



Corporate Social Responsibility

2017 Progress Report



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CEO Letter

We are pleased to introduce Sierra Wireless' inaugural corporate social responsibility (CSR) report. While new to reporting our CSR efforts, our commitment to the environment and social responsibility is central to who we are as a corporate citizen.

Sierra Wireless is an IoT pioneer, empowering businesses and industries to transform and thrive in the connected economy. In pursuit of our company mission, we help our customers save lives, deliver and utilize energy more efficiently and to pursue commercial initiatives that have a positive impact on our environment.

We're excited about our role in making the world a better, safer place and are committed to working with suppliers, partners and our team members to bring prominence to social responsibility in the IoT industry.

Today we conduct business in accordance with the highest standards of business conduct and integrity and our commitment to social responsibility is grounded in our Code of Business Conduct, which mandates that we:

- Maintain the highest standards of integrity when conducting Company business and in dealing with our suppliers, customers, competitors, shareholders and each other;
- Are committed to a workplace that values the diversity of employees, is free of any type of discrimination and harassment, and is a safe and healthy environment in which all employees can work;
- Are committed to minimizing the environmental impact during the design, manufacture, distribution, use and disposal of our products;
- Source materials and components from environmentally and socially responsible suppliers;
- Support the principle of freely chosen employment and do not support the use of forced labor in any of its forms, including slavery and child labor;
- Track and document energy consumption and greenhouse gas emissions.

As a global leader building wireless solutions for the Internet of Things, we will continue to refine our thinking on corporate social responsibility, identify opportunities to further our practices and consistently report on our progress. We encourage your input and ideas as we move through our CSR journey.



All the best,

Jason Cohenour

President & CEO



Corporate Social Responsibility at Sierra Wireless

The global IoT market is expected to grow significantly over the next decade. Industries, enterprises, governments, and consumers are gaining a broader understanding of the benefits of collecting information from mobile and fixed assets at the edge of the network to enable detailed analysis, monitoring, and real-time decision making. New IoT applications are helping people and organizations to increase productivity, save energy costs, create new business models, and provide value-added services to their customers.

An integral factor in the growth of IoT applications is cellular connectivity, which enables the transmission of data from embedded modules and gateways, through advanced mobile networks and cloud services, to the enterprise or consumer.

As Sierra Wireless continues to lead in the dynamic space between people and things, integrating corporate social responsibility further into our business strategy simply makes sense. Our valued customers and stakeholders can deploy our solutions as an integral part of their innovative products that promote global corporate social responsibility without compromising the integrity of their design. The benefits of IoT technology include the creation of simpler solutions that can be customized for business needs to improve efficiency and drive design evolution. As emerging markets continue to expand, and competition intensifies, we can use our global expertise and vision for creating leading technology that influences smart design to deliver future-proof solutions that support climate mitigation measures and increase our positive social impact.



Responsible Business Alliance
Formerly the Electronic Industry Citizenship Coalition
Advancing Sustainability Globally

Today the RBA is comprised of more than 110 electronics companies with combined annual revenue of over \$4.75 trillion, directly employing more than 6 million people.

Responsible Business Alliance

In 2015, we began aligning our practices with the Electronic Industry Citizenship Coalition (EICC) standards around environmental protection and social responsibility, in addition to programs we already have in place, to further support our basic tenets of responsible supply chain management. In 2017, the EICC became the Responsible Business Alliance (RBA). The RBA is dedicated to protecting the environment and supports the well-being and rights of those working in the global electronics supply chain by sharing common standards for social, environmental, and ethical issues in the RBA Code of Conduct. Sierra Wireless commits to progressively align its own operations with the provisions of the RBA Code of Conduct. Wherever possible, we will seek to adopt the RBA approach and tools in practical ways in the spirit of the industry's common goals.

In 2015 and 2016, Sierra Wireless participated in the EICC Responsible Electronics Conference to glean and share best practices for instilling responsibility into all aspects of supply chain – from environment, health, and safety to ethical worker policies. In fact, this first corporate social responsibility report for Sierra Wireless – along with the Materiality Assessment that helped inform it – stems in part from the company's commitment to the RBA and their Code of Conduct.

Looking Forward 2018

People

Objectives	Goals
Sierra Wireless will build sustainable communities through employee engagement, by investing – directly and visibly – in the environment and community.	<ul style="list-style-type: none"> By 2019, we will donate 1% of staff time (approximately 1 day per person each year) to projects that build sustainable communities. We will develop a corporate initiative by which employees and the company can make donations to local communities.
Implement a global diversity & inclusion strategy that delivers talent acquisition and retention programs that will result in increased representation of women and underrepresented minorities across our workforce, in technical and business leadership roles.	<ul style="list-style-type: none"> By the end of 2018, we will evaluate and commit to an external charter/set of principles that support and guide the internal Diversity & Inclusion strategy. In 2018, we will implement robust and sustainable programs that enable us to meet the commitments of our Executive Diversity Policy. We will provide development opportunities and support to our managers and employees to ensure that Diversity & Inclusion is an integral part of the Sierra Wireless culture.

Planet

Objectives	Goals
Sierra Wireless is committed to protecting the future of our shared planet. To support this, we will design our products to be environmentally friendly.	<ul style="list-style-type: none"> By 2018, Sierra Wireless' design teams will receive training in Eco-Design processes and establish Eco-Design targets through a defined, documented process. By 2020, our products will be developed with the environment in mind, which we aim to report on annually.
Create a multi-year global roadmap to reduce Sierra Wireless' Greenhouse Gas emissions.	<ul style="list-style-type: none"> By 2018, we will identify and quantify Greenhouse Gas Emissions -- at both employee and manufacturing sites -- and develop a strategic plan for reducing Greenhouse Gas Emissions. By 2020, we aim to achieve industry-competitive Greenhouse Gas emission reductions.
Approach zero landfill to conserve resources and minimize pollution.	<ul style="list-style-type: none"> By 2018, we will evaluate regional support for recycling of organic, battery, electronic, and other wastes and create a roadmap to guide the approach to reducing waste through improved recycling practices. By 2020, we will implement at least three pilot programs in regionally-diverse Sierra Wireless facilities to divert greater than 20% of waste (by weight) from landfill or incineration.

