

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Microchip Technology Incorporated develops, manufactures and sells smart, connected and secure embedded control solutions used by customers for a wide variety of applications. With over 30 years of technology leadership, our broad product portfolio offers Total System Solutions (TSS) that can provide a large portion of the silicon requirements in applications. TSS is a combination of hardware, software and services which help our customers increase their revenue, reduce their costs and manage their risks compared to other solutions. Our synergistic product portfolio empowers disruptive growth trends, including 5G, Data Centers, Sustainability, Internet of Things (IoT) and Edge Computing, Advanced Driver Assist Systems (ADAS) and Autonomous Driving, and Electric Vehicles, in key end markets such as automotive, aerospace and defense, communications, consumer appliances, data centers and computing, and industrial.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Australia
- Austria
- Belgium
- Canada
- China
- Denmark
- France
- Germany
- Hong Kong SAR, China
- India
- Ireland
- Israel
- Italy
- Japan
- Malaysia
- Netherlands
- New Zealand
- Norway
- Philippines
- Republic of Korea
- Romania
- Singapore
- Spain
- Sweden
- Switzerland
- Taiwan, China
- Thailand
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	MCHP

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Our Nominating, Governance, and Sustainability Committee (NGSC) oversees policies and practices relating to significant Environmental, Social and Governance (ESG) matters relevant to Microchip. The committee reviews and reports to the Board of Directors and discusses with management matters of sustainability performance and corporate responsibility. Included in these discussions are short- and long- term environmental trends and impacts. For certain employees, their annual assessment and corresponding merit raises are partially dependent upon success in achieving climate goals as well as progress towards internal strategic goals corresponding to emissions, energy, and waste. Further, certain employees participate in the Management Incentive Compensation Plan ("MIPC"). A portion of the discretionary component (a target of 5%) of the MIPC is tied to the amount of progress achieved on our annual ESG operating plan goals. The monetary bonus is decided upon by the Board of Directors.

C1.1b**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Reviewing and guiding the risk management process	<Not Applicable>	Our management regularly reports climate-related matters and progress to the NGSC which, starting 2020, included 'Sustainability' in its oversight and ESG in its scope of authority. The NGSC presents pertinent information regarding corporate responsibility and sustainability performance to the Board of Directors. The committee is specifically delegated to evaluate the effectiveness of the Board's governance and oversight guidelines and makes recommendations for improvement based on its evaluation. The authority to assess the adequacy of Microchip's corporate governance and oversight, which includes environmental and climate-related practices, in addition to regularly reporting on governance progress and expectations, allows the NGSC update the Board on relevant climate-related matters.

C1.1d**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable>	Important but not an immediate priority	The NGSC's authorities include determining desired board qualifications, expertise and characteristics, and conducting searches for potential board members with corresponding attributes. As the leading committee of the company's sustainability, its heavy influence in nominating potential board members in accordance with the company's corporate governance principles strengthens Microchip's commitment to environmental stewardship. The NGSC finds it valuable to consider the opinions from diverse backgrounds in order to generate meaningful discussions regarding corporate governance and sustainability. When considering a candidate for a director position, the NGSC looks for demonstrated character and judgement; relevant business, functional, and industry experience; and a high degree of skill. The NGSC has and will continue to consider issues of diversity in identifying and evaluating director nominees, including differences in education, professional experience, viewpoints, technical skills, individual expertise, ethnicity, and gender. While having a member with expertise on climate-related issues will enhance the Board's competence in addressing climate risks and opportunities, because the board has people broadly skilled in management of public organizations, this is not an immediate priority.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (The Company's CEO is a member of the Board of Directors)

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Provide a rationale as to why the climate-related responsibilities selected in column 2 have been assigned to this position/committee:

The CEO of Microchip oversees all activities and business decisions relevant to the company. This includes Microchip's progress in achieving our short- and long-term GHG emissions, renewable energy, and waste diversion targets. A recent example in which the CEO specifically acted upon Microchip's climate targets was his direct approval of investments into sourcing renewable energy from Colorado Springs Utilities for our fab which helped to reduce the site's dependence on fossil fuels and increase the share of renewables in its portfolio.

State the processes by which the position/committee is informed of and monitors climate-related issues:

The ESG Steering Committee (SC) meets monthly to discuss Microchip's climate progress. This Chair of the SC reports climate-related progress and trends to the CEO monthly, and to the CEO's Executive Staff several times a year. The manager of the company's ESG Assurance team reports to the CEO monthly regarding climate strategy and other environmental-related matters. The Chair of the SC reports climate-related progress and trends to the NGSC or Board several times a year.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Provide a rationale as to why the climate-related responsibilities selected in column 2 have been assigned to this position/committee:

The ESG SC is composed of Microchip's senior executives including the CFO, Senior Vice President of Frontend (Fab) Operations, Senior Vice President of Backend Operations, Executive Vice President of Analog Power Interface Division Senior Vice President of Global Human Resources, Assistant General Counsel, Director of Marketing, Director of Strategic Global Accounts, Associate Director of Risk Loss and EHS, in addition to the members of the ESG Assurance Team. This committee is responsible for oversight of climate-related activities for Microchip. It makes recommendations to the CEO and Executive Staff who are the decision-making body for how to proceed with operational climate-related activities and progress in meeting our climate targets.

