

# INTERSIL CORPORATION

## CODE OF CORPORATE CONDUCT

SEPTEMBER 2008



## **PREFACE**

This Code of Corporate Conduct is provided to help you understand Intersil Corporation's principles and standards of ethical business practice. This Code applies to all Intersil employees, the Board of Directors, as well as consultants, contractors, and others temporarily assigned to provide services to Intersil.

Intersil conducts its worldwide operations consistent with the highest business, legal and ethical principles and considerations. Compliance with these principles is vital to maintain Intersil's global reputation as a responsible corporate citizen, and to achieve our goal of being among the best and most respected semiconductor companies in the world. Personal responsibility is at the core of our principles and culture. We expect everyone associated with Intersil to not only know right from wrong, but also to always choose right over wrong. In every business decision we make, we must follow the ethics and compliance principles set forth in this Code. It is also our responsibility to report anything we observe, or know about, that might violate these principles.

No Code could ever anticipate every ethical decision we may face in business. So whenever you are in doubt about any matter that may have ethical implications, you should seek guidance within your individual department or the Legal Department. This Code identifies the channels and procedures that we have established to help answer your questions. This Code is not intended to replace Intersil's Corporate Policies that have been developed for specific topics.

Violation of this Code is a serious matter and could subject you or Intersil Corporation to civil liability or even criminal prosecution. It is important that you read this Code carefully and ask questions about anything you do not understand. Each of us must understand and accept our personal responsibility in preserving and enhancing Intersil's exceptional reputation and take pride in always doing the right thing.

# INTERSIL VALUES

## **We Value – Customers**

- Show passion and excitement in serving our customers, both internal and external.
- Build trusting relationships through effective communications and by meeting our commitments.
- Anticipate and exceed their needs and expectations.
- Provide value from their perspective.

## **We Value – Employees**

- Treat each other fairly and with honesty, dignity, and respect.
- Provide opportunities for employees to share in the Company's success.
- Provide an environment in which employees can excel and grow while maintaining personal balance.
- Differentiate rewards and recognition for employees who consistently demonstrate commitment, execution, and extraordinary effort.
- Provide a safe and healthy work environment.

## **We Value – Candor, Honesty and Integrity**

- Celebrate victories and learn from mistakes.
- Assess our performance using world-class standards.
- Communicate candidly, clearly, and honestly.
- Demonstrate personal accountability for decisions and actions.
- Conduct all business with honesty and integrity.

## **We Value – Innovation**

- Encourage intelligent risk-taking.
- Implement creative solutions in all disciplines that result in business success.
- Attract and retain the talent necessary to drive innovation.
- Evaluate, acquire, and utilize complementary competencies from external sources.
- Achieve and sustain technology and services leadership within our strategic business focus.

## **We Value – Financial Success**

- Provide a competitive return to our shareholders.
- Selectively invest based on growth and profit objectives.
- Continuously improve operating performance to achieve sustainable, competitive financial results.
- Leverage the capabilities of our business partners for the benefit of our shareholders.
- Win next-generation customer designs resulting in aggressive growth.
- Enhance the value of the Intersil brand.

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# **CORPORATE RESPONSIBILITIES**

## **COMMITMENTS TO STAKEHOLDERS**

### **A. EMPLOYEES**

Intersil values the contributions of all its employees and treats each individual with respect. This includes safeguarding the confidentiality of employee records; respecting employee privacy – refraining from unnecessary intrusions; and supporting as far as possible employees' work-related aspirations. As a corporation, Intersil is committed to informing employees quickly and fully on issues affecting them, and listening to their ideas and concerns.

The Company strives to provide work that is satisfying and a work environment that is safe and pleasant. Wherever it operates in the world, the Company offers salaries and benefits that are competitive and fair. The Company provides employees with opportunities for continuing professional development.

In its hiring practices, Intersil will be fair and equitable. Intersil Corporation seeks to create a work force that is a reasonable reflection of the diverse populations of the communities in which it operates. When the realities of the highly competitive global marketplace make it necessary for the Company to downsize or phase out particular areas of business, Intersil will respect the dignity of affected employees and ensure they are treated appropriately.