Sourcing

Objectives	Goals
Sierra Wireless aims to "green" our suppliers by requiring strategic & direct suppliers to increase corporate social responsibility practices.	<ul style="list-style-type: none"> By 2018, we will establish corporate social responsibility requirements for all purchases. By 2019, we will roll-out targets to suppliers & manufacturing partners.

About this Report

In our first public CSR report, we are formally presenting the corporate social responsibility principles which we are committed to and which we are engraining into our business. Through this voluntary disclosure, we seek to increase transparency and accountability with our investors, customers, suppliers, and local communities and address areas of concern raised by those who have a vested interest in Sierra Wireless. We will continue to more formally develop our goals year after year, as our commitment to improving and refining our corporate social responsibility approach is an essential component for long-term growth. Moving forward, we intend to share our progress toward our goals and commitment to corporate social responsibility annually. We look forward to better understanding where we can most effectively help our customers and influence change in the market through our trusted partnerships, while also recognizing the challenges we may face as the industry evolves and new challenges arise.

This report contains data up-to and including 2017 and covers Sierra Wireless' global operations: our headquarters in Richmond, Canada, and our facilities in the United States, Europe and Asia.

Corporate Social Responsibility Governance

The CSR team is dedicated to defining and executing Sierra Wireless' global economic, social, and environmental corporate social responsibility goals and initiatives and promoting CSR-related activities. This team is led by the Vice President of Quality, in partnership with key stakeholders across Sierra Wireless, and with the support of our executives.

Our cross-functional, multi-regional CSR Committee is tasked with reviewing and supporting improvement opportunities, proposing implementation of new objectives, reviewing risk assessments, and publishing the annual CSR report.

An aerial photograph of a city skyline at sunset, with a network diagram overlay consisting of white arcs and dots connecting various points across the city. The title "Empowering the World with IoT Solutions" is written in large white letters across the middle of the image.

Empowering the World with IoT Solutions

As the IoT grows our vision remains the same: to empower businesses to reimagine their future in the connected world using intelligent wireless solutions so they can innovate to their highest potential. Since our business began in 1993 with our first cellular embedded module, we have delivered a comprehensive portfolio of wireless devices, including 2G, 3G, and 4G embedded modules, routers and gateways which are seamlessly integrated with our secure cloud and connectivity services. Our team of visionaries and leaders create fully-integrated device-to-cloud solutions for the IoT that have the potential to reduce power consumption, improve business operating efficiencies, and help optimize resource use.

With over 24 years of innovation in the wireless space we have been first to market with many technology solutions for global customers. We've grown to operate on more than 80 networks worldwide and we have shipped more than 130 million devices globally. We sell and support products and services in more than 130 countries and have secured more than 400 wireless patents.

The wireless communications industry is subject to rapid technological change, including evolving industry standards, new products and innovations, constant improvements in performance characteristics, new user applications, and short product life cycles. Our business and future success will depend, in part, on our ability to accurately predict and anticipate evolving wireless technology standards and develop products that keep pace with changing customer and end-user preferences and requirements. Our inclusive, diverse, and creative team of over 1,100 employees in more than 20 countries helps us meet these demands by developing cutting-edge products and solutions to connect thousands of businesses to critical data and millions of people to information.

Our customers trust us to develop products and services that get them to market faster and can in turn, help save lives, reduce carbon emissions, and make neighborhoods safer.



The IoT is poised to change the way we interact with one another, driving massive change in today's global economy. By enabling better data analytics and management, the IoT provides customers with more knowledge to optimize operations, increase efficiencies and improve real-time decision-making —generating new services and ultimately driving additional revenues. Sierra Wireless excels in bringing technology solutions to fruition, delivering value across traditional market segments, while helping businesses create the next wave in IoT solutions as they emerge for tomorrow's world. When companies start with Sierra, they can build, connect, deploy and manage their IoT implementations with confidence. From our embedded and gateway solutions to our cloud and connectivity IoT services – we build technology for a smarter future.

Products and Solutions

These areas illustrate a broad range of innovation at Sierra Wireless:



Cloud and Connectivity Services

Our Cloud and Connectivity services are pre-integrated with our hardware devices to help accelerate time to market for new IoT solutions. The segment comprises three main areas of operation: (i) our AirVantage® IoT Platform, which provides a secure and scalable cloud based platform for deploying and managing IoT subscriptions, devices, data and applications; (ii) our global cellular connectivity services, which includes our Smart SIM and core network platforms; and (iii) our managed connectivity services.



Embedded Solutions

Our OEM Solutions business provides AirPrime® embedded wireless modules and tools for OEM customers that are used to integrate wireless connectivity into products and solutions across a broad range of industries including automotive, transportation, enterprise networking, energy, sales and payment, mobile computing, security, industrial monitoring, field services, healthcare, and others. Within our OEM Solutions segment, our embedded wireless modules product portfolio spans 2G, 3G, and 4G cellular technologies and Bluetooth and Wi-Fi technologies for use in IoT applications.



Networking Solutions

Our Enterprise Solutions business provides intelligent gateways and routers, security and device management solutions, and professional services for enterprise customers. Within our Enterprise Solutions segment, the AirLink product portfolio includes intelligent wireless gateways and routers with extensive customization options that enable mission-critical connectivity. They are designed for use where reliability and security are essential and are sold to public safety, transportation field service, and energy, industrial, retail and financial enterprises around the world.

