

# Stars Microelectronics Procurement Policy

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## **1. Procurement Mission and Objectives**

The purpose of this Policy on Procurement of Goods and Services is to establish a standard professional procurement policy and elaborate standard procedures to ensure that Stars Microelectronics obtains value for money in all its procurement activities and that procurement is conducted in an efficient and cost effective manner that respects sustainability and ethical principles. This policy ensures that procurement decisions will be given to companies satisfying the following criteria:

- 1.1 Procurement process can bring benefits and add value to organization.
- 1.2 Achieve the expected materials and/or services with emphasis on appropriate quality and price.
- 1.3 Providing a stable supply of goods and/or services. Also the supplier must have the flexibility to respond quickly to supply/demand fluctuations.

## **2. Roles and Responsibilities**

Director of Sourcing/ Purchasing department is responsible for enforcing policy compliance and initiating the review process. the Sourcing Manager is responsible for procurement standards and procedures, and for overall oversight of the conduct of procurement activities. The Sourcing officer, reporting directly to the Sourcing Manager, shall have the mandate to make detailed enquiries about any procurement activities carried out on behalf of Stars Microelectronics in order to ascertain compliance with this Policy.

## **3. Applicability**

This Policy applies to all transactions for the purchase of goods, works and services at Stars Microelectronics.

The following products and services are managed by Procurement Policy:

- 3.1 Products, Material, Equipment, Spare part, Software
- 3.2 Contractor fee, works, construction, logistics services, Equipment repair and maintenance service
- 3.3 Services include those provided by consulting firms or individual consultants (including commission members) educational and research institutions, service companies, and government and nongovernment organizations.

## **4. Fair and Transparent Transactions**

- 4.1 We provide suppliers with equal opportunities for transactions with Stars Microelectronics, make decisions on business partners by fairly comparing and evaluating terms such as price, quality and service when selecting subcontractors and suppliers of raw materials, products or services.
- 4.2 We do not disclose prices or volume, etc., information obtained from the supplier to other bidders.
- 4.3 We implement policies to go against bid rigging, anti-competitive behavior in procurement.
- 4.4 Agreements is illegal and void if violate antitrust laws, competition laws and other laws and ordinances intended to ensure fair competition, as well as with related internal guidelines, while pursuing free and fair transactions.

**5. Procurement methods**

- 5.1 The method and approval of procurement complies with the Stars Microelectronics's procurement policies and procedures for purchasing is dependent on the type/value of Goods or Services.
- 5.2 The procurement value shall be determined by considering the total expected contractual value. Deliberately dividing a single procurement into smaller amounts for circumvent compliance with the procurement process will be considered a violation of this policy.