Supplier Manual

North American Operations

The information contained in this manual is the property of Micron Industries and must not be divulged for any other purpose than that intended.

MICRON MANUAL - SUPPLIER

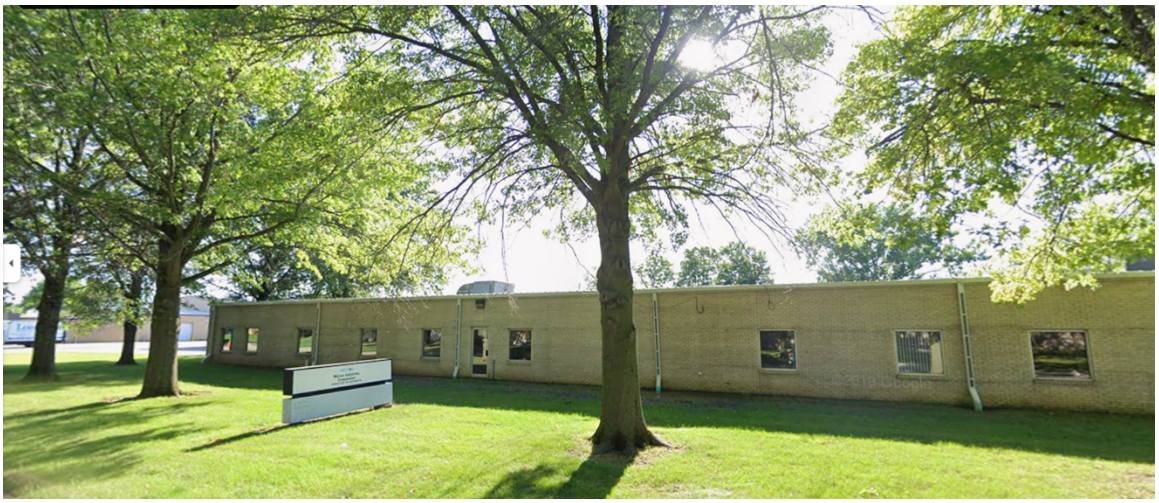
This manual outlines the expectations of suppliers to MICRON INDUSTRIES CORPORATION—North American facilities. The information in this manual is the intellectual property of Micron Industries Corporation, hereafter known as MICRON. No party to which this manual is submitted may publish, disclose or otherwise communicate the information contained herein, either in part or whole, without the prior written consent of MICRON.

Suppliers must ensure that their employees and contractors understand the requirements of this manual.

For additional information or assistance, please contact the Global Supply Chain or Supplier Quality Assurance representative at the MICRON facility where you supply.

MICRON MANUAL - SUPPLIER

MICRON Manufacturing Locations North America



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MICRON MANUAL - SUPPLIER

1.0 Introduction

Micron is a leading supplier of control transformers, serving OEMs and control system builders since 1971. Our flagship encapsulated control transformer is an industry leader, backed by a 20-year warranty. We also offer low-voltage transformers and DC power supplies. With a state-of-the-art manufacturing facility, we provide unmatched quality and flexibility for custom orders. We are committed to understanding your specific requirements, delivering defect-free products on time, and offering industry-leading support with the shortest lead times. Choose Micron for the best control transformers available.

MICRON leads the industry in these markets through its technical design strength, breadth of product, and manufacturing capabilities, making MICRON a stronger company both fundamentally and financially. .

1.1 Scope and Objective

Scope

This manual outlines the core requirements for doing business with MICRON, ensuring suppliers deliver consistent quality and service while minimizing disruptions. Supplier leadership is accountable for ensuring compliance with all requirements outlined in this manual. Leadership must review these requirements regularly, communicate them to sub-suppliers, and uphold ethical business practices as defined in the MICRON Supplier Code of Conduct. For clarification, suppliers should contact their MICRON representative.

Objective

The MICRON Supplier Manual is designed to clearly communicate MICRON’s expectations for suppliers, outline the performance evaluation criteria used in Supplier Scorecards, and share the requirements of both internal stakeholders and external customers. It reflects MICRON’s commitment to fostering strategic growth and development among current and prospective suppliers, while also defining compliance standards and expectations for business partners. Additionally, the manual serves as a resource to support suppliers in meeting these requirements and provides a roadmap toward building an Industry-leading supply chain.

1.2 Sourcing Strategy

MICRON is committed to building long-term, collaborative partnerships with suppliers who share our dedication to continuous improvement across key areas such as cost, quality, delivery, sustainability, and

service. We view our suppliers as strategic partners, with shared responsibility in our journey toward operational excellence. By embracing a culture of innovation and improvement—demonstrated through practices like ISO 9001 certification, proactive supply chain management, frequent deliveries, productivity enhancements, value analysis/value engineering, and sustainability initiatives—suppliers position themselves for lasting success with MICRON.