Intersil is committed to protecting and enhancing the health and safety of its employees.

### **B. SHAREHOLDERS**

Profits are essential to the continued existence of the Company and to the well-being of all who depend on it. The Company seeks to provide value to shareholders, while maintaining financial prudence. Intersil believes that shareholder value is delivered through satisfied and loyal customers, and that customer satisfaction is directly dependent on satisfied and effective employees.

The Company endeavors to act in what it perceives to be the shareholders' best interest, and informs them of major actions or decisions in a timely manner, in accordance with applicable laws.

### **C. CUSTOMERS**

Intersil's customers deserve high-performance analog solutions, including safe, high-quality, and environmentally responsible products. The business focus of all the Company's daily activities is to attain and maintain market leadership through customer satisfaction, superior value, and product excellence. In order to maintain excellence

through continuous improvement, the Company invests substantial resources in research, design, and development of high performance analog products.

The Company maintains high ethical standards in all of its customer relationships, and upholds the Intersil Value: "We conduct all business with honesty and integrity."

#### **D. SUPPLIERS**

Intersil is fair in its choice of suppliers and is honest in all business interactions with them. Purchasing decisions are made on the basis of such criteria as competitive price, quality, quantity, delivery, service, and reputation. The ethical and environmental standards and practices of suppliers also influence purchasing decisions. The objective is to procure those materials and services which will contribute most to the quality of products and the long-term benefit of the Company.

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### **EMPLOYMENT ISSUES**

Intersil endeavors to provide all employees with an environment that is conducive to conducting business and allows individuals to excel, be creative, take initiative, seek new ways to solve problems, and generate opportunities. Each employee has responsibility for creating and sustaining a pleasant, secure, and productive working environment -- an environment in which all employees and contractors are treated fairly and with respect.

We must all strive to communicate our ideas and concerns in an honest and clear manner. We must make sure that our criticisms are both direct and constructive, and we must be willing to accept candid feedback from others in the same spirit. Developing our ability to resolve problems and work effectively as team members is an important and ongoing challenge.

Respect for the differences in backgrounds, experiences, perspectives, and talents that each individual employee brings to the team is a fundamental value. Intersil does not tolerate discrimination, harassment or demeaning behavior against any individual or group. We recognize that there are differences among individuals and groups that go well beyond race and gender, and we are committed to the principle of inclusiveness in its broadest sense. We all must learn to understand individual differences, and see how together they contribute to the creation of more innovative ideas and of better solutions to problems. It is important that we make the effort to discover how our own skills and perspectives can support this process, and to recognize the need for development in our personal areas.

Our responsibilities to other employees also include ensuring that we do our part in maintaining corporate environmental, health and safety standards in our own workplace.

One important component of health and safety standards concerns illegal drugs. Intersil does not tolerate the use, sale, or possession of illegal drugs on Company property.

Intersil believes that its employees are a valuable resource, and is committed to maintaining a workplace atmosphere that will attract and retain employees who will contribute to the Company's success. Consistent with this philosophy is Intersil's policy to recruit, employ, promote, and take other personnel actions without regard to race, color, religion, sex, age, national origin, disability, or membership in any other group protected by federal, state, or local law. The Company does not and will not employ child labor, which is defined as anyone under the age of sixteen. If local laws are more restrictive than Intersil's policy, Intersil will comply with the local law.

Intersil does not condone discrimination, nor does the Company permit retaliation against employees who file or participate in legitimate discrimination complaints filed with applicable investigative agencies. Further, it is Intersil's policy to provide a work environment free from discrimination and harassment, and all employees are expected to comply with this policy. Harassment includes, without limitation, demeaning, insulting, embarrassing or intimidating behavior directed at any employee because of his or her gender, race, ethnicity, sexual orientation, physical or mental disability, age, pregnancy, religion, veteran status, national origin, or other legally protected status.

