

Sustainability



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As a global leader in wireless communication and positioning, our products and services are used by billions of people every day. And with this great power comes great responsibility, which is why we are always looking for ways to ensure that every part of our operations is run as sustainably as possible.

We take great care to maintain a sustainable business model that looks after the interests of our customers, shareholders, the environment, and the communities we operate in. Underpinning this aim are our five pillars of corporate social responsibility.

Business ethics

Adhering to strict ethical standards

As a participant of the UN Global Compact, we've committed to respecting and upholding high standards around human rights, labor, the environment, and anti-corruption. It also means we actively support projects aiming to benefit society.

Our global Code of Conduct

As a global business, with employees from every corner of the planet, we need a universal set of values, behaviors and ethical standards that we can all buy into. These form the foundations for how we work every day, and are set out in our Code of Conduct.

This document is available to our workforce in seven languages, and is complemented by a variety of supporting material. The Code of Conduct is aligned to the guidelines in the UN Global Compact and sets out the standards we expect from our employees, suppliers, and any other individual or organization acting on behalf of u-blox.

Everyone at u-blox must complete an annual Code of Conduct e-learning course to ensure its principles – particularly around anti-bribery – remain in the forefronts of our minds.

Combating bribery and corruption

Bribery and corruption have no place in business or society, and as a responsible global company, we believe we can make a difference by combating both practices if we encounter them.

This is why we have clear and strict rules for our people to follow if they experience attempted corruption or bribery. And we're delighted to say our record in 2018 was unblemished, with u-blox not involved in any legal proceedings or investigations.

Insider trading

Our employees are forbidden from trading u-blox shares or sharing information with others when they have knowledge of specific information that might influence the stock price.

Political affiliations

We have no financial interests in any political party or organization.

Privacy, confidentiality and data protection

Protecting our employees', customers', suppliers' and partners' data is something we take extremely seriously. We spare no effort to ensure we do this, in line with all relevant data protection legislation.

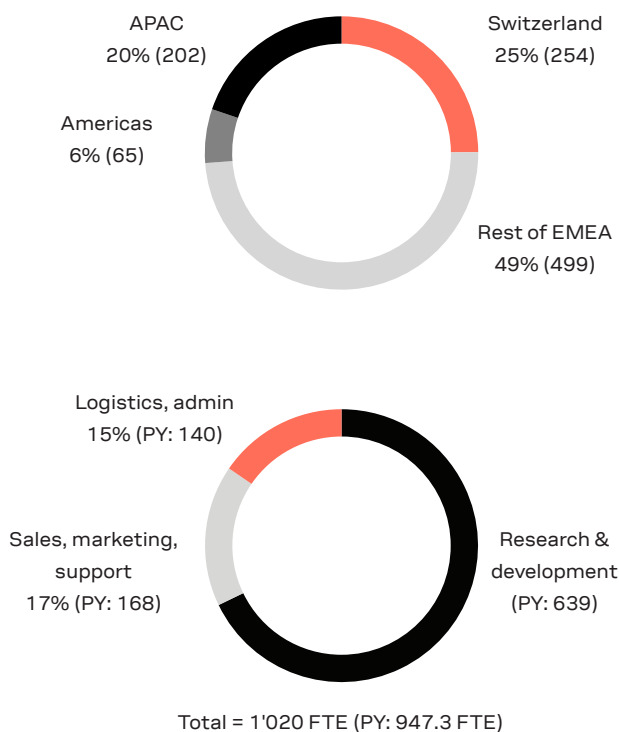
Employees

For us to maintain our position as a leader in our markets, we need to employ the best people and provide them with an environment in which they can develop and thrive. Being an attractive place to work is therefore hugely important, both for employee recruitment and retention: by getting this right, people want to join us, and then stick around to fulfil their potential.

We're encouraged that our reputation as a desirable place to work remains strong, underlined by the fact we regularly appear in Switzerland's top-100-company list. Low staff turnover – 7.77% in 2018 – is another good indicator of employee satisfaction.

Our employee numbers

2018 saw our headcount grow to 1042, of which around 25% are based in our Swiss HQ. The remainder are spread across our 15 R&D centers and 15 sales and marketing offices around the world.



Investing in our people

We place huge emphasis on developing our employees' personal and professional skills, so they can grow to be the best they possibly can. Periodic reviews enable our people to assess their progress against personal development plans, which include salary and promotion guidelines. And our generous pay and ethos of promoting from within provide a constant reminder that we reward hard work and achievement. In 2018, we paid out a total of CHF 78.2 million in salaries and staff benefits – up from CHF 70.5 million in 2017.

Encouraging diversity

Although we have a strictly non-discriminatory recruitment and employment policy, our workforce is largely male. This is primarily because many of our roles require individuals with a background in engineering, which is an area where women are typically under-represented. Not just with respect to gender, also with respect to age, we encourage diversity. 21 of the new hires in 2018 were age 50 or above, 6 of the new hires were even 55 or above.

We're keen to see more women working in technical roles at u-blox, which is why we actively support a variety of initiatives to encourage girls and women to study science and engineering-related subjects at school and university. This increases the diversity of the talent pool from which we recruit.

Ensuring employee wellbeing

Employees are not robots, and as their employer, it's our responsibility to look after their wellbeing. This includes creating an attractive work-life balance. To this end, we offer flexible working arrangements, generous holiday allowances and rights to a sabbatical after five years' service.

We also run a program of wellbeing events for our employees, including yoga sessions and running clubs.



Social commitment

As a global citizen, u-blox feels a strong moral duty to give back to communities around the world. To ensure our efforts have maximum impact, we provide this support in a number of ways, from backing causes that are important to individual employees, to larger corporate-level funding programs. We offer funds, products, and time.