This manual outlines the core requirements for doing business with MICRON, ensuring suppliers deliver consistent quality and service while minimizing disruptions. Supplier leadership is accountable for ensuring compliance with all requirements outlined in this manual. Leadership must review these requirements regularly, communicate them to sub-suppliers, and uphold ethical business practices as defined in the MICRON Supplier Code of Conduct (see section 2). For clarification, suppliers should contact their MICRON representative.

In return, MICRON pledges to engage with integrity, listen actively to supplier feedback, communicate expectations clearly, and provide the tools and support needed to help our partners thrive. Together, we aim to create a supply chain that is not only high-performing but also resilient, responsible, and future-ready.

1.3 Supplier Quality Requirements

Before committing to supply products or services to MICRON, suppliers must conduct a thorough review to ensure all technical, quality, compliance, and product requirements can be met. This review should involve relevant functions such as Quality, Engineering, Manufacturing, Trade Compliance, and Supply Chain, and include evaluation of drawings, specifications, industry standards, commercial terms, delivery expectations, product marking, and international trade documentation (if applicable). Any exceptions must be communicated to MICRON before agreement. Failure to meet key requirements may impact the supplier relationship. Note: MICRON does not sign off on supplier drawings; suppliers are responsible for ensuring full compliance with all applicable requirements. Any exceptions requiring sign off must be approved in writing by MICRON Global Supply Chain. Quality is a prime consideration for supplier selection and sourcing at MICRON. Your dedication to quality and strict adherence to the following published requirements demonstrates your value as an MICRON supplier:

- MICRON PO Terms and Conditions
- MICRON Supply Line Agreements (where applicable)
- MICRON Letter of Intent (where applicable)
- MICRON Supplier Manual
- MICRON Packaging & Shipping Requirements (where applicable)
- Engineering drawings and specifications (including CAD, documents, STEP data (where applicable)
- MICRON Procedures (where applicable)

1.4 Monitoring Supplier Performance

MICRON evaluates supplier performance using key metrics, including Defects Per Million Opportunities (DPMO), On-Time Delivery (OTD), PPAP/FAI compliance, and audit results. Corrective actions must be implemented promptly when performance falls below expectations. Suppliers are expected to demonstrate continuous improvement. While DPMO and OTD are central to performance tracking, we also consider broader criteria—**Cost, Quality, Logistics, Innovation, Partnership, Risk and ESG** (Environmental, Social, and Governance)—as part of our overall supplier evaluation. New and existing suppliers may undergo assessments or audits to ensure capability, compliance, and alignment with MICRON standards. Our goal is to build strong partnerships that drive mutual growth and operational excellence.

We recognize the critical role our suppliers play in maintaining customer satisfaction and product quality. We take all customer complaints seriously and expect our suppliers to do the same. Corrective Action Requests (CARS) initiated in response to customer concerns are thoroughly reviewed, tracked, and integrated into our continuous improvement processes.

Suppliers must maintain a documented preventive maintenance program to ensure equipment reliability and minimize production disruptions. Maintenance records should include schedules, completed tasks, and corrective actions.

2.0 Purchasing & Supply

2.1 Quotations

Suppliers are expected to respond to MICRON RFQs using the format provided via email from the MICRON buyer. Each quote must include the unit price, currency, any exceptions to specifications, Country of origin, country of melt/pour (which may be listed as multiple countries if the origin varies), and minimum order quantity or lot size pricing. Tooling and additional one-time costs must be itemized separately and excluded from the unit price. Quotes must be submitted by the stated deadline to be considered. Responses should indicate whether the supplier is quoting the exact part, quoting with exceptions, or declining to quote. Lead times must be clearly stated, including whether transit time is included and which destination. Any planned holidays or closures should also be communicated in advance.

2.2 Terms and Conditions

Suppliers must accept MICRON purchase orders under the terms and conditions outlined on the MICRON Supplier Information page. These terms are not printed on the purchase order or sent separately, so it is the supplier's responsibility to review them. Acceptance of any MICRON purchase order implies full acceptance of these terms. Any deviations must be reviewed and approved by the MICRON Global Supply Chain team, documented in writing and kept on record.

2.3 Supplier Code of Conduct

At MICRON, we are committed to excellence, integrity, and responsible business practices across all operations. This includes full compliance with import/export laws, ethical conduct, respect for human rights, and environmental stewardship. We expect all suppliers and subcontractors to uphold these standards in every aspect of their relationship with MICRON. Supplier Conduct & Compliance Expectations:

- **Labour Practices:** Suppliers must comply with all applicable labour laws, including fair compensation, legal working hours, and the prohibition of child, forced, or prison labour. Employees must be treated with dignity and respect, free from abuse, discrimination, or harassment.
- **Employment Standards:** Suppliers must ensure lawful employment relationships and provide all legally mandated benefits.
- **Intellectual Property:** Suppliers must safeguard proprietary information and respect intellectual property rights. Use of MICRON branding or materials requires written approval from MICRON executive management.
- **Anti-Corruption:** Suppliers must comply with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act and other international regulations. Bribes, kickbacks, or improper gifts are strictly prohibited. Gifts of etiquette must not exceed a net value of $100 CAD or of local

equivalent value per occurrence, not to exceed a cumulative annual local equivalent value of $500 CAD, and must not create any actual or perceived obligations. Any improper requests from MICRON personnel must be reported immediately.