State the processes by which the position/committee is informed of and monitors climate-related issues:

The ESG SC meets monthly to discuss Microchip's progress in meeting our climate commitments. Members of the ESG SC recognize their responsibility in contributing towards and acting upon Microchip's environmental targets. For example, the Senior Vice President of Backend Operations, a member of the ESG SC, leads Microchip's back-end assembly and test operations. Reporting up through him is the company's ESG Assurance team, as well as a team of environmental compliance, facility engineering, and manufacturing engineering professionals who are responsible for tracking climate-related data; this data is reported upon to the ESG SC at every meeting.

Attestations to the ESG SC's dedication to environmental responsibility includes the approval of Microchip's short- and long- term GHG emissions, renewable energy, and waste-diversion targets in 2021, during the committee's first year of establishment.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	A target of 5% of the MICP bonus plan (see C1.1a for more information) is associated with achievement of our Annual ESG goals. See page 39 of our proxy for more information: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000827054/000082705423000104/mchp-20230707.htm .

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**Entitled to incentive**

Other C-Suite Officer

Type of incentive

Monetary reward

Incentive(s)

Salary increase

Performance indicator(s)

Progress towards a climate-related target

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Senior Vice President of Fab Operations' annual assessment and corresponding merit raise is partially dependent upon success in achieving climate goals as measured by not only compliance to regulatory limits but also progress towards internal strategic goals related to emissions, energy, and waste.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Our fabrication sites are among some of Microchip's highest energy consumers and producers of GHG emissions. The decision to associate the Senior Vice President's monetary reward with our climate commitment encourages these sites to make progress in reducing their environmental footprint.

Entitled to incentive

Other, please specify (Risk Manager)

Type of incentive

Monetary reward

Incentive(s)

Salary increase

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Microchip's Associate Director of Site Services and Risk Loss EHS's annual assessment and corresponding merit raise are partially dependent upon his performance on related MBO's (Management Business Objectives) as measured by not only Microchip's compliance with environmental requirements but also progress towards internal strategic goals.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

To measure Microchip's environmental progress, it is imperative that design/assembly/fabrication sites record and report their consumption with the ESG Assurance Team. As this information is most visible to sites' environmental managers, most of which report to Microchip's Associate Director of Site Services and Risk Loss EHS, the establishment of this incentive helps ensure that our global sites contribute to Microchip's effort in accurately tracking the environmental progress.

Additionally, Microchip's Associate Director of Site Services and Risk Loss EHS is specifically responsible for facility risk management and business continuity for Microchip facilities worldwide. Climate-related impacts are a concern in addressing physical risks. By judging his performance on the ways in which he mitigates (or plans to mitigate) incoming risk of climate change and helping the company in meeting its climate targets, it helps ensure that climate-related opportunities are appropriately considered and environmentally-friendly changes are implemented in global sites.

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Salary increase

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Reduction in absolute emissions

Energy efficiency improvement

Increased share of renewable energy in total energy consumption

Reduction in total energy consumption

Increased engagement with suppliers on climate-related issues

Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Microchip's Senior Corporate Environmental Manager, Corporate Environmental Services, and U.S. Fab Environmental Managers are assessed annually, partially based on their performance of GHG-related MBO's and Microchip's compliance with regulatory requirements (GHG reporting, air permits, etc.)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The managers mentioned are specifically responsible for Microchip's GHG emissions and reporting programs. They are in charge of developing comprehensive, strategic climate change assessments and management programs. While climate-related matters are integrated into the nature of their jobs, the establishment of an incentive helps ensure that Microchip meaningfully and productively strives towards becoming a responsible corporate citizen.

Entitled to incentive

All employees

Type of incentive

Non-monetary reward

Incentive(s)

Internal company award

Public recognition

Performance indicator(s)

Other (please specify) (Increased engagement with employees)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

With the aim of enhancing employee engagement and encouraging participation in Microchip's climate targets, the ESG Assurance team introduced an annual photo contest open to all employees worldwide. The contest allowed participants to submit photos on diverse topics, including Sustainability. The submissions were showcased in an internal gallery page, and some of the pictures were featured in the 2022 Sustainability Report. Furthermore, deserving winners were rewarded with gift cards for their outstanding contributions.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The 2022 Annual Photo Contest marked a significant milestone as Microchip's first internal project to actively engage its global employees in Sustainability. Since Microchip's ESG Assurance team is relatively new, having been established in 2021, and the company's climate targets were only introduced in 2021, the contest played a crucial role in involving employees in the company's ambitious efforts to reduce its environmental impact.

