

## **ALLEGRO MICROSYSTEMS SUPPLIER CODE OF CONDUCT**

### **Our Mutual Commitments as Business Partners**

Allegro MicroSystems is committed to innovation with purpose, with a vision to move technology and the world toward a safer, more sustainable future. Allegro fosters a values-based culture that places high importance on running our business in a manner that supports this vision. Allegro seeks to be a good corporate citizen in its dealings with customers, suppliers, employees, and the communities where Allegro is located throughout the world. To ensure alignment to this vision across the supply chain, Allegro expects its suppliers to adhere to its core business values and principles. To this end, ALLEGRO shall continue to pursue business partnerships with those suppliers that are equally committed to acting ethically, responsibly and in compliance with applicable laws and regulations.

Furthermore, Allegro endeavors to ensure the working conditions in its supply chain are safe, workers are treated with respect and dignity, and that all manufacturing processes are environmentally responsible.

Finally, Allegro's suppliers will pledge, in all their activities, to operate in full compliance with any and all applicable laws, rules, and regulations of the countries in which they operate. This includes recognized standards such as those of the Universal Declaration of Human Rights (UDHR), the International Labor Organization (ILO), the Social Accountability International (SAI), and the Ethical Trading Initiative (ETI),

This Allegro Supplier Code of Conduct incorporates the principles outlined in the Responsible Business Alliance ("RBA") Code of Conduct, Version 7.0. RBA member companies, including Allegro, are committed to ensuring the rights and welfare of workers and communities worldwide that are part of the global electronics supply chain. Additionally, this Allegro Supplier Code of Conduct is based on and incorporates Allegro's own Code of Business Conduct and Ethics, its Policy on Global Citizenship and its Quality Requirements policy. All of these policies can be found on Allegro's website [HERE](#).

It is Allegro's expectation that its suppliers comply with the requirements of this Supplier Code of Conduct, without exception, and require their own suppliers do the same. All suppliers of Allegro should expect periodic visits/audits by Allegro representatives for the purpose of assessing compliance with this Supplier Code of Conduct. Violation of this Supplier Code of Conduct may result in immediate termination of the business partnership with Allegro. Additionally, any such violation may result in legal action.

### **Respecting Labor and Human Rights**

Allegro is committed to upholding the human rights of all workers, including temporary, migrant,

student, contract, and direct employees, and treating them with dignity and respect as understood by the international community.

To this end, Allegro and its suppliers shall maintain a work environment that complies with the following:

**a. Freely Chosen Employment and Prevention of Involuntary Labor and Human Trafficking**

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of intimidation, threat, force, coercion, abduction, or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities. As part of the hiring process, workers must be provided, in accordance with local laws, with a written employment agreement in a language understood by the worker that describes the terms and conditions of employment prior to the worker departing from his or her 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 is voluntary, and workers shall be free to leave work at any time or terminate employment without any penalty if reasonable notice is given. Suppliers may not withhold from employees or deny access to employees (or otherwise destroy, conceal, or confiscate) their identity or immigration documentation (i.e. government-issued identification, passports or work permits), unless the withholding of work permits is required by local law. Workers shall not be required to pay employers' or agents' recruitment fees or other related fees for their employment, including expenses associated with recruitment, processing, or placement. If any such fees are found to have been paid by workers, Supplier shall be responsible for reimbursing such fees to the worker.

**b. Child Labor Avoidance and Young Workers**

Child labor is impermissible. The term "child" refers to any person under the age of 15, under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greater. It is permissible to utilize legitimate workplace apprenticeship programs that comply with all relevant laws and regulations. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including nightshift and overtime. As it pertains to student workers, Suppliers must ensure proper management of student records, continued, thorough diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

**c. Working Hours**

A work week shall not consist of more than sixty (60) hours, including overtime, except in emergency or unusual situations, and only with the consent of the workers. Workers shall have at least one (1) scheduled day off every seven (7) days and not work more than six (6) consecutive days. All overtime shall be voluntary.