- **Accounting & Transparency:** Suppliers must maintain accurate, lawful, and transparent financial records.
- **Conflict of Interest:** Any known or suspected conflict of interest involving MICRON personnel must be reported promptly. MICRON evaluates supplier compliance with these standards when establishing or continuing business relationships. Non-compliance may result in loss of preferred status or termination of the partnership.
- **Counterfeit, Fraudulent, and Suspect Items (CFSI):** Suppliers must implement processes to prevent counterfeit, fraudulent, or suspect items from entering MICRON products. Any suspected counterfeit material must be reported to MICRON immediately and quarantined. Under no circumstances should counterfeit items be knowingly shipped.

2.4 MICRON Supplier Speak-up Center

MICRON is committed to upholding the highest standards of legal and ethical compliance. We foster a culture of transparency and integrity, encouraging employees, suppliers, and business partners to report any concerns related to non-compliance in a safe, confidential, and non-retaliatory environment. The MICRON Supplier Speak-up Center provides supply chain partners with a secure way to report workplace issues, identify risks, and support adherence to our Code of Conduct. This tool helps both MICRON and its suppliers maintain ethical standards and prevent violations across the supply chain. We value supplier voices and are committed to maintaining a respectful, compliant, and transparent business environment for all.

Website: https://report.syntrio.com/Micron-supplier-speak-up

Toll-Free Telephone:

- English-speaking USA and Canada: 855-610-0002
- Spanish-speaking USA and Canada: 800-216-1288
- French-speaking Canada: 855-725-0002
- Spanish-speaking Mexico: 800-681-5340

E-mail: standard-reports@mitratech.com (must include company name with report)

Fax: (215) 689-3885 (must include company name with report)

2.5 Trade Compliance

MICRON complies fully with all import and export regulations and expects its suppliers to do the same. Suppliers are responsible for ensuring accurate documentation, valuation, duty payments, and entry details for imported goods. Compliance is essential to maintaining an uninterrupted supply and avoiding regulatory violations.

2.6 Strategic Partnerships & Business Continuity

MICRON awards business based on **strategic value** and **total cost,** not solely on the lowest unit price, as evaluated through quality, delivery, risk, and long-term partnership performance. We prioritize long-term partnerships built on trust, performance, and shared goals. All communications between MICRON and its suppliers are considered confidential, and we expect suppliers to uphold the same standard. If supplier involvement with a customer is needed to resolve issues or participate in events, MICRON assumes non-circumvention as a given. (see Section 6 for Information Security)

2.7 Delisted Suppliers

Suppliers may be suspended from receiving future purchase orders from MICRON due to legal, ethical, or business-related concerns, or ongoing poor performance in areas such as quality, delivery, or issue resolution. Actions that violate MICRON’s standards may result in suspension or termination of the supplier relationship.

2.8 Supplier Operation Systems

Suppliers must maintain an effective, documented Quality Management System (QMS) certified to ISO 9001 or equivalent. Additional certifications such as ISO 14001, ISO 45001, and ISO 27001 may be required based on commodity and risk factors. Suppliers must notify MICRON in writing within 48 hours of any changes to QMS, certification status, location, or top management

All quality records must be traceable to the correct drawing revision level. Quality is a baseline expectation—customers demand consistent, defect-free products and services. Suppliers must focus on risk-based planning, prevention, and continuous improvement through recognized Business Management Systems and proper supplier oversight. Suppliers are expected to support cost-reduction efforts and adopt improvement methodologies such as LEAN, 5S, and Six Sigma to strengthen competitiveness and ensure sustainable growth. Cost control is equally critical; MICRON is committed to eliminating unnecessary costs and enhancing value across the supply chain.

3.0 Product Compliance and Controls

MICRON is committed to delivering supply chain excellence across all markets we serve. Achieving operational excellence in procurement, manufacturing, and order fulfillment requires leveraging advanced technologies, a skilled workforce, and a strong commitment to quality and continuous improvement.

