



SUPPLIER CODE OF CONDUCT

SpanSion's commitment to the highest standards in all of its business dealings includes striving to ensure that its suppliers are similarly committed with respect to health and safety, human rights, environmental and social responsibility, ethics, and legal compliance. This Code defines the basic expectations SpanSion places on its suppliers of good and services. Also, SpanSion expects its suppliers to have similar programs in place with their suppliers. A supplier's failure to meet these expectations may result in its disqualification.¹

Legal Compliance

A supplier shall, in all areas of its organization, comply with all applicable laws, regulations and directives of the countries and regions in which it operates. Additionally, each supplier shall ensure that its employees receive adequate information and training in relation to all relevant legal, regulatory and internal requirements that apply to their jobs.

Human Rights and Fair Employment

Voluntary Labor. A supplier shall use only voluntary workers who are free to terminate employment upon reasonable notice. Workers shall not be required to relinquish government-issued identification documents or make forced payments to the supplier as conditions of employment.

No Child Labor. A supplier shall not permit child labor (a person below the local legal minimum age for labor, depending on the country)², and shall endeavor to protect every child from economic exploitation and from performing any work that is likely to interfere with a child's education or otherwise be harmful to a child's development.

Working Hours. A supplier shall not permit workdays and workweeks to exceed the maximum set by applicable laws.

¹ The current version of this Code is available upon request and posted at www.spansion.com. As SpanSion may modify this Code at any time, suppliers are expected to periodically review the current version of the Code.

² Should there not be any local law preventing child labor, then no person younger than 15 years of age shall be permitted to perform labor; except that workers may be 14 years of age under the special circumstances as specified in the ILO Convention No.138 on Minimum Age.

Wages and Benefits. A supplier shall compensate and provide benefits to its workers in compliance with all applicable laws. The basis of a worker's wages shall be clearly communicated to the worker, wages shall be accurately documented and paid timely, and there shall be no deductions from wages as a disciplinary measure.

Humane and Respectful Treatment. A supplier shall not engage in, or threaten, harsh or inhumane treatment, including but not limited to sexual harassment or abuse, corporal punishment, mental or physical coercion or cruelty and verbal abuse, of workers.

No Discrimination. A supplier shall not discriminate based on race, color, age, gender, sexual orientation, sexual identity, ethnicity, physical or mental disability, medical condition, pregnancy, religion, political affiliation, or marital status in hiring and other employment decisions such as promotions, rewards, training and dismissals.

Open Communication. A supplier shall promote open communication between workers and management as a way of ensuring that workers' rights, needs and views are considered and acted upon appropriately and in good faith. Workers shall be permitted to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

HEALTH and SAFETY

Occupational Safety. A supplier shall ensure that worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicle, and fall hazards) is to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout). Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate personal protective equipment. Workers shall not be disciplined for raising safety concerns.

Emergency Preparedness. A supplier shall ensure that emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.

Occupational Injury and Illness. A supplier shall ensure that procedures and systems are to be in place to manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and d) facilitate return of workers to work.

Industrial Hygiene. A supplier shall ensure that worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment.

Physically Demanding Work. A supplier shall ensure that worker exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

Machine Safeguarding. A supplier shall ensure that physical guards, interlocks and barriers are to be provided and properly maintained for machinery used by workers.

Dormitory and Canteen. A supplier shall ensure that workers are to be provided with clean toilet facilities, access to potable water and sanitary food preparation and storage facilities. Worker dormitories provided by a supplier or a labor agent are to be clean, safe, and provide emergency egress, adequate heat and ventilation and reasonable personal space.

THE ENVIRONMENT

Environmental Permits and Reporting. A supplier shall ensure that all required environmental permits (e.g., discharge monitoring) and registrations are to be obtained, maintained and kept current and its operational and reporting requirements are to be followed.

Pollution Prevention and Resource Reduction. A supplier shall ensure that waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Hazardous Substances. A supplier shall ensure that chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

Wastewater and Solid Waste. A supplier shall ensure that wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

Air Emissions. A supplier shall ensure that air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

Product Content Restrictions. A supplier shall adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances including labeling laws and regulations for recycling and disposal. A supplier is also to adhere to processes to comply with each agreed-upon customer-specific restricted and hazardous materials list.

Supply Chain Security

Security Program. A supplier shall implement a comprehensive security plan throughout its operations and supply chain to preserve the safety of workers, protect physical property from loss and damage, safeguard intellectual property, prevent

interruptions in the manufacturing process and ensure the integrity of shipments at the point of origin.

Customs Security Programs. A supplier shall agree to comply with the requirements of the U.S. Customs Trade Partnership Against Terrorism (C-TPAT) program or similar supply chain security guidelines administered by foreign customs agencies.

FAIR AND ETHICAL BUSINESS PRACTICES

Business Integrity. A supplier shall operate with the highest standards of integrity and shall have zero tolerance for any and all corruption, extortion and embezzlement.

No Improper Advantage. A supplier shall not offer or accept payment or any type of benefit to obtain undue or improper advantage.

Disclosure of Information. A supplier shall disclose information regarding business activities, structure, financial situation and performance in accordance with applicable regulations and prevailing industry practices.

Intellectual Property. A supplier shall respect the intellectual property rights of others and shall engage in use and transfers of technology and know-how in a manner consistent with protecting such property rights.

Advertising and Competition. A supplier shall advertise and compete fairly and shall not engage in collusive bidding, price fixing, or other unfair trade practices.

Community Engagement. A supplier shall strive to participate in community affairs to help foster social and economic development.

Supplier Chain. A supplier shall use commercially reasonable efforts to engage only suppliers who adhere to the principles described in this Code.

MONITORING

Access For Assessing Performance. A supplier shall provide Spansion reasonable access to information and facilities for purposes of assessing the supplier's performance against this Code.

Breaches and Corrective Action. A supplier shall immediately report to Spansion any known material breach of this Code and its proposed corrective action plan.