**d. Wages and Benefits**

Worker compensation shall comply with all applicable wage laws, including those relating to 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. It is impermissible to deduct from worker wages for disciplinary purposes. Suppliers shall offer vacation time, leave periods, and holidays consistent with applicable laws and regulations. Suppliers shall pay workers in a timely manner. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch, and outsourced labor will be within the limits of the local law.

**e. Humane Treatment**

The harsh or inhumane treatment of workers, including bullying, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers cannot be tolerated and is a violation of this Supplier Code of Conduct. Furthermore, it is also impermissible and a violation of this Supplier Code of Conduct to threaten workers with any such harsh or inhumane treatment. Workers shall be notified of and have access to clearly defined disciplinary policies.

**f. Non-Discrimination**

All workers deserve to work in an environment free of harassment and unlawful discrimination. Suppliers shall not discriminate workers based on race, skin color, age, gender, sexual orientation, gender identity and expression, ethnicity, national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information, or marital status, whether as part of the Suppliers' hiring process or while workers are employed by Suppliers. Additionally, Suppliers' employment practices, such as wages, commissions, bonuses, promotions, rewards, and access to training shall be free from discrimination. Workers shall be provided with reasonable accommodations for religious practices. Current or potential workers should not be subjected to medical tests or physical exams in violation of local laws or regulations and that could be used in a discriminatory manner.

**g. Freedom of Association and Collective Bargaining**

Suppliers shall respect the rights of workers to form and join trade unions of their own

choosing, to bargain collectively, and to engage in peaceful assembly, as well as the rights of workers to refrain from such activities, all subject to local laws and regulations. Workers shall be permitted openly communicate and express ideas, concerns, and grievances with management regarding the work environment without fear of reprisal, intimidation, or harassment by management.

If workers are lawfully represented by a labor union or other employee organization, Suppliers shall respect the rights of those workers to be represented by such unions and other organizations in any negotiations or in the airing of any grievances concerning or relating to the work environment.

#### **h. Workplace Diversity**

Allegro successfully fosters innovation with purpose through the utilization of inclusive teams of diverse employees. It has learned through many years of experience in developing new, innovative products that teams with varied backgrounds, experiences, and ideas are critical to Allegro's success. Suppliers engaged by Allegro in recruiting employees for Allegro are therefore expected to make every reasonable effort to present a diverse list of candidates for each position, without regard to race, gender, age, or other factors unrelated to their ability to perform the required functions of the position. These Suppliers will document their efforts and provide evidence to Allegro upon Allegro's request.

Furthermore, Allegro expects its suppliers of goods and other services will also make every reasonable effort to employ a diverse workforce and provide equal opportunity of employment to any qualified candidate without regard to race, gender, age, or other factors unrelated to their ability to perform the required functions of the position

### **Ensuring Worker Health and Safety**

Although it is important to continually improve conditions of the workplace and to minimize incidents of work-related injury and illness, Allegro believes it is equally as important to provide a safe and healthy work-environment. Experience has shown that the co-existence of a safe and healthy workplace and work-environment leads to enhanced quality of products and services, promotes worker retention, and fosters a strong morale amongst workers. Allegro further encourages continued worker input and education, both of which are critical to identifying and resolving health and safety concerns in the workplace and work-environment.

Worker health and safety shall be ensured as follows:

#### **a. Occupational Safety**

Where there is the potential for exposure to safety hazards, including but not limited to: chemical, electrical and other energy sources, fire, vehicles, and fall hazards, suppliers must identify, evaluate, and control such safety hazards through the implementation of proper design, engineering, and administrative controls, preventative maintenance, comprehensive and recurrent training, and detailed procedures (including lockout/tag-out). Additionally,

supplier will provide workers with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these safety hazards. Suppliers shall take reasonable steps to ensure pregnant women/nursing mothers are isolated from working conditions with high hazards, as well as eliminate or minimize to the greatest extent possible any workplace health and safety risks, including those associated with their work assignments. Suppliers must also provide reasonable accommodations for nursing mothers. Workers shall not be disciplined by management for raising safety concerns and have the right to refuse to work in unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

**b. Emergency Preparedness**

The key to responding efficiently and effectively to an emergency is to have plans and procedures established and understood, before the emergency occurs. Suppliers must identify and assess possible emergency situations, and plan accordingly, including emergency reporting, employee notification and evacuation procedures, recurrent training and drills, implementation and maintenance of appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, and recovery plans. Such plans and procedures should focus on minimizing harm to life, the environment, and property.