Corporate initiatives

As a business, we provide funding for selected larger-scale initiatives around the world.

Throughout 2018, we've continued to support the running of Mettoh school in rural Ghana, working in collaboration with the Savannah Education Trust to provide essential teaching and meals to local children. The school currently has 290 pupils.

Elsewhere, in Madagascar, we've been supporting the ADES initiative to combat climate change since 2011. ADES is seeking to protect the environment by raising awareness of the dangers of deforestation and the health risks

of smoke inhalation caused by using traditional wood-fired cooking stoves. By offering families the opportunity to buy solar-powered or energy-efficient stoves, ADES aims to reduce deforestation, cut CO² emissions and help communities live healthier lives. During 2018, we provided funding that enabled an ADES team to travel through the country for three months to work directly with local communities. In this time, the team visited several towns and villages and spoke to more than 9700 people.

Employee giving

It's important for us to back causes that are close to our employees' hearts. That's why, for every hour of their own time that an employee spends volunteering for non-profit organizations, we'll pay that organization CHF 10, for a minimum of 10 hours and a maximum of 40.

Interview with Chiara Annunziata, u-blox employee Italy

We spoke to Chiara Annunziata from our Italy team, who has spent time volunteering for ADMO, the organization Donatori Midollo Osseo (Italian bone marrow donation association).



The uGive initiative gives employees the opportunity to volunteer their time to charitable organizations.

Why do you volunteer and why did you choose ADMO?

Chiara Annunziata - Put simply, I want to make a difference to people. Bone marrow transplants can literally save lives, but they rely on being able to find a matching donor on one of the registers. So the more awareness we can create about the life-changing impact of being a donor, the more people we can get signed up, and the more likely that doctors can find matches for their patients. That's why I volunteer for ADMO.

What has the volunteering work involved?

C.A - The main area I've been involved in is raising awareness among young people, so most of the work has been in places where they spend their time. This includes everywhere from schools to sports clubs and dance groups. We've also run city-center events to talk to shoppers and other visitors.

How often do you volunteer?

C.A - It really depends on what events ADMO is running. During the winter, there are sessions in schools almost every week. I usually try to join at least two per month.

Charity name: ADMO

ADMO's aim is to spread the word in Italy about bone marrow donations and encourage people to sign up to the Italian Bone Marrow Donor Registry, the IBMDR. You can discover more about the ADMO at www.admofvg.com and the IBMDR at <https://ibmdr.galliera.it/ibmdr/english-version>

Supporting the next generation of engineers

It's no overstatement to say that engineers will play a vital role in shaping the future of humanity. That's why we support a variety of causes that encourage the next generation to pursue education and careers in this area.

We provide funding to organizations such as Engineers Shape our Future (IngCH), Jugend forscht, and Electronics4you, which run workshops, demonstrations, and other programs to stimulate interest in technology among young people.

Our products make a difference

Giving money to good causes is an important part of our social commitment. But we have another powerful means of helping out: our products themselves. These give us an opportunity to support causes in ways few other corporations can.

For example, we donated 500 4G modules to No Isolation. This healthcare startup has created a robotic avatar that enables children with long-term illnesses who cannot leave their homes or hospitals, to be part of school lessons, parties, or other activities. Our products enable the avatar to transmit audio and video in real time, enabling children to see and talk to their friends, and hence feel less isolated.

Supply chain

No business operates in isolation: for u-blox to be a genuinely sustainable company, we must ensure our supply chain partners hold similar values and uphold comparable standards to us.

That's why, since 2012, we've run our Sustainable Supplier Program. This has three key objectives:

- Ensure safe working conditions at every stage of the supplier's production process
- Ensure workers are treated with respect and consideration in every aspect of their jobs
- Minimize the supplier's environmental impact

The Sustainable Supplier Program is based on the RBA (formerly EICC) Code of Conduct. This was set out by a number of leading electronics companies who wanted to improve the global supply chain.

We periodically audit our supply chain, including inspections of our suppliers' factories, to ensure all our partners are maintaining the high standards we demand.

Environment

As a citizen of the world, it's our duty to protect our planet for current and future generations. This belief is why we're continually seeking ways to further reduce our own environmental impact and that of our suppliers. The amount of time, effort, and funding we commit to this work underlines how serious we are about environmental sustainability.

Materials and production

We're a fabless semiconductor company, meaning we work with selected partners to manufacture our products. We demand the same high environmental standards of them as we do of ourselves, even though this can be complex and time-consuming.

We forbid the use of conflict materials in our products, and our suppliers put in a lot of effort to ensure they source gold, tin, tungsten, and tantalum from legitimate sources.

We carefully monitor potentially dangerous materials throughout our production cycles, and require our suppliers to do the same.

Reducing greenhouse gas emissions

Right across our operations, we're actively trying to reduce our greenhouse gas footprint. We

reimburse employees who use public transport to get to work at our HQ. We've invested in modern video conferencing facilities, which have reduced the need for employees to travel round the world.

And as a fabless manufacturer that works with producers that are ISO 14001-certified and run their own CO²-reduction programs, we lower our own greenhouse gas footprint further.

Perhaps most significantly of all, though, is the way our products help cut greenhouse gas emissions across a huge variety of use cases. GNSS positioning chips enable drivers to navigate the quickest or shortest route to their destination, or avoid adding to environmentally damaging traffic jams. Elsewhere, communication chips in smart meters mean utility companies needn't send polluting vans around neighborhoods to read meters.

These examples show the impact our technology is already having – and with the Internet of Things set to transform many more parts of our lives, we'll see even more environmental benefits appearing over the coming years.