

2024

Sustainability Report





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Iggy C.

Colorado Springs, USA
Quail Lake on fall morning

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Introduction



Atharva L.

Chandler, USA

Flight with the backdrop of Mt. Saint Helens, Portland, Oregon



About this Report

This is Microchip Technology Incorporated's annual Sustainability Report covering our performance during calendar year 2024, unless otherwise noted. We welcome your feedback via our Corporate Responsibility page on our website.

Disclaimer

When evaluating Microchip Technology Incorporated and its business, you should consider the factors listed in our Form 10-K, Forms 10-Q, and other documents that we file with the U.S. Securities and Exchange Commission (SEC) and publications we make publicly available. We make forward-looking statements in this report, so our actual results could differ materially from what is presented in it. 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 statements. We disclaim any obligation to update information contained in this report. Items referenced but not included in this report are not incorporated herein by reference.

Environmental Suggestion

Because of this report's length and colors, we recommend you avoid printing when possible or 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.



In 2024, Microchip employees from around the world submitted remarkable images for our company photo contest. These photos highlight the unique perspectives and creative talents of our global team. Look for the camera icon throughout this report to see employee-submitted photographs featured within.



Valentin B.

Nantes, France
Lake Louise, Alberta

Message from the CEO

Dear Stakeholders,

In 2024, Microchip continued its journey toward achieving a more sustainable world by empowering innovation that enhances the human experience. Our primary focus is delivering smart, connected, and secure technology solutions to our global customer base. We understand that doing so efficiently and effectively promotes the well-being of all stakeholders, including customers, employees, partners, suppliers, shareholders, and the communities where we work and live.

Through Microchip's Megatrend Program, a strategic initiative designed to address and capitalize on major technological trends, we remain committed to enhancing innovation in areas such as the Internet of Things (IoT) and Edge Computing, Artificial Intelligence (AI) and Machine Learning (ML), Sustainability, E-Mobility, Network and Connectivity, and Data Centers.

While these innovative solutions positively enhance lives through the products people use, Microchip is also proud of the direct impact we make at the community level through volunteering and service. By actively participating in shaping the well-being of our communities worldwide, we foster goodwill and help improve the lives of those in need.

An integral part of our operations centers around functioning as responsible stewards of the environment while reducing our footprint through responsible resource management and continuous improvement. We remain committed to our environmental goals of reducing Greenhouse Gas (GHG) emissions, increasing our use of electricity generated by renewable energy, and diverting waste from landfills.

In 2024, we achieved a 44% reduction in combined Scope 1 and Scope 2 emissions from our 2018 baseline and increased renewable electricity use to 20% of our global electricity load. We also maintained a healthy 74% waste diversion rate and enhanced the quality and coverage of our Scope 3 emissions inventory—laying the foundation for future reductions across our supply chain.

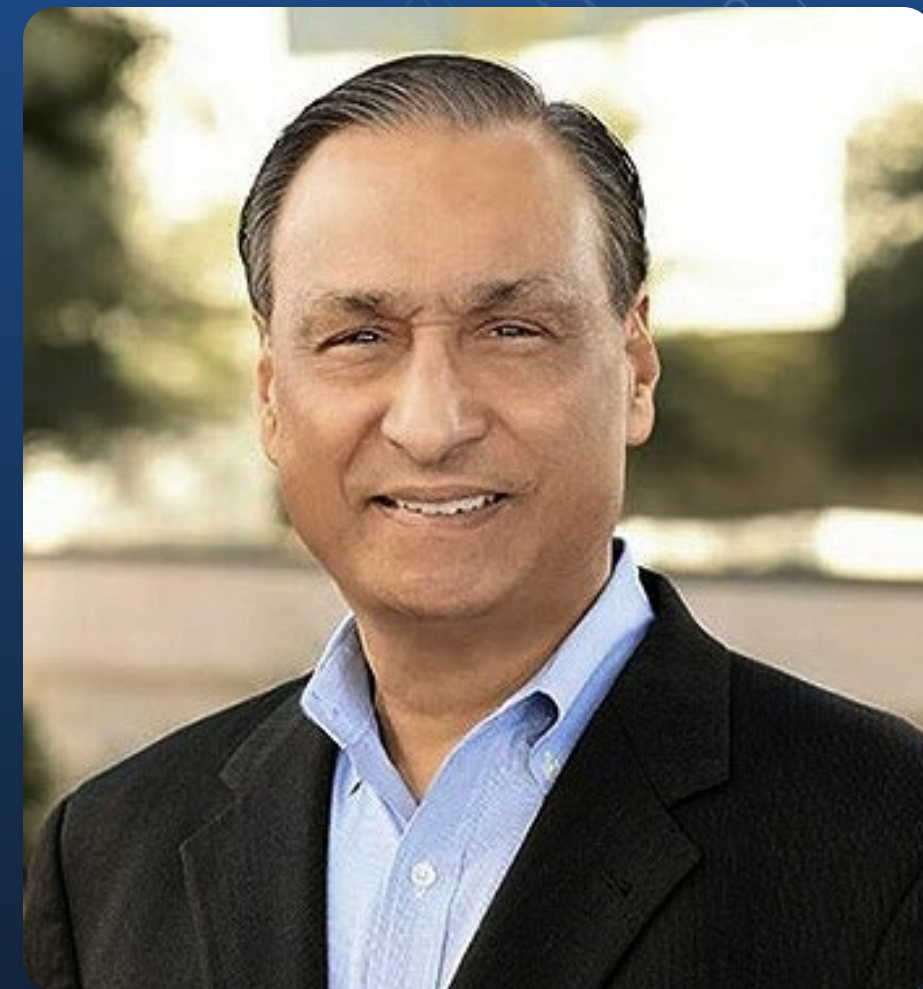
Our commitment to corporate responsibility and sustainability is integrated throughout our business. It begins with a culture that embraces our sustainability policies and empowers our team members to not only suggest improvements but also help us incorporate them throughout our organization. This positions Microchip to make meaningful progress—mitigating risks, advancing innovation, and creating long-term value for people and the planet.

Steve Sanghi

Steve Sanghi

Chair of the Board, Chief Executive Officer and President

“ ***Our primary focus is delivering smart, connected, and secure technology solutions to our global customer base. We understand that doing so efficiently and effectively promotes the well-being of all stakeholders.*** ”





2024 Highlights



44%
Reduction in Scope 1+2
GHG emissions since 2018



Forbes Net Zero Leaders 2024

74%
Waste diverted from landfills



America's Most Responsible
Companies 2024, Newsweek



ISO 14001
Certification obtained by
Gresham and Tempe fabs

7,155
Cumulative volunteering hours by
1,976 employees across 160 events



Completed biodiversity
assessment and developed
a comprehensive Scope 3
emissions inventory across
our value chain



Zero Accident Award
for Microchip Thailand

20%
Renewable energy use in grid mix



Arvind C.

Bangalore, India

The smoking chimney at Alnes Fyr



Our Company

Microchip Thailand
Solar Projects

While Microchip's primary mission is to deliver high-quality embedded control and processing solutions to our customers, we also recognize the broader impact we have as a company on people and on the planet. This awareness drives us to actively seek ways to make a positive impact in our operations.

About Us

Microchip is a leading provider of smart, connected, and secure embedded control and processing solutions. Its easy-to-use development tools and comprehensive product portfolio enable customers to create optimal designs, which reduces risk while lowering total system cost and time to market.

The company's solutions serve approximately 109,000 customers across the automotive, aerospace and defense, communications, consumer appliances, data centers and computing, and industrial markets. Headquartered in Chandler, Arizona, Microchip offers outstanding technical support along with dependable delivery and quality. Learn more about our company on our [website](#).

Net Revenue FY25

\$4.40B USD



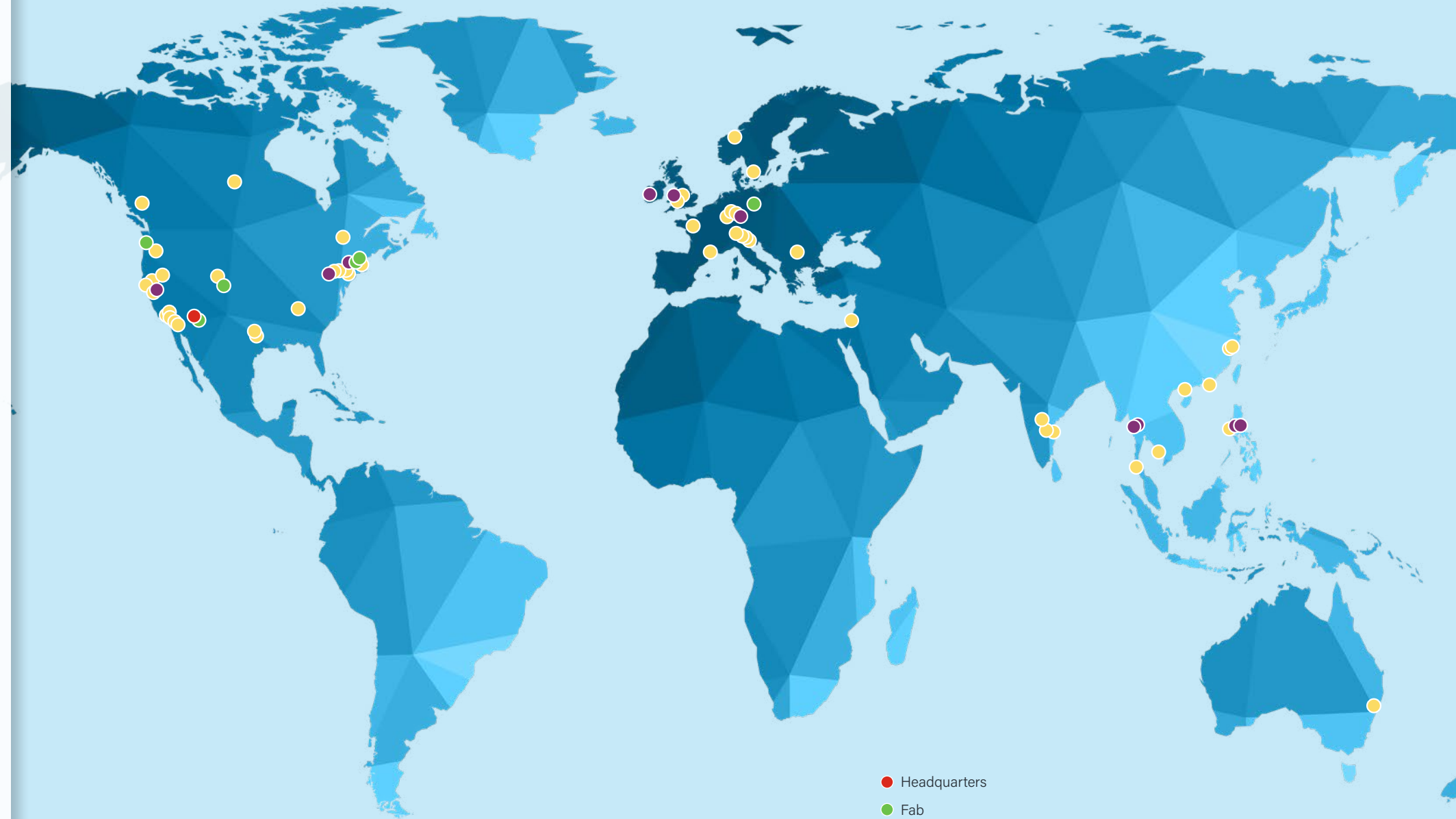
Headquarters

Chandler, AZ



Employees

21,038



- Headquarters
- Fab
- Assembly/Test
- Other*

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

Robust Product Portfolio

Microchip Technology delivers a broad range of smart, connected, and secure embedded control solutions that drive sustainability across numerous industries. Our products enable low-risk development, reduced total system costs, and faster time to market for applications spanning industrial, automotive, consumer, aerospace and defense, communications, and computing sectors.

We offer advanced temperature management solutions featuring high accuracy, low power consumption, and integrated fan control for optimizing energy use in communications, computing, industrial, medical, and consumer systems.

In touch and input sensing applications, our technologies support keys, sliders, proximity detection, touchscreens, gesture sensing, 3D tracking, and haptics to enhance user interfaces while maintaining energy efficiency.

Our Silicon Carbide (SiC) devices are engineered for high-power environments, delivering faster switching speeds, higher thermal tolerance, and improved system efficiency, making them well-suited for automotive, industrial, aerospace, medical, and communication applications.



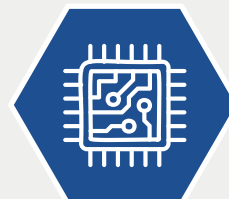
Microchip's analog and interface portfolio includes power, battery, and thermal management solutions, as well as mixed-signal and interface products. Known for their low power draw, high integration, and reliability, these components help build energy-efficient, compact systems.

We also drive intelligent design through AI and ML hardware and software tools, supporting advanced applications in data centers, automotive, robotics, and security industries.

Our Ethernet solutions—ranging from physical layer transceivers to controllers and switches—combine high performance with low-power operation to support efficient networking infrastructure.

Across all product lines, Microchip is committed to enabling system-level energy efficiency and advancing sustainable innovation worldwide.

Product Categories



Processing



Touch



Sensor and Motor Drive



Security Products



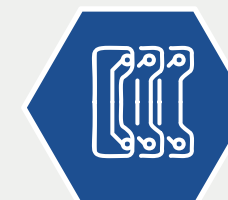
Interface and Connectivity



**Analog, Power,
and Mixed Signal**



Clock and Timing



Memory and Storage

Innovating for the Future

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

Microchip's Megatrend Program is a strategic initiative designed to address and capitalize on the major technological trends shaping the future of various industries. This program focuses on developing and delivering innovative solutions that align with key megatrends. By leveraging our extensive expertise in microcontrollers, analog and interface products, and other semiconductor technologies, we strive to provide cutting-edge solutions that meet the evolving needs of our customers and drive sustainable growth.

Megatrends



Edge Computing/IoT

Microchip offers a comprehensive range of IoT solutions, including low-power microcontrollers and wireless connectivity modules. These products enable the development of smart, connected devices that can operate efficiently and securely in various applications, from smart homes to industrial automation.



AI/ML

The Megatrend Program includes AI and ML capabilities integrated into Microchip's hardware and software tools. These solutions support the development of intelligent systems that can process and analyze data in real time, enhancing decision-making and operational efficiency in sectors such as automotive, healthcare, and robotics.



E-Mobility

Microchip provides a suite of automotive-grade products that support the transition to electric and autonomous vehicles. This includes high-performance microcontrollers, power management solutions, and connectivity technologies designed for the stringent requirements of the automotive industry for reliability, safety, and efficiency.



Sustainability

The program emphasizes the development of energy-efficient power management solutions that support renewable energy applications. Microchip's products, such as SiC devices and advanced power management ICs, enable the efficient conversion and management of energy in solar, wind, and other renewable energy systems.



Networking/Connectivity

Microchip's Megatrend Program addresses the growing demand for high-speed and reliable communication technologies. Our portfolio includes Ethernet products, wireless connectivity solutions, and advanced interface products that support the development of next-generation communication networks and infrastructure.



Data Centers

Recognizing the importance of security in modern applications, the Megatrend Program incorporates security features into Microchip's products. These products and features include hardware-based security modules, secure boot, and encryption technologies that protect data and the integrity of connected devices.



Leadership and Governance

Board of Directors^{1,2}

Microchip is led by a six-member Board of Directors (BOD) that provides governance and oversight to the company.

Steve Sanghi

Chair of the Board, CEO and President

Ellen Barker

Board Member, Joined 2024

Matthew W. Chapman

Lead Independent Director

Rick Cassidy

Board Member, Joined 2025

Karen M. Rapp

Board Member, Joined 2021

Victor Peng

Board Member, Joined 2025

Governance Highlights

The Microchip BOD is responsible for guiding the company's overall corporate policy and strategic direction, overseeing the executive management team and safeguarding the interests of the company and stakeholders. The BOD's duties include appointing the Chief Executive Officer (CEO) and other principal officers, entrusting them with the day-to-day leadership of Microchip, and regularly evaluating their performance. Strong corporate governance is essential to Microchip's sustained growth.

We engage in periodic evaluations of our governance practices and have implemented policies and procedures that support the interests of Microchip and its shareholders.

For additional information on our approach to governance practices, see our 2025 Proxy Statement.

¹ All information in this section is as of May 20, 2025.

² Active Board refreshment, with four of our six Board nominees having joined Microchip since our 2020 annual meeting

Board Structure

The BOD's primary duty is to supervise the management of Microchip and provide strategic direction. The BOD is responsible for facilitating the succession planning for the CEO, endorsing candidates for directorship to be voted on at the annual meetings of shareholders, and appointing individuals to fill any vacancies that may arise on the Board. Additionally, the BOD is tasked with the approval and evaluation of significant policies and substantial commitments of the company's resources. To maintain a well-informed BOD, management provides updates through presentations at Board and Committee meetings.

Board Composition

The BOD, in collaboration with the Nominating, Governance, and Sustainability Committee (NGSC), is dedicated to assembling a Board that consists of exceptionally qualified members. The intent is that the Board reflects a range of leadership competencies and provides a rich repository of expertise, insights, and capabilities that support Microchip's strategic goals and objectives.

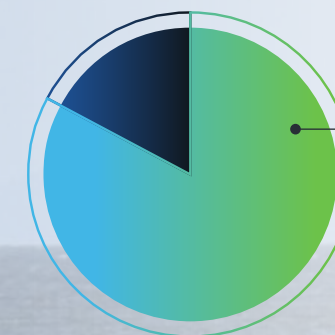
Simultaneously, the Board is focused on protecting shareholder interests, enhancing shareholder returns, and upholding our foundational corporate values as outlined in our Guiding Values.

When considering a candidate for a director position, the NGSC looks for demonstrated character and judgment; relevant business, functional, and industry experience; and a high degree of skill. The BOD believes it is important that the members of the board represent a range of viewpoints. Accordingly, the NGSC considers many factors when identifying and evaluating director nominees, including differences in education, professional experience, viewpoints, technical skills, and individual expertise.

Strong Board Leadership

The BOD believes that maintaining a balance in the length of service among its members is essential for the seamless transfer of organizational knowledge from longer-serving directors to the newer members. This approach ensures that a variety of viewpoints are consistently represented.

Board of Directors Independence



83%
Independence



Clive T.

Winnersh, UK

Black sails, Sardinia



Ethics and Integrity

Purpose

Empowering innovation to enhance the human experience

Vision

Microchip Technology is in Everything.

Mission Statement

Our mission is to make innovative design easier through comprehensive total system solutions that address critical challenges at the intersection of emerging technologies and durable end markets.

We measure our success by winning the hearts of our customers, shareholders, employees, and communities and by continuously improving all aspects of our business every day to drive profitable growth.

See a full description of our [Guiding Values](#) on our website.

Guiding Values

We are dedicated to operating our business with integrity and upholding the highest ethical standards, as reflected in our Guiding Values. Our aim is to treat all customers and partners with respect, ensuring that every interaction is conducted ethically and responsibly.

Our Guiding Values cover many aspects of corporate responsibility:



Quality Comes First



Customers are Our Focus



Continuous Improvement is Essential



Employees are Our Greatest Strength



Products and Technology are Our Foundation



Total Cycle Times are Optimized



Safety and Security are Never Compromised



Profits and Growth Provide for Everything We Do



Communication is Vital



Suppliers, Representatives, and Distributors are Our Partners



Professional Ethics and Social Responsibility are Practiced

Ethical and Responsible AI at Microchip

At Microchip, we believe AI, ML, Large Language Models, and associated technologies (collectively, "AI") have immense potential to create positive change and address global challenges, but they must be developed and used responsibly. We are committed to the ethical use of AI at Microchip and the ethical development and deployment of AI in our products and solutions.

Our approach to responsible AI is built on core values around Productivity, Safety, Accountability, and Integrity. We view these tools as a means to increase the value we provide to all of our stakeholders, including customers, partners, and employees.

We implement technical processes and oversight to assess AI projects for potential risks, enabling us to institute mitigation strategies early in the development process. We also partner with industry resources to review and research key issues related to the responsible use of AI to safeguard intellectual property and data throughout the data lifecycle, from collection to application.

Our goal is to create practical tools and methodologies to make responsible AI deployment more achievable and scalable and to avoid unintended harm, malicious acts, or adverse impacts.

As the use of AI expands, we will continue to champion the ethical and responsible development of this powerful technology. We aim to unlock AI's positive potential while proactively addressing challenges and concerns so that its benefits can be realized broadly and equitably.

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 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 to our suppliers.

We are committed to compliance with applicable 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 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 and suppliers comply with applicable laws that prohibit bribery and similar acts intended 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. Anticorruption 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 employee, director, or officer to act in violation of these laws. We consider our suppliers, representatives, and distributors as essential to achieving our mission. Therefore, we require our partners to abide by our ethical guiding values, including compliance with anticorruption 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.



Helpful Links

- [Information for investors, including financial performance](#)
- [Microchip's Nominating, Governance, and Sustainability Committee Charter](#)
- [Microchip's Corporate Governance Policy for Election of Directors](#)
- [Board member and executive officer information](#)
- [Compliance with Laws Policy](#)



Kavipranesh V.