**c. Occupational Injury and Illness**

Suppliers shall have procedures and systems in place to prevent, manage, track, and report occupational injury and illness, including policies to encourage workers to report, classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

**d. Industrial Hygiene**

Although Suppliers are expected to minimize worker exposure to chemicals, biological and physical agents, if used as part of the manufacturing process (including production, bench testing, failure analysis, product development), Supplier must identify, evaluate, and control such chemicals in accordance with the hierarchy of controls. Suppliers should take reasonable steps to eliminate potential hazards or control such hazards through proper design, engineering, and administrative controls. Suppliers shall provide workers with appropriate, well-maintained, personal protective equipment, as well as sufficient educational materials and recurrent training about the risks associated with these hazards.

**e. Physically Demanding Work**

Where workers may be exposed to physically demanding tasks, such as manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks, Suppliers must identify, assess, and reasonably control the tasks to minimize their effects on workers' health and safety.

**f. Machine Safeguarding**

Where production safety hazards may cause injury to workers, Suppliers must provide protective measures, such as physical guards, interlocks, and barriers, as well as make certain such protective measures are properly maintained.

**g. Sanitation, Food, and Housing**

Suppliers shall make certain workers are provided with ready access to clean toilet facilities, potable water, and sanitary food preparation, storage, and eating facilities. In the event Supplier provides workers with dormitories or the like, such living spaces will be kept clean and safe, and will include appropriate emergency egress, hot water for bathing/showering, sufficient lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space as well as reasonable entry and exit privileges.

**h. Health and Safety Communication**

Suppliers must provide workers with appropriate workplace health and safety information and training, all of which must be provided in the language of the worker or in 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, including Safety Data Sheets, and warnings shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training must be provided to all workers prior to the beginning of work and on a regular reoccurring basis. Suppliers' management shall encourage workers to raise safety concerns.

**i. Worker Health and Safety Committees**

It should be the goal of suppliers' management to support, and in some cases initiate, worker health and safety committees. The goals of these committees are to enhance ongoing health and safety education, as well as to encourage worker feedback regarding health and safety issues in the workplace.

**Taking Responsibility for Our Environment**

Preserving the environment is the responsibility of all stakeholders within the semiconductor manufacturing supply chain. As such Allegro believes that environmental sustainability is integral to innovating with purpose and producing best-in-class products. In every facet of the semiconductor manufacturing supply chain, adverse effects on the community, the environment, and natural resources must be minimized without compromising the health and safety of the public.

Allegro's expectations of its suppliers with respect to environmental standards include the following:

**a. Environmental Permits and Reporting**

Allegro requires Suppliers to obtain and maintain all required environmental permits, approvals, and registrations, as well as their operational and reporting requirements, in accordance with applicable laws and regulations.

**b. Pollution Prevention and Resource Reduction**

Supplier are expected to minimize or eliminate emissions and discharges of pollutants and generation of waste caused by its manufacturing process. This may be accomplished by practices such as incorporating pollution control equipment; modifying production processes, optimization of maintenance and facility processes; or by other means. It is also important for suppliers to conserve natural resources, including water, fossil fuels, minerals and virgin forest products by modifying production, optimizing maintenance and facility processes, investing in materials substitution, as well as re-use, conservation, recycling or other means.

**c. Hazardous Substances**

Suppliers shall identify, label, and ensure the safe handling and/or disposal of any chemicals or other materials that may pose a hazard to humans or the environment.

**d. Solid Waste**

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

**e. Air Emissions**

Being responsible for the environment includes management of emissions into the air of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals, and combustion by-products that may result from suppliers' manufacturing process. With respect to such air emissions, suppliers must characterize, monitor, control, and, where possible, eliminate as required by applicable local laws and regulations prior to discharge. It is the responsibility of suppliers to conduct routine monitoring of the performance of its air emission control systems.