3.1 Production Part Approval Process

When requested, suppliers must submit a Production Part Approval Process (PPAP) package in accordance with AIAG standards. PPAP levels will be specified by MICRON based on risk and commodity. Re-validation of the PPAP may be required after 12 months of inactivity or following design or process changes. Approval statuses include **Approved**, **Interim Approval**, and **Rejected**

All sample parts must be clearly labelled with the part number, revision level, supplier name, and marked “PPAP SAMPLES ATTENTION: *MICRON CONTACT*.”* Submissions will be reviewed for accuracy, completeness, and effectiveness, and suppliers will be notified of the results. Approval of the PPAP is required before production orders are issued, unless an MICRON representative grants a written deviation. Suppliers must also comply with AIAG requirements for notifying customers of any changes to part design, manufacturing process, sequence, or production location.

**MICRON Contact – the contact developing the product with the supplier, Plant Quality Engineer and/or Supplier Quality Engineer.*

3.2 Non-Conforming Material and Corrective Action Requests

In the event of non-conformance, suppliers must implement containment within 24 business hours, submit root cause and corrective action plans within 10 business days, and complete permanent corrective actions within 24 calendar days.

Suppliers must immediately notify MICRON if non-conforming material has shipped, to prevent it from entering inventory or reaching customers. If MICRON or its customer identifies a non-conforming product, containment actions may be initiated, including internal processing or rework.

If a **Corrective Action Request** (CAR) is required and material must be returned for analysis, the supplier must provide shipping instructions. Initial response and containment are expected within 24 business hours of notification. Future shipments must be verified, and verification at MICRON may be required.

Long-term corrective actions must be submitted in 8D format within 7 calendar days, with permanent actions implemented within 24 calendar days, unless an extension is granted. Responses must detail both prevention and detection measures to avoid recurrence. MICRON may recover costs from suppliers for quality, delivery, or performance issues as listed in MICRON Purchase Order Terms and Conditions.

3.3 Engineering Change Notice and Revisions

When design specifications are defined by MICRON Engineering Design, suppliers must manage, and control item revision levels as indicated on MICRON purchase orders. MICRON will communicate changes to revision levels as timely as possible. Suppliers must acknowledge all changes and confirm any related quality, delivery, cost, or liability concerns in writing. If the part requires a PPAP, updated samples must be submitted accordingly.

3.4 Catalogue Product Design Changes

Suppliers of catalogue products or those with design responsibility must notify MICRON of any product revisions that may impact supply to any MICRON entity. This notification should include the estimated implementation date of the change, enabling MICRON to assess potential effects on product application and communicate any necessary updates to customers.

3.5 Deviations and Change Management

Suppliers may request a temporary or permanent deviation, or a design change, during quoting or production—typically due to unclear specifications or non-conforming product. All requests must be submitted in writing to the MICRON buyer who issued the purchase order, using the Request for Deviation/Print Change Form.

Requests will be reviewed and either approved or rejected:

- **Approved:** Changes are accepted; the completed form is returned for supplier records.
- **Rejected:** Original specifications must be followed; the form is returned for reference.

For approved temporary deviations, the affected product must be segregated, shipped as a complete lot, and clearly labelled as “Approved Deviation Material – Approved by *Approvers Full Name*.”

4.0 Purchase Order Processing

4.1 Supplier Order Fulfillment

Partial Shipments

Partial shipments are not permitted unless explicitly authorized in advance by the MICRON buyer. Unauthorized partial shipments will be considered late and may result in a delivery performance penalty.

Packaging and Labelling Requirements

Products must be packaged to preserve quality, integrity, and usability. Each package must be clearly and permanently labelled and include a scannable barcode with the following information:

- MICRON Purchase Order Number
- Part Number
- Quantity and Unit of Measure
- Country of Origin (country of manufacture, not necessarily the shipping origin)
- Where applicable Lot Number (supplier's traceability reference)

Barcoding is required for all MICRON suppliers. Where barcoding is not yet implemented, suppliers are required to establish and execute a formal development plan with defined timelines to achieve compliance.

Barcode Requirements
Each label must include a scannable barcode for the part number using a format compatible with standard warehouse scanning systems (e.g., Code 128 or QR).

Failure to implement barcoding or demonstrate progress against an agreed plan may impact supplier approval status.

Documentation Requirements

Each shipment must include complete and accurate documentation, detailing:

- Supplier name and contact information
- MICRON part number
- Country of origin (country of manufacture, not necessarily the shipping origin)
- Full product description (including basic dimensions and material)
- Where Applicable Lot numbers
- Number of boxes
- Total quantity shipped and Unit of measure

Refer to the Shipment Documentation Section for full details. Shipments missing this data for any item will be placed in rejected status until the required information is received.

Individual Box, Carton, Crate Specifications
To reduce the risk of injury during manual handling, all suppliers shall comply with the heavy-package labeling requirements outlined in Appendix C for boxes, cartons, crates, or containers that could reasonably be perceived as suitable for manual lifting by one person.

Order Confirmation and Lead Times
Suppliers must confirm all open orders in writing within two business days of receipt. Any discrepancies from quoted or expected supply must be reported immediately to the MICRON buyer. MICRON will strive to meet quoted lead times, but it is the supplier's responsibility to notify MICRON of any changes before they take effect.

