



Microchip Conflict Minerals Sourcing Policy

July 29, 2013

Microchip joins many others who are concerned with the human tragedies occurring in the Democratic Republic of the Congo and adjoining countries associated 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 engaging in, or interfering with mining operations within the Democratic Republic of the Congo and adjoining countries (DRC region) 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. As a result, there is pressure to avoid sourcing from the DRC region in its entirety. Such a stance is a *de facto* embargo and counter to the overall goal of encouraging viable and ethical revenue streams for the impoverished DRC region while discouraging human atrocities. Microchip supports the need to develop programs that allow for improved transparency in “3T&G” supply chains and responsible sourcing from the Africa continent DRC region.

Microchip; its executive management and its business groups, take corporate governance and business ethics seriously. Tin, tungsten, tantalum and gold are used in electronic products, including the products manufactured and/or sold by Microchip. Today, supply chains for “3T&G” minerals are not transparent or controlled; it will take time to analyze the many supply chains and implement meaningful verification and control programs.

Working toward a goal to ensure our products are manufactured and/or sourced from socially responsible supply chains, Microchip:

- Participates with the Electronic Industry Citizenship Coalition (“EICC”) and Global e-Sustainability Initiative’s (“GeSI”) Conflict Free Sourcing Initiative that facilitates certification programs for smelters -- programs that are proving challenging to implement meaningfully.
- Collects supply chain information using the EICC/GeSI Conflict Minerals Due Diligence Request Template to conduct its reasonable country of origin inquiry required by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”).

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

- Provides information to its customers and suppliers and expects each to source materials from environmentally and socially responsible supply chains.
- Publicly discloses our policy and implementation progress.
- Ultimately expects to provide reasonable assurance its products are DRC conflict free.

Microchip has conducted a reasonable country of origin inquiry of its integrated circuit suppliers. None of the suppliers have reported sourcing from the Democratic Republic of the Congo or an adjoining country. Our suppliers reported mineral/metal extractions from or smelter locations in India, the Russian Federation, Asia (Japan, China, Thailand, Indonesia, the Philippines, Hong Kong, Republic of Korea, Kazakhstan, and Uzbekistan), Australia, Europe, North America, and South America.

The results of Microchip's inquiries are reported at www.microchip.com. Our information to date does not indicate sourcing from the DRC or adjoining countries. It is possible that as industry programs are further implemented and mature, current information may prove inaccurate or unreliable and may affect our ability to provide reasonable assurance that all products are DRC conflict free.

This statement will be reviewed as required to reflect changes in company policy, continual improvement and compliance with relevant legislation, but no later than annually.

Regards,



Dave Lambert
VP Fab Operations
Microchip Technology Inc.
2355 W. Chandler Blvd.
Chandler, AZ 85224