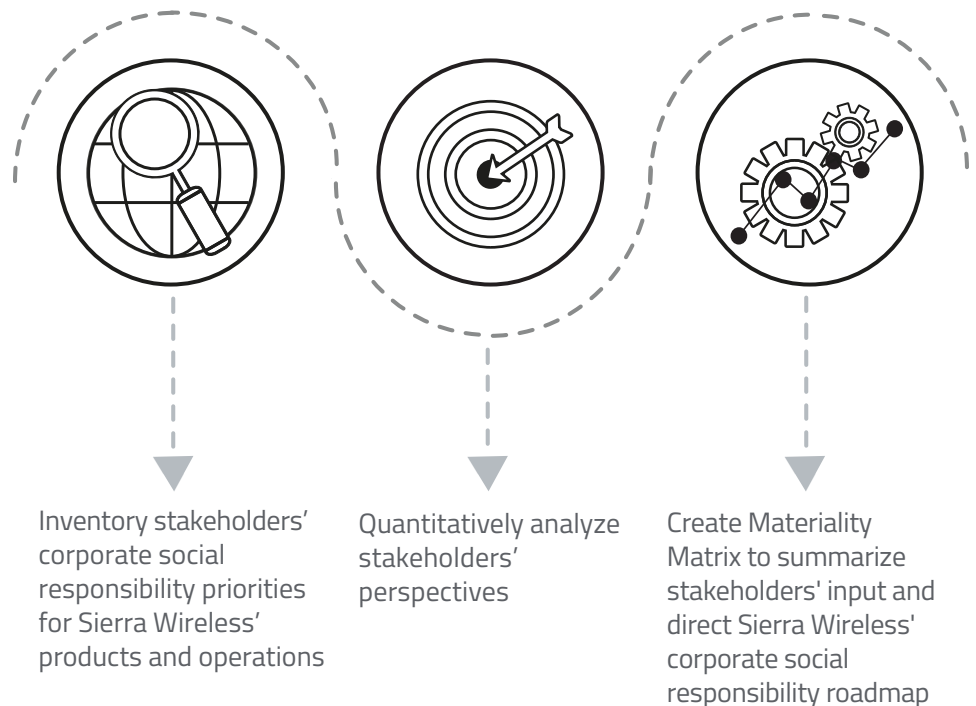
Our Approach to Corporate Social Responsibility



Materiality

At Sierra Wireless, we understand the importance of transparency. We engaged our internal and external stakeholders in a Materiality Assessment to identify the key issues for our company's corporate social responsibility focus. This first CSR report builds on our 2017 Materiality Assessment and will help inform our overall approach to corporate social responsibility, driving value and increasing transparency with our stakeholders.

Figure 1. Approaching the Materiality Assessment



Our Materiality Assessment evaluated stakeholders' perspectives based on their relative importance ratings. Through this survey process, we identified 16 material topics considered important to Sierra Wireless. These topics were broadly based on Global Reporting Initiatives (GRI) Standards in an effort to begin aligning our approach to reporting with future disclosure opportunities. The following material topics were identified as areas to focus on for improvement and optimization of our corporate social responsibility management strategy:

Material Category and Topics			
People	Planet	Business	Governance and Compliance
(1) Creating a respectful workplace that fosters equal opportunity and diversity	(4) Utilizing eco-design concepts to design products with consideration for the environmental impacts throughout product lifecycle	(7) Conducting regular risk assessments, audits, and verification of Sierra Wireless supply chain	(12) Complying with regulations on fair competition and export controls
(2) Attracting top talent that will bring fresh perspective and added value	(5) Ensuring our recycling is responsible	(8) Practicing responsible sourcing and outsourcing	(13) Meeting customer and regulatory expectations/ requirements
(3) Developing and retaining the highly skilled workforce	(6) Reducing our carbon and energy footprint	(9) Maintaining positive practices toward suppliers (respect, fairness, and honesty)	(14) Maximizing the capability of Sierra Wireless to adapt to changing laws, regulations, and standards
		(10) Respecting data privacy and confidentiality	(15) Complying with anti-bribery, anti-corruption, anti-fraud requirements, and exhibiting ethical behavior
		(11) Sierra Wireless products and services security	(16) Considering social Issues associated with raw material sourcing

Stakeholder Engagement

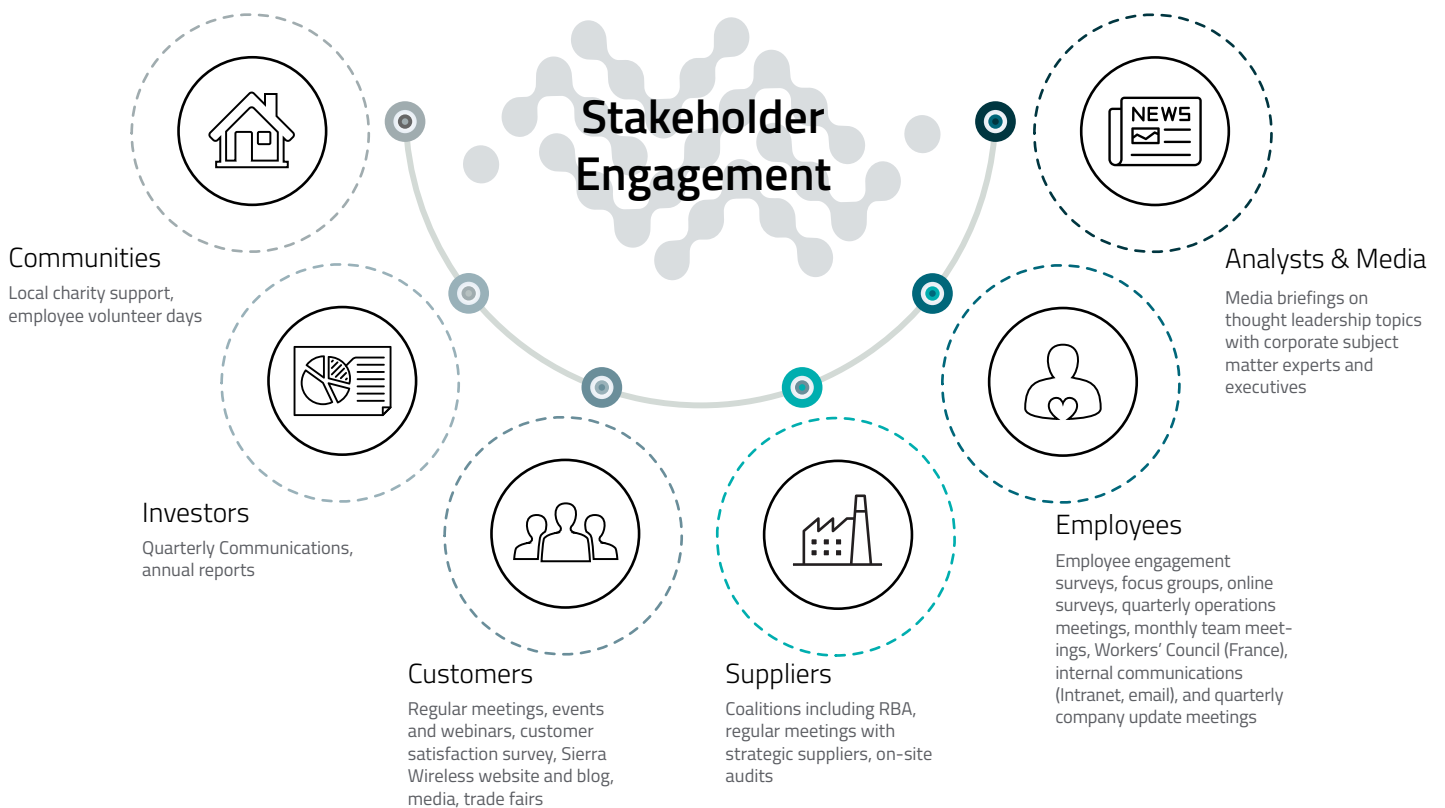
Regular stakeholder engagement is an important part of improving our business as frequent communication helps to inform decisions, identify solutions, and raise awareness of environmental and social issues.

