



CODE OF ETHICS AND CONDUCT IN BUSINESS



United Monolithic
Semiconductors

CODE OF ETHICS AND CONDUCT IN BUSINESS

This code of ethics and conduct in business (“Code”) applies to all United Monolithic Semiconductors (“UMS”) employees regardless of their job title, responsibilities, seniority, or location, within every subsidiary where we have control.

Additionally, UMS promotes the adoption of strong ethical standards by our other stakeholders, including customers, suppliers, partners, and contractors. We have published this Code in order to make it easily accessible to our employees, whom we encourage to adopt similar standards.

X. Crosnier
CEO & President UMS Holding SAS

J.Jeanrot
President UMS SAS

G. Pahl
Managing Director UMS GmbH

P. Labasse
CEO UMS USA Inc.



MESSAGE FROM THE CEO

“Our reputation and future business success depends on conducting our business with absolute integrity, ethically and in compliance with the applicable laws and regulations.

This Code sets forth the behaviours expected from each one of us to meet this goal.

I count on you all, to fully deploy this ethics policy. ”

Xavier Crosnier

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OUR PEOPLE

Leadership

UMS managers are expected to lead by example and to show they adhere to this Code at all times.

We recognise that managers are everywhere: transforming the company, pulling the organisation forward, influencing others to pursue collective goals, empowering and coaching teams, and investing energy to drive performance. We rely on managers at every level of the company, to accept responsibility for instilling a culture of integrity within UMS.

DO

- Value, support and develop others, by thinking and acting as an authentic team player, and managing any risk or conflict proactively.
- Be genuine and humble, act with integrity, and respect different points of view.
- Encourage a speak up culture in which employees feel comfortable discussing risks or raising concerns, by taking the necessary time to listen and promote dialogue and feedback.
- Take timely and well-considered decisions in the interest of UMS, and assume personal responsibility and accountability for working in accordance with this Code.

DO

- Take responsibility for your health and safety and that of others.
- Identify and mitigate health and safety risks before you start work.
- Speak up when safety, health at work is compromised in any way using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Aspire to zero work-related injuries or instances of ill-health.

DON'T

- Compromise on health and safety.
- Ignore health and safety rules and procedures.
- Ignore when others work unsafely.
- Forget to report any accidents to your line manager or your health and safety responsible or your human resources manager.

DON'T

- Rush when making complicated decisions.
- Deny accountability or hide behind hierarchy when communicating difficult messages.
- Spread rumours, denigrate, or undermine the work of team members or other colleagues.
- Assume you are ever done learning.



Fostering our talent through inclusion & diversity

We recruit, select, and develop our people on merit, irrespective of their race, colour, religion, gender, age, sexual orientation, gender identity, marital status, disability, or any other similar status.

We strive to create an inclusive workplace where differences are embraced and where we leverage our differences to achieve better business outcomes. Regardless of who you are or where you come from, UMS supports your professional development.

DO

- Treat everyone you meet in the course of business with fairness, respect, and dignity.
- Build high-performing, innovative teams by drawing out the collective wisdom of our diverse workforce.
- Speak up if you witness or are aware of any behaviour that you believe constitutes bullying, harassment, or discrimination using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Challenge inappropriate behaviour and report improper conduct.

DO

- Treat everyone with dignity and respect.
- Ensure that you know how to identify and report all forms of human rights abuse.
- If you think anybody is in danger as you are performing your job, make a report directly to the police and use the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).

DON'T

- Turn a blind eye or be afraid to report anything that you think violates someone's human rights, even if they are working for one of UMS' suppliers, customers and partners.
- Attempt to address an issue yourself outside of the appropriate reporting channels.

DON'T

- Discourage or prevent others from growing professionally, or concentrate only on employees viewed as high potential.
- Engage in any form of harassment, including unwelcome expressions, gestures, comments, or physical contact.
- Ignore evidence of discrimination around you.

Human rights are inherent to everyone whatever their nationality, place of residence, gender, national or ethnic origin, religion, or any other similar status. UMS has a zero tolerance approach to all forms of human rights abuses, including modern slavery and child labour, within our business and supply chain.

DO

- Treat everyone with dignity and respect.
- Ensure that you know how to identify and report all forms of human rights abuse.
- If you think anybody is in danger as you are performing your job, make a report directly to the police and use the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).

DON'T

- Turn a blind eye or be afraid to report anything that you think violates someone's human rights, even if they are working for one of UMS' suppliers, customers and partners.
- Attempt to address an issue yourself outside of the appropriate reporting channels.



