

2023 AMD Statement Against Modern Slavery and Human Trafficking

AMD is committed to respecting internationally recognized human rights throughout our company operations. We also work with our business partners, including our subsidiaries and those in our supply chain, to try to protect human rights in our business dealings. AMD recognizes that slavery, forced labor and human trafficking can occur through more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities. As such, AMD has adopted internationally recognized definitions of modern slavery, anti-slavery, forced labor and anti-human trafficking. Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted.

This statement is published pursuant to the California Transparency in Supply Chains Act, UK Modern Slavery Act and Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, and it relates to the year from January 1st to December 31st, 2023 (the “**Relevant Calendar Year**”). This statement covers Advanced Micro Devices, Inc. and its subsidiaries, including but not limited to Advanced Micro Devices (U.K.) Limited, and ATI Technologies ULC. This statement communicates the policies and practices of AMD to respect human rights, identify and address potential impacts, mitigate risk, and measure actions’ effectiveness. Our due diligence approach draws upon internationally recognized human rights standards, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises and OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

In addition to this Statement, AMD annually publishes the [AMD Corporate Responsibility Report](#) and [Conflict Minerals Report](#).

Our Business and Supply Chain

AMD designs and delivers leadership high-performance and adaptive computing solutions, the infrastructure of the digital services and experiences that fuel the daily lives of billions. AMD works closely with partners – leaders in industries spanning technology, automotive, telecom, financial services, gaming, entertainment and many more – to bring their visions to life and enable the future of computing and AI across cloud, edge and end devices.

As a fabless semiconductor company, AMD manufacturing operations are outsourced to a carefully selected network of Manufacturing Suppliers. “**Manufacturing Suppliers**” are defined as suppliers that AMD buys from directly and that provides direct materials and/or manufacturing services to AMD. Absent a controlling role in any manufacturing facilities, the AMD global workforce is primarily made up of highly trained professionals with engineers as the largest demographic. AMD therefore considers that the risk of forced labor and human trafficking is primarily in its manufacturing supply chain. AMD works with its Manufacturing Suppliers to advance supply chain resiliency, respect for human rights and environmental sustainability. The majority of these suppliers have multi-year business relationships with AMD.

The largest portion of AMD overall Manufacturing Suppliers spend is with the fabrication foundry partners. Manufacturing Suppliers operate facilities in many countries around the world, and most are located in Asia. AMD utilizes various Responsible Business Alliance (“**RBA**”) tools to assess risks of forced labor in those countries where suppliers’ factories are located. More information about the AMD supply chain and Supply Chain Responsibility program can be found on the AMD [website](#).

Governance

The highest level of environmental, social and governance (“ESG”) oversight (including risks and opportunities) at AMD resides with the Advanced Micro Devices, Inc. Board of Directors (the “**Board**”). The Nominating and Corporate Governance Committee maintains formal oversight of the company’s focus on ESG. The Audit and Finance Committee oversees the company’s voluntary and required ESG reporting and associated regulatory compliance. The AMD Executive Team (the “**AET**”)– which includes our Chair and CEO, executive vice presidents, and certain senior vice presidents – helps set corporate responsibility (“**CR**”) strategic priorities and goals for AMD departments, while providing company investments and resources to demonstrate progress. The AET receives regular updates, at least monthly, on ESG topics.

The AMD ESG Executive Steering Committee (the “**Committee**”) is responsible for overseeing progress on the company’s ESG priorities, goals and disclosures while communicating regularly with the AET. The Committee meets at least quarterly and is comprised of cross-functional leaders, including Corporate Responsibility, Finance, Global Operations, Human Resources, Investor Relations, Information Technology and Legal. The CR team works cross-departmentally to help operationalize the day-to-day management of many ESG related policies, practices, and infrastructure. The team also manages supply chain responsibility and regularly engages with other AMD departments such as Global Operations, Human Resources, Investor Relations, Legal and Quality to help AMD manage environmental and social issues effectively and efficiently. The CR team resides within Legal and reports to AMD Senior Vice President of Legal, General Counsel and Corporate Secretary, who reports to our CEO.