San Jose, USA

A lone tree



Cyber Risk Management

Cyber Risk Management Program

Microchip's cyber risk management program is managed by our Information Technology Shared Services (ITSS) team, which is led by our Corporate Vice President-Chief Information Security Officer (CISO). The program is designed to protect information entrusted to us by our customers, suppliers, and business partners, as well as our own information and assets, against unauthorized access, attacks, and other events that may disrupt service. The ITSS organization is responsible for information technology infrastructure services, cybersecurity, and business continuity as they relate to digital information. ITSS works with functional groups such as manufacturing, business operations, engineering, human resources, legal, and finance and is responsible for evaluating and assessing overall cybersecurity risk and advising senior management regarding our cybersecurity risk profile and priorities as they evolve. Having digital security responsibilities organized this way provides Microchip with an integrated view of IT security and enables efficient control of our IT security management processes.

Our cyber risk management processes were designed by our ITSS team, which maintains knowledge about the types of high-profile security data breaches that are being reported more frequently around the globe. Implementing a sound cyber security risk management framework allows the company to prioritize and identify its critical assets, threats and vulnerabilities, and strategies for mitigating risk using a consistent approach. We monitor evolving regulatory, industry, and legal requirements

and best practices relating to cyber risk mitigation, and we employ standards and frameworks that we deem appropriate to address identified risks. We are using the National Institute of Science and Technology (NIST) Cyber Framework 2.0, 800-53 and 800-171 as guides to obtain Cybersecurity Maturity Model Certification (CMMC) and to comply with U.S. Government supplier requirements. We are also working toward ISO 27001-2022 certification and participation in the Trusted Information Security Assessment Exchange (TISAX®), an audit and cyber risk process developed by European automakers to demonstrate compliance with cybersecurity and information security requirements. Lastly, the Cyber Resilience Act (CRA), which entered into force on December 10, 2024, requires manufacturers to comply with new cybersecurity requirements when bringing digital products to market, with the main obligations applying from December 11, 2027.

IT contingency planning is handled at the corporate level and indirectly by the ITSS organization, which maintains and exercises its systems in compliance with restoration requirements outlined by executive management. We have a written response plan for responding to cybersecurity attacks and other cyber events. Our plan includes steps to assess the materiality of cyber events impacting our business. We also hire external consultants, such as computer security experts and legal advisors with risk management and global cyber experience, where necessary.

Oversight by Management and Audit Committee

Our cyber risk resiliency objectives include monitoring of suspected cybersecurity events, business strategy, enterprise risk management, and resource allocation. Our executive leadership supports the cyber risk management program through regular communication with our CISO. The Audit Committee, which includes members with cybersecurity experience, has oversight responsibility for our cyber risk management program. The CISO reports to the Audit Committee quarterly on our information security and data privacy and protection programs. These presentations address a wide range of topics, including trends in cyber threats and the status of initiatives designed to bolster our security systems. Our full Board is typically in attendance at these presentations made to the Audit Committee.

Regular Training on Cybersecurity

Our employees and third parties with access to our systems are responsible for assisting us in preventing cybersecurity breaches. Cyber hygiene is critical in strengthening Microchip's cybersecurity posture. Microchip employees are the first line of defense in sustaining good cyber hygiene and understanding insider threat indicators. Cybersecurity is everyone's responsibility.

People with access to our networks are required to sign a Non-Disclosure Agreement (NDA) and successfully complete annual cybersecurity and insider threat awareness training courses. Insider threat awareness training covers topics related to physical security and espionage. We conduct regular exercises to raise employee awareness of the threat of email phishing and social engineering. In addition, we analyze and plan for cybersecurity scenarios in our resilience planning and document them through business continuity plans.



Siddharth M.

Chandler, USA

Lost in the fog, found in the infinite

Stakeholder Engagement

Stakeholder engagement at Microchip is an ongoing and evolving dialogue. As expectations change, we incorporate feedback from our stakeholders into the review of our business practices.

Microchip's operations are fully focused on our Vision, Mission, and Guiding Values, which drive our day-to-day decisions and serve as the basis of our corporate culture. Our Guiding Values reflect our overall philosophy and are closely connected to our stakeholders, including customers, suppliers, employees, investors, and 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, sustainability report, direct meetings	Business performance, risk, opportunities, ESG, cybersecurity, compliance
Board of Directors	Management review, significant risk oversight, significant sustainability issues	Business performance, cybersecurity, compliance, risk assessment and management, 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 report, RMI, CDP, direct communication	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 laws, trade compliance	Regulatory compliance, environment, emissions, effluent, conflict minerals
Suppliers and Subcontractors	Site visits, quarterly reviews, processes, procedures, contracts, audits, RBA, direct communication, surveys	Consistency, stability, fair pricing, ethical, environmental, and social responsibility

Sustainability Approach

Microchip’s commitment to being a responsible corporate citizen is shared by our board members, executive management team, and employees. Our employee-empowered approach enables everyone to feel included in our sustainability journey and contribute to its future success. Our NGSC and BOD have ultimate oversight over all significant Environmental, Social, and Governance (ESG) matters.

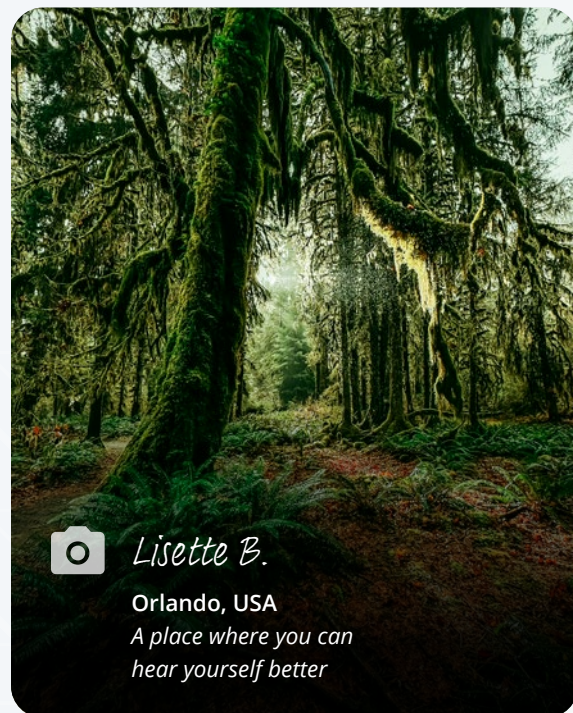
ESG Sustainability Oversight Matrix



ESG Assessment

Microchip is a values-based company with a culture founded on a strong Vision, Mission Statement, and a set of Guiding Values.

These principles guide the actions we take to meet our ethics, labor, health and safety, and sustainability responsibilities. This report is one way that we provide transparency to our employees, customers, and other stakeholders. We achieve this by conducting assessments to identify the issues we believe are the most important to our stakeholders.



Lisette B.

Orlando, USA
A place where you can
hear yourself better

ESG Assessment Process



Process Selection

The following frameworks guided our approach to the assessment: Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) semiconductor industry guidance, Task Force on Climate-Related Financial Disclosures (TCFD).



Stakeholder Assessment

We reviewed the sustainability issues that came up most frequently with investors, board, employees, customers, local communities, government, suppliers, and subcontractors.



Prioritization

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



Business Interest Alignment

We assessed sustainability issues across a variety of departments and job functions to determine those important to Microchip's business.



Disclosure

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



Refinement

We evaluated the issues and identified changes to the industry landscape that might impact our priorities or scope of reporting.

2024 ESG Topics

Microchip continues to address a wide range of ESG topics that reflect our ongoing commitment to environmental sustainability, community engagement, and long-term economic value creation. This report highlights the actions we are taking and the progress we have made across key ESG focus areas.

These efforts are organized under the five tenets of Microchip's 360° Sustainability Approach, which provides a comprehensive framework for integrating sustainability into our operations, supply chain, product innovation, and corporate culture. We are committed to transparent reporting and continuous improvement as we work toward our Net Zero by 2040 goal and other strategic sustainability targets.

Microchip supports the following United Nations Sustainability Development Goals (SDG):





External Recognition and Affiliation

Social and Environmental Awards and Recognitions

- Prime Minister’s Award in Safety Management 2024, Microchip Thailand
- Largest Phoenix-Area Corporate Volunteer Programs, Phoenix Business Journal
- World’s Best Employers 2024, Forbes/Statista
- America’s Best Employers for Tech Workers 2024, Forbes/Statista
- World’s Best Companies 2024, TIME/Statista
- Forbes Net Zero Leaders 2024, Forbes/Statista
- Best Employer for New Grads 2024, Forbes/Statista
- Ireland’s Best Employers 2024, Sunday Independent, Ireland
- America’s Best Large Employer 2024, Forbes/Statista
- Best Places to Work 2024, Phoenix Business Journal
- America’s Most Responsible Companies 2024, Newsweek/Statista

Memberships, Associations and Certifications

- CDP (formerly Carbon Disclosure Project)
- Responsible Business Alliance (RBA) Full Member
- Responsible Minerals Initiative (RMI) Member
- Semiconductor Industry Association (SIA) Member
- Samsung Eco-Partner Affiliate Company
- Sony Green Partner Certificate
- AS9100D Certificate
- IATF 16949 Certificate
- EcoVadis
- ISO 9001 Certificate
- ISO 14001 Certificate
- ISO 45001 Certificate
- ISO 50001 Certificate
- ISO 14064 Limited Assurance



Newsweek
America’s Most Responsible Companies 2024



Forbes
Best Employers for New Grads 2024



Forbes
America’s Best Large Employers 2024



Balaji R.

Chennai, India

Our commitment to sustainability

WINNER: Our Company Category



Our Planet

Environmental stewardship is a core value at Microchip and integral to how we operate. We are committed to reducing our environmental footprint across our facilities, supply chain, and product lifecycle. Through responsible resource management, proactive engagement with stakeholders, and investment in conservation and efficiency initiatives, we aim to align our business growth with the long-term health of our planet.



Daniel B.

Chandler, USA
Sunset in Sedona



Environmental Responsibility

At Microchip, we understand that environmental responsibility is not an isolated initiative—it is a fundamental aspect of how we operate, innovate, and grow. Our role in the global technology ecosystem brings with it a duty to manage our environmental footprint with intention, accountability, and long-term perspective.

We approach this responsibility with a clear focus: reduce environmental impact across our operations and supply chain while supporting resilience and sustainability in the communities where we operate. Compliance is a baseline, not the finish line. We aim to drive measurable progress by setting clear goals, building cross-functional alignment, and investing in solutions that make a lasting difference.

Our environmental efforts center on four priorities: lowering greenhouse gas emissions, transitioning to cleaner energy sources, using water responsibly, and minimizing waste through circular practices. These areas reflect where we can create the most impact—both operationally and globally. More detail can be found in our [Environmental Responsibility Policy](#).

Focus Areas and Aspirations

Microchip’s environmental strategy is built on data, transparency, and continuous improvement. Our public, time-bound goals guide our actions and are supported by teams across our business that monitor performance, adapt to changing conditions, and help integrate sustainability into daily operations.

Greenhouse Gas (GHG) Emissions

Climate change is one of the most urgent challenges of our time. Microchip is committed to doing our part by cutting Scope 1 and Scope 2 emissions in half by 2030 and reaching Net Zero by 2040. Our goals align with the recommendations of the Science Based Targets initiative (SBTi) and the Paris Agreement, anchoring our efforts in globally recognized frameworks.

Clean Energy Transition

Energy use is a material part of our footprint. We are targeting 40% renewable electricity by 2030 and 100% by 2040, subject to market feasibility. We are expanding on-site renewables and increasing our procurement of verified clean energy where available.

Water Resource Stewardship

Water is critical to semiconductor manufacturing—and to the communities where we operate. We focus on using water efficiently, preserving water quality, and managing our shared use in ways that balance operational needs with long-term resource protection.

Circular Economy

We achieved our 2030 waste diversion target (set to 50% in 2021) eight years ahead of schedule and are now focused on reaching 100% diversion from landfills by 2040. This includes improving waste tracking, expanding recycling programs, and designing processes that reduce material waste from the start.

Sustainability is part of how we manage risk, drive efficiency, and create long-term value. We are committed to making environmental performance a shared responsibility—integrated into decision-making and aligned with Microchip’s broader mission to be a reliable and responsible global partner.

To learn more, visit the [Our Planet](#) section of our website.

Focus Areas

	MID-TERM GOALS (EST. 2030)	LONG-TERM GOALS (EST. 2040)
Emissions	50% Reduction (Scope 1+2)	Net Zero
Energy	40% Global electricity sourced by renewable energy ¹	100% Global electricity sourced by renewable energy ¹
Waste	80% Waste diversion from landfills ²	100% Waste diversion from landfills ²

- ¹ We are committed to increasing 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 it is technically and commercially feasible.



Lisette B.

Orlando, USA

A foggy morning, Olympic Peninsula, WA, USA

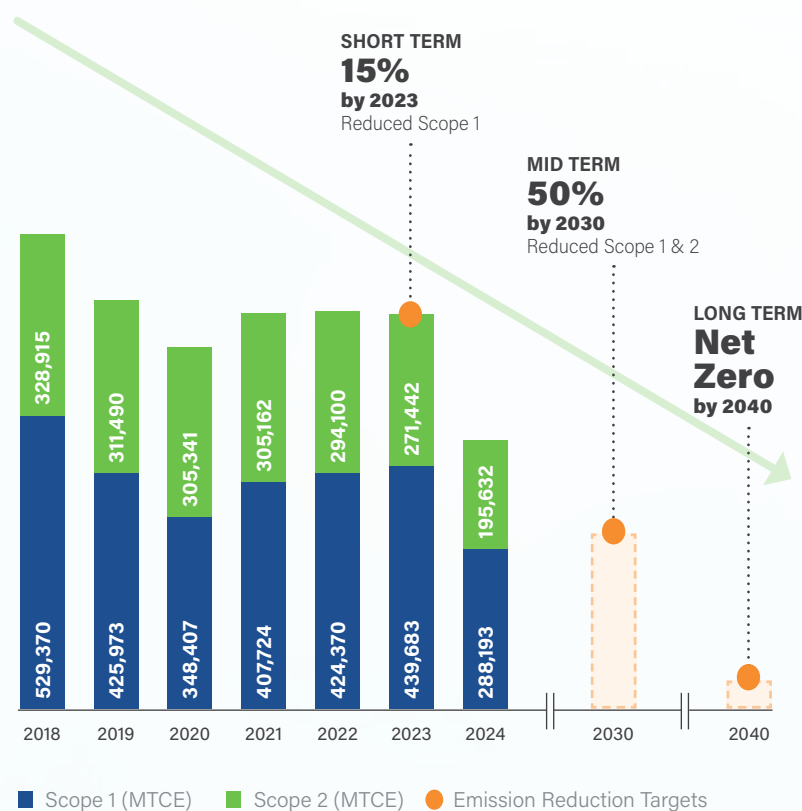
Emissions and Climate Change

At Microchip, addressing GHG emissions is a critical component of our path to achieving Net Zero by 2040. Our strategy is grounded in operational efficiency, supplier engagement, and data-driven decision-making. The majority of our Scope 1 and Scope 2 emissions originate from manufacturing operations, while our Scope 3 emissions are primarily attributed to upstream supply chain activities.

As of 2024, we have achieved a 44% absolute reduction in combined Scope 1 and Scope 2 emissions from our 2018 baseline. This progress reflects our ongoing investments in emissions abatement, energy efficiency, facility upgrades, transition to cleaner energy sources, and supplier engagement on environmental topics, as well as, in part, lower production volumes in certain areas due to business conditions.

As a result of these efforts, we significantly improved our Scope 3 emissions accounting in 2024. This marks a key milestone in our strategy to better manage value chain emissions and advance progress toward our climate goals.

GHG Emissions (Scope 1 and 2)



Scope 3 Emissions

In 2024, we focused on improving the quality, transparency, and coverage of our Scope 3 emissions inventory. Our Scope 3 data now represents a more complete picture of our indirect environmental impact—setting a firm foundation for future reduction efforts.

Key advancements include:

- **Comprehensive Supplier Survey:** We conducted our annual climate survey with 100% of our major manufacturing suppliers, capturing insights into their GHG emissions, renewable energy procurement, and climate-related goals. This initiative provided primary and secondary data for our largest Scope 3 category: Purchased Goods and Services.
- **Scope 3 Data Collection Guide:** To strengthen internal awareness and enable more consistent reporting, we developed a customized guide for Microchip teams and key stakeholders. This guide clarifies Scope 3 categories, outlines data needs, and provides process flowcharts to streamline data gathering.
- **Supplier Enablement and Training:** We created and distributed targeted training materials to help suppliers calculate and report emissions, enhance their sustainability programs, and align with Microchip's expectations.
- **Improved Methodological Rigor:** Where possible, we transitioned away from generalized spend-based methods toward more granular hybrid models—factoring in supplier-specific emissions factors and product-level data to enhance accuracy.

SCOPE 3 CATEGORY	SCOPE 3 EMISSIONS (MTCE)
Category 2: Capital Goods	30,659
Category 3: Fuel Energy	111,805
Category 4: Upstream Transportation & Distribution	9,679
Category 5: Waste in Operations	1,758
Category 6: Business Travel	4,298
Category 7: Employee Commuting	8,485
Category 9: Downstream Transportation	250
Category 12: End of Life	702

Scope 3 emissions reflect the best available data at the time of reporting, with estimates applied where needed. Categories 8, 10, 13, 14, and 15 were deemed immaterial. Category 11 is excluded due to the complexity of estimating emissions from diverse product use. Category 1 emissions will be disclosed in our 2025 CDP submission to align with vendor reporting timelines.

Reporting and Assurance

Microchip quantifies and reports GHG emissions in alignment with the GHG Protocol and other globally recognized standards. We account for emissions from electricity, diesel, natural gas, and semiconductor process gases at all sites under our operational control. Our reporting is conducted annually and disclosed in both this Sustainability Report and through the CDP.

To enhance transparency and build confidence in our data, we continued to engage an independent third-party auditor in 2024 to conduct limited assurance review of our Scope 1 and Scope 2 emissions in accordance with ISO 14064. The assurance statement is available in the [Appendix](#).



Emissions and Climate Change *continued*

Strategic Approach

In alignment with our goal to achieve Net Zero emissions by 2040, Microchip continued to embed climate resilience and carbon management into core business functions throughout 2024. Our focus extended across all scopes of emissions, with strategic planning, data transparency, and operational execution driving progress across our global value chain.

Our strategy is underpinned by a commitment to high-quality GHG inventories, transparent reporting, and evidence-based action planning. As we move forward, we plan to:

- Enhance the granularity and quality of our Scope 3 data
- Monitor the effectiveness of emissions reduction initiatives at the site level
- Refine targets and plans in response to evolving science, regulations, and technology

To learn more about our climate programs and environmental performance, please visit the [Our Planet](#) page on our website.

Net Zero Roadmap Implementation

Following the completion of our Net Zero Roadmap in 2023, we transitioned from planning to execution in 2024. The roadmap outlines key decarbonization pathways and annual milestones required to meet our 2040 target.

Cross-functional Net Zero Working Groups, established at each manufacturing site, are actively implementing site-specific plans. These groups—comprising leaders from factory operations, facilities, and Environmental, Health, and Safety (EHS)—collaborate under the guidance of site leadership responsible for sustainability outcomes.

Each group meets quarterly to review progress, exchange data, and share best practices across sites. Their work focuses on reducing energy intensity, transitioning to lower global warming potential (GWP) gases, and identifying low-cost, high-impact opportunities to reduce direct emissions.

Scope-Specific Environmental Strategies

Scope 1 Emissions: Direct Operations

- Investing in abatement systems for high-GWP process gases such as NF_3 and C_3F_6
- Switching to lower-GWP alternatives where technically feasible
- Leveraging smart sensors, data analytics, and predictive monitoring to reduce fugitive emissions

Scope 2 Emissions: Energy Use

- Optimizing equipment and manufacturing processes to reduce overall energy demand
- Expanding our global renewable energy portfolio, including direct procurement, on-site generation, and renewable energy credits
- Prioritizing energy efficiency projects with short payback periods and high emissions reduction potential

Scope 3 Emissions: Value Chain Engagement

- Partnering with suppliers to improve data quality, share best practices, and set reduction goals
- Deploying supplier training and Scope 3 data guides to build capacity
- Leveraging our Full Member status with the RBA to promote industry-wide collaboration on emissions reduction and reporting transparency

Scope 1 and 2: Driving Site-Level Reductions through Operational Excellence

While data integrity and supplier collaboration strengthened our Scope 3 management, 2024 also saw meaningful progress in direct emissions reduction at the facility level. At our Gresham, Oregon, site, a series of low-cost operational improvements delivered measurable reductions in Scope 1 emissions:

- **Abatement System Verification:** A rigorous evaluation and certification of our nitrogen trifluoride (NF_3) abatement systems confirmed significant reductions in high-GWP process gas emissions. These findings contributed directly to our reported Scope 1 emissions inventory.
- **Transition to Lower-Impact Fluids:** Emissions from HT-135 heat transfer fluid—a specialty chemical used in manufacturing—were cut by transitioning to a lower-emission alternative and adjusting operational usage in line with production needs.
- **Process Optimization and Monitoring:** Improved documentation and process monitoring at the site supported efficiency gains without capital expenditures, reflecting our commitment to continuous operational improvement.