The Company bans unwelcome sexual advances or physical contact, sexually oriented gestures and statements, and the display of sexually oriented pictures, cartoons, jokes, or other materials. It also prohibits retaliation against any employee who rejects, protests, or complains about sexual harassment.

For additional details, see Intersil Policy PB2-01, Equal Employment Opportunity and No-Harassment.

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## **CONFIDENTIAL INFORMATION**

Information is a key corporate asset. Inadvertent release of business or technical information to third-parties may help our competitors by providing them with the technical solution to an important problem, or by allowing them to avoid costly research and development activities. If competitors gain even a very general sense of what we intend to bring to market, it may give them a head start in countering whatever advantages we might have had with our customers. The receipt of sensitive business or technical information from competitors or other industry players also carries significant risks: our own internal development activities in the area may be foreclosed. Inappropriate handling of sensitive information or original ideas provided by third parties can lead to loss of trust and liability for damages. For additional information, see Intersil Policy PB1-03, Confidential Information Control.

## **A. Non-Disclosure Agreements (“NDA”)**

Intersil employees are expected to have an Intersil standard non-disclosure agreement signed and in-place with any party to which Intersil proprietary and/or confidential information will be disclosed. The Contracts/Legal Department must be consulted for assistance with any NDA.

Employees who have access to proprietary and confidential information -- which may range from engineering designs, to employee records, to data entrusted to us by a customer or competitor -- must take every precaution to keep it confidential. Be very cautious in discussing Company business in public -- in restaurants, on airplanes, or on cellular phones. Use extra care in transmitting confidential materials via fax. And remember that our obligation to protect Intersil's proprietary and confidential information continues even after we leave the Company.

## **B. Copyrighted Materials**

Many materials used by Intersil employees in the course of their work are protected by copyright laws. Books, software, training materials, audio and videotapes, trade journals, and magazines are a few examples. Reproducing, distributing or altering copyrighted materials without the permission of the copyright owner or his authorized agent may be prohibited by law. A Fair Use exception exists for purposes such as criticism, comment, news, reporting, teaching, and research, depending on several factors, including whether the use is commercial and how the use affects the market value of the copyrighted work. Please defer all questions to the Legal Department.

## **C. Patented Products**

Unauthorized copying, manufacture, use, sale, or importation of products protected by patent laws of the U.S. and foreign jurisdictions is prohibited. Please defer all questions to the Legal Department.

## **D. Software**

Computer software licensed by Intersil is protected by copyright laws and must not be illegally copied for personal, Company, or customer use.

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## **ACCURATE RECORDS AND COMMUNICATIONS**

The laws, regulations, and Intersil policies relating to recordkeeping and communications require that Intersil's financial books, records, and statements properly account for all assets and liabilities in accordance with generally accepted accounting principles (“GAAP”), accurately reflect all transactions of the Company, contain no false or misleading information, and be retained in accordance with Intersil's record retention policy and all applicable laws.

All communications, especially including those pertaining to financial data, overhead, G&A rates, margins, and technical data, should be made accurately and in accordance with Company Policy.

Intersil requires honest and accurate recording and reporting of information in order to make responsible business decisions. This includes such data as quality, safety, and personnel records, as well as all financial records.

All financial books, records and accounts must accurately reflect transactions and events, and must conform both to required accounting principles and to Intersil's system of internal controls. No false or artificial entries may be made. When a payment is made, it can only be used for the purpose spelled out on the supporting document. For additional details, see Intersil Policy PB5-02 for record keeping requirements under the Foreign Corrupt Practices Act ("FCPA").

All business records and communications should be clear, truthful and accurate. Business records and communications often become public through litigation, government investigations and the media. We will avoid exaggeration, colorful language, guesswork, legal conclusions, and derogatory remarks or characterizations of people and companies. This applies to communications of all kinds, including e-mail and "informal" notes or memos. Records should always be retained and destroyed according to Intersil's record retention policies. For additional details, see Intersil Policy PB1-11, Records Retention Policy.