Policies

- The AMD [Human Rights Policy](#) Statement outlines the company’s respect for the International Covenant on Civil and Political Rights (“**ICCPR**”), the International Covenant on Economic, Social and Cultural Rights (“**ICESCR**”), and the eight core International Labour Organization (“**ILO**”) conventions including the ILO’s Declaration on Fundamental Principles and Rights at Work.
- The AMD [Worldwide Standards of Business Conduct](#) (“**WWSBC**”) outlines the company’s expectations for ethical conduct and human rights commitments for its employees, agents and contractors.
- AMD has adopted the RBA Code of Conduct as our [Supplier Code of Conduct](#) (the “**Code**”). The Code is based on international labor and human rights standards¹.
 - [Sections A.1 and A.2 of the Code](#) strictly prohibits forced labor, human trafficking and child labor:
 - i. “Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.”
 - ii. “(...) Workers shall not be required to pay employers’ agents or sub-agents’ recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.”
 - iii. “Child labor shall not be used in any stage of manufacturing.”
- AMD has adopted the [RBA Trafficked and Forced Labor – “Definition of Fees”](#) and its overarching principle that “workers shall not be required to pay fees for their employment.”

¹ OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, ILO Fundamental Conventions, UN Universal Declaration of Human Rights

- The [AMD Responsible Mineral Sourcing Policy](#) affirms our commitment to the responsible sourcing of minerals used in our product. AMD has adopted the five steps of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas as a framework for our program.

Accountability

AMD requires conformance with the Code in its contracts with Manufacturing Suppliers. As stated in the Code AMD further expects that each direct supplier will, in turn, communicate to their suppliers the same expectations and implement reasonable mechanisms to monitor their suppliers' compliance. AMD standard contractual terms and conditions for the procurement of goods and services require suppliers to adopt, maintain and ensure that their subcontractors and suppliers adopt and maintain policies prohibiting child, forced, indentured, bonded (including debt bondage) labor and human trafficking and maintain procedures to adhere to the policy. AMD also continually works to streamline and reinforces its expectations through regular communications with direct suppliers. The AMD Supplier Responsibility Guide enables AMD to formally share expectations with Manufacturing Suppliers and to provide resources to support their success. These suppliers can share the guide with their suppliers, thus extending AMD expectations further upstream in the supply chain.

Conformance to the Code is part of the supplier scorecard and is discussed with our Manufacturing Suppliers during regular business reviews. Business reviews are an effective venue for accountability regarding responsible social, ethical, and environmental conduct because senior management of both parties participate in these meetings. Furthermore, the scorecard influences future business opportunities.

Leadership

AMD believes collective action drives greater impact than one company acting alone. For this reason, multi-stakeholder partnerships are an important aspect of managing AMD supply chain responsibility. AMD is a founding member of the RBA, and our membership remains an important means for AMD to collaborate with peers to accelerate positive change. AMD is a full Responsible Labor Initiative (RLI) member, and actively participates in the Worker Voice Working Group, helping us keep current on emerging risks to vulnerable populations such as migrant laborers. In 2023, AMD attended a discussion arranged by RLI and heard from former migrant workers and advocates and utilizes RLI's tools to support a harmonized approach to address the root cause of forced labor risks.

Through membership in the Responsible Minerals Initiative ("RMI"), AMD works with suppliers and industry to promote the responsible sourcing of raw minerals, participates in the Smelter Engagement Workgroup and encourage suppliers to utilize RMI's Responsible Minerals Assurance Process ("RMAP") to monitor conformance to the [RMAP Standards](#) including sourcing minerals aligned to OECD Due Diligence Guidance.

Identifying and Assessing Risk of Forced Labor

AMD takes a risk-based approach to human rights due diligence based on its most salient risks which were identified through a third-party human rights saliency assessment conducted by BSR, a global sustainable business network and consultancy. The assessment included input from AMD executives, customers, suppliers and international NGOs serving as legitimate representatives for workers in the supply chain.

