

An aerial photograph of an industrial or corporate campus. In the foreground, a large, modern building with a glass facade and a flat roof is visible. To its right, a multi-lane road curves through the site. In the background, there are residential houses and green fields under a clear sky. The text 'Supplier Manual imec' is overlaid on the left side of the image.

Supplier Manual imec



imec
embracing a better life

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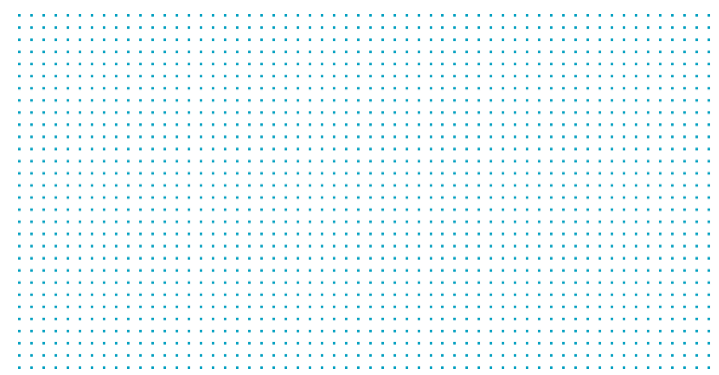
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Preface

As a Supplier to imec, you play a crucial role in our collective efforts to push boundaries and drive innovation in semiconductors and nanotechnology. The manual aims to provide a clear framework for our collaboration and ensure that we achieve our joint objectives with maximum efficiency and consistency.

By following this manual, you will be better equipped to meet our expectations and help us achieve our goals.

We've crafted this manual with a clear vision in mind: to enhance your daily operations and foster growth and collaboration within our partnership. Our primary goal is to provide clarity and efficiency in our processes, particularly in Procurement. By outlining objectives, methods, and limitations, we aim to streamline your Procurement trajectory. This manual serves as a practical tool to navigate through our shared efforts, ensuring excellence every step of the way.

We appreciate your dedication and commitment as a Supplier to imec. We anticipate collaborating on innovative projects and shaping a future filled with innovation.

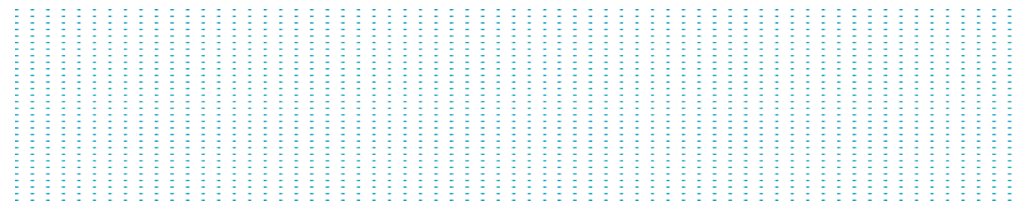
Sincerely, imec

Purpose of this Supplier manual

This manual serves as a comprehensive guide intended to provide our Suppliers with essential information regarding our company's Requirements and expectations. Your role as a Supplier in our supply chain and standards is crucial, and your understanding and compliance with our policies are essential for fostering a strong working relationship. Our guidelines ensure top-quality, safe, and reliable products and services. They drive continuous process improvement and uphold high supply chain standards.

We encourage thorough review and consultation for clarity. Furthermore, your compliance with our policies and standards fosters a successful partnership.

All abbreviations and acronyms (described in the text with a capital letter) are described at the definition list.



Introduction

About imec

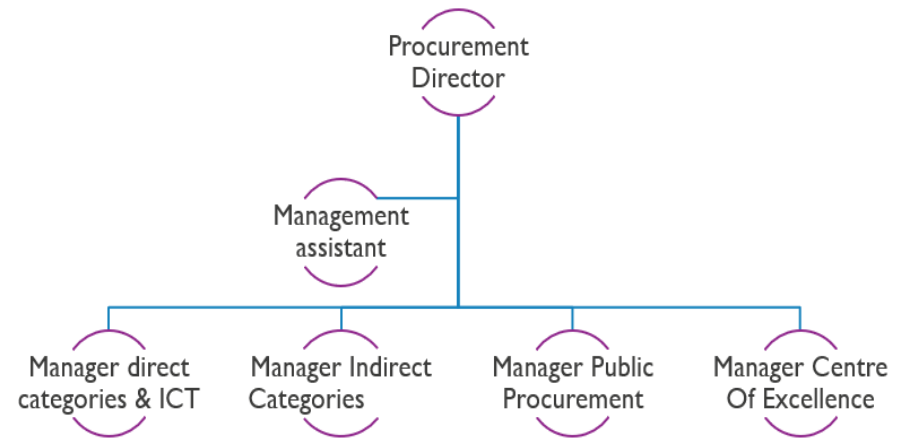
Founded in 1984, imec is the world's largest independent research and innovation hub for nanoelectronics and digital technology. Our leadership in microchip technology, software, and ICT expertise positions us at the forefront of innovation. Imec's infrastructure and global networks enable breakthroughs in various sectors, including healthcare, food and agriculture, mobility, logistics, manufacturing, energy, and education.

Central to our approach is collaboration – not just within our organization, but across industries and academia. By leveraging our expertise in semiconductor miniaturization, we tackle pressing societal challenges while promoting sustainability at every turn. This commitment extends to actively engaging with local communities, ensuring that our impact is felt far beyond the lab. At imec, we are committed to innovation, which is reflected in our operations. Our value chain integration and dynamic business model enable us to translate cutting-edge research into practical chip manufacturing technologies. We refer to this process as 'from lab to fab.' Imec's motto, "embracing a better life", encapsulates our ethos perfectly. It speaks to our long-term vision of a world transformed by technology and innovation, where sustainability and social welfare go hand in hand. Rooted in our core values of connectedness, excellence, integrity, and passion, we continue our relentless pursuit of innovation, driven by a shared belief in the power of technology to shape a more connected and sustainable future for generations to come.

