



California Transparency in Supply Chains Act of 2010

Beginning on January 1, 2012, the California Transparency in Supply Chains Act required many companies doing business in the state to provide information regarding their activities to ensure their supply chain is free from slavery and human trafficking.

Our Worldwide Standards

GlobalFoundries Code of Conduct (Code) is the foundation of our Ethics & Compliance program and sets forth the basic rules, standards and behaviors necessary to achieve our objectives and uphold our values. It summarizes legal and ethical standards and provides practical advice to ensure that we conduct our business in an ethical and compliant manner, covering a wide range of issues pertinent to ethical business practices, including human rights, discrimination, harassment, environmental responsibility, protecting intellectual property, and anti-corruption.

Our Code strictly forbids child labor and forced/compulsory or bonded labor and will not permit the existence of such practices, or of human trafficking, in any aspect of our business or supply chain. In addition, our Global Human Rights policy formalizes our commitment to upholding human rights.

GlobalFoundries is a member of the Responsible Business Alliance (RBA) and committed to the RBA Code of Conduct and its continuous pursuit of excellence in corporate responsibility and extension of responsible practices throughout the supply chain. The RBA Code requires compliance with a set of requirements pertaining to ethics, labor, and environmental, health and safety. Specific to slavery and human trafficking, the RBA Code requires that “Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used.” GlobalFoundries’ Code is aligned with the RBA Code of Conduct.

Verification

GlobalFoundries has instituted supply chain management practices that clearly communicate our expectations to suppliers to conform to the RBA Code of Conduct. This requirement is included in our standard contract templates, purchase order terms and conditions, Global Supplier and Subcontractor Management Policy, and material qualification procedure.

Our verification process to assess the risk of slavery and human trafficking in our supply chain is directed to suppliers who are determined to be “major” suppliers according to RBA Code requirements. The process is implemented annually through an internal procedure. The determination of the major supplier list is based on documented criteria that are related to supplier spend, supplier facility location, and nature of supplier business. In 2021 this list designated 85 major suppliers that comprised tool suppliers, silicon wafer and specialty chemical suppliers, outsourced test and assembly (OSAT) suppliers, labor recruitment agencies, and on-site service suppliers, such as janitorial, security and canteen services.

Our verification process applies a self-assessment approach and a risk-based approach whereby selected suppliers must provide evidence on an annual basis of RBA Code conformity, either in form of RBA VAP (Validated Audit Program) reports or through targeted document review. We utilize Self-Assessment Questionnaires (SAQs) from the RBA’s online supplier platform (RBA-Online). These include questions specific to understanding the risk of slavery and human trafficking in our supply chain, including questions regarding the presence of labor brokers or third-party recruiters in a supplier’s supply chain.

Audits

Our risk-based approach for selected suppliers to provide evidence of RBA Code conformity relies on the RBA shared audit program (VAP) where possible. This includes access to selected suppliers’ RBA VARs (Validated Audit Reports.) RBA VAP audits are generally announced audits in agreement with the audited supplier. GlobalFoundries requires its suppliers to perform VAP Audits on request. At this time we are not conducting our own on-site supplier audits specific to slavery and human trafficking.

Certification

GlobalFoundries requires suppliers who are determined to be “major” suppliers to provide an annual signed certification to be in conformity with the RBA Code, which as noted above includes prohibitions on involuntary labor and human trafficking, along with the full suite of socially and environmentally responsible practices required by the RBA Code.

Internal Accountability

All employees must adhere to GlobalFoundries’ Worldwide Standards: Code of Conduct. Mandatory training is conducted for all employees. GlobalFoundries takes compliance with these standards very seriously. As noted in the standards, “depending on the nature, severity, and frequency of an employee’s violation of these Standards or related Company policies or procedures, the Company will take appropriate corrective actions up to and including termination of employment.”

Our Code identifies the major elements of our compliance program and explains where employees can seek help and support: The GlobalFoundries Ethics First Helpline is accessible 24 hours per day, 365 days per year, for reporting potential violations and asking questions about the compliance program. The Helpline is available to employees and contractors, as well as customers, suppliers and vendors globally. We promptly review all reports, and the company has a strong non-retaliation policy to protect anyone who makes a report. Investigations of complaints are overseen by the GLOBALFOUNDRIES Ethics & Compliance Office, supported by resources such as the Internal Audit organization.

Training

Key staff members (supplier leads) of GlobalFoundries' Global Supply Management department have received training regarding the RBA Code. The training is specifically focused on escalation of the RBA Code into the supply chain, including the provisions on freely chosen labor that strictly forbid slavery and human trafficking.

For additional information please contact us at CSR@gf.com.