Through the photo contest, employees from diverse locations and job positions were reminded of their vital contribution to Microchip's environmental stewardship. The inclusion of select photos in the Sustainability Report served as an incentive, motivating employees to participate in or even lead climate-related projects at their respective sites.

The contest's success was evident by the impressive response, with over 600 submissions received from more than 35 sites around the world. Moreover, following the contest announcement, numerous employees proactively reached out to share project ideas related to Microchip's Sustainability and climate-related initiatives.

Looking ahead, Microchip is committed to continuing this journey of Sustainability with its employees by implementing more exciting and unifying initiatives to foster a sense of collective responsibility and progress in their environmental endeavors.

Entitled to incentive

Management group

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

A target of 5% of the MICP bonus is tied to the achievement of the company's ESG goals. The actual awards under the MICP are based on our actual financial performance compared to the performance metrics (or such lesser amount as determined in the discretion of our Compensation Committee) and the amount of the discretionary component under the MICP is determined in the discretion of our Compensation Committee (which can be significantly higher or lower than the target). For example, due to our strong financial results, the Compensation Committee approved a discretionary amount significantly above the 20% target (5% ESG goal-based, and 15% non-ESG goal based) for each quarter of fiscal 2023. See page 39 of our latest proxy for more information.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This bonus incentivizes all managers to support our annual ESG goals.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	Our short-term GHG reduction target was estimated for 2023 with 2018 as a baseline
Medium-term	5	12	Our mid-term GHG reduction target is estimated for 2030 with 2018 as a baseline
Long-term	12	22	Our long-term net zero target is set for 2040 with 2018 as a baseline

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Microchip defines "substantive financial or strategic impact" as risks and/or opportunities that significantly impact our organization's manufacturing operations or financial standing.

For instance, if a major manufacturing site in a climate stress region is compelled to suspend or cease operations due to climate-related disasters like rising ocean levels causing flooding, this could lead to considerable expenses and hinder our ability to maintain our operations effectively. These climate-related risks and their potential effects on our business are disclosed in the risk factors section of our 10-K and 10-Q statements.

Currently, we are conducting an internal scenario analysis in line with SBTi's Net Zero Guidance. This study aims to identify climate-related risks and opportunities for our facilities, which will be integrated into our climate strategy. We previously performed this analysis by being aware of local weather patterns and integrating our knowledge into our business continuity plans. Through these programs, we hope to anticipate the probability and frequency of any significant impacts well in advance.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Microchip recognizes the importance of conducting risk analyses to gain a deeper understanding of climate-related risks and develop appropriate action plans. Our Risk Management strategy includes evaluating physical risks and implementing preventive measures to ensure business continuity. To address climate-related concerns, we are creating an internal scenario analysis methodology aligned with SBTi's Net Zero Guidance. By setting distinct GHG emissions targets for short-term (5 years), mid-term (12 years), and long-term (22 years) periods, we aim to identify potential risks and opportunities that may arise within each timeframe.

We actively encourage our global sites to propose projects that contribute to our GHG emissions reduction, energy efficiency, and waste diversion goals. Before implementing these projects, we conduct thorough analyses, considering financial, physical, and transitional risks and opportunities. This ensures that we make meaningful and productive strides towards our environmental commitments.

A concrete example of this approach is demonstrated in the implementation of a floating solar farm at our Thailand site. Before approval, we conducted an analysis of the region's physical risks and opportunities, along with a climate-related assessment that highlighted potential energy-related risks. As construction continues, we continuously assess transitional risks and opportunities associated with this new energy source.

This comprehensive approach exemplifies how Microchip diligently evaluates and acts upon risks and opportunities, taking into account both physical and transitional factors, and considering their financial and strategic impact. Through the creation of our internal scenario analysis, which will align with SBTi's Net Zero Guidance, we aim to improve our risk assessment methodology to better identify and evaluate our climate-related risks and opportunities.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Microchip is committed to driving positive change in the world and improving people's lives through the development of products and technologies. We take a proactive

approach to minimize the environmental impact of our products across their entire life cycle. By emphasizing research and development, we offer customers an exceptional range of environmentally preferable options, making us the preferred supplier for those who prioritize environmental consciousness.

Our dedication to producing environmentally friendly products is an ongoing process that demands continuous innovation. We take pride in sharing our vision for a sustainable future. With a global customer base of over 125,000, gathering environmental data from all of them requires significant resources. Nevertheless, we are determined to familiarize ourselves with our customers' environmental expectations and diligently identify any risks and opportunities we may present as part of their value chain.

In 2022, we surpassed our short-term target by achieving a reduction of over 15% in normalized emissions. Moreover, we made substantial progress in reducing energy consumption, water usage, and water discharge per million production units. These advancements empower our customers to create products that are more environmentally friendly, contributing to a greener and more sustainable world.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Microchip is deeply committed to environmental protection and strives to reduce the potential environmental impact of our operations and products in the global communities where we operate. As a testament to this commitment, we have become a proud Full Member of the Responsible Business Alliance (RBA). This affiliation empowers us to regularly monitor our suppliers' environmental management practices through the RBA-Online portal. When high-risk issues are identified during supplier audits, we take action to address them, ensuring extensive verification of environmental practices.

