management
- Non-compliance process (8D process)
- Early warnings
- Audits

If the supplier has outsourced or decides to outsource any process that affects product quality and delivery to GlobalFoundries, the supplier must obtain GlobalFoundries approval.

The supplier must also demonstrate full compliance to all GlobalFoundries' requirements in the case of outsourced manufacturing and/or services, covering all manufacturing and post-manufacturing sites prior to delivery to GlobalFoundries.

Sourcing at GlobalFoundries

GlobalFoundries is committed to maintaining an equitable and competitive business environment. We select our suppliers fairly and ethically.

Supplier / material enter two phases of qualification::

- Phase I: Sourcing, Engagement and Selection Phase
- Phase II: Qualification Phase (if applicable)

The sourcing process enables GlobalFoundries to review suppliers and select the most qualified based on the supplier's performance and the needs of GlobalFoundries. The process begins with the definition of the sourcing requirements. GlobalFoundries' commodity manager or the sourcing team will review the current supply base and determine if there are any current suppliers that meet our business needs. Our goal is to direct new business to our preferred or approved suppliers.

The Request for Information, Proposal or Quotation (RFI/RFP/RFQ) process is used to evaluate the current market situation and to select new suppliers. In the event a new supplier is awarded the opportunity to do business with GlobalFoundries, registration in GlobalFoundries' Sourcing and ERP (Enterprise Resource Planning) software is required.

Equipment, parts, and materials that impact the manufacturing process must align with GlobalFoundries qualification rules. Additional requirements may apply depending on the nature of the sourced goods and services.



Supplier Diversity and Inclusion

GlobalFoundries is committed to maintaining an equitable and competitive business environment. Our supplier diversity program promotes business opportunities for diverse suppliers in the various communities we serve. By creating sound business relationships, we strengthen economic development and viability for all parties, while providing a value-added strategy creating a competitive advantage and an innovative edge.

The supplier diversity program is an important part of our sourcing efforts. This program helps us to:

- Match qualified diverse suppliers with the needs of our internal business partners.
- Build long-term business relationships with individuals that are reflective of our communities.
- Create business opportunities for diverse suppliers.
- Become more competitive in a diverse marketplace.

We are dedicated to fair and open competition in sourcing. The following categories are recognized as part of the supplier diversity program.

- Disabled-owned businesses enterprise (DOBE)
- Historically Underutilized Business (HUB) Zone business
- Minority-owned business enterprise (MBE)
- Service-disabled veteran-owned business enterprise (DVBE)
- Veteran-owned business enterprise (VBE)
- Women-owned business enterprise (WBE)
- Disadvantaged owned business enterprise (DBE)
- Lesbian-Gay-Bisexual-Transgender owned business enterprise (LGBTQE)

Our Supplier Diversity Program and Small Business Program consists of:

Executive sponsorship

- The supplier diversity program is sponsored by the Head of Procurement and resides within the Global Supply Chain (GSC) organization.

Outreach & strategic collaboration

- We seek out diverse suppliers through active involvement with minority development organizations.
- We focus on providing business opportunities for diverse suppliers in sourcing events.
- We drive awareness of the importance of diverse supplier management within GlobalFoundries' supply chain.

Tracking & continuous improvement

- We verify that businesses meet the criteria of ownership through valid certification to qualify as diverse suppliers recognized by the GlobalFoundries' supplier diversity program.
- We monitor and report our progress quarterly towards achieving our program targets.

For more information on the GF supplier diversity program, contact the Global Supply Chain compliance team: GSMHELP@gf.com.

Responsible Sourcing

GlobalFoundries is committed to responsible and ethical sourcing practices and follows applicable responsible sourcing laws and regulations. Please read our Supplier Code of Conduct at gf.com under GF Communities / Supplier for our sourcing requirements.

As a member of the Responsible Business Alliance (RBA), GlobalFoundries is committed to responsible sourcing practices. To drive resiliency and positive impact in our supply chain and throughout the industry, we hold our suppliers accountable for



quality, reliability, business ethics, environmental responsibility, human rights, fair labor practices, safety, and emergency preparedness.

We require suppliers to conform to requirements of the RBA Code, including respecting human rights, prohibiting forced and child labor and meeting or exceeding all labor, safety, health, environmental and ethical standards, including the key principles of our Human Rights Policy.