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## ENVIRONMENTAL, HEALTH, & SAFETY

Intersil's policy is to conduct business operations in a manner consistent with the principles of environmental stewardship. This includes pollution prevention, conservative management of scarce resources and appropriate disposition of waste materials, emphasizing reuse and recycling. Intersil and its employees are committed to ensuring that the company's operations comply with both the letter and intent of all applicable environmental laws and regulations.

It is also Intersil's policy to establish and maintain a safe and healthy work environment. Intersil strives to conduct all business activities in a responsible manner free from recognized hazards and to comply with all applicable health and safety regulations.

All Intersil employees are expected to understand their responsibilities for environmental, health and safety ("EHS") compliance and management. They must comply with the letter and intent of this policy and the environmental, health and safety laws and regulations relevant to their respective jobs.

Intersil adheres to the following **Health and Safety Standards**:

- 1) Industrial Hygiene  
Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment.
- 2) Safety  
Worker exposure to workplace safety hazards (e.g., electrical and other energy sources, fire, vehicles, slips, trips and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout and machine safeguarding). Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate personal protective equipment.
- 3) Emergency Preparedness and Response  
Emergency situations and events are to be identified and assessed and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.
- 4) Occupational Injury and Illness  
Procedures and systems are to be in place to manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and d) facilitate return of workers to work.
- 5) Physically Demanding Work  
Worker exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.
- 6) Facilities  
Workers are to be provided with toilet facilities and access to potable water.

Intersil adheres to the following **Environmental Standards**:

- 1) Product Content Restrictions  
Intersil shall adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances including labeling laws and regulations for recycling and disposal. It shall also strive to adhere to processes that comply with each agreed-upon customer-specific restricted and hazardous materials list.

- 2) Chemical and Hazardous Materials  
Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.
- 3) Wastewater and Solid Waste  
Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.
- 4) Air Emissions  
Air emissions of volatile organic chemicals, aerosols, corrosives particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.
- 5) Environmental Permits and Reporting  
All required environmental permits (e.g., discharge monitoring) and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.
- 6) Pollution Prevention and Resource Reduction  
Waste of all types, including water and energy, should be reduced or eliminated to the greatest extent practicable at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

For additional details, see Intersil Policies PB4-01 and PB4-02. Reports of actual or potential environmental, health, or safety problems or questions about the employee's responsibility or Company policies should be immediately directed to your supervisor, the Legal Department, or the local EHS coordinator.

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## COMMUNITY RELATIONS

Intersil values our employees and the communities in which our employees live. Accordingly, we established an Intersil Community Relations Council and corresponding Guidelines. This Council has created the structure, process and guidelines for managing community relations at Intersil's domestic locations.

Support of community relations efforts will not only aid community groups in need, but also will help Intersil to develop a positive reputation and goodwill in our local communities. Details regarding the Guidelines are below:

**Intersil's Community Relations program will support:**

- United Way or another comparable non-profit charitable organization (Corporate Sponsored Charity)
- Sponsorships (e.g., science and technology, education)
- Participation/membership in local community activities (e.g., Chamber of Commerce)
- Volunteerism - Intersil promotes volunteerism by providing one (1) paid day off per year if employee does volunteer work in the community for one day (minimum 6 hours)
- Financial donations to approved non-profit charitable organizations such as United Way, or other comparable non-profit agencies
- Equipment donations
- Scholarships for post-secondary education
- Gift matching - Intersil will match employee charitable contributions/gifts to approved United Way or United Way sponsored agencies (maximum match of \$500/year), excluding contributions associated with the United Way campaign drives (the company matches UW campaign drives separately on an annual basis)
- Activities that are of an advertising or marketing nature (if it improves our name recognition / visibility in community - corporate level)

**Intersil's Community Relations program will not support:**

- Religious organizations and activities
- Political organizations and activities
- Specific individuals
- Specific sports teams or clubs (e.g., school club or little league team)
- For-profit or commercial activities
- Organizations that discriminate against people on the basis of race, color, age, gender, sexual orientation, ethnicity, disability, religion, or other protected factors.