OUR ENVIRONMENTAL POLICY

UMS is committed to protecting environment by minimizing the ecological impact of its activities and products, and by developing and promoting environmental culture within the company.

UMS fulfils all applicable environmental requirements regardless of whether they originate from our customers or from legal obligations. We prevent pollution and limit the environmental footprint along our product life cycle from design to manufacturing until delivery by implementing sustainable manufacturing processes allowing reducing waste, consumption of energy, water, chemicals and raw materials.

We therefore promote reusing or recycling materials wherever technically possible and economically reasonable. UMS expects its supply base to embrace, follow, and cascade our environmental sustainability principles by requiring RoHS, REACH and ISO 14001 compliance.

DO

- Follow the local rules that apply to the storage and use of chemicals and to reducing our environmental impact (e.g., energy consumption, segregation of waste, prevention of pollution).
- Report any abnormal situations that could affect the local environment using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Require our supply chain to reduce its own environmental footprint and to comply with environmental regulations as well as with UMS' supplier requirements.

DON'T

- Mix different types of wastes when separate waste collection is available.
- Accept environmental practices in our supply chain that we would not accept in UMS operations.

OUR BUSINESS INTEGRITY

This Code provides a brief and simple description of the key issues around the prevention of corruption and influence peddling, and a set of recommendations to be followed in the various situations that employees may encounter.

Working with third parties

The nature of our work requires us to interact frequently with third parties. These third parties include customers, suppliers, distributors, resellers, lobbyists, and consultants, and any other person or entity that is not an UMS employee or company.

UMS establishes supplier partnerships based on mutual good faith, behaves with transparency regarding supplier selection processes; fairly treating all companies during the selection process, and ensuring the full protection of confidential information including quoted pricing and conditions. The personal relationship of any UMS employees must not influence the choice of a supplier.

In order to ensure that we only engage with reputable third parties who, like us, have zero tolerance for corruption and influence peddling, we perform robust, risk-based, due diligence prior to such engagement. In addition, we monitor our third parties throughout the life of the business relationship to ensure they operate to the highest standards of quality and integrity and provide UMS with the value they have promised.



DO 

- Properly categorise third parties to ensure they undergo an appropriate level of risk-based due diligence before being engaged.
- Notify the legal staff immediately of any information suggesting that a third party presents ethical risks.
- Ensure third parties work for UMS under a valid, approved contract.
- Monitor the work performed to ensure that the suppliers delivers the goods or services for which it has been contracted in a timely and professional manner.
- Take appropriate action if behaviour by a third party is contrary to the principles in this Code.

DON'T 

- Assume that a well-drafted contractual provision is enough to protect UMS from legal liability.
- Turn a blind eye or fail to report a concern about a third party.
- Attempt to bypass company policies related to third party selection and due diligence.

Prohibited conduct

What is corruption?

Corruption means promising, offering, giving, soliciting, or receiving - directly or indirectly - money or anything of value to or from another person, in order to obtain or retain business or to secure some other improper advantage. Corruption can be active or passive.

Active corruption refers to a person who obtains, or tries to obtain, an improper advantage by offering or giving money or anything of value to a public official or private party.

Passive corruption refers to a private party or public official who takes advantage of his or her position by soliciting or accepting money or anything of value, in exchange for performing (or refraining from performing) his or her duties impartially, or for exerting his or her influence inappropriately.

A public official, includes:

- any person holding a legislative, administrative, military or judicial office (whether elected or appointed);
 - any person who performs a function for a public agency;
 - any person who provides a public service;
 - any person authorised by a public international organisation to act on its behalf, or exercising official duties for such an organisation;
 - the family members and relatives of public officials and/or entities in which they may have interests;
- who, by virtue of their office or duties, could influence a decision to award a business contract by a customer or end-user, or could influence the position adopted by a customer or end-user with respect to the execution of a contract.

What is Influence Peddling?

Influence peddling is when :

- an individual promises or offers, directly or indirectly, remuneration or other benefits to anyone who asserts or confirms that s/he is able to exert an influence over the decisions of any other person (such as a national or international public official) in order to obtain an undue advantage, whether or not their presumed influence is real.
- a person solicits or receives remuneration or other benefits (such as travel, work carried out at a private residence, etc.) in return for allowing his/her real or presumed influence over a decision-maker to be used illegally.

Influence peddling involves three parties:

- the person who offers or agrees to allow their real or presumed influence over a decision-maker to be used illegally;
- the decision-maker;
- the beneficiary of the decision.