About Procurement

At imec Procurement, we firmly believe that Suppliers are key providers of innovative, qualitative, sustainable and cost-effective solutions. In the imec vision, Suppliers are part of the main contributors to our competitive advantage. Suppliers support our Growth, our State-of-the-Art Development and in the end our Leadership position.

Procurement team:



Procurement business processes

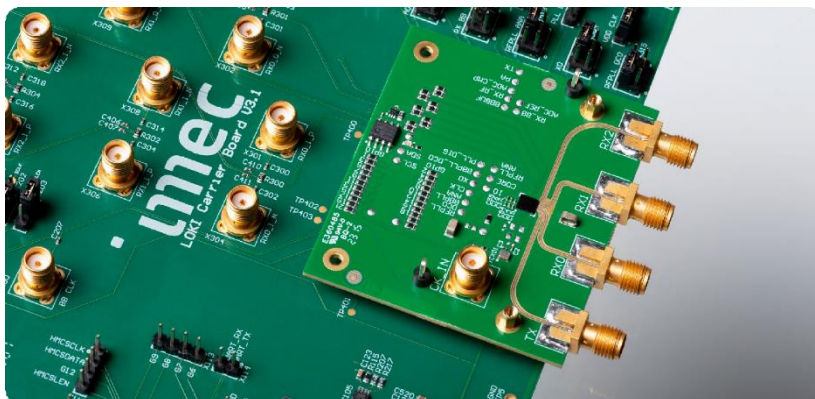
Imec manages its Supplier base through the business process of both Supplier Selection and Qualification, and Supplier Evaluation. Both processes are applied based on a Tiering of Suppliers.

Supplier Tiering

The Kraljic matrix is a strategic Procurement model. It segments Suppliers based on two key dimensions: their importance to the organization and the level of risk associated with them.

Importance to the organization refers to the degree to which the Supplier's products or services are strategically important to the organization's performance. Suppliers providing critical materials directly affecting the final product or that are difficult to replace are considered of high importance.

Risk refers to the level of uncertainty or risks associated with the Supplier's delivery of products or services, ranging from volatility in commodity prices to reliability issues in delivery. By combining these dimensions, four quadrants emerge where Suppliers are placed:



Tier 1: Strategic Suppliers, they offer unique products or services with limited alternatives. Managing these Suppliers requires close collaboration and a deep understanding of their business processes. These Suppliers are crucial to the organization but also carry a high level of risk.

Tier 2: Bottleneck Suppliers, on the other hand, are important to the organization but pose a high level of risk. They provide critical materials or components for which alternatives are available. It is crucial to closely monitor the performance of Suppliers to prevent them from becoming bottlenecks in the supply chain.

Tier 3: Non-critical Suppliers are those that have low importance to the organization but pose a high level of risk. They provide products or services not crucial to the organization's core activities but may pose risks like reliability issues or price volatility.

The Kraljic matrix is used to inform Procurement decisions and prioritize the management of Suppliers, with greater attention given to Suppliers in quadrants with higher impact on the organization.

Tier 4: Routine Suppliers, on the other hand, have low importance to the organization and pose a low level of risk. They provide standard products or services that are easily replaceable. Managing these Suppliers may involve more standardized processes.

Supplier selection & qualification

When a new project arises or a business has new Requirements that current Suppliers cannot meet, it becomes necessary to find a new Supplier. If the budget for addressing this need comes from funded or public sources, Procurement procedures must be followed, which will be outlined below. The following paragraphs describe the process for situations where Procurement procedures are not required.

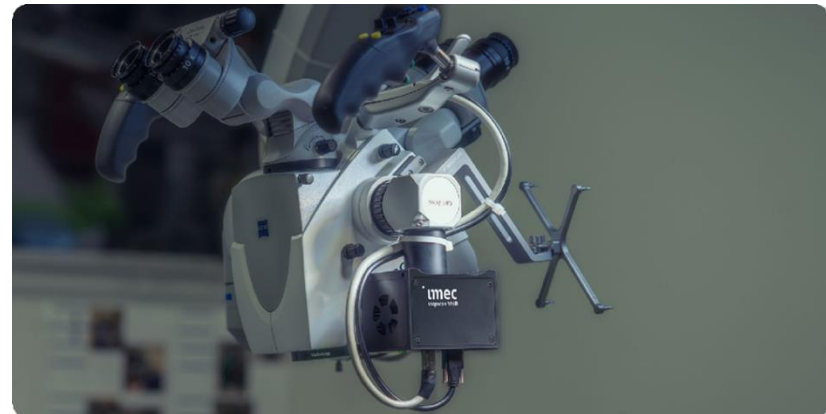
Imec will firstly verify whether any confidential information will be disclosed, and, if necessary, will attend to its conclusion. In that case, you will be invited per email to conclude such an NDA. In some circumstances, Procurement will issue an RFI to get an overview of the market, the possibilities, risks and opportunities, this allowing the drafting of an RFQ.

Before proceeding with the selection process, all Supplier/product combinations undergo Tiering (as described above). Procurement will then reach out to potential Suppliers, contacting at least three whenever possible, and providing them with the RFQ and relevant selection questionnaire. Suppliers are required to submit their Quotation and complete the Supplier Questionnaire within 30 days (unless otherwise stipulated by imec).

In the next phase, Procurement, along with the business owner, will score the Quotation and evaluate the Supplier Questionnaire (the selection evaluation)

In case of a Tier 1 need, imec will conduct an on site audit with the potential Suppliers and selection evaluation. In case of a Tier 2 need, imec will conduct a reference visit and selection evaluation. In case of a T3/4 need, potential Suppliers are subject to a selection evaluation only. Suppliers fulfilling the requirements in their Quotation and receiving a positive selection evaluation will be submitted to the Approved Supplier List.