Thanks to our stakeholder engagement in 2017, we better understand how to engage as a trusted partner on key initiatives. One example is reducing packaging waste in the electronics assembly process. Through communication with one of our manufacturing suppliers, we implemented options for indirect packaging made with recycled content, and reusing packaging numerous times before it is recycled. This in-progress project involves creative collaboration with supplier and customer stakeholders.

The desired outcome of this project will be to reduce the need for virgin plastic materials and reduce cost across the supply chain.

In addition to engaging our key stakeholders during our Materiality Assessment, we currently communicate directly and indirectly with our employees, customers, suppliers, investors, media, and our regional communities to ensure alignment of our policies and performance with their needs and to better build our CSR strategy.

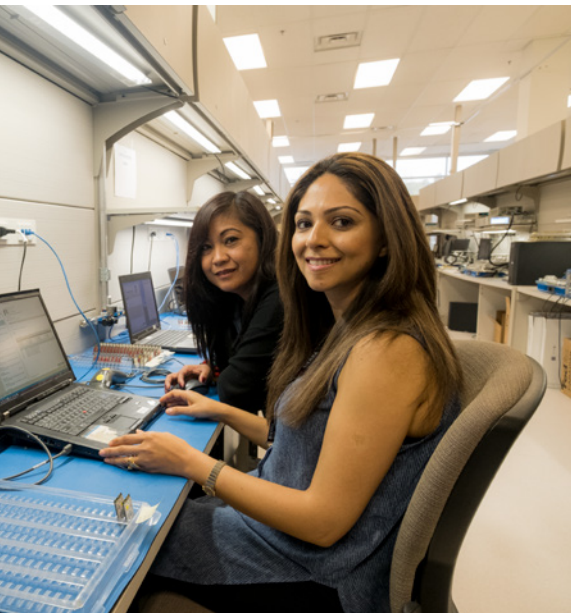
Figure 2. Stakeholder Engagement



Our People

Our success as a global employer depends on attracting exceptional talent and maintaining an inclusive work environment that enables our employees to maximize their contributions and build their careers with Sierra Wireless. The dedication, knowledge, and creativity of our people allows us to exceed customer expectations and remain leaders within a rapidly evolving industry.

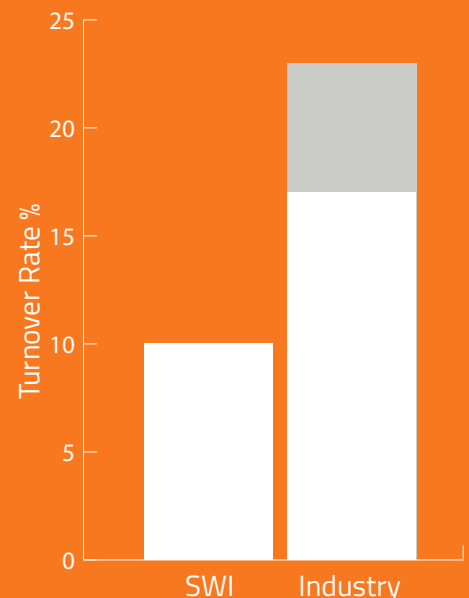
As a pioneer in wireless technology and a leader in building solutions for the IoT, we must constantly challenge ourselves to provide an environment where the skills and talents of our employees can flourish, where embracing unique ideas and alignment between our employees' skills and their contribution to the success of the company makes for more meaningful innovation.