To further strengthen our environmental stewardship, we are in the process of developing a supplier screening program. This program will enable us to identify and engage with suppliers operating in environmentally vulnerable regions and industries. This will allow us to conduct thorough "hotspot" analyses to assess climate-related adverse impacts and seek opportunities for collaboration.

Adopting the RBA's Code of Conduct for our suppliers is a significant step in reinforcing our environmental commitments. This Code mandates that our suppliers identify environmental impacts and take measures to minimize adverse effects on communities, natural resources, and the environment within their manufacturing operations. Our expectations for suppliers encompass various aspects related to environmental reporting, pollution prevention, handling hazardous substances, waste management, water conservation, and energy consumption. By actively engaging with the RBA and adhering to their guidelines, Microchip strives to create a more sustainable and environmentally responsible supply chain, contributing to a greener future for all.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Because our products are sold around the world, we are subject to numerous legislative and regulatory requirements, in addition to individual customer specifications. This is part of the ESG Steering Committee discussions. Our fabrication sites in the U.S., such as those in Tempe, Gresham, and Colorado Springs, must obtain emission permits and environmental reporting annually. Failure to meet these regulations may put us at risk of not being able to continue manufacturing our products, which may infringe on our ability to meet our financial targets.
Emerging regulation	Relevant, always included	Microchip is a global company whose operations are subject to numerous laws and regulations. Our Environmental Health and Safety and Compliance organizations monitor emerging / proposed legislative and regulatory programs to evaluate potential impact on our business operations. This is part of the ESG Steering Committee discussions. As countries around the world recognize and begin to act upon climate-related risks, there is an increase in regulations to minimize adverse environmental impacts. In 2022, our Gresham site began working on a water treatment program that would involve the removal of ammonia from our waste stream. Doing so will greatly reduce the negative impact on the nearby river.
Technology	Relevant, always included	Microchip's vision is to be the very best embedded controller solutions company ever. To do so, we must identify market opportunities, develop, and manufacture products in a timely and cost-effective manner, and market appropriately. Microchip's green and ultra-low power device offerings are part of enabling technologies which provide customers with sustainable solutions. As technology is often seen as a potential solution in mitigating climate risks, we recognize that the industry of which we are a part is highly competitive and ever-changing. As we innovate to match the needs of the rapidly changing market, it is essential that we are simultaneously assessing and predicting risks that may arise as we develop and improve our products. This is part of the ESG Steering Committee discussions. Example - Microchip is a leading expert in high-efficiency semiconductor microcontrollers, as well as analog, wireless, security, timing, discrete, and human-interface products. These cutting-edge, low-power devices are designed to substantially decrease energy consumption and prolong battery life in wearables and portable devices with limited power resources. Moreover, we offer single-chip monitoring solutions for various applications such as solar inverters, smart lighting, cloud servers, temperature sensors, and energy monitoring in commercial buildings and smart homes.
Legal	Relevant, always included	As a part of our organization's risk management, Microchip routinely monitors pending regulation and policy to understand and plan for any potential for impact to our value chain. Microchip has had zero climate-related litigation claims. This is part of the ESG Steering Committee discussions.
Market	Relevant, always included	Market and market conditions are factors that are considered as part of Microchip's overall risk and opportunity assessment. We recognize that in the competitive market in which we are a part, it is valuable to be able to offer environmentally conscious solutions to our customers. Microchip has products in its portfolio with an emphasis on ultra-low power consumption, extended battery life, and real-time monitoring. We deliver high-efficiency, affordable components to manufacturers, helping decrease the environmental impact of commercial and retail products in dozens of industries. For example, our innovations in predictive server cooling sensors reduce data farm power consumption, while our irrigation-controls systems help reduce over-watering by maximizing watering efficiency for everyone from the backyard gardener to agribusiness leaders. This is part of the ESG Steering Committee discussions.
Reputation	Relevant, always included	As a global company, Microchip understands the value in demonstrating environmental stewardship in the communities in which we operate. We actively strive to be the best while operating in an ethical and sustainable manner to protect economic stability and reputation of our company, customers, shareholders, employees, and communities. To do so, we consider the risks and opportunities in which our operations would impact the aforementioned stakeholders. An example of this effort was the redesign of our Corporate Responsibility webpage to improve transparency and communication with those involved and impacted by our business.
Acute physical	Relevant, always included	Acute physical impact is a factor considered as part of Microchip's overall risk and opportunity assessment. Microchip routinely monitors the frequency and severity of extreme weather events and their potential impact to our operations as part of our Business Continuity Program. This is part of the ESG Steering Committee discussions. In 2022, we performed extensive research and analysis on energy alternatives and the ways in which we can build business resiliency in the event of a climate-related disaster.
Chronic physical	Relevant, sometimes included	Chronic physical impact is a factor considered as part of Microchip's overall risk and opportunity assessment. Long term shifts in climate patterns including rising sea levels or chronic heat waves are considered as part of our Business Continuity Program. This is part of the ESG Steering Committee discussions. Microchip has facilities located in areas which may have risk associated with climate change. For instance, our facility in Oregon is in area that is often impacted by multi-year drought. In 2022, we were able to reduce the Gresham facility's water-dependency through the improvement of its RO/DI system. This effort resulted in the conservation of over 36 million gallons of water in the first year of implementation alone.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Enhanced emissions-reporting obligations
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our organization keeps up with climate change-related laws. These regulations, at different levels (federal, state, local, or international), might force us to cut emissions, change manufacturing processes, use more expensive or less available materials, invest in emission control technology, fund offset projects, or take other costly actions. Adhering to or failing to comply with these regulations could significantly increase our expenses and restrict manufacturing operations due to new equipment requirements. Delayed permits could lead to fines, production suspension, or facility shutdowns. Furthermore, limitations on greenhouse gas emissions might lead to higher energy costs