Based on the evaluation process, Suppliers will be ranked, and the highest-ranked Supplier will be invited to a negotiation process. If invited, please follow all instructions provided by imec. Successful negotiations will conclude with the signing of contracts. Upon mutual agreement, imec will issue a Purchase Order to the awarded Supplier. Non-awarded Suppliers may request feedback.



Supplier evaluation

Evaluation recurrence varies based on tiers:

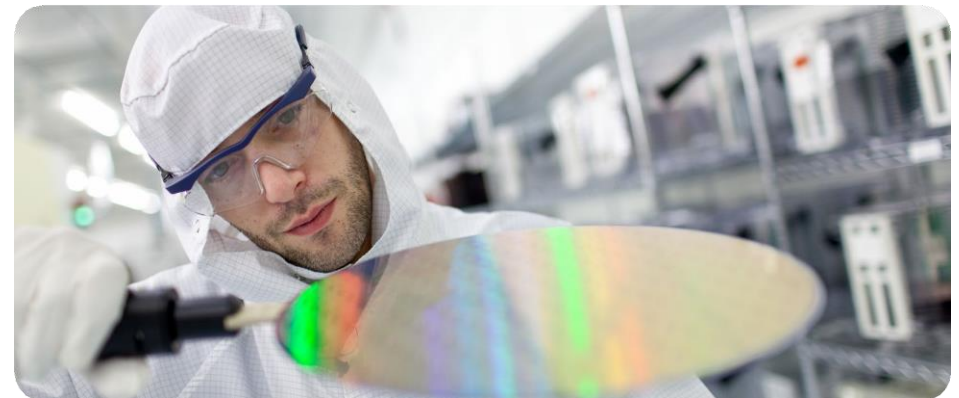
Tier I Suppliers are evaluated annually, Tier II Suppliers are evaluated tri-annually, and Tier 3 and 4 Suppliers are evaluated on demand. The current year's evaluation list of Suppliers and subcontractors is generated based on their tier, including those with active action plans. The list is reviewed and assessed, and Tier 3/4 Suppliers/subcontractors are added, if necessary, before finalization for evaluation in the current year.

Key Performance Indicators (KPI's) and their weight factors are documented for each Supplier/subcontractor, covering quality, delivery performance, cost performance, reliability, and sustainability. Relevant data is used to fill in the scorecards, drawing from various documents to identify any performance issues. Input from stakeholders may be sought if needed. The Supplier's scores are calculated based on the provided input. Action plans are initiated if there is a significant decrease in the overall score or if scores on specific criteria fall below the defined thresholds.

Suppliers are graded based on their scores, ranging from Level 1 (underperforming) to level 4 (excellent). The overall ratings are reviewed collaboratively between Procurement, business owner, and QA, with discussions on the path forward. Suppliers and subcontractors are notified of their results. Those who meet the criteria will retain their 'approved Supplier' status.

Action plans are discussed and negotiated with the Supplier or subcontractor where possible, with regular follow-ups on agreed actions. After execution, the action plan is evaluated to determine its effectiveness. If successful, the Supplier or subcontractor retains its 'approved Supplier' status. If the action plan does not lead to positive changes, corrective measures may be implemented, such as a new action plan, inactivation in the system, blacklisting, or contractual consequences.

This process guarantees that our Suppliers and subcontractors maintain the highest standards of performance, which contributes to the success of our operations.



Operational Procurement

For purchases of established goods and/or services (no new need as such), or purchases of limited value and risk, Procurement applies an operational approach. Imec will send a request for Quotation, either in writing or orally, to which you must submit, within 3 business days (or as stipulated by imec) your binding Quotation. This Quotation must be valid for at least 30 calendar days (or as stipulated by imec).

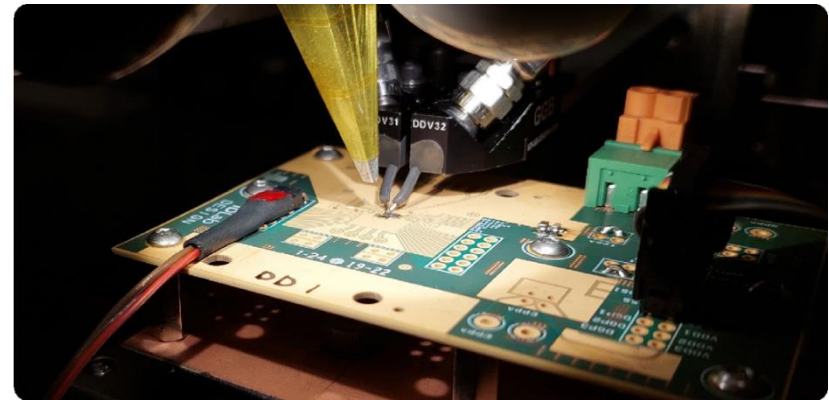
Should your Quotation be positively evaluated (possibly after negotiation), imec will place an Order per email on behalf of imec's purchase department (purchase@imec.be).

Unless otherwise agreed upon in writing with the Supplier, imec's General Purchasing terms & Conditions will apply between parties. The Order will reference both your Quotation, the place of delivery, and all applicable terms & conditions. All goods and services to be delivered or supplied to imec must comply with all applicable laws and regulations.

After delivery of the goods and/or completion of the services, purchased goods and services will be verified by imec for conformity. If verification is successful, you may send your invoice to invoices@imec.be.

Signature process

If required, a purchase can be finalised by a contractual document. Once all approvals have been obtained, imec will initiate signing procedure via an e-signature provider for electronic signatures by all parties. You will receive an invitation for electronic signature from an e-signing platform, sent by procure@imec.be (imec currently uses DocuSign). Once the signature has been completed, you will receive a fully signed copy of the contract.



Requirements and guidelines

In this chapter, we will elaborate on the main Requirements and guidelines for Suppliers. These Requirements and guidelines are reflected either through imec general purchasing conditions or via a separate negotiated contract concluded with imec. The [imec general purchasing conditions](#) are attached to all Orders, and will apply to the delivery of goods and/or services.