Employee Turnover

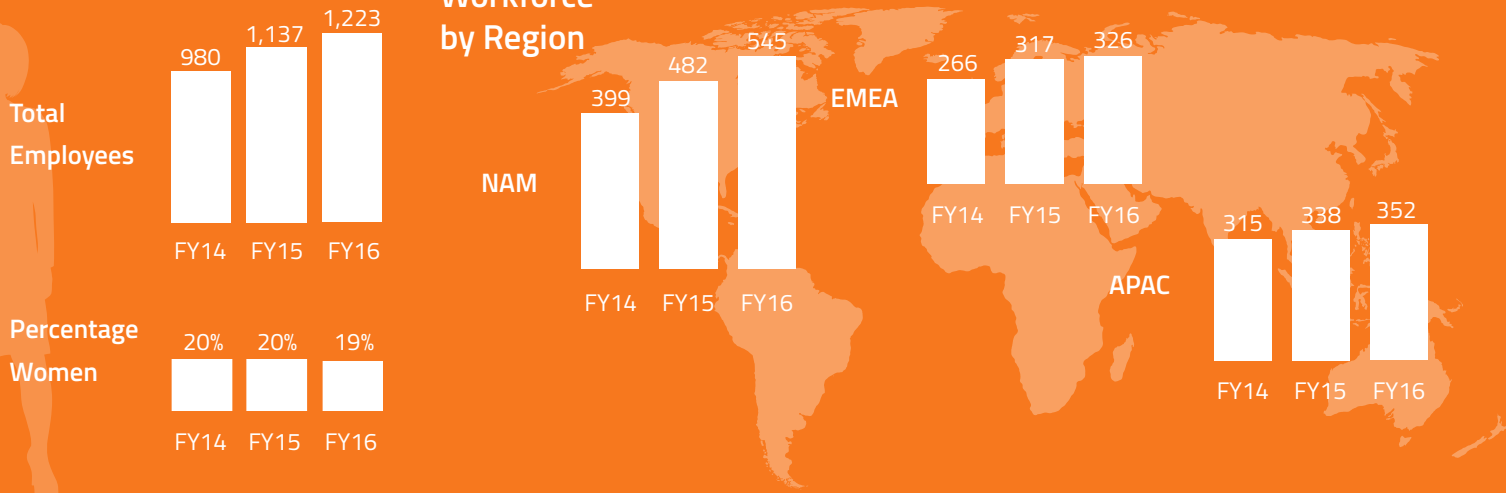
At **10 percent**, our turnover rate is substantially lower than the industry average which ranges from **17 – 23 percent**.

Source: Radford Trends Report, Salary Increase and Turnover by Region and Industry, Q1 2017.



As of December 31, 2016 we had over 1,150 full-time employees in our offices across the United States, Canada, Europe and Asia.

Workforce by Region



We invest in the ongoing learning and development of our team, as we believe personal development and the relationships we have with each other, and acting as trusted partners to our stakeholders, are crucial in building a successful organization. Our focus at present is to improve how we communicate with each other across our global organization and to provide meaningful recognition to employees. We offer a robust total rewards package, including wellness and financial benefits, and we recognize our top performers with monetary and non-monetary incentives. In addition, we support career advancement opportunities that benefit both Sierra Wireless and our employees' careers, investing in their ongoing learning and development to ensure they possess the key competencies that enable us to flourish in our competitive landscape.



In Canada and the United States, Sierra Wireless works in partnership with the United Way, strengthening connections between our employees and their communities. Teams in both Canada and in the United States coordinate the annual campaign for their respective locations, providing opportunities to volunteer and affect change.

Our Richmond location leads monthly wellness initiatives based around a unique theme such as mental health awareness, the environment, financial wellness, and heart health.



Also in Richmond, we implemented a policy whereby employees receive one day off per year, with pay, if they volunteer at least eight hours of their personal time for a local non-profit.

In Hong Kong, our team has supported local environmental initiatives including the International Million Trees Project with the Hong Kong Green Nature Union organization and the Fung Yuen Butterfly Reserve and Coastal Cleaning in Ting Kok with Taipo Environment Association.

In France, Sierra Wireless supports vocational schools in the Toulouse and Paris areas and the non-profit association, Les Compagnons du Devoir, which trains people to help them integrate into the world of work.

0

Workplace accidents in 2016

<2%

Days lost from sickness



As an employer, we are committed to our employees returning home safely to their families every day.

Workplace Health and Safety

To ensure our employees understand the importance of maintaining a safe and healthy workplace, we provide training for all new hires on:

- Safety and facilities;
- Emergency preparedness, evacuation, and communication;
- Building security;
- Health and safety responsibilities of employees.

In addition to these trainings, we strengthen our health and safety practices by:

- Implementing a workplace ergonomic program and conducting workstation risk assessments;
- Executing a safety management system across all operations;
- Conducting monthly or quarterly workplace inspections;
- Measuring and reporting on safety performance;
- Engaging through Occupational Health and Safety committees.

Sierra Wireless' commitment to conducting responsible, ethical business in full compliance with laws relating to working condition, hours, and wages is unwavering. We set our own standards through the Sierra Wireless [Code of Business Conduct](#), we hold managers responsible to lead and maintain safe and secure work areas, and we actively train our employees on safe work practices to help them identify and mitigate any risks they may encounter. The foundations of our business practice are anchored in acting with integrity, complying with the law, and treating all people equally and with respect. Through our participation in the RBA, which establishes baseline expectations for employment conditions throughout the industry, we can focus on industry-wide challenges in addition to those we may face as a company.



Purposeful Design

Our innovative IoT solutions have the power to help businesses grow, transform and fundamentally change the world. IoT technology has the ability to broadly impact corporate social responsibility practices from their inception, changing the way customers and consumers approach conservation of natural resources, saving energy, increasing productivity, and preserving biodiversity. We create technology that enables our customers to not only connect their devices and machines to other machines and assets but to also analyze and track data use from their devices, which in turn enables more informed decisions that support the evolution of their business.

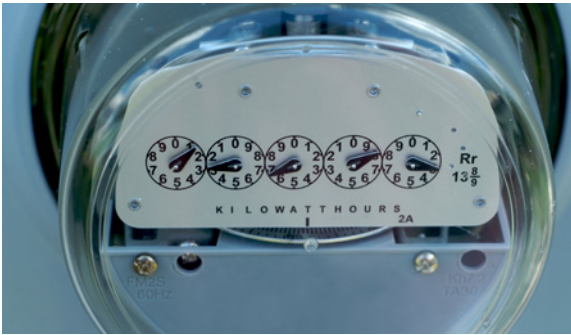
Conserving Resources

Water and energy infrastructure is transforming outdated organizations into smarter, interconnected systems. Smart meters offer governments and utilities the capability to track how resources are distributed and consumed which in turn, lowers operating costs and improves forecasting. The improved tracking capabilities brought forward through IoT technology help to identify crucial points where energy and water savings can be improved and cost savings recognized as a result.

Lower Colorado River Authority

With minimal capital investment, the LCRA advanced the remote monitoring of its infrastructure and the thousands of gallons of water per unit flowing within.





EDMI

Using Sierra Wireless' AirPrime® embedded wireless module, EDM I built a greener, "smarter" energy grid to serve more customers more efficiently.

