



California Transparency in Supply Chains Act Disclosure Statement

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (“Act”) went into effect. The Act requires companies to disclose their efforts to eradicate slavery and human trafficking within their supply chains. Diodes Incorporated and its subsidiaries (collectively, the “Company”) have a long standing commitment to maintain a culture of compliance with applicable laws, rules and regulations, and high standards of ethics and business conduct with respect to slavery, human trafficking, and forced, involuntary, or child labor. The Company also expects our suppliers to conduct their businesses in a lawful and ethical manner, upholding high standards of integrity and ethics.

1. **RBA Code of Conduct:** The Company subscribes to the Code of Conduct published by the Responsible Business Alliance (formerly the Electronic Industry Citizenship Coalition) (“**RBA Code of Conduct**”) and expects our suppliers to recognize the RBA Code of Conduct and operate their business in a manner consistent with its requirements. The RBA Code of Conduct prescribes standards intended to eradicate slavery and human trafficking in the electronics supply chain. The RBA Code of Conduct also promotes best practices in areas affecting labor and human rights, including freely-chosen employment, young workers, working hours, wages and benefits, humane treatment, non-discrimination, and freedom of association.
2. **Evaluation and Verification of Supply Chain.** We are committed to sourcing materials from suppliers who operate their supply chains in a socially-responsible manner. In particular, we condemn the use of slavery, human trafficking, and forced, involuntary, or child labor. We will not knowingly do business with suppliers that support, condone, or are otherwise involved with slavery, human trafficking, or forced, involuntary, or child labor issues. The Company informally monitors our direct supply chain to evaluate and address the risks relating to slavery, human trafficking, and forced, involuntary, or child labor issues. This evaluation effort is generally conducted by our own sourcing experts and not by a third party.
3. **Supplier Audits and Accountability.**
 - Those doing business with the Company are required to comply with the applicable law of the countries in which they do business (including laws against slavery, human trafficking, and forced, involuntary, or child labor). We expect our suppliers to subscribe to the RBA Code of Conduct and implement the requirements contained in the Company’s Code of Supplier Conduct. (“**Company’s Code of Supplier Conduct**”) and related policies. The Company’s Code of Supplier Conduct outlines the Company’s commitment to promote ethical and lawful conduct in the workplace as well as social and environmental responsibility.

- The Company maintains the right to inspect suppliers to monitor their compliance with the applicable laws and adherence to the Company's Code of Supplier Conduct and various policies applicable to our suppliers. In general, we do not anticipate that we will audit supplier compliance using independent third parties or unannounced inspections.
 - We reserve the right to terminate our business relationship with any supplier who fails to comply with applicable laws relating to slavery, human trafficking, and forced, involuntary, or child labor; the Company's Supplier Code of Conduct and related policies; or who fails to cooperate in any inspection of its facilities, pending to the opportunity to remedy the situation where appropriate. In the event that an inspection reveals a supplier's non-compliance, we will address these issues on a case-by-case basis, consistent with our commitment to source our products in a socially responsible manner. Where appropriate, we may provide the non-compliant suppliers an opportunity to take corrective actions to resolve the non-compliance. If the non-compliance is not corrected in a satisfactory time frame, we will cease our business dealings with them.
4. **Supplier Certification.** We expect our direct suppliers to comply with the applicable law of the countries in which they do business (including laws against slavery, human trafficking, and forced, involuntary, or child labor). We generally reserve the right to require our direct suppliers to periodically acknowledge in writing their compliance with applicable laws and regulations, including those relating to slavery, human trafficking, and forced, involuntary, or child labor.
5. **Training.** We require our employees to undergo training on the Company's Code of Business Conduct. ("**Code of Business Conduct**"). Employees must certify that they have read, understand and will comply with this Code of Business Conduct. The Company is dedicated to mitigating the risk of human rights abuse within the product supply chain. As part of our commitment to continuous improvement, we may implement additional measures in the future to mitigate the risk of slavery, human trafficking, and forced, involuntary, or child labor throughout its supply chain, including training the Company's personnel with direct responsibility for supply chain integrity and management on our policies regarding slavery, human trafficking, and forced, involuntary, or child labor.