



STANDARDS OF BUSINESS CONDUCT

**Adopted and Approved on February 17, 2012
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I. OVERVIEW

A. Standards of Business Conduct

It is the policy of Atmel Corporation to conduct our business in compliance with all applicable laws and regulations and to operate our business under the fundamental principles of honesty, integrity and ethical behavior. These Standards of Business Conduct (the “Standards”) form the core of this policy and are intended to provide information to help promote compliance with legal requirements and Atmel’s ethical standards. Although laws and customs vary from country to country and standards of ethics may vary in different business environments, the fundamental principles of honesty and integrity serve as time-tested standards.

These Standards apply to all directors, officers and employees of Atmel Corporation and its affiliates (together, “Atmel”). While these Standards cannot cover every situation that may arise, they set out basic principles to guide all directors, officers and employees of Atmel. More detailed policies and procedures can be found in Atmel’s Employee Handbook (available on Atmel’s Intranet at: http://www-sjo.atmel.com/sjo/hr_new/policies_guidelines/indexII.html). In addition, all Atmel employees are required to familiarize themselves with and adhere to the other policies discussed in these Standards, including Atmel’s Insider Trading Policy (available on Atmel’s Intranet at: http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html), Disclosure and Communications Policy (available on Atmel’s Intranet at: http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html), Social Media Policy (available on Atmel’s Intranet at: http://www-sjo.atmel.com/sjo/hr_new/policies_guidelines/indexII.html) and Global Anti-Corruption Policy (available on Atmel’s Intranet at: http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html).

B. Raising Questions

Every individual is responsible for following these Standards and for asking questions and seeking guidance if he or she is unclear about a particular situation or uncertain about the propriety or legality of any proposed action.

Unless a particular provision of these Standards directs otherwise, to raise questions, employees should contact the following individuals in Atmel’s Human Resources Department or Legal Department:

Jing Liao
VP Human Resources
jing.liao@atmel.com
408-487-2643

Steve Ruskin
Director of Corporate Legal
Affairs
steve.ruskin@atmel.com
408-436-4211

Directors and officers should contact the Chief Legal Officer or Chairman of the Audit Committee:

Scott Wornow
Chief Legal Officer
scott.wornow@atmel.com
408-436-4229

David Sugishita
Chairman of the Audit Committee
ACChair@atmel.com

C. Reporting Possible Violations

Every individual is responsible for reporting possible violations of these Standards promptly after it comes to his or her attention, and failure to do so is considered a violation of these Standards. Unless a particular provision of these Standards directs otherwise, employees should report the matter to the Director of Corporate Legal Affairs, and directors and officers should report the matter to the Chief Legal Officer. If the possible violation involves a director or officer of Atmel, employees should report the matter directly to the Chief Legal Officer or Chairman of the Audit Committee. Directors and officers should contact the Chief Legal Officer or Chairman of the Audit Committee.

Alternatively, individuals may anonymously and confidentially report possible violations (including complaints or concerns about accounting, internal controls or auditing matters) by completing a Whistleblower Report on Atmel's internal website or by calling the Whistleblower Hotline. Details on how to file a Whistleblower Report and the Whistleblower Hotline can be found at: <https://secure.ethicspoint.com/domain/media/en/gui/16373/index.html>.

Reports made through a Whistleblower Report or the Whistleblower Hotline may be made anonymously and confidentially, although you are encouraged to identify yourself to facilitate follow-up and investigation.

All reports of possible violations will be kept confidential to the extent practical, except where disclosure is required to investigate a report or by applicable law or legal process.

II. COMPLIANCE WITH APPLICABLE LAWS

Directors, officers and employees of Atmel are expected to uphold high standards of honesty and integrity and to comply with applicable laws and regulations, including local laws, rules and regulations. Individuals are expected to be knowledgeable about specific laws, rules and regulations that apply to their areas of responsibility and should raise questions in the event of uncertainty. At various times, these laws, rules or regulations may require the Company to initiate investigations or inquiries of internal or external matters or to undertake evaluations of regulatory, compliance or governance issues. The Company may also be subject to U.S. or foreign governmental reviews, agency investigations and other third party oversight.

Directors, officers and employees, at the direction of the Company, are expected to cooperate fully and to assist the Company in the discharge of its obligations as they relate to those matters and to provide any assistance the Company may seek in responding promptly, and properly, to its legal obligations. Individuals should direct questions about particular legal requirements, in any of these circumstances, to the Legal Department.