Responsible sourcing, including the risk of forced and child labor in the supply chain, was identified as a salient risk primarily due to the number of migrant workers who may be vulnerable to forced labor in the supply chain. As local hiring practices change and the supply chain footprint expands, AMD regularly

assesses risks to this vulnerable population by utilizing data from various sources, including the RBA risk database platform, to understand a supplier's social and environmental risk profile based on its geographical location, the type of product manufactured, workforce demographics, audit non-conformance trends in the industry in the region, NGOs and reputable research institutions, indices from civil society reports, such as the ILAB "List of Goods Produced by Child Labor or Forced Labor," RLI Labor Migration Corridor Database, and the direct supplier's strength of management system. Yearly efforts are focused on areas of higher risk identified through industry partnerships, insight directly from workers via surveys, audit interviews, grievance channels, and ongoing research. Furthermore, the supplier qualification process includes a social and environmental risk assessment.

In addition to understanding inherent risks, consideration is given to how suppliers are managing those risks. AMD requires all Manufacturing Suppliers to annually complete the RBA Facility Self-Assessment Questionnaire (the "Facility SAQ") which serves as additional input to the risk analysis. Supplier engagement is influenced by the results of the SAQ combined with the inherent risk score to produce an overall risk score. The Facility SAQ is an important tool that helps AMD monitor the risk of forced labor.

AMD isolates questions from the RBA Facility SAQ to identify suppliers that use labor agents to provide foreign or migrant workers and verify that they:

- Have a policy for workers to not pay employment related fees,
- Reimburse workers in the event a worker paid a fee related to employment,
- Provide 100% of workers a written contract in their native language, and
- Have a policy stating personal documents such as identity documents are not to be held by the company.

As of December 31, 2023, 100 percent of the audits completed have been RBA validated assessment program ("VAP") audits. These independent third-party audits are conducted by approved RBA audit firms and evaluate supplier performance against the RBA Code of Conduct. Each quarter the CR team reviews related performance with the Global Operations executive team. This review covers priority and major nonconformances from the audits, corrective action plan status, including closure rates, and overall performance. Every year, aggregate audit data, including nonconformances and geographical distribution is [publicly reported here](#).

Remediation

If AMD becomes aware of a non-conformance to the Code, applicable suppliers are expected to take action to remedy non-conformances and to prevent possible future negative impacts through a Corrective Action Plan ("CAP") in accordance with the RBA VAP Protocol.

Corrective actions may include immediate return of personal documents or facilitating reimbursement of employment-related fees. Non-conformances related to risk of forced labor require an onsite third-party closure audit. A third-party assessment is required to confirm fee repayment.

When necessary, AMD sourcing managers reiterate the importance of AMD requirements including adherence to improvement actions and the associated deadlines. Depending on the severity of the issue, discussions may be elevated for a more in-depth conversation between company executives. AMD engages with suppliers in this process, and if they do not follow the RBA CAP closure timeline, AMD executives will be promptly informed so appropriate action can be taken.

[AMD Aware](#) is a multilingual web portal and telephone service for reporting concerns or asking questions, available to all AMD stakeholders, including suppliers and their workforce. The channel is anonymous and confidential, and available 24/7 in multiple languages. Supply chain workers have used this channel to connect directly with AMD. Any concern is taken seriously and is followed by an investigation conducted by the applicable team to the situation.

Training

In 2023, 100 percent of AMD sourcing managers completed the annual AMD Supply Chain Responsibility training, which focused on how business can impact human rights in the supply chain. Topics included the actions AMD takes, and expects suppliers to take, to prevent and mitigate risks to workers, including the risk of forced labor. In this training staff were introduced to the topic of responsible purchasing practices, and trained on the red flag indicators of modern slavery to be aware of when conducting business. In addition, AMD employees, agents and contractors are required to take training on conformance with the AMD WWSBC. Regarding the prohibition on slavery, forced and trafficked labor practices, AMD standards are substantially equivalent to the Code. In the event an employee, agent or contractor violates the WWSBC, AMD will take immediate and appropriate action, which may include termination of employment, or cancelation of the agency contract, as the case may warrant.

Prevention

Capacity building is an important element of our Supply Chain Responsibility program because the training provided helps to empower suppliers, prevent negative impacts, and promote overall improvement efforts. For the past three years, our capacity building has focused on the prevention of fee payment, which includes sponsoring the RBA/RLI workshop “Forced Labor Prevention.” This training introduces RBA’s Responsible Recruitment Due Diligence Toolkit, which supports companies’ ability to identify, remediate, and prevent forced labor in their recruitment and employment practices.