This Supplier Manual is a living document and may be updated periodically. The Requirements and guidelines in this document are provided to you 'as is', for general guidance and informational purposes only. Therefore, this document is not part of the contractual and legal binding framework between Parties.

Orders

Order Process

All transactions must be supported by an official Purchase Order. Purchase Orders are issued by imec via email through its purchase department (purchase@imec.be). Verbal or telephone Orders are binding only upon confirmation via e-mail. Supplier must send an Order acknowledgement by e-mail for each Order, at the latest within 5 business days, to confirm@imec.be.

System Down Order

In case a tool or installation requires urgent repairs, maintenance or spare parts, imec sends a 'System-Down Order'. This type of Order implies a fast-tracked approval flow, facilitating its **urgent** treatment. The term 'System-Down Order' will be indicated on the Order. Imec expects the Supplier to treat this Order as **extremely urgent**, acknowledgement of receipt of the System Down Order and notification of actions undertaken within **24 hours** after sending, and requires its fulfilment as soon as possible. If specific KPI's have been agreed upon with Supplier, those terms will prevail.

Alterations to Orders

Any changes to the size or scope of agreed Orders by Supplier must be discussed and confirmed in writing by imec beforehand. Failure to notify imec of alterations within 10 business days may result in adherence to the original terms. If imec wishes to make alterations with regard to the size and/or the extent of the agreed Order and if these alterations (could) have an impact on the price and the delivery time, the Supplier has to inform imec in writing, within a period of 10 business days starting from imec's notification of the alternations, of the possible modifications to the delivery time and/or the price. If the Supplier doesn't inform imec in a timely fashion, he will be bound by the price and deadline originally agreed upon in the Order.

In case the Supplier plans to put a stop to the production of the goods supplied by him or to modify the goods, he shall inform imec in writing at least 6 months in advance (contact: notification@imec.be)

Quotations

Quotations must be comprehensive, comply with legal regulations, and include all requested and relevant information. The Quotation must include identification of the Supplier (Name, VAT, Address, e-mail, phone number). The Quotation must include acceptance of IPT&C's, and, at least, acceptance of payment terms NET60 and delivery terms DDP/DAP (Incoterms 2020).

Packaging and shipping guidelines

Delivery

Deliveries must be made in accordance with the agreed Incoterms. Delivery terms standard applicable are DDP/ DAP (per Incoterms 2020) unless otherwise agreed upon. Timely delivery is crucial: Suppliers are responsible for ensuring timely and accurate delivery. If the delivery is not DDP imec 4 WAREHOUSE Steengroevenlaan 1 (via Gaston Geenslaan), Leuven, Belgium, or DAP imec 4 WAREHOUSE Steengroevenlaan 1 (via Gaston Geenslaan), Leuven, Belgium (when shipment is initiated within the European Union) (per Incoterms 2020) the following procedure is applicable: Before shipment of the goods, Supplier shall send to imec, to the shipping department (shipping@imec.be) the following information:

- Packing list with clear description of the to be delivered goods
- Dimensions of each crate
- Weight of the packed goods per piece
- Description of the packaging (boxes, crates, pallets...)
- Intrastat information if applicable

Please note that the imec Order number must be mentioned on the delivery/shipping documents accompanying the shipment of your goods.

The imec shipping department (shipping@imec.be) will inform you which shipping company you may use. Place of Delivery will be indicated on the Order, please consider the following instructions.

Opening hours imec Warehouse Leuven

- Monday-Thursday: from 8:00 to 16:30
- Friday: From 8:00 to 16:00
- If you must deliver goods outside the warehouse opening hours, please ensure you have been registered by imec beforehand.

You can find your contact in the left corner of the Order. Outside the warehouse opening hours, only registered Suppliers will be admitted.

- Outside warehouse opening hours, present yourself at the gatehouse for the delivery of your goods

Transport of dangerous goods

When presenting dangerous goods for transport or transporting them, the Supplier must comply strictly with the relevant legal regulations, stipulations of international treaties, conventions and carriers' agreements. At imec's request, the Supplier will provide imec with written information concerning the composition of these dangerous goods, so that the relevant treaties, conventions and agreements regarding transport, storage and handling can be complied with. The Supplier is bound to inform imec, even after delivery of the goods, of any alterations to these regulations and stipulations.

In the event the Order includes installation, mounting, assembly, start-up or other services to be executed by the Supplier, these services shall be carried out in compliance with all relevant regulations, with good craftsmanship, by qualified personnel and in the approved manner, taking into account the state of technique at the moment of execution.

The Supplier will be deemed to have inspected the imec Site before submitting his quotation and to have satisfied himself regarding all factors affecting the execution and completion of the services.

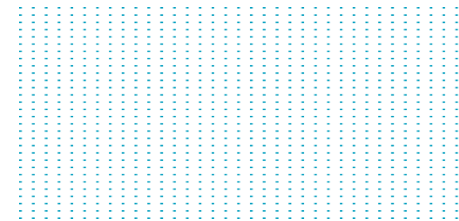
Contractors and subcontractors

Subcontractor involvement

Any form of Subcontracting must be mentioned by the Supplier on the Quotation. Subcontractor involvement requires prior written approval from imec. The Supplier is responsible for the execution of the services or the delivery of the goods by the Subcontractor.

Safety of contractors

For imec, safety is of the highest priority. As a low-threshold SEVESO company, we impose on all contractors and subcontractors working on imec-sites a strict set of safety requirements, guidelines and standards. By accepting an Order from imec, a Supplier acknowledges to understand imec's procedure "Contractor Safety in Practice", commits to respect all safety Requirements as our valid at imec. In some circumstances a prior site visit might be necessary. Before the start of works/services, each Supplier must sign the safety guidelines for agreement and return them to the project manager.



Quality

Quality assurance

Goods must meet quality standards, comply with regulations, and be accompanied by necessary documentation. Services must be executed professionally, with warranties provided. Only materials within agreed upon specification can be delivered to imec. If during factory audit, goods turn out to be out of specification, goods cannot be delivered unless prior written agreement by imec at quality@imec.be.