These achievements resulted in a notable year-over-year reduction in total GHG emissions from the Gresham site, showcasing our ability to deliver environmental benefits through process-driven solutions, even in the absence of major capital investments.



Energy Use and Efficiency

Providing for the reliability and sustainability of our energy systems continues to be a foundational priority for Microchip. With our U.S. and Asia-based manufacturing facilities accounting for more than 90% of our global electricity use, energy efficiency is central to both our environmental impact and operational integrity.

In 2024, we advanced a series of targeted energy optimization projects across our global footprint. These initiatives reflect a strategic approach that combines on-site energy efficiency improvements with the pursuit of lower-carbon energy sources—supporting our Scope 2 emissions reduction efforts while improving cost predictability and infrastructure resilience.

Our facilities teams leveraged ISO 14001 and ISO 50001 management systems to identify and implement projects that materially reduce energy consumption without compromising production efficiency. Notable 2024 highlights include:

Energy Efficient Equipment Deployment - Beverly Facility

As part of a production expansion, the Beverly site installed new high-efficiency furnaces, hydrogen generators, and a closed-loop cooling system. An energy reduction study conducted in partnership with National Grid confirmed significant savings, resulting in rebates for both electricity and natural gas conservation.

Strategic Energy Management - Gresham Facility

In December 2024, the facility shut down excess nitrogen plant capacity as part of a broader energy optimization strategy. The shutdown eliminated excessive nitrogen venting and optimized plant operations during the transition to a newly commissioned system. It is estimated to save over 2 million kWh annually.

The project was identified through an internal energy “Treasure Hunt” and is expected to undergo final normalization based on updated energy modeling in 2025.

Sitewide LED Lighting Retrofit - Gresham Facility

Over 10,000 fluorescent fixtures were replaced with high-efficiency LED lighting across the Gresham site. This multi-phase retrofit is expected to reduce electricity usage by approximately 2.2 million kWh per year and supports our long-term goal of facility modernization and energy intensity reduction.

Chiller Optimization through Scale Removal - Tempe Facility

As part of our broader HVAC efficiency strategy, we implemented a descaling project to reduce calcium carbonate buildup in the chillers at our Tempe fabrication facility. This effort improved heat transfer efficiency, reducing scale thickness from 0.024 inches to 0.013 inches and resulting in an estimated 419,286 kWh in annual electricity savings.

Variable Speed Compressor Upgrade - Tempe Facility

A legacy compressor in the Clean Dry Air system was replaced with a variable speed unit that adjusts dynamically to pressure demand, significantly reducing energy waste. This upgrade is projected to save 214,609 kWh annually and lower peak demand by 25.5 kW.



Rogdres S.

Calamba, Philippines

Green Pasture, Scenic Ridges of Bukidnon, Philippines

Energy Consumption Breakdown

ENERGY (MWH)	2018	2019	2020	2021	2022	2023	2024
Distillate Fuel Oil	3,124	1,501	340	4,551	4,049	4,792	5,209
Electricity	743,796	717,204	721,481	728,589	741,514	770,261	761,714
Liquefied Petroleum Gas	1,491	1,572	1,409	1,632	2,137	1,724	1,373
Natural Gas	275,814	247,892	274,499	254,346	219,448	225,049	219,016
Total	1,024,225	968,169	997,729	989,118	967,148	1,001,826	987,312
Renewable Energy %	—	—	—	5%	7%	16%	20%

Through data-driven planning, inter-site collaboration, and continual improvement, we are driving meaningful reductions in energy use while strengthening the resilience and efficiency of our operations.

Energy Use and Efficiency *continued*

Renewable Energy

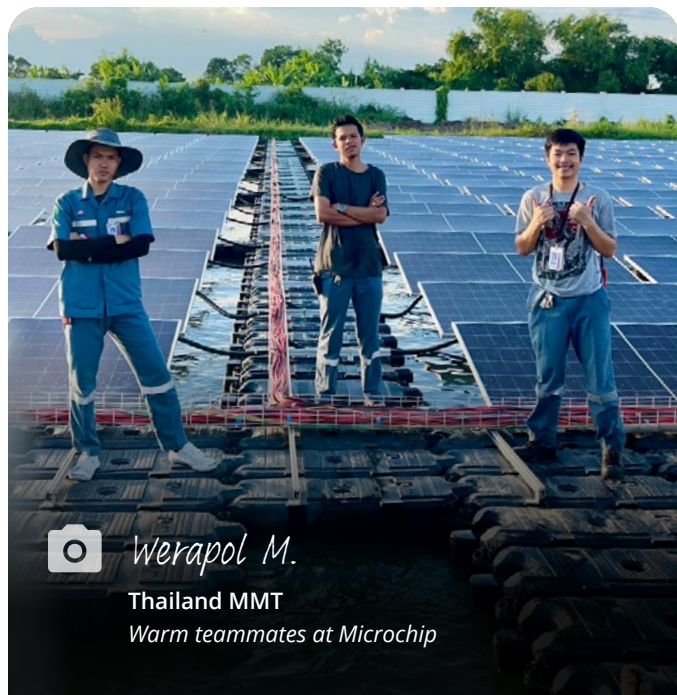
Microchip continues renewable energy transition through a mix of utility green tariffs and physical and virtual Power Purchase Agreements (PPAs). These initiatives are central to reducing our Scope 2 emissions and advancing toward our Net Zero by 2040 goal. In 2024, we built on prior progress to increase the renewable share of our global electricity portfolio to 20%, up from 16%. Key milestones this year include:

- Following construction completion, a 3.8 MW floating solar farm and 1.5 MW solar farm became fully operational at our Thailand facility in 2024. The system is now generating clean electricity equivalent to 20% of the site's annual energy consumption, making it one of the largest onsite renewable deployments in our portfolio.

- Our two manufacturing sites in the Philippines continued to source renewable energy through virtual PPA contracts. These contracts remain critical to reducing emissions in a high-production region.
- The Colorado Springs fab continued to source 30% of its electricity needs through a utility green tariff agreement, a key step in reducing emissions in our U.S. manufacturing footprint.
- We remain on track with our 2023 commitment to source 20% renewable energy for our Chandler headquarters via a local solar project under Arizona's utility green tariff program. The project is expected to come online in 2026 and further strengthen renewable integration across our U.S. operations.

Looking ahead, we will continue evaluating opportunities to expand renewable energy use across our global operations through a diversified procurement strategy—including on-site generation, utility green tariffs, and virtual/physical PPAs. These efforts are guided by site-level feasibility, regulatory frameworks, and alignment with long-term energy resilience planning.

Energy-efficient design remains a parallel priority. We are integrating smart building systems and high-efficiency equipment into new construction and retrofit projects to reduce load while maintaining safe and productive workplaces. Together, these strategies reinforce Microchip's commitment to sustainable, forward-looking energy management.



Werapol M.

Thailand MMT

Warm teammates at Microchip



Project Surya: Advancing Renewable Energy at Microchip India

In 2024, Microchip's India Development Center (IDC) in Bangalore reached a major sustainability milestone by entering into a long-term solar energy procurement agreement under India's group captive model. Known internally as Project Surya (the Sanskrit word for "sun"), the initiative represents Microchip's first major renewable energy procurement in the country and reflects our broader global commitment to decarbonizing operations through site-specific solutions.

Under this agreement, Microchip India will source a significant portion of its electricity demand from a dedicated offsite solar farm, developed and operated by a third-party renewable energy provider. In accordance with Indian energy regulations, Microchip will hold equity in a Special Purpose Vehicle (SPV) created to manage the project, ensuring both long-term price stability and traceable ownership of renewable attributes.

Key features of Project Surya include:

- 25-year contract term with a multi-year lock-in period to ensure energy and financial security
- Alignment with India's national renewable energy targets and grid decarbonization goals
- Contribution to Microchip's global renewable energy portfolio, supporting Scope 2 emissions reduction
- Localized sustainability leadership and stakeholder engagement at the IDC

This project is particularly significant as it demonstrates Microchip's ability to navigate region-specific regulatory frameworks and develop customized renewable energy pathways in diverse markets. It also lays the foundation for future energy transition efforts across our expanding footprint in India.

By investing in long-term, resilient, and clean energy infrastructure at IDC, Microchip is not only advancing toward its Net Zero by 2040 target, but also reinforcing our operational stability in one of our key global R&D hubs.



Water Conservation and Management

At Microchip, we source water from a combination of treated and untreated supplies, which undergo internal processes to achieve the ultrapure quality required for wafer cleaning. Wastewater generated during our processes is treated on-site prior to discharge, as required by local regulations and permit requirements.

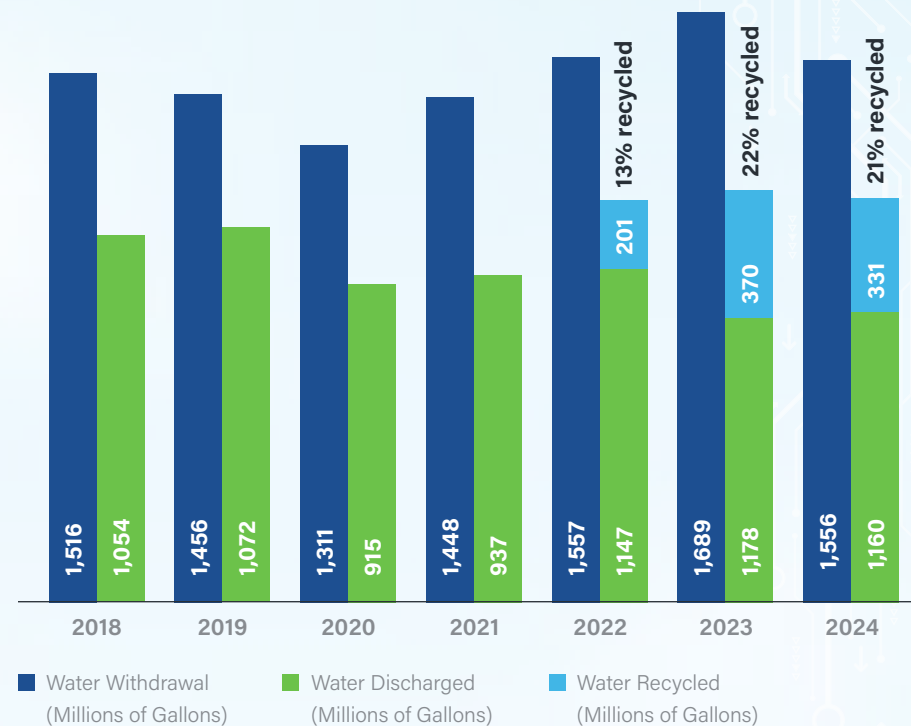
Our water management strategy is focused on minimizing usage, enhancing recycling efforts, and providing responsible effluent waste disposal. We also integrate water-related risks into our planning and investments, with a strong focus on our manufacturing hubs, which are the primary consumers of water. Through these combined efforts, we strive to build a comprehensive water strategy that supports both the resilience of our operations and the well-being of the communities where we operate.

Risk Mitigation

At Microchip, risk mitigation is more than just responding to problems; it is about planning and building systems that adapt to change. Identifying and reducing risk is a key focus in how we operate responsibly and sustainably. We take proactive steps to reduce risks to hazards including floods, droughts, and supply chain disruptions by using tools such as climate risk maps, water risk platforms, and internal evaluations. These actions guide site-specific measures that reflect their unique circumstances. For instance, our sites in Thailand are built at least two meters above sea level as they are in flood-prone areas. Our Gresham site has partnered with the City of Gresham to reduce ammonia discharge into natural water resources. This effort supports the region's ongoing

focus on protecting water quality for the benefit of both the local community and surrounding ecosystems. By taking these steps, we aim to support the long-term resilience of our business while supporting the well-being of the communities around us.

Water Usage and Recycling¹



¹ Data from 2018–2020 reflects water activity from major manufacturing sites only. Since then, the number of sites reporting water activity has increased each year, with 41 total sites reporting water withdrawal, discharge, and/or recycling in 2024. Because water activity is monitored and billed differently across global facilities, ongoing efforts are focused on increasing both the number of reporting sites and the level of detail in water-related data at those sites.

Global Stewardship, Local Solutions: Managing Water Responsibly Across Our Operations

Microchip's approach to water stewardship blends company-wide sustainability goals with practical, local solutions. Our sites take on tailored water strategies based on their unique local water opportunities and specific operational needs. For instance, our Chennai site utilizes sewage treatment plant lines to process and reuse water for purposes such as gardening and toilet flush lining. At our Colorado Springs fabrication site, we have enhanced water efficiency in scrubber units, helping to lower overall consumption, discharge, and environmental impact. In Thailand, our manufacturing sites recycle wastewater for use in cooling towers, reducing dependence on freshwater sources. Together, these site-level efforts reflect Microchip's commitment to responsible water management, demonstrating adaptation to local conditions while contributing to the business's sustainability goals.



Rap T.

Muntinlupa City, Philippines
School of jacks
WINNER: Our Planet Category

Waste Diversion and Recycling

Microchip remains steadfast in our commitment to sustainability, with a strategic focus on achieving zero waste to landfill and advancing circular economy principles across our operations. Our waste management strategy emphasizes source reduction, extensive recycling and reuse, and the responsible handling and disposal of materials.

To reduce waste at the source, we improve our processes through optimization and lean manufacturing, in line with our core value "Continuous Improvement is Essential." We also work to expand recycling and resource recovery initiatives, promote the segregation of recyclables, and implement office-based recycling programs aimed at reducing the use of single-use containers and plastic bottles. These efforts are supported by employee education on proper recycling practices and the environmental benefits of waste reduction.

Minimizing Waste Through Innovative Recycling Initiatives at Gresham Site

As part of our commitment to sustainable waste management, our Gresham team has taken significant steps to reduce landfill contributions through strategic recycling programs. In collaboration with RightCycle, we have implemented a cleanroom Personal Protective Equipment (PPE) recycling initiative, ensuring that uncontaminated booties, hairnets, nitrile gloves, and beard covers are repurposed into plastic pallets instead of being discarded. Since its launch in August 2024, this initiative has diverted 9,548 lbs of PPE waste from landfills, mitigating plastic waste accumulation and supporting circular economy practices.

The team also introduced a copper sulfate waste recycling program in January 2024. Previously disposed of as hazardous waste, this material is now sent to Phibrotech, where copper is extracted and reclaimed for reuse. This initiative has already prevented 6,860 lbs of waste from entering landfills in 2024, transforming a former waste stream into a valuable resource recovery opportunity.

By implementing these targeted recycling programs, we are not only reducing our environmental footprint but also reinforcing our commitment to responsible waste diversion and sustainable resource management.

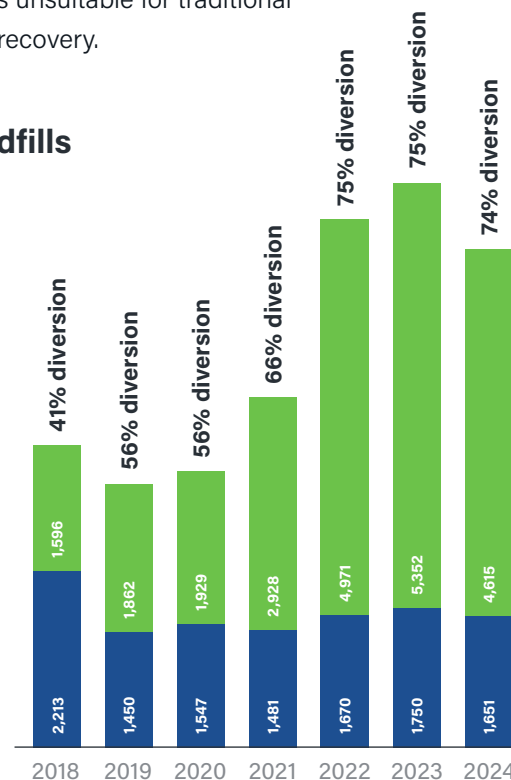
Our local EHS teams play a key role in overseeing the handling of regulated waste on-site and conducting audits of our waste vendors. Continued research, innovation, and collaboration with partners remain central to our approach as we refine process recipes, improve segregation methods, and advance material reuse and recycling solutions.

In 2024, we continued and expanded our engagement with local waste management companies and recyclers to partner on some very exciting and innovative solutions to recycle materials that traditionally have been sent to landfills for disposal. Our waste diversion efforts resulted in a 74% diversion rate away from landfills. The diverted materials consisted of glass, paper, cardboard, wood, metals, e-waste, and chemical solutions. Additionally, certain waste streams unsuitable for traditional recycling were utilized for energy recovery.

Waste Diverted from Landfills

- Residual Waste (tons)
- Waste Diverted from Landfill (tons)

Waste data from 2018–2020 includes only major manufacturing sites. Since then, the number of reporting sites has steadily increased, reaching 22 in 2024. As waste tracking and billing practices vary across global facilities, we continue to expand site-level reporting and enhance the granularity of waste-related data.



Recognized as the Outstanding Waste Management Company in Thailand

At Microchip Thailand, we prioritize environmental sustainability through our commitment to becoming a Zero Waste to Landfill facility. Since calendar year 2021, we have been recognized by Thailand's Ministry of Industry Works for our ongoing achievement of Zero Waste to Landfill status. Our waste management strategy is rooted in the 3Rs (Reduce, Reuse, Recycle) and includes a comprehensive process where approximately 70% of waste is recycled and the remaining 30% is used for energy recovery. Key initiatives include forming a cross-functional 3Rs committee, conducting process flow and waste source analyses, implementing detailed waste segregation protocols, and providing targeted training for employees and janitorial staff. Collaborating with our purchasing team, we rigorously audit and select certified vendors to ensure compliance with legal and environmental standards. Regular internal reviews, quarterly management updates, and annual third-party audits by the Thai government help sustain our program's integrity and drive continuous improvement. Through these efforts, Microchip Thailand serves as a model of sustainable manufacturing and responsible waste management.

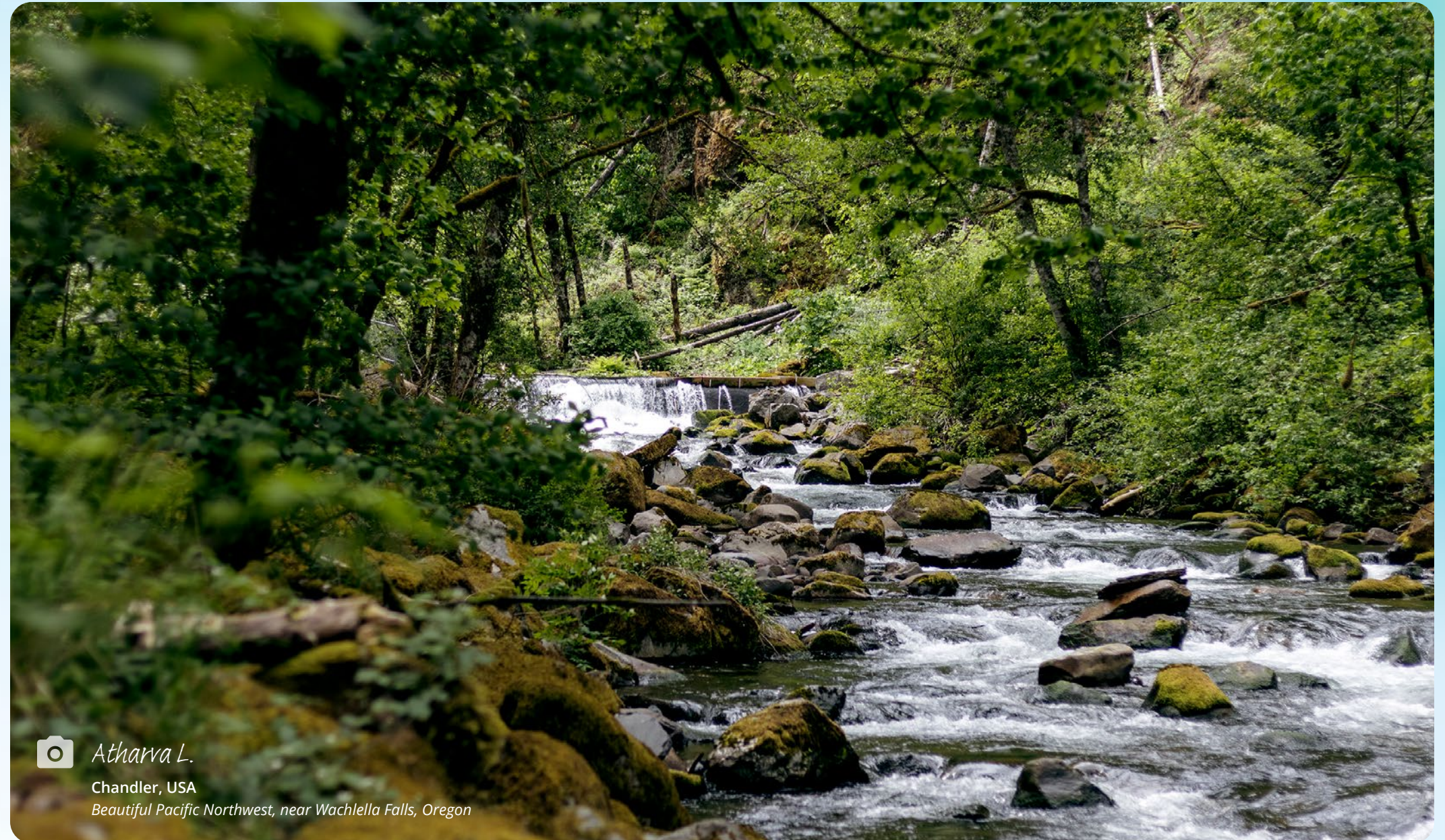
Protecting Biodiversity

At Microchip, we are committed to integrating biodiversity into our sustainability efforts.