**f. Materials Restrictions**

Suppliers shall comply with all applicable laws or regulations prohibiting or restricting the use or handling of specific substances in products and manufacturing. Such laws and regulations include, but are not limited to: TSCA, RoHS, REACH, Prop65. Suppliers shall identify and manage substances that pose a hazard if released to the environment to ensure safe handling, movement, storage, recycling, reuse, and disposal, Upon Allegro's request,

the Supplier shall provide Allegro with full material content information and compliancy test results using Allegro's reporting format or other applicable format as agreed to by Allegro.

**g. Water Management**

Suppliers are expected to develop and implement a water management program. Such program should document, characterize, and monitor water sources, water usage and water discharge. It should also seek opportunities to conserve water and minimize/eliminate opportunities for contamination. Wastewater should also be characterized, monitored, controlled, and treated, in accordance with applicable laws and regulations prior to discharge or disposal. As part of its monitoring process, Suppliers should also continually validate the performance of its wastewater treatment and containment systems and ensure optimal performance, as well as regulatory compliance with all applicable laws and regulations.

**h. Energy Consumption / Greenhouse Gas Emissions**

With respect to energy consumption and all relevant Scope 1 and 2 greenhouse gas emissions, Suppliers shall track and document, at the facility and/or corporate level, as well as seek out cost-effective methods to improve energy efficiency and to minimize energy consumption and greenhouse gas emissions.

**i. Certification**

Suppliers engaged in the manufacture of or engaged in providing materials that will be part of Allegro products shall have ISO14001 and ISO45001 certifications (or comparable) or have a plan to become certified. Alternatively, such suppliers must provide conclusive evidence of an operational environmental management system and demonstrate equivalency. In such events where suppliers plan to become certified, those suppliers shall provide regular updates to Allegro on their progress towards certification.

**Valuing Business Ethics**

Suppliers shall be committed to the highest standards of ethical conduct when dealing with workers, suppliers, and customers.

**a. Business Integrity**

Allegro strives to uphold the highest standards of integrity in all business interactions and as such obligates its suppliers to do the same by having a zero-tolerance policy, prohibiting any and all forms of bribery, corruption, extortion, or embezzlement.

**b. No Improper Advantage**

Suppliers shall not accept, authorized, give or promise bribes or other means of obtaining undue or improper advantage. This prohibition includes accepting, authorizing, giving, or promising anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper



advantage. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

**c. Disclosure of Information**

All business dealings should be transparently performed and accurately reflected on Supplier's business books and records. Information regarding labor, health and safety, environmental practices, business activities, structure, financial situation, or performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

Falsification of records or misrepresentation of conditions or practices in the supply chain is unacceptable.

**d. Intellectual Property**

Suppliers shall respect the intellectual property rights of others, and the transfer of technology and know-how is to be performed in a manner that protects intellectual property rights. Customer and supplier information is to be safeguarded.

**e. Fair Business, Advertising and Competition**

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

**f. Protection of Identity and Non-Retaliation**

Suppliers shall maintain programs to ensure the confidentiality, anonymity and protection of supplier and worker whistleblowers, unless prohibited by law. Suppliers shall prohibit retaliation against workers who participate in whistleblowing in good faith or who refuse an order that is in violation of the Allegro Supplier Code of Conduct. Suppliers shall provide an anonymous complaint mechanism for workers to report workplace grievances in accordance with local laws and regulations. Suppliers shall have a formal communication program to ensure that every employee is fully informed of and understands the policy of non-retaliation.

**g. Responsible Sourcing of Minerals**

Suppliers shall have a policy to reasonably assure that minerals used for the products they manufacture do not directly or indirectly finance or benefit armed groups or contribute to serious human rights abuses in Conflict-Affected or High-Risk Areas. Suppliers shall exercise due diligence on the source and chain of custody of these minerals in accordance with a recognized due diligence framework and shall make their due diligence measures available to Allegro upon request.

**h. Privacy**

Suppliers shall commit to protecting the reasonable privacy expectations for personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Suppliers are to comply with privacy and information security laws and

regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

### **Standards for Management System**

Suppliers shall adopt or establish a management designed to ensure: (a) compliance with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) conformance to this Allegro Supplier Code of Conduct; and (c) identification and mitigation of operational risks related to this Code. It shall also facilitate continual improvement.

This supplier management system should contain the following elements:

#### **a. Company Commitment**

Suppliers shall have corporate social and environmental responsibility policy statements, affirming Supplier's commitment to compliance and continual improvement, and endorsed by executive management and posted in the facility in the local language or language(s) understood by all employees.

#### **b. Management Accountability and Responsibility**

Supplier shall clearly identify senior executive[s] and company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management should review the status of the management system on a regular basis.

#### **c. Legal and ALLEGRO Requirements**

Suppliers shall have a process to identify, monitor, and understand applicable laws, regulations and customer requirements, including the requirements of this Allegro Supplier Code of Conduct.

#### **d. Risk Assessment and Risk Management**

Suppliers shall have a process to identify the legal compliance, environmental, health and safety, and labor practice and ethics risks associated with Supplier's operations. Suppliers shall determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

#### **e. Improvement Objectives**

Suppliers shall have written performance objectives, targets, and implementation plans to improve the Supplier's social and environmental performance, including a periodic assessment of Supplier's performance in achieving those objectives.

**f. Training and Competencies**

Suppliers shall have programs for training managers and workers to implement Supplier's policies, procedures, and improvement objectives, and to meet applicable legal and regulatory requirements.

**g. Communication**

Suppliers must establish a process for clearly and accurately communicating information about supplier's policies, practices, expectations, and performance to workers, suppliers, and customers.

**h. Worker Feedback, Participation, and Grievance**

Supplier shall have ongoing processes, including an effective grievance mechanism, to assess employees' understanding of and obtain feedback on or violations against practices and conditions covered by this Allegro Supplier Code of Conduct with the goal of continuously improving any such processes.

**i. Audits and Assessments**

Suppliers shall perform periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of this Allegro Supplier Code of Conduct, as well as any customer contractual requirements relating to social and environmental responsibility.

**j. Corrective Action Process**

Suppliers shall have a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

**k. Documentation and Records**

Suppliers shall create and maintain documents and records to ensure regulatory compliance and conformity to suppliers' requirements along with appropriate confidentiality to protect privacy.

**l. Supplier Responsibility**

Suppliers shall have a process to communicate the Supplier Code of Conduct or comparable requirements to their own, next-tier suppliers and to monitor those next-tier suppliers for compliance to the such requirements.

## Useful References

The following standards have been used in preparing this Code and may be useful sources of additional information.

- Dodd-Frank Wall Street Reform and Consumer Protection Act  
<http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>
- Ethical Trading Initiative  
[www.ethicaltrade.org/](http://www.ethicaltrade.org/)
- ILO Code of Practice in Safety and Health  
[www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf](http://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](http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm)
- ISO 14001  
[www.iso.org](http://www.iso.org)
- National Fire Protection Agency  
[www.nfpa.org/catalog/home/AboutNFPA/index.asp](http://www.nfpa.org/catalog/home/AboutNFPA/index.asp)
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas  
[www.oecd.org/corporate/mne/mining.htm](http://www.oecd.org/corporate/mne/mining.htm)
- OECD Guidelines for Multinational Enterprises  
[www.oecd.org/mne/](http://www.oecd.org/mne/)
- OHSAS 18001  
[www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/](http://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/)
- ISO 45001  
<https://www.iso.org/iso-45001-occupational-health-and-safety.html>
- Responsible Business Alliance  
<http://www.responsiblebusiness.org/> Code of Conduct
- SA 8000  
[www.cepaa.org](http://www.cepaa.org)
- Social Accountability International (SAI)  
[www.sa-intl.org](http://www.sa-intl.org)
- Universal Declaration of Human Rights  
[www.un.org/Overview/rights.html](http://www.un.org/Overview/rights.html)
- United Nations Convention Against Corruption  
[www.unodc.org/unodc/en/treaties/CAC/](http://www.unodc.org/unodc/en/treaties/CAC/)
- United Nations Global Compact  
[www.unglobalcompact.org](http://www.unglobalcompact.org)
- United States Federal Acquisition Regulation  
[www.acquisition.gov/far/](http://www.acquisition.gov/far/)