When relevant, opportune or necessary, imec and Supplier will agree upon key performance indicators to follow up on, for example, the on-time delivery, quality, responsiveness compliance with contractual terms,... These key performance indicators can be linked to annual performance evaluations.

Warranty

The Supplier guarantees that the goods are free of all visible and hidden defects during a warranty period of minimum 2 years as from delivery of the goods in accordance. During this period the Supplier guarantees the prompt and free repair or replacement of the supplied goods, unless the Supplier demonstrates that the defects result from an improper use by imec. The Supplier bears all expenses incurred for assembly, disassembly and transport. In the case of urgency or delay, imec itself can repair the defects or have them repaired and recover the costs from the Supplier, on condition that imec has notified the Supplier of this action.

Regarding supplied services the warranty period amounts to 90 calendar days after the completion of the services, during which period the Supplier commits himself to remedying without delay any possible faults and other problems in connection with the services he has supplied.

Imec reserves the right to inspect goods and report defects within the warranty period, during which the Supplier must rectify any issues.

Sustainable trade

Export compliance

The Supplier guarantees that the goods or services to be delivered to imec comply with all applicable export control laws and regulations ("Export Regulations") and agree to obtain necessary export licenses, if required by these Export Regulations. The Supplier undertakes to indicate on the commercial documents that the Good(s) or Service(s) are subject to Export Regulations and will provide imec with the

Export Control Classification Number (ECCN) or ITAR/ML number. In addition, the Supplier undertakes to properly and timely inform imec of any restrictions on the use, sale or disposal of any export controlled Good or Service (contact: ExportControl@imec.be).

Chemicals

The Supplier guarantees that the goods to be delivered to imec comply with all applicable laws, rules, regulations and ordinances, including without limitation the REACH Regulation, the RoHS 2 regulation and CLP Regulation. The Supplier must provide to imec all information needed, including the safety data sheet, in accordance with REACH Regulation and CLP Regulations, for the chemical substances contained in the goods (contact: chemicals@imec.be). In addition, the Supplier undertakes to properly and timely inform imec of any restriction set forth by the REACH R-regulation or otherwise undertaken by the relevant authorities in the implementation of the REACH regulation, such as any restriction on use or authorization, impacting or likely to impact the use, sale or otherwise disposal of any chemical substance contained in the goods.

Conflict Minerals

Supplier will comply with all applicable conflict minerals regulations and guarantees that the goods to be delivered will not contain conflict minerals. “conflict minerals” are minerals mined in conditions where armed conflict and human rights abuses occur. The term refers to Columbite-tantalite (i.e. Tantalum), cassiterite (i.e. Tin), wolframite (i.e. Tungsten), and Gold, or their derivatives (also referred to as the “3TG’s”). Supplier is expected to adopt policies and management systems with respect to Conflict Minerals and to require their Suppliers to adopt similar policies and systems.

Supplier acknowledges and agrees that compliance with conflict minerals regulations and disclosure Requirements is a material term of the agreement, as specified in the terms & conditions section regarding conflict minerals. Imec will survey direct Suppliers as a part of our conflict minerals due diligence program. Supplier is expected to respond to such survey requests in a timely manner, and with full disclosure following the specific instructions provided (contact: quality@imec.be).

Pricing and Payment

Prices presented to imec are net in euros, without VAT, and payable within 60 days of invoice receipt unless otherwise agreed upon in writing or mentioned on the Order. Invoices to be sent in pdf to: invoices@imec.be.

If the Order is subject to any applicable VAT, Supplier may charge this VAT, which shall be paid by imec in addition to the prices quoted. All intrastat (statistical) information should be on the invoice: commodity code, weight, plant of departure. The Order number must appear on all shipping papers and invoices. In the event imec formulates a written complaint regarding a defect or a defective execution, this period is suspended until the Supplier has adequately corrected the defect in compliance with all stipulations regarding warranty.

Default interests for late payment are only possible after imec has received a due written notice of default by the Supplier. The maximum annual default interest amounts to the reference interest rate, increased by six percentage points and rounded off to the lower half percentage point. The reference interest rate is defined as the interest rate applied by the European Central Bank for basic refinancing operations.

Liability and Insurance

Imec values collaboration with Suppliers who take pride and responsibility in their work. It is important to have clear guidelines for mutual protection and clarity.

Suppliers are expected to have adequate insurance policies to cover their liabilities.

Our aim is to ensure a clear understanding of responsibilities while fostering a cooperative and productive relationship. If there are any concerns or points that need further discussion, we are open to constructive dialogue to find mutually agreeable solutions.

Confidentiality

Confidentiality is a cornerstone of the business relationship between imec and its suppliers. It ensures that sensitive information shared during the procurement process, but also during the execution of the Order is protected, fostering trust and enabling a transparent, collaborative environment.

For that reason, it is possible, during the tendering of an Order, that we invite you to sign a specific non-disclosure agreement as a part of the procurement process. In the execution of the Order, the confidentiality will be imposed either through the IPT&C's or through the contract concluded between Supplier and imec.

Following key principles shall apply:

All information and data the Supplier receives either directly or indirectly from imec are confidential and may only be used for the execution of the Order.

All information and data remain the exclusive property of imec and shall, as far as they exist in written form, be returned to imec at its first request or ultimately on the same date of delivery of the goods or of completion of the service, or on imec's first request be destroyed, as well as all copies or reproductions.

The Supplier is not permitted to pass on this confidential information to third parties, be it partially, directly or indirectly, without imec's prior written consent.

The Supplier will impose the same requirement of confidentiality on his employees and appointees who on a need-to-know basis get access to this confidential information in the framework of the Order.

The Supplier shall treat this confidential information, no matter in which way he received it, in a strictly confidential manner and take all protective and safety measures that are at least equal to those the Supplier applies to his own confidential information.

The Supplier is liable if he fails to take such measures.

