



Microchip Conflict Minerals Sourcing Policy

May 25, 2016

Microchip Technology Incorporated and all subsidiaries (collectively, “Microchip”) join many others who are deeply concerned regarding the human tragedies occurring in the Democratic Republic of the Congo and adjoining countries (“Covered Countries”) associated, in part, with the mining of columbite-tantalite (tantalum), cassiterite (tin), wolframite (tungsten) and gold (“Conflict Minerals” or “3T&G”).¹

These minerals originate from various continents, but armed groups engaged in, or interfering with, mining operations within the Covered Countries are believed to subject workers and indigenous people to serious human rights abuses and are using proceeds from the sale of these Conflict Minerals to finance and sustain regional conflicts. Microchip supports responsible minerals sourcing within the Covered Countries to encourage viable and ethical revenue streams for the local communities. We recognize and support the need to develop programs which allow for improved transparency in 3T&G mining and transport of Conflict Minerals and improved traceability within the 3T&G supply chain.

Microchip, its executive management and its business groups, take corporate governance and business ethics seriously. Tantalum, tin, tungsten, and gold are used in electronics products, including products manufactured by Microchip.

Microchip is diligently working toward a goal of assuring our products are manufactured and are sourced from socially responsible supply chains. In pursuit of that goal Microchip is doing the following:

- Participating as a member of the Conflict Free Sourcing Initiative (“CFSI”) that engages Smelters and Refiners (“SOR”) and conducts audits of the SOR against responsible minerals sourcing protocols. The CFSI maintains lists of SOR that have successfully completed responsible minerals sourcing audits (including audits by similar industry-specific trade organizations) or are actively participating with the CFSI or similar organization (“compliant” and “active” smelter lists, respectively), and the CFSI publishes the industry-standard Conflict Minerals Reporting Template for conducting a Reasonable Country of Origin Inquiry (“RCOI”).
- Conducting annual RCOI and subsequent due diligence required by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”). Microchip uses the Conflict Free Sourcing Initiative’s Conflict Minerals Reporting Template (“CMRT”) for our RCOI.

¹ Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502.



- Retaining professional third-party smelter sourcing due diligence.
- Presenting mineral sourcing risks to Microchip's senior management.
- Disallowing SOR into our integrated circuit supply chain that are not cooperating with, or that are no longer cooperating with, the CFSI's Conflict Free Smelter Program or similar mineral sourcing audit programs.
- Providing information to suppliers and expecting each to source materials from socially responsible supply chains and to accurately and comprehensively disclose their list of SOR, either at company level or specific to those materials incorporated into Microchip's products. .
- Publicly disclosing our conflict minerals policy, RCOI implementation procedures, and SOR sourcing due diligence.
- As responsible minerals sourcing audit programs mature, and the pool of SOR recognized CFSI "compliant" increases and becomes more viable, we will expand our expectation that our suppliers source 3T&G from SOR that are recognized CFSI "compliant." Today, Microchip's integrated circuit supply chain contains only CFSI "compliant" (97.2 %) and CFSI "active" (2.8%) SOR. Microchip engages "active" SOR encouraging timely completion of responsible minerals sourcing audits.
- Include a conflict minerals flow-down clause in new and renewed supplier contracts and purchase terms and conditions.

Microchip filed its most recent Form SD for Conflict Minerals and Conflict Minerals Report with the U.S. Securities and Exchange Commission on June 1, 2015. Future filings will be made by May 31st annually thereafter. Our SEC filings and information on Microchip's conflict minerals activities are available at www.microchip.com.

Limitations:

Microchip must rely on information from third parties for supply chain transparency. It is possible that supplier reports are inaccurate, unreliable and incomplete. At this time, suppliers often report at a company level which means they submit a consolidated report (CMRT) for all of their products and materials, not just products and materials provided to Microchip and within the scope of Dodd Frank. Decisions on whether and/or how to use all or any portion of Microchip's conflict minerals information is at the user's sole and absolute discretion.

Microchip complies with legal requirements for conflict minerals disclosure and reporting. Microchip does not make any representation or warranty with respect to, and undertakes no duty to update or



maintain access to supplemental information. To the fullest extent permitted by applicable law, Microchip shall have no liability for any losses, expenses, or damages of any nature, including without limitation, special, incidental, punitive, direct, indirect, consequential damages, or lost profits resulting from or arising out of the user's use of the preceding information.

Microchip's CMRT for integrated circuits and other declarations and reports assess only products that are designed by Microchip and whose manufacture is controlled by Microchip. Microchip does not disclose conflict minerals data for products that we contract manufacture for third parties using the third parties' design and specified materials (foundry work).

Any request for non-standard conflict minerals data should be directed to Microchip's conflict minerals team via our dedicated conflict minerals email address at conflictminerals@microchip.com after confirming that the requested data is not already available on Microchip's dedicated Conflict Minerals Webpage: <http://www.microchip.com/conflictminerals>.

Conflict minerals declarations by specific part number, specific package configuration, or by specific manufacturing site are not available.