



2021 SUSTAINABILITY REPORT



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DISCLAIMER

When evaluating Microchip Technology Incorporated and its business, you should consider the factors listed in our Form 10-K, other documents that we file with the U.S. Securities and Exchange Commission, and publications we make publicly available. Our actual results could differ materially from what is presented in this report. Although we believe that the information discussed in this report is reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. You should not place undue reliance on these responses. We disclaim any obligation to update information contained in this report.

In March 2022, the US Securities and Exchange Commission proposed rules governing certain disclosures related to climate and the environment. Those rules have not been finalized. While this report incorporates many of the principles set forth in the proposed rules, it is not intended to align with the standards as proposed by the SEC.

ABOUT THIS REPORT

This is Microchip Technology Incorporated's annual sustainability report covering our performance during calendar year 2021, except as noted. We have engaged Strategic Sustainability Consulting (SSC), an independent party, to support our sustainability reporting efforts. We believe that this report contains information that is accurate, timely, and balanced. In preparing the material for this report, we have conducted an internal assessment process in conjunction with SSC to review the contents for clarity.

We welcome your feedback to our Sustainability Report Team at Legal.Department@Microchip.com.

ENVIRONMENTAL SUGGESTION

Because of this report's length and colors, Microchip Technology Incorporated recommends printing in black and white, double-sided, on a high-efficiency network printer, using white paper produced from post-consumer recycled fiber or from rapidly renewable resources.



LETTER FROM THE CEO

We are pleased to share with you the Microchip 2021 Sustainability Report which provides an annual accounting of Microchip's progress across environmental, social, and governance (ESG) issues.

The speed and rigor of sustainability standards and disclosures is changing rapidly. To better understand and communicate the financial risks and opportunities of global challenges, like climate change, companies today are being asked to harmonize their sustainability and financial reporting systems. Rules are being finalized, requiring companies to manage and disclose their approach to ESG governance and oversight. This will allow stakeholders to judge the degree of integration between sustainability and business functions. There is increasing

sophistication in sustainability reporting frameworks with a core set of sustainability topics expected across all companies.

As best practices for sustainability evolve and mature, so has Microchip. This report outlines Microchip's progress on ESG matters:

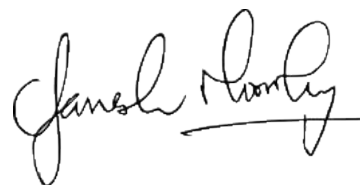
- **Our public commitment to science-based targets:**
At our 2021 Investor and Analyst Day, we announced a target of Net Zero by 2040. This aligns with a "well below 1.5°C scenario" defined by the Paris Climate Agreement. To support this ambitious plan, we have also expanded our greenhouse gas (GHG) emissions tracking and disclosure.

“*As best practices for sustainability evolve and mature, so has Microchip.*”

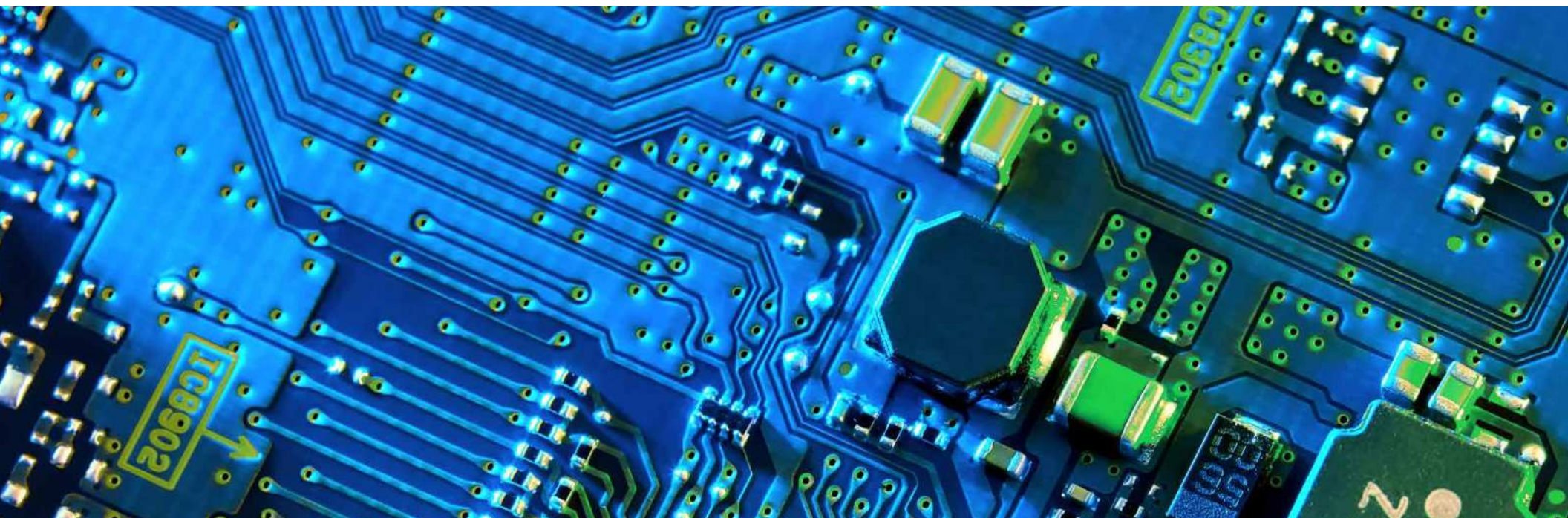
- **Our approach to human capital, diversity and inclusion:** “Employees are Our Greatest Strength.” We recognize the power of inclusion and diversity to better the lives of our employees and strengthen the performance of our company. We are proud to have women represent 40% of our global workforce and 24% of our global leadership. We work with veteran recruiters, diversity-focused job boards, Historically Black Colleges and Universities (HBCUs), and our own internal employee resource groups (ERGs) to continually seek to recruit and retain the best and brightest talent, and develop our future leaders.
- **How our product portfolio supports sustainability for our customers:** As the world transitions to a

low-carbon economy, Microchip is a key partner in customer solutions ranging from electric vehicles to high-efficiency data centers. Our focus on providing customers power-efficient products that offer quality, reliability and innovation makes us an integral part of our clients’ sustainability success.

I want to thank everyone at Microchip who had a hand in making ESG a value driver for our organization. Accomplishing and communicating our ESG goals is a team effort, one that requires skill and dedication throughout the year. I am proud of the work we are doing and eagerly anticipate the next evolution of our sustainability journey together.



Ganesh Moorthy
President and
Chief Executive Officer



PRODUCTS AND TECHNOLOGY ARE OUR FOUNDATION

Microchip's vision and mission statement are very clear. We aspire to be the very best embedded control solutions company ever. We are a leading supplier of embedded control solutions by delivering a broad spectrum of innovative standard and specialized microcontrollers; FPGA products; analog, mixed-signal, timing and security products; wired and wireless connectivity products; related non-volatile memory products and Flash-IP solutions. Our product portfolio is extremely diverse. We have technologies that are new innovations, and those that are standards in the industry and have been available for more than 30 years. We have components that range in price

from pennies to tens of thousands of dollars. Many of our products are easy to use and we design them to last a lifetime. We believe technology is as simple or as complex as our customers need it to be and we believe that it should empower innovation that enhances the human experience. Our solutions are found everywhere including in automotive systems, medical devices, space exploration equipment, and the appliances in your home. We are founded on technology, and we will continue our legacy of innovation to provide the best value for our customers, partners, shareholders, employees and the communities we operate in.



OUR COMPANY

Revenue FY22: \$6.82B USD

Headquarters: Chandler, Arizona

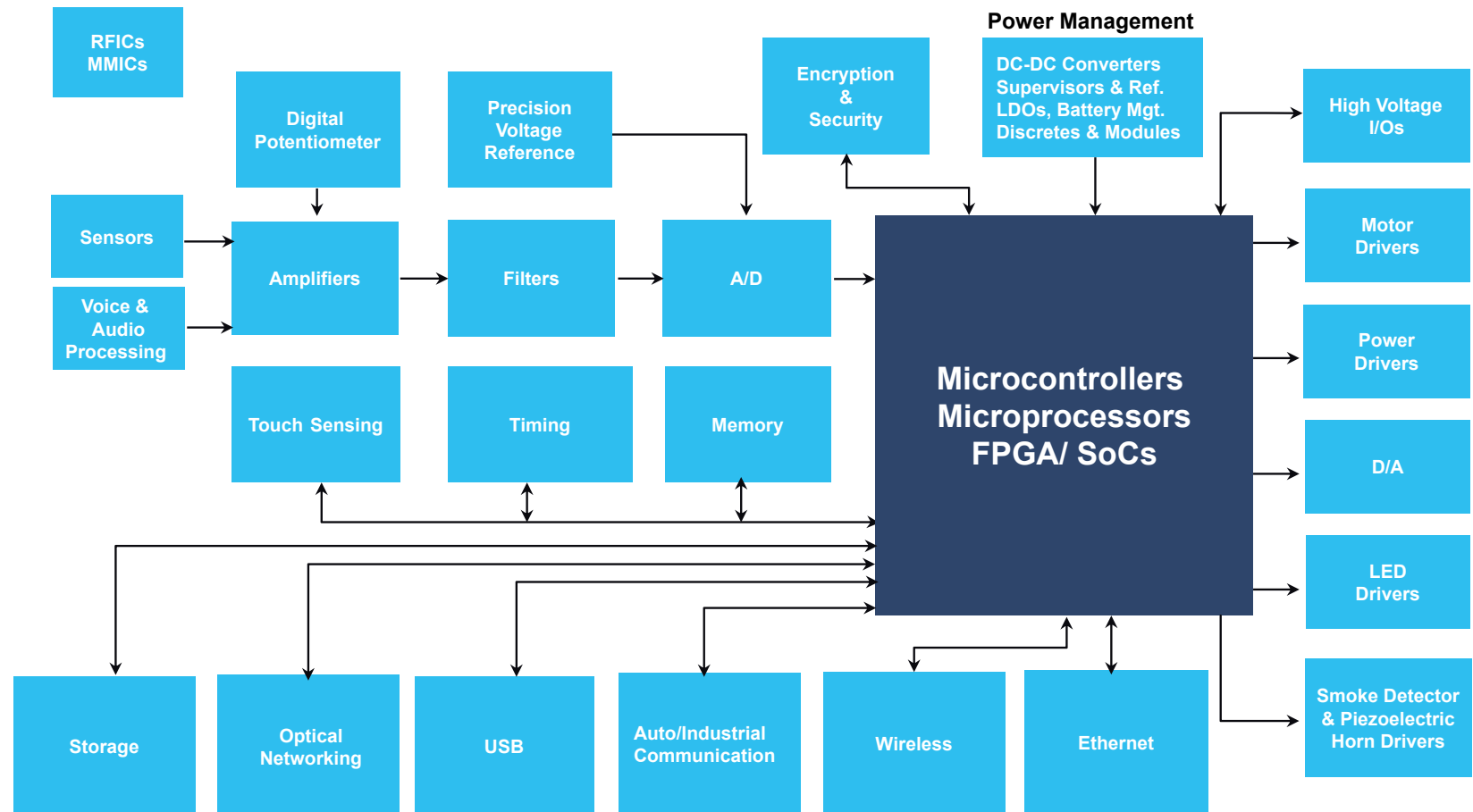
Employees: 21,000

Microchip Technology Incorporated is a leading provider of smart, connected and secure embedded control solutions. Its easy-to-use development tools and comprehensive product portfolio enable customers to create optimal designs, which reduce risk while lowering total system cost and time to market. The company's solutions serve more than 120,000 customers across the industrial, automotive, consumer, communications and computing markets. Headquartered in Chandler, Arizona, Microchip offers outstanding technical support along with dependable delivery and quality.



* Includes design centers, light industrial assembly facilities, and a distribution warehouse. Pure sales offices have been excluded.

PRODUCT CATEGORIES





THAILAND ENVIRONMENTAL AWARDS

- Prime Minister's Awards 2021: CSR Management
- Prime Minister's Awards 2021: Energy Management
- Prime Minister's Awards 2021: Circular Economy
- Thailand Energy Award 2021, 2019, 2008, 2007
- Green Industries Level 4: Green Culture 2021
- Zero Waste to Landfill 2021
- 3Rs Plus Award 2021
- Thailand National Safety Award 2021
- Zero Accident Award 2021

MEMBERSHIPS, ASSOCIATIONS AND CERTIFICATIONS

- CDP Participant - Climate Change, Water Security
- Responsible Business Alliance (RBA) Affiliate Member
- Responsible Minerals Initiative (RMI) Member
- Semiconductor Industry Association (SIA) Member
- Samsung Eco-Partner Affiliate Company
- Sony Green Partner Certification
- AS9100D Certificate
- IATF16949 Certificate
- ISO9001 Certificate
- ISO14001 Certificate - Thailand, Philippines
- ISO45001 Certificate - Thailand
- ISO 50001 Certificate - Thailand

INNOVATING FOR THE FUTURE

We are carefully tracking megatrends and their impact across a variety of industries, from industrial to consumer products.



Helpful Links

[Information for investors, including financial performance](#)

[Microchip's Corporate Governance Policy for Election of Directors](#)

[Board member and executive officer information](#)

LEADERSHIP AND GOVERNANCE

Board of Directors

Microchip is led by a seven-member board of directors who provide governance and oversight to the company.

Matthew W. Chapman

Board Member

Esther L. Johnson

Board Member

Karlton Johnson

Board Member

Wade F. Meyercord

Board Member

Ganesh Moorthy

President and
Chief Executive Officer

Karen M. Rapp

Board Member

Steve Sanghi

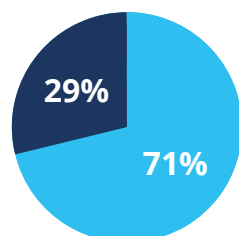
Executive Chair

When considering a candidate for a director position, the Nominating, Governance and Sustainability Committee looks for demonstrated character and judgment; relevant business, functional, and industry experience; and a high degree of skill. The board of directors and the Nominating, Governance and Sustainability Committee believe it is important that the members of the board of

directors represent diverse viewpoints. Accordingly, the Nominating, Governance and Sustainability Committee considers issues of diversity in identifying and evaluating director nominees, including differences in education, professional experience, viewpoints, technical skills, individual expertise, ethnicity and gender.