Atmel is a global company. Directors, officers and employees are required to strictly comply with all export and import laws and regulations that govern the transfer between countries of technical data, equipment and technology. The export licensing and controls that govern those transfers, as well as the rules pertaining to the import of goods and services, are complex and may vary by country. Directors, officers and employees must be careful to avoid even inadvertent violations. In addition, directors, officers and employees may not obligate Atmel to engage in trade in any country subject to trade restrictions imposed by the U.S. government. Such restrictions can include sanctions or embargoes that prohibit Atmel from engaging in business activities in specified countries, and with specified individuals and entities. For example, U.S. law prohibits interaction with identified terrorist states and organizations. To ensure compliance with these laws, sanctions and embargoes, directors, officers and employees are responsible for consulting with the Legal Department if uncertainty exists with respect to trade or commerce with particular customers or countries.

III. CONFLICT OF INTEREST

Atmel expects directors, officers and employees to devote their best efforts to Atmel's interests, to dedicate themselves to promoting Atmel's interests and to avoid situations that create conflicts of interest or the appearance of conflicts with the interests of Atmel. A conflict of interest occurs when an individual's own interests (including the interests of an immediate family member or an organization with which an individual has a significant relationship) interfere in any way, or even appear to interfere, with the interests of Atmel. While it is not possible to discuss every circumstance that may lead to a conflict of interest, below are some of the more common examples.

- Financial Interest in Another Enterprise. A conflict of interest may exist if an employee holds a substantial financial interest in any enterprise that has or may have business dealings with Atmel (such as a customer, supplier or subcontractor) or that engages in any field of activity engaged in by Atmel (other than an interest of less than 1% of the outstanding securities of a public company).
- Gifts and Entertainment. A conflict of interest may exist if an employee accepts anything of value from institutions or businesses that supply materials or services to Atmel when doing so may influence, or be perceived as influencing a decision or action. This prohibition against the receipt of gifts is not intended to preclude acceptance of occasional light

entertainment by a supplier or the exchange of non-monetary gifts of a nominal value. See Section V below for a more detailed discussion of Atmel's policy on gifts and entertainment.

- Competing with Atmel; Business Opportunities. A conflict of interest may exist if an employee knowingly competes with Atmel in the purchase or sale of any property or diverts from Atmel, for the employee's own benefit or otherwise, any business opportunity in which Atmel has or is likely to have an interest. See Section IV below for a more detailed discussion of business opportunities.
- Outside Employment and Consulting. A conflict of interest may exist if an employee engages in any employment or consulting outside of Atmel. An Atmel employee may not engage in outside employment or consulting that conflicts with, or could in any way compromise, Atmel's interests (legal, ethical or otherwise), or that would divert that person's substantive attention from, or otherwise adversely affect that person's ability to perform, his or her work with Atmel, without prior written approval from the company as discussed below. If an employee believes any employment or consulting outside of Atmel may present a potential conflict of interest, the employee must report all relevant information and details about that potential employment or consulting arrangement to the employee's immediate manager. The manager is then responsible for referring the matter, and communicating all relevant information and details, to both the vice president responsible for that manager's department and to the Legal Department for resolution and possible approval, which will be within the discretion of the vice president and Legal Department. If the employee has concerns that relevant information or details have not been properly communicated by the manager, then, in that case, the employee is responsible for directly contacting the vice president and Legal Department to ensure that appropriate review of the matter is undertaken. In addition, the Employment, Confidential Information and Invention Assignment Agreement may impose other restrictions on your activities outside of Atmel.
- Hiring or Recommending Consultants. A conflict of interest may exist if an employee hires or recommends anyone for a consulting position who has a conflict of interest or potential conflict of interest with Atmel.
- Non-Profit Activities. A conflict of interest may exist if an employee engages in non-profit community or academic service, if the activity would interfere to any extent with the employee's obligations to Atmel or otherwise presents a potential conflict of interest.
- Public Statements. A conflict of interest may exist if an employee makes any public statement on the employee's own behalf that suggests that the employee is speaking as a representative of Atmel. When an individual makes a public statement on his or her own behalf, he or she must affirmatively indicate that the comment is wholly of a personal nature. Furthermore, the Company maintains a Disclosure and Communications Policy (available on Atmel's Intranet at: <http://www-sjo.atmel.com/sjo/>

[legal_new/policies_guidelines/ index.html](#)) to ensure compliance with Regulation FD.

Many conflicts of interest or potential conflicts of interest may be resolved or avoided if they are appropriately disclosed and approved. In some instances, disclosure may not be sufficient and Atmel may require that the conduct in question be stopped or that actions taken be reversed where possible. Employees must promptly disclose actual or potential conflicts of interest to their immediate supervisor. A failure to disclose a conflict of interest may result in termination. Directors and officers must promptly disclose actual or potential conflicts of interest to the Chief Legal Officer or Chairman of the Audit Committee who may, if appropriate, discuss the matter with the Audit Committee.