In 2024, we conducted a biodiversity risk assessment using the Science-Based Targets for Nature (SBTN) methodology. This assessment incorporated various tools, including the Integrated Biodiversity Assessment Tool (IBAT), the Taskforce on Nature-related Financial Disclosures (TNFD), and World Resources Institute's (WRI) Aqueduct Water Risk Atlas, enabling us to evaluate our biodiversity pressures and status.

Our findings highlighted key areas of interest. In the U.S., ecoregions and watersheds around Colorado Springs and Gresham exhibit high water usage and pollution levels, potentially impacting local biodiversity. Our ongoing water conservation projects at these fabrication sites align with our commitment to mitigating these pressures and fostering a more sustainable future.

In Asia, our facilities in Thailand and the Philippines are located in biodiversity hotspots, home to a significant number of endangered species. In 2024, our Thailand facilities actively participated in tree-planting initiatives, including mangrove restoration efforts and community-led forest reforestation projects as part of the Zero CO₂ Chachoengsao Run 2024. Similarly, in the Philippines, our local team hosted tree-planting activities in Siniloan, Laguna, and Santo Thomas, Batangas, successfully planting over 1,000 trees to help restore natural ecosystems and alleviate biodiversity pressures.



Atharva L.

Chandler, USA

Beautiful Pacific Northwest, near Wachlella Falls, Oregon



Our Supply Chain

We recognize that our responsibility extends beyond our own operations to include the partners and suppliers throughout our supply chain. We are committed to promoting ethical, transparent, and respectful business practices that reflect our core values and support long-term, sustainable collaboration.



Kevin R.

Tempe, USA

Honolulu at night

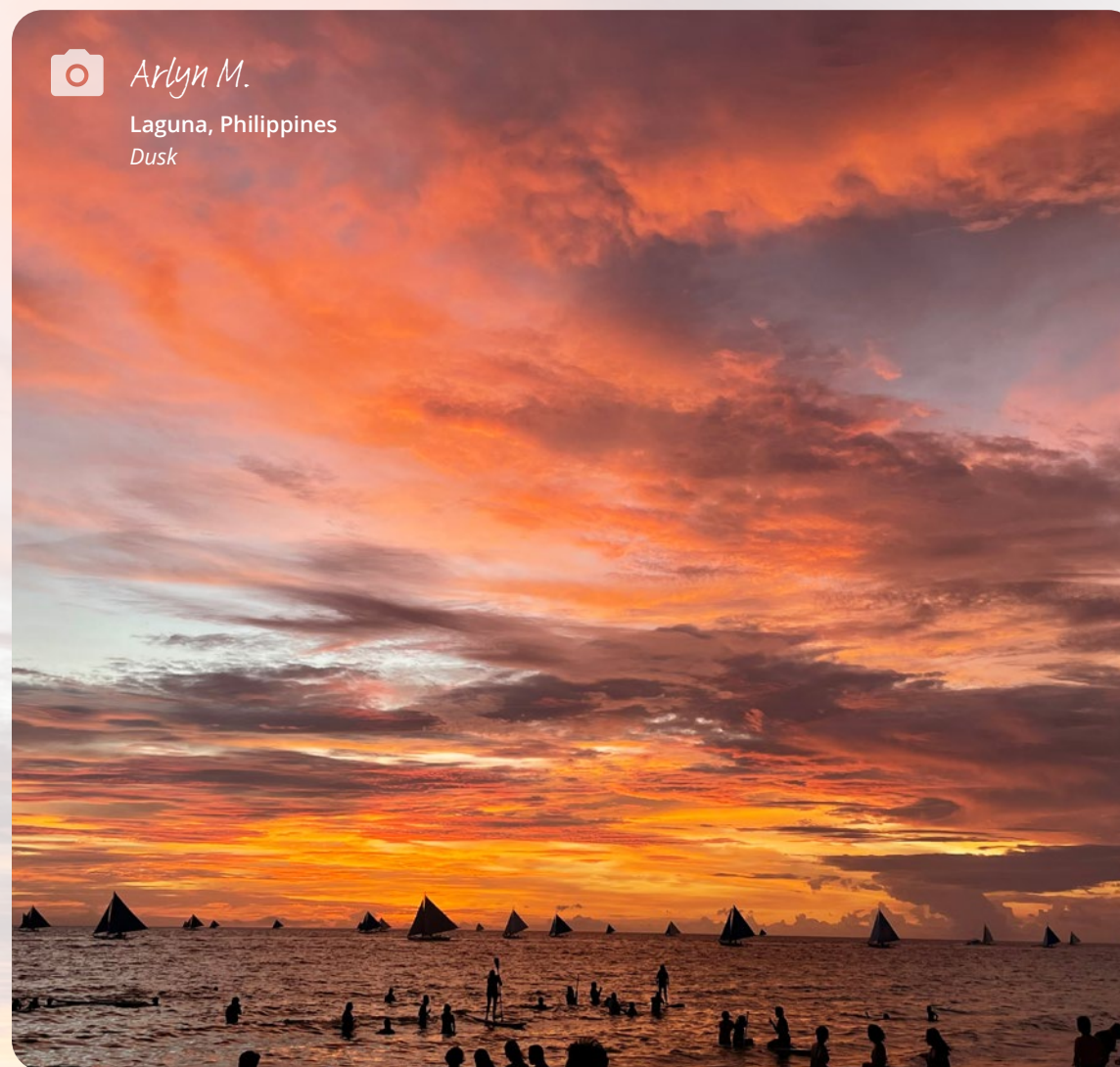
Human Rights

Microchip is dedicated to protecting human rights. Consistent with our policy, practice, and culture, we do not tolerate the use of forced labor.

As part of our policies and procedures for the protection of our workers and the workers of our supply-chain partners, Microchip joined the RBA in 2020 and became a Full Member in 2023.

Our [Human Rights Policy](#) sets standards for labor, health, and safety, the environment, and ethics for our operations. It lays out the principles embedded in our business operations and culture designed to prevent us from supporting activities that violate human rights. This policy is based on the United Nations Guiding Principles on Business and 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 Guidelines for Multinational Enterprises. The key elements of the policy are ethical business conduct, fair labor practices, non-discrimination and anti-harassment, safe working conditions, the prevention of forced labor and child labor, and freedom of association.

Please see our [Corporate Responsibility](#) page on our website for additional information on Microchip's practices and public disclosures related to protecting human rights.



Arlyn M.

Laguna, Philippines

Dusk



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 RBA Code of Conduct as its standard for labor, health and safety, environment, and ethics throughout its supply chain.



Supplier Engagement

Aligned with our Guiding Value, “Suppliers, Representatives, and Distributors Are Our Partners,” we are committed to maintaining beneficial relationships with our suppliers, who are an integral part of our Corporate Responsibility initiative. As a Full Member of the RBA, our [Supplier Code of Conduct](#) applies to suppliers and their directors, officers, employees, contractors, and subcontract labor. We expect our suppliers to ensure working conditions are safe, workers are treated with respect and dignity, and business operations are environmentally responsible. The Code also requires that our suppliers conduct business ethically and in compliance with all applicable laws, rules, and regulations throughout their supply chain.

Supply Chain Management Approach

Assess: We distributed a screening survey to 100% of our major suppliers in 2024. To reinforce our commitment to an ethical and resilient supply chain, Microchip distributed a Corporate Responsibility Survey to 100% of our major suppliers in late 2023 and early 2024. This biennial assessment addresses key topics such as forced labor, human rights, ethics reporting mechanisms, and environmental impact mitigation efforts. This initiative aligns with our Supplier Code of Conduct, promoting awareness, accountability, and continuous improvement in our supply chain.



Analyze: We determined supplier risk using our Corporate Responsibility Survey and additional tools such as the RBA-Online portal. After suppliers completed our Corporate Responsibility Survey, their responses were evaluated and each supplier was assigned a score that indicated their potential risk of association with forced labor practices. Additionally, we utilized our membership with the RBA to regularly monitor supplier risk via the annual RBA Self-Assessment Questionnaire (SAQ). In 2024, all suppliers that completed an RBA Self-Assessment Questionnaire received either a low or medium overall risk score.



Adopt: We included questions about forced labor in new supplier form. In 2024, we diligently followed up with suppliers who did not yet respond to our survey, achieving over a 97% response rate. Over 90% of our suppliers were categorized as low risk. We continue to engage with medium-risk suppliers on improving their labor practices. For any suppliers categorized as higher-risk, we requested corrective action; these suppliers are working to align their labor practices with RBA standards. We are striving to improve our efforts toward a responsible supply chain by building on insights from previous supplier screenings. We aim to continue to refine our supplier’s engagement initiatives with each screening cycle, fostering enduring and mutually beneficial relationships with our business partners.



Act: We monitored our medium-risk suppliers and collaborated with high-risk suppliers to create Corrective Action Plans (CAPs). Microchip adhered to appropriate due diligence procedures in accordance with the risk levels assigned to suppliers. Suppliers identified as low-risk will be re-engaged in two years to ensure their ongoing commitment to responsible labor practices. Medium-risk suppliers will undergo an additional screening process in the following year, while those designated as high-risk will be required to develop and submit a CAP for approval. In 2024, all suppliers from whom we requested clarification or a CAP responded and actively engaged with our supply chain management process. This accomplishment highlights our dedication to working with our business partners to promote responsible labor practices.



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 RMI, an organization that offers companies independent, third-party audit information identifying which Smelters or Refiners (SORs) have been verified as sourcing minerals responsibly according to 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 may be found on the [Our Supply Chain](#) page on our website.

We use professional third-party consultants to perform due diligence on Tin, Tantalum, Tungsten and Gold (3TG) SORs that are in our integrated circuit products supply chain. These consultants work with SORs that are non-conformant to RMI standards to assist them in becoming conformant.

We continue to work on removing 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). In these cases, we start our outreach process and publish a monthly Due Diligence Report reflecting the status of our efforts to remove SORs of concern. This process is documented on our website.

Our 2024 RCOI is complete and posted to our website. There may be smelters listed in the RCOI report that are currently not considered Active or Conformant, but these smelters may have been Active or Conformant during the 2024 reporting period.

Extended Mineral Reporting Template (EMRT)

Through our membership with the RMI, we seek to identify smelters and refiners that responsibly source materials. We participate in publishing a yearly EMRT to further support our commitment to comply with relevant international guidelines and standards. Our 2024 EMRT review shows no intentionally added mica or cobalt in our IC products including die/wafer sales and excluding hi-rel packages.



Helpful Links

- [Microchip's Conflict Minerals Sourcing Policy](#)
- [Microchip's RMI-CMRT](#)
- [Form SD and CMR](#)

3TG Progress

	2019	2020	2021	2022	2023	2024
Conformant Smelters	224	235	230	222	214	203
Active Smelters¹	0	1	6	1	1	0
Non-Conformant Smelters	0	0	0	0	0	0

¹ Smelters Actively Participating in Sourcing Audits by RMI RMAP, TICMC, LBMA



Becky K.

Gresham, USA

Sunset in The Enchantments



Business Continuity

Microchip recognizes the importance of a strong business continuity program and is dedicated to maintaining systems that ensure supply continuity and help mitigate potential impacts on our customers, partners, and other stakeholders.

We have established a Corporate Business Continuity Steering Committee and created a [Guidance Document](#) that sets the expectations and standards for all Microchip entities with respect to business continuity planning. On the [Our Supply Chain](#) 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 network of contacts to obtain and evaluate real-time information, enabling us to quickly identify emerging trends, assess potential risks, and respond proactively to changing circumstances. This global network allows us to gather insights from diverse regions and industries, ensuring that our decision-making is informed by the most current and comprehensive data available. By leveraging these connections, we can better support our operations, anticipate challenges, and provide timely updates to our stakeholders. We engage with Non-Governmental Organizations (NGOs) and public and private resources to enable enhanced reaction times and maintain a formal internal communications structure devoted to business continuity.

Testing

Our business continuity program testing consists of live exercises, simulations, and table-top exercises. Live scenario and simulation testing is scheduled periodically and may consist of fire drills, shelter in place, and exercises with community stakeholders as appropriate. Tabletop Exercises (TTEX) are scheduled at least one time per calendar year by each major manufacturing site and are intended to reflect risks relevant to the locations. These exercises are documented by the local Business Continuity Team.



Joshua G.

Calamba, Philippines

Public transportation, MRT Ortigas Station

WINNER: Our Supply Chain Category



Our Products

At Microchip, our products embody more than just what we deliver to our customers. We are dedicated to offering products and technologies that drive positive change in the world and enhance people's lives. Our efforts are focused on continuously reducing the environmental impact of our products throughout their lifecycles.



Yin Fook T.

Penang, Malaysia

Evaluation board

WINNER: Our Products Category

Environmentally Preferable Products

Microchip specializes in high-efficiency semiconductor microcontrollers/microprocessors (MCUs/MPUs), Field-Programmable Gate Arrays (FPGAs), 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.

Consume Less Energy

Our 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. Our precision motor control solutions deliver higher efficiency using advanced control algorithms. Increasing motor control efficiency has a significant global impact, especially since almost half of the global power consumption is from motor operation. Also, our highly adaptive, intelligent power conversion solutions achieve the highest levels of efficiency in applications that convert power, such as power supplies for data centers, telecommunications, and smart grids.

Eliminate Waste

Water efficiency involves strategies to reduce water waste and improve usage. This includes water-saving appliances, rainwater harvesting, and water-efficient gardening as well as large-scale agricultural farming and leak detection. Our products have advanced sensors, smart processors, and connectivity to send secure messages about when and where energy, water, or other resources need to be optimized.

Continue Innovation

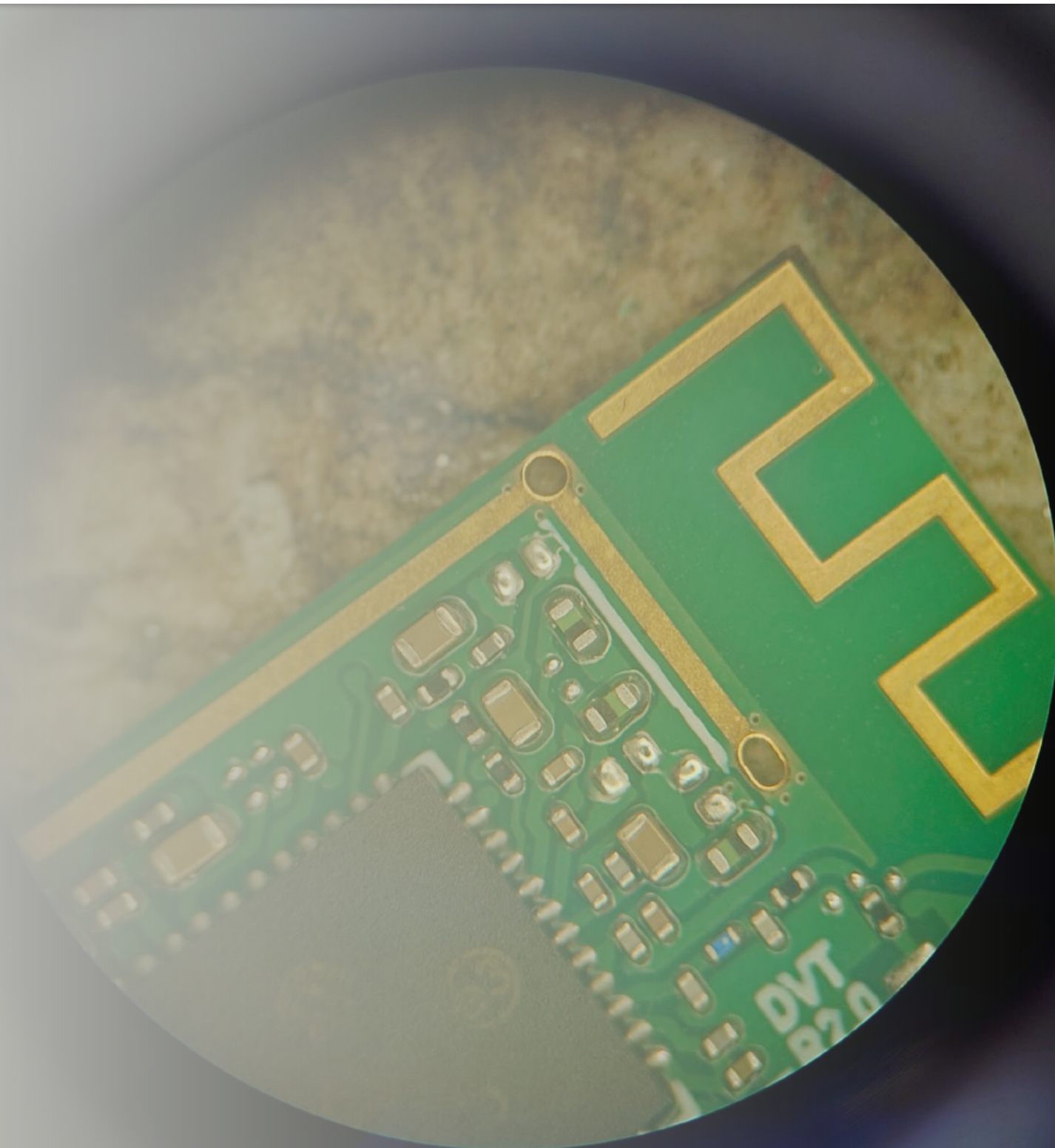
We also innovate with sustainability and energy efficiency in mind. Our focus on research and development provides environmentally conscious customers with an outstanding portfolio of environmentally preferable options, making us a supplier of choice for their designs. We believe that the continued development of green and high-efficiency products is key to the future of our company and the global economy. Producing environmentally advantageous products takes continuous innovation and commitment, and we are proud to share our vision and our progress as we work toward a more sustainable future.



Cheng-Yu L.

Hsinchu, Taiwan

Modules under the microscope



Sustainable by Design

Our products support our customers' efforts to reduce GHG emissions. We empower our clients to innovate and design applications with:

Accurate Sensing: Our design teams strive to develop analog solutions that enable deterministic, real-time control system responses for sensor data acquisition in harsh operating environments. These solutions deliver exceptional precision for a wide range of applications in industrial, automotive, and consumer markets.

Lower Power Consumption: Our engineers are dedicated to developing devices that minimize dynamic and static power dissipation to optimize energy consumption in products ranging from portable handheld devices to large-scale data centers.

High-Efficiency Motor Control: Our advanced controllers and analog components facilitate precise, rapid control over motor speed and torque across diverse motor configurations. These solutions reduce switching and conduction losses in power switches to conserve energy.

High-Efficiency Power Conversion: Our rugged power management solutions, distinguished by their high-power density, enable improved power conversion efficiency within renewable energy systems. These devices are designed with adaptive control loops that adjust to fluctuating operational conditions, resulting in the most efficient transfer of power from the energy source to end-use applications.

Smarter Decisions: Our high-bandwidth, large-capacity communication devices enable efficient data transfer between nodes to increase a system's environmental intelligence for prudent utilization of precious resources. This efficiency enables precise deployment of water resources, optimization of solar panels for sunlight tracking, deactivation of lights in smart buildings, and implementation of smart vision in agricultural systems.

Broad Portfolio of Products and Reference Designs: Our reference designs, development tools ecosystem, and third-party partnerships enable faster market adoption of sustainable designs utilizing an array of products across Microchip's broad portfolio.



Microchip develops products and technologies that drive positive change in the world while enhancing the human experience. This past year, we showcased some of our latest sustainability solutions at Enlit Europe 2024 in Milan, Italy. To highlight how we empower our clients' efforts to design sustainable applications, our booth featured a sustainability wall with demos of our reference solutions for applications typically found in the home, including:

Electricity Meter: Electricity meters are essential for accurately measuring energy consumption, helping users and utilities monitor and manage power usage. They promote energy efficiency, support billing transparency and enable smart technology integration for a more responsive power grid.

Solar Microinverter: Microinverters are small devices that are mounted on individual solar panels. They convert DC power to AC power from each panel to deliver power that measures in the hundreds of watts for a single panel. This configuration boosts system efficiency, minimizes the effects of shading or panel issues, and enables more flexible solar array designs.