DO 

- All UMS employees must refrain from any action that could constitute an act of corruption, of any kind whatsoever, in the public or private sectors, and/or influence peddling
- They must also be able to recognise risky situations, clarify whether requests or proposals could be illegal and take appropriate measures to avoid being involved in acts of corruption or influence peddling
- In addition to undue payments, there are a number of situations in which corruption or influence peddling can occur during activities relating to bids, contracts and agreements of all kinds.

EXAMPLES OF RISKY SITUATIONS :

- Unusual requests, such as:
 - non-standard payment conditions; payments required in cash; requests to make payments to a third party (including an affiliated company, subsidiary or subcontractor of the rightful recipient); requests to make payments to a bank account in a third country (i.e. not the country where the party is based); payments required to an anonymous account;
 - requests for repeated and/or disproportionate hospitality (events, dinners, travel, etc.);
 - specific contractor/intermediary required or recommended by the customer, especially when one or more rival bids have been submitted.
- excessive or unusually high remuneration/ expenses, with no detailed and reasonable explanation/justification;
- use of a third party with links to a public official;
- solicitation by an individual, who offers to illegally use his/her influence, real or presumed, in order to persuade a third party in a public- or private-sector office to act, directly or indirectly, in breach of their duties;
- use of a third party to take any action that is illegal or prohibited by UMS.

DO

- Never put yourself or UMS in a situation such as those described above or any comparable risky situation.
- Refuse any solicitation or offer that could put you or UMS in a risky situation, such as those described above or similar.
- Question any complex and/or unusual situation and/or arrangement that would be hard to justify.
- If in doubt, seek the advice of your line manager, the legal staff, or use the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Immediately inform your line manager or use the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>) if you become aware of any action that could be in breach of UMS's policy on corruption and influence peddling.
- Always act in strict compliance with UMS procedures.

Main risk situations

Certain situations may be considered as an attempted and/or actual act of corruption and/or influence peddling. These situations should be analysed on a case-by-case basis to determine the procedure to follow.

Gifts and hospitality

Gifts and hospitality can take different forms (items given as presents, meals, invitations to events, travel, etc.).

As a general rule, business courtesies and gestures of friendship are common practice in business relationships, but they are only acceptable if they meet transparency and proportionality criteria. They must in all cases be reasonable and must never be aimed at offering or obtaining an undue advantage or influencing a decision.

UMS employees must never offer or receive cash or cash equivalent.

DO

Before offering or accepting a gift, ask yourself a few key questions in order to assess where you stand in relation to transparency and proportionality criteria:

- Are gifts allowed by applicable legislation in the country concerned and are there limits in terms of their value?
- Could the gift influence my decision on whether to select this supplier, or influence a customer's decision if the beneficiary is a customer?
- Could I talk openly to my colleagues about the gift, whether offered or accepted?
- Would this gift be hard to justify if people outside UMS became aware of it?
- Would my line manager agree with me offering/accepting this gift?

Gifts or hospitality, whether offered or accepted, must be recorded in a dedicated UMS'log, in accordance with UMS'policies

UMS employees should seek the advice of their line manager on the correct path to follow.

Facilitation payments

Facilitation payments are small sums paid directly or indirectly to a public official (such as a customs or immigration officer) in return for diligently performing an administrative procedure or facilitating a bureaucratic process (such as expediting an approval or a decision that has been accepted in principle). UMS does not allow facilitation payments.

While some countries exercise a certain tolerance of this practice, such payments are nonetheless considered to be an act of corruption.

DO 

- If you are asked to make a facilitation payment, you should refuse and immediately inform your line manager or a local managing director.
- However, an exception to this prohibition can be made in situations where the payment of a small sum is the only way to ensure the physical safety and security of an employee. Any such payment should be reported as soon as possible to your line manager or a local managing director. Such payments, if made, must be recorded in the company's accounts.

UMS policy on sponsorship and community investment is to support actions in six key areas :

- healthcare;
- education;
- scientific and technological research;
- culture;
- solidarity;
- environment.

Any sponsorship and community investment operations require the prior approval of UMS management, in accordance with the procedures in place.

DO 

- Never offer or agree to conduct community investment or sponsorship actions with the aim of obtaining an undue advantage;
- Always have it validated by a local managing director before any community investment or sponsorship operation is undertaken;
- Before making any community investment or sponsorship commitment, it is important to:
 - ensure that it complies with local legislation;
 - verify the legitimacy of the intended operation;
 - check that there are no links between the beneficiary and decision-makers working for your customers/suppliers that could change the nature of the operation in the eyes of the law;
 - never make or accept any donations or contributions in cash.

