



Supplier Code of Conduct

Cree's Code of Conduct embodies our commitments to health and safety, lawful labor and employment practices, diversity, environmental compliance, and legal and ethical business practices in our business operations. Likewise, we expect persons and entities supplying goods and services to Cree (collectively, "Suppliers"), both in the United States and abroad, to comply with these fundamental principles of good corporate conduct. As used in this Supplier Code of Conduct, "Cree" refers to Cree, Inc. and its subsidiaries worldwide.

Health and Safety

Suppliers are expected to comply with all applicable health and safety laws and regulations to create safe working conditions and a healthy work environment for all workers. This includes taking appropriate precautions to prevent occupational injury by implementing engineering controls where possible and by establishing safe working procedures, including the use of appropriate personal protective equipment, in all cases. Suppliers should also identify and minimize exposure to ergonomic risks from repetitive or demanding tasks. Suppliers must assess emergency risks and have written emergency response plans and procedures in place. Workers must be provided with access to hygienic toilet facilities, clean water and, in the case of dormitory workers, clean and safe living and eating environments with a reasonable right of entry and exit. Workers shall receive proper training and information on workplace health and safety, including written warnings on any health and safety risks in the primary language of the work location.

Labor and Diversity

In conducting their business operations, Suppliers shall comply with all applicable labor and employment laws and regulations in the country or countries where they do business, including without limitation those relating to wage and hour, freedom of association, equal employment opportunities, non-discrimination, child labor and forced or compulsory labor. Suppliers must timely pay all workers at least the required minimum wage and provide any compulsory benefits, including holiday and paid and unpaid leave periods where applicable. Working hours shall not exceed the maximum amount permitted by, and overtime time hours must be compensated in accordance with, applicable laws and regulations.

Suppliers are expected to respect their workers' rights to freely associate, voluntarily join workers' organizations, obtain representation and bargain collectively, to the extent permitted by applicable laws and regulations. Supplier's workers shall be entitled to equal employment opportunities and their work environments shall be free of unlawful harassment and discrimination on the basis of race, national origin, age, gender, ethnicity, disability, union, religious or political affiliation, and any other protected class under applicable laws and regulations. Further, the Supplier will not engage in corporal punishment, mental or physical coercion, or place unreasonable restrictions on workers' entry or exit to its facilities.

Suppliers shall not make use of underage labor, as determined by the laws of the country or countries where each Supplier does business. In the absence of a statutory minimum age, each Supplier will refer to the Minimum Age Convention (No. 138) of the International Labor Organization (ILO) for guidance on permissible age limits based on the type of work involved (e.g., work may be permitted consistent with apprenticeship programs under Article 6 or light duty work under Article 7 of ILO Convention No. 138).

Forced, bonded, indentured or prison labor is strictly prohibited in Cree's supply chain. All work must be voluntary and workers must be able to terminate employment with reasonable notice. Suppliers will not retain government-issued identification, passports or work permits as a condition of employment. Suppliers will only work with third party labor agencies who abide by all applicable laws and regulations of the home and host countries in providing workers. Contracts of employment will be in writing and will clearly indicate the employment terms and conditions and work expectations in a language understood by the worker. Any fees and expenses expected to be paid by a worker in connection with securing and/or retaining employment shall be reasonable and shall not be used to create an indentured relationship.

Each Supplier will take reasonable efforts to ensure that neither forced nor underage labor is being used in its supply chain, in particular with respect to the products and services that are an integral part of the products and services provided to Cree.

Ethics and Legal Compliance

Suppliers are expected to conduct business with integrity and to maintain the highest ethical standards and behavior. All forms of illegal or improper behavior are strictly prohibited, including without limitation bribery, kickbacks, corruption, misappropriation, misrepresentation, extortion and antitrust violations. Further, Suppliers shall not engage in any activity that would conflict or interfere with their provision of goods and services to Cree. Suppliers shall not give any gifts, entertainment and other business courtesies that are intended to influence, or may appear to influence, a business decision. Suppliers are expected to respect and honor the intellectual property rights of Cree and third parties. Suppliers must comply with Cree's expectations regarding the protection of Cree's confidential information, including without limitation any Cree customer or employee information entrusted to the Supplier. Records prepared for Cree, including without limitation records of time worked and reimbursable expenses incurred, shall be timely, complete and accurate.

