

Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas

Cray Inc. and its subsidiary companies (collectively “Cray”) recognize that risks of significant adverse impacts may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and that practices of Cray or its suppliers may adversely impact human rights or contribute to conflict. Cray therefore commits to adopt, widely disseminate and, subject to each supplier’s position in the supply chain and Cray’s relative leverage with respect to each supplier, incorporate in contracts and/or agreements with suppliers the following policy on transparency and responsible sourcing of minerals from conflict-affected and high-risk areas. Cray further commits not to knowingly contribute to the financing of conflict in conflict-affected and high-risk areas, and to take commercially reasonable steps to be aware of the potential of any such contribution where it can be traced directly from Cray’s own purchases. Cray will make this policy publicly available on its website.

Regarding serious abuses associated with the extraction, transport or trade of minerals:

1. Cray will take reasonable steps to determine if the sources of minerals used in Cray’s manufactured products are sourced from conflict-affected and high-risk areas. Further, Cray will seek contractual obligations, by means of reference to this policy, from its suppliers that prohibit such suppliers from, in connection with Cray’s procurements, allowing, profiting from, contributing to, assisting with, or facilitating the commission by any party of:
 - i)* any forms of torture, cruel, inhuman and degrading treatment;
 - ii)* any forms of forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily;
 - iii)* the worst forms of child labor, as described by the International Labor Organization Convention No. 182 (Worst Forms of Child Labour Convention, 1999);
 - iv)* other gross human rights violations and abuses such as widespread sexual violence; or
 - v)* war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Regarding risk management of serious abuses:

2. If Cray determines that any upstream supplier carries a reasonable risk of knowingly sourcing minerals from, or is linked to, any party committing serious abuses as defined in Section 1, Cray will seek to enforce the contractual obligations described in Section 1 by means of a reasonable series of escalations. Such escalations may range from prompt engagement with the supplier to confirm the sourcing issue, to requiring such supplier to implement a risk management plan (which plan may involve, as appropriate, remedial action up to and including disengagement with upstream suppliers), to disengagement by Cray with the applicable supplier.

Regarding direct or indirect support to non-state armed groups:

3. Subject to each supplier’s position in the supply chain and Cray’s relative leverage with respect to each supplier, Cray will seek contractual obligations, by way of reference to this

policy, from its suppliers that prohibit such suppliers from, in connection with Cray's procurements, contributing any funds obtained from Cray to be used for any known direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals. "Direct or indirect support" to non-state armed groups through the extraction, transport, trade, handling or export of minerals includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:

- i)* illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or
- ii)* illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
- iii)* illegally tax or extort intermediaries, export companies or international traders.

Regarding risk management of direct or indirect support to non-state armed groups:

4. If Cray determines that any upstream supplier carries a reasonable risk of knowingly providing direct or indirect support to non-state armed groups as defined in Section 3, subject to each supplier's position in the supply chain and Cray's relative leverage with respect to each supplier, Cray will seek to enforce its contractual terms described in Section 3 by means of a reasonable series of escalations. Such escalations may range from prompt engagement with the supplier to confirm the sourcing issue, to requiring such supplier to implement a risk management plan (which plan may involve, as appropriate, remedial action up to and including disengagement with upstream suppliers), to disengagement by Cray with the applicable supplier.

Regarding public or private security forces:

5. Cray shall not knowingly provide direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.
6. Cray shall require, by means of reference to this policy, its upstream suppliers to, directly or indirectly, ensure that the role of public or private security forces at mine sites and/or surrounding areas and/or along transportation routes from which such suppliers knowingly source minerals and/or which are used to transfer such minerals, as applicable, is to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.
7. Cray shall require, by means of reference to this policy, its upstream suppliers and their upstream suppliers who contract public or private security forces to require that such security forces will be engaged in accordance with the Voluntary Principles on Security and Human Rights, including requirements to support or take steps to adopt screening policies to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses will not be hired.
8. Subject to each supplier's position in the supply chain and Cray's relative leverage with respect to each supplier, Cray shall require, by means of reference to this policy, its upstream suppliers to, directly or indirectly, reasonably engage with central or local authorities, international organizations and civil society organizations to contribute to

workable solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.

9. Subject to each supplier's position in the supply chain and Cray's relative leverage with respect to each supplier, Cray shall require, by means of reference to this policy, its upstream suppliers to, directly or indirectly, engage with local authorities, international organizations and civil society organizations to avoid or minimize the exposure of vulnerable groups, in particular, artisanal miners where minerals in the supply chain are extracted through artisanal or small-scale mining, to adverse impacts associated with the presence of security forces, public or private, on mine sites.

Regarding risk management of public or private security forces:

10. In accordance with the specific position of the company in the supply chain, Cray will immediately devise, adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in Section 5, where we identify that such a reasonable risk exists. In such cases, Cray will seek to enforce its contractual terms described in Section 5 by means of a reasonable series of escalations. Such escalations may range from prompt engagement with the supplier to confirm the sourcing issue, to requiring such supplier to implement a risk management plan (which plan may involve, as appropriate, remedial action up to and including disengagement with upstream suppliers), to disengagement by Cray with the applicable supplier. Where Cray identifies a reasonable risk of activities inconsistent with this Policy, Cray will respond in the same vein.

Regarding bribery and fraudulent misrepresentation of the origin of minerals:

11. In compliance with existing Cray policy prohibiting Cray employees from engaging in acts of bribery related to Cray business practices, Cray will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export.

Regarding money laundering:

12. Cray supports efforts to contribute to the effective elimination of money laundering where there is a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

Regarding the payment of taxes, fees and royalties due to governments:

13. Cray shall pay, to the extent owed by Cray, any directly-payable taxes, fees, and royalties related to mineral extraction, trade and export from conflict-affected and high-risk areas solely to the proper government agencies, and shall properly account for such payments on Cray's own bookkeeping records.