IV. BUSINESS OPPORTUNITIES

Employees may not take for themselves any business opportunity or benefit in which Atmel may have an interest that they learn of as a result of their employment by Atmel. An example would be the acquisition of any interest in technology, products or intellectual property that either is sought by or would be of potential interest to Atmel. If an employee has any questions as to whether Atmel is interested in pursuing any given business opportunity, the employee should consult with the executive level vice president responsible for his or her department.

Directors and officers of Atmel may not take for themselves any business opportunity or benefit that Atmel may have an interest in pursuing whether or not they learned of it through their position with Atmel or independently.

V. GIFTS AND ENTERTAINMENT

Directors, officers and employees of Atmel may not solicit or accept, or give or offer to give, gifts, money, services or anything of value when doing so may influence, or be perceived as inappropriately influencing, a decision or action. Giving or receiving common courtesies of insubstantial value (such as reasonable business meals or entertainment) usually associated with accepted, ordinary course business practices of reputable multinational companies is generally permitted, although there are types of gifts and payments that under certain circumstances may raise "red flags" and be prohibited under Atmel's Global Anti-Corruption Policy (available on the Intranet at http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html) or corporate and entertainment policy. Further guidelines for acceptable gifts and entertainment are more fully set forth in Atmel's Global Anti-Corruption Policy.

Different rules may apply in the context of dealing with government entities, employees or officials, especially in non-U.S. jurisdictions. These rules, which may be complex, are discussed in more detail in Sections VI and VII and in Atmel's Global

Anti-Corruption Policy. Questions regarding the permissibility or propriety of any gifts or other payments should be directed to the Legal Department.

VI. RELATIONS WITH GOVERNMENT AUTHORITIES

Atmel expects all directors, officers and employees involved in doing business with any government authority to adhere to the highest standards of ethical conduct and to be familiar with and comply with the rules established by government authorities for the procurement of products and services. In the United States, these rules include, but are not limited to, state and federal statutes, the Federal Acquisition Regulation (which applies to entities doing business with the U.S. Government) and applicable federal agency supplements to the Federal Acquisition Regulation. It is Atmel's policy to conduct itself with the highest degree of integrity and honesty in its relations with any government authority of the United States.

A. Gifts To and From Government Employees and Officials

In addition to the other standards of conduct in this policy, no director, officer or employee of Atmel may directly or indirectly offer, provide or loan any gift, gratuity, favor, entertainment or anything of monetary value to any employee or representative of any government authority, state, local, federal or otherwise, that is in violation of standards of conduct promulgated by the authority or as set forth in the Federal Acquisition Regulation. In addition, no director, officer or employee of Atmel may directly or indirectly solicit or receive any gift, gratuity, favor, entertainment or anything of monetary value from any employee or representative of any government authority, state, local, federal or otherwise, that is in violation of standards of conduct promulgated by the authority or as set forth in the Federal Acquisition Regulation.

B. Competition in Contracting

Individuals involved in presenting quotations or offers in connection with U.S. Government contracts must refrain from entering into any agreement, or otherwise communicating, with competitors regarding prices to be charged, intention to submit an offer or methods or factors used to calculate prices, for the purpose of restricting competition.

No attempt may be made with the purpose of restricting competition, to induce any other entity to submit or not to submit an offer on a U.S. Government contract or subcontract.

C. Anti-Kickback Act

Individuals must not provide, attempt to provide, offer to provide, solicit, accept or attempt to accept any kickback in connection with a U.S. Government contract or subcontract. Likewise, individuals must not include, directly or indirectly, the amount of any kickback in the contract price that Atmel charges as a subcontractor to a prime

contractor or a higher tier subcontractor, or in the contract price that Atmel charges the U.S. Government.

D. Procurement Integrity Act

Individuals directly or indirectly involved in soliciting business from, preparing offers to, or negotiating contracts with the U.S. Government or contractors or subcontractors operating under a U.S. Government contract, must also be mindful of the need to comply with the Procurement Integrity Act. As a general matter, individuals are prohibited from soliciting or accepting information from a procurement official or competing contractor about contractor bids, proposals or source selection. Contractor bid or proposal information includes, but is not limited to (1) cost or pricing data, (2) direct labor rates and indirect costs, (3) information about proprietary processes, operations or techniques, and (4) information marked by the contractor as "contractor bid or proposal information," in accordance with applicable regulations. Source selection information includes (1) the prices or costs proposed by competing contractors, (2) the federal agency's source selection or technical evaluation plans, (3) technical, cost or price evaluations of submitted proposals, (4) competitive range determinations, (5) rankings of competitors or proposals, (6) source selection reports and evaluations, and (7) any other information that the federal agency marks as "source selection information."