Use of imec's name and/or logo

Except with imec's written consent, Supplier is not allowed to use the name 'imec' or any derivative, neither in his publicity and advertising material, nor in any other way.

Should you wish to request a testimonial / success story /... about your collaboration with imec or use of the imec logo, please contact your Procurement contact in a timely fashion.

Conflict resolution

The Supplier's collaboration with imec is governed by the laws of Belgium. Imec strives to solve disputes with its suppliers amicably. Legal action will be considered a last resort. All disputes which might arise from will first be attempted to be settled amicably and in general via escalation to higher management within a period of 45 days after the beginning of the dispute.

If no resolution can be found, the dispute will be submitted to the competent courts of Leuven, Belgium.

Compliance and imec policies

Information security
Suppliers might have access to imec information during their business engagements with imec. Imec imposes its information security policy to outline the different technical & organizational measures that Suppliers must implement to maintain the confidentiality, integrity, and availability of imec's assets and to safeguard them against unauthorized access, disclosure, alteration, or destruction.

It is the responsibility of the Supplier to ensure that relevant employees have read and understood the requirements of the Policy.

The Supplier accepts to adhere to imec's [Information Security Policy](#).

Code of Conduct

As a leader in our industry, imec acknowledges that our impact extends beyond technological advancements to encompass people, society, and the environment. Our Code of Conduct is based on imec's core values: innovation, collaboration, and responsibility. These values are integral to imec's shared belief system, defining who we are. The Code establishes the foundation of ethical behaviour, empowering employees to make the right decisions and uphold imec's values. It is a crucial resource for guiding employees, ensuring that we always act with integrity, ethics, and respect.

At imec, we engage with employees, shareholders, and Suppliers across diverse global communities. As a responsible corporate citizen operating in the global arena, we are committed to upholding ethical principles. Therefore, we embrace the Universal Declaration of Human Rights proclaimed by the United Nations as a fundamental

standard applicable to all members of the global community. We advocate for the respect and preservation of these rights and freedoms.

By acknowledging this Code of Conduct, you confirm that you have read, understood, and agreed to abide by it. The Code reflects imec's commitment to ethical behaviour, integrity, and respect for all individuals and the environment. As a member of the imec community, you are expected to uphold these values in all aspects of your work, interactions and your own supply chain. Thank you for your commitment to maintaining the highest standards of conduct at imec.

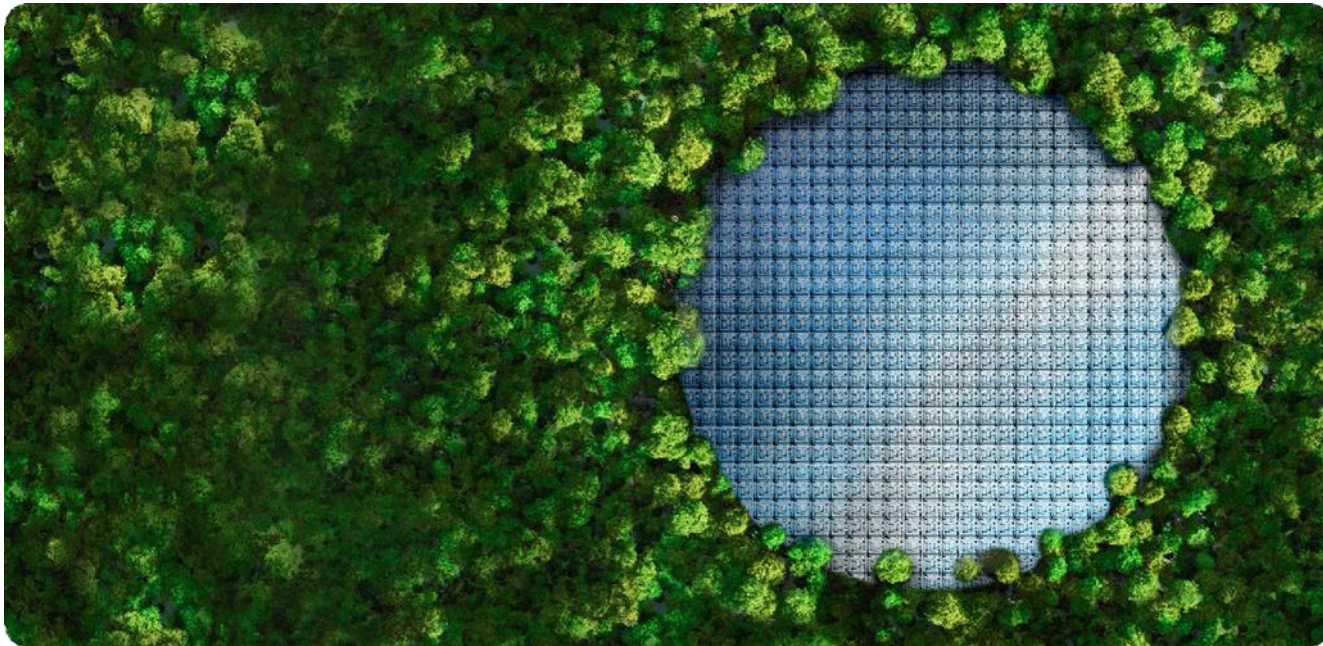
The Supplier must adhere to ethical business practices and our [Code of Conduct](#).

Regulatory compliance

In general, imec expects its suppliers to comply with all applicable laws regulations and industry standards. Relevant certification and licenses must be maintained up to date.

Privacy compliance

If the Supplier processes Personal Data for the execution of an Order, he will process it in a proper and careful manner and comply with all legal Requirements resulting from the General Data Protection Regulation. The Supplier will use the Personal Data received from imec only for the execution of the Order. If necessary, a separate Data Processing Agreement will need to be concluded between parties to reflect responsibilities.



Sustainability

Imec strives for sustainable developments for current and future generations. This obliges the organisation to think ahead about choices in the further development of the semiconductor industry from the impact on people, the environment and society.