RFI/RFP/RFQ process

GlobalFoundries' Global Supply Management organization has the ultimate responsibility in selecting suppliers. Where required, we will use a multidisciplinary approach for supplier selection, including internal stakeholders, e.g., Quality, Technology Development, Manufacturing, and Logistics.

Potential suppliers are required to abide by the following pre-requisites for a sourcing event that are listed (but not limited) to:

- a) Confirm that a Non-Disclosure Agreement (NDA) is in place.
- b) Confirm that any purchase resulting out of the sourcing event will be governed by GlobalFoundries' terms and conditions and any applicable contract between supplier and GlobalFoundries.
- c) GlobalFoundries reserves the right to award or not to award any portion of the business, in any combination, for any reason.
- d) Acknowledgment of GlobalFoundries' Code of Conduct.
- e) In situations where the supplier does not manufacture the material supplied and acts as a distributor or agent, it shall be mandatory for the supplier to comply with the following conditions:
- f) The distributor or agent shall have the capability to cascade and enforce GlobalFoundries' requirements and specifications to their suppliers or manufacturers, including the requirement for their manufacturer to be ISO 9001 certified.
- g) The distributor or agent shall disclose the name and location of the manufacturer of the material supplied for GlobalFoundries risk mitigation.

Depending upon the requirements, a sourcing event may involve Request for Information (RFI), Request for Quote (RFQ), Request for Proposal (RFP) or Auction events.

For low value purchases and standard goods and services that meet our requirements, the selection can be made purely based on commercial terms. For high value purchases, especially with an impact on our manufacturing process, we will use the QCOST (Quality, Cost, Operation, Service, Technology) evaluation method for supplier selection.

If the evaluation of the supplier's quality management system requires an audit, the supplier will be contacted by GlobalFoundries' supplier quality organization. This could be done based on a questionnaire or a virtual or an onsite audit at the suppliers' site involved in the manufacturing and shipment of goods to GlobalFoundries.

Supplier should note that end users within GlobalFoundries can directly request budgetary quotations. However, our suppliers shall only engage with Global Supply Chain (GSC) in commercial negotiations.

Supplier Registration

To issue Purchase Orders (PO) to a supplier for the procurement of goods or services, the supplier must be registered as a PO supplier in the GlobalFoundries ERP system.

Criteria for the registration of new suppliers

- a) A supplier profile is required for participating in online Sourcing event in the ERP System and/or to initiate an NDA.
- b) New supplier master record is required for transacting with the supplier in the ERP System which includes PR/PO and invoicing.



GlobalFoundries' supplier registration system will trigger the supplier with the requirements that need to be submitted to initiate the registration process. Supplier shall complete the "Registration Form" online and attach all the mandatory supporting documents. Such requirements include and not limited:

- a) Legal entity name of Supplier
- b) Corporate Address
- c) Key contacts, such as Account Manager, Sales Representative
- d) Commercial terms: Payment Terms and Incoterms
- e) Certificates and documentations to validate Supplier's validity
- f) Specific licenses (as required) by supplier to be able to provide the goods and/or services.
- g) Bank statements and/or bank details on company letterhead.

GlobalFoundries will conduct appropriate due diligence on corruption and bribery risks during supplier registration and may also assess the financial condition of suppliers. This may lead to requests for additional information.

Contracts

A procurement contract is the primary method of engagement in procurement transactions with our suppliers. Preference is for a "global agreement" that supports "local" purchase orders (POs). The following guidelines are non-exhaustive that should be adhered to during the contracting process:

- GlobalFoundries strongly advocates the use of our standard templates for contractual agreements.
- An active NDA must be in place before sharing confidential data.
- Contracts are entered with a registered company and not with individuals or departments within a company.
- Preference for contracts with the mother company where groups of companies are involved.
- Procurement contracts are created in our procurement system, and we use an e-signature workflow to execute the contract.