and additional expenses from carbon taxes, emission cap and trade programs, and renewable portfolio standards. Complying with these regulations may financially impact our business, as we might need to adopt abatement tools or alternative energy sources to meet climate goals and upcoming regulations.

For instance, in anticipation of forthcoming regulations and to align with our climate goals, we may need to implement specific abatement tools at our fabrication sites and explore alternative energy sources. These adjustments could have financial implications for our business.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Any financial impact is unknown at this point. Until a given regulatory change is implemented and our risk assessment methods mature in the coming years, we cannot confidently determine the cost of any associated change.

Cost of response to risk

Description of response and explanation of cost calculation

As Microchip enhances its risk assessment processes, and as our long-term projects aimed at meeting climate goals mature, we will gain more clarity into the potential financial impacts of climate-related risks. An example of such a project involves capital improvements and manufacturing changes to keep greenhouse gas (GHG) emissions below the expected lowering U.S. CAA Title V permitting threshold, while also addressing weather-related risks.

We are committed to maintaining a corporate structure and culture that encourages open communication and a unified business plan, enabling us to respond quickly to unexpected opportunities and risks. Our focus will be on staying updated on customer and potential customer needs and adapting to evolving regulatory changes. We will actively explore innovations and participate as appropriate to drive positive change for Microchip.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Water scarcity
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The sustained adverse changes in climate pose a direct economic risk to us, leading to water and power shortages and increased costs for water and energy to regulate our facilities' temperatures. Some of our operations are located in arid or tropical regions, like Arizona, Thailand, and the Philippines, which environmental experts predict may become more susceptible to storms, severe floods, and droughts due to climate change. Although we have business recovery plans in place to cope with natural disasters or disruptions to our operations, we acknowledge that these plans may not fully shield us from all potential disasters or events caused by climate change.

An excellent example of how Microchip addresses risks and contributes to risk mitigation is our Gresham facility, which is located in an area prone to multi-year droughts. In 2022, we took proactive measures to reduce the facility's water dependency by enhancing its RO/DI system. As a result, we were able to conserve over 36 million gallons of water in just the first year of implementation.

Additionally, the Gresham facility has demonstrated improved water stewardship by implementing measures to enhance water quality. Notably, we successfully removed ammonia from its waste streams, so that this hazardous chemical does not get released into the Colombia River.

These efforts showcase Microchip's commitment to addressing risks related to water scarcity and making meaningful contributions to mitigate potential freshwater shortages.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

As Microchip continues to enhance its risk assessment processes, and as our long-term projects aimed at meeting climate goals progress, we will gain better insight into the potential financial impacts of climate-related risks. Our commitment is to maintain a corporate structure and culture that fosters effective communication and enables us to respond promptly to unforeseen opportunities and risks.

We will stay updated on the needs of our customers and potential customers, as well as adapt to evolving regulatory changes. Our focus will be on exploring innovative improvements and participating in opportunities that align with Microchip's objectives.

Cost of response to risk**Description of response and explanation of cost calculation**

For Gresham's example, as the ammonia-removal process is still in development, we do not yet have a financial figure for this project.

Comment**Identifier**

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Legal	Exposure to litigation
-------	------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Companies are at risk of facing litigation related to climate change due to their environmental impact, particularly in the manufacturing processes that emit greenhouse gases (GHG) and other pollutants. These emissions can lead to legal challenges from concerned communities, environmental organizations, and regulatory bodies.

Product-related issues also contribute to litigation risk due to the growth of product material compliance laws, hazardous substances regulations, and packaging material restrictions.

To mitigate these litigation risks, we adopt sustainability measures such as implementing energy-efficient technologies, reducing emissions, and modifying product material content and packaging where feasible. By engaging with stakeholders, including local communities, environmental groups, and investors, in a constructive manner we build positive relationships and address concerns proactively.