E. Employment Discussions with Government Officials

Individuals may not participate in employment discussions with a current government employee or official if that employee or official is personally participating in or supervising matters concerning Atmel. Prohibited discussions include the offering or promise of future employment or business opportunity to any procurement official during the course of a U.S. Government procurement.

F. Contingent Fees

Individuals are prohibited from retaining people who are not Atmel employees to solicit or obtain U.S. Government contracts for a fee contingent upon their success in obtaining the award of U.S. Government contracts. Individuals also must comply with any state and local prohibitions and regulation related to contingent fees connected to the award of state and local contracts. Any arrangement with a "bona fide agent" (as defined in the Federal Acquisition Regulation) must be approved by the Chief Legal Officer.

VII. GLOBAL ANTI-CORRUPTION POLICIES

The United States, the United Kingdom and other countries have enacted anti-corruption laws. The United States Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act and similar laws around the world generally prohibit bribing, offering any payment, promising to pay or providing any other thing of value directly or indirectly to, a foreign official to (1) influence an official act or decision, (2) induce an official

to violate or fail to perform his or her lawful duties, (3) secure an improper advantage, or (4) assist Atmel in obtaining or retaining business. Atmel policy is to comply with these and similar laws. For these reasons, Atmel has adopted a "Global Anti-Corruption Policy" (available on the Intranet at http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html), the terms of which you are required to understand and to adhere.

All directors, officers, employees and agents of Atmel, including those who live or work outside the United States, must comply with the FCPA. Violations can have serious consequences for Atmel, and individuals who violate the law face severe fines and/or imprisonment.

"Foreign officials" generally include officials from national, regional or local governments, political parties and their officials, candidates for political office, military personnel, and officers or employees of commercial or business enterprises owned or controlled by national, regional or local governments. "Foreign officials" also may include immediate family members of these individuals. It is important to remember that a foreign official does not have to be a high-ranking government official. A lower-level employee of a government department or state-controlled or state-owned enterprise may be a foreign official as well. In many non-U.S. countries, it may not be readily apparent that a person falls within the definition of a "foreign official" – for instance, a professor employed by a Chinese state university would be deemed a foreign official and, therefore, payments to that "foreign official" would be subject to the FCPA and, perhaps, the anti-corruption laws of other jurisdictions.

An illegal payment can be anything of value – not just cash. Gifts, entertainment, travel, accommodations, offers of employment, personal favors and discounts on products or services are just a few examples of payments prohibited by the FCPA. Moreover, the FCPA prohibits offers, promises and authorization of payments, as well as actual payments.

In certain countries, payments known as "facilitation payments" may be demanded by Public Officials to ensure the proper performance of a government official's routine, non-discretionary duty or action. Except as set forth in Atmel's Global Anti-Corruption Policy, all such payments are prohibited, even if they are commonplace in a particular country.

The FCPA and similar laws require Atmel to keep records accurately reflecting such payments.

The anti-corruption laws are complex and affect a company's global operations. Atmel's Global Anti-Corruption Policy has been adopted to address these matters. These policies, including these Standards, are designed to ensure full compliance with the laws to which the Company and its employees are subject, including the FCPA and the UK Bribery Act, regardless of where Atmel or its directors, officers or employees are conducting business and irrespective of any less stringent local standards or norms. If you have questions regarding the interpretation or applicability of any of these laws, please contact the Legal Department.

VIII. CONFIDENTIAL AND CLASSIFIED INFORMATION

Each employee is bound by the terms of the Employment, Confidential Information And Invention Assignment Agreement, and must follow Atmel's policies and procedures regarding the protection of Atmel Proprietary Information. Directors, officers and employees must protect the confidentiality of information that comes to them, from whatever source, in the course of performing their responsibilities for Atmel. This includes confidential information about Atmel and information received from or relating to third parties. Atmel and third party confidential information should be used only for business purposes, and dissemination of the information (both inside and outside Atmel) should be limited to those who have a need to know the information for business purposes. Confidential information includes any proprietary information, trade secrets and other nonpublic information.

Unless otherwise authorized by the Chief Legal Officer, if an individual is offered any information that has been classified by the United States or other governmental agency as "confidential", "secret", "top secret" or the like, as part of a governmental classification system, the individual may not accept it and must report the incident to the Chief Legal Officer.

In addition, directors, officers and employees may not disclose to Atmel or individuals affiliated with Atmel any information that is still covered by any past "confidential", "proprietary" or "non-disclosure" agreements with former employers or other parties.