Imec as a sustainable company

Within our operations:

- We prioritize reducing the environmental impact of our operations, mobility, and infrastructure by promoting responsible and circular material usage.
- We focus on minimizing waste and maximizing recycling efforts.
- We emphasize the efficient use and reuse of water and effluents.

With our people:

- We promote a healthy work-life balance.
- We actively foster diversity and inclusion.
- We invest in our employees' engagement and talents.
- We uphold a robust health and safety culture.

Through good governance:

- We adhere to an ethical charter and use the Sustainable Development Goals (SDGs) as a guiding framework for research projects.
 - We prioritize data security and customer privacy.
 - We ensure responsible Procurement practices and exercise due diligence in our supply chain management.
 - We maintain strong governance to combat corruption, fraud, and espionage.
-

Imec's sustainable impact

In our Research and Development (R&D):

- We focus R&D efforts on developing software and hardware technologies to reduce energy consumption.
- We innovate technologies aimed at decarbonizing the power sector, industrial processes, and transportation.
- We conduct research to minimize the environmental footprint of chip production.
- We leverage our digital and semiconductor technologies to facilitate smart applications that contribute to sustainability in various sectors such as health, logistics, cities, and agriculture.

Through venturing and partnerships:

- We actively create and support startups that have a positive impact on society.



What is sustainable Procurement?

Sustainable Procurement requires a long-term perspective, prioritizing value creation through sustainable practices over immediate cost savings. It involves integrating sustainability criteria into the Procurement strategy, guided by the three pillars of sustainability: environmental, social, and economic. This approach ensures that decision-making processes consider not only the short-term benefits but also the long-term impacts on the planet, society, and economy.

Collaboration with like-minded Suppliers who adhere to sustainable business practices is essential. These partnerships should transcend transactional relationships and aim for mutual value creation. Embracing sustainable Procurement means embracing circular economy principles, which extend product lifecycles, reduce waste, and promote re-use and recycling. By prioritizing innovation and continuous improvement, sustainable Procurement fosters the development of sustainable business models.

To drive sustainable Procurement effectively, organizations must challenge the status quo, explore alternative solutions, and advocate for a shift towards sustainability both internally and among Suppliers. Top management support and alignment with the company's overarching strategy are crucial to ensure that sustainability goals are integrated into broader business objectives.

Questions related to Supplier compliance

You may be asked, as a Supplier, to collaborate to Supplier questionnaires, interviews, surveys and communications as part of imec's sustainability reporting actions. You are expected to respond to the surveys, emails, interviews, and any other relevant channel of communication to obtain information of your GHG emissions, GHG reduction targets, actions to identify and monitor adverse impact to the environment, and policies related to sustainability matters as stated in the Corporate Sustainability Reporting Directive (CSRD) and the EU Corporate Due Diligence (CSDDD).

You are expected to provide your feedback and responses within fourteen calendar days, and with full disclosure following the specific instructions provided (contact: quality@imec.be).



What do we expect from you as a Supplier?

Binding legislation

After carefully observing the effects of recent European directives, including the Corporate Sustainability Reporting Directive (CSRD), as well as advancements in the Corporate Sustainability Due Diligence Directive (CSDDD) and more stringent regulations on raw material usage through acts such as the Critical Raw Materials Act, imec implemented strategic modifications in 2022. The decision to conduct a comprehensive risk and impact assessment was prompted by increasing stakeholder inquiries and the potential influence of our research on sustainability matters. The evaluation encompassed imec's efforts to enhance the sustainability of chip production, as well as risks associated with the use of rare minerals or hazardous substances throughout our supply chain. This assessment covered upstream risks and impacts, aligning with the principles outlined in imec's Terms & Conditions and Supplier Code of Conduct, as well as national legislation transposing relevant European directives such as the CSRD and CSDDD, which may include Belgian laws.

In addition, our internal operations were analysed to identify opportunities for reducing negative impacts and leveraging our strengths. Environmental and social considerations, as well as principles of good governance (ESG), were taken into account during this analysis. New sustainability risks were integrated into our existing Enterprise Risk Management framework and existing risks were re-evaluated. Potential positive impacts were also examined to maximise our contributions.

The analysis has identified sustainability priorities for both internal and external stakeholders. Representatives from various stakeholder categories have conducted interviews with external stakeholders, while internal stakeholders have participated in an internal survey. These insights have helped to clarify imec's sustainability focus areas. Subsequently, representatives from relevant departments set short-term objectives and long-term ambitions aligned with each priority. While some actions were immediately implemented following the survey results, others, such as developing a climate plan in accordance with the Paris Accords and European Climate Goals, will commence in 2024.

Sustainability as an award criterium

Sustainability is being integrated in all business processes. As such and taking into account the rapid expansion and growth plans under the impetus of the EU Chips Act, the ambition of imec Procurement is to integrate sustainability as an award criterium in purchases. For such an ambition, an important effort is required from you as a Supplier, which can be demonstrated in a Quotation and rewarded with an Order.

We subsequently address relevant ESG topics you as a Supplier can leverage to make an impact on imec's sustainability goals.

Company and sustainability ambition level

As an industry leader, imec seeks to collaborate with partners who, themselves, maintain and support a relevant sustainability ambition level. **Decarbonization targets** (scope 1, 2, 3) not only structure your Procurement department's efforts in management of supply chains, but they can also help reduce costs (in relation to carbon taxes), and, most importantly, help setting and achieving sustainability targets. Having a Science Based Climate Plan in place is a credible, scientific and thorough system to set and manage such decarbonization targets.

External validation of your **sustainability quality system** such as RBA, Ecovadis, CDP, Bloomberg, UN Global Compact, provide credibility to your willingness to act responsibly within your environmental impact.

Our RFQ will define the specific expectations, and, if applicable, minimal standards to be upheld.