We adhere to applicable product material compliance laws and regulations throughout the entire product lifecycle. By limiting or eliminating potentially hazardous materials used in production or contained in our products, 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.

By taking these steps, Microchip navigates climate-related risks and contributes to a more sustainable future while reducing exposure to potential litigation.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Climate-related litigation poses financial risks through legal costs, settlements, and fines. Reputational damage could affect revenue. Shareholder actions and insurance costs rise. Regulatory compliance expenses increase. Supply chain disruptions can also occur. Proactive measures and sustainability efforts help mitigate these risks.

Cost of response to risk**Description of response and explanation of cost calculation**

Any financial impact is unknown at this point. Until a given regulatory change is implemented and our risk assessment methods mature in the coming years, we cannot

confidently determine the cost of any associated change.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Microchip's business strategies have been influenced by the global focus on reducing Greenhouse Gas Emissions (GHG) to combat climate change. This presents both revenue opportunities and a way to mitigate risks associated with our operations. The company invests in Research and Development to monitor, reduce, and control power use, while also exploring expanded temperature ranges.

Microchip specializes in microcontroller and analog semiconductors that enable low power consumption for various applications, including wired and wireless communications protocols. These technologies contribute to the advancement of smart technologies, promoting energy efficiency and reduced energy consumption.

For instance, these solutions are widely used in utility meters, facilitating automated meter reading, anti-tampering techniques, and low-power design with XLP technology. These innovations help in simplifying meter calibration and promoting energy conservation. Our solutions also support power supply manufacturers in creating intelligent power supplies that consume less energy and operate more efficiently. By improving intelligence and efficiency, large data centers can reduce their environmental impact and energy consumption significantly.

As a response to climate change, Microchip has set energy reduction goals, engaged in GHG emissions data consolidation and reduction efforts, and conducted comprehensive business continuity risk assessments.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The estimated financial implication for this opportunity is unknown at this time; however, this opportunity will be included in the larger calculation used in Microchip's financial forecasts that predict revenue targets.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Microchip's core strategy centers around understanding customers' needs and offering innovative, low-power solutions that surpass expectations. This approach involves leveraging our engineering and marketing expertise to continuously enhance the solutions we bring to the market, ensuring maximum low-power benefits for end customers. The company is committed to catering to a climate-aware market by expanding our product research and development activities. We actively collaborate with third parties to reduce our overall GHG emissions and energy consumption at our facilities, aiming to offer more environmentally friendly products to their customers.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Microchip is developing its net zero roadmap. This initiative involves conducting a scenario analysis to assess climate-related risks and ensuring alignment with our climate goals, akin to the 1.5°C scenario.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Important but not an immediate priority	Microchip expanded its disclosures to align with the Task Force on Climate-Related Financial Disclosures (TCFD) in its 2022 Sustainability Report and plans to complete its formal climate-related scenario analysis in the next two years as the gradual next step.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	OPPORTUNITY Long-Term Impact Microchip is a leading expert in high-efficiency semiconductor microcontrollers, as well as analog, wireless, security, timing, discrete, and human-interface products. These cutting-edge, low-power devices are designed to substantially decrease energy consumption and prolong battery life in wearables and portable devices with limited power resources. Moreover, we offer single-chip monitoring solutions for various applications such as solar inverters, smart lighting, cloud servers, temperature sensors, and energy monitoring in commercial buildings and smart homes. Microchip has defined major megatrends for the organization, which includes electric vehicles. The rising popularity of electric vehicles can be partially attributed to growing concerns regarding the adverse impacts of GHG emissions on the environment. It is through this climate-related opportunity that Microchip is able to participate in this growing market.
Supply chain and/or value chain	Yes	RISK Long-Term Impact Microchip has historically communicated with our suppliers regarding issues such as forced labor. In 2023, we began developing a strategy in which environmental management and impact could also be integrated in these discussions with our vendors. This allows us to have more visibility of the risks that we face in our value chain and helps us better prepare to reduce any climate-related adverse impacts. It also holds our suppliers accountable to the environmental stewardship requirements mentioned in our Supplier Code of Conduct.
Investment in R&D	Yes	OPPORTUNITY: Long-Term Impact Climate-related risks and opportunities influence the investment in R&D in the following ways: 1. Prioritization of low power and energy efficient products 2. Investments in products that enable solutions such as electric vehicles, smart grids, and energy storage. 3. Exploration of alternatives, circularity, and sustainable sourcing to address resource scarcity
Operations	Yes	OPPORTUNITY Long-term impact We are committed to enhancing our facilities and adopting sustainable practices to minimize energy consumption, reduce our carbon footprint, and contribute to a more sustainable future. We are dedicated to shifting production to our most efficient manufacturing centers whenever feasible. Moreover, we have implemented energy-improvement projects that effectively reduce electricity, natural gas, and distillate fuel oil usage in our operations. These endeavors not only benefit the environment but also result in cost savings for the company and promote overall process efficiency. In 2022, we began the construction of a floating solar farm in Thailand. Recognizing energy-sourcing risks of this facility as well as the importance of demonstrating environmental stewardship at the local community in which Microchip Thailand operates, we expect to be able to greatly reduce our emissions at this site with the help of this new source of energy. While this was also a way to mitigate risk, the implementation of this project allowed for the opportunity to become more resilient to climate change-related impacts at this site.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Access to capital Assets Liabilities	RISK Long-term impact The implications of climate change regulations and the potential adverse effects of sustained climate change are factors influencing our financial planning. Compliance with federal, state, local, and international regulations may necessitate changes to our operations, such as emission reductions, altered manufacturing processes, or investments in greenhouse gas control technology. These requirements could result in increased costs and restrictions on our manufacturing capabilities, possibly leading to fines or production suspensions if permits are not obtained in a timely manner. Furthermore, climate change itself poses direct economic risks to our business. Water and power shortages, along with rising energy costs, may impact the operation of our facilities, particularly in arid or tropical regions like Arizona, Thailand, and the Philippines. The vulnerability of these areas to extreme weather events like storms, floods, and droughts highlights the importance of recognizing and mitigating such risks. To address these challenges, we actively consider incorporating alternative energy sources and collaborating with government agencies to promote environmentally-friendly initiatives. By proactively investing in these projects, we aim to not only align with climate goals but also strengthen our resilience to potential climate-related impacts on our financial performance.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target
Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition

1.5°C aligned

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

529370

Base year Scope 2 emissions covered by target (metric tons CO2e)

328915

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)	<Not Applicable>
Base year total Scope 3 emissions covered by target (metric tons CO2e)	<Not Applicable>
Total base year emissions covered by target in all selected Scopes (metric tons CO2e)	858285
Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	100
Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	100
Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)	<Not Applicable>
Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)	<Not Applicable>
Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

429142.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

423877

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

282119

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

705996

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

35.4868138205841

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Targets covers 100% of reported Scope 1 and Scope 2 emissions for 2018 with no exclusions.

Plan for achieving target, and progress made to the end of the reporting year

We remain committed to being aligned below the 1.5°C scenario as defined by the Paris Climate Agreement through our sustainability approach focused on driving process efficiency within our organization as well as our supply chain. In 2022, Microchip successfully achieved its first climate target of reducing normalized Scope 1 emissions by 15% using 2018 as a baseline year. We also continued to reduce our Scope 2 emissions despite an increase in production. The absolute and normalized Scope 2 emissions were down by 14% and 18%, respectively, from our baseline year.

Featured Projects :

Scope 1 - We partnered with independent third-party consultants to perform detailed audits of installed tools/equipment at our fabs to guide our upcoming net zero roadmap.

Scope 2 - We sourced heating from a climate-friendly district in Karlsruhe, Germany, where 90% of heating is produced from industrial waste heat coming from the Middle Upper Rhine Mineral Oil Refinery and Rheinhafen Steam Power Plant.

Strategies:

1. Invest in abatement and gas switching technologies to reduce Scope 1 emissions
2. Continue to assess facilities and operations to reduce energy consumption and Scope 2 emissions
3. Decrease reliance on fossil fuel-based energy sources and increase renewables portfolio
4. Continue to conduct a thorough GHG emissions inventory to accurately analyze the source and magnitude of our emissions, transparently report our progress, and design meaningful future initiatives

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Intensity metric

Metric tons CO2e per unit of production

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

107

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

107

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2023

Targeted reduction from base year (%)

15

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

90.95

% change anticipated in absolute Scope 1+2 emissions

-18

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

84

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

84

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

143.302180685358

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

Targets covers 100% of reported Scope 1 emissions for 2018 with no exclusions.

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

1. Abatement
 2. Process gas switching
 3. Electrification of equipment
-

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2018

Consumption or production of selected energy carrier in base year (MWh)

743796

% share of low-carbon or renewable energy in base year

0

Target year

2025

% share of low-carbon or renewable energy in target year

25

% share of low-carbon or renewable energy in reporting year

7

% of target achieved relative to base year [auto-calculated]

28

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this is a part of our commitments to reduce Scope 1 + 2 emissions by 50% by 2030, and be Net Zero by 2040.

Is this target part of an overarching initiative?

Other, please specify (This is part of our science-based Net Zero target that has not been validated by SBTi)

Please explain target coverage and identify any exclusions

The target covers Microchip's reported electricity consumption with no exclusions.