Energy Storage System: A battery energy storage system harvests energy from renewable or other energy sources and stores it within the battery storage units. The batteries discharge power when needed, especially during power outages or grid balancing.

Heat Pump: Heat pumps are highly efficient systems that transfer heat instead of generating it, reducing energy consumption and lowering GHG emissions. By using renewable energy sources, they support sustainable heating and cooling solutions and help decrease reliance on fossil fuels.

Electric Vehicle (EV) Charger: EV chargers enable the shift to electric vehicles, reduce reliance on fossil fuels and harmful emissions, and support renewable energy sources, which are crucial for a cleaner environment.

Enabling Future Innovation

We contribute to minimizing environmental impact by empowering innovation for our clients through a wide array of products that help reduce power consumption, increase efficiency, and minimize waste.

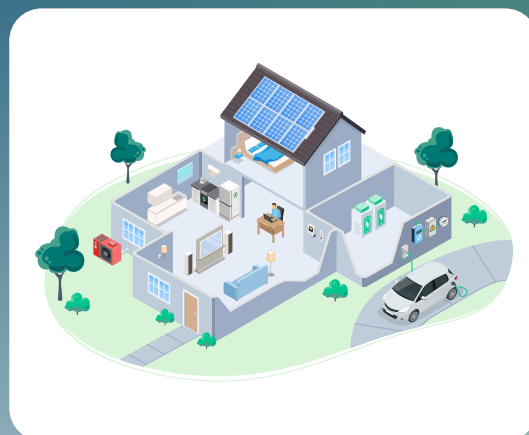
Microchip's devices play critical roles in applications such as cleaner energy generation and creating more efficient homes, cities, and transportation, thereby enabling a more sustainable world. They also help monitor and optimize energy and water use to prevent waste in systems ranging from agricultural

fields to large factories. Our products provide remote monitoring and control to ensure that these precious resources are used efficiently. Our products are also integrated into applications for asset tracking and sophisticated waste and recycling management systems, further contributing to waste reduction.



Energy Generation

- Wind Turbines
- Hydrogen Fuel Cells
- Smart Grid Applications
- Commercial Solar Systems



Sustainable Homes

- EV Charging Stations
- Residential Solar Systems
- Residential Energy Storage
- Energy-Efficient Appliances
- In-Home Energy Usage Display
- Heat Pumps and HVAC Systems



Sustainable Cities

- Asset Tracking
- Leak Detection
- Smart Waste Management
- Smart Building Management
- Connected Solar Energy Storage Systems



E-Mobility

- Electric Boats
- Smart Railways
- Electric Vehicles
- Urban Air Mobility
- Electric Two-Wheelers
- Connected and Automated Vehicles



Smart Agriculture

- Sensors
- Predictive Maintenance
- Electrification
- Encryption and Security



Global Product Compliance Laws

Microchip adheres to applicable product material compliance laws and regulations throughout the product lifecycle. Through the mitigation or elimination of potentially hazardous materials used in production, we strive to deliver safe and reliable products to our customers. To maintain product compliance and safety, we have developed a material compliance policy and a Hazardous Substance Process Management (HSPM) system with a goal of making products that are qualified to be introduced into markets around the world.

Visit the [Our Products](#) web page for detailed information regarding our Product Material Compliance (PMC) Program, including but not limited to:

- EU Declarations of Conformance
- EU RoHS Certificates of Compliance
- EU REACH Statements
- EU SCIP Compliance
- China RoHS EFUP and Compliance Statements
- California Proposition 65
- POPs, PAHs, and ODCs
- PFAS Compliance Statement
- UKCA and UK Declarations of Conformance
- TSCA Compliance Statement
- Material Content Declarations
- Product Package Information



Hariharan A.

Chennai, India

Mountain view from Lachung, Sikkim, India

Global Trade Compliance

At Microchip, we are committed to complying with all applicable export control and trade sanctions laws, ensuring that our products are used responsibly and in alignment with our ethical principles.

Our “Know Your Customer” due diligence process is a cornerstone of our compliance program. A dedicated team conducts thorough screenings to identify potential red flags, assess the intended use of our products, and review transactions before shipments are made. Using both expert personnel and industry-standard compliance tools, we verify that all parties in our transactions are not on restricted party lists maintained by multiple governmental agencies across various jurisdictions. Furthermore, we proactively block transactions with unresolved compliance concerns—even when the parties involved are not explicitly listed on government sanctions lists.

Microchip strictly prohibits the sale of its products in regions where our technology is restricted, including Iran, Russia, Belarus, and sanctioned areas of Ukraine. In March 2022, we voluntarily ceased all sales to Russia and Belarus, even for products not legally restricted, as a demonstration of our commitment to ethical business practices and in response to the actions taken by Russia against Ukraine, which conflict with our Guiding Values. Additionally, we do not support or condone the unauthorized use of our products in military actions against civilians or other prohibited applications.

We hold our customers and distributors to the same high standards, requiring compliance with export control laws, including restrictions on military end use and military end users in Belarus, China, Russia, and Venezuela. Our processes include requiring End Use Certificates (EUCs) and End Use Statements (EUSs) for high-risk transactions and controlled products, ensuring that our technology does not end up in unauthorized hands.

As part of our commitment to responsible business practices, Microchip actively collaborates with industry peers, government agencies, and trade associations, such as the SIA, to combat the diversion of semiconductor products to unauthorized users. We also work voluntarily with law enforcement agencies to identify and address counterfeit products, reinforcing the integrity of our supply chain and protecting our customers.

By integrating strong compliance measures into our global operations, Microchip ensures that our products are used ethically, legally, and in ways that align with our broader commitment to sustainability, integrity, and responsible business conduct.



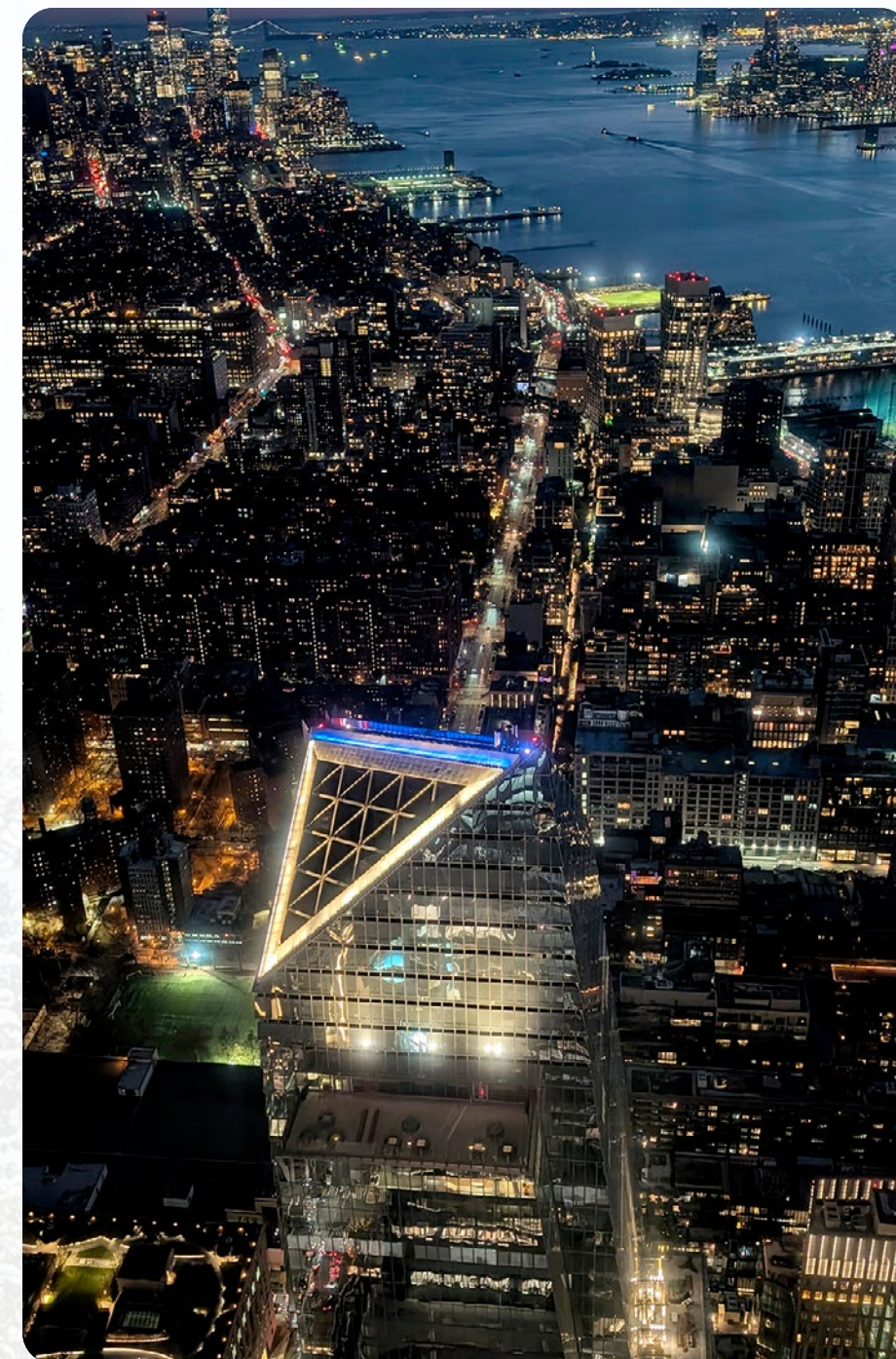
Iggy C.

Colorado Springs, USA
Winter Trees



Siddharth M.

Chandler, USA
NYC's sharpest angles





Our People

At Microchip, our identity as an organization is shaped by embracing values and cultures from around the world. Our people are at the core of our company. Each person's unique perspective enriches our collective vision, fostering a workplace that is safe, comfortable, and rewarding.



Karl H.

Wels, Austria

There is no Planet B; future generations deserve to enjoy sunsets too.

Values and Culture

We are a company headquartered in the U.S. with operations around the world.

As of December 31, 2024, our global workforce consisted of approximately 21,000 employees. Employees are our greatest strength, and we place a high value on the range of perspectives 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. These guidelines create a successful foundation for employee empowerment and enhance employee development on all levels. While our core values have remained constant since 1990, we have updated or enhanced them over time to reflect the changes that we see in our global working environment.

Read more about [Our People](#) on our website.



Prakash B.

Hyderabad, India

Microchip Hyderabad Music Club

Music inspires creativity and adds fun in the workspace.

WINNER: Our People Category



Equal Treatment in the Workplace and Hiring Practices

We are committed to fostering a workplace where all employees are empowered to reach their full potential. We recognize that individuals from diverse backgrounds bring valuable perspectives that fuel our innovation and long-term success. Our goal is to cultivate an environment where everyone feels respected, included, and encouraged to contribute their unique skills.

We operate in compliance with Equal Employment Opportunity (EEO) laws for recruitment and hiring practices and do not discriminate against applicants or employees. Regular and updated training is provided to recruiters and managers to provide awareness of ethical and legal hiring practices.

Our job postings are carefully crafted to appeal to a wide array of candidates. We maintain a bias-free screening and selection process and utilize multiple recruiting channels—including our corporate careers site, social media platforms, local college and university job boards, and veteran-specific employment sites—to reach a broad talent pool.

Veterans and military service members are highly valued members of our workforce. We actively recruit veterans and transitioning military personnel, recognizing the strong leadership, teamwork, and problem-solving skills developed through military service. In the U.S., we participate in local and national veteran career fairs and advertise job openings on veteran and military job boards. We also collaborate with veteran-focused organizations and support the Department of Defense SkillBridge program, which allows service members to begin civilian internships during their final 180 days of service.

Currently, 296 U.S. veterans are part of our team. In 2024, we partnered with RecruitMilitary and Disabled American Veterans to recruit top veteran talent. We also participated in the Vanguard Veteran Talent Academy's "Basic Training" workshop to better understand the military-to-civilian transition and enhance our veteran recruitment strategies.

Employee Referral Program

We value our employees' networks and encourage them to refer potential candidates as part of our broader talent strategy. At our India locations, we focus on increasing visibility of job opportunities to individuals who are returning to the workforce after a career break. As a socially responsible employer, we remain committed to supporting local employment and economic development in the communities where we operate.

Outreach to Young Students

We proactively engage with students through campus recruitment, career talks, and industry-focused technical presentations. These initiatives help bridge the gap between academic learning and industry expectations, offering students valuable insights into potential career opportunities.

Our internship programs are designed to provide meaningful experiences for students, especially those with limited prior work experience. These internships support professional growth and also help cultivate a culture that embraces fresh perspectives and emerging talent.

Employee Health and Wellness

We recognize that employee health and well-being are foundational to a productive and supportive work environment. In addition to offering comprehensive health plans, we host regular wellness talks and workshops aimed at increasing awareness and encouraging healthy lifestyles. These initiatives are integral to creating a workplace where employees can thrive—both personally and professionally.



Microchip Thailand
Zero CO₂ Charity Run



Employee Recruitment and Retention

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 workplaces, continuous opportunities for training and professional development, and equal employment opportunities to all.

Learning and Development

Employees are our greatest strength. Like the nearly infinite permutations of microcontroller design, every employee brings a unique set of interests and experiences to their work. Microchip's award-winning GOLD department supports each employee on their personal journey to career success. In 2024, employees engaged in 3,147 live classes, 280,927 online courses, and over 1,200 one-on-one coaching sessions.

We teach essential business competencies like global teamwork, empowerment, and communication. We offer an expanding suite of technical programs for our vibrant engineering community. We enable our client engagement teams to serve our customers with insight and purpose. We also offer specialized resources for people building skills in IT, manufacturing technology, and beyond.

Tuition reimbursement helps many employees achieve degrees while growing their careers, and we get excited when seeing our talented interns transition to full-time positions after graduation. Microchip employees often take up the challenge of leadership service. We are proud of our robust pipeline that offers tailored development for roles from front-line manufacturing to leadership and a serious track record of internal promotion. Over 660 people completed leadership programs in 2024.

University Programs

Our university involvement aids in our overall recruitment efforts to attract top talent. We actively recruit at university career fairs, student organization events and conferences, 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 and industry conferences such as Institute of Electrical and Electronics Engineers (IEEE), assisting in curriculum design, sponsoring senior-level capstone projects, and serving as guest speakers in various capacities. We also provide product samples, development tools, and demo boards to educational institutions 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 biannual in-person/virtual program in the U.S., Asia, and Europe for NCG employees that focuses specifically on their needs by providing engagement with the executive staff, technical training, personal development workshops, a formal mentoring program, team-building 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 engineers.

Internships

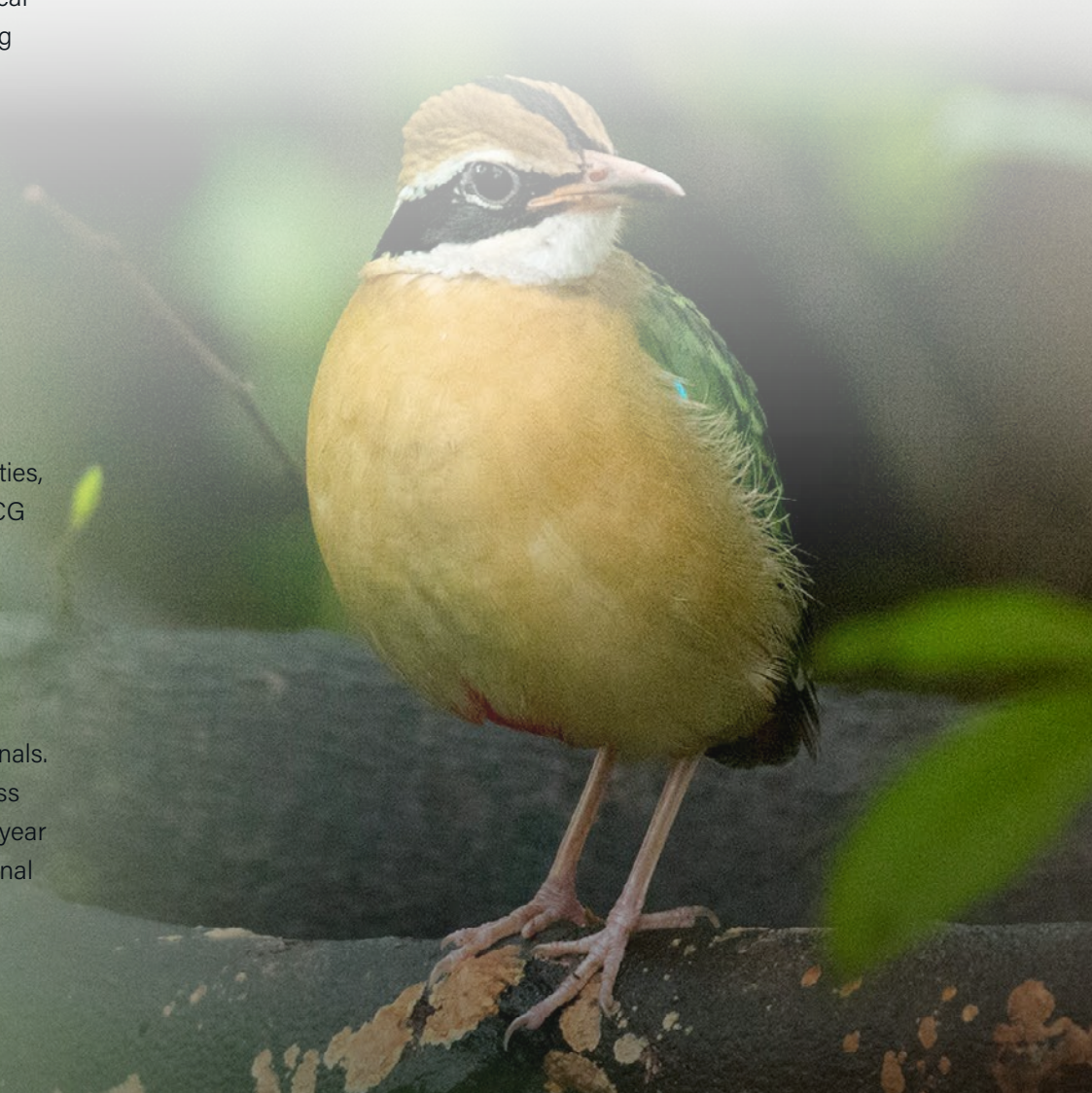
Our internships provide challenging and rewarding hands-on experience and the opportunity to work closely with senior staff and industry professionals. Our interns contribute to critical projects and significant day-to-day business activities. Their term of service can be anywhere from three months to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



Hari Prasath G.E.

Chennai, India

Nature's masterpiece on wings! The vibrant Indian Pitta, flaunting its nine distinctive colors, migrates south from the northern parts of India to spread joy in Chennai during winter season.



Total Rewards

We recognize that our employees are vital to our continued success, and our global compensation and benefits programs are designed to reflect this value.

We offer competitive and comprehensive benefits packages to our employees around the world. While the specific details vary by country or region, Microchip's philosophy is to provide total compensation for all employees.

Compensation

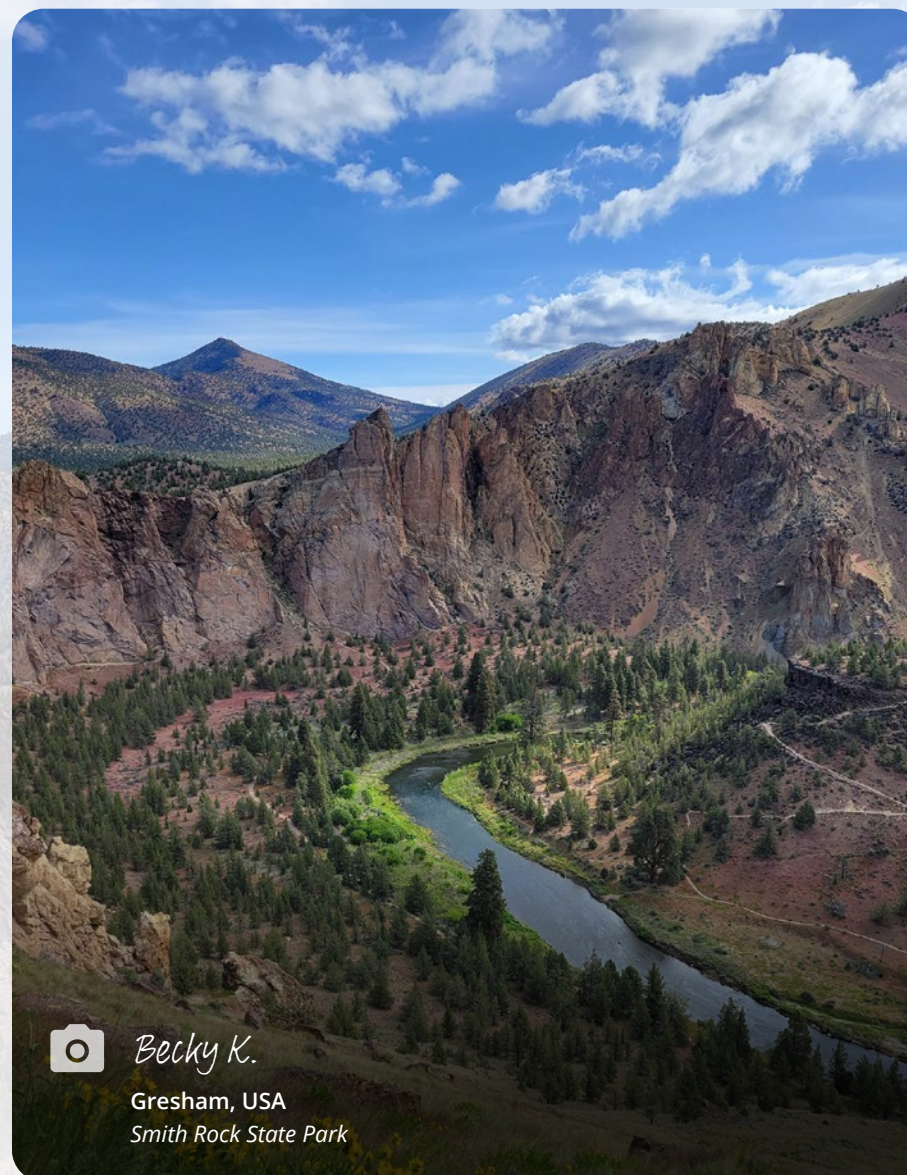
Our compensation programs provide our employees with competitive compensation through salary and shared profit and ownership:

- Competitive compensation
- Quarterly bonus programs
- Restricted Stock Units (RSU) awards

Health and Wellness (U.S. Program)

Our benefit programs provide employees with the opportunity to select the benefits that work best for them and their families. We provide on-site medical clinics at our Arizona, Colorado, and Oregon locations to promote health and wellness. In addition, we hold on-site classes at many of our larger locations for meditation and virtual yoga. We also provide quiet rooms and nursing mother rooms at several sites. Examples of other health and wellness benefits offered to employees:

- Comprehensive health plans (five medical plan options including a High-Deductible Health Plan (HDHP) with Health Savings Account (HSA))
- On-site mammography and prostate exams
- On-site vaccinations for flu, pneumonia, and COVID
- Gyms at specific locations
- Employee Assistance Program (EAP) that provides counseling and resources for employees and their families
- Employee discounts
- ARAG prepaid legal program
- Various webinars related to health offered throughout the year



Becky K.

Gresham, USA

Smith Rock State Park

Time Off

We believe it is important for our employees to have time to rest and recharge, as well as access to programs that offer flexibility when time off is needed.

We provide these various time-off options:

- Paid vacation
- Paid Sick Leave (PSL)
- Paid holidays
- Paid parental leave
- Bereavement leave

Financial Wellness (U.S. Program)

We believe that employees need to be supported in their financial wellness in addition to their health. We host numerous webinars each year to support our employees and their families on their financial journey. We also provide these financial benefits to assist them:

- Short- and long-term disability
- Long-term care insurance
- E*TRADE from Morgan Stanley education on equity and tax specifics
- Fidelity NetBenefits® education on the aspects of 401(k)s and retirement planning
- Fidelity NetBenefits one-on-one sessions with financial advisors
- Local Social Security sessions to educate employees about Social Security and Medicare

Employee Engagement

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 2024, we had employees participating in collective bargaining agreements in the following countries: Austria (100%), Finland (100%), France (100%), Germany (70%), Italy (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.



Kevin R.

Tempe, USA

Walking bridge in Ninh Binh, Vietnam

Community Involvement

A great community is measured by the compassionate action of its members. 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. To encourage volunteering, we offer our employees two paid days per calendar year to work together with local charities at organized events and serve others. 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 volunteer work that Microchip employees completed in 2024.

Total Events

160



Participating Employees

1,976



Volunteer Hours

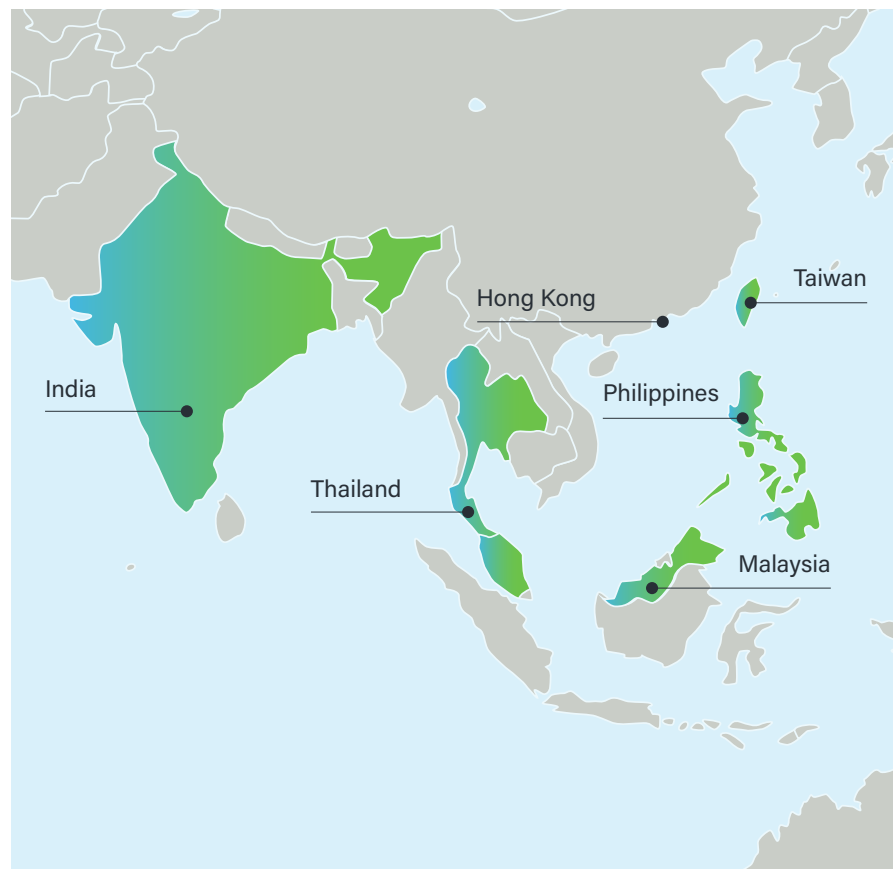
7,155



Dietmar S.

Heilbronn, Germany
Christmas market in Ravenna
Gorge, Black Forest, Germany

Community Involvement *continued*



Hong Kong

The Salvation Army Donation Program

We collaborated with The Salvation Army for a donation drive in Hong Kong. Our employees generously donated seven boxes of pre-packed items. The goods supported disadvantaged groups through Salvation Army projects, with proceeds from sales benefiting local community programs.

India

School Cleaning Drive

We partnered with Perumbakkam, a local public primary school in Chennai, for a school cleaning initiative. This initiative ensured a comfortable and hygienic learning environment for students returning after their summer break.

Blood Donation Drive

Our employees participated in a voluntary blood donation drive in partnership with Adyar Cancer Hospital in Chennai to support cancer patients.

Malaysia

Kenchara Soup Initiative

We partnered with the Kenchara Soup Kitchen and offered approximately 150 food boxes to support individuals in need within the local community.

Charity Drive

Our employees supported a charity drive in partnership with Pusat Jagaan Rumah Charis Penang, Relau, by distributing donated items to senior citizens and orphans in the local community.

Cleaning Drive

Our employees volunteered for a cleaning drive, in collaboration with Little Sisters of the Poor, at a home established by nuns to care for impoverished elderly residents.

Philippines

Brigada Eskwela: School Maintenance Week

We partnered with Looc Integrated School and Laguerta Elementary School during school maintenance week for three cleaning initiatives. Our employees volunteered in school cleaning and maintenance tasks. Donation drives and health care services were organized to provide support to the health and wellness of local school students.

Summer Health Awareness Program for Local School

We organized an educational summer health program at Laguerta Elementary School to educate students and raise awareness about common summer diseases through in-person lectures and to provide them with summer kits for their health and well-being.

University Student Plant Visit

We organized a plant tour for students from Dela Salle University in Manila to offer students a comprehensive understanding of industry operations and to bridge the gap between theoretical classroom discussions and practical industry insights.

Blood Donation

We collaborated with the Philippine National Red Cross and organized a voluntary blood donation drive, supporting life-saving services that serve the local community.

Donation to Typhoon Victims

We organized a donation drive to aid typhoon victims in Laurel, Batangas. Food and clothing were donated to those in need during the relief efforts.

Donation to Tribal Minority Group

In collaboration with the Tribong Malasakit, where our employees donated and assisted in distributing food, medicine, and clothing to 198 Mangyan families, a tribal minority group from the Oriental Mindoro.

Donation to Metro World Child Foundation

Our employees supported the Metro World Child Foundation by donating used toys to the underprivileged children of Tondo, Manila.

Donation to the Compassionate Community Kitchen

Our employees voluntarily donated to our partner organization, the Compassionate Community Kitchen, developed by the Ruth Foundation. This charitable organization supports underprivileged patients in palliative and hospice care. Our donation assisted the organization to provide nutritious meals to patients in need.

Community Involvement *continued*

Thailand

Voluntary Cleaning Drive

Our employees volunteered for a cleaning drive held at Sawang Arom Temple and Wat Khlongjow Temple in the Chachoengsao Province to serve the local community.

Daily Necessities and Second-Hand Books Donation

We donated daily necessities and second-hand books to the Chachoengsao Central Prison to promote learning and encourage personal development.

Gift Donation on National Children's Day

We participated in a gift donation drive organized by the Labor Protection and Welfare Office with the aim of supporting their activities that benefit local children in Chachoengsao Province on National Children's Day.

No Tobacco Campaign

We collaborated with the Department of Labor Protection and Welfare and the Bang Nam Piao Public Health Office in their quit smoking campaigns to promote a smoke-free local community on World No Tobacco Day.

Anti-Drug Activities

We collaborated with Watsawangrom School locally on an annual parade with students to raise awareness about drug abuse and illicit trafficking on International Day Against Drug Abuse.

Donation

We collaborated with the Sao Cha Ngok Subdistrict Administrative Organization and Wat Sao Cha Ngok School by donating light bulbs to the Sao Cha Ngok Temple to emphasize community support and cultural continuity.

Scholarship for Students in Thailand

Our employees made voluntary donations toward a scholarship for students at Pakklongbangkanak School. Along with the donation, a lecture was delivered highlighting the significance of consuming nutritious food and refraining from drugs.

Zero CO2 Half Marathon

Our employees joined the Zero CO2 Half Marathon, a fundraising event to support reforestation at Khao Ang Rue Nai Wildlife Sanctuary. They ran distances of 5K, 10K, and 21K, aiming to raise funds for restoration of the forest and to contribute to a greener ecosystem.

Run for Child - Fundraising Rally Run

Our employees actively participated in the Run for Child 2024, a fundraising rally run initiative organized by the Chachoengsao Provincial Public Health Office to support disabled students in need within the local community.

Taiwan

Beach Cleaning Activity

We organized a beach cleaning activity at the New Fisherman's Wharf in Hsinchu to protect the local marine environment. Our employees were actively engaged in sorting waste for recycling and preserving the natural surroundings.

Environment Protection Awareness Initiative

We organized an initiative to raise awareness about environmental protection and reduce carbon footprint at Taipei site. Our employees joined by shutting off office power during lunch and opting to walk rather than travel by vehicles, all in efforts to reduce their carbon footprint.



Mark C.

Hsinchu, Taiwan

Collecting litter from the beach to help protect our planet

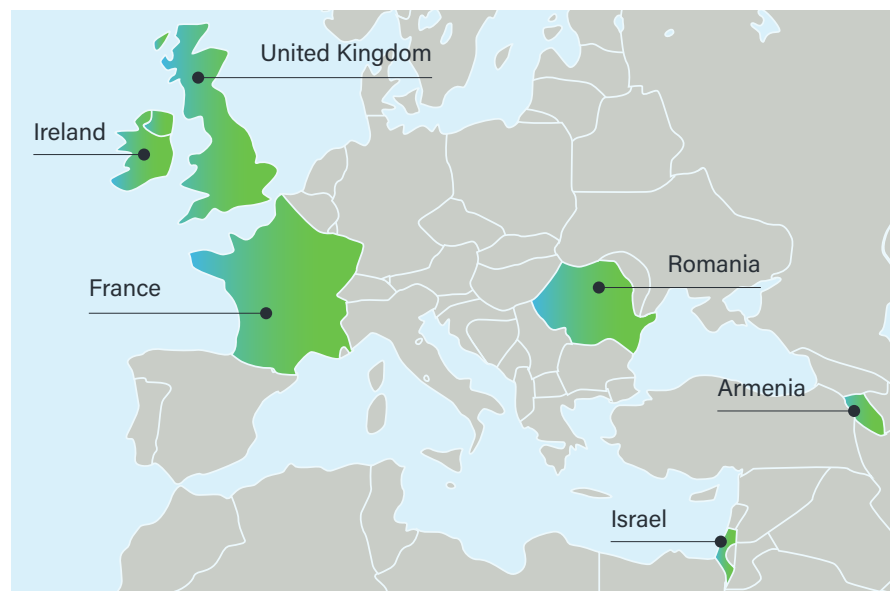


Kevin R.

Tempe, USA

Fansipan village, Vietnam

Community Involvement *continued*



France

- In celebration of Earth Day, employees participated in the annual cleanup event in the Rousset area, reinforcing their commitment to environmental stewardship.
- Microchip partnered with local associations and the Rousset Town Hall to inaugurate a new electric vehicle charging station in the Rousset area, promoting sustainable mobility for employees and residents.
- Two blood donation campaigns were organized with over 50 employees volunteering to this life-saving cause.
- Employees donated toys, school supplies, clothes, and non-perishable food items during the Christmas season to support those in need.
- In collaboration with local schools, employees participated in two career fairs, offering insights and guidance to aspiring future engineers.

Israel

- Employees supported the year-end event for graduates of a non-profit organization that empowers at-risk youth and individuals with special needs, providing safe spaces for those affected by the conflict.
- Employees volunteered at an animal rehabilitation shelter, spending time with abandoned dogs and taking them for walks.

Romania

- 60 colleagues dedicated 592 hours to community service across various locations, including Campina, Breaza, Predeal, and Valea Doftanei.
- Microchip hosted two on-site blood donation campaigns in the spring and fall.
- The Easter Charity Fair raised funds through sales of cakes, juices, and traditional food, as well as activities like ping-pong and salsa dance classes.
- The Back to School Romania Design Center (RDC) Charity Campaign provided 100 fully equipped schoolbags to students, with donations from colleagues and the Ladeca Mentorat Association.
- Microchip's participation in RoboChallenge Romania 2024 demonstrated our commitment to innovation and supported educational initiatives.
- In collaboration with Politehnica University of Timisoara, employees introduced analog and digital design concepts to electronics students to bridge academic learning and industry practices.
- The Christmas Charity Fair raised 12,400 RON (approx. 2,480 EUR) for children at a local foster care center.
- RDC employees participated in the JW Marriott Bucharest Cycling Challenge, raising funds for Hope and Homes for Children.

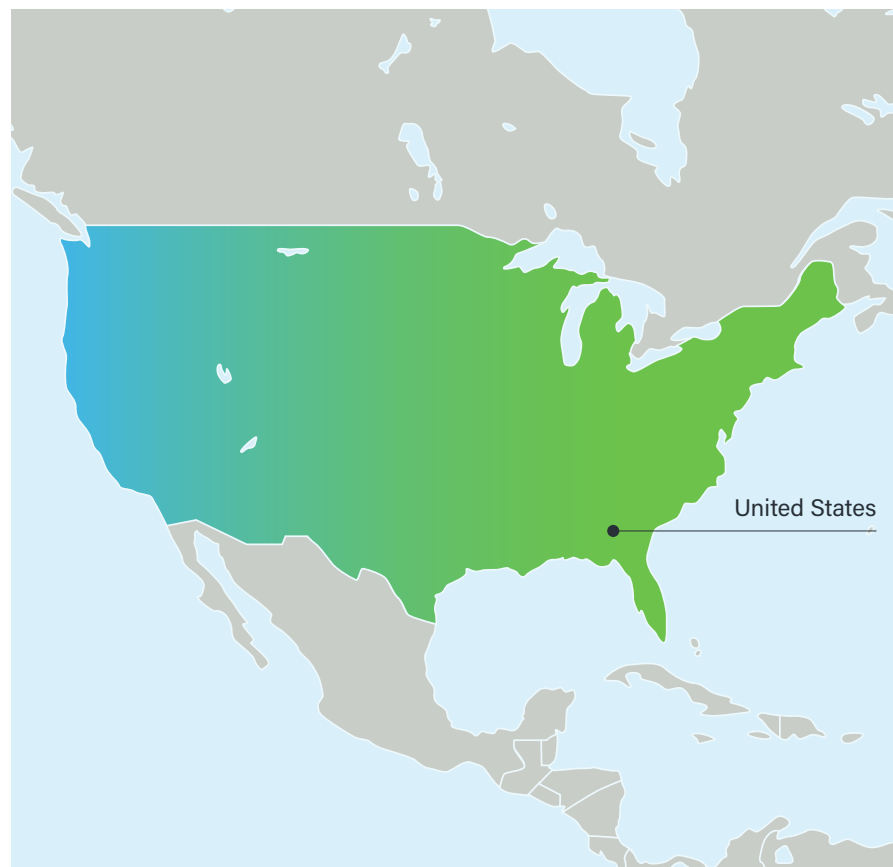
Armenia

- Employees participated in the Microelectronics International Forum, organized by the Union of Employers of ICT, discussing advancements in microelectronics with industry leaders.
- 20 employees volunteered with the More Than a Life Eternals Charitable Foundation at the Armani Aygi Community Park in Lernanist, planting trees to support environmental preservation and enhance biodiversity.

United Kingdom

- Employees organized an on-site bake sale to raise funds for Macmillan Cancer Support.
- The Caldicot site hosted a STEM event for local female high school students to inspire them to seek future careers in technology.
- Employees donated and wrapped gifts for the Royal Berkshire Hospital gift tree appeal for patients in the hospital on Christmas Day.
- Volunteers painted a classroom at a local school near the Wokingham site.
- Employees assisted with the maintenance of a local community sensory garden near the Caldicot site by planting flowers, bulbs, and shrubs.
- Microchip volunteers assisted the Wildlife Trust with maintaining outdoor areas by de-heading plants and removing weeds.
- Employees raised £600 for the Teenage Cancer Trust through the sale of sweets and snacks.
- We donated 50 chocolate selection boxes to a local food bank for Christmas.
- We also contributed socks, toiletries, dried food, and chocolate to support a local homeless charity.
- Microchip employees mentored students from local schools ahead of inter-school STEM competitions.
- Our team attended local careers fairs to inspire the next generation of engineers.

Community Involvement *continued*



United States

- Arizona employees donated their time to package food at Feed My Starving Children and AZcend Food Bank.
- California's most popular charity was Second Harvest Food Bank.
- Oregon employees participated in the Leach Botanical Gardens restoration.
- Colorado employees participated in the Boulder County Park Trails restoration, and in Colorado Springs, they were involved with Cheyenne Mountain Zoo, Manitou Adopt a Trail, and TESSA.
- Massachusetts employees participated in the Relay for Life Charity event.
- New York employees in Hauppauge volunteered at the Ronald McDonald House.
- Texas employees were involved in the Northwest Assistance Ministries annual Toy Drive.
- Pennsylvania employees volunteered at the Girls on the Run event, Central Pennsylvania Conservancy, and Hope Rescue Mission.
- 946 climbers came together at the South Mountain Park for the Annual Climb to Conquer Cancer of Phoenix to raise awareness and funds for cancer patients. A total of \$206,160 was raised during the event and Team Microchip ended up finishing in 4th place (out of 25 teams) raising \$3,557.



Community Support through Equipment Donation Colorado Springs

In alignment with Microchip's core value of community responsibility, our Colorado Springs team responded swiftly to support a local hospital facing a critical HVAC failure. Leveraging existing inventory and supplier networks, Microchip donated a spare chiller controller to the hospital, enabling them to maintain uninterrupted essential services. This timely act of support reflects Microchip's commitment to the communities in which we operate. It underscores the importance of corporate citizenship and collaboration during moments of need, demonstrating that sustainability extends beyond environmental stewardship to include social impact and community resilience.



Community Engagement and Environmental Stewardship Gresham Fab 4

In celebration of Earth Day 2024, 15 Microchip employees from the Gresham facility participated in a volunteer litter cleanup at Salish Ponds Wetland Park, located adjacent to the Fab 4 site. The group collected trash and removed large debris, including a discarded tire and broken bicycle from Fairview Creek, which flows alongside the facility and connects to local wetlands. This effort helped protect a sensitive ecosystem that supports various native species and provides a recreational space for the surrounding community.