IX. POLITICAL CONTRIBUTIONS

Generally, Atmel's participation in political activities, if any, is through one or more trade associations. Political contributions of Atmel funds are prohibited, without the consent of the Board of Directors.

X. PROTECTING ATMEL'S ASSETS, INTELLECTUAL PROPERTY AND USING SOFTWARE

Atmel assets (including funds, time, materials, equipment, intellectual property and facilities) are valuable resources. Directors, officers and employees should care for Atmel's assets and use them responsibly and efficiently. Carelessness and theft, misuse and waste of Atmel's assets have a direct impact on Atmel's profitability, and all Atmel assets should only be used for legitimate business purposes. Incidental personal use of equipment such as computers, telephones and supplies is permitted.

When you joined Atmel, you were required to sign an agreement under which you, as an employee, assumed obligations relating to the development, maintenance and protection of intellectual property and the treatment of confidential information. As

an Atmel employee, you have agreed to assign to the company all of your right, title, and interest in intellectual property (including ideas, inventions and documents which relate to the company's actual or anticipated business, research or development or other tasks that you perform for the company) you develop while you are employed by Atmel. Subject to the laws of each country, this obligation applies no matter where or when--at work or after hours--such intellectual property is created. That intellectual property must be reported to Atmel, and the property must be protected in accordance with company policies and procedures.

From time to time, you may confront circumstances in your daily job that involve matters associated with open source software. There are potentially significant issues involved with the use or integration of open source software into products developed by the company. The use of open source software may impose obligations on the company and the nature of the licenses it grants to its intellectual property. In some of those circumstances, that may lead to the inappropriate transfer of Atmel intellectual property rights. Employees involved with, or who want to use, open source software are required to consult with their manager and the Legal Department prior to using any open source software.

All Atmel employees are responsible for using and managing third party software in an appropriate and legal manner. You should take special care in obtaining software from others. Software is protected by copyright, and may also be protected by patent, trade secret or other laws. Software may be on any tangible media, such as print-outs, DVDs, CD-ROMs or diskettes, or it may be accessible electronically through a network from sources such as online databases, bulletin boards, or Web sites. The terms and conditions of any license agreement - such as provisions not to copy or distribute the software or that permit you to load and use the software on only one machine - must be strictly followed. Before you load software from any source onto any computer provided by Atmel or used primarily for Atmel business purposes, or distribute software inside or outside of Atmel, or otherwise accept a license agreement, you must follow any procedures established by your business unit, Atmel's Chief Information Officer or the Legal Department.

XI. INTEGRITY OF ATMEL'S RECORDS AND FINANCIAL DISCLOSURES; SIDE LETTERS; EXTERNAL COMMUNICATIONS AND DOCUMENT RETENTION

A. Integrity of Atmel's Records and Financial Disclosures

Funds and assets of Atmel should be properly accounted for on the books and records of Atmel and should be used only for the benefit of Atmel in accordance with legal and proper procedures. Officers and employees must adhere to Atmel's internal control procedures for initiating and recording transactions. In recognition of its responsibility for the integrity and objectivity of data in the financial statements, management maintains a system of internal accounting controls. These controls have been designed to provide reasonable assurance that Atmel's assets are properly safeguarded, transactions are executed and reported in accordance with

management's authorization and the books and records of Atmel accurately reflect all transactions. The internal control system is augmented by a program of written policies and procedures, review by management and training of qualified personnel.

Atmel is committed to providing full, fair, accurate, timely and understandable disclosure in reports and documents that it files with, or submits to, the Securities and Exchange Commission ("SEC") and in its other public communications. Atmel has established disclosure controls and procedures that are designed to ensure that information Atmel files or submits to the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms. Although only certain employees (primarily in the Finance Department) are directly involved in the preparation and publication of reports and documents filed with, or submitted to, the SEC, many other individuals at Atmel are involved, directly or indirectly, in the financial reporting process or in activities affecting information that appears in Atmel's financial statements (such as purchase and sales invoices, sales of products, purchase of supplies or equipment, design, manufacturing, assembly and test of products, and marketing activities). Therefore, it is the responsibility of each individual to promote the accuracy, completeness and reliability of every business record in which he or she is involved (including accounting entries, reports, time sheets, vouchers, bills, payroll records, tax returns and other essential data).

B. Side Deals or Side Letters

All of the terms and conditions of agreements entered into by Atmel must be formally documented. Contract terms and conditions define the key attributes of Atmel's rights, obligations, and liabilities and can also dictate the accounting treatment given to a transaction. Making business commitments outside the formal contracting process through side deals, side letters or otherwise, is unacceptable. You should not make any oral or written commitments that create a new agreement or modify an existing agreement without approval through the formal contracting process. In particular, all commitments must have visibility to the Legal and Finance Departments so the company can ensure it is properly accounting for each transaction. If you have knowledge of any side deal, side letter, or agreement made outside the formal contracting process, you should report it immediately to your manager and the Legal Department.