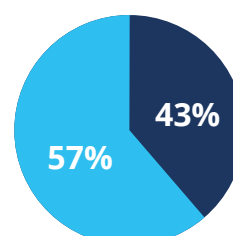
Board of Directors Diversity and Independence

GENDER DIVERSITY



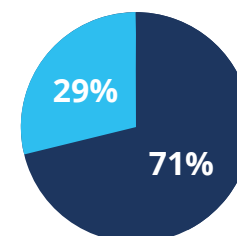
Female - 2
Male - 5

RACIAL/ETHNIC DIVERSITY



Diverse - 3
Non-Diverse - 4

INDEPENDENCE



Independent - 5
Not Independent - 2

STAKEHOLDER ENGAGEMENT

Stakeholder engagement at Microchip is an ongoing and evolving dialogue. As expectations for high-tech companies change, we take input from our stakeholders into consideration as we review our business practices. Microchip operates with an overriding Vision, Mission and 11 Guiding Values, which dictate our day-to-day decisions and establish our corporate culture. Our Guiding Values

convey our overall philosophy and are intrinsically linked to our stakeholders, customers, suppliers, employees, investors or members of our local communities. Identification of primary stakeholders and the stakeholder engagement process is decentralized and based on functional group responsibilities and priorities.

Our Approach

WHO	HOW	KEY TOPICS AND CONCERNS
Investors	Earnings calls, investor conferences, annual shareholder meeting, CDP report, sustainability report, direct meetings	Business performance, cybersecurity, compliance, risk, opportunities, ESG
Board of Directors	Management review, significant risk oversight, significant sustainability issues	Business performance, cybersecurity compliance, risk, opportunities, ESG
Employees	Surveys, quarterly communications meetings, town halls, performance reviews, quarterly one on ones with managers, open-door policy, whistleblower policy	Safety, training, resources, compensation, benefits, job duties, sustainability, advancement
Customers	Trade shows, direct meetings, website, sustainability reporting, RMI, CDP	Product innovation, design, pricing, performance, responsive service, business continuity, cybersecurity, environmental and social responsibility
Local Communities	Environmental stewardship, direct community support and STEM projects, volunteerism	Safety, emissions, effluent, community awareness, support
Government	Regulatory filings, OSHA, CDP, EPA reporting, RMI, forced labor and trafficking	Environment, emissions, effluent, conflict minerals
Suppliers and Subcontractors	Site visits, quarterly reviews, processes, procedures, contracts, audits	Consistency, stability, fair pricing



ETHICS AND INTEGRITY

Vision

Be the very best embedded control solutions company ever.

Purpose

Empowering innovation which enhances the human experience by delivering smart, connected and secure technology solutions.

Mission Statement

Microchip Technology is a leading supplier of embedded control solutions by delivering a broad spectrum of innovative standard and specialized microcontrollers; FPGA products; analog, mixed-signal, timing and security products; wired and wireless connectivity products; related nonvolatile memory products and Flash-IP solutions. In order to contribute to the ongoing success of customers, employees, shareholders and the communities in which we operate, our mission is to focus resources on high-value, high-quality products, total system solutions, software and services, and to continuously improve all aspects of our business, providing an industry-leading return on investment.

Guiding Values

The father of modern management, Peter Drucker says "Culture eats strategy for breakfast." But what exactly is culture? Culture is a popular buzzword in business-to-business (B2B) literature, and there probably isn't a CEO of a company anywhere that doesn't swear by the value and strength of his or her company's culture. Take a few minutes to type "great culture" into a search engine, and your day will be filled with ideas and theories on what makes a culture great.

At Microchip, we believe culture can be defined as a set of norms that shape behavior, values, and perspective. Put simply, it's why we come to work every day and why we make the everyday decisions that shape our relationships with customers, stakeholders, and society at large. We believe culture should be tangible. We believe culture should be predictable. We believe culture should be easy to understand, so we codified it into a set of 11 principles known as the Guiding Values. We think of it as our corporate constitution.

Throughout this report, we'll highlight certain of our [Guiding Values](#) to show their real-world impact and give a sense of how our values-based organization informs, shapes, and drives the strength of our culture.



COMPLIANCE WITH LAWS

Microchip's Guiding Value "Professional Ethics and Social Responsibility are Practiced" requires that all employees, directors and officers comply with all applicable laws and regulations and also abide by our Code of Business Conduct and Ethics and associated policies. These policies include Compliance with Laws, Confidentiality, Conflicts of Interest, Insider Trading, Human Rights and Reporting Legal Non-Compliance. Microchip has also implemented a [Supplier Code of Conduct](#) that expressly communicates our expectation of lawful and ethical behavior throughout our supply chain.

We are committed to ensuring that our facilities comply with all local and national laws and regulations as they relate to the health and safety of our employees. Our Human Rights Policy prohibits the use of forced or compulsory labor, child labor and discrimination.

Compliance with international laws is a key aspect of conducting Microchip's business ethically. Our Code of Business Conduct and Ethics and Supplier Code of Conduct outline Microchip's requirement that our staff, suppliers and customers comply with international laws that prohibit bribery and similar acts to gain additional

business or other favorable treatment. These laws include, but are not limited to, the United States Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and the People's Republic of China's Criminal Law. Global anti-corruption laws make it a crime for companies to bribe or provide anything of value to government officials and other individuals to obtain new business, maintain existing business or receive other benefits.

It is unacceptable for any Microchip executive, director or employee to act in any manner that is contrary to these laws. We consider our suppliers, representatives and distributors as critical to achieving our mission. Therefore, we require our partners to abide by our ethical guiding values, including compliance with global anti-corruption laws.

We encourage our partners to not only comply with these laws, but also to participate in the enforcement of our policies by reporting suspected violations of these laws to Microchip.

We take our obligation to follow all applicable laws and regulations seriously.



EMPLOYEES ARE OUR GREATEST STRENGTH

Microchip believes in creating a working environment where people can thrive. Newsweek magazine, in partnership with the Best Practice Institute, produced a list of 100 companies that exemplify a great place to work. Microchip ranked #11, coming in ahead of some very popular brands known for their great cultures. This list was compiled from a survey of 800,000 employees who work at companies of various sizes ranging from 50 to more than 10,000 employees, and 35% of the weight of the study was based on their feedback. Here's how the editors at Newsweek describe the process:

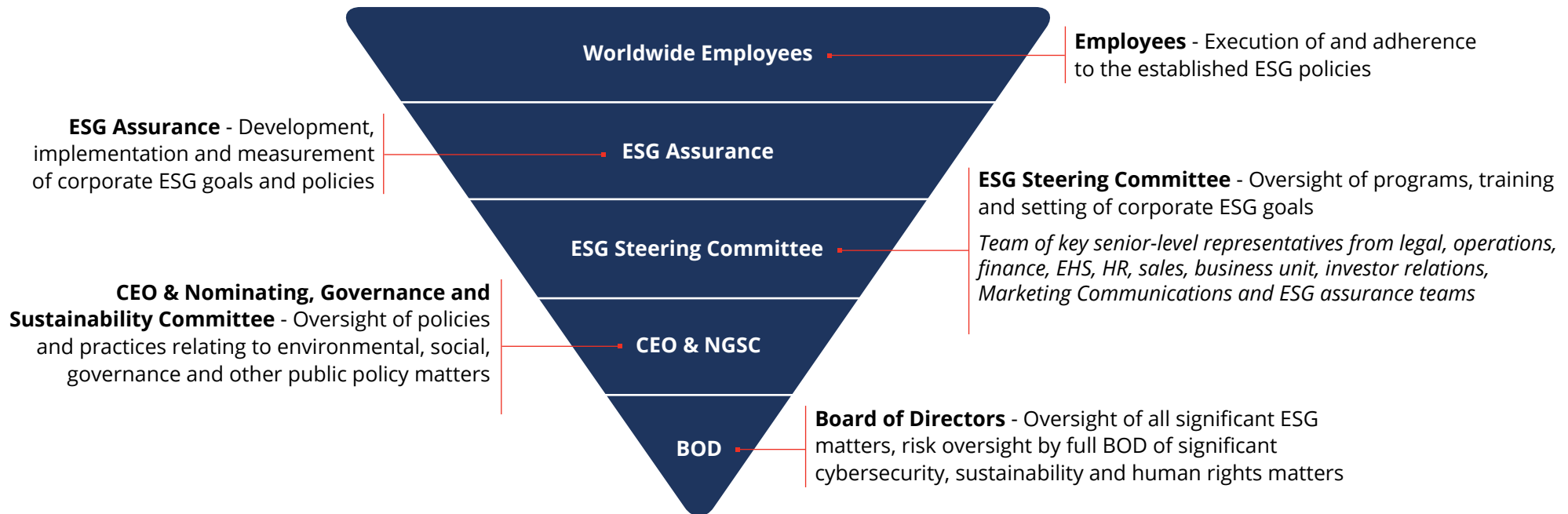
"We're doing more than just counting how many benefits employers provide—a solid 401(k) plan, medical benefits, paid time off and so on. Those things are, of course, important. But what we're measuring, critically, is how employees feel about their organizations. There's a big difference, after all, between workers getting a kick out of free Doritos and whether they truly love and feel in sync with the company they work for."

Over 21,000 people work at Microchip. No amount of cake in the break room, foosball tables or "Bike to Work Day" promotions would create and maintain such a culture of high-performance in an organization of our size. It takes consistent and lengthy investments in our people by providing comprehensive benefits, competitive total compensation, transparent internal communications, fulfilling work, extensive learning and development opportunities, and a sense of community. We also have a formula for the model employee made famous in the award-winning book *Driving Excellence* by Steve Sanghi, Microchip's Executive Chair, and Michael Jones. Here's a hint: people that do not work well with others will not work well at Microchip. We believe that every employee has the potential to be great when we work as a team, and we're willing to provide opportunities and make the investment in training and development to prove it.

SUSTAINABILITY APPROACH

Our commitment to being responsible corporate citizens is shared by our board members, our executive management team, and our employees throughout the company. Our bottom-up approach gives our employees the opportunity to participate in our sustainability journey and thus contribute to future success. Our Board of Directors has ultimate oversight over all significant ESG matters.

ESG SUSTAINABILITY OVERSIGHT MATRIX



MATERIALITY

Microchip is a values-based company whose culture is based on an overriding Vision, Mission Statement and set of Guiding Values that ensure our operations are meeting our responsibilities with respect to ethics, labor, health and safety and sustainability. This report is one mechanism in which we remain transparent to our

employees, customers, shareholders and stakeholders in these areas. We undertake a materiality¹ assessment to help identify issues we believe are the most important to our stakeholders. The figure below outlines the steps in our materiality assessment.

¹ “Materiality” refers to materiality within the context of our corporate responsibility program and priorities and does not refer to concepts of materiality used in securities or other laws.

Materiality Assessment

STEP 1

Choose a process

The following frameworks guide our approach to materiality assessment:

- Global Reporting Initiatives (GRI)
- Sustainability Accounting Standards Board (SASB) semiconductor industry guidance
- Task Force on Climate-Related Financial Disclosures (TCFD)

STEP 4

Prioritize your list

We prioritized the master list of sustainability issues based on their importance to stakeholders and to Microchip.

STEP 2

Understand your stakeholders

We reviewed the sustainability issues that come up most frequently with customers, employees, government officials, lawmakers and suppliers.

STEP 5

Review and communicate results

We reviewed the prioritized list and agreed on the most material topics. The topics on the next page are the focus of our reporting efforts.

STEP 3

Compare to business interests

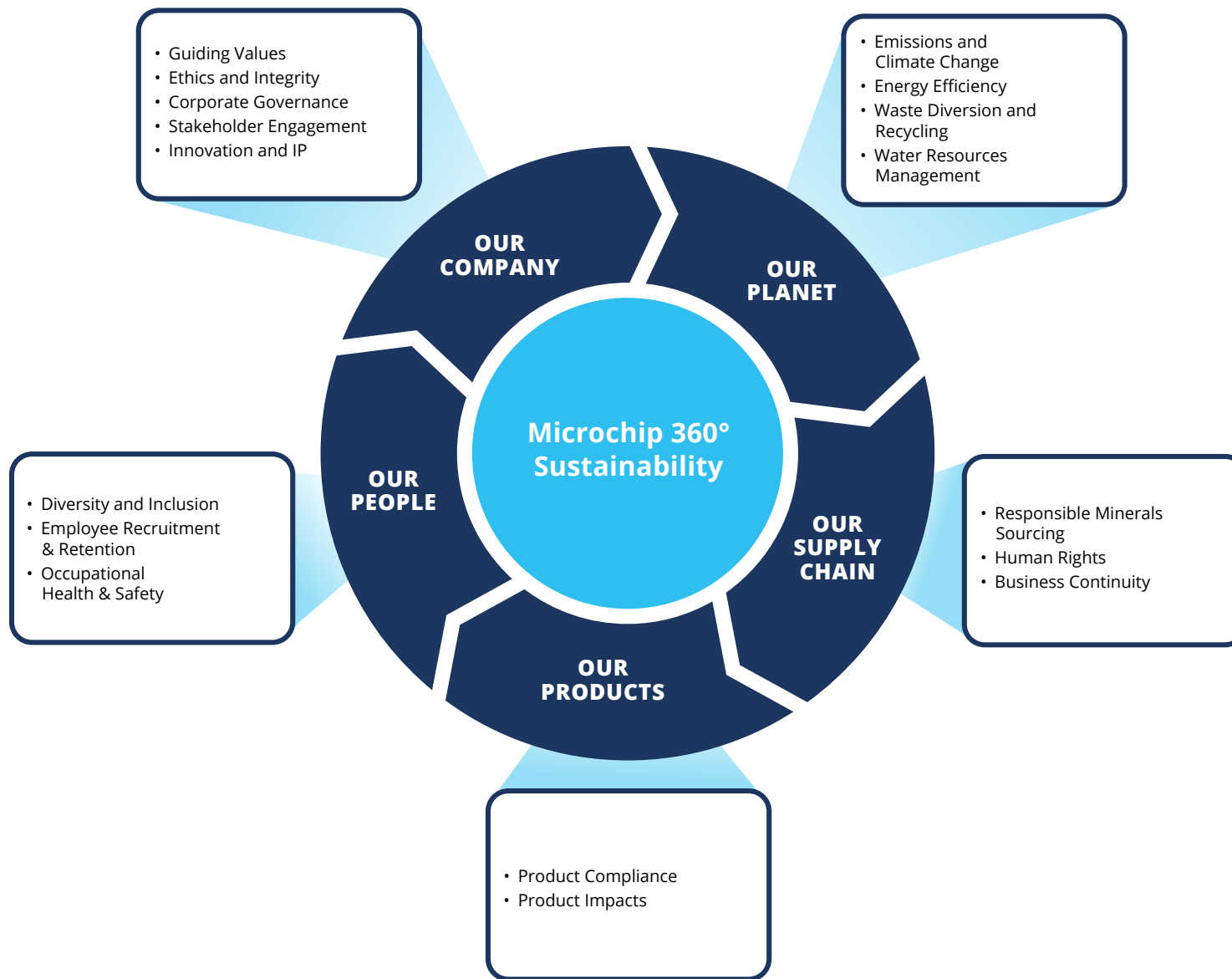
We also examined sustainability issues that are most prevalent within Microchip across a variety of departments and job functions.