Lowering Energy Consumption

Wireless IoT solutions give property owners the ability to connect environmental systems, lighting systems, and more. By building a smarter system, monitoring and controlling buildings becomes easier and more efficient, which ultimately lowers operating costs, energy consumption, and creates a superior space to live or work.

Duquesne Light Company

A Sierra Wireless-powered solution enables devices and substations to be remotely automated at locations where it was previously cost prohibitive.



Improving Connections

Improving connectivity through cloud services and network operations enables quicker, more efficient connections. As an example, cities around the world are deploying wireless IoT solutions that use connected LED luminaires to enable smarter public lighting. By centrally controlling an intelligent network of outdoor LEDs, governments, municipalities and their partners can dynamically adjust lighting to respond to changing conditions, improve public safety and dramatically lower power consumption and operating costs.



Sonoma County Traffic Lights

AirLink® RV50 Industrial LTE Gateway wirelessly connects traffic signaling system with county operations to improve remote monitoring and reduce monthly communication costs.

City of Clermont-Ferrand Lighting

Using a Sierra Wireless solution, the city of Clermont-Ferrand reduces street-light operating costs by 40% per annum.



First Responders

Sierra Wireless AirLink® gateway provides mission-critical connectivity for first responders utilizing the new FirstNet (Band 14 LTE) network plus AT&T, Verizon and Sprint LTE networks.

European Police Organization

AirLink® gateways provide extensive accessory support to extend solution functionality and reliable connectivity.



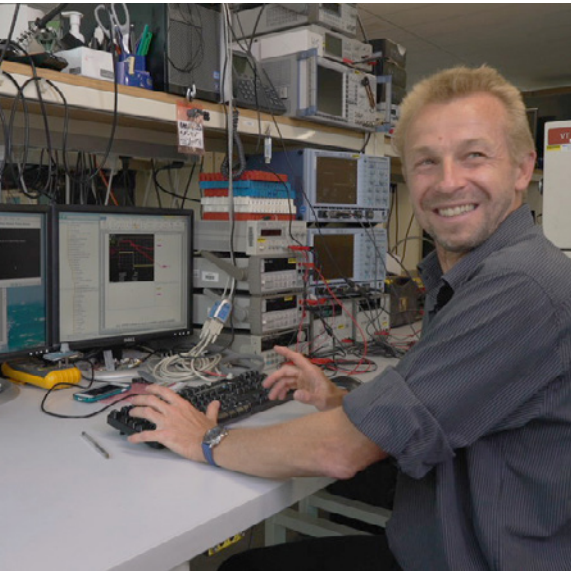
Environmental Responsibility



Working towards a better, more sustainable future is everyone's responsibility – from the manufacturing floor to the boardroom. We would not be able to help our customers solve problems without also honoring our commitment to integrate environmental responsibility and positive social impacts throughout our business.

Reducing Our Impact

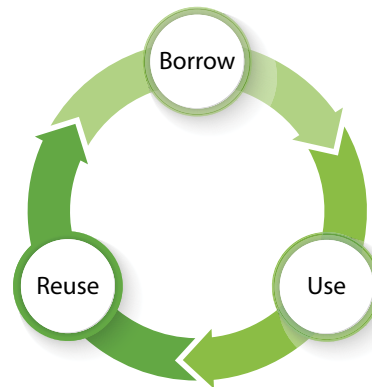
Thoughtful, efficient design is an important step in reducing our overall impact. We are committed to minimizing environmental impacts during the design, manufacture, distribution, use and disposal of our products. We are actively working to discover options for reusable packaging made with recycled content, which will have a positive effect throughout the value chain by reducing the need for virgin materials, decreasing supply chain cost, and cutting the amount of waste generated by Sierra Wireless and our customers. Additionally, we aim to reduce waste to landfill by promoting recycling throughout our global facilities.



Evolution of our product designs between generations provides the opportunity to cut back on quantity of material used in each redesign of our product. By employing intelligent engineering, the byproduct of improving design is ultimately minimizing our environmental impacts by reducing waste and driving efficiency.

Our products are also intelligently designed to help reduce power consumption in the field. By deploying our low-power wide area (LPWA) solutions in various markets such as energy, transportation, and smart cities, we ensure reliable connectivity that can lower the cost and power consumption of devices. Our next generation of cellular modules for certain LTE networks will be [LPWA](#) compliant.

The sustainable management of resources is considered by some to be a challenge. We see it as an opportunity to engage in a more Circular Economy of borrow, use and reuse.



Electronic waste is creating increasing global danger for people, water, and raw-material continuity. Electronic products designed for the Linear Economy (e.g. where resources are extracted, consumed, and then become waste) often end up furthering negative long-term environmental impacts. When casual recycling operations occur, the disassembly of electronic waste creates byproducts that have increased potential to impact water, soil, and other resources in economically developing areas. When electronics are placed in landfills, the ability to reclaim and reuse rare-earth and other non-renewable materials is likely lost. By embracing Circular Economy opportunities, we have the capability to design products for extended use, reuse, refurbishment, and responsible recycling.

Sierra Wireless' product designers have started to engage with suppliers and customers such that their electronic components and products are designed and produced to enable the growing Circular Economy. This way, the products' materials stay in the economy – circling through supply chains again and again for the health of people, planet, and business.

Energy and Greenhouse Gas Emissions

At Sierra Wireless, we understand the importance of managing our environmental footprint. We annually track and review energy consumption by our sites, miles travelled for business, and the greenhouse gas emissions associated with the manufacturing and logistics of our products. The management of this data allows us to better inform decisions and realize opportunities for improvement.