C. External Communications

It is Atmel's policy to sell, market and advertise our products honestly and fairly. False or misleading advertising is strictly prohibited. Care must also be taken to ensure that Atmel's product brochures and product and other press releases are accurate and not misleading.

Atmel strives to maintain open, honest and consistent communications with the media, stockholders, prospective stockholders, the investment community and government entities. In order to facilitate the accuracy and appropriateness of all information publicly disclosed, only designated spokespersons, as set forth in Atmel's Disclosure and Communications Policy, are permitted to respond to inquiries from such parties or any other party seeking financial or other material nonpublic

information about Atmel who is not bound by a duty of confidentiality to Atmel. Inquiries of this nature should be referred to Atmel's Investor Relations Department to ensure that communications with such parties are made in accordance with Atmel's Disclosure and Communications Policy.

In addition, all Atmel employees must adhere to Atmel's Social Media Policy (available on Atmel's Intranet at: http://www-sjo.atmel.com/sjo/hr_new/policies_guidelines/indexII.html) when creating or contributing to any kind of social media, including any form of online publishing and discussion.

D. Document Retention and Legal Hold

As an Atmel employee, you have a responsibility to manage documents and make decisions on document retention. The definition of a "document" is extremely broad and includes not only paper documents, but also e-mails and other electronic files. Different documents have different retention periods. The company maintains a document retention policy that is intended to meet various legal requirements in the United States and throughout the world. If you are uncertain about the potential retention of a document, please contact the Legal Department. In addition, the company may, from time to time, need to retain documents beyond the period they would normally be retained. In most cases, those reasons relate to litigation or investigatory matters. If the company is involved in any of those situations, retention and preservation of documents is critical and the failure to do so may subject not only the company, but also the individuals that fail to comply with the applicable retention requirements, to significant liability. If you have documents that may be required for litigation or other legal matters, the Legal Department will place those documents on a "legal hold", meaning the documents cannot be altered, destroyed, deleted, or modified in any manner. Legal will notify the individuals most closely identified with the documents about the legal hold and will provide instructions for retaining the documents. Recipients of a legal hold must ensure that these instructions are followed. A legal hold remains in effect until you are notified by the Legal Department in writing. Questions regarding a legal hold should be directed to the Legal Department.

XII. ANTITRUST

A. Antitrust Laws

The antitrust laws are intended to protect the competitive process and consumers. There are four broad categories of U.S. federal antitrust laws. The first and most significant antitrust law is the Sherman Act, which generally regulates two classes of competitive conduct. First, the Sherman Act prohibits agreements between two or more individuals, or two or more corporations, that unreasonably restrain trade in any product or service. Second, the Sherman Act prohibits any individual or corporation, acting alone or in concert with another, from engaging in certain

anticompetitive conduct in an attempt to acquire or maintain a monopoly in a particular product or service.

The Clayton Act, among other things, prohibits certain exclusive dealing arrangements, “interlocking” corporate directors and officers, mergers, stock or asset acquisitions that may substantially lessen competition in a market for a good or service. The antitrust laws also require that parties to certain transactions notify the Department of Justice and Federal Trade Commission (“FTC”) prior to consummation of the transaction (often referred to as a “Hart-Scott-Rodino filing”).

The Robinson-Patman Act prohibits a seller of goods from discriminating among competing resellers, who purchase the same or substitutable quantities of goods of like grade and quality, by extending unequal discounts, promotional services, or promotional allowances. The Robinson-Patman Act also prohibits payment of brokerage fees or commissions to a buyer or buyer’s agent, and may apply to buyers who knowingly receive illegal discriminatory prices.

The FTC Act generally bars the same practices prohibited by the Sherman Act, but in a few cases extends further with its broad proscriptions against unfair methods of competition and unfair or deceptive acts or practices. The FTC Act also allows the FTC to enjoin potentially anticompetitive conduct before it leads to a violation of other antitrust laws.

In addition to these federal laws, Atmel may also be subject to a myriad of antitrust and competition laws at the state level and in foreign jurisdictions in which Atmel conducts business. In particular the EU has a well-developed competition law framework. State or foreign antitrust and competition laws may impose restrictions that are more stringent than those under the federal antitrust laws. For example, whereas territorial restrictions in vertical agreements are generally legitimate under U.S. antitrust law, absolute territorial protection within the EU market is generally not compatible with EU competition law. Likewise, minimum resale price maintenance is still considered a per se infringement of the EU competition rules (whereas, under the U.S. federal antitrust laws, it is subject to a rule of reason analysis).