Plan for achieving target, and progress made to the end of the reporting year

Featured Projects :

1. In 2022 we made progress on the construction of a 3.8 MW (DC) floating solar farm at Microchip Thailand scheduled to come online in 2023. The project is expected to meet 16% of the site's total annual energy consumption
2. We improved performance and reliability of CDA, P-VAC, ASO-AHU, chillers, HVAC systems, cooling towers and compressors at multiple Microchip facilities
3. Microchip facilities in Philippines and Colorado Springs to meet 100% and 30% of their electricity demands, respectively, with renewable energy sourced via utility green tariff programs starting 2023

Strategies :

1. Increase the share of renewable energy in our electricity portfolio by exploring projects including, but not limited to, on-site generation, virtual/physical PPAs and utility green tariffs, where feasible
2. Incorporate energy-efficient design principles into new and existing buildings to optimize energy usage while providing employees with optimal working conditions
3. Retrofit/upgrade existing equipment such as lighting, HVAC systems, pumps and motors, building management systems, etc.
4. Continuously monitor and improve processes through energy management systems, where available, to make data-driven decisions to enhance energy efficiency

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste recycled
------------------	-------------------------------

Target denominator (intensity targets only)

<Not Applicable>

Base year

Figure or percentage in base year

Target year

2040

Figure or percentage in target year

100

Figure or percentage in reporting year

63

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this target is a part of our commitment to be Net Zero by 2040.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

The target doesn't have a base year as it is based on the % waste diverted from landfills for that particular year.

Plan for achieving target, and progress made to the end of the reporting year

Microchip recognizes the importance and benefits of establishing circularity within its operations and adopts best practices in waste management. Our approach prioritizes reducing waste at the source, recycling and reusing as much as possible, and finally disposing of what is left in a responsible manner. In 2022, we continued 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.

In 2022, we were able to recycle 63% of our waste, which surpassed our previous short- and mid-term waste targets.

Featured Projects:

1. 11th environmental awareness event called "Household Hazardous Waste and Recycle Day" organized by Microchip Technology Colorado Springs Operations for employees and members of the community to collect recyclables and hazardous waste
2. Precious metal recovery at a carbon-neutral refinery
3. Partnering with suppliers on reverse logistics to reuse wafer boxes
4. Shredding and recycling plastic bottles and triple-rinsed chemical bottles

Strategies:

1. Reduce waste generation at source and conserve raw materials through process optimization and lean manufacturing, which is in line with our guiding value, "Continuous Improvement is Essential"
2. Promote segregation of recyclables from general trash and expand recycling as well as resource recovery initiatives
3. Establish recycling initiatives within our operations for beneficial reuse of waste materials
4. Responsibly handle, store and dispose of chemical and hazardous waste in line with our internal EHS policies, external regulations and industry best practices
5. Collaborate with suppliers to adopt waste reduction strategies in supply chain

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1
Int1

Target year for achieving net zero

2040

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Please explain target coverage and identify any exclusions

The target covers Scope 1, Scope 2, and Scope 3 emissions without any exclusions.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

Currently, we do not have any near-term investment plans for neutralization. Our current priorities lie in enhancing process efficiency, electrifying equipment, and transitioning to low carbon energy sources. However, for any residual emissions, we will utilize permanent carbon removals, following the guidelines of SBTi's Net Zero Guidance.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	1	2591
To be implemented*	1	3500
Implementation commenced*		
Implemented*	4	3863
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

We improved performance and reliability of CDA, P-VAC, ASO-AHU, chillers, HVAC systems, cooling towers and compressors at multiple Microchip facilities

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

1. We sourced heating from a climate-friendly district in Karlsruhe, Germany, where 90% of heating is produced from industrial waste heat coming from the Middle Upper Rhine Mineral Oil Refinery and Rheinhafen Steam Power Plant.
2. In 2022 we made progress on the construction of a 3.8 MW (DC) floating solar farm at Microchip Thailand scheduled to come online in 2023. The project is expected to meet 16% of the site's total annual energy consumption.
3. Microchip facilities in Philippines and Colorado Springs to meet 100% and 30% of their electricity demands, respectively, with renewable energy sourced via utility green tariff programs starting 2023

Initiative category & Initiative type

Transportation	Employee commuting
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Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 6: Business travel

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

We expanded our trip reduction program to contribute towards improving air quality and decreasing traffic congestion in Maricopa County. We introduced incentives such as bus passes, preferential parking for carpooling and alternate fuel vehicle drivers, incentives for refueling after dark to reduce employee commuter miles and single-occupancy vehicle trips.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	We aim to remain in compliance with air quality permit limitations and prepare for potential new or modified regulatory programs. Specifically concerning CO2e emissions, we have planned emission reduction projects in place to proactively avoid reaching the thresholds that would trigger Title V permitting requirements. By implementing these projects, we can effectively manage our emissions and ensure adherence to regulatory standards.
Lower return on investment (ROI) specification	We may adopt a more flexible and long-term approach to evaluation the financial benefits of emissions reduction projects.warranted by the following factors - Project Complexity, Long-Term Benefits, Regulatory Compliance and Reputation, Energy Price Volatility, Technology Advancements, and Risk Mitigation. It's important to note that while embracing a longer ROI period can be beneficial for certain emissions reