

Supply Chain Management at Coherent

Coherent is committed to sourcing materials from suppliers that share our values around human rights, ethics, and environmental responsibility. From the sourcing of raw materials to suppliers' treatment of their employees and their efforts to reduce their environmental footprint, the scope of our global supply chain presents an opportunity to drive significant positive change while managing risks.

Governance and Accountability

As outlined in our [Sustainability Policy](#), our Chief Supply Chain Officer has overall accountability for how we manage our global supply chain. Within each site and business segment, our procurement professionals are responsible for supplier outreach, management, and selection decisions.

Our Approach

As a member of the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to responsible business conduct in global supply chains, we have adopted the [RBA Code of Conduct](#) as our Supplier Code of Conduct. The RBA Code includes provisions on responsible management of labor, health and safety, environment, ethics, and management systems. As a condition of doing business with Coherent, we require our suppliers to comply with these standards and all other regional, national, and local laws and regulations that apply. We also seek to ensure that the products and materials we purchase meet all necessary product-related requirements, such as RoHS and REACH. If a supplier does not comply with our expectations, including the RBA Code, Coherent reserves the right to terminate the business relationship.

Workers within Coherent and our supply chain can raise concerns or suspected violations of the RBA Code and other supplier requirements through the Coherent [Compliance Hotline](#), which is available 24/7.

NEW SUPPLIER SELECTION AND QUALIFICATION PROCESSES



Measuring Supplier Performance

After a supplier joins Coherent's network, in addition to price, quality, delivery, and technical performance, we assess it based on sustainability criteria aligned with the RBA Code of Conduct. Its performance in these areas feeds into an overall supplier score, which informs our supply chain decisions.

SUPPLIER PERFORMANCE METRICS

RESPONSIVENESS 10%

Quick response to Coherent requests:

- RFQ and PO
- RTV and failure analysis
- Contractual
- PPAP, DFM, etc.

QUALITY 25%

- Pursuing excellence in quality performance
- Incoming performance, LAR/DPPM
- Zero critical defects

TECHNOLOGY 10%

- Aligned Technology Roadmap
- Capability to support cutting-edge production
- Performance of NPI support

DELIVERY 20%

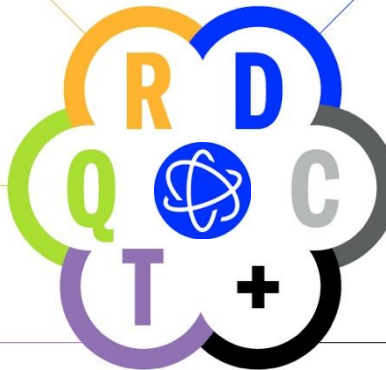
- On time delivery (OTD)
- Flexibility to order pull-in and pull-out
- Support VMI safety buffer
- Support shorter lead time

COST 25%

- Competitive pricing
- Continual cost reduction

SUSTAINABILITY AND CYBERSECURITY 10%

- Support Coherent's supplier sustainability programs: RBA, responsible minerals, GHG emissions reduction
- Positive response, risk mitigation, and improvements
- Cybersecurity and data privacy protection



TORDC+: Technology, Quality, Responsiveness, Delivery, Cost, and other supplier performance metrics, including sustainability and cybersecurity; RFQ: Request for Quotation; PO: Purchase Order.

RTV: Return to Vendor; PPAP: Production Part Approval Process; DFM: Design for Manufacturing; LAR: Lot Acceptance Rate; DPPM: Defective Parts per Million.

NPI: New Product Introduction; VMI: Vendor-Managed Inventory; RBA: Responsible Business Alliance; GHG: Greenhouse Gas.

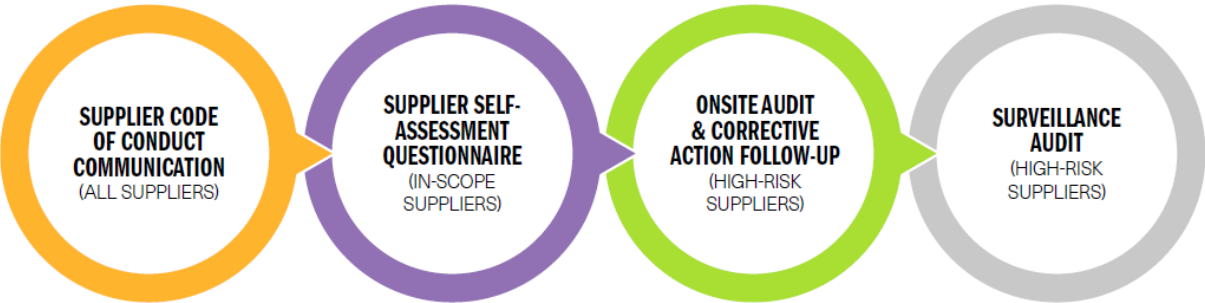
Monitoring Supplier Compliance

Guided by the RBA platform, we have identified a set of suppliers falling within the scope for enhanced due diligence, which we ask to complete a supplier self-assessment questionnaire (SAQ). We use RBA's online tools to manage supplier risk assessments and SAQs. The tools include assessments of supplier risks related to, among other areas, labor, health and safety, environment, and ethics.

Suppliers classified as high-risk must undergo audits conducted either by Coherent teams or accredited third-party firms to verify alignment with our standards and the RBA Code of Conduct. Following the initial audit, suppliers are re-assessed and reclassified by risk level. High-risk suppliers are audited annually, while medium-risk suppliers undergo audits every two years.

When compliance issues are identified, suppliers are required to submit a corrective action plan and address findings within a set timeframe. For serious violations, failure to act swiftly can result in penalties such as loss of preferred supplier status, a ban on new product introduction, or a complete halt in procurement activities.

RBA COMPLIANCE MONITORING PROCESS



Supplier Support and Recognition

Our supplier engagement activities show that many of our supply partners are relatively early in their sustainability journeys. To support their progress, we offer clear and consistent communication of our expectations, practical timelines for improvement, access to training and resources, and meaningful incentives to encourage advancement.

Each year, we recognize top-performing partners through our Supplier of the Year awards. Categories span a wide range, from best quality, delivery performance, and NPI support to excellence in sustainability, supplier diversity, EHS, and other key business metrics. All suppliers must meet or exceed minimum sustainability criteria to be eligible for recognition, reinforcing our commitment to responsible sourcing across our supply chain.

Learn More

- [Anti-Forced Labor and UFLPA Compliance Statement](#)
- [Conflict Minerals Disclosure on Form SD](#)
- [Compliance Requirements for MCX Materials Statement](#)
- [Human Rights and Labor Policy](#)
- [Modern Slavery and Human Trafficking Statement](#)
- [Responsible Minerals Statement](#)
- [Supplier Code of Conduct](#)
- [Supplier Diversity Program](#)
- [Supplier Environmental Compliance Requirements](#)
- [Supplier Quality Manual](#)

Revision History

Revision	Date	Description of Change	Requested By
Original	Dec 17, 2025		