Intersil employees are free to support community, charitable and political organizations and causes of their own choice, as long as they make it clear that their views and actions are not those of Intersil. We must ensure that our outside activities do not interfere with our job performance.

No Intersil employee may pressure another employee to express a view that is contrary to a personal belief, or to contribute to or support political, religious or charitable causes.

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## **POLITICAL INVOLVEMENT**

Intersil does not make any political contributions, directly or indirectly, in support of any party or candidate in any election on the federal, state, or local level. Wherever lawful, Intersil may contribute to an occasional initiative or referendum campaign where Intersil's interests are directly involved. As interested citizens, Intersil employees are free to make individual, personal contributions to candidates of their choice, but may not engage in any political activity on Intersil time.

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## **STOCK TRADING**

Any direct or indirect investment in one of Intersil's competitors creates a potential conflict of interest. Intersil employees, officers, and members of the Board of Directors must not invest in or control an organization that competes with any business or activity of the Company, without prior written permission of Intersil's Legal Department -- except in the case of publicly traded shares, when the investment does not exceed five percent of the issued shares. Also prohibited is investment in an organization that is or may be a supplier of goods and/or services to the Company, again with the exception for publicly traded shares, when the investment does not exceed five percent of the issued shares.

"Insider trading" means using confidential material information about Intersil, its customers or suppliers to achieve an unfair advantage in the buying or selling of shares or other securities. "Material information" is usually defined as "information which, if publicly disclosed, would reasonably be expected to influence the decision of a reasonable investor to buy, hold or dispose of securities of the Company."

Insider trading is both unethical and illegal. It is also illegal to pass on undisclosed material information to anyone, other than in the necessary course of business. Employees who involve themselves in insider trading (either by personally engaging in trading or by disclosing confidential material information to others) are subject to immediate termination and prosecution. For additional details, see Intersil Policy PB5-01, Insider Trading and Tipping Policy.

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## **ANTITRUST / ANTIBOYCOTT**

Intersil expects to compete vigorously but fairly within the industry and to comply with all applicable antitrust laws and regulations. Antitrust involves reducing or inhibiting competition without benefit to customers, such as fixing or controlling prices, or limiting production and sales of certain products among competitors. The Legal Department should be consulted about any transactions which may have antitrust implications.

Intersil will comply with laws that prohibit a wide variety of activities associated with organized foreign economic boycotts, including: refusing to do business with boycotted countries, their nationals, or blacklisted companies; furnishing information about the Company's or any person's past, present, or prospective relationship with boycotted countries or blacklisted companies; furnishing information about membership in or support of charitable organizations supporting a boycotted country; and paying, honoring, or confirming letters of credit containing prohibited boycott provisions. Under U.S. antiboycott legislation, Intersil is required to report the receipt of any request to participate in an international boycott.

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## **EXPORT CONTROL**

Intersil complies with all Export Control and Import laws and regulations that govern the exportation and importation of commodities and technical data, including items that are hand-carried as samples or demonstration units in luggage. Under U.S. law, the export of certain commercial products, radiation-hardened products, and related technology may not be exported without first being licensed by the United States Government. Failure to comply with these laws could result in heavy fines or the loss or restriction of Intersil's export or import privileges, which, in turn, could seriously and adversely affect a portion of the Company's business. Questions or issues involving Export Control should be directed to the Contracts/Legal Department.

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## **U.S. GOVERNMENT AND FOREIGN OFFICIALS**

Intersil will comply with the anti-corruption laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act (FCPA), which applies to its global business. Intersil employees will not directly or indirectly offer or make a corrupt payment or offer anything of value to government officials, including employees of state-owned enterprises, for the purpose of influencing an official act or decision in order to assist the company in obtaining or retaining business. These requirements apply both to Intersil employees and agents, such as third-party Sales Representatives, no matter

where they are doing business. If you are authorized to engage agents, make sure that they are reputable and require them to agree in writing to Intersil's standards in this area.