Qualification Requirements

Qualification is always required for all goods used in GlobalFoundries' manufacturing process prior to the first production shipment in the following situations:

- a) Qualification is initiated by GlobalFoundries for the sourcing of
 - new material, service, or equipment supplier
 - new or modified material, service or equipment not previously supplied to GlobalFoundries
 - material, service, or equipment being re-qualified which was disqualified due to major quality problem or production delivery time lapse
- b) Qualification due to a change in the manufacturing of the material, service, equipment, or process flow proposed by a supplier. These changes may include but are not limited to:
 - change in a quality conformance procedure
 - change in the site of manufacture
 - new tooling
 - change/addition/deletion of a process step
 - source change for raw material or for the Bill of Material (BOM) suppliers
 - change in raw material composition
 - change to handling, packaging, or storage methods

GlobalFoundries' supplier quality organization will share details on required qualification procedures, when applicable.

Supply Of Goods and Services to Globalfoundries

Please review GlobalFoundries' Supplier Code of Conduct for all mandatory Environmental, Health and Safety requirements prior to any delivery of goods or services to GlobalFoundries.



Product Safety

Prior to any material delivery of chemicals or gases the supplier has to provide a Safety Data Sheet (SDS), that is GHS (Global Harmonized System) compliant. For Fab 1, Dresden the SDS needs to follow EU REACH (Regulation (EC) No 1907/2006) in German and English language.

The supplier has to provide the updated chemical or gas SDS to GlobalFoundries in the case of changes relevant to the SDS content, or at least every three years upon qualification.

SDS shall include the status of all chemicals with regards to registration under the Toxic Substances Control Act (TSCA). Supplier shall either indicate that all ingredients are listed in the TSCA Inventory, or provide specific conditions that are applicable (such as R&D exemption, Low-volume exemption) (US only).

All chemicals delivered to GlobalFoundries Fabs must be labeled in accordance with applicable international and national regulations. All Safety instructions relating to the raw materials must be indicated clearly in English on the packaging. The material description or the name of material in the SDS must be the same on the package label

All chemical and gas suppliers have to indicate chemical safety warning signage in accordance with local legal requirements.

Shipment of Goods

GlobalFoundries expects goods to be managed and packed in conformance with good commercial practice. Suppliers need to comply with GlobalFoundries' specifications, government regulations (including those applicable to chemicals, gases, and controlled materials) and other applicable requirements.

Packaging must be appropriate to protect material against contamination and damage and in accordance with material specifications (if defined). Supplier must comply with local regulations.

Supplier shall ensure that all shipments carry the accompanying documents for completeness of shipment. This is not limited to,

- Delivery Note
- Packing List
- Customs Documents (if applicable)
- Proforma Invoice (if applicable)
- Documentation of Temperature Control

If the shipment is a sample delivery, it must be marked as "Sample".

Unless otherwise agreed upon, shipments shall be DDP (Delivered Duty Paid as defined in Incoterms 2010) at GlobalFoundries' ship-to location and no charge shall be allowed for packing, crating, freight, express charges, cartage, containers, or storage.

Supplier shall be responsible for any loss or damage due to its failure to manage, pack and package the goods in a proper and lawful manner.

For all shipments which are made by vessel into the United States of America, U.S. Customs and Border Protection requires that an Importer Security Filing (ISF) be filed no later than 24 hours before the cargo is laden aboard the vessel at the foreign port (see 19 C.F.R. §149.2). For DDP shipments it is the responsibility of the Supplier to file the ISF.

OTD Expectations

GlobalFoundries requires suppliers to strive for 100% On-Time Delivery (OTD) performance based on the suppliers' acknowledgement of orders. GlobalFoundries will check supplier's delivery performance and request correction actions when



appropriate.

Suppliers should take the necessary actions to avoid premium freight charges. If premium freight is charged to GlobalFoundries and cannot be avoided, the supplier shall contact GlobalFoundries and receive approval prior to shipment. Failure to comply may result in premium freight charges debited to the supplier's account.

The supplier shall immediately inform GlobalFoundries in of the event of delivery issues (delay, loss, deviation from order) as soon as the supplier has knowledge about this issue.

GlobalFoundries expects initiative-taking, early-in-time, and detailed communication by the supplier's representative for all changes, issues, and topics.

The supplier shall provide a communication matrix to GlobalFoundries — which should be updated and resent by supplier if changes to responsibilities occur.

Stock Level

The supplier must use it's best efforts to ensure an uninterrupted supply to GlobalFoundries all the time. If agreed between GlobalFoundries and supplier, a defined minimum and maximum stock level will be maintained at the specified warehouse.