Delivery Expectations

Suppliers must ensure materials arrive at the MICRON dock or Cross-dock by the PO due date or Cross-dock delivery date indicated on the PO. If unable to meet this date, suppliers must communicate the best possible delivery date for review and approval.

- 100% on-time delivery is expected
- On-time delivery is defined as arrival no more than five (5) business days early and zero (0) days late, unless otherwise approved in writing by MICRON.
- If delivery falls outside this window, suppliers must notify the MICRON buyer as early as possible
- If expedited freight is required due to late shipment, suppliers are expected to ship prepaid and absorb the cost

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Additional Notes

- Partial and over-shipments require prior approval from the MICRON Materials Planner. Failure to obtain approval may result in delayed payment or product return at the supplier's expense.
- For FOB deliveries, MICRON will cover the initial delivery charge. Any subsequent partial deliveries are the supplier's responsibility.
- Suppliers must maintain contingency plans for supply disruptions due to emergencies (e.g., fire, flood, labor shortages, equipment failure, IT or utility outages) and provide these plans upon request.

4.2 Freight and Shipping

This section defines MICRON's requirements for the packaging, documentation, transportation, and delivery of materials to ensure shipments arrive safely, on time, and in full compliance with regulatory and operational expectations. Suppliers are responsible for adhering to purchase order instructions, approved shipping schedules, Incoterms, and labeling standards, as well as maintaining contingency plans to prevent supply disruptions. Consistent execution of these requirements is critical to supporting on-time delivery performance, minimizing logistics costs, and avoiding delays, penalties, or rejected shipments.

MICRON Consolidated Freight Pick Up

MICRON encourages suppliers to participate in MICRON Consolidated Freight Pick Up to reduce costs and improve efficiency. In many cases, regular shipment schedules have been established with MICRON sites. Suppliers are expected to continue honouring these arrangements.

If a MICRON buyer places an order with a delivery date that does not align with the pre-approved shipping schedule. In that case, the supplier should respond with a **promised delivery date** that complies with the agreed-upon schedule unless the MICRON buyer noted the deviation from pre-approved shipping schedule and provided alternate pickup arrangements. If the MICRON buyer requires earlier pickup arrangements, it is their responsibility to arrange with the supplier.

Incoterms Guidelines

When MICRON Pays for Freight

MICRON's preferred Incoterm is:

FCA – [Supplier Dock Location] (Incoterms 2010)

This term allows MICRON to manage freight movement while ensuring:

- The supplier is responsible for international trade compliance in their country.
- MICRON is responsible for trade compliance in the destination country.

When Supplier Pays for Freight

The preferred Incoterm is:

DAP – [Destination Facility] (Incoterms 2010)

This ensures:

- The supplier covers freight costs.
- The supplier handles trade compliance in their country.
- MICRON manages compliance in the destination country.

Deviation from Standard Incoterms

Any deviation from the Incoterms indicated on the purchase order or standard FCA or DAP terms must be **approved in writing** by both the supplier and the relevant MICRON business unit prior to shipment.

Wood Packaging ISPM15 Compliance

For goods shipping across borders, suppliers must comply with **ISPM 15** regarding wood packaging materials. This includes:

- Proper treatment and certification
- Required stamping and documentation

Non-compliance may result in:

- Fines and penalties
- Rejection of goods at the border

Suppliers will be held **fully responsible** for all costs associated with remedying non-compliant shipments. Shipments going to a cross-dock location still require ISPM15-compliant skids when the final destination is an MICRON site across a border(s).

Contamination Prevention

Suppliers must ensure that goods loaded into shipping containers are **free of seeds, pests, and other contaminants**. This includes:

- Storing and loading MICRON products in clean, contaminant-free environments
- Ensuring containers are inspected prior to sealing

If Customs stop goods due to contamination, they may be:

- Refused entry
- Mandated for cleaning at certified facilities

The supplier will be responsible for **all associated costs**, including:

- Inspections
- Cleaning
- Storage
- Re-routing or export
- Transportation fees
- Any penalties or costs due to delayed supply (e.g., line-down charges)

4.3 Shipment Documentation

All documentation accompanying shipments to MICRON must meet the following requirements:

- **Language**: All documentation, labels, and notations must include **English**.
- **Part Identification:** Must include the **MICRON part number.**
- **Product Description:** A complete and accurate description of the product is required, using industry-standard terminology. This must include:
    - Basic Dimensions
    - Materials (where applicable)
    - Specific product name (e.g., “27GO43 Electrical Steel” rather than generic terms like “Electrical Steel”)

Domestic Shipments (Same Country as MICRON Purchasing Entity)

For shipments where the supplier and the MICRON purchasing company are located in the **same country**, the following documents must be included:

- **Packing List**
- **Any required or requested product certifications**

International Shipments (Different Country than MICRON Purchasing Entity)

For shipments crossing borders, the following documentation is required:

- **Transportation Documentation** (e.g., Bill of Lading, Airway Bill)
- **Customs/Commercial Invoice**
  - Must include all data elements in Appendix B
- **Packing List**
- **Certificate of Origin**
- **Mill/Test/Inspection Certificates**
  - Required for products subject to anti-dumping or countervailing duty regulations to verify country of origin and copper, aluminum, electrical steel, steel materials.