Over the course of three years, 95 percent of Manufacturing Suppliers across Malaysia, Taiwan, and Japan that worked with labor agents to recruit migrant workers have taken the RBA Forced Labor Prevention workshop.

Since completing the training, suppliers have taken action, including:

- Assessing existing practices
- Closing gaps – for example, by adding a prohibition of forced labor into contracts with labor agents
- Conducting additional due diligence on labor agents, including specialty validated assessment program (“SVAP”) audits
- Amending employment contracts to specify fees workers should not pay
- Training management and workers on the RBA Code
- Putting processes in place to track if workers paid transportation fees in their home countries
- Reviewing internal grievance mechanisms for effectiveness

Measuring Effectiveness

AMD assesses effectiveness in its efforts to prevent forced and child labor from being used in its business operations and supply chains by measuring the number of priority violations, repeat and frequency of nonconformances and closure status. In 2023, RBA VAP audits revealed that six Manufacturing Suppliers had one or more non-conformances in the RBA VAP section “Freely Chosen Employment.” Findings mainly included management lacking a process to monitor policy implementation or having sufficient systems to identify and assess labor risks. For additional details, see the AMD [Supplier Audit Summary Results](#).

In 2023, VAP audits revealed there were a small number of instances of migrant workers paying prohibited recruitment fees. In the event AMD becomes aware that prohibited employment-related fees were paid, the CR team works with the employer to ensure they reimburse these fees. This verification process includes third-party audit and worker interviews. Examples of migrant workers paying fees and associated remediation in our supply chain previously include:

- Workers had been reimbursed within 90 days of employment in line with the RBA requirement and this facility amended its contract with recruiters stipulating workers are not to pay fees at any stage of the hiring process.
- When AMD and a supplier learned migrant workers had paid prohibited fees the supplier conducted a fee investigation to understand the amount paid to labor agents pre-and post-arrival to the employment site. A third-party VAP closure audit confirmed evidence of reimbursement and that the facility changed its contract with the labor agency to prevent workers from paying in the future.
- At another supplier site, AMD is using the RBA Advisory Services and collaborating with another RBA member to support a fee investigation. RBA Advisory Services conducted interviews with affected workers and factory management to determine the actual cost of recruitment and on-going fees. The fee reimbursement process is continuing into 2024 and will be closed upon completion of a third-party audit.

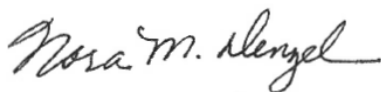
In regions identified as having a higher risk of forced labor, between 2022 and 2023, the number of non-conformances in the RBA Code category "Prohibition of Forced Labor (labeled "Freely Chosen Employment" in RBA Code 7.0) fell from 49 to 14 percent of the total non-conformances. At the same time the number of audits increased by 20 percent. AMD is noticing new regions are emerging as higher-risk and fee types are changing. Workers tend to pay fewer or zero recruitment fees in their home countries, but instead are paying smaller, monthly fees throughout their employment.

- In 2023, 367 migrant workers in Malaysia were reimbursed for fees prohibited in the RBA Definition of Fees totaling ~\$14,000.
- In 2023, 3,965 workers were given the opportunity to take an anonymous survey at facilities in China, Taiwan and Malaysia.

In 2023, AMD did not take measures to remediate the loss of income to vulnerable families that potentially could have resulted from measures taken to eliminate the use of child labor in our supply chain as there were no reported instances to the company. AMD continues to take steps to improve its approach to supplier engagement for conformance with the Code.

Approval and Signature

This statement was approved by the Nominating and Corporate Governance Committee on behalf of the board of directors of Advanced Micro Devices, Inc. and its subsidiaries, including but not limited to Advanced Micro Devices (U.K.), and ATI Technologies ULC. This statement was signed on behalf of the board of directors of Advanced Micro Devices, Inc. and its subsidiaries by:



Nora M. Denzel

Lead Independent Director

May 30, 2024