Energy Use Per Area

207 kWh/m²

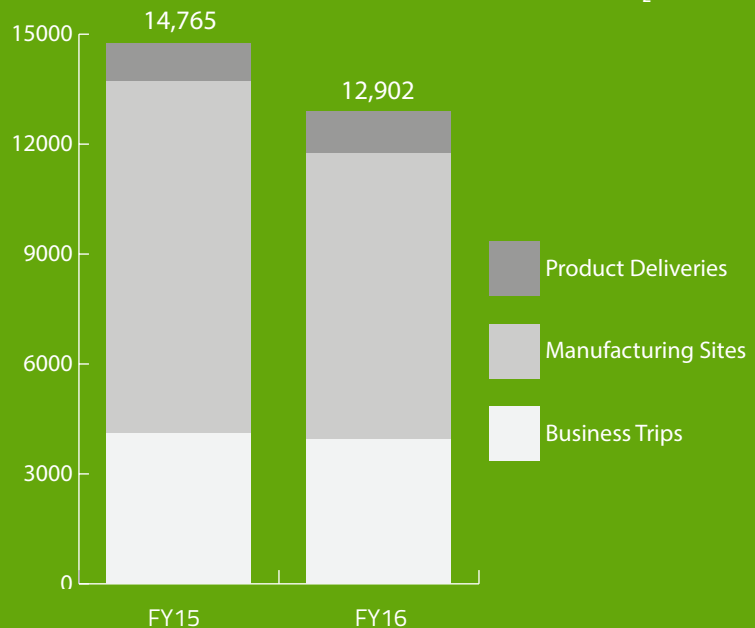
Total Energy Use

5,299 MWh

Greenhouse Gas Emissions

916 ton CO₂e

Other Greenhouse Gas Emissions (tons CO₂e)



Through our Materiality Assessment and stakeholder engagement, we recognize the value of transparency in reporting on environmental performance. We strive to better understand and measure our energy use and carbon emissions and are working to ensure consistency in metrics, data collection, and goal setting in our global offices.

Smart Cities in Action

Sierra Wireless is working with city governments, large system integrators and original equipment manufacturers around the globe to deliver a wide range of [smart city solutions](#). Our IoT products enable global customers to substantively conserve natural resources and prevent pollution.

- Connected waste management helps cities enhance efficiency in waste collection and save money, time and CO₂ emissions.
- Car-sharing and ride-sharing services reduce city traffic and carbon emissions, and allow citizens to get where they're going without the cost and hassle of owning a car in the city.
- Connected power and gas meters provide energy consumption visibility all the way from the source to homes and businesses to optimize distribution.
- Connected water meters reduce leaks and waste.
- Cities are deploying connected charging stations that make it easier for citizens to use electric vehicles – cutting carbon emissions and improving energy efficiency.



Energy Saving Initiatives at Sierra Wireless

- Automatic light on/off sensors and low-power lighting systems
- Time based heating and cooling programs to minimize power consumption
- Shuttle-bus and other transit programs to encourage employees to use public transit
- Battery reloading posts for electric vehicles
- Bicycle parking areas
- Solar panel installation
- Reflective window coatings to reduce the need for cooling
- Energy Star compliant monitors, TVs, and computers
- Sleep settings on computers, printers, and other IT infrastructure
- Air conditioning and other high-use systems disabled or set for efficiency during non-working hours

Environmental, Health, and Safety Management and Compliance

It is of paramount importance for us to understand and comply with the variety of laws, rules, and regulations that exist on the use of materials and substances in our products. Our Environmental Compliance and Verification Process ensures our materials and finished goods are compliant with environmental regulations, which impact the design of our products and include:

- the Restriction of Hazardous Substance Directive (RoHS),
- the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation,
- the Packaging Waste Directive,

- the Waste Electrical and Electronic Equipment Directive (WEEE), and
- other requirements and beyond-regulatory requests for our products' environmental attributes.

In addition to those regulations listed above, we are dually committed to design products which comply with the European Environmental Regulations. Our suppliers are also required to guarantee that their good(s) do not contain any of the regulated and/or restricted substances of any of the above regulations and/or directives. When applicable, our products meet the Federal Communications Commission Declaration of Conformity for electronic products in the United States and Conformité Européenne compliance in Europe. In addition, we maintain compliance with all applicable Environmental, Health, and Safety (EHS) regulatory requirements at our global locations, including regular risk assessments.



We will continue promoting actions toward corporate social responsibility for our employees, suppliers and contractors by:

- Striving for continuous improvement in environmental, health and safety management systems and in the environmental quality of products, processes, and services.
- Establishing goals and objectives in the pursuit of continual improvement of our EHS performance in all activities, including the development of new products and processes.
- Tracking and documenting energy consumption and greenhouse gas emissions at the corporate level.



Business and Ethics



We make every effort to ensure that Sierra Wireless employees work in an environment in which all individuals are treated with dignity and respect, free from discrimination and harassment. Additionally, we have formal procedures in place to ensure our suppliers and business partners are in compliance with applicable laws and regulations.

The following policies help us ensure our relationships and business transactions are ethical, transparent, and fully compliant with regulations:

- Code of Business Conduct;
- Anti-Bribery and Corruption Policy;
- Global Harassment and Discrimination Prevention Policy;
- Insider Trading Policy;
- Disclosure Policy;
- Privacy Policy;
- Conflict Minerals Policy;
- Information Security Policy.

In addition to these policies, we have procedures in place for reporting concerns to the audit committee and we regularly communicate the Code of Business Conduct to our employees, which captures our commitment to social responsibility and compliance with laws and regulations related to all aspects of our business. We also have in place a channel for reporting business conduct matters that includes the option of making a report on an anonymous basis. Training for management and workers on policies related to zero tolerance on all forms of bribery, corruption, extortion and embezzlement and on our conflict of interest process (including declaration of conflict of interest) is refreshed at least annually.

Data Privacy and Security

Protecting customer and employee data is a high priority at Sierra Wireless. As complexities surrounding today's technology environment continue to grow, it is imperative we manage risks associated with confidential information collection. In a world where everything is increasingly connected via big data, cloud services, and other technological advancements, it is necessary to remain a trusted partner when it comes to data privacy and security.

We are transparent in communicating the ways in which we collect information related to the use of our products and services and have processes in place to protect sensitive information collected as part of our operations. Sierra Wireless safeguards the security of the data with physical, electronic, and operational procedures. The personal information directly or indirectly collected on the Sierra Wireless website is protected by local laws and regulations in the countries where Sierra Wireless operates and we are compliant with all such local laws and regulations.