Community Partnership Commitment Gresham Fab 4

Microchip employees continued to support Davis Elementary School through charitable drives and volunteer time. Volunteers participated in the school's Field Day event, helping facilitate outdoor activities for students and strengthening Microchip's connection with the local community. These initiatives reflect our broader commitment to environmental responsibility and community partnership.



Helen M.

Ottawa, Canada

Walking in Blandford, Nova Scotia

Community Involvement *continued*

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 STEM.

Microchip supports For Inspiration and Recognition of Science and Technology (*FIRST*®), the Robotics Education Competition (REC) Foundation, Remotely Operated Vehicle (ROV) Competition, and the National Underwater Robotics Challenge. 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.

Teams from AZFirst, the Microchip-founded 501(c)3 organization supporting *FIRST*, took home top honors at the 2024 *FIRST* World Championship in Houston, TX. Arizona students, representing less than 1% of competitors, earned the *FIRST* Impact Award, Engineering Inspiration Award, Judge's Choice Award, Engineering Excellence Award, Rising Stars Award, and were a part of the Winning Alliance.

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 financial grants to rookie *FIRST* and 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



Joshua G.

Calamba, Philippines

Together we can move mountains.

Community Involvement *continued*

Project C.U.R.E.

Project C.U.R.E. is making a global impact by delivering life-saving medical supplies, equipment, and services to communities in need. As the world's largest distributor of donated medical resources, Project C.U.R.E. has provided over \$1 billion in aid to 135 countries since their founding in 1987.

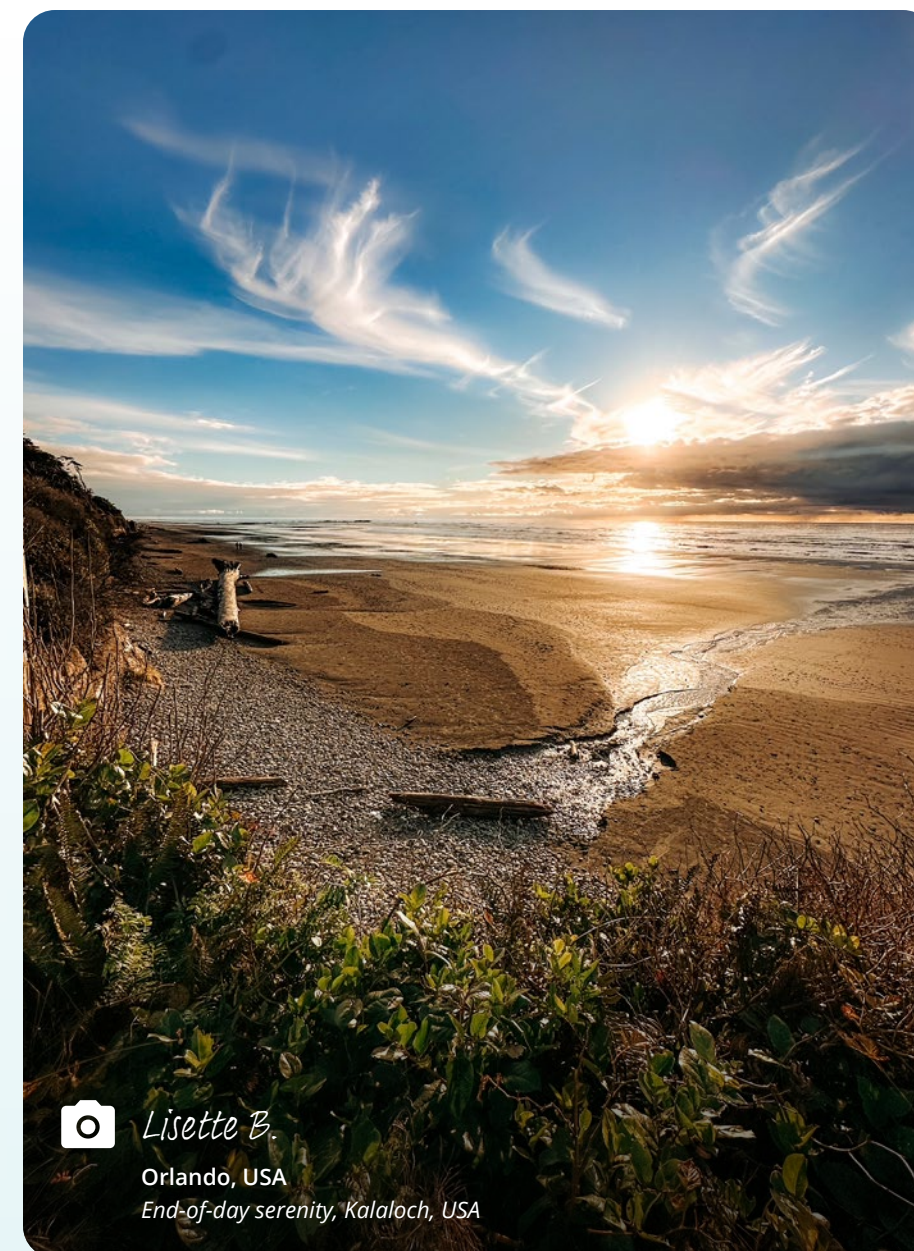
One of Project C.U.R.E.'s key hubs in this mission is the Phoenix warehouse, where they operate out of a 46,000-square-foot space generously donated by Microchip since 2007. This partnership allows Project C.U.R.E. to collect surplus medical supplies from local healthcare facilities and ship them to hospitals and clinics in developing nations—bringing critical resources to where they're needed most.

In 2024, the Project C.U.R.E. Phoenix warehouse loaded 23 containers, valued at over \$9 million worth of medical aid to 15 countries. Among these shipments were urgent relief supplies for Ukraine, including a container sent to Okhmatdyt Children's Hospital after it was tragically bombed in early July 2024. The warehouse also played a key role in mobilizing emergency medical supplies such as gauze, dressings, and other wound care items—sourced from six Project C.U.R.E. warehouses nationwide to support those affected by crises in Ukraine, the Middle East, and the Philippines.

Due to Microchip providing warehouse space, more of Project C.U.R.E.'s resources can go directly toward helping communities in need. In 2024, this support allowed them to engage over 3,000 volunteers, who contributed more than 25,000 service hours. Microchip's employees also help to sort and prepare donated medical supplies for international distribution. Together, we're making a difference—one shipment, one volunteer, and one life at a time.

Microchip Supports United Way

Microchip employees and corporate locations invested time and money to support the following local United Way chapters in 2024: Alabama, Arizona, California, Colorado, Connecticut, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Texas, and Wisconsin. During the 2024 campaign season, support from employees provided direct assistance to over 50 United Way chapters. Over \$175,000 was distributed to communities and organizations that provide educational resources, increase access to health and food support, and contribute to programs needed to help end hunger and homelessness. Funds not tied to an area of need went to general "Force For Mighty Change" support and Financial Stability program access.



Lisette B.

Orlando, USA

End-of-day serenity, Kalaloch, USA



Environmental Health and Safety

In 2024, the Microchip EHS Team embraced new challenges, introduced innovative programs, and reached new milestones in setting trends to achieve their goals.

Global accomplishments were realized with the achievement of ISO 14001 Environmental Management System Certification at the Gresham, Oregon, and Tempe, Arizona, manufacturing sites. This milestone enhanced the ability to meet environmental goals at local, federal, and internal levels, reinforcing ISO 14001 standards at all of the largest production sites worldwide.

After thoroughly reviewing OSHA recordable injuries over the past five years, it was found that, on average, 50% of injuries at front-end manufacturing sites each year were ergonomic in nature. In 2024, Microchip significantly reduced this percentage by partnering with an external organization to provide enhanced training for employees at the largest front-end manufacturing sites in North America. The results from the first year of the program were promising, with ergonomic injuries down 50% as compared to 2023. While this year's improvement is encouraging, the program is designed with a long-term focus on employee health and risk assessments, with the ultimate goal of ensuring lasting well-being and safety.

In addition to ongoing injury prevention efforts, our larger manufacturing sites also have in-house Medical Emergency Response Teams (MERTs) and Emergency Response Teams (ERTs). The MERT members receive CPR and first aid training to handle on-site employee injuries and illnesses. The ERT members undergo multiple classroom and obstacle course training annually to include the local fire departments, ensuring a cooperative partnership. The ERT is medically cleared and respirator-fitted to be the first to respond to investigations of smells, spills, and alarms, ensuring employee safety during evacuations and preventing unnecessary evacuations of the fabs. This year, we proudly established the first-ever ERT at one of our newly acquired sites.

A pivotal turn in chemical reduction and replacement was made this year with groundbreaking reduction to CO2e without the need for robust abatement equipment. The initiative aimed to enhance overall emissions, not only from a CO2e standpoint, but also by addressing co-pollutants and other environmental impacts such as wastewater treatment. This transformative progress was driven by a talented team of engineers from various organizations, contributing to the positive changes in emissions and aligning with our 2040 Net Zero goal.

The 2023 expansion and growth of the EHS Corporate Team is demonstrating strength and enhancing cohesiveness in larger manufacturing facilities by eliminating single points of failure and improving continuity. Numerous cross-functional programs and processes were developed, enabling other sites to easily access these resources without having to start from scratch. These improvements continue to evolve with long-term goals that include the incorporation of worldwide manufacturing sites.

Microchip will continue to take a unified approach by empowering both on-site EHS teams and corporate leadership to drive global improvements in environmental performance and employee health and safety. We are investing in company-wide programs and incentives—such as energy efficiency upgrades, waste reduction initiatives, and safety training—that go beyond individual site metrics and support our long-term sustainability goals.

Recordable Incidents¹

OPERATIONS AND LOCATION	2021	2022	2023	2024
U.S. Front-End Manufacturing	34	39	40	29
U.S. Other Manufacturing	11	9	10	7
International	4	4	3	3
All U.S. Sites	45	48	50	36

¹ Based on U.S. OSHA criteria for recordable cases.

Injury Rate (Cases) Per 100 Employees

OPERATIONS AND LOCATION	2021	2022	2023	2024
U.S. Front-End Manufacturing	1.58	1.56	1.52	1.30
U.S. Other Manufacturing	0.50	0.39	0.41	0.32
International	0	0	0	0



Jacob W.

Tempe, USA

Little Colorado River sunset

Environmental Health and Safety *continued*

Aligned with Microchip’s overarching commitment to EHS, our corporate policy underscores several fundamental principles:

A steadfast commitment to developing, implementing, and continuously improving **EHS programs**

Placing the **well-being of our employees** and the communities we operate in at the forefront of our policies and decisions

Proactively identifying, evaluating, and implementing opportunities for **pollution prevention**

Ensuring compliance with all pertinent environmental, health, and safety regulations

Integrating EHS considerations into our business operations, leveraging the **innovative spirit and creativity** of our workforce

Leading with Safety: Milestone Achievements Across Asia

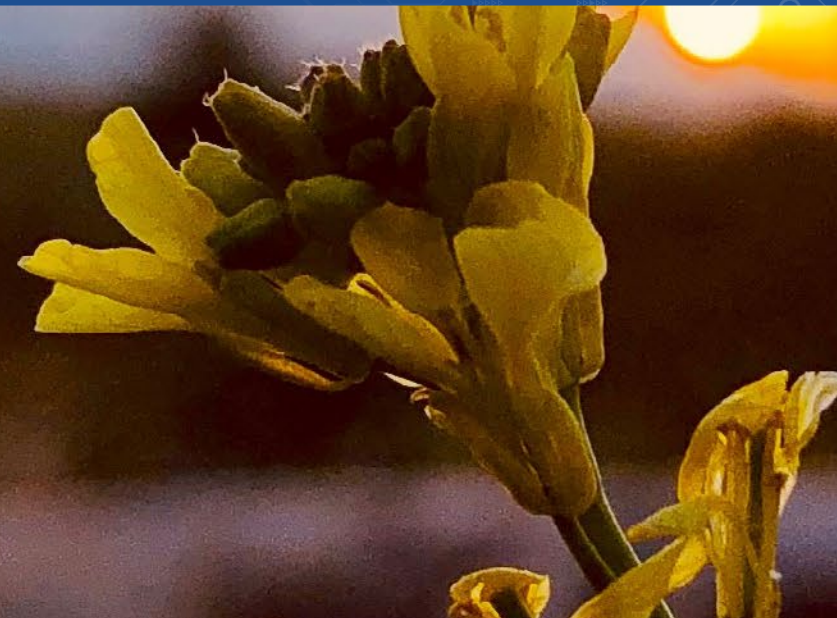
Our Thailand sites, MTHAI and MMT, received the Gold-level Zero Accident Award—the highest recognition—for 2024. MTHAI and MMT achieved 11,378,213 and 13,242,789 consecutive working hours, respectively, without a single lost-time accident.

In 2024, our Philippines manufacturing site (MPHIL-1) successfully completed a Stage-2 audit for ISO 45001:2018 and was recommended for certification with a three-year validity. This certification reflects our continued commitment to occupational health and safety management and demonstrates alignment with international best practices for worker protection, hazard control, and regulatory compliance.



From Cost to Impact: Waste Matrix Drives Diversion and Reduction

Fab EHS has developed a cost analysis matrix to systematically evaluate all waste management practices and vendor relationships. What ostensibly began as a cost exercise has evolved to identify new diversion, recycling, and waste reduction opportunities across the spectrum of manufacturing activities. This tool is scalable and will be leveraged to identify and share potential Pollution Prevention (P2) opportunities for smaller manufacturing and non-manufacturing sites in the near future.



Jontae F.

Gresham, USA
Calming beauty



Appendices



Noor M.

Chandler, USA

Mediterranean dream, Beirut, Lebanon

56	<i>Appendix I: ESG Performance Summary</i>
60	<i>Appendix II: GHG Verification Statement</i>
61	<i>Appendix III: GRI Index</i>
71	<i>Appendix IV: SASB Index</i>
72	<i>Appendix V: TCFD Index</i>

ESG Performance Summary

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Our Company: Financial Information¹							
Net Revenue (dollars in millions)	5,349.50	5,274.20	5,438.40	6,820.90	8,438.10	7,634.40	4,401.58
Net Income (dollars in millions)	355.90	570.60	349.40	1,285.50	2,237.70	1,906.90	-2.70
Income Tax Provision (benefit) (dollars in millions)	-151.40	-420.20	-9.90	197.00	672.00	459.00	39.40
R&D Spend (dollars in millions)	826.30	877.80	836.40	989.10	1,118.30	1,097.40	983.80
Capital Spend (dollars in millions)	228.90	67.60	92.60	370.10	486.20	285.10	126.00
Operating Cash Flow (dollars in millions)	1,674.80	1,543.80	1,916.50	2,842.70	3,621.00	2,892.70	898.10

	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024	UN SDGs
Our Company: Governance								
Number of Directors ^{2,3}	5	5	7	7	8	7-8	6-8	
Independent Directors (%) ⁴	80	80	71	71	75	67	83	

1 Financial data is represented in Fiscal Years. For example, column FY2025 contains financials from Microchip Fiscal Year 2025 (April 1, 2024 - March 31, 2025).




















2 From January 3, 2023 through August 22, 2023, the BOD consisted of 8 members; from August 23, 2023 through December 31, 2023, the BOD consisted of 7 members. These numbers are as of December 31, 2023.

3 From April 1, 2024 through August 20, 2024, the BOD consisted of 8 members; from August 21, 2024 through November 18, 2024, the BOD consisted of 7 members; from November 19, 2024 through February 4, 2025, the BOD consisted of 6 members. These numbers are as of December 31, 2024.

4 From April 1, 2024 through August 20, 2024, the BOD percentage of independence was 75%; from August 21, 2024 through November 18, 2024, the BOD percentage of independence was 71%; from November 19, 2024 through February 4, 2025, the BOD percentage of independence was 83%. These numbers are as of December 31, 2024.



ESG Performance Summary *continued*

	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024	UN SDGs
Our Planet⁵								
Scope 1 Emissions (MTCE)	529,370	425,973	348,407	407,724	424,370	439,683	288,193	
Net % Change (relative to baseline year, 2018)	—	-19.50%	-34.20%	-23.00%	-19.83%	-16.94%	-45.56%	 
Scope 2 Emissions (MTCE)	328,915	311,490	305,341	305,162	294,100	271,442	195,632	
Net % Change (relative to baseline year, 2018)	—	-5.30%	-7.20%	-7.20%	-10.58%	-17.47%	-40.52%	 
Total Emissions (MTCE)	858,285	737,463	653,748	712,886	718,470	711,125	483,825	
Net % Change (relative to baseline year, 2018)	—	-14.08%	-23.83%	-16.94%	-16.29%	-17.15%	-43.63%	
Energy Usage (MWh)	1,024,225	968,169	997,729	989,118	967,148	1,001,826	987,314	 
Net % Change (relative to baseline year, 2018)	—	-5.50%	-2.60%	-3.43%	-5.57%	-2.20%	-3.60%	 
Waste Diverted from Landfills (Tons)	1,595.82	1,862.43	1,929.19	2,927.98	4,971.00	5,352.33	4,615.00	   
Water Usage (Gals)	1,515,648,307	1,455,758,888	1,310,570,498	1,448,084,330	1,557,949,339	1,689,364,482	1,555,991,264	 
Net % Change in Water Usage (relative to baseline year, 2018)	—	-4.00%	-13.50%	-4.46%	2.79%	11.46%	2.66%	
Effluent Waste (Gals)	1,053,746,608	1,071,830,470	915,400,637	936,856,407	1,147,257,870	1,178,282,029	1,160,794,456	 
Net % Change in Effluent Waste (relative to baseline year, 2018)	—	1.70%	-13.10%	-11.10%	8.87%	8.87%	10.16%	 

⁵ Restated historical figures have been updated in this table to reflect the most accurate data available.



GHG Verification Statement



Verification statement

To the stakeholders of Microchip Technology Inc.

EcoAct was engaged by Microchip Technology Inc. at 2355 West Chandler Blvd, Chandler, Arizona, USA 85224-6199 to provide independent third-party limited verification of its direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions. This was detailed in the company's carbon footprint calculation for the period of 1st of January 2024 to 31st of December 2024.

OBJECTIVE & RESPONSIBILITIES

The objective of the GHG emissions verification was to confirm whether the GHG statements as reported in Microchip Technology Inc. GHG Emissions report for 2024 were fairly stated and free from material error or omission in accordance with the criteria outlined below.

Microchip Technology Inc. is responsible for the organisation's emissions sources and GHG related information as well as the development and maintenance of records and procedures in accordance with its reporting requirements. The EcoAct verification team's responsibility is to express an independent verification opinion on the accuracy of the GHG emissions reported by Microchip Technology Inc. and supporting processes and procedures in place to aggregate and analyse data.

CRITERIA

Criteria against which the verification assessment was undertaken:

- Calculation methodology: World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol).
- Reference methodologies included:
 - 2024 UK Government GHG Conversion Factors for Company Reporting (Department for Energy Security and Net Zero)
 - EPA Center for Corporate Climate Leadership. Emission Factors for Greenhouse Inventories
 - EPA eGRID Year 2022 data. January 30, 2024
 - National Inventory Report 1990-2022: Greenhouse Gas Sources and Sinks in Canada
 - IEA Emission Factors 2024
 - European Residual Mixes. Results of the calculation of Residual Mixes for the calendar year 2023
 - 2024 Green-e Residual Mix Emissions Rates (2022 Data)
 - GHG Protocol. Emission Factors from Cross-Sector Tools March 2024.
 - IPCC, 2013: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.
 - Workbook of Energy conversion and emission factors for publication on SEAI website (v1.3).
 - Emission factors for burning natural gas and diesel (distillate fuel oil no. 2) per 40 CFR Part 98, Subpart C, Tables C-1, and C-2
 - 40 CFR Part 98 Subparts A and Provided Conversion Factors
 - Global warming potentials per 40 CFR Part 98 Subpart A Table A-1

LEVEL OF VERIFICATION AND MATERIALITY

A limited level of verification aligned with the ISO 14064-3:2019 standard with specification and guidance for the verification and validation of greenhouse gas statements was conducted.

The organisational boundary of Microchip Technology Inc. was established as to include operation sites in 2024 which accounts for 68 sites across 19 global markets. Microchip Technology Inc. used the operational control approach, which is where the business has full operational control. The verification team reviewed the source data from Microchip Technology Inc. GHG Emissions report, to identify emissions sources material to the carbon footprint.

VERIFICATION OPINION

Based on the data and information provided by Microchip Technology Inc. and the processes and procedures followed, nothing has come to EcoAct's attention to indicate that the GHG emissions totals reported for 2024 are not fairly stated and free from material error.

The final, verified emissions total was **602,818 tCO₂e (location-based method)**.

Microchip Technology Inc. Carbon Emissions sources	2024 Emissions (tCO ₂ e)
Scope 1 Emissions	288,193
Scope 2 Emissions (location-based)	314,625
Scope 2 Emissions (market-based)	195,632
Total Scope 1 and 2 (location-based)	602,818
Total Scope 1 and 2 (market-based)	483,825

DESCRIPTION OF ACTIVITIES

In accordance with the Limited Verification requirement, EcoAct selected and verified sufficient and appropriate evidence, data, and calculations to form the basis for our verification opinion.

