

u-blox' Communication on Progress.

With the participation in the Global Compact, u-blox commits to report and publish its progress within these areas once a year.

Principle

HUMAN RIGHTS

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2:

Businesses must make sure the they are not complicit in human rights abuses.

Commitment Implementation & Performance

u-blox joined UN Global Compact in January 2012.

In 2012, we developed and implemented a Code of Conduct in multiple languages. The Code of Conduct both describes and represents our commitment to responsible business. Under the terms of the Code of Conduct, our employees undertake to work with integrity and in accordance with both local law and our own standards of ethical behavior. The Code was made available to all employees through presentations and trainings, real-case scenarios, information material, etc.

All new employees are expected to acknowledge and adhere to the Code of Conduct when they join the company and all u-blox' business leaders are required to certify annually through a letter that their departments are aware of and in compliance with the Code of Conduct.

In the past year u-blox has not been subject to any investigations, legal cases or incidents involving Human Rights violations. In 2013 we aim to:

- Secure that the Code of Conduct is communicated to all new employees worldwide.
- Implement a system to monitor the effectiveness of human rights policies in the context of our regular employee survey.
- With respect to human-rights violations, the greatest risk for u-blox lies with suppliers. A Sustainable Supplier Program will be introduced in 2013 to ensure that suppliers act in accordance with u-blox' Code of Conduct and internal and external guidelines such as internationally recognized standards concerning human rights and the ILO core labor standards.

LABOR STANDARDS

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the rights to collective bargaining.

Principle 4:

The elimination of all forms of forced and compulsory labor.

Principle 5:

The effective abolition of child labor.

Principle 6:

Eliminate discrimination with respect to employment and occupation.

u-blox strives to be a fair and responsible employer that promotes equal opportunities and a positive working environment.

u-blox is committed to human rights and strives to

be an exemplary, reliable and fair business partner

we deal with. u-blox recognizes local, national and

complies with them in full (e.g. the Universal Decla-

and employer at all times with all people whom

international laws, directives and standards, and

ration of Human Rights).

We are committed to respect freedom of association and the right to collective bargaining.

Forced and child labor are categorically rejected at

u-blox strives to ensure that everyone is treated equally with dignity and respect regardless of race, color, religion, political conviction, gender, age, national origin, sexual orientation, marital status or disability.

u-blox respects the right of workers to join associations of their own choice and does not interfere in an employee's decision to associate, or discriminate against the employee or a representative of the employee.

u-blox' Code of Conduct clearly specifies how employees are to behave and how u-blox assumes responsibility as an employer in order to counteract discrimination.

Protection of the principles of equality is anchored in the u-blox Code of Conduct. This includes the prohibition of discrimination against any employee on the basis of gender, religion or ethnical background.

The u-blox Code of Conduct prohibits all forms of forced and compulsory labor within u-blox and among its suppliers.

Fairness and equal opportunity are embedded within our company culture. We provide equal opportunity to all employees on the basis of their skills and suitability for the work to be performed. We have formalized programs in place for fair recruitment, performance review and advancement for all employees.

In 2013 we aim to:

- Implement a system to monitor the effectiveness of human rights policies.
- Conduct our yearly global employee survey which will allow us to continue to integrate our employee's feedback into our operational plans
- Build a Sustainable Supplier Program covering the areas of labor, ethics, health and safety and environmental issues.

ENVIRONMENT

Principle 7:

Businesses should support a precautionary approach to environmental challenges.

Principle 8:

Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9:

Businesses should encourage the development and diffusion of environmentally friendly technologies.

u-blox is committed to comply with environmental legislation and is also dedicated to integrate environmental considerations in its development of products and processes. The u-blox Code of Conduct promotes our shared commitment to reducing the environmental impact of our activities and promoting the sustainability of natural resources.

u-blox strives to conduct its business in an environmentally sustainable manner and we continue to mitigate our environmental footprint. We operate an environmental management system to verify and guarantee environmental compliance for all parts and components of finished products. All our contract manufacturers are ISO 14001 certified.

In 2013, we will continue to monitor the materials that go into our products in order to make them as environmentally sustainable as possible. Through our strict adherence to the EU's Reduction of Hazardous Materials (RoHS) initiative, additional restrictions according to the China RoHS standard, as well as vendor-initiated requirements such Sony's Green partner program, u-blox strives to minimize or even eliminate the use of materials that are hazardous to the environment.

ANTI-CORRUPTION

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

We do not accept corruption in any form, whether direct or indirect, and we work proactively to prevent it. We clearly refrain from all kinds of corruption in our own activities and strongly encourage our suppliers to follow the same principles.

The u-blox Code of Conduct provides a global set of principles for correct behavior.

In 2012, u-blox introduced a comprehensive anti-bribery policy. The guideline was made available to all employees through presentation and trainings, real-case scenarios and information material. Depending on their role and geographical location, certain employees are assigned more in-depth ethics and compliance training.

u-blox has not been involved in any legal cases, rulings or other events related to corruption and bribery.

In 2013 we aim to:

- Secure that the anti-bribery guideline is communicated to all new employees worldwide.
- Implement a system where employees can report on violations or ask questions concerning ethical dilemmas such as bribery.