B. Activities that May Raise Antitrust Issues

Dealings with Competitors

Agreements between two companies that limit competition between them are likely to raise antitrust concerns. For this reason, individuals must contact Atmel’s Legal Department before engaging in communications with competitors. The following is a list of agreements or arrangements between competitors that raise the most serious antitrust issues:

- price-fixing – an agreement on price or any element of price (discounts, credit terms), including arrangements between competitors that tend only to stabilize prices;

- agreements regarding the quantity of goods or services sold, offered or manufactured;
- bid-rigging – agreements to submit specific bids or to refrain from submitting bids for customer contracts;
- agreements to divide or allocate markets, territories or customers; and
- agreements to boycott third parties.

A prohibited agreement may be oral, informally arrived at or may even be inferred from circumstantial evidence such as the conduct of the parties.

Meetings with competitors are particularly vulnerable to antitrust claims. Trade associations, standard-setting bodies and industry conferences are normal occasions for legitimate discourse with competitors; but they require special care and sensitivity. In no event should confidential business information be disclosed in these or other settings attended by competitors, including particularly discussions about pricing, customers, product plans, production capacity and R&D.

Dealings with Customers and Suppliers

Atmel's relationships with its customers and suppliers may also raise antitrust concerns in certain circumstances. To avoid any appearance of impropriety, individuals must contact the Legal Department before engaging in any of the following conduct:

- Tying Arrangements: A "tying" arrangement occurs where a seller offers a product or service only on the condition that the buyer also agrees to purchase a different product or service.
- Bundled Discounts: A bundled discount occurs where two or more products are offered for sale separately, but are discounted when purchased together as a package.
- Exclusive Dealing: These transactions include contracts that prohibit a purchaser from buying or dealing in the goods or services of a competitor. These transactions may also include a commitment by the customer to purchase all, or substantially all, of its requirements for a particular product from one seller.
- Predatory Pricing: Predatory pricing may occur where a seller charges below-cost prices for the purpose of eliminating one or more competitors from the marketplace.
- Resale Restrictions: This category includes restrictions placed upon the resale of items purchased by a customer. For example, an agreement between a manufacturer and a retailer restricting the price at which the retailer will resell the product to customers is a resale price restriction.

- Price Discrimination and Discriminatory Promotional Allowances: These activities involve offering discounts or promotional allowances to some customers or distributors but not others.
- Deceptive Practices: Certain “deceptive” practices may raise risks under the Sherman Act, the FTC Act, the Lanham Act and other federal and state laws. Forms of deception that could raise antitrust issues include, but are not limited to, false or deceptive statements regarding a competitor’s product, commercial bribery, abuse of the standard-setting process or litigating baseless legal claims in an effort to harm competition.

Many of the practices described above are common and, in many cases, legal. The legality of these practices often hinges on the specific factual circumstances under which they arise. If a director, officer or employee has any questions about whether a proposed action raises antitrust concerns, the individual should contact the Legal Department before engaging in the activity.

XIII. INSIDER TRADING

Under the U.S. federal securities laws, any individual with material, nonpublic information about Atmel or any other company may not purchase or sell the securities of the company. “Tipping” is also prohibited. Tipping is defined as disclosing material nonpublic information about a company directly or indirectly to others or making recommendations or expressing opinions about transactions in securities of a company while you are aware of material nonpublic information about that company.

Information should be considered material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell securities or would view the information as significantly altering the total mix of information in the marketplace about the company. In general, any information that could reasonably be expected to affect the market price of a security is likely to be material. Either positive or negative information may be material. Information is considered nonpublic if the information has not been broadly disseminated to the public for a sufficient period to be reflected in the price of the security. As a general rule, you should consider information about Atmel to be nonpublic until two full trading days have lapsed following public disclosure of the information.

Insider trading is a crime punishable by civil penalties of up to three times the profit gained or losses avoided on a transaction, criminal fines of up to \$5 million, and up to 20 years in prison. Companies may also face civil penalties, up to the greater of \$1.275 million, or three times the profit gained or losses avoided, for insider trading violations by their employees and other agents. Tipping also violates the U.S. federal securities laws and can result in the same civil and criminal penalties that apply if an individual engages in insider trading directly, even if the individual does not receive any money or derive any benefit from trades made by others to whom the individual passed material nonpublic information.