Selected data for verification included: Scope 1 emissions (GHGs released from the combustion of fuels and in the manufacturing processes) and Scope 2 emissions (electricity).

The verification of Microchip Technology Inc.'s emissions related information was conducted through the review and testing of its emissions calculations and selected primary evidence. We have had regular interactions with the key contact person involved in data gathering and reporting to discuss systems, processes and methodologies used to compile the GHG report for 2024.

Amendments to the carbon footprint calculation, to correct minor data discrepancies, were made during the verification process by the Microchip Technology Inc. team prior to the finalization of the GHG emissions totals. These discrepancies were not material to the data reported above.

Further detailed findings and recommendations about Microchip Technology Inc.'s emissions data have been made to the management of Microchip Technology Inc. throughout the verification.

On completion, the verification work was independently reviewed against the requirements of the ISO 14064-3 standard by a senior member of the EcoAct UK team.

Verified by

Lucy Blundell
Lucy Blundell
Consultant
EcoAct,
London, June 2025

Independent review

Gavin Tivey
Gavin Tivey
Principal Consultant
EcoAct,
Barcelona, June 2025



Global Reporting Initiative (GRI) Index

Statement of Use

Microchip Technology Inc. has reported the information cited in this GRI content index for the period January–December 2024 with reference to the GRI Standards. (GRI 1: Foundation 2021)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	2024 Sustainability Report, page 8
	2-2 Entities included in the organization’s sustainability reporting	All Microchip sites with at least 10 full-time employees and design engineering capabilities (purely sales offices excluded)
	2-3 Reporting period, frequency and contact point	Annual reporting for January–December 2024 Contact: ESG_Assurance@microchip.com
	2-4 Restatements of information	2024 Sustainability Report, page 57
	2-5 External assurance	GHG Verification Statement, page 60
	2-6 Activities, value chain, and other business relationships	2024 Sustainability Report, pages 9-10
	2-7 Employees	Asia/Pacific: 11,061 Europe: 2,657 North America: 7,320 Total employee headcount: 21,038
	2-9 Governance structure and composition	2024 Proxy, pages 13-14, 15, 19
	2-10 Nomination and selection of the highest governance body	2024 Proxy, pages 19-21
	2-11 Chair of the highest governance body	2024 Proxy, page 14
	2-12 Role of the highest governance body in overseeing the management of impacts	2024 Proxy, page 15
	2-13 Delegation of responsibility for managing impacts	2024 Proxy, page 15-17
	2-14 Role of the highest governance body in sustainability reporting	2024 Proxy, page 15-17
	2-15 Conflicts of interest	2024 Proxy, pages 13, 23, 80



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
	2-16 Communication of critical concerns	2024 Proxy, pages 19, 80
	2-17 Collective knowledge of the highest governance body	2024 Proxy, pages 13, 15, 24
	2-18 Evaluation of the performance of the highest governance body	2024 Proxy, pages 13, 19, 24
	2-19 Remuneration policies	2024 Proxy, pages 22, 47-48, 60, 61
	2-20 Process to determine remuneration	2024 Proxy, pages 20, 22, 47-48
	2-21 Annual total compensation ratio	2024 Proxy, page 60
	2-22 Statement on sustainable development strategy	Microchip Environmental Responsibility Policy
	2-23 Policy commitments	2024 Sustainability Report, pages 30-32
	2-24 Embedding policy commitments	2024 Proxy, pages 13, 15-17, 20
	2-25 Processes to remediate negative impacts	Microchip Corporate Environmental, Health and Safety Policy
	2-26 Mechanisms for seeking advice and raising concerns	2024 Proxy, pages 13, 17, 19
	2-27 Compliance with laws and regulations	2024 Proxy, pages 13, 17-18
	2-28 Membership associations	2024 Sustainability Report, page 19
	2-29 Approach to stakeholder engagement	2024 Proxy, pages 5, 13, 16
	2-30 Collective bargaining agreements	<p>Collective bargaining agreements apply in the following countries: Finland (100%), Austria (100%), Germany (70%), Italy (100%), France (100%), and Spain (100%).</p> <p>No other countries, including those in North America and Asia, are covered by such agreements.</p> <p>Employees not covered by collective bargaining agreements are employed under contracts that fully comply with local labor laws and regulations.</p>



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	2024 Sustainability Report, page 17
	3-2 List of material topics	2024 Sustainability Report, page 18
	3-3 Management of material topics	2024 Proxy, pages 15-16
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Microchip Environmental Responsibility Policy
	101-2 Management of biodiversity impacts	2024 Sustainability Report, page 28
	101-3 Access and benefit-sharing	By adopting a holistic perspective on environmental impacts through the SBTN framework, Microchip is strengthening its ability to take urgent and meaningful action in alignment with global biodiversity and sustainability goals. This approach not only amplifies the potential for co-benefits, but also minimizes trade-offs for nature, biodiversity, and broader corporate sustainability initiatives.
	101-4 Identification of biodiversity impacts	2024 Sustainability Report, page 28
	101-5 Locations with biodiversity impacts	2024 Sustainability Report, page 28
	101-6 Direct drivers of biodiversity loss	2024 Sustainability Report, page 28
	101-7 Changes to the state of biodiversity	2024 Sustainability Report, page 28
	101-8 Ecosystem services	2024 Sustainability Report, page 28
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2025 10-K Section F-6
	201-2 Financial implications and other risks and opportunities due to climate change	2025 10-K, pages 14, 18, 22, 35-37
	201-3 Defined benefit plan obligations and other retirement plans	2025 10-K (F-6, F-14, Note 12 - F-35 to F-38)
	201-4 Financial assistance received from government	2025 10-K, pages 17, 23-24 (F-15)
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	In all locations listed, our standard entry-level wages meet or exceed the local minimum wage: UK: 100%, Ireland: 117%, Germany: 140%, Philippines: 100%, Thailand: 100%. We follow minimum standard wage guidelines regardless of gender.
	202-2 Proportion of senior management hired from the local community	1.20%



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	2024 Sustainability Report, page 52
	203-2 Significant indirect economic impacts	2024 Sustainability Report, pages 46-50
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, and Colorado Springs.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2024 Proxy, page 15
	205-2 Communication and training about anti-corruption policies and procedures	Microchip's Code of Business Conduct and Ethics
	205-3 Confirmed incidents of corruption and actions taken	None
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
GRI 207: Tax 2019	207-1 Approach to tax	2025 10-K, page 50
	207-2 Tax governance, control, and risk management	FY2024 Annual Report on Form 10-K (pages 13-14, 17, 23-24, 31-33, 45, 47-48)
	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 DEF 14A page 18 which discusses how the audit committee addresses concern via their Reporting Legal Non-Compliance Policy .
	207-4 Country-by-country reporting	We don't report country by country, but report on aggregate foreign taxes; 2025 10-K, F35
GRI 302: Energy 2016	302-1 Energy consumption within the organization	2024 Sustainability Report, pages 24-25
	302-4 Reduction of energy consumption	2024 Sustainability Report, page 25
	302-5 Reductions in energy requirements of products and services	2024 Sustainability Report, pages 35-36



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	2024 Sustainability Report, page 26
	303-2 Management of water discharge-related impacts	2024 Sustainability Report, page 26
	303-3 Water withdrawal	2024 Sustainability Report, page 26
	303-4 Water discharge	2024 Sustainability Report, page 26
	303-5 Water consumption	2024 Sustainability Report, page 26
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	2024 Sustainability Report, page 22
	305-2 Energy indirect (Scope 2) GHG emissions	2024 Sustainability Report, page 22
	305-3 Other indirect (Scope 3) GHG emissions	2024 Sustainability Report, page 22
	305-5 Reduction of GHG emissions	2024 Sustainability Report, page 22
	305-6 Emissions of ozone-depleting substances (ODS)	We monitor ozone-depleting substances (ODS) usage and leakage across our operations. In alignment with EPA regulations, we are only required to report ODS releases if they exceed the 125% leak rate threshold. To date, our leak rates have remained below this reporting threshold.
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	We monitor emissions such as NO _x , SO _x , and other regulated pollutants in accordance with the air permits issued to each site, as required by applicable state and local regulations.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Hazardous Waste: 662 MT; Non-Hazardous Waste: 5,606 MT 2024 Sustainability Report, page 27
	306-2 Management of significant waste-related impacts	2024 Sustainability Report, page 27



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
	306-3 Waste generated	Hazardous Waste: 662 MT; Non-Hazardous Waste: 5,606 MT
	306-4 Waste diverted from disposal	Hazardous Waste Diverted from Disposal: 647 MT Non-Hazardous Waste Diverted from Disposal: 3,968 MT
	306-5 Waste directed to disposal	Hazardous Waste Diverted to Disposal: 15 MT Non-Hazardous Waste Diverted to Disposal: 1,638 MT
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	2024 Sustainability Report, page 31
	308-2 Negative environmental impacts in the supply chain and actions taken	2024 Sustainability Report, page 31
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	In 2024, Microchip hired over 1,100 employees across 24 countries. While we continued to invest in talent acquisition and development, hiring slowed, with natural turnover occurring, caused by market conditions. In turn, this resulted in our overall headcount decreasing by 9%. We remain committed to supporting our current and former employees through this transition phase. Despite the reduced headcount, our focus on training, internal mobility, and college recruiting continues to strengthen our workforce. At year-end 2024, 23% of employees had been with Microchip for over 15 years—reflecting our strong culture and employee engagement. We continue to manage turnover and succession proactively to ensure business continuity and team resilience.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	2024 Sustainability Report, page 44
	401-3 Parental leave	Asia: Female: 328, Male: 23 Europe: Female: 68, Male: 52 Canada: Female: 4, Male: 11 United States: Female: 21, Male: 75
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



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<p>Microchip is committed to protecting the health and safety of our employees, contractors, and surrounding communities through a comprehensive EHS management system. Our program is aligned with internationally recognized standards, including ISO 14001 and ISO 45001, which are implemented across many of our manufacturing sites in the U.S. and internationally.</p> <p>Our EHS management system is overseen by a dedicated team of professionals and covers key areas such as occupational safety, industrial hygiene, product material compliance, construction safety, fire protection, and on-site health services. These systems are tailored to local requirements and are routinely reviewed and updated.</p> <p>We maintain a publicly available EHS policy and provide ongoing training for employees on workplace hazards, risk identification, and safe work practices. Emergency Response Teams are established and trained at our sites to ensure preparedness and rapid response to any EHS-related incidents.</p> <p>Incident and near-miss reporting tools are in place across the organization to promote a culture of continuous improvement and proactive risk management. These tools help identify trends, assess root causes, and implement mitigation measures to enhance workplace safety.</p>
	403-2 Hazard identification, risk assessment, and incident investigation	<p>Microchip conducts hazard and risk assessments for all job functions to proactively identify and mitigate potential safety risks. In the event of an incident, we perform thorough investigations to determine root causes and implement corrective actions. We have standardized documentation and procedures outlining the requirements for hazard assessments and incident investigations, which are applicable across all our sites globally.</p>
	403-3 Occupational health services	<p>Each Microchip site maintains designated locations for providing occupational health services. These facilities support employees by addressing workplace health concerns and coordinating with Human Resources to ensure appropriate handling of workers' compensation cases.</p> <p>Our occupational health services are integrated into our overall EHS management system and are designed to promote employee well-being, facilitate recovery, and support a safe and healthy work environment.</p>



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
	403-4 Worker participation, consultation, and communication on occupational health and safety	All workers receive occupational health and safety training during new hire orientation, with ongoing training provided by supervisors as needed. We reinforce safety awareness through regular meetings, site-wide communications, and continuous engagement. We foster open and transparent communication through multiple channels, including anonymous safety email inboxes, physical drop boxes at sites, and an open-door policy that encourages employees to voice concerns or suggestions without fear of retaliation. These mechanisms ensure active participation and continuous dialogue on health and safety matters across all levels of the organization.
	403-5 Worker training on occupational health and safety	All employees receive health and safety training during new hire orientation, with additional training provided by supervisors as needed and reinforced through ongoing communications such as meetings and site-wide emails. In addition to general training, all job-specific safety training requirements are identified and tracked annually to ensure compliance and relevance to each employee's role. Our training programs are designed to promote a strong safety culture and empower employees to recognize, report, and mitigate potential hazards in the workplace.
	403-6 Promotion of worker health	2024 Sustainability Report, pages 53-54
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	In response to ergonomic-related injuries—which historically accounted for over 50% of our recordable incidents—Microchip launched a formal Ergonomics Program this year to proactively address and reduce these risks across our operations. Additionally, cross-functional teams regularly conduct site walks to identify potential hazards and implement continuous safety improvements.
	403-8 Workers covered by an occupational health and safety management system	100% of Microchip employees are covered by Workers Compensation.
	403-9 Work-related injuries	2024 Sustainability Report, page 53
	403-10 Work-related ill health	2024 Sustainability Report, page 53
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employees engaged in 3,147 live classes and 280,927 online courses.
	404-2 Programs for upgrading employee skills and transition assistance programs	2024 Sustainability Report, page 43
	404-3 Percentage of employees receiving regular performance and career development reviews	90% of employees receive regular performance/development discussions via One-on-Ones and Quarterly Check Ins.



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Refer to our annual 10-K filings with the SEC for fiscal year 2025 and notes to our consolidated financial statements for information.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	2024 Sustainability Report, page 31
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2024 Sustainability Report, page 31
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Our security personnel are third-party vendors. Currently Microchip policy training is not extended to on-site vendors. However, our Supplier Code of Conduct requires humane treatment, and prohibits non-discrimination or harassment.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	We are not aware of any such incidents.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	2024 Sustainability Report, pages 46-52
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	2024 Sustainability Report, page 31
	414-2 Negative social impacts in the supply chain and actions taken	2024 Sustainability Report, page 31
GRI 415: Public Policy 2016	415-1 Political contributions	Compliance with Laws (HR-685) 2.7, Political Contributions
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	We are not aware of any formal assessments conducted specifically under this criterion.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	We are not aware of any incidents of non-compliance related to the health and safety impacts of our products or services during the reporting period.



Global Reporting Initiative (GRI) Index *continued*

GRI STANDARD	DISCLOSURE	LOCATION
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Microchip enforces rigorous standards for product information and labeling. We require all products to include clear labeling and accessible information related to component sourcing, material content, and end-of-life disposal. Each product is marked with relevant global compliance symbols, including CE, RoHS, China EFUP, and WEEE. Our PMC website provides corporate statements confirming adherence to applicable regulations such as EU REACH, SCIP, and California Proposition 65, among others. Detailed compliance and labeling information for individual products is also available through the PMC web’s Product Material Compliance search tool.
	417-2 Incidents of non-compliance concerning product and service information and labeling	None
	417-3 Incidents of non-compliance concerning marketing communications	There were no occurrences in 2024.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Microchip did not face any material cyber security breaches resulting in significant leaks, thefts, or losses of customer data in 2024.



Sustainability Accounting Standards Board (SASB) 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) 288,193 MTCE (2) 92,668 MTCE
	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	2024 Sustainability Report, pages 22-23
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	(1) 3,554,330 GJ (2) 80% (3) 20%
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) 5,889,445 m ³ (High/Extremely High Water Stress regions: 58%) (2) 2,748,973 m ³ (High/Extremely High Water Stress regions: 44%)
Waste Management	TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing (2) percentage recycled	(1) 662 MT (2) 74%
Workforce Health and Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	2024 Sustainability Report, pages 53-54
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	None. Consolidated financial statements and related notes: 2024 10-K, pages F-1 to F-39.
Recruiting and Managing a Global and Skilled Workforce	TC-SC-330a.1	Percentage of employees that require a work visa	U.S. Employees on Sponsorship: 326 Canadian Employees on Sponsorship: 101
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Microchip currently does not track the percentage of products by revenue that contain IEC 62474 declarable substances.
	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	We do not disclose system-level efficiencies for these product categories, as they vary significantly depending on the specific applications and configurations of installed Microchip products.
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	2024 Sustainability Report, page 32
Intellectual Property Protection and Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	None. Consolidated financial statements and related notes: 2024 10-K, Pages F-1 to F-39.



Task Force on Climate-Related Financial Disclosures (TCFD) Index

As a global leader in the semiconductor industry, Microchip Technology is committed to identifying and managing climate-related risks and opportunities across our business. We recognize that climate change poses both physical and transitional challenges, affecting our operations, supply chains, and the broader industry landscape. By taking a proactive approach to decarbonization and climate resilience, we aim to reduce our environmental footprint while creating long-term value for our customers, investors, employees, and communities. The disclosures below outline how we align with the recommendations of the TCFD and integrate them into our broader sustainability strategy.

TOPIC	RECOMMENDED DISCLOSURES	RESPONSE
Governance	<p>a. Describe the board’s oversight of climate-related risks and opportunities.</p> <p>b. Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Microchip Technology’s leadership recognizes that effective governance is critical to managing climate-related risks and advancing our sustainability goals. We have established a structured governance framework that integrates climate considerations into our overall business strategy. Oversight of ESG matters, including climate-related risks and opportunities, is provided by our NGSC of the Board.</p> <p>To ensure cross-functional alignment and accountability, we have also formed an ESG Steering Committee composed of senior executives from key business units and functions. This committee provides strategic direction and drives the implementation of our sustainability initiatives across the company. Complementing this structure are company-wide policies and procedures that reinforce ethical conduct and environmental responsibility, supporting our long-term commitment to climate stewardship.</p> <p>Reference documents:</p> <ul style="list-style-type: none"> 2024 Sustainability Report, pages 11, 16-18 2025 Proxy, pages 14-15 2024 CDP Climate Change Survey – C1. Governance
Strategy	<p>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p> <p>c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>During 2023-2024 we conducted climate and water risk assessments to evaluate the potential physical and transitional impacts of climate change on our business over the short (2025), medium (2030), and long term (2050). These analyses were informed by established climate scenarios, including the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP 2.6 and RCP 8.5), as well as the International Energy Agency (IEA) Net Zero Emissions (NZE) and Stated Policies Scenario (SPS) models.</p> <p>The objective of these assessments was to estimate potential financial implications of climate change for Microchip and our broader value chain, while also identifying opportunities for innovation and growth. Physical risks evaluated included exposure to extreme weather events such as flooding, heatwaves, and water stress. Transitional risks included regulatory developments, evolving reporting requirements, decarbonization pressures, renewable energy procurement needs, and shifts in customer demand for low-carbon solutions.</p> <p>Our analysis also revealed a range of climate-related opportunities, including market expansion tied to electric vehicles and clean energy technologies, enhanced operational efficiency, increased supply chain resilience, and stronger business continuity planning in response to climate variability.</p> <p>Reference documents:</p> <ul style="list-style-type: none"> 2024 Sustainability Report, pages 23, 31 2025 10-K Risk Factors, pages 13-40 2024 CDP Climate Change Survey – C2. Risks and Opportunities and C3. Business Strategy



Task Force on Climate-Related Financial Disclosures (TCFD) Index *continued*

TOPIC	RECOMMENDED DISCLOSURES	RESPONSE
Risk Management	<p>a. Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the organization's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>Microchip Technology recognizes that climate-related risks—including both physical and transitional risks—can significantly impact our operations, supply chain, and long-term business continuity. To proactively manage these risks, we have embedded climate considerations into our broader enterprise risk management framework. Our risk management process includes the following key elements:</p> <ul style="list-style-type: none"> • Identification of physical risks (e.g., extreme weather, water stress) and transition risks (e.g., regulatory changes, decarbonization pressures) • Evaluation of the likelihood and potential financial or operational impact of identified risks • Prioritization of risks to guide resource allocation and mitigation efforts • Implementation of risk mitigation strategies, including scenario planning, operational preparedness, and geographic and supply chain diversification • Transparent reporting of progress and risk management outcomes to stakeholders <p>This integrated approach ensures that climate-related risks are systematically assessed and managed alongside other material business risks.</p> <p>Reference documents:</p> <ul style="list-style-type: none"> • 2024 Sustainability Report, pages 17, 31, 33 • 2025 10-K Risk Factors, pages 13-40 • 2024 CDP Climate Change Survey – C2. Risks and Opportunities
Metrics and Targets	<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>Microchip Technology has developed a set of metrics and targets to track our progress toward climate-related and broader sustainability goals. We monitor key indicators across GHG emissions, energy use and efficiency, water and wastewater management, and circularity initiatives. Performance data and year-over-year trends are detailed in this annual sustainability report, reflecting our commitment to transparency and accountability.</p> <p>Our climate-related targets include long-term goals aligned with our Net Zero by 2040 ambition, supported by interim milestones to drive continuous improvement. We also regularly review and update our metrics to reflect evolving stakeholder expectations and industry standards. Through ongoing engagement with customers, investors, employees, and other key stakeholders, our disclosures remain relevant, comprehensive, and responsive to emerging climate risks and opportunities.</p> <p>Reference documents:</p> <ul style="list-style-type: none"> • 2024 Sustainability Report, pages 21-27, 56-59 • 2024 CDP Climate Change Survey – C4. Targets and Performance, C5. Emissions Methodology and C6. Emissions Data



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Still waters of Voss



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Kailua-Kona sunset