4.4 Large Load Shipping

This section outlines the expectations and requirements for suppliers when preparing and shipping large load shipments, including full or half trailers. These guidelines are designed to ensure safe, efficient, and compliant transportation of goods to our facilities.

Shipment Types Covered

- Full Open-Top Trailers
- Half Trailers or Partial Loads
- Flatbed Trailers (if applicable)

Pre-Shipment Requirements

Before dispatching a large load shipment, suppliers must ensure the following:

- **Advance Notification:** Notify the designated logistics contact at least 48 business hours prior to shipment.
- **Load Dimensions & Weight**: Provide accurate dimensions and weight of the load to ensure compatibility with receiving dock and unloading equipment.
- **Documentation**: Include all required shipping documents, including:
  - Bill of Lading (BOL)
  - Packing List
  - Safety Data Sheets (if applicable)
  - Load Diagram (for complex or oversized shipments)

Packaging & Securing the Load

- **Proper Securing:** All items must be securely fastened using straps, chains, or other approved methods to prevent shifting during transit.
- **Weather Protection:** Use tarps or covers for open-top trailers to protect goods from weather damage unless otherwise agreed.
- **Palletization:** Use standard-sized pallets unless the shipment requires custom handling. Pallets must be in good condition and capable of supporting the load.

Safety Requirements

To ensure safety during loading, transit, and unloading:

- **Load Stability**: Ensure the center of gravity is balanced to prevent tipping.
- **Hazardous Materials**: Must be clearly labelled and comply with all applicable transportation regulations.
- **Driver Safety Compliance:** Drivers must comply with all applicable national, federal, state/provincial, and local transportation safety regulations.
- **Personal Protective Equipment** (PPE): Drivers and unloading personnel must wear appropriate PPE (e.g., safety boots, high-visibility vests, gloves, helmets).

Receiving Site Requirements

- **Arrival Time**: Deliveries must occur within the scheduled window. Late arrivals may be rescheduled.
- **Unloading Protocol:** Drivers must follow site-specific unloading procedures and remain in designated safe zones unless otherwise instructed.
- **Inspection:** All shipments are subject to inspection upon arrival. Any damage or discrepancies must be reported immediately.

Non-Compliance

Failure to comply with these requirements may result in:

- Refusal of shipment
- Additional handling charges
- Supplier performance review

4.5 Hazardous Material

This section outlines the mandatory safety, documentation, packaging, and transportation requirements for suppliers shipping hazardous materials to MICRON facilities. These requirements are designed to ensure compliance with applicable local, national, and international regulations while protecting personnel, facilities, and the environment. Suppliers must ensure that all hazardous materials are properly classified, labeled, packaged, and communicated in advance, and that trained personnel and certified carriers are used at all times. Failure to comply may result in refused deliveries, regulatory reporting, or suspension of supplier status.

Hazardous Materials Defined

Applies to all suppliers delivering hazardous materials, including but not limited to the following regulated classifications:

- Flammable liquids or solids
- Corrosive substances
- Toxic chemicals

- Compressed gases
- Reactive or explosive materials

Pre-Shipment Requirements

Before dispatching hazardous materials to MICRON, suppliers must:

Notify MICRON Logistics: Provide shipment details at least 72 business hours in advance, including:

- Material type and classification
- Quantity
- Expected delivery date and time
- **Documentation:** Include the following with each shipment:
  - Bill of Lading (BOL)
  - Safety Data Sheet (SDS) for each hazardous material
  - Dangerous Goods Declaration (if applicable)
  - Emergency contact information
- **Labelling**: Ensure all containers are clearly labelled with:
  - UN number
  - Hazard class
  - Proper shipping name
  - Handling instructions

Packaging Standards

- Use **UN-certified packaging** appropriate for the material type.
- Ensure **secondary containment** for liquids and corrosives.
- Seal all containers securely to prevent leaks or spills.
- Include **absorbent material** where required by regulation.

Transportation Requirements

Shipments must comply with applicable regulations:

- **TDG (Transportation of Dangerous Goods)** – Canada
- **DOT (Department of Transportation)** – USA
- **IMDG/IATA** – for international shipments
- Drivers must be trained and certified in hazardous materials handling.
- Vehicles must display appropriate **placards** and carry emergency response guides.