Supplier will implement continuous supply chain inventory and consumption monitoring to avoid any violation of minimum stock level. The agreed stock level should be replenished within an agreed timeframe and amount. If requested by GlobalFoundries, a weekly inventory and delivery report shall to be provided to GlobalFoundries.

Invoicing

GlobalFoundries' standard payment terms are Net 60 days.

Invoices shall be itemized and submitted in duplication. Invoices should contain, but not limited to, the following information:

- PO (Purchase Orders) number or Document number on the face hereof
- Bill-to company name/address
- tax identification
- ship to company name/address
- invoice date
- item number and item description

Quality Requirements

For materials, parts, equipment, and services used in GlobalFoundries' manufacturing, processes, and incoming inspection requirements apply and will be shared during the qualification process.

For all goods delivered to GlobalFoundries' manufacturing full traceability by manufactured lot (at a minimum) is required throughout the complete supply chain.

Business Continuity Plans

GlobalFoundries strives to meet commitments to clients, the community and employees through credible risk assessment, disciplined mitigation, comprehensive threat awareness and practiced crisis management.

Supply Chain Control Strategy

Suppliers delivering goods and services which impact GlobalFoundries' manufacturing are expected to develop documented business continuity and disaster recovery plans that enable the supplier to continue to perform critical functions and/or provide



services in the event of an unexpected interruption. These plans should be verified and updated through periodic business continuity assessments.

GlobalFoundries expects suppliers to perform regular risk assessment and implement risk mitigation actions for their production and supply chain processes. Upon request the supplier shall provide their business continuity plan (BCP), including any disaster recovery plans that describes measures to ensure continuous supply to GlobalFoundries. The business continuity plan and/or disaster recovery plans must be subject for periodical reviews and updates.

Supplier will immediately notify GlobalFoundries for any emergency situation leading to activation of supplier's disaster recovery procedures or imposing risk to regular supply of materials. Supplier should proactively provide appropriate risk assessments, and contingency plans to ensure materials supply on standard quality levels and recovery procedures. A dedicated task force must be established until supply is returned to normal mode.

Upon request by GlobalFoundries, supplier will allow access to manufacturing sites (by GlobalFoundries or a Third Party risk engineer of GlobalFoundries' selection) for review, assessment and confirmation of risks and mitigation features reported according to Supply Chain Control Strategy.

Supplier Temporary Shutdown

The supplier must immediately inform GlobalFoundries of any planned or unplanned shutdown activity that leads to capacity reduction. This also includes sub-supplier shutdowns that impact on the delivery of goods or services to GlobalFoundries. The supplier shall create adequate stock and provide a detailed delivery plan to demonstrate supply continuity prior to, during, and after the shutdown activities. Back-up plans must be available and ready to implement in case of unexpected events.

Supplier shall provide appropriate risk assessment and mitigation activities to ensure that the quality level of all materials remains at standard production levels during and after the shutdown.

Supplier Relationship Management at GlobalFoundries

GlobalFoundries strives to establish long-term working relationships through performance expectations and measures, performance feedback, and continual improvement plans.

We aim to build a high-performance supplier base in key segments that will strengthen our competitive position in the marketplace, centered on mutual benefit and trust.

Supplier Segmentation

GlobalFoundries reviews the supplier base annually to determine strategic, emerging, core and base suppliers.

- Strategic – A supplier that plays a strategic role in the category strategy for a commodity.
- Emerging – A supplier that GlobalFoundries wants to grow into a strategic supplier.
- Core – A supplier that represents a sizable portion of business, where GF seeks continuous improvement, and potential to be a Strategic or Emerging supplier.
- Base – All other suppliers not categorized in Strategic, Emerging and Core.

Global Supplier Rating

The purpose of the Global Supplier Rating (GSR) is to evaluate the performance of suppliers and to derive required actions in a joint review with the supplier.

The rating is based on defined criteria in the main categories Quality, Cost, Operations, Services and Technology, as well as Business Continuity Planning (BCP) and will include stakeholder feedback across GF manufacturing sites in which the supplier's goods and services are used.

The Global Supplier rating is classified into four levels: Very Good, Good, Fair and N/A.