Individuals should contact the Chief Legal Officer with any questions or concerns relating to insider trading. More detailed rules and guidelines can be found in Atmel's Insider Trading Policy, which is available on Atmel's Intranet at: http://www-sjo.atmel.com/sjo/legal_new/policies_guidelines/index.html.

XIV. NON-DISCRIMINATION; HARASSMENT AND WORKPLACE SAFETY

Discrimination in employment is illegal under U.S. federal and applicable state or local law and under the laws of most countries. It is Atmel's policy to recruit, hire, promote, assign, compensate, train and otherwise handle all terms and conditions of employment for qualified persons without regard to protected status or activity, such as race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation, physical or mental disability, citizenship, veteran status or any other protected status or activity, all in accordance with applicable law.

Harassment of any kind is a form of misconduct that undermines the integrity of the employment relationship. Prohibited harassment includes sexual harassment, as well as harassment on the basis of any other protected status or activity, which is illegal under U.S. federal and applicable state or local law and in violation of Atmel's policies.

Sexual harassment includes:

- unwelcome sexual advances, requests for sexual favors, or other physical, verbal or visual conduct of a sexual nature when submission to the conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- submission to or rejection of the conduct by an individual if used as the basis for employment decisions affecting the individual; or
- conduct that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment on the basis of any other protected status or activity is also strictly prohibited. This may include verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her protected status or activity and that has the purpose or effect of creating an intimidating, hostile or offensive work environment, or has the purpose or effect of unreasonably interfering with an individual's work performance.

Atmel operates in a manner that seeks to protect the safety and health of our employees. Conduct your job safely and consistent with applicable health and safety requirements. Use good judgment and always put health and safety first. Be proactive in anticipating and dealing with health and safety risks. In keeping with that commitment, Atmel will not tolerate workplace violence.

Employees who believe they have experienced conduct that is contrary to Atmel policy, or who have questions or concerns about such matters, should contact their immediate supervisor or manager, any supervisor or manager in the employee's department or the Human Resources Department. Directors and officers should contact the Chief Legal Officer or Chairman of the Audit Committee.

XV. EMPLOYEE AND DATA PRIVACY

To the extent permitted by applicable laws, including the specific laws of jurisdictions in which our employees may be based, Atmel and Atmel authorized companies and individuals may collect and maintain personal information which relates to your employment, including compensation, medical and benefit information. Because Atmel is a global organization with business processes, management structures and technical systems that cross country borders, you acknowledge that, to run its business, Atmel and its authorized companies may, if and as permitted by local laws (which, again, may differ by jurisdiction), transfer personal information about you as an Atmel employee to any of the countries where we do business in accordance with inter-company agreements. While not all countries have a data protection law, Atmel has policies that are intended to protect information wherever it is stored or processed. For example, access to your personal information is restricted to people with a need to know. Employees who have access to personal information must ensure that the information is not disclosed in violation of Atmel's policies or practices.

Data privacy regulations and requirements continue to evolve throughout the world. Non-compliance or inattention to privacy-related matters can damage the company's brand and reputation and can, in some cases, lead to violations or law with significant potential associated penalties. It is essential that you remain sensitive to data privacy issues within any jurisdiction in which you are working. If you have questions, please contact the Legal Department.

XVI. INVESTIGATING AND ADDRESSING POSSIBLE VIOLATIONS

Reports of possible violations of these Standards will be taken seriously and investigated promptly and thoroughly. If a violation is found to exist, the appropriate corrective or disciplinary action will be taken up to and including termination of employment. Any disciplinary action should be commensurate with the nature of the violation and the particular facts of the violation (for example, minor violations for a first-time offender may receive discipline in the form of a warning or reprimand while a serious violation may result in termination of the offender).

All managers are responsible for the enforcement of and compliance with these Standards by the employees reporting to them. Managers or executives who condone any illegal or unethical conduct by those reporting to them, who do not take immediate measures to correct the conduct or who take retaliatory measures against

an employee who reports any illegal or unethical conduct may also be subject to disciplinary or corrective action.

Atmel is committed to maintaining an environment in which individuals feel free to report possible violations of these Standards. Any retaliation against an individual for the good faith reporting of possible violations, or for assisting in the investigation of possible violations, is strictly prohibited. Atmel will take appropriate corrective or disciplinary action against individuals who engage in retaliation, up to and including termination of employment.

XVII. WAIVER AND AMENDMENT

Waivers of provisions of these Standards will be granted only in exigent circumstances. Any waiver or amendment of any provision of these Standards for an officer or Director of Atmel must be approved in writing by Atmel's Board of Directors and promptly disclosed in accordance with applicable laws and regulations. Any waiver of any provision of these Standards for any other employee must be approved in writing by the Chief Legal Officer.