Under no circumstances is it acceptable to offer, give, solicit, or receive any form of bribe, kickback, or inducement. This principle applies to Intersil transactions everywhere in the world, even where the practice is widely considered "a way of doing business." Under some statutes (such as the FCPA), these are criminal actions that can lead to prosecution.

In order to ensure that agents and representatives acting on Intersil's behalf are not themselves offering or receiving bribes or kickbacks, all such arrangements must be covered by written contracts and documented in accordance with legal and accounting requirements and ethical business practices. The compensation spelled out in the contracts must be clearly commensurate with the activities undertaken. Remuneration above certain levels requires senior executive approval.

In some instances, small "facilitation payments" or tips are permissible if they are intended to secure a routine business service such as having a telephone installed or expediting a shipment through customs. These payments must be clearly and accurately reported as a business expense. You should be aware, however, that in some countries, such payments are illegal and must not be paid. If you have any doubts or questions, contact your supervisor or the Contracts/Legal Department. For additional details, see Intersil Policy PB5-02, Foreign Corrupt Practices Act. Appropriate disciplinary action, up to and including termination, may be taken against any employee willfully violating this policy.

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## **MANAGEMENT SYSTEM**

Intersil is committed to corporate social and environmental responsibility, compliance, continual improvement, management accountability and responsibility, compliance with applicable laws and regulations, identification of the environmental, health and safety practice risks associated with operations, including appropriate procedural and physical controls to ensure regulatory compliance to control the identified risks, identifying and assessing performance objectives, communication of Intersil's policies and procedures, communication about Intersil's performance and practices, solicitation of feedback, self-audits, corrective action processes, and maintenance of records showing regulatory compliance.

## UNIVERSAL HUMAN RIGHTS

Intersil adopts the United Nations Universal Declaration of Human Rights, the Social Accountability International (“SAI”) SA8000 standard, the Ethical Trading Initiative, the International Labour Organization (“ILO”) Conventions, and the Electronic Industry Code of Conduct (“EICC”) to the extent as set forth herein.

1) Freely Chosen Employment

Forced, bonded or indentured labor or involuntary prison labor is not to be used. All work will be voluntary, and workers should be free to leave upon reasonable notice. Workers shall not be required to hand over government-issued identification, passports or work permits as a condition of employment.

2) Child Labor

Child labor is not to be used in any stage of manufacturing. The term “child” refers to any person employed under the age of 15 (or 14 where the law of the country permits) or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 should not perform hazardous work and may be restricted from night work with consideration given to educational needs.

3) Discrimination

Intersil shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, or other protected factors in hiring and employment practices such as promotions, rewards, and access to training. In addition, workers or potential workers should not be subjected to medical/pregnancy tests that will be used in a discriminatory way.

4) Harsh or Inhumane Treatment

There is to be no harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers: nor is there to be the threat of any such treatment.

5) Minimum Wages

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Any disciplinary wage deductions are to conform to local law. The basis on which workers are being paid is to be clearly conveyed to them in a timely manner.

6) Working Hours

Work weeks are not to exceed the maximum set by local law. Further, a work

week should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers should be allowed at least one day off per seven-day week.

7) Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Participants are to respect the rights of workers to associate freely, join labor unions, seek representation and or join workers' councils in accordance with local laws. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

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## ETHICS

Intersil adheres to the following Ethical standards:

1) No Corruption, Extortion, or Embezzlement

The highest standards of integrity are to be expected in all business interactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited.

2) Disclosure of Information

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

3) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

4) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

5) Whistleblowers

Programs that ensure the protection of employee whistleblower confidentiality are to be maintained.

6) Community Engagement

Community engagement is encouraged to help foster social and economic development.

7) Protection of Intellectual Property

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights.