Delivery Protocol at MICRON

- Deliveries must be made during designated receiving hours.
- Drivers must check in at the security gate and declare hazardous contents.
- MICRON personnel will inspect documentation and packaging before unloading.
- Drivers must remain in designated safe zones and follow all site safety instructions.

Emergency Preparedness

In case of a spill or incident during transit or delivery:

- Immediately notify MICRON Emergency Response Team.
- Follow the instructions outlined in the SDS and emergency response guide.

- Cooperate fully with MICRON and local authorities.

Non-Compliance

Failure to comply with hazardous material shipping requirements may result in:

- Refusal of delivery
- Reporting to regulatory authorities
- Suspension of supplier status

We reserve the right to refuse any delivery that does not conform to these delivery conditions.

5.0 Sustainable Sourcing and ESG

5.1 Partnering for Environmental Sustainability

MICRON recognizes its role within the broader community and is committed to protecting the environment in all aspects of its operations. We expect our suppliers to comply with all applicable local, national, and international environmental laws and regulations, and to be prepared for government audits without disrupting material deliveries to MICRON.

In addition to compliance, suppliers are encouraged to:

- Minimize environmental impact through responsible resource use, waste reduction, and emissions control.
- Prevent accidental releases of hazardous materials and protect local communities.
- Ensure products are free from restricted or banned substances.
- Invest in and support the communities where they operate.
- Uphold human rights and promote diversity and inclusion across their operations and supply chain.
- ISO 9001 certification or equivalent quality management system and pursue ISO 14001 certification or an equivalent environmental management standard.

5.2 Supplier ESG risk screening

As part of its due diligence process, MICRON conducts or commissions ESG assessments to evaluate suppliers' sustainability management systems and overall ESG maturity. These assessments identify gaps, risks, and improvement actions required to meet MICRON standards.

Supplier participation and demonstrated improvement are mandatory. New suppliers that do not complete the assessment or meet minimum expectations will not be approved. Existing suppliers are required to address identified gaps and show ongoing improvement; failure to do so may impact continued eligibility to supply MICRON. Suppliers must respond accurately to assessment questions, provide supporting evidence, and implement agreed-upon improvement actions.

ESG performance outcomes are considered in supplier approval, segmentation, and ongoing relationship management decisions.

5.3 Conflict Minerals

MICRON supports the responsible sourcing of minerals and is committed to avoiding the use of conflict minerals—**Tin, Tungsten, Tantalum, and Gold (3TG)**—that may fund armed conflict. Suppliers are

required to:

- Adopt a Conflict Minerals Policy aligned with MICRON's standards
- Conduct due diligence on the source and chain of custody of 3TG minerals
- Identify smelters/refiners used in their supply chain
- Transition to certified conflict-free sources where applicable

Suppliers must provide Conflict Minerals information upon request using the current **CMRT form** or a signed acknowledgment letter. Failure to comply may result in termination of the business relationship.

More information: Responsible Minerals Initiative

5.4 Substances of Concern

Suppliers must maintain and provide a Certificate of Compliance confirming that all materials shipped meet applicable regulations, such as RoHS, REACH, PFAS, POP, TSCA, MSC, and Proposition 65. Suppliers are responsible for monitoring regulatory developments and shall take timely action to ensure compliance with any new or emerging requirements applicable to the supplied materials.

If any listed substances are present in the finished product, a Class D Full Material Disclosure is required and must accompany the shipment. Suppliers must update and resubmit certifications when regulations change and must promptly notify MICRON of any Proposition 65-listed substances. Upon request, suppliers must provide lab test results showing concentration levels (typically by weight percent) of hazardous substances in homogeneous components.

Due to increasing responsible sourcing expectations from industry standards, customers, and global ESG due diligence frameworks, as well as the inclusion of copper and nickel in the Extended Minerals Reporting Template (EMRT), MICRON would like to inform its suppliers that we are now required to identify and track the smelters and refiners associated with these materials.

If this practice is not yet in place, we encourage our suppliers to begin collecting copper and nickel smelter and refiner information from their supply chain using the latest version of the EMRT.

More Information: Extended Minerals Reporting

6.0 Information Security Requirements

Suppliers must maintain robust information security measures, including risk assessments, vulnerability testing, and multi-factor authentication for critical systems. MICRON reserves the right to audit supplier security practices. Any data breach must be reported within 24 hours.