Our Code of Business Conduct also defines the responsibilities and security policies we have in place to protect our intellectual information and customer data - we take protection of property and data privacy seriously at Sierra Wireless.

Supply Chain

The impact of our operations reaches far beyond our four walls. We view our global supply chain as an extension of our business, assuring we select suppliers who uphold our high standards of compliance, ethics, integrity, and corporate social responsibility. The overall responsibility for implementing Sierra Wireless' conflict mineral compliance programs lies with the Chief Financial Officer, who is provided strategic guidance and information from Sierra Wireless' Supply Chain Steering Group. The Steering Group is responsible for the direction of the conflict minerals compliance program, while Sierra Wireless' Supply Chain Working Group is responsible for day-to-day implementation of the conflict minerals compliance program and reports to the Steering Group. Collectively, these groups are responsible for ensuring our suppliers meet our, as well as our customers', high standards.

We hold our suppliers to these standards through supplier agreements, our supplier handbook, our Code of Business Conduct, and additional relevant policies and standards. Part of our supply chain management process involves the evaluation of supplier risk associated with ethics, health and safety, and labor concerns. Through these processes, we are able to see beyond supplier logistics and make better informed decisions for our supply chain.

107

In 2016, 107 directly managed supplier facilities were screened using the EICC Self-Assessment Questionnaire. This risk-assessment process helps us identify and address areas of concern within our supply chain.

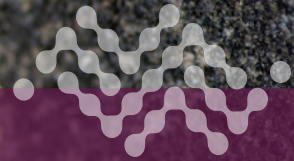
Our suppliers are expected to have programs and processes in place to ensure that our supply chain is free of any form of forced or child labor. Further, we contractually require our first-tier suppliers and primary contract manufacturers to acknowledge compliance with the RBA Code of Conduct and Sierra Wireless' EHS standards and [Conflict Minerals Policy](#). We have implemented our own audit program, using trained auditors to monitor compliance with the RBA Code of Conduct, in addition to our adherence to the RBA Validated Audit Process.



The assessment of more than 80% of our purchase spending is done using the RBA Self-Assessment Questionnaire for our suppliers. In 2017, we have begun communicating the RBA Code to our next-tier suppliers through our product lifecycle management platform in order to acquaint them with the various code guidelines.

We do not directly operate any factory fabrication. We mandate that all our contract manufacturers maintain at least the ISO 14001 environmental standard and align with OHSAS 18001 health and safety standard.

Responsible Sourcing



We are committed to conducting business ethically, honestly, and in compliance with all applicable laws and regulations. Like many companies in the technology industry, Sierra Wireless relies on conflict materials such as tin, tungsten, tantalum, and gold (3TG) to manufacture our products. Our conflict minerals compliance program integrates many of our policies, processes, and procedures, including our ISO-derived processes and procedures.

Beginning in 2013 we implemented a conflict minerals program that includes due diligence measures which are consistent with the Organization for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We comply with SEC's Conflict Minerals regulations, as well as international best practices. Since 2013 we have filed a Conflict Minerals Report annually with the SEC and copies of the reports are available on our website using the links provided below.

[Conflict Minerals Policy](#)

[Conflict Minerals Report - 2015 / 2014 / 2013](#)

[Conflict Minerals Customer Statement](#)

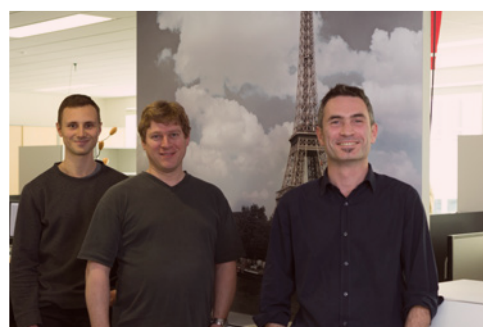
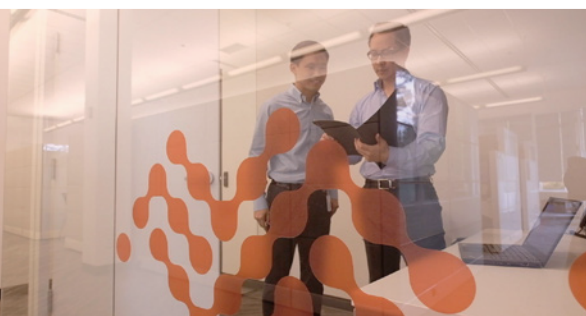
Every new and existing supplier of Sierra Wireless is required to comply with the company's Conflict Minerals Policy. The objective of this Policy is to ensure all 3TG is sourced responsibly and does not, directly or indirectly, finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of Congo or an adjoining country. We are committed to the conflict-free sourcing of 3TG, while recognizing the challenge this presents for suppliers. We expect each supplier to submit standardized evidence that the above 3TG sourcing requirements are respected. In 2016, 93% of our suppliers provided their declaration to our program and 80% are compliant. Sierra Wireless provides clear guidance to suppliers on the company's conflict-free sourcing requirements, the deadlines for compliance with those requirements, and the possible consequences of a supplier's failure to comply.

Our risk mitigation plan is intended to help suppliers work toward compliance with our conflict-free sourcing requirements. Some of the measures we may implement include: continued supplier engagement, provision of guidance to suppliers, supplier visits, audits, and additional outreach.

In accordance with OECD Due Diligence Guidance recommendations, training sessions are provided at regular intervals to all employees responsible for the implementation of any part of the conflict minerals compliance program, including:

- Annual refresher trainings to be conducted by various means, and
- Specific trainings to be delivered as required.

We are proud of the meaningful progress we've made in our continuing efforts to build corporate social responsibility into our business and culture. We recognize the importance of communication with stakeholders, collaboration with customers, and feedback from employees as critical components to achieving our goals. We welcome open discussion and encourage you to share your feedback and ideas.



For more information, contact:
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Or visit us at our website:
<https://www.sierrawireless.com/company/corporate-social-responsibility/>

Connect with us on:



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