

# ANTI-SLAVERY AND HUMAN TRAFFICKING 2024 STATEMENT

## Introduction and Commitment

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour, and human trafficking, all of which involve the deprivation of a person's liberty by another to exploit them for personal or commercial gain.

Dynex Semiconductor Ltd. ("Dynex", "the Company") maintains a zero-tolerance approach to modern slavery. We are fundamentally committed to preventing acts of modern slavery and human trafficking within our business operations and supply chains. We are committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere within our sphere of influence.

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and outlines the steps Dynex has taken and continues to take. We are committed to ensuring transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with disclosure obligations under the Act. Dynex remains steadfast in upholding these principles regardless of any mandatory reporting requirement in a given year.

## Our Business, Structure, and Supply Chains

- **Business Activities:** Dynex Semiconductor Ltd. is engaged in the research and development, design, manufacture, and sale of semiconductor products and components, including electronic assemblies supply and refurbishment.
- **Operating Location:** The Company is based in Lincoln, United Kingdom, and operates internationally.
- **Supply Chains:** Our supply chains are international, particularly concerning the procurement of raw materials necessary for semiconductor manufacturing. We source components, equipment, and services from various global suppliers.

## High-Risk Areas

We recognise that certain geographical areas and sectors may present a higher risk of modern slavery. Based on UK Government guidance and internal assessments, we identify parts of our international supply chain, particularly those operating in Asia, as representing a potentially higher risk area that requires enhanced due diligence.

## Relevant Policies & Reporting Mechanisms

Dynex operates several internal policies that underpin our commitment to ethical conduct and support our efforts to combat modern slavery. These include:

- Employee Code of Conduct
- Whistleblowing Policy
- Supplier Code of Conduct
- Anti-Slavery and Human Trafficking Policy
- Human Resources Policies (covering fair recruitment, wages, working conditions)

Our **Whistleblowing Statement** provides the primary mechanism for employees and external parties to confidentially report concerns. The prevention, detection, and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us or under our control. We encourage anyone to raise concerns about any issue or suspicion of modern slavery in any part of our business or any tier of our supply chains at the earliest possible stage. You must notify the HR Department or the Chief Executive Officer as soon as possible if you believe or suspect that a conflict with this statement or an instance of modern slavery has occurred or may occur.

We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this statement, even if they turn out to be mistaken. We are committed to ensuring no one suffers detrimental treatment (including dismissal, disciplinary action, threats, or other unfavourable treatment) as a result of reporting suspicions in good faith. If an employee believes they have suffered such treatment, they should inform the relevant manager or HR Department immediately, and if the matter is not remedied, raise it formally using the company Grievance Procedure.

### **Due Diligence and Risk Management**

Dynex implements the following steps to prevent modern slavery:

- **Internal Operations:** We adhere strictly to UK employment laws and maintain robust HR policies to protect our employees' rights and welfare. Right to work checks are a robust part of our recruitment process, including checking bank accounts, addresses and next of kin. Job candidate credentials are verified to ensure they are accurate and legitimate, including background checks, verifying employment history, education achievement and reference checks.
- **Supplier Expectations:** We expect the same high anti-slavery standards from all our contractors, suppliers, and business partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory, or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We expect that our suppliers will hold their own suppliers to these same high standards.
- **Supplier Vetting:** All new suppliers are reviewed in accordance with our internal procedures before engagement.
- **Risk Assessment:** We conduct an annual risk assessment of significant suppliers (defined as those who are a material influence on our business performance). This involves scoring based on factors including geographical location (informed by UK Government risk assessments), industry sector, and adherence to standards. Higher-risk suppliers may undergo further scrutiny.
- **Remediation:** Where appropriate, and with worker welfare as a priority, we may engage with suppliers to help them address coercive or exploitative practices. However, should an instance of modern slavery be confirmed, Dynex would take appropriate action, including potentially ceasing business with the supplier and reporting the matter to relevant authorities.

### **Training and Awareness**

Dynex understands the importance of awareness in combating modern slavery.

- Training on this statement and the risks our business faces from modern slavery forms part of the **induction process** for all individuals who work for us. Regular training will be provided as necessary, particularly for relevant roles.
- Management at all levels are responsible for ensuring those reporting to them understand and comply with this statement.
- Our zero-tolerance approach is communicated to all suppliers, contractors, and business partners **at the outset of our business relationship** and reinforced as appropriate on an ongoing basis.

### **Measuring Effectiveness & Enforcement**

Dynex currently measures the effectiveness of its anti-slavery efforts primarily through:

- Completion and review of the annual supplier risk assessment and scoring matrix.
- Reviewing reports or concerns raised via our Whistleblowing channel.

We will continue to review our Key Performance Indicators (KPIs) in this area. Any employee who breaches this statement will face disciplinary action, which could result in dismissal for misconduct or gross misconduct. We may also terminate our relationship with other individuals and organisations working on our behalf if they breach this statement.

### **Responsibility**

The **Board of Directors** of Dynex Semiconductor Ltd. has overall responsibility for ensuring this statement and our related procedures comply with our legal and ethical obligations. The **Human Resources Department** has primary and day-to-day responsibility for implementing this statement, monitoring its use and effectiveness, dealing with queries, and auditing internal control systems related to modern slavery. **Management at all levels** are responsible for ensuring compliance within their teams.

### **Approval**

This statement has been approved and endorsed by the Board of Directors of Dynex Semiconductor Ltd pursuant to Section 54(1) of the Modern Slavery Act 2015 for the financial year ending 2024.

**Jun Gao**  
**Chief Executive Officer**  
**Dynex Semiconductor Ltd.**

**05<sup>th</sup> June 2025**