STEP 6

Refresh

We review material issues and identify any material changes to the industry landscape that might impact our priorities or scope of reporting.

2021 Material Topics





OUR PLANET

ENVIRONMENTAL RESPONSIBILITY

Microchip Technology Incorporated is committed to protecting the environment and minimizing the potential environmental impact of our operations and products within the global communities in which we operate. We

are committed to adopting accepted environmental and regulatory compliance practices as we strive for continual improvement.

Microchip's corporate Environment, Health and Safety (EHS) policy includes the following components:

- Management is committed to the development, implementation and continual improvement of the environmental, health and safety programs.
- We place our concern for the health and safety of our employees and communities in which we work at the forefront of our policies and decisions.
- We will identify, evaluate and implement opportunities for pollution prevention.
- We will comply with applicable environmental, health and safety laws and regulations.
- We will integrate environmental, health and safety considerations into our business using the innovation, creativity and ingenuity of our employees.

ENVIRONMENTAL PERFORMANCE AND GOALS

Environmental Performance

CO2e Emissions (Scope 1)



23%

Reduction
in absolute
emissions
since 2018

Water Usage



95

Mn Gallons

Reduction
in water use
during 2021

Waste recycled



6

Mn lbs.

Diverted from
landfills

Energy Usage



3%

Reduction in
absolute energy
use since 2018

Mid-Term Goals (EST. 2030)

Emissions

50% reduction (Scope 1 + 2)

Energy

40% global electricity sourced by
renewable energy¹

Waste

50% waste diversion from landfills²

Long-Term Goals (EST. 2040)

NET ZERO BY
2040

100% global electricity sourced by
renewable energy¹

100% waste diversion from landfills²

¹ We are committed to increase the share of renewables in our total electricity use, provided such supply is available at commercially reasonable rates.

² We aim to divert our waste from landfills to the extent technically and commercially feasible.

EMISSIONS AND CLIMATE CHANGE

Microchip is committed to setting science-based targets and aims to be aligned below the 1.5°C scenario as defined by the Paris Climate Agreement. Towards that effect, Microchip has set a Net Zero by 2040 goal as announced at the [2021 Investor and Analyst Day](#).

Further information on our environmental targets and the associated parameters like scope, nature (absolute/intensity), and timeline can be found in the table below.

SCOPE	TARGET	TARGET YEAR
GHG Emissions (Scope 1)	15% reduction ⁿ	Short-term (est. 2023)
GHG Emissions (Scope 1, 2)	50% reduction ^a	Mid-term (est. 2030)
GHG Emissions (Scope 1, 2, 3)	Net Zero	Long-Term (est. 2040)

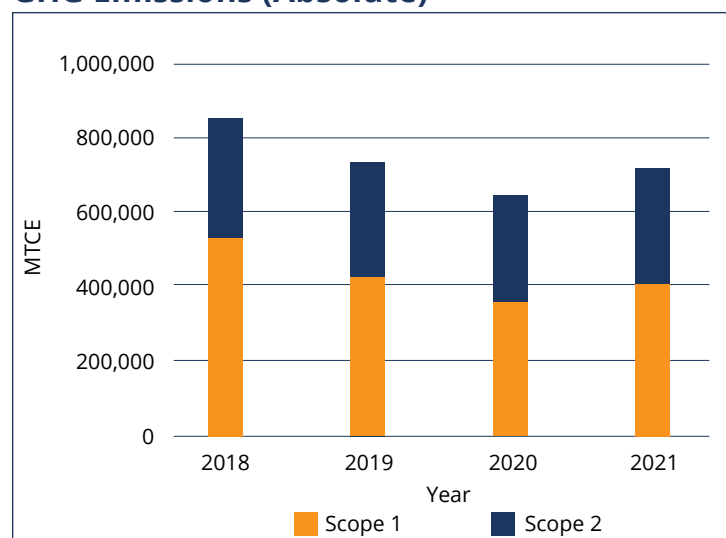
* Baseline year = 2018

* a=absolute, n=normalized

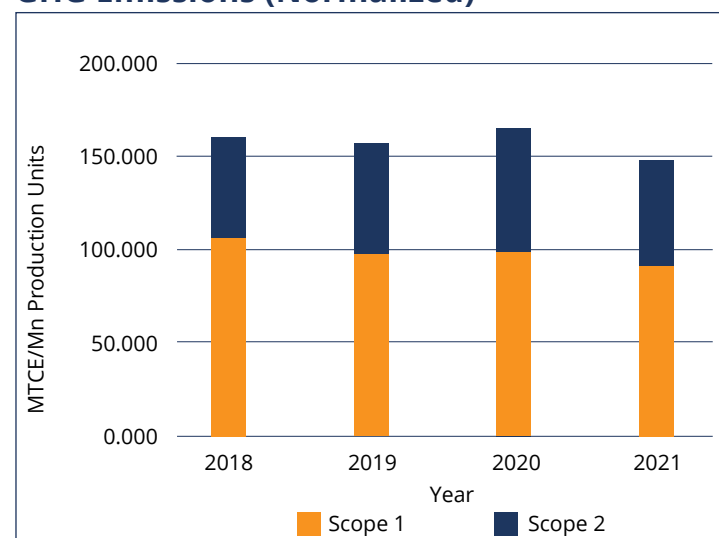
Microchip's absolute and normalized GHG emissions are presented in the figures below. We have seen a significant reduction in Scope 1 emissions due to the following:

- Investment of additional capital in abatement technologies in our factories
- Rebalancing and refocus of our internal fabs by moving high-runner materials to locations running larger wafers with advanced abatement technology and focusing our older-technology fab into a boutique fab running lower-volume, specialty materials
- Partnering with independent consultants to perform a detailed audit of installed tools/equipment at all internal fabs to formulate a low carbon strategy either through abatement or process gas switching

GHG Emissions (Absolute)



GHG Emissions (Normalized)



Scope 3 Emissions

Microchip started including Scope 3 emissions calculations in its GHG inventory during 2021. The total emissions within categories 5, 6 and 7 as defined by the GHG Protocol Corporate Value Chain (Scope 3) Standard were calculated using monetary spend values and are presented below:

#	CATEGORY*	SCOPE 3 EMISSIONS (MTCE)**
5	Waste generated in operations	1,219
6	Business travel	612
7	Employee commuting	20,400

* Categories 10, 13, 14, and 15 as defined by the GHG Protocol Corporate Value Chain (Scope 3) Standard were determined to be immaterial to our business operations.

** All scope 3 emissions were calculated using Quantis Suite 2.0 Scope 3 Evaluator which uses expenditure within a scope 3 category to estimate the relevant emissions. These emissions are estimates only based on financial data for the reporting period and the actual numbers may differ.

Normalization Factor

We have tracked our Scope 1 and Scope 2 emissions on an absolute basis since 2018 and disclose our energy usage and greenhouse gas emissions annually via the CDP's Climate Change Survey. The [Microchip 2020 Sustainability Report](#) presented raw emissions data that had not been normalized. Since then, we analyzed multiple intensity drivers including revenue, number of employees, building area, goods sold, among others in an attempt to standardize our normalization methodology. However, none of these factors represent the increased complexity in semiconductor manufacturing over the years and they do not fully depict the positive environmental trends we're witnessing internally as a result of Microchip's initiatives to improve process efficiency. To facilitate a year-over-year comparison, Microchip derived intensities for environmental data using "Normalized Production Units" which takes into consideration the quantity of units manufactured/tested/assembled in a calendar year and the associated process/product complexity. We will continue to review and analyze our normalization methodology as we work to quantify and reduce the scope of emissions associated with our business.

ENERGY USE

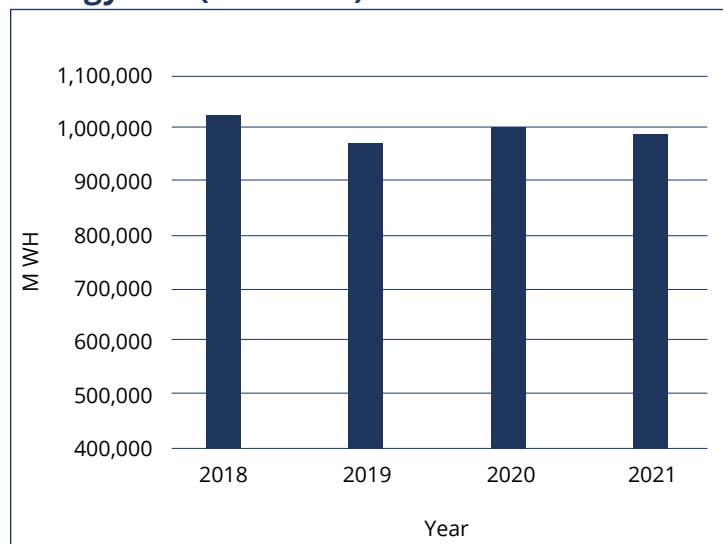
Microchip's energy consumption over the recent years had trended upward due to ramp up of our production activities to keep up with customer demand. However, we have also continued exploring energy conservation measures to mitigate the associated impact. Microchip is actively investing in its facilities to reduce energy

use, decrease our carbon footprint, and create a more sustainable future. Towards that effect, Microchip has set itself the following targets to increase the share of renewable energy in our total electricity demand, provided such supply is available at commercially reasonable rates:

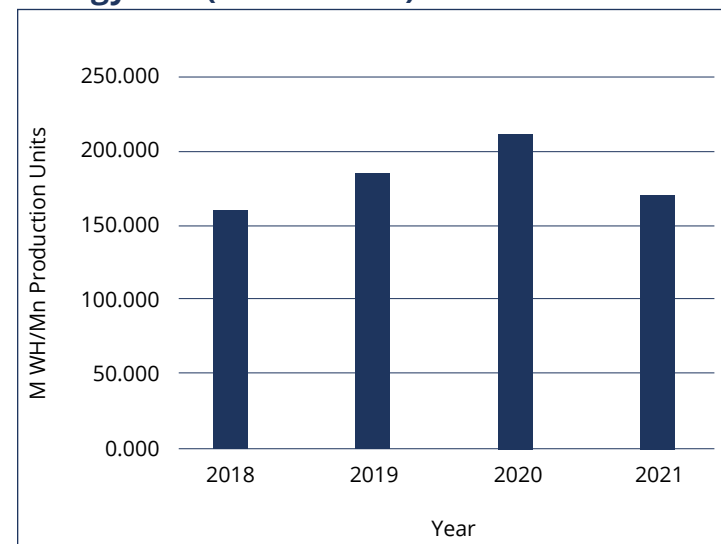
ENERGY GOALS	SHORT-TERM (EST. 2025)	MID-TERM (EST. 2030)	LONG-TERM (EST. 2040)
Electricity sourced from renewable sources	25%	40%	100%

The figures below provide a summary of our absolute and normalized energy use during 2018 - 2021.

Energy Use (Absolute)



Energy Use (Normalized)





The total energy use and composition can be attributed to the following sources:

ENERGY (MWH)	2018	2019	2020	2021
Distillate Fuel Oil	3,124	1,501	340	4,551
Electricity	743,796	717,204	721,481	728,589
Liquefied Petroleum Gas	1,491	1,572	1,409	1,632
Natural Gas	275,814	247,892	274,499	254,346
Total	1,024,225	968,169	997,729	989,118

Fuel quantities shown are reported in alignment with the US EPA GHG Reporting Rule calculation methodology. Additional diesel fuel used for "exempt" applications, such as weekly readiness testing, is excluded.

RECENT ENERGY IMPROVEMENTS

Our facilities reduced our energy use by 4,652,982 kWh of energy and 1,928 MTCE during 2021. Some of the notable energy conservation projects included the following:

Thailand - Reduced power consumption from CDA, P-VAC, ASO-AHU & chillers, continued upgrade of lighting to LED, installed VSD controls for RO system, improved cooling water pump, scanned and repaired compressed air leak, installed high efficiency chillers, expanded air compressor pipe to reduce pressure

The Philippines - Installed automatic chiller cleaning system, replaced vacuum pumps with VSD, optimized HVAC air condenser and window type units

US - Continued conversion to LED lighting at multiple facilities, installed high efficiency motors and new cooling towers with VFDs

UK - Installed LED lighting and optimized tool idle time

France - Installed new chillers with VFDs

WASTE DIVERSION AND RECYCLING

Microchip is continuously exploring new initiatives with local waste management partners to sustainably dispose of waste streams generated at our facilities. All of our sites

have the option to recycle, and we are diverting almost six million pounds of waste from our communities' landfills, wastewater treatment sites, and the atmosphere.

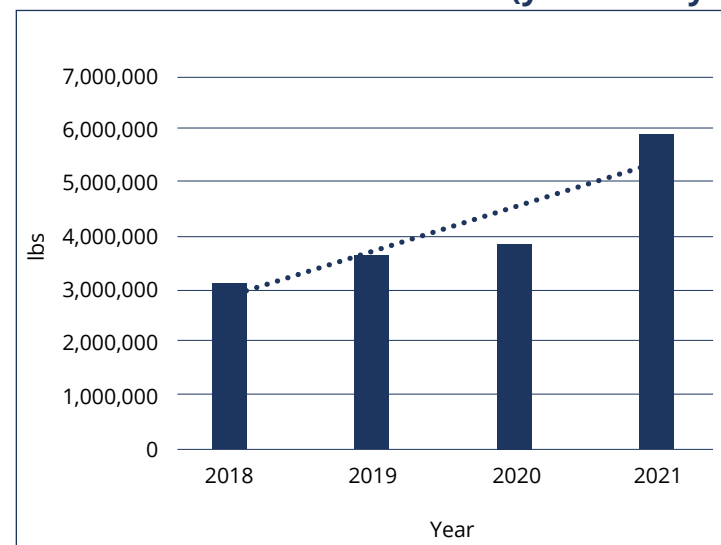
Some of our high-impact ongoing recycling initiatives include the following:

- Precious metal recovery from discarded electronics
- Recycling office paper and cardboard generated from packaging
- E-waste recycling including monitors, servers, notebooks, PCs, networking equipment etc.
- Use of products with high post-consumer recycled content in the cafeterias serving our employees
- Shredding and recycling plastic bottles and triple-rinsed chemical bottles

WASTE CATEGORY	2021 RECYCLED QUANTITY (LBS.)
Paper and Cardboard	1,384,074
Plastics	1,314,334
Metals	682,337
Electronic and Universal Waste	140,222
Precious Metal Scrap	823,755
Acid/Alkaline Solutions	1,215,122
Scrap Wood	214,548
Compost	3,174
Post-Consumer Fiber	53,796
Miscellaneous	24,594
Total	5,855,956

Our recycling initiatives are in line with our objective to be circular. Microchip has set itself a target to divert 15% (est. 2025) and 50% (est. 2030) of waste generated at our facilities away from landfills. Building on those goals, we aim to divert up to 100% of our waste from landfills by 2040, to the extent technically and commercially feasible.

Waste Diverted from Landfills (year-over-year)



We continue our engagement with third-party vendors in some very exciting and innovative solutions to recycle materials that traditionally have been sent to landfills for disposal. Some of these high-volume items include mylar and styrofoam generated from logistics, personal protective equipment (nitrile gloves, hair nets, boot covers, face veils etc.), freezer bags, cold packs and lab mats.



WATER CONSERVATION AND MANAGEMENT

Water is a fundamental requirement for semiconductor manufacturing. While the recent uptrend in semiconductor demand caused an increase in our manufacturing water consumption, Microchip's teams drove innovative projects to discover new technologies and opportunities towards efficient and responsible use of water. Microchip recognizes the limited availability of this resource and reduction in our use of water resources not only helps us in meeting our regulatory standards but also aligns with our values of being good stewards to the communities we live and work in.

Our worldwide locations use water in both manufacturing and non-manufacturing operations, which all contribute to our total annual consumption and discharge. The primary sources of our water include surface water from local municipal supplies and groundwater. The front-end manufacturing locations use water to clean wafers during many of the processing steps necessary in building a semiconductor "chip". We also continuously

use water in our facility support and building systems such as cooling towers, boiler blowdowns, irrigation, restrooms and our on-site café services. Our facilities and environmental teams are fully engaged in identifying and implementing new projects to reduce our water consumption and improve our water reclamation. We have invested in substantial improvements to conserve, recycle and reclaim water in our facilities. Major Microchip manufacturing and testing facilities contributed towards a total water use reduction of approximately 95 million gallons during 2021. A few examples of actions we've taken include:

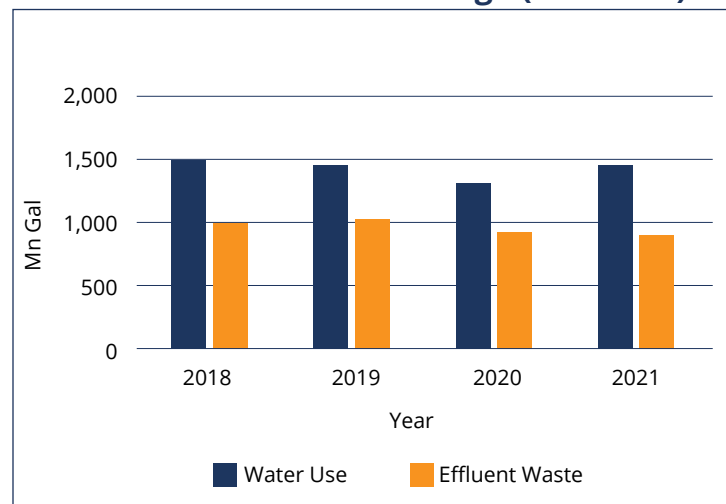
- Installation of flow restrictors
- Upgrades and reconfigurations to our RO/DI reclaim systems
- Reduced DI dump cycles associated with wafer manufacturing processes
- HVAC cooling tower blow down reductions

WASTEWATER MANAGEMENT

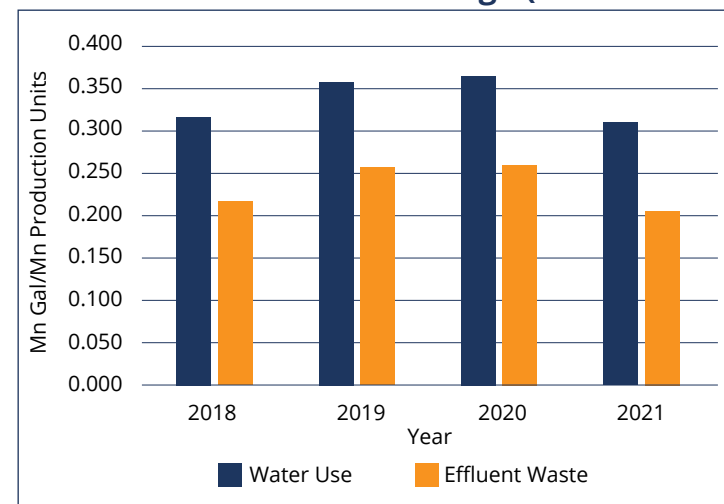
Wastewater discharge within our manufacturing locations is regulated by local, state and federal agencies with strict discharge limits and requirements. Wastewater generated from our internal manufacturing processes is treated either on-site or externally in dedicated treatment facilities. Wastewater discharge permits require certain substances such as metals, organics and other chemicals

and byproducts to be removed or reduced to acceptable limits prior to discharge back to local public treatment facilities. Microchip continues to meet or exceed our compliance obligations related to our wastewater discharge permits through extensive analyzing, monitoring, regular maintenance and reporting on our internal treatment systems and discharge points.

Water Withdrawal & Discharge (Absolute)



Water Withdrawal & Discharge (Normalized)





CONTINUOUS IMPROVEMENT IS ESSENTIAL

Microchip customers appreciate our honest and forthright communication, our transparent purchase process and our comprehensive suite of services that we wrap around our core technology products. Trust is an important factor in everything that we do at Microchip. It's an underlying theme within our Guiding Values when we say "Safety and Security Are Never Compromised" and "Profits and Growth Provide for Everything We Do". Our stakeholders rely on sound business practice and long-term thinking. They also expect continuous improvement.

As part of our long-term planning, we made the decision to focus on an organic growth model and paying down debt. In November of 2021, we received an [Investment Grade](#) rating from both Moody's and Fitch. We are very proud to receive this recognition and provide a long-term solution for our customers. We are committed to providing higher capital returns to our shareholders through increasing dividends and a programmatic stock repurchase program. It's just one more way that we are continuously improving everything we do.



OUR SUPPLY CHAIN

SUPPLY CHAIN STANDARDS

Microchip is committed to being a responsible corporate citizen and acting ethically and transparently in accordance with local, national and international laws, regulations and industry standards. Microchip has adopted the Responsible Business Alliance (RBA) Code of Conduct as its standard for labor, health and safety, environment and ethics throughout its supply chain.

In line with our Guiding Value, "Suppliers, Representatives And Distributors are Our Partners," the [Supplier Code of Conduct](#) applies to suppliers and their directors,

officers, employees, contractors and subcontract labor. The Supplier Code of Conduct requires that suppliers are dedicated to ensuring that working conditions are safe, workers are treated with respect and dignity, business operations are environmentally responsible, conducted ethically and in compliance with all applicable laws, rules and regulations throughout their supply chain.

RESPONSIBLE MINERALS SOURCING

Microchip recognizes the significant risks and adverse impacts which may be associated with extracting, trading, handling, and exporting Conflict Minerals from Conflict-Affected and High-Risk Areas (CAHRAs). Recognizing that

Microchip has the responsibility to respect human rights and not contribute to conflict, we commit ourselves to taking actions to source responsibly throughout our operations worldwide.

CONFLICT MINERALS

Microchip is a member of the Responsible Minerals Initiative (RMI). The RMI provides companies with independent, third-party audit information regarding which smelters and refiners (SORs) have been verified as responsibly sourcing minerals in line with current global standards.

We perform a Reasonable Country of Origin Inquiry (RCOI) on our integrated circuit products supply chain twice per year and publicly disclose our conflict minerals policy, RCOI implementation procedures and SOR sourcing due diligence procedures. More information regarding our RCOI process is on our [Responsible Mineral Sourcing Page](#).

We use professional third-party consultants to perform due diligence on 3TG SORs that are in our integrated circuit products supply chain. These consultants work

with SORs that are non-conformant to RMI standards in order to assist them in becoming conformant.

We continue work to remove SORs from our integrated circuit supply chain if they are not cooperating with, or have been removed from, the RMI's Responsible Minerals Assurance Process (RMAP).

Our 2021 RCOI is complete and posted to our website. There may be smelters that we list in the RCOI report that are currently not considered Active or Conformant, including Russian smelters, but these smelters may have been Active or Conformant during the 2021 reporting period. We will continue work to remove SORs from our integrated circuit supply chain if they are not cooperating with, or have been removed from, the RMI's RMAP.

3TG PROGRESS	2019	2020	2021
Conformant Smelters	224	235	230
Active Smelters	0	1	6
Non-conformant Smelters	0	0	0



HUMAN RIGHTS

Microchip is dedicated to protecting human rights. As part of our focus on continued improvement of our policies and procedures to ensure the protection of our employees and the employees of our supply-chain partners, Microchip joined the Responsible Business Alliance (RBA) in 2020 and adopted its Code of Conduct for our suppliers. Our Human Rights Policy sets standards for labor, health and safety, the environment and ethics for our operations.

In 2021, Microchip completed RBA Self-Assessment Questionnaires (SAQs) at the corporate level as well as at our non-US manufacturing facilities and conducted onsite audits through independent auditors at three of our four non-US manufacturing facilities pursuant to RBA's Validated Assessment Program (VAP). A brief status summary is included in Appendix VI of this report. Consistent with our policy, practice and culture, we do not tolerate the use of forced labor anywhere in our supply chain.

Microchip also has a Human Rights Policy that sets out the fundamental principles embedded in our business operations and culture to ensure that we do not engage in or support activities that directly or indirectly violate human rights. This policy is based on the United Nations Guiding Principles on Business and Human Rights, the United Nations Universal Declaration of Human Rights, the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work, and the Organization for Economic Co-Operation and Development (OECD) Guidelines for Multinational Enterprises. The key elements of the policy are ethical business conduct, fair labor practices, diversity, inclusion, non-discrimination and anti-harassment, safe working conditions, the prevention of forced labor and child labor, and freedom of association.

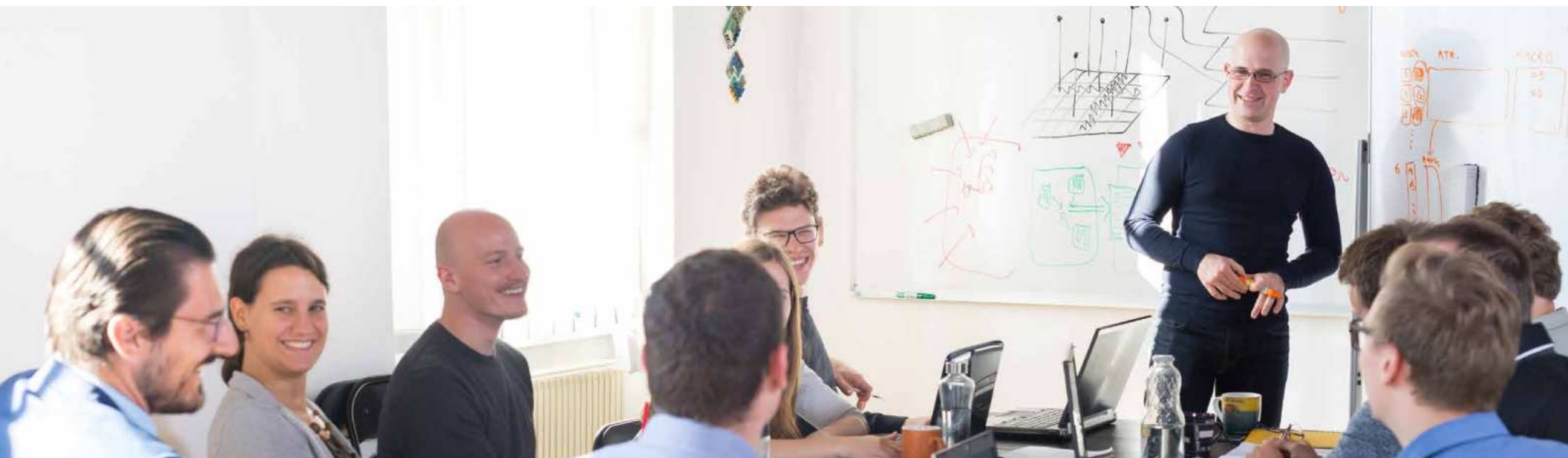
In 2021, Microchip implemented new procedures within its supplier auditing program to include specific labor-related questions aligned to the RBA Code of Conduct. To further develop our supply chain assessment plan and methodology in this area, our Supply Management team used the RBA framework and the Responsible Labor Initiative to enhance the analysis of its supply chain's labor practices, with special focus on forced labor and human rights issues. We administered a survey to the top 80% of our manufacturing supply chain partners (by spend) and received a 91% response rate, with 90% of the respondents meeting our requirements. We continue to follow up with the remaining supply chain partners that have not yet responded and we continue to investigate certain suppliers. For additional information on Microchip's practices and public disclosures related to protecting human rights, please use these links:

[Microchip's Ethics and Conduct](#)

[Microchip's Slavery and Human Trafficking Statement](#)

[Microchip's Ethical Recruitment and Forced Labor Letter](#)

[Microchip's Human Rights Policy](#)



BUSINESS CONTINUITY

Microchip understands the importance of a robust business continuity program and is committed to maintaining systems that ensure continuity of supply and provide for mitigation of potential impact to our customers, partners and other stakeholders.

We have established a Corporate Business Continuity Steering Committee and created a Guidance Document to establish the expectations and standards to be used by all Microchip entities with respect to business continuity planning. On our web page you can find our Guidance Document and an introduction to our [business continuity program](#).

Supply Chain Management

- We carefully manage our supply chain, including internal and external foundries, probe, assembly, and test locations. We understand potential supply chain risk and recovery timing.

Internal Communication

- We maintain a worldwide presence to obtain and evaluate real-time information. We engage with Non-Governmental Organizations, public and private resources on a daily basis to enable enhanced reaction times and maintain a formal internal communications structure devoted to business continuity.

Testing

- Our business continuity program is tested on a regular basis at the local level and periodically from a corporate level. This testing involves table-top exercises, simulations and live scenario testing which may include fire drills, shelter-in-place and other exercises conducted in coordination with community stakeholders.



QUALITY COMES FIRST

Microchip is known for quality products with excellent reliability and long-term availability. There are two words a design engineer never wants to hear: “forced redesign.” A forced redesign can trigger a cascade of negative events, including product recalls, lawsuits, and reduced brand reputation. Forced redesigns are caused by many reasons, but the most prevalent among them are component discontinuations. When a component is discontinued by a supplier, the customer needs to immediately try to source a replacement, if they’re lucky, or redesign their product. Some components reach their end of life for unforeseen circumstances like material obsolescence, but most products reach end of life because a manufacturer decides that the product is no longer profitable and worth manufacturing. This “profits before people” mentality contributes to

poor customer/supplier relationships. At Microchip, we follow a “customer-driven obsolescence” practice, where we let customers choose when they want to stop using our product. We are still manufacturing one of our very first microcontrollers that was released to the market over 30 years ago. The reason our customers develop such long-lasting relationships with us is because of our dedication to quality and their long-term needs. This is not just the quality and reliability of our products, but the quality of our complementary services, solid business model, relationships, and focus on long-term availability. We choose the greater path of producing high quality in every facet of our business. If it’s worth doing, it’s worth doing right. That is why we believe that “Quality Comes First.”



OUR PRODUCTS

PRODUCT STEWARDSHIP

Microchip is committed to providing products and technologies that contribute to positive change in the world and people's lives. To achieve this goal, Microchip works to continuously minimize the environmental impact of our products throughout their lifecycle.

Each year we make significant investments toward developing new technologies and products, ensuring a sustainable future, and enabling the innovations of tomorrow.



GLOBAL PRODUCT COMPLIANCE LAWS

Microchip adheres to applicable global product material compliance laws and regulations throughout the entire product lifecycle. Through the mitigation or elimination of potentially hazardous materials from products, Microchip ensures that safe and reliable products are provided to our customers. To maintain product compliance and safety, Microchip has developed a rigorous material compliance policy and a Hazardous Substance Process Management (HSPM) system to ensure our products are qualified to be introduced into markets around the world.

Because our products are sold around the world, we are subject to many legislative and regulatory requirements, in addition to individual customer specifications. Visit

our [Product Material Compliance](#) web page for detailed information regarding our product material compliance program, including, but not limited to:

- EU Declarations of Conformance
- EU RoHS Certificates of Compliance
- EU REACH Statements
- China RoHS EFUP and Compliance Statements
- Material Content Declarations
- Product Package Information

ENVIRONMENTALLY PREFERABLE PRODUCTS

Microchip specializes in high-efficiency semiconductor MCUs, analog, wireless, security, timing, discrete and human-interface products.

We offer green, low-power solutions that promote energy efficiency and reduce the generation of hazardous waste, enabling our customers to design and manufacture environmentally preferable products.

Microchip's extremely low-power devices significantly reduce energy consumption and increase battery life in wearables and portables with a limited power source. We provide single-chip monitoring solutions for solar inverters, smart lighting, cloud servers, temperature sensors and energy monitoring for commercial buildings and smart homes.

Microchip innovates with sustainability and energy efficiency in mind. Our focus on research and development provides customers with an outstanding portfolio of environmentally preferable options and makes us a supplier of choice for environmentally conscious customers. These efforts are highlighted on our [Environmental Health and Safety](#) web page.

We believe the continued development of green and high-efficiency products is key to the future of our company and the global economy. Producing environmentally preferable products takes continuous innovation and commitment, and we are proud to share our vision and our progress as we work towards a more sustainable future.

SAFETY AND SECURITY ARE NEVER COMPROMISED

We define cybersecurity as a program of measures designed to protect our IT assets and information from unauthorized access or attack. As we are all aware, high-profile security data breaches are being reported more frequently across the globe. It is our job to put in place effective mechanisms to protect our systems and information from unauthorized access and to train our people to avoid, detect, and report such vulnerabilities.

Our information security organization is responsible for cybersecurity and business continuity as it relates to digital information. Structuring responsibilities this way provides Microchip with an integrated view of IT security and enables efficient control of our IT security management processes. Our Vice President-Chief Information Security Officer reports on cybersecurity to our executive management regularly and no less than quarterly to our Audit Committee, which is responsible for overseeing data security risk.

Our cybersecurity efforts are managed by a global team of cybersecurity, IT, engineering and legal personnel and consultants. All of our employees and third parties that access our networks are responsible for assisting us in preventing cybersecurity breaches. Employees are required to successfully complete annual cybersecurity awareness and

insider threat awareness training courses. In addition to cybersecurity, insider threat awareness covers additional topics related to physical security and espionage. We also conduct regular exercises to raise employee awareness of the threat of email phishing and social engineering. We also analyze and plan for cybersecurity scenarios in our resilience planning, document them through business continuity plans, and follow the processes outlined in frameworks such as the ISO 27001 for Information Security Standards, NIST-800-53, and NIST-800-171.

To keep up with the rapidly changing landscape and technological advances in cybersecurity, we continually evaluate and adapt our security measures and are working to obtain various cybersecurity certificates. We have a protocol for responding to cybersecurity events. This plan includes leveraging external consultants, such as computer security experts and legal advisors with risk management and global experience where necessary. In order to stay abreast of the latest security developments we do our own research and consult with experts across a range of disciplines so that we can implement the appropriate systems to protect our information and respond properly in the event of a cyberattack.



OUR PEOPLE

VALUES AND CULTURE

We are a U.S. headquartered company with operations around the world. As of December 31, 2021, our global workforce consisted of approximately 21,000 employees. Employees are our greatest strength, and we place a high value on the diversity of our global workforce.

In 1990, we designed a cultural framework to unite employees around the world through shared workplace values and to guide employees' decisions, actions and job performance. Our Guiding Values convey our overall philosophy and shape our day-to-day decisions and the way we conduct business, which creates a successful foundation for employee empowerment and enhances employee development on all levels. While our core values have remained constant since 1990, we have added to them over time in order to embrace the changes that we see in our global environment.

We are publishing this data as part of our corporate responsibility reporting. The diversity data on the [Workforce Demographics page](#) is published based on calendar 2021 data and a total of approximately 21,000 employees.

At Microchip, women represent 40% of our global workforce. We are committed to creating a supportive work environment for all employees to perform at their highest levels. This includes a commitment to developing and promoting women into technical and leadership positions within our organization.

We monitor gender statistics globally and look for continuous improvements, which includes an evaluation of our practices at the regional level, and an analysis of the benefits that we offer.



CEO DIVERSITY STATEMENT

Ganesh Moorthy, President and Chief Executive Officer

Microchip's business purpose is, "Empowering innovation which enhances the human experience by delivering smart, connected and secure technology solutions."

A key strength is our company culture, and through our culture and our innovative solutions we strive to be a great place to work and build one's career. We value diversity and inclusion and believe employees of all backgrounds contribute to our ongoing success. It is important that we support the needs of our employees without regard to race, color, ethnicity, national origin, religion, age, disability, gender (including gender expression and gender identity), sex or sexual orientation.

Through diversity of backgrounds and perspectives, we gain the knowledge and experience that each of our employees brings. We believe promoting inclusion at Microchip leads to innovative breakthroughs for our customers and an engaging employee experience for our team members. Our goals can only be achieved by bringing forward a truly diverse and inclusive workforce and cultivating a culture of belonging, open communication and transparency where each employee feels heard, valued and empowered to contribute in every way.

Our commitment to inclusion, diversity and equal opportunities for all begins at the top. Our entire leadership team encourages our employees to expand their knowledge and gain new experiences.

Inclusion comes from open interactions with people who think differently and can learn from each other. We know that having varied perspectives helps generate better ideas to solve the complex problems of a changing—and increasingly competitive—business landscape.

Inclusion and diversity are not just words; they are part of our guiding value, "Employees are Our Greatest Strength." This is the way we do business and ensure our future success. We recognize the power of inclusion and diversity to better the lives of our employees and strengthen the performance of our company.

For example, we have programs in place to foster greater dialogue and mentorship opportunities for employees of underrepresented groups, we have implemented methods to recruit, retain and promote qualified candidates from diverse groups, we have implemented leadership training classes on the importance of diversity and inclusion in the workplace, and we provide opportunities for employees to give back to those in need by volunteering in our communities, contributing to charities and to our own charitable foundation, AZFirst.

We are proud of our Guiding Values and our success as a company. By having strong stakeholder relationships with our employees, customers, sales channels, suppliers, investors and communities, we make certain that Microchip continues to deliver on our mission to "Be the very best embedded control solutions company ever."



DIVERSITY AND INCLUSION

Microchip places a high value on the diversity of its workforce. Microchip provides equal employment opportunities and respects and values the diverse experiences and backgrounds of all applicants and employees. Microchip operates in compliance with EEO guidelines for recruitment and hiring practices. Regular and updated training is provided to recruiters and managers to ensure understanding of ethical and legal hiring practices. In the U.S., all managers are required to complete and pass an affirmative action training course.

Microchip utilizes multiple recruiting platforms including our company career site, social media, job boards at local colleges and universities and various diversity and veteran-specific job boards.

Military service members and veterans are truly an asset to Microchip's workforce. The outstanding military training and education they receive, combined with real-world experience in teamwork and leadership, are valued attributes, and we seek to recruit veterans and retired military for various positions. In the U.S. we participate annually in local and national veteran career fairs including VetTalks, sponsored by Best Companies and Career Connectors. Microchip also promotes all job openings on veteran and military job boards and continually seeks to partner with veteran groups and agencies as a veteran-friendly employer. Microchip is working with Skill Bridge, a program where military members who are separating from service may leave active duty 180 days in advance to participate in

internship programs with prospective employers. These service members continue to be paid by the military as part of the program as they transition to new careers.

Microchip has partnered with a third-party diversity recruitment and OFCCP compliance provider to ensure all U.S. jobs postings are delivered to government agencies and various diversity sites. In addition, Microchip's recruiting efforts in 2021 included attending diversity-focused career fairs and other outreach activities to target underrepresented groups such as women, veterans, individuals with disabilities and other minority groups. Microchip seeks to expand its university partnerships in 2022 to include Historically Black Colleges and Universities (HBCUs) and will continue to make diversity recruiting a top priority.

Microchip launched a new development program focused on women at the company, called Women in Technology (WIT). This program is intended to support Microchip employees by helping them grow business skills and develop Microchip corporate and technology industry acumen. The WIT program currently has two avenues: new development courses that launched in April 2022, and women-led development and career support groups called Circles. WIT Circles choose topics and development goals independently, and utilize resources offered by Lean In, an organization working to help women achieve their ambitions and create more inclusive workplaces. To date, roughly 40 women are participating in our four pilot Circles, with more groups on the horizon.



Workforce Demographics

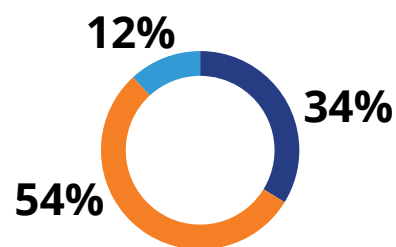
In the U.S., we analyze gender, race and ethnicity representation to ensure that we are attracting, developing and retaining diverse team members. Globally, we analyze gender representation.

Our U.S. workforce data is prepared in accordance with

the Federal Employer Information Report EEO-1. This report has broad, fixed categories that are not reflective of our global workforce or our complex job structure. We are sharing our EEO-1 data in the interest of transparency.

Below is a racial and ethnic breakdown of Microchip's 6,250 U.S. employees:

RACE AND ETHNICITY (U.S. ONLY)	AS OF DECEMBER 31, 2021
White	56%
Asian	27%
Hispanic or Latino	10%
Black or African American	3%
Two or More Races	1%
Native American or Alaska Native	<1%
Pacific Islander	<1%



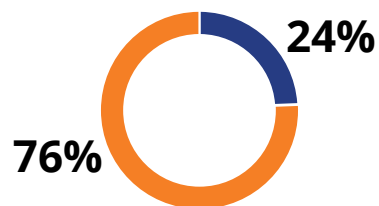
Global Employees by Region

■ North America ■ Asia/Pacific Rim ■ Europe and Middle East



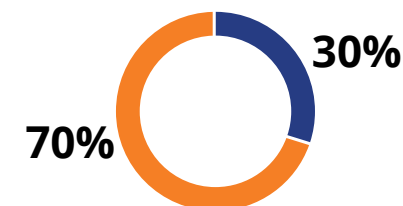
Global Employees by Gender

■ Female ■ Male



Global Leadership by Gender

■ Female ■ Male



Global Technical Roles by Gender

■ Female ■ Male

EMPLOYEE RECRUITMENT AND RETENTION

Workplace Initiatives

Microchip is a U.S. headquartered company with operations around the world. Our global workforce consists of approximately 21,000 employees. We recognize that employees are our greatest strength and place a high value on the diversity of our global workforce. We design jobs and provide opportunities that promote teamwork, productivity, creativity, pride in work, trust, integrity, fairness, involvement, development and empowerment. We base recognition, advancement and compensation on an employee's achievement of excellence in team and individual performance. We are committed to providing strong benefits and wellness programs, safe and inclusive workplaces, continuous opportunities for training and professional development and equal employment opportunities to all.

Learning and Development

Employees Are Our Greatest Strength. Microchip sustains an active commitment to advancing learning and development for all employees worldwide. Our "Global Organizational Learning and Development" (GOLD) department is a vital component in the success of our company. The department's growth in capacity and resources continues independent of cyclical economic impacts on the company. Microchip invests in our employees' futures by ensuring our training is available in native languages. Employees also have the opportunity to pursue relevant higher education through a tuition reimbursement program. Learning and development at Microchip are a joint effort among employees, managers and the GOLD team. In FY 2021 employees completed 730

classroom sessions, 211,992 online courses, and almost 700 one-on-one coaching sessions. Microchip's courses cover a range of training topics, including orientation to the company, core competencies such as empowerment, global teamwork and communication, compliance, technical knowledge of Microchip products and applications, sales process training, IT skills, leadership, project management, and operational manufacturing skills. Microchip realizes that diverse teams are the strongest teams.

Leadership Training

We support our global employee community by providing management training in Leading Diverse Teams as part of our Microchip Leadership—Passage 1(P1) program. The P1 program aims to reach all managers who were recently promoted into leadership roles or new managers who enter the company, regardless of their prior leadership experience. Our Working Globally, Crossing Cultures course is recommended as core learning for all employees. This course includes information on cultural-behavioral preferences such as independence/interdependence and direct/indirect communication. It also teaches inclusive collaboration practices while building awareness of, and appreciation for, diversity in our global Microchip community. Our on-demand-learning library offers a portfolio of diversity and inclusion-related courses that encourage proactive behaviors by employees, regardless of role.

Awards and Recognition

We are proud to have received numerous awards for business and technical excellence throughout the years. We attribute a significant part of this to Microchip's Guiding Values and strong company culture. Below are just a few of the awards we received in 2021.

- *Forbes* recognized Microchip on their "500 Best Employers for Diversity in the U.S." list in 2021.
- Microchip received a Training Apex award, from *Training Magazine* in 2021, making this the 10th consecutive year to be recognized by the publication for our worldwide learning and development programs.
- Microchip was recognized by *Vision Systems Design* with a 2021 Innovators Award and was named to Clarivate Analytics' Top 100 Global Innovators list.

University Programs

Microchip's campus involvement aids in our overall recruitment efforts to attract top talent. We actively recruit at university career fairs and job posting sites. We value the partnerships and brand recognition we have built with top universities through many activities, including judging at engineering-related competitions, participating in campus informational sessions, assisting in curriculum design, sponsoring senior-level capstone projects and serving as guest speakers in various capacities. We provide product samples, development tools and demo boards in many locations.

New College Graduates

We consider a New College Graduate (NCG) as anyone who successfully completed a bachelor's or master's degree within the last three years. Microchip hosts a virtual biannual program in the U.S. and Europe for NCG candidates which focuses specifically on their needs by providing engagement with the executive staff, technical training, personal-development workshops, a formal mentoring program, teambuilding activities and community service work. The goal of this program is to prepare our NCG hires for success in their Microchip journey and inspire the next generation of embedded system engineers.

Internships

Microchip internships provide challenging and rewarding hands-on experience working closely with senior staff and industry professionals. Our interns contribute to critical projects and significant day-to-day business activities. Their term of service can be anywhere from three months to one year or longer, and many return to Microchip several times during their educational journey. Our goal is to convert as many successful interns as possible to full-time roles upon their graduation.

Benefits

We believe our employees are essential to our ongoing success, so our global compensation and benefits programs have been designed to reflect this value. We offer competitive and comprehensive benefits packages to our employees around the world. While the specific details may vary according to country or region, Microchip's philosophy is to provide total compensation for all employees through shared profit and ownership. Microchip has several quarterly cash bonus programs and equity plans (restricted stock units and employee stock purchase program) which allow employees to share in the company's success and build their personal wealth. Other benefits include retirement savings plans with company match, company-paid holidays, paid vacation and sick leave, family and medical leaves of absence, short and long-term paid disability, long-term care insurance, health and wellness programs and continuing education and training opportunities.

Employee Assistance

Microchip provides a "Well-Being Management" seminar to provide information about resources that will help support the health and welfare of employees as well as their dependents and other members of their household.

Microchip also supports our employees' physical health by maintaining accessible and affordable on-site medical clinics at our sites in Arizona, Colorado, and Oregon, which serve our front-end manufacturing population as well as employees in other roles. We provide periodic on-site mammograms, prostate exams, and shots for the flu, COVID-19, and pneumonia. In various locations, Microchip also maintains on-site gyms and offers virtual yoga and meditation classes to encourage employees to incorporate healthy habits into their workday.



In addition to physical health resources, Microchip also offers webinars to educate employees on financial planning. Each year, E*TRADE® holds sessions to educate employees on tax specifics related to equity. Webinars and resources on investing and retirement are hosted by Fidelity®. Both E*TRADE and Fidelity offer one-on-one appointments for employees to meet with financial advisors at their convenience. Microchip has also offered webinars with local Social Security personnel to educate employees on Social Security benefits and Medicare.

Labor/Management Relations

While none of Microchip's employees are unionized, we do acknowledge the right to collective bargaining where allowed by law. We have strong employee programs to support employees and their families, including robust benefits plans and career development opportunities. In calendar 2021 we had employees participating in collective bargaining agreements in the following countries: Austria (100% of employees participated), Finland (100%), France (100%), Germany (approximately 65%), Italy (100%), Russia (100%) and Spain (100%).

Non-Discrimination and Equal Employment Opportunity

We acknowledge the right of all employees and applicants to be treated fairly and as individuals free from any discrimination, including harassment, bullying and intimidation. We provide a safe and inclusive work atmosphere that is free of harassment, and we recognize that our success depends on the inclusion of all qualified people that work for and with our company regardless of race, color, ethnicity, religion, age, national or social origin, ancestry, citizenship status, marital or familial status, physical or mental disability, legally protected

medical condition, genetic information, pregnancy, gender (including gender expression, gender identity, transgender and sex stereotyping), sex (including pregnancy, childbirth, breastfeeding, or related medical condition and sex stereotyping), sexual orientation, military or veteran protected activity (such as opposition to or reporting of prohibited discrimination or harassment, or seeking an accommodation for a disability), or any other status or classification protected by applicable federal, state, and/or local laws.

Human Rights

Microchip is headquartered in the United States with global operations. These operations include primary manufacturing located in the U.S., test operations in the Philippines, assembly and test operations in Thailand, and engineering design centers and sales offices located around the world. Microchip complies with all legal requirements related to labor, including prohibitions on forced or compulsory labor, child labor and discrimination. Microchip has a Combatting Trafficking in Persons Policy, a Human Rights Policy, and Supplier Code of Conduct to ensure that our employees and suppliers take appropriate steps to mitigate the risk of human trafficking and modern slavery from occurring within our business and supply chains.

Occupational Health and Safety

"Safety and Security Are Never Compromised" is one of Microchip's Guiding Values. Microchip's concern for the health and safety of our employees, contractors, vendors and the communities in which we work helps determine our policies and define our practices. Because we are committed to providing a safe and healthy place to work, we have dedicated environmental, health and safety

(EHS) teams that ensure we meet all applicable laws and regulations. At Microchip, employees are responsible for their safety and the safety of those around them.

We actively promote a safe and healthy lifestyle and encourage employees to manage their personal health proactively.

Recordable Incidents*

FACILITY	2019	2020	2021
Chandler	4	2	4
Colorado Springs	19	7	14
Gresham	6	12	12
Tempe	14	13	2
Other US Locations	**	**	6
Thailand (MMT)	0	0	2
Thailand (MTHAI)	0	0	2
Philippines (MPHL)	0	1	0

Injury Rate (Cases) Per 100 Employees

FACILITY	2019	2020	2021
Chandler	0.29	0.14	0.29
Colorado Springs***	2.04	1.12	2.05
Gresham	1.09	2.32	2.50
Tempe	2.71	2.63	0.35
Total US Avg. Injury Rate	**	**	0.47
Thailand (MMT)	0.00	0.00	0.12
Thailand (MTHAI)	0.00	0.00	0.05
Philippines (MPHL)	0.00	0.06	0.00
OSHA Industry Injury Rate	1.20	1.00	****

* Recordable Incidents as defined by OSHA

** Information previously not collected or disclosed

*** 40% incidents were slips and falls with zero or minimal days away from work

**** OSHA Industry Injury Rate will be available in November 2022



COMMUNITY INVOLVEMENT

Microchip is an active participant in the communities in which we operate. We give back by supporting and donating to schools, clubs and charities and through volunteer work. The ways in which we support the local communities where we operate reflect the diversity of the people and the needs of those communities. This section highlights some of the work that Microchip did in 2021.

STEM OUTREACH

At Microchip, we acknowledge that we have a responsibility to influence and impact the education of the next generation of engineers to create a stronger, better educated community and workforce through engagement with Science, Technology, Engineering and Math (STEM).

Microchip supports For Inspiration and Recognition of Science and Technology (FIRST®) and the Robotics Education Competition (REC) Foundation. These organizations offer hands-on STEM learning through building robots for competition. Students interact with industry mentors and learn workforce skills such as time management, critical thinking, problem solving, teamwork, public speaking and marketing.

While teams competed in virtual events remotely during 2021, several Arizona FIRST teams received awards and were highlighted during an international Awards Show that was broadcast in April 2021. Microchip sponsored VEX teams were also recognized with awards during their virtual season.

Microchip offers financial and individual support for robotics programs in a variety of ways including:

- Providing a full-time STEM representative to FIRST and VEX
- Providing a Regional Director for FIRST in Arizona
- Awarding 20 financial grants to “rookie” VEX teams
- Offering facilities, supplies, and supply discounts for participants and staff volunteers working with FIRST, VEX, and AZFirst, a local non-profit supporting robotics in Arizona
- Supporting employees who mentor robotics teams and volunteer at events
- Sponsoring VEX teams for the children of Microchip employees
- Providing financial sponsorship to two FIRST regional events in Arizona
- Providing financial sponsorship for the VEX World Championship

MICROCHIP COMMUNITY OUTREACH IN ASIA

Microchip values the communities in which it operates by engaging with them in many different ways. These are a few of many examples of how we participate in our communities in Asia:

- Microchip donated a hand-washing facility at Pulo National High School (PNHS) and received a Certificate of Appreciation for the 5-year Brigada Eskwela partnership (#2 Top Contributor) - Philippines
- Microchip Electronics Camp project was held with community schools for ninth year in a row, providing basic knowledge of electronics to primary school students and teachers. More

than 1,000 students and teachers have participated so far - Thailand

- Our products were used at Microchip Smart Farm at Chacherngsao Panyanukul school for children with disabilities to help children working on the farm develop humidity and temperature sensors in farming - Thailand
- Company continued its Covid-19 pandemic campaign by donating PPE and medical equipment to the local government and hospital, offering Goodie Boxes to 50 bed-ridden hospital patients and providing 250 lunch boxes for healthcare professionals - Thailand



PROJECT C.U.R.E.

Since 2007, Project C.U.R.E has been utilizing approximately 46,000 square feet of space donated by Microchip to store and deliver medical supplies and equipment. Project C.U.R.E. is the world's largest distributor of donated medical supplies and equipment. Since 1987, this organization has shipped life-saving supplies to more than 130 nations worldwide. Project C.U.R.E. accomplishes this by taking excess, unused items from local medical facilities and shipping them to under-resourced hospitals in developing countries.

The cost of warehouse space would typically be a large expense on the nonprofit's balance sheet, so Project C.U.R.E. leverages Microchip's assistance to respond to the medical needs of developing countries.

In 2021, Project C.U.R.E. completed 16 shipments with a total value of \$6.5 million, in partnership with Joint Admissions and Matriculation Board (JAMB) Nigeria. The goal of this partnership is to improve health care capacity, elevate the capabilities of medical providers, and improve sustainability of medical institutions across all six different geo-political zones in Nigeria.

The space generously donated by Microchip allowed Project C.U.R.E. to welcome 1,547 volunteers, who completed over 19,000 hours of service. Microchip employees joined in the work as well, helping pack Kits for Kids along with general medical supplies and equipment for distribution to 11 countries in 2021.

MICROCHIP SUPPORTS UNITED WAY

Microchip employees and corporate locations invest time and money to support the Pikes Peak United Way (PPUW), United Way of Columbia/Willamette (PDX) and Valley of the Sun United Way (VSUW) in Colorado Springs, CO, Portland, OR, and Phoenix, AZ, respectively.

United Way directly invests in local communities by supporting organizations that serve children, provide resources to end hunger and homelessness and increase the financial stability of at-risk communities. Funds raised during the 2021 campaign were distributed largely to education (26%), health and food access (24%),

and housing and homelessness (22%). The remaining funds went to workforce development (18%) and the AZ Charitable Tax Credit (10%).

Microchip supports these initiatives by participating in VSUW training events annually, donating over \$264,000 this past campaign to the national United Way Foundation and creating educational opportunities for employees so they can also make a difference in the community. Microchip's Lifetime Giving support reached \$5.6M, with \$5.1M coming directly from employee giving.



PROFESSIONAL ETHICS AND SOCIAL RESPONSIBILITY ARE PRACTICED

Microchip prides itself on being a values-based organization. We are not a company of rigid rules. Values-based organizations know how to be flexible, innovative, and look for new and creative solutions to issues. The best way to foster innovation and discover new solutions is through commitment to diversity, inclusion, and equal opportunities for all.

In 2021, Microchip was selected as one of the [World's Top Female-Friendly Companies](#). Forbes magazine, in partnership with Statista, compiled the list.

“The list was compiled by surveying 85,000 women in 40 countries. Respondents were asked to rate

their employers on criteria such as pay equity and parental leave. Statista also asked women to assess how companies use their platforms and marketing messages: to promote gender equality or to perpetuate negative stereotypes? Representation at the executive and board levels were taken into account, too.”

At Microchip, we believe that professional ethics include more than lowering our carbon footprint and employing good corporate governance on our board of directors. We believe that a diverse workforce creates better solutions, is responsible and is just good business.

2021 MICROCHIP SUSTAINABILITY REPORT

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APPENDIX I

MICROCHIP GUIDING VALUES

Quality Comes First

We are on a relentless quest for perfection and are committed to the goal of zero defects. We will perform correctly the first time and maintain our company's quality management system certifications to ensure customer satisfaction. We employ the aggregate system so that all employees anticipate problems and implement root cause solutions using effective and standardized improvement methods. We believe that quality is built-in, and not inspected in; and that when quality comes first, reduced costs follow.

Customers Are Our Focus

We establish successful customer partnerships by exceeding customer expectations for products, services and attitude, while ensuring that our intellectual property is protected as we exchange information and share knowledge. We start by understanding our customer's needs, earning our credibility by producing quality products, delivering comprehensive total systems solutions and meeting commitments. We believe each employee must effectively serve their internal customers in order for Microchip's external customers to be properly served.

Continuous Improvement Is Essential

We utilize the concept of "Vital Few" to establish our priorities. We concentrate our resources on continuously improving Vital Few while empowering each employee to make continuous improvements in their area of responsibility. We strive for constructive and honest self-criticism to identify improvement opportunities.

Employees Are Our Greatest Strength

We design jobs and provide opportunities promoting employee teamwork, productivity, creativity, pride in work, trust, integrity, fairness, involvement, development and empowerment. We base recognition, advancement and compensation on an employee's achievement of excellence in company, team and individual performance. We provide for employee health and welfare by offering competitive and comprehensive employee benefits.

Products and Technology Are Our Foundation

We make ongoing investments and advancements in the design and development of our manufacturing processes, device, circuit, system and software technologies and services. We value and protect intellectual properties that allow us to develop timely, innovative, reliable and cost effective total system solutions that give our customers the freedom to innovate for today and tomorrow.

Total Cycle Times Are Optimized

We focus resources to optimize cycle times to our internal and external customers by empowering employees to achieve efficient cycle times in their area of responsibility. We believe that cycle time reduction is achieved by streamlining processes through the systematic removal of barriers to productivity.

Safety and Security Are Never Compromised

We place our concern for the health, safety, and security of our employees, company, property, personal data, and community at the forefront of our decisions, policies and actions. We are all individually and collectively responsible for safety and security.

Profits and Growth Provide For Everything We Do

We strive to generate and maintain industry leading rates of company profits and growth as they allow continued investment in the future, enhanced employee opportunity, and represent the overall success of Microchip.

Communication Is Vital

We encourage appropriate, honest, constructive and timely communication in company, customer, investor, government and community relationships to resolve issues, exchange information and share knowledge.

Suppliers, Representatives and Distributors Are Our Partners

We strive to maintain professional and mutually beneficial partnerships with those suppliers, representatives, distributors, design houses and consultants who are an integral link in the achievement of our mission and guiding values.

Professional Ethics and Social Responsibility Are Practiced

We manage our business and treat customers, employees, shareholders, investors, suppliers, channel partners, community and government in a manner that exemplifies our honesty, ethics and integrity. We honor our short- and long-term fiscal, social and environmental responsibilities and are proud to serve as an equal opportunity employer.

APPENDIX II

ESG PERFORMANCE SUMMARY

	FY2019	FY2020	FY2021	FY2022
OUR COMPANY - FINANCIAL INFORMATION¹				
Net Revenue (dollars in millions)	5,349.5	5,274.2	5,438.4	6,820.9
Net Income (dollars in millions)	355.9	570.6	349.4	1,285.5
Income tax provision (benefit) (dollars in millions)	-151.4	-420.2	-9.9	197.0
R & D Spend (dollars in millions)	826.3	877.8	836.4	989.1
Capital Spend (dollars in millions)	228.9	67.6	92.6	370.1

	CY2018	CY2019	CY2020	CY2021
OUR COMPANY - GOVERNANCE				
# Directors ²	5	5	7	7
Female Directors (%)	20	20	29	29
Ethnically Diverse Directors (%)	20	20	43	43
Independent Directors (%)	80	80	71	71
LEGAL CLAIMS AGAINST MICROCHIP - Corporate Governance ³	3	1	1	1
OUR PEOPLE				
Number of Worldwide Employees	18,740	18,033	19,472	20,566
Employees by Location - Asia/Pacific	9,342	8,986	10,419	11,189
Employees by Location - Europe	2,374	2,368	2,326	2,430
Employees by Location - North America	7,024	6,679	6,727	6,947
Female Employees in All Positions (%)				40
Female Employees in Technical Positions (%)				30
Female Employees in Leadership Positions (%)				24
New College Graduates Hired Worldwide			209	254
Number of Interns Hired Worldwide			132	130
Full-Time Training Professionals	39	85	85	100
Employee Average Training Hours (Female)				10.6
Employee Average Training Hours (Male)				9.6

	CY2018	CY2019	CY2020	CY2021
# Company-Wide Recordable Incidents	37	43	35	36
# Fatalities	0	0	0	0
LEGAL CLAIMS AGAINST MICROCHIP - Health & Safety ³	0	0	0	0
OUR PLANET				
Scope 1 Emissions (MTCE)	529,370	425,973	348,407	407,724
Net % change (relative to baseline year, 2018)		-19.5%	-34.2%	-23.0%
Scope 2 Emissions (MTCE)	328,915	311,490	305,341	305,162
Net % change (relative to baseline year, 2018)		-5.3%	-7.2%	-7.2%
Energy Usage (MWh)	1,024,225	968,169	997,729	989,118
Net % change (relative to baseline year, 2018)		-5.5%	-2.6%	-3.4%
Recycled Materials (lbs.)	3,191,649	3,724,868	3,858,388	5,855,956
Water Usage (Gal)	1,515,648,307	1,455,758,888	1,310,570,498	1,448,084,330
Net % change in water usage (relative to baseline year, 2018)		-4.0%	-13.5%	-4.0%
Effluent Waste (Gal) ⁴	1,053,746,608	1,071,830,470	915,400,637	936,856,407
Net % change in effluent waste (relative to baseline year, 2018)		1.7%	-13.1%	-11.1%
ISO14001 Certified High-Volume IC Manufacturing Facilities	4	4	4	4
LEGAL CLAIMS AGAINST MICROCHIP - Environment ³	0	0	0	0
OUR SUPPLY CHAIN (IC)				
Total Number of Smelters	248	224	236	236
Smelters Recognized as RMI RMAP Conformant	248	224	235	230
Smelters Actively Participating in Sourcing Audits by RMI RMAP, TICMC, LBMA	0	0	1	6
Non-conformant Smelters	0	0	0	0
OUR PRODUCTS				
ISO9001/IATF16949 Certified High-Volume IC Manufacturing Facilities	6	6	6	6
ISO9001/IATF16949 Certified High-Volume IC Manufacturing Facilities (%)	100	100	100	100
LEGAL CLAIMS AGAINST MICROCHIP - Product Stewardship ³	0	0	0	0

¹ Financial data is represented in Fiscal Years. For example, column year FY2022 contains financials from Microchip Fiscal Year 2022 (April 1, 2021 - March 31, 2022).

² From April 1 through August 25 in 2020, BOD consisted of 8 members.

³ Refer to our annual 10-k filings with the Security and Exchange Commission (SEC) for fiscal years 2018-2021 and notes to our consolidated financial statements for information regarding legal proceedings. Disclosures regarding legal claims are made in accordance with the Securities Exchange Act of 1934.

⁴ A minor change to effluent waste numbers for years 2018 and 2019 has been made to accommodate additional sites.

Blank - Information previously not collected or disclosed

APPENDIX III

GRI CONTENT INDEX

Statement of use	Microchip Technology has reported the information cited in this GRI content index for the period 01/01/2021-12/31/2021 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 2: General Disclosures 2021	2-1 Organizational details	See 2021 Sustainability Report section "Our Company" pp. 8-10
	2-2 Entities included in the organization's sustainability reporting	Sites with at least 10+ full-time employees and design engineering capabilities (purely sales offices excluded)
	2-3 Reporting period, frequency and contact point	Reporting period: 01/01/2021 - 12/31/2021, Frequency: Annual, Contact: Legal.Department@Microchip.com
	2-4 Restatements of information	See Appendix II - ESG Performance Summary ⁴
	2-5 External assurance	ISO Certificates, Sony Green Partner Certificate, Samsung Electronics Eco-Partner Certificate: https://www.microchip.com/en-us/about/corporate-responsibility/environmental-health-and-safety
	2-6 Activities, value chain and other business relationships	See 2021 Sustainability Report section "Our Company" pp. 8-10, 13
	2-7 Employees	See Appendix II - ESG Performance Summary
	2-9 Governance structure and composition	See 2022 proxy pp. 5-6, 9-11, 15-18: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See also Corporate Governance Guidelines: https://www.microchip.com/en-us/about/investors/investor-information/mission-statement
	2-10 Nomination and selection of the highest governance body	See 2022 proxy pp. 11, 15-18: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See also Corporate Governance Guidelines, Nominating, Governance and Sustainability Charter, and Corporate Governance Policy for Election of Directors: https://www.microchip.com/en-us/about/investors/investor-information/mission-statement
	2-11 Chair of the highest governance body	See 2022 proxy pp. 5, 16: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-12 Role of the highest governance body in overseeing the management of impacts	See 2022 proxy pp. CEO letter, 5-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-13 Delegation of responsibility for managing impacts	See 2022 proxy pp. 5-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-14 Role of the highest governance body in sustainability reporting	See 2022 proxy pp. CEO letter, 5-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-15 Conflicts of interest	See 2022 proxy pp. 13-14, 16-18: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-16 Communication of critical concerns	See 2022 proxy pp. CEO Letter, 5-6: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See also 2022 Annual Report form 10-K, Risk Factors pp. 12-30, Note 11: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	2-17 Collective knowledge of the highest governance body	See 2022 proxy pp. Corporate Governance Practices, 6,11: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-18 Evaluation of the performance of the highest governance body	

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 2: General Disclosures 2021	2-19 Remuneration policies	See 2022 proxy pp. Compensation Discussion Analysis and Highlights, 24-33: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-20 Process to determine remuneration	See 2022 proxy pp. 12, 24-25: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-21 Annual total compensation ratio	See 2022 proxy p. 34: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-22 Statement on sustainable development strategy	See 2021 Sustainability Report section "CEO Letter" pp. 5-6
	2-23 Policy commitments	<p>Microchip is dedicated to protecting human rights. As part of our focus on continued improvement of our policies and procedures to ensure the protection of our employees and the employees of our supply- chain partners, Microchip has joined the Responsible Business Alliance (RBA) and adopted a Supplier Code of Conduct that is aligned with the RBA Code of Conduct. The RBA Code of Conduct creates standards for labor, health and safety, the environment and ethics throughout our supply chain.</p> <p>As part of membership with RBA, Microchip also rolled out its Supplier Code of Conduct. Microchip's Supplier Code of Conduct applies to suppliers and their directors, officers, employees, contractors and subcontract labor. It requires that all suppliers be dedicated to ensuring that throughout their supply chain working conditions are safe, workers are treated with respect and dignity, and business operations are environmentally responsible, conducted ethically and are in compliance with all applicable laws, rules and regulations. Consistent with our policy, practice and culture, we do not tolerate the use of forced labor anywhere in our supply chain.</p> <p>For Microchip, we are committed to ensuring that our facilities comply with all local and national laws and regulations as they relate to the health and safety of our employees. Our Human Rights Policy prohibits the use of forced or compulsory labor, child labor and discrimination.</p> <p>For additional information on Microchip's practices and public disclosures related to protecting human rights, please visit the following:</p> <p>Microchip's Ethics and Conduct: https://www.microchip.com/en-us/about/corporate-responsibility/ethics-and-conduct</p> <p>Microchip's Slavery and Human Trafficking Statement: https://ww1.microchip.com/downloads/en/DeviceDoc/Microchip_Slavery_and_Human_Trafficking_Statement_for_calendar_2017.pdf</p> <p>Microchip's Human Rights Policy https://www.microchip.com/en-us/about/corporate-responsibility</p>
	2-24 Embedding policy commitments	See 2022 proxy, pp. 6-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-25 Processes to remediate negative impacts	See Microchip's Corporate Environmental, Health and Safety Policy: https://www.microchip.com/en-us/about/corporate-responsibility/environmental-health-and-safety
	2-26 Mechanisms for seeking advice and raising concerns	See 2022 Proxy, p. 9, 49-50: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See also Microchip's Code of Business Conduct and Ethics: https://www.microchip.com/en-us/about/corporate-responsibility/ethics-and-conduct
	2-27 Compliance with laws and regulations	0 significant instances of non-compliance
	2-28 Membership associations	See 2021 Sustainability Report section "Our Company" p. 10
	2-29 Approach to stakeholder engagement	See 2022 proxy, p. 4: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm
	2-30 Collective bargaining agreements	The following countries have Collective Bargaining Agreements: Finland - 100%, Austria - 100%, Germany - 65%, Italy - 100%, France - 100%, Russia - 100%, Spain - 100% Employees that are currently not under any collective bargaining agreements don't have their working conditions and terms of employment based on other agreements or organizations
GRI 3: Material Topics 2021	3-1 Process to determine material topics	See 2021 Sustainability Report section "Sustainability Approach" p. 17
	3-2 List of material topics	See 2021 Sustainability Report section "Sustainability Approach" p. 18
	3-3 Management of material topics	See 2021 proxy, pp. 5-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Microchip's direct economic value generated and distributed is provided in our 2022 Annual Report on form 10-K p. F-6 under our Consolidated Statements of comprehensive Income for each of the three years in the period ended March 31, 2022: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	201-2 Financial implications and other risks and opportunities due to climate change	Microchip's financial implications and other risks and opportunities due to climate change can be found in our 2022 Annual Report form 10-K under the "Climate change regulations and sustained adverse climate change pose risks that could harm our results of operations" p. 28, and Risks Related to Taxation, Laws and Regulations on p. 13: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	201-3 Defined benefit plan obligations and other retirement plans	Details regarding our defined benefit plan obligation and other retirement plans can be found in our 2022 Annual Report form 10-K, Note 13, pp. F-39 to F-42: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	201-4 Financial assistance received from government	For further discussion regarding assistance received from government entities please refer to our 2022 Annual Report form 10-K p. F-18: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	We do not split out by gender as we have the same starting rates in our fabs regardless of gender Arizona - 125%, Colorado - 127%, Massachusetts - 140%, Oregon - 133%, Pennsylvania - 200%, UK - 100%, Ireland - 100%, Germany - 144%, Philippines - 100%, Thailand - 100%
	202-2 Proportion of senior management hired from the local community	Microchip supports promoting from within for these types of roles.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	See 2021 Sustainability Report section "Our People" p. 48
	203-2 Significant indirect economic impacts	We manage our business and treat customers, employees, shareholders, investors, suppliers, channel partners, community and government in a manner that exemplifies our honesty, ethics and integrity. Our culture emphasizes being a good corporate citizen and our employees are actively engaged in the communities they live in. Please see our 2021 Sustainability Report section "Our People" p. 47 for additional details about our engagement in local and national community programs, namely FIRST, Project C.U.R.E, and United Way.
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	The percentage of the procurement budget for local suppliers is very small (<\$5Mn). Microchip's definition of 'local' is the area within a 50 mile radius of our fab locations - Tempe, Gresham, Phoenix and Colorado Springs
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	See Microchip's Form 10-K for the fiscal year ending March 31, 2022, pp. 18, 26 for a description of the risks Microchip faces in connection with violations of the Foreign Corrupt Practices Act or similar laws: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	205-2 Communication and training about anti-corruption policies and procedures	See Microchip's Corporate Code of Business Conduct and Ethics: https://www.microchip.com/en-us/about/corporate-responsibility/ethics-and-conduct
	205-3 Confirmed incidents of corruption and actions taken	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	See Appendix II - ESG Performance Summary