Environmental Compliance

In furtherance of the principles of good corporate conduct, Cree expects its Suppliers to make a clear commitment to environmental compliance. Suppliers are expected to identify and manage all substances that are hazardous to the environment that are used in and/or generated by their operations and have written policies and procedures in place to ensure the safe handling, movement, storage, labeling and disposal of such hazardous substances in compliance with applicable laws and regulations. Suppliers must obtain and maintain all required environmental

permits and registrations and comply with any and all related operational and reporting requirements. Prior to discharge or disposal, Suppliers must monitor, control and treat all air, wastewater and solid waste emissions as required by applicable laws and regulations. Further, Cree strongly encourages its Suppliers to reduce and, where possible, eliminate waste of all types through the adoption and promotion of conservation, recycling, and reuse programs and practices.

Product-Related Environmental Compliance

Product-related environmental compliance legislation, including REACH and RoHS in Europe, requires manufacturers and suppliers to provide information about restricted and prohibited substances that needs to be passed on through the supply chain. As such, Cree requires Suppliers to declare whether materials, parts, components, or manufactured products delivered to Cree for use in Cree's products ("BOM Items") contain any substances that are regulated by the REACH and RoHS legislation and any other regulatory requirements communicated by Cree to the Supplier relating to the BOM Items ("Specific Legislation").

"REACH" shall refer to EC Regulation No. 1907/2006 on Registration, Evaluation and Authorization of Chemicals, and "RoHS" shall refer to the EU RoHS directive 2011/65/EU, as each may be amended or supplemented from time to time. Cree expects Suppliers to comply with all requirements of REACH, RoHS and any Specific Legislation that are applicable to the BOM Items supplied to Cree. For additional information regarding Cree's expectations of Suppliers in this regard, refer to the Product Ecology section at www.Cree.com/Support.

Packaging-Related Environmental Compliance

Cree expects Suppliers to comply with the laws and regulations regulating packaging in the destination country (e.g., packaging destined for China must comply with the National Standard of the People's Republic of China, GB 18455-2001, "Packaging Recycling Marks"; and packaging destined for the European Union must comply with the European Directive 94/62/EC on Packaging and Packaging Waste). Without limiting the foregoing, the total concentration of lead, mercury, cadmium, and hexavalent chromium used in any packaging materials, including without limitation packaging materials purchased by Cree to use in packaging its own products, may not exceed 100 parts per million by weight.

All wood packaging materials, including pallets, timber packing, and dunnage for products shipped to or on behalf of Cree, shall comply with the "Guidelines for Regulating Wood Packaging Material in International Trade", International Standard for Phytosanitary Measures No. 15, (ISPM 15). It is recommended that all wood packaging materials be bark-free. The bark-free condition is mandatory for shipments to specified countries, including Australia, Bolivia, Chile, New Zealand and Turkey. Methyl bromide fumigation may not be used as a method of treatment of the wood packaging material.

Conflict Minerals Compliance

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) institutes, among other things, reporting requirements relating to the use of tin, tantalum, tungsten, and gold (“Conflict Minerals” or “3TG”) extracted in the Democratic Republic of Congo and adjoining countries (“DRC region”). Cree supports the stated goal of the Dodd-Frank Act of preventing armed groups in the DRC region from profiting from the sale of Conflict Minerals. Cree is concerned with the use of these Conflict Minerals and supports efforts to source responsibly and to increase supply chain transparency.

Cree expects suppliers of materials, parts, components, or manufactured products necessary to the functionality or production of our products which may contain 3TG (“in-scope Suppliers”) to develop internal Conflict Minerals policies, due diligence frameworks, and management systems that are designed to identify and eliminate from use in products sold to Cree any Conflict Minerals which are known to come from sources funding armed groups in the DRC region. Cree fully expects our in-scope Suppliers to accurately identify all relevant upstream smelters and to provide information to support these efforts. In-scope Suppliers that do not reasonably comply with Cree’s Conflict Minerals Policy will be reviewed by Cree’s supply chain management to assess whether Cree will conduct business with those suppliers in the future.

Accountability

Cree expects every one of its Suppliers to comply with this Supplier Code of Conduct. Each Supplier should maintain appropriate standards and procedures for assessing its compliance and addressing any areas of non-compliance. Cree reserves the right to conduct audits at Supplier’s facilities, with due respect to the Supplier’s confidential information and intellectual property rights, and/or to request and review supporting documents to verify that a Supplier is meeting the expectations set forth in this code. Prompt correction of significant deficiencies is required. Failure to timely remedy significant deficiencies and/or blatant violations of law may result in termination of any and all supply agreements with Cree.

Each Supplier is responsible for knowing, understanding and complying with the laws and regulations applicable to its business, whether or not specifically referenced in this code. Cree will not provide legal advice to its Suppliers or otherwise be responsible for communicating any legal requirements to, or interpreting the same for, its Suppliers.