Community investment and sponsorship

Community investment (as donations, charitable contributions) is a form of material support for a non-profit organisation or individual working in the public interest.

UMS receives nothing tangible in return for its investment, it acts purely as a responsible corporate citizen.

Community investment is distinct from sponsorship in that different types of actions are supported, and with community investment there is typically no contractually agreed return in the form of publicity.

Sponsorship involves providing material support for an event, person, product or organisation in return for some form of direct benefit (promotion of the sponsor's brand, name or image).

The purpose of sponsorship operations is to promote the image of the sponsor, typically through the visible use of its name or brand.

Conflict of interest

A conflict of interest is a situation in which the personal interest of a UMS employee may influence, or appear to influence, the way in which this employee performs his/her functions.

It may be a private, professional or financial interest of the UMS employee or a member of his/her family or relatives, which could influence the employee's ability to act impartially and objectively in a professional capacity.



- To determine whether you could be in a conflict of interest situation, ask yourself the following questions:
 - Is this situation affecting the way I am performing my functions?
 - Would my loyalty or impartiality be brought into question if my staff, co-workers or anybody outside UMS knew about my personal interests?
 - How would my line manager react if information about my personal interests were widely known?
- Report any potential conflict of interest to your line manager or use the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>) as soon as you are aware of it.

For example: your partner is a senior manager at a company that is responding to a UMS request for proposals, and you are on the bid selection Panel.

You must report this situation to your line manager and to the panel lead, and declare that there is a risk of a conflict of interest. Somebody else can take your place in the selection process.

Lobbying

Lobbying is defined as the provision, in a transparent manner, of useful information that can assist a public decision.

The role of the lobbyist or “interest representative” is to make public officials aware of UMS’s technical expertise and credentials in ways that support the company’s growth and development.

If carried out by a third party, this activity must be subject to the procedures in place governing the use of consultants and must strictly comply with all applicable local legislation.

In particular, lobbying activity in France can only be carried out by an “interest representative” registered with the authority for transparency in public life (HATVP) as stipulated by the Sapin II law. In Germany a national law implemented on 1.1.2022 demanding the registration of any lobbying action and “interest representative” in the lobby register (“Lobbyregistergesetz”) needs to be considered.

Penalties

Failure by an employee to adhere to applicable legislation and this Code is liable to result in a disciplinary sanction, up to and including dismissal for serious or gross professional misconduct, irrespective of any civil and criminal proceedings that may arise from the offence.

Even if an employee believes that s/he is acting in UMS’s interest, this shall under no circumstances be taken as justification, in whole or in part, for any action that contravenes applicable law or this Code.

Acts of corruption and/or influence peddling have serious consequences for the company and for the employees involved. Corruption and/or influence peddling is a criminal offence under local laws, many of which have extraterritorial reach, meaning that an offence committed in one country is punishable in another. This is the case, for example, with the Sapin II law on transparency, anti-corruption and modernisation of the economy in France, the Foreign Corrupt Practices Act in the United States and the Bribery Act in the United Kingdom.

SANCTIONS MAY INCLUDE:

- **For Employees**

Criminal conviction, leading to fines or imprisonment and, where applicable, local internal and/or legal disciplinary measures.

- **For UMS**

Criminal rulings, leading to significant fines, public disclosure obligations, disqualification from public contracts, loss of entitlement to raise funds, and/or long-term damage to corporate image and reputation.

Anti-money laundering and tax evasion

UMS is committed to fully complying with all applicable anti-money laundering (AML) and counterterrorism financing laws, and will only accept funds received from legitimate sources.

In addition, UMS only conducts business with reputable customers involved in legitimate business activities. UMS also rejects doing business in a way that assists or facilitates tax evasion by our suppliers, customers, or other third parties.

DO

- Ensure AML and Know Your Customer (KYC) due diligence is performed on all potential new customers.
- Confirm the customer actually exists and that its funds are derived from legitimate business activities.
- Pay particular attention to customers that are controlled by public officials or politically exposed persons (PEPs).
- Be alert to red flags regarding tax evasion, including the location of bank accounts to which we make payments.

DON'T

- Open or maintain a customer relationship without prior AML clearance.
- Accept customer payments from entities other than the customer's own accounts.
- Work with a customer whose ownership cannot be established.
- Enter into agreements where the financial elements or systems are opaque or insufficiently documented
- Agree to issue refunds to any third party to a bank account that is not the bank account from which the original payment was made.