Goods/service specific information (Life Cycle Analysis)

Not only on a company level, but also the goods or services to be provided, must demonstrate a thorough understanding of their sustainability impact. Life Cycle Analysis is an important and scientifically supported tool to analyse, measure and mitigate the impact of your goods/services. We list several relevant parameters that might be of importance in our Procurement award criteria.

- What is the amount of **embodied carbon** of your product? When demonstrating this, it is important you include the

methodology, values and assumptions used in this calculation, as well as the uncertainty related to your assessment.

- Provide a **usage mapping** of your product, in accordance with Best Known Method processes, including but not limited to information regarding gases (specifically gases of high Global Warming Potential), electricity consumption, water consumption, chemical consumption (and the environmental impact of chemicals needed in BKM method), other consumables and facilities needed for proper operation.
- List actions taken to maximize the **eco-efficiency** of your goods or services, including but not limited to steps to reduce material usage, circular use of materials, reduction of material/energy consumptions, options to reuse or recycle,...
- Provide information regarding your use of **Per- and Polyfluoroalkyl substances** (amount uses, type used, possibility to eliminate PFAS) in the equipment, as a consumable in the BKM process, or as a possible by-product of the BKM-process. Also provide your future strategy to tackle this subject.
- Provide specifications to assess **compatibility with imec's peripheral components**, f.e. compressors, abatements, chillers, bulk gases, water and describe potentials for increased eco-efficiency in the use of peripherals.

Our RFQ will define the product- or service-specific expectations, and, if applicable, minimal standards to be upheld.

IoT compatibility

As a frontrunner of digitization, imec aspires to integrate a digital twin approach in as many operational systems as possible. In this framework, you may be invited to provide information on the compatibility of your goods or services with a digital twin, and more specifically:

- Provide the data streams available regarding usage and how they are measured and provide the specifics of these data streams (time interval, amount of data generated)
- Elaborate on the protocol, standard and platform used to interface with the data stream (F.e. MQTT, GEM/SECS)
- Are there options to expand data streams and at what conditions?

Our RFQ will define the product- or service-specific expectations, and, if applicable, minimal standards to be upheld.

Call to Action

We believe that addressing sustainability challenges requires collective action and collaboration across all three pillars: environmental, social, and economic. Therefore, we urge our Suppliers to join us in embracing sustainability as a core principle. We encourage them to adopt ambitious emissions reduction targets, integrate renewable energy sources into their operations, and transparently report their environmental impact. Additionally, we advocate for social responsibility by promoting fair labor practices, diversity, and inclusion within their organizations. By fostering

sustainable economic growth, we aim to create shared value for all stakeholders involved. Through the exchange of best practices and leveraging collective expertise, we can model and advance a sustainable future that aligns with the goals of the Paris Agreement and encompasses the holistic principles of sustainability

At imec, sustainability is not just a box to tick; it is a shared commitment that permeates every aspect of our operations. Together with our Suppliers, we are determined to pave the way for a greener, more sustainable world.

Imec promotes sustainability by adjusting consumption and production methods. It emphasizes responsible sourcing of raw materials and optimizes production processes to minimize waste. The goal is a circular economy where waste is reused. Imec aims to manage risks, conserve resources, and protect the environment, expecting partners to follow suit. This involves systematic risk management and seizing opportunities for business growth while adhering to environmental principles.

Definitions

Approved Supplier list: The list produced annually by the imec procurement department, following the annual Supplier evaluation, which includes all Suppliers selected, qualified and evaluated in accordance with imec's procurement business processes.

BKM: Best Known Method

Contract management: The negotiating, drafting and concluding of contracts with chosen Suppliers, establishing all relevant terms and conditions between parties, as well as the retention and monitoring of contracts.

DDP: Delivered Duty Paid

DAP: Delivered at Place

IPT&C's: imec's standard purchasing terms and conditions, which are referred to in and attached to all imec PO's.

NDA: Non-Disclosure Agreement. A legal contract where parties agree not to disclose confidential information shared between them.

Order: the order form used by IMEC to order services and/or goods with the Supplier.

Procurement: the process of acquiring goods or services from a Supplier. Procurement can take place in a public or a non-public framework. The process targets the best possible price-quality ratio, and can consider quality, quantity, sustainability and price.

Public procurement: Procurement of works, supplies or services in accordance with public procurement legislation

Quotation: A Supplier's commitment to execute a contract based on contract documents and on the terms and conditions it offers.

Quotation: All requested services or goods must be offered by Supplier by means of a Quotation. This Quotation is free of charge for imec, and must comply with all relevant legal and administrative regulations.

Requirements: Minimum standards or actions that must be met by the Supplier. Compliance evidence may be requested by imec.

RBA: Responsible Business Alliance

RFI: Request For Information. A solicitation used by organizations to obtain information from potential Suppliers or other parties.

RFQ: Request For Quotation. A document used by organizations to solicit bids or price quotes from Suppliers for the provision of goods or services.

GHG: Greenhouse gases

Supplier: All organizations within imec's supply chain which provide goods, works, services, or utilities in return for payment.

Supplier evaluation process: The tactical process for the control of the performance of the Suppliers and subcontractors that deliver goods, services or products to imec, existing of the periodical evaluation and follow-up of Suppliers/subcontractors at imec.

Supplier Questionnaire: Questionnaire sent to a potential Supplier in the framework of an RFQ, requiring input in relation to the quality, sustainability, health and safety and governance of the Supplier.

Supplier selection process: The tactical process preceding the purchase of a good or service, existing of the assessment of the need of a business owner, as well as the selection and qualification of new suppliers at imec.

Supplier tiering: Categorization of Suppliers within the kralic matrix based on a risk assessment of the Supplier, taking into account the business relevance, supply risk, visibility, spend impact and co-development.

Subcontracting: the practice of assigning, or outsourcing, part of the obligations and tasks under a contract to another party known as a subcontractor.

About this manual

This handbook has been published and will be maintained to support our professional relationship with you as our Supplier. We trust that it will be beneficial to you. If you believe that something is missing from this handbook or if you have any other questions, please reach out to your imec (senior) account manager.

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