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## **EMPLOYEE RESPONSIBILITIES**

### **PROPER USE OF COMPANY RESOURCES**

Collectively, we have a responsibility to protect the Company's assets and ensure their efficient use. Theft, carelessness, and unnecessary waste have a direct impact on the Company's profitability and, ultimately, on all of our jobs.

Supplies and equipment purchased by the Company are intended to be used for Intersil business purposes only. Any other use -- for after-hours charitable work, for example -- must receive prior approval from your supervisor. Everyone involved in operating equipment bears a responsibility for understanding its proper use and maintaining it in good condition. Computers are provided for business purposes, and must not be used to send E-mail that is abusive, potentially offensive, or a chain-letter, nor should the Internet be used for such non-business purposes.

Protection of Company information also means reporting information completely and accurately -- be it environmental impact data, product test results, or sales projections. Trying to hide bad news through misleading figures undermines trust over the long term, and may in some cases be illegal.

The reputation of the Company, its employees and its products is also an important asset that you have a responsibility to protect.

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## **CONFLICTS OF INTEREST**

A "conflict of interest" occurs when our private interests interfere in any way -- or even appear to interfere -- with the interests of the Company as a whole. A conflict of interest situation can arise when we take on outside work or make a financial investment that makes it difficult for us to perform our work objectively and effectively. Conflicts of interest also arise when we or members of our family receive personal, unearned benefits as a result of our position in the Company.

## **A. Outside Activities**

Intersil employees, officers, and members of the Board of Directors must not serve as directors or officers of any organization which might supply goods or services to the Company, buy goods or services from the Company, or compete with the Company, without prior approval of the Legal Department. Neither is it permissible for them to work as employees of or consultants to any of these organizations. These are clear conflict of interest situations.

There are cases, however, where Intersil employees start their own outside businesses, or take on additional part-time work with organizations that are neither competitors, suppliers, nor customers. This in itself does not constitute a conflict of interest. It is the employee's responsibility to ensure that the second job does not conflict with the interests of Intersil. This means, for example, ensuring that the two activities are strictly separated:

- That you do not perform the other organization's work on Intersil time.
- That customers and colleagues from your outside activity do not contact you at Intersil.
- That you do not use Intersil equipment and supplies, nor the time of any Intersil personnel, for your outside work.
- That you do not promote products or services from your outside business to other Intersil employees during working hours.
- That you do not attempt to sell products or services from your outside work back to Intersil.

In order to avoid any uncertainty, you must let your manager know and approve of the outside work prior to commencing it.

## **B. Gifts and Entertainment**

The guidelines on "gifts and entertainment" apply to anything given as a result of a business relationship, for which the recipient does not pay fair market value. This includes such things as meals and beverages, travel and accommodation for business or vacation purposes, tickets to sporting or cultural events, discounts not available to the general public, cash, art objects, and any other merchandise or services. The guidelines apply at all times: they do not change during traditional gift-giving seasons, nor during the planning of a Company event.

Business gifts and entertainment are courtesies designed to build understanding and goodwill among business partners. In some cultures they play an important role in business relationships. The problem arises when they begin to compromise -- or even appear to compromise -- our ability to make objective and fair business decisions.

Offering or receiving any gift, gratuity, or entertainment that might be perceived to unfairly influence a business interaction involves you in a conflict of interest situation. For this reason, Intersil employees must not accept nor give gifts and/or gratuities that are in excess of \$100 (USD) equivalent without first consulting Intersil's Ethics Compliance Advisor.

Business entertainment must also be moderately scaled and clearly intended to facilitate business goals. If, for example, tickets to a sporting or cultural event are offered, then the person offering the tickets must plan to attend the event as well. As a general guideline, business entertainment in the form of meals and beverages is acceptable, as long as it is modest, infrequent, and as far as possible on a reciprocal basis.