Export Control

Governments establish export control laws and impose sanctions and embargoes in pursuit of a number of interests, including national security and preventing arms proliferation. It is fundamental that UMS be a reliable exporter, as any violation of these laws may have serious consequences, including business disruption and fines. As a result, before working or transacting with any third party or engaging in any export, re-export, or transfer of controlled items, we must ensure compliance with export control laws within the relevant jurisdictions.

DO

- Contact the persons in charge of the Export Control for guidance if you are dealing with exports, re-exports or transfer of controlled items (including goods, services, software and technology).
- Contact the persons in charge of the Export Control as early as possible about new projects to avoid delivery show-stoppers.
- Comply with international and national sanctions and embargoes and contact the persons in charge of the Export Control when you are considering new projects that are in or involve entities from sensitive jurisdictions.
- Classify your products (hardware, blueprints, drawings, etc.) to ease licensing determination and applications.
- Segregate products covered by export control regulations.

DON'T

- Forget to factor in additional time to obtain an export control license in the overall project timeline.
- Assume that only military sales are subject to export control restrictions and/or sanctions.
- Assume that all information provided by vendors is accurate without verifying key information.

OUR ASSETS AND DATA

Protecting our assets

We each have a duty to protect UMS' assets, including physical property, confidential information, and intellectual property against theft, damage, misuse, and improper disposal. We also have a duty to protect assets entrusted to us by third parties with whom we work. Where UMS employees are granted access to sensitive information, any exchange or transmission must comply strictly with the required security processes and clearances. Employees should immediately report any actual or suspected incident or misuse of business assets to UMS' management.

DO

- Protect all UMS assets, including documents, confidential information, intellectual property, and physical assets (materials, office equipment, computers, etc.).
- Seek advice from the legal staff regarding any transactions involving UMS intellectual property.

DON'T

- Grant access to IT tools to individuals who do not have the proper authorisation to access those tools.
- Use, modify, or disclose the proprietary information of third parties without authorisation.
- Bypass existing physical access control at UMS sites.

Maintaining accurate records

Beyond being paramount to ensuring our competitiveness in the market, our regulators require us to maintain accurate records. If we do not, we face severe penalties and risk adversely affecting our shareholders and our employees. For that reason, we must all ensure that the business information we create is accurate, timely, complete, fair, and understandable.

DO

- Follow UMS' internal control procedures in maintaining our financial records using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Maintain and destroy documents in accordance with UMS' records retention schedules and procedures.
- Consult your line manager or the legal staff with questions as to how long you should retain a document or how to destroy it properly.
- Speak up if you have concerns about any business records.

DON'T

- Create or participate in creating records that attempt to mislead anyone or conceal any improper activity.
- Make false or misleading entries, or allow or facilitate improper or insufficient disclosures.
- Turn a blind eye to business records that raise red flags.



Data privacy and digital ethics

UMS is committed to protecting the privacy of individuals and to complying with applicable personal data protection laws and in particular with the European Union's General Data Protection Regulation (GDPR). In addition, digital technologies are becoming increasingly important in our company and our professional lives. While leveraging new digital technologies to enhance our business performance and customer satisfaction, we also commit that our employees will benefit from this development.

Faithful to UMS values, we are determined to conducting the digitalisation in a human and ethical manner that balances humanity and technology.

DO

- Collect personal data only to the extent it is strictly necessary to fulfil a lawful or legitimate purpose.
- Seek advice from the legal and IT team before transferring personal data outside the European Union.
- Immediately report any personal data breach using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).
- Use digital technologies in the service of the human being to enrich our customer experience as well as to develop the competencies and skills of our teams and every individual.

SPEAK UP WITH CONFIDENCE !

UMS is committed to maintaining a speak up culture by promoting an open and trusting dialogue with employees at all levels. All employees are encouraged to express their views, defend their opinions and point out unacceptable behaviour, especially behaviour that violates this Code. Employees can raise concerns to their line manager, their human resources, or the Alert Monitoring Committee using the UMS Alert Line Platform (<https://ums-rf.integrityline.app/>).

The UMS Alert Line Platform is a channel through which employees and other stakeholders may submit an alert securely and confidentially. Alerts could relate to our Code, policies and standards, or to compliance with applicable laws or regulations. The Alert Monitoring Committee members are the CEO, President of UMS GmbH, President of UMS SAS and the Compliance Officer.

UMS protects people who speak out and raise alarms appropriately and in good faith, and there will be no consequences against those who raise concerns or those who participate in the investigation of suspected violations.

DON'T

- Assume that personal data collected for one purpose can be used for other purposes.
- Collect sensitive data (e.g., health data) if not required by law or agreed to by the data subject.



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