The following requirements may be met:

- **Data Protection and Privacy:** Suppliers must ensure that all MICRON data, including proprietary, customer, and personal information, is securely stored and transmitted. Appropriate encryption methods must be employed for both data at rest and in transit, in line with industry best practices.
- **Access Control:** Suppliers are required to implement strict access controls, ensuring that access to MICRON systems and data is limited to authorized personnel only. Multi-factor authentication (MFA) should be used for critical systems, and user access should be regularly reviewed and updated based on job roles and responsibilities
- **Security Incident Management:** Suppliers must have a documented process for detecting, reporting, and responding to security incidents. Any suspected or actual data breach affecting MICRON data must be reported to MICRON within 24 hours of discovery. Suppliers must cooperate with MICRON during incident investigations and remediation.
- **Supplier and Sub-supplier Security:** Suppliers are responsible for managing sub-suppliers to ensure compliance with MICRON requirements. This includes qualification, communication of specifications, performance monitoring, and corrective action processes. MICRON reserves the right to approve or audit sub-suppliers.
- **Cybersecurity Risk Management:** Suppliers must perform regular risk assessments to identify, evaluate, and mitigate information security risks. This includes conducting vulnerability assessments, penetration testing, and applying security patches promptly to mitigate known vulnerabilities
- **Data Retention and Secure Disposal:** Suppliers must retain quality and compliance records for a minimum of 10 years. Records include inspection results, calibration data, PPAP documentation, FAI reports, and change management records. All records must be stored securely and be retrievable upon request.
- **Information Security Audits:** MICRON reserves the right to conduct audits of suppliers' information security practices to ensure compliance with these requirements. Suppliers must provide the necessary documentation and support to facilitate these audits.
- **Business Continuity and Disaster Recovery:** Suppliers must maintain documented contingency plans to address risks such as natural disasters, cyber threats, labor shortages, and supply disruptions. Plans should include team roles, communication protocols, escalation procedures, and recovery steps. Evidence of these plans must be provided upon request.

Appendix A Definitions

NMR: Non-Conforming Material Report

ECN: Engineering Change Notice

CAR: Corrective Action Request

DPMO: Defects per Million Opportunities

OTD: On Time Delivery

Appendix B Commercial Invoice Requirements

Essential Data Elements for a Commercial Invoice

1. Seller (Exporter) Information

- Company name
- Full address (including country and postal code)
- Contact details (phone and email)
- Tax identification number (e.g., EIN, VAT, EORI)

2. Buyer (Importer/Consignee) Information

- Company name
- Full address (including country and postal code)
- Contact details
- Tax identification number (if applicable)

3. Invoice Details

- Invoice number
- Invoice date
- Purchase order number (if applicable)
- Payment terms (e.g., Net 30, Prepaid)

4. Shipment Details

- Shipping method (e.g., air, sea, courier)
- Incoterms (e.g., FCA, DAP)
- Carrier name
- Country of export and import
- Port of entry and exit
- Shipment tracking number (if available)

5. Product Information (Line-Item Level)

- Full product description (specific and detailed)
- MICRON part number
- Harmonized System (HS) code
- Country of origin (manufacture)
- Quantity and unit of measure
- Unit value and total value (in USD or local currency)
- Net weight per item and total shipment weight

6. Total Invoice Value

- Total declared value of the shipment
- Currency used

7. Additional Documentation

- Packing list reference
- Certificate or affidavit of origin
- Commercial invoice declaration statement

- Destination control statement (for U.S. exports)
- Any applicable mill/test/inspection certificates (especially for anti-dumping or countervailing duty cases)

Data Element	Requirement
Seller (Exporter) Information	Company name, full address, contact details, tax identification number
Buyer (Importer/Consignee) Information	Company name, full address, contact details, tax ID if applicable
Invoice Details	Invoice number, date, PO number, payment terms
Shipment Details	Shipping method, Incoterms, carrier, countries, ports, tracking
Product Information (Line Item)	Description, MICRON part number, HS code, origin, quantity, value, net weight
Total Invoice Value	Total declared value and currency
Additional Documentation	Packing list, certificates of origin, inspection / mill certificates

Appendix C Box, Container or Crate Labelling

Package Condition	Weight	Package Dimensions / Geometry	Required Label*
Small, compact package	< 35 lb (16 kg)	All dimensions ≤ 30 in (760 mm); easy to hold close to body	No heavy-handling label required
Moderate weight	35–49 lb (16–22 kg)	Any size	CAUTION – HEAVY OBJECT
Bulky or oversized (size-driven)	< 35 lb (16 kg)	Any single dimension > 30 in (760 mm) OR awkward/bulky to hold	CAUTION – HEAVY / BULKY OBJECT
Long or wide package	Any weight	Length > 48 in (1220 mm) OR cannot be held close to torso	CAUTION – HEAVY / BULKY OBJECT TWO-PERSON LIFT REQUIRED
Heavy package	50–74 lb (23–33 kg)	Any size	CAUTION – HEAVY OBJECT TWO-PERSON LIFT REQUIRED
Very heavy package	≥ 75 lb (34 kg)	Any size	WARNING – HEAVY OBJECT MECHANICAL LIFT ONLY ACTUAL WEIGHT SHOWN
Combined or bundled packages	Combined ≥ 35 lb (16 kg) OR combined size exceeds limits	Strapped, banded, shrink-wrapped, or palletized	Label outermost package per applicable row above

*Verbiage may vary slightly if general intent is clear