As these guidelines cannot cover every eventuality, the responsibility is on individual employees to use good judgment. "Everyone else does it" is not sufficient justification. If you are having difficulty determining whether a specific gift or entertainment offer lies within the bounds of acceptable business practice, ask yourself these guiding questions:

- Is it solely for the purpose of cultivating or enhancing a business relationship?
- Is it moderate, reasonable, and in good taste?
- Would I feel comfortable admitting to the giving or receipt of this gift in front of other customers and suppliers? other employees? my manager? my family? the media?
- Do I feel any pressure to reciprocate or grant special favors as a result of this gift? (Or, conversely, am I trying to put pressure on someone else to reciprocate or grant favors?)
- Am I certain the gift does not violate any law or business regulation?

If you have any concerns or uncertainties, contact your supervisor. There are some cases where refusal of an inappropriate gift would cause embarrassment and may offend the person offering it. This is particularly true when you are a guest in another country, and the gift is something from that country offered as part of a public occasion. In these cases, the best practice is usually to accept the gift on behalf of the Company, report it to your manager, and turn it over to the Company.

In some circumstances, Intersil may offer a gift as part of a public occasion. Such gifts must be approved in advance, accurately and completely accounted for, and reported on the books and records of the Company as applicable.

Regardless of the amount, you must never accept or give:

- gifts of cash or its equivalent (e.g., stocks, bonds) without management approval;
- any other gift, entertainment, or thing of value given in an attempt to motivate you or the other party to do anything prohibited by law or by Intersil's policies.

### **C. Family and Friends**

While conflict of interest guidelines are not intended to unduly interfere with an employee's family or personal life, there are situations where the actions of family members and close personal friends may constitute a conflict of interest for the employee. For example, any gifts or other benefits offered to family members by suppliers or potential suppliers of the Company are considered business gifts subject to the gifts and entertainment guidelines. If your spouse, relative, or close personal friend is an employee of or has a substantial interest in a business seeking to provide goods and services to Intersil, you must ensure that you do not attempt to use your position in Intersil to influence the bidding process or negotiation in any way. If you are directly involved in purchasing functions, you must declare this conflict of interest to your manager immediately.

The potential for conflict of interest clearly exists if your spouse or partner also works at Intersil and is in a reporting relationship to you. Employees should not supervise nor be in a position to influence the hiring, work assignments or assessments of someone with whom they have a close personal relationship. For additional details, see Intersil Policy PB2-19, Nepotism and Office Relationships.

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## **COMPLIANCE, DISCIPLINE, AND REPORTING**

It is the Company's policy to govern itself. That means the Company encourages questions and internal reports of suspected misconduct. The Company shall consistently enforce its Code of Corporate Conduct through appropriate means of discipline. Questions or concerns regarding this Code or an ethics or compliance matter, including reports of suspected misconduct, made in good faith will be maintained in confidence and should be directed to one of the following:

- Your Supervisor or Manager
- Your Human Resources representative
- The Ethics & Whistleblower Hotline (see Intersil Policy PB1-19)
- The Ethics Compliance Advisor (William L. Strahlo at 1-321-729-4590)
- The General Counsel.

To the greatest extent possible, the results of the investigation will be disclosed to the employee who reported the matter. The Human Resources and Legal Departments will determine whether violations of the Code of Corporate Conduct have occurred and, if so, shall determine the disciplinary measures to be taken against any employee or

agent of the Company who has so violated the Code. The disciplinary measures, which are discretionary, include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, termination of employment, and restitution to the Company. Additionally, criminal prosecution is possible for some violations.

Persons subject to disciplinary measures shall include, in addition to the violator, others involved in the wrongdoing such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who if requested to divulge information withhold material information regarding a violation, and (iii) supervisors who approve or condone the violations or attempt to retaliate against employees or agents for reporting violations or violators.

Taking action to prevent problems is part of the Intersil culture. If you observe possible unethical or illegal conduct, you are encouraged to report your concerns. Intersil prohibits retaliation and retribution against any employee who, in good faith, reports a concern about possible illegal or unethical conduct. However, it is unacceptable to file a report knowing it to be false.

Intersil will comply with any superseding local laws that conflict with any portion of this Code of Corporate Conduct regarding the rights of the accused employee.