Microchip Technology Inc.


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The purpose of this document is to offer Microchip’s investors, customers, suppliers, and interested parties additional transparency concerning the process Microchip undergoes to conduct its annual RCOI pursuant to the SEC disclosure obligations. This document will be reviewed from time to time and updated as the global rules and regulations concerning the trade in “Conflict Minerals” change. The latest version of this document will be available on Microchip’s dedicated Conflict Minerals webpage, available at [www.microchip.com/conflictminerals](http://www.microchip.com/conflictminerals).
Microchip Technology Inc.’s RCOI Process Description for Integrated Circuits Manufactured by Microchip Technology and Its Subsidiaries

Microchip believes one of the fundamental goals of the SEC Conflict Minerals Rules is to increase supply chain transparency concerning how companies are sourcing tin, tantalum, tungsten, and gold (3TG) within the supply chain. In furtherance of that aspiration, Microchip has prepared this document along with the **RCOI for Integrated Circuits Manufactured by Microchip Flow Chart** to provide a clear understanding of the steps we deploy to build a CMRT prior to public disclosure.

Please see the following steps and general description of the result that each step accomplishes to further our RCOI.

1. Determine all relevant (in-scope) suppliers in Microchip’s integrated circuit (IC) supply chain
   a. Microchip’s supplier base is filtered to identify only suppliers that provide Microchip with products that contain 3TG, which is necessary to the functionality or production of the company’s products. Only suppliers meeting this requirement are incorporated in our RCOI survey.

2. Prepare RCOI supplier Communication Document Package (CDP)
   a. Microchip believes that communication is vital to our RCOI. To support our efforts, Microchip develops a CDP that consists of Microchip's outreach letter, a list of prohibited smelters that may not be used for Microchip products, a supplier instructions/training manual PowerPoint, and the latest version of the RMI's Conflict Minerals Reporting template.

3. Send RCOI CDP to each supply chain member
   a. The CDP created in step 2 is sent to all relevant (in-scope) suppliers.
   b. Suppliers are provided clear guidance related to Microchip’s expectations and the associated requirements of our conflict minerals program.

4. Collect CMRTs from suppliers
   a. Regular communication occurs between Microchip's assigned conflict minerals compliance team and each supplier, until an administratively complete and acceptable CMRT has been received by Microchip.

5. CMRTs are reviewed for administrative completeness
   a. Any CMRT found to be incomplete or not in conformance with Microchip’s policies is rejected. A description of why the CMRT was rejected is then transmitted to the supplier, and communication with the supplier, pursuant to step 4 is reinitiated until a revised CMRT is provided by the supplier.
6. Consolidation and assessment of all supplier CMRTs
   a. Microchip consolidates all supplier provided CMRTs and removes any duplicative or unverifiable sources that are not identified as smelters or refiners by the RMI.

7. Review of unique smelter list to ensure all non-RMI Listed Smelters have been removed
   a. Supplier-specific communications are prepared requesting the supplier provide an explanation and/or remove the smelter(s) from the products or materials supplied to Microchip and revise their existing CMRT to remove any non-RMI Listed Smelters that may have been declared then subsequently removed.
   b. Under certain limited circumstances, exceptions may be made for retaining a smelter in our supply chain after it has been removed from either the Conflict Free Smelter or Active Smelter lists maintained by the RMI (as is required by Microchip Policy). Specifically, a supplier may not be pressed to remove a smelter from Microchip’s IC supply chain that the RMI has removed from either the Conflict Free Smelter or Active Smelter lists if both of the following conditions are satisfied:
      i. The smelter presents no verifiable risk of irresponsible sourcing within the Covered Countries; and
      ii. The smelter has publically committed to remediate deficiencies and join/rejoin the RMI RMAP within a reasonable amount of time.
      iii. The RMI RMAP recognizes the smelter’s commitment to remediate sourcing discrepancies and lists the smelter on a case-specific status category indicating the smelter is undergoing remedial activities.

8. Prepare smelter or refiner list for sourcing due diligence
   a. Per Microchip’s policy, RMI-conformant, RMI-active, and other RMI recognized organizations (e.g. TI-CMC, LBMA) conformant/active smelter lists are currently accepted. Non-listed smelters are not accepted. Our primary focus is to assure that our integrated circuit supply chain drives toward 100% RMI-conformant smelters within a reasonable time. Microchip works in good faith toward that goal by engaging “active” smelters to encourage timely completion of and compliancy with the RMI RMAP responsible sourcing audit protocols.
   b. From time to time Microchip makes strategic business acquisitions. Experience has taught us that all companies do not share the same sense of urgency for driving their supply chain to be RMI-conformant. We have encountered a greater number of “active” smelters, and even non-cooperative/non-listed smelters in the supply chains of acquired business entities. Microchip responds to this challenge in a timely manner to integrate our supply chains and drive conformance to Microchip’s policies and practices regarding conflict minerals in integrated circuits.
9. Publish interim summary CMRT  
   a. An interim CMRT is published in early September to provide investors, customers, and other interested stakeholders with a view of Microchip's progress.

10. Final due diligence begins  
    a. Microchip conducts conflict status determinations as part of our preliminary Due Diligence on all remaining smelters in Microchip’s integrated circuit supply chain.

Final due diligence begins after completion of the annual RCOI leading to the anticipated publication of a final, annual CMRT suitable for customers to use for U.S. SEC reporting by mid-March. The list of smelters or refiners published on the final CMRT is static and is leveraged for Microchip’s own U.S. SEC filings. This CMRT is posted on Microchip’s conflict minerals webpage, replacing any previous, interim CMRT from early September. The outcome and due diligence methodologies undertaken are disclosed in Microchips’ Conflict Minerals Report, which is available on our Conflict Minerals Resource Page, see www.microchip.com/conflictminerals.
Determine suppliers used in IC supply chain

Prepare RCOI Communication Document Package (CDP)
- Outreach letter
- List of prohibited smelters
- Supplier instruction/training PowerPoint
- Latest RMI CMRT version available

Send RCOI CDP to each supply chain member

Collect CMRTs from suppliers

Review collected CMRTs and make a preliminary determination regarding whether the CMRT is administratively complete.

Consolidation of suppliers CMRT’s smelter lists
unique smelter list created

Review unique smelter list to ensure all supplier declared non-RMI Listed Smelters have been removed

Prepare Smelter or Refiner list for sourcing due diligence

Publish interim summary CMRT

Final Due Diligence Begins
Annual CMRT suitable for customers to use for U.S. SEC reporting made available by March