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 207: Tax 2019	207-1 Approach to tax	Details of the company's tax policy and approach can be found in our 2022 Annual Report form-10-K, pp. 26-29, 35-38, 44-45, 47, F-2, F-5 - F-9, F-11 - F-13, F-42: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	207-2 Tax governance, control, and risk management	Detailed discussion regarding Tax governance, control, and risk management can be found in our 2022 annual report form 10-K pp. 26-29, 35-38, 44-45, 47, F-2, F-5 - F-9, F-11 - F-13, F-42: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
	207-3 Stakeholder engagement and management of concerns related to tax	In line with the principle of being a good corporate tax citizen, we conduct legal and proactive tax planning activities on the basis of economic considerations. We also strive to work cooperatively, transparently, and constructively with global tax authorities. In the process we maintain our legal rights and defend our interests wherever we believe such actions are appropriate and legitimate. The company also has a policy to address concerns and complaints as discussed in Proxy Statement form DEF14A p. 9 which discusses how the audit committee addresses concern via their "Reporting Legal Non-Compliance" policy. The policy can be found here: https://www.microchip.com/en-us/about/investors/investor-information/mission-statement
	207-4 Country-by-country reporting	In compliance with the IRS guidelines, the Company has been submitting a country-by-country report on an annual basis. This report is distributed to all participating tax authorities around the globe on the basis of bilateral and multilateral agreements.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Total - 3,560,825 GJ Diesel - 16,384 GJ, Natural Gas - 915,646 GJ, LPG - 5,875 GJ See Appendix II - ESG Performance Summary
	302-3 Energy intensity	172 MWh/Mn normalized production units
	302-4 Reduction of energy consumption	16,751 GJ
	302-5 Reductions in energy requirements of products and services	https://www.microchip.com/en-us/solutions/low-power https://www.globenewswire.com/news-release/2021/09/08/2293398/0/en/Microchip-Unveils-Industry-s-Most-Compact-1-6T-Ethernet-PHY-with-Up-to-800-GbE-Connectivity-for-Cloud-Data-Centers-5G-and-AI.html
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	See 2021 Sustainability Report section "Our Planet" pp. 27-28
	303-2 Management of water discharge-related impacts	All facilities operate in accordance with the local discharge requirements
	303-3 Water withdrawal	Total - 5,482 ML 1,665 ML withdrawn in locations with High or Extremely High Baselines Water Stress as defined by WRI Aqueduct
	303-4 Water discharge	Total - 3,394 ML Priority substances of concern are determined based on effluent concentrations and discharge limits as defined in the wastewater discharge permits issued by the utilities
	303-5 Water consumption	2,088 ML
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	We are not aware of our manufacturing or assembly operations having a direct negative impact on biodiversity or protected species/environments throughout the U.S. and other global regions in which we operate.
	304-2 Significant impacts of activities, products and services on biodiversity	
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	See Appendix II - ESG Performance Summary
	305-2 Energy indirect (Scope 2) GHG emissions	See Appendix II - ESG Performance Summary
	305-3 Other indirect (Scope 3) GHG emissions	See 2021 Sustainability Report section "Our Planet" p. 23
	305-4 GHG emissions intensity	Scope 1 - 86 MTCE/Mn normalized production units, Scope 2 - 58 MTCE/Mn normalized production units
	305-5 Reduction of GHG emissions	1,928 MTCE
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	NOx - 32.9 MT, SOx - 0.5 MT, Volatile organic compounds (VOC) - 51.25 MT, Hazardous air pollutants (HAP) - 6.78 MT, Particulate matter (PM) - 10.4 MT, CO - 20.42 MT, HF - 7.25 MT, HCl - 0.41 ton, PH3 - 0.01 ton, Cl2 = 0.34 ton, Ethylene Glycol = 0.26 ton, Fluorides = 1.1 MT
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Majority of the waste is generated at Microchip's manufacturing, testing, and assembly facilities that convert raw materials into finished goods. The waste streams are typically classified as hazardous or non-hazardous and disposed of as per appropriate methods. There is some additional general trash generated from daily functions at the corporate and sales offices.
	306-2 Management of significant waste-related impacts	a) See 2021 Sustainability Report section "Our Planet" p. 26 b) Third-party vendors are audited by the Microchip EHS team c) Waste-related data is tracked and monitored as part of Microchip's waste management plan
	306-3 Waste generated	Total waste - 4,409 MT Hazardous - 1,497 MT Non-hazardous - 2,912 MT
	306-4 Waste diverted from disposal	Total waste recycled - 2,656 MT Hazardous - 551 MT Non-hazardous - 2,105 MT
	306-5 Waste directed to disposal	Hazardous - 946 MT (RCRA Management Methods - H040, H061, H132, H141) Non-hazardous - 807 MT (Landfill, incineration w. energy recovery) All waste was disposed offsite
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	0
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Total hires - 4,671
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Varies by country - Stock ownership, retirement provision, parental leave, disability and invalidity coverage, healthcare, life insurance
	401-3 Parental leave	Microchip provides leaves of absence in accordance with Federal, State and Local regulations. Paternity leaves are currently not tracked separately from other types of leaves.
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	The minimum notice period varies from two weeks to 26 weeks based on location, age, length of service, and local laws. Countries that have notice period specified in collective bargaining agreements: Finland - No, Austria - No, Germany - No, Italy - Yes, France - Yes, Spain - No, Russia - No

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<p>Our focus on the health and safety of our employees, shareholders, investors, suppliers, channel partners and communities coupled with our commitment to minimizing the environmental impact of our operations and products is anchored in our recognition of our social and environmental responsibilities. The management systems that we have implemented to support our EHS program are aligned to international standards (see Certificates: https://www.microchip.com/en-us/about/corporate-responsibility/environmental-health-and-safety) and are administered by a team of dedicated professionals providing EHS-aligned resources in the areas of occupational safety, industrial hygiene, product material compliance, construction, fire safety and health services.</p> <p>Throughout the Covid-19 pandemic we have focused on identifying and implementing measures to protect our essential workers coming to our manufacturing and assembly facilities every day. We implemented Covid-19 task force teams dedicated to meeting regularly and discussing best practices and resources necessary to continuously provide a safe and healthy environment for our employees both in our facilities and working from home.</p> <p>Microchip makes publicly available our Environmental, Health and Safety policy and internally manages and routinely updates our health and safety policies and procedures. We train our employees on workplace hazards and identification and have dedicated Emergency Response Teams trained and ready to respond to any environmental health and safety incident. We maintain certifications to internationally recognized ISO 14001 and ISO 45001 standards in many of our manufacturing facilities in the US and internationally.</p> <p>Our commitment to safety is demonstrated annually in our recordable and days away injury rates. Using our dedicated EHS teams we drive understanding and improvements using our employee and supervisor incident reporting tools that allow us to identify injuries and near misses, which in turn delivers meaningful review, assessment and mitigation measures to ensure our employees are working in the safest environments we can provide.</p>
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	<p>See 2021 Sustainability Report section "Our People" pp. 42-43</p> <p>At Microchip we believe that Employees are our Greatest Strength and value the importance of regular communications. We require all employees to have at least a quarterly one-on-one meeting with their manager and many employees have these sessions more frequently. These sessions allow our employees to review on-going projects, receive mentoring and feedback and keep them engaged with their development.</p>
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	See 2021 Sustainability Report section "Our Company" p. 11 and section "Our People" pp. 39-41
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<p>Policies and statements - Code of Business Conduct and Ethics, Supplier Code of Conduct, Microchip's Combatting Trafficking in Persons Policy, California Transparency in Supply Chains Act Disclosure, Report Regarding Ethical Recruitment and Forced Labor, and Human Rights Policy</p> <p>(Links to the above policies and statements are available here: https://www.microchip.com/en-us/about/corporate-responsibility/ethics-and-conduct)</p>
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	

GRI STANDARD	DISCLOSURE	RESPONSE
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	We are not aware of any.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	We currently do not perform any community impact assessments but have a corporate responsibility team that engages with the community on environmental, social or other topics. We strive to be good environmental stewards in the communities where we operate. Our facilities are heavily regulated in accordance to our regulatory permits, and we annually meet or exceed the air, water and waste threshold standards prescribed in our local, state and federal regulatory obligations. We also engage in our communities through volunteer activities in schools (Thailand) and other meaningful programs meant to assist our communities such as recycling initiatives
	413-2 Operations with significant actual and potential negative impacts on local communities	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	See Microchip's Supplier Code of Conduct: https://www.microchip.com/en-us/about/corporate-responsibility/ethics-and-conduct See 2021 Sustainability Report section "Our Supply Chain" p. 32 regarding screening of our Suppliers using a Forced Labor survey.
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	See 2021 Sustainability Report section "Our People" pp. 44-45 and Appendix II - ESG Performance Summary See also our Product Material Compliance Page for product/material substance information for our products: https://www.microchip.com/en-us/about/corporate-responsibility/product-material-compliance
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Microchip maintains strict regulations for product information and labeling. We require the availability and labeling of information for all products pertaining to component sourcing, material content, and proper disposal. All products are labeled with appropriate global product compliance regulation marks including CE, RoHS, China EFUP, and WEEE. On our Product Material Compliance web (PMC web), corporate statements regarding compliance with all applicable regulations, including but not limited to, the aforementioned regulations as well as EU REACH, SCIP, and California Prop. 65 can be found. Additionally, individual marking and compliance information can be found regarding individual products using the Product Material Compliance search tool on the PMC web.
	417-2 Incidents of non-compliance concerning product and service information and labeling	See Appendix II - ESG Performance Summary
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	See Microchip's Form 10-K for the fiscal year ending March 31, 2022, pp. 23-24 for a description of the risks associated with attacks on our IT systems and data: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31

APPENDIX IV

SASB CONTENT INDEX

TOPIC	CODE	DISCLOSURE	RESPONSE
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions (2) amount of total emissions from perfluorinated compounds	(1) 407,724 MTCE (2) 165,190 MTCE
Greenhouse Gas Emissions	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	See 2021 Sustainability Report section "Our Planet" pp. 21-25 and Appendix II - ESG Performance Summary Note on PFCs - PFCs play a critical role in semiconductor manufacturing due to their unique physical and chemical properties coupled with high resistance to degradation resulting from the manufacturing process. They are an important component of various fab equipment and fluid handling systems for ultra-high purity chemicals. Their safety profiles are well established too and don't pose significant risk to the human health and environment. Therefore, while we are constantly engaged in reducing all our scope 1 emissions, we also realize the importance of fluoropolymers to support domestic semiconductor manufacturing.
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	(1) 3,560,825 GJ (2) 81.3% (3) 5%
Water Management	TC-SC-140a.1	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	(1) 5,481,596 m3, High or Extremely High Baseline Water Stress regions - 30% (2) 1,899,575 m3, High or Extremely High Baseline Water Stress regions - 54%
Waste Management	TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing (2) percentage recycled	(1) 1,497 MT (2) 37%
Employee Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Our focus on the health and safety of our employees, shareholders, investors, suppliers, channel partners and communities coupled with our commitment to minimizing the environmental impact of our operations and products is anchored in our recognition of our social and environmental responsibilities. The management systems that we have implemented to support our EHS program are aligned to international standards (see Certificates: https://www.microchip.com/en-us/about/corporate-responsibility/environmental-health-and-safety) and are administered by a team of dedicated professionals providing EHS-aligned resources in the areas of occupational safety, industrial hygiene, product material compliance, construction, fire safety and health services. Throughout the Covid-19 pandemic we have focused on identifying and implementing measures to protect our essential workers coming to our manufacturing and assembly facilities every day. We implemented Covid-19 task force teams dedicated to meeting regularly and discussing best practices and resources necessary to continuously provide a safe and healthy environment for our employees both in our facilities and working from home. Microchip makes publicly available our Environmental, Health and Safety policy and internally manages and routinely updates our health and safety policies and procedures. We train our employees on workplace hazards and identification and have dedicated Emergency Response Teams trained and ready to respond to any environmental health and safety incident. We maintain certifications to internationally recognized ISO 14001 and ISO 45001 standards in many of our manufacturing facilities in the US and internationally. Our commitment to safety is demonstrated annually in our recordable and days away injury rates. Using our dedicated EHS teams we drive understanding and improvements using our employee and supervisor incident reporting tools that allow us to identify injuries and near misses, which in turn delivers meaningful review, assessment and mitigation measures to ensure our employees are working in the safest environments we can provide. See 2021 Sustainability Report section "Our People" pp. 44-45

TOPIC	CODE	DISCLOSURE	RESPONSE
Employee Health & Safety	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	None. See Microchip's 10-K for the fiscal year ending March 31, 2022, pp. F-1 to F-43, for our consolidated financial statements and related notes on legal claims: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are: (1) foreign nationals and (2) located offshore	We do not believe that the percentage of foreign nationals that we employ is a useful metric for our business given our global business model, but we do breakdown our workforce by region (31% of our employees are in the US and 69% of our employees are outside of the US). We disclose additional human capital metrics that we believe are more effective for assessing this aspect of our performance, including diversity programs, employee engagement mechanisms, and training and development programs. Note: The headcount by region (shown in percentages in the above statement) is as of 12/31/2021.
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Microchip does not currently collect data concerning the percentage of products by revenue that contain IEC 62474 declarable substances. Moving forward, Microchip plans to acquire data about our product revenue relating to these restricted substances. We plan to report on this information within the next twenty-four months.
Product Lifecycle Management	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Information on Microchip's low-power microcontrollers and microprocessors can be found here: https://www.microchip.com/en-us/solutions/low-power
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	On February 24, 2021, Executive Order (EO) 14017 was signed to help create more resilient and secure supply chains for critical and essential goods. The EO launched a comprehensive review of U.S. supply chains and directs federal Departments and Agencies to identify ways to secure U.S. supply chains against a wide range of risks and vulnerabilities. This follows EO 13953 and Congressional Research Service Public Policy Report R45810 Version: 2 where critical minerals, including Rare Earth and Platinum group minerals are discussed. Critical minerals as defined in Critical Minerals and U.S. Public Policy, R45810, June 28, 2019. https://crsreports.congress.gov/product/pdf/R/R45810/2 Microchip has undertaken a review of its supply chain and has identified critical mineral use within its supply chain. We have reached out to our internal and external supply chain to identify Critical Mineral usage and understand the potential for impact. We have compiled this report and shared it with executive management. We continue to engage with our supply chain in order to mitigate any potential for risk.
IP Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	None. See Microchip's 10-K for the fiscal year ending March 31, 2022, pp. F-1 to F-43, for our consolidated financial statements and related notes: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
Percentage of production from owned facilities	TC-SC-000.B		For fiscal 2021, 39% of wafers processed, 59% of assembly, and 63% of final test was performed from owned facilities. See Microchip's 2021 Investor and Analyst Day Presentation - p. 116: https://www1.microchip.com/downloads/aemDocuments/documents/investor/press-release/Presentation+of+2021+Investor+and+Analyst+Day.110821.pdf

APPENDIX V

TCFD CONTENT INDEX

TOPIC	DISCLOSURE	RESPONSE
Governance	Disclose the organization's governance around climate-related risks and disclosures	See 2022 proxy pp. 5-9: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See 2022 10-K p. 49: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31 See 2021 Sustainability Report section "Sustainability Approach" p. 16
Strategy	Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	See 2022 10-K pp. 10, 28: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	See 2022 proxy pp. CEO Letter, ESG and Corporate Social Responsibility Highlights, 5-7: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See 2022 10-K pp. 10-28: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705422000094/mchp-20220331.htm#i9429f00699b5406988569ab6594f6757_31
Metrics and Targets	Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	See 2022 proxy pp. CEO Letter, ESG and Corporate Social Responsibility Highlights, 5-7: https://sec.report/Document/0000827054-22-000137/a2022proxy.htm See 2021 Sustainability Report section "Our Planet" pp. 20-27 and Appendix II - ESG Performance Summary

APPENDIX VI

RBA SUMMARY

The Validated Assessment Program (VAP) and Self Assessment Questionnaire (SAQ) summary below provide overall and individual scores for Microchip sites within the areas of labor, health & safety, environmental, and ethics in line with the Responsible Business Alliance (RBA) Code of Conduct.

LOCATION - SITE	RBA VAP AUDIT COMPLETION	RBA SELF ASSESSMENT QUESTIONNAIRE (SAQ)					
		COMPLETION DATE	OVERALL SCORE	LABOR	HEALTH & SAFETY	ENVIRONMENTAL	ETHICS
Philippines - MPHIL 1	2021	2022	92%	93%	89%	90%	99%
Philippines - MPHIL 2	N/A	2022	92%	92%	89%	90%	99%
Thailand - MMT	2021	2022	93%	91%	95%	94%	96%
Thailand - MTHAI	2021	2022	92%	90%	92%	93%	96%
USA - Fab 2	N/A	Estimated completion - Dec 2022 Estimated completion - Dec 2022 Estimated completion - Dec 2022					
USA - Fab 4	N/A						
USA - Fab 5	N/A						
USA - Corporate	N/A	2022	89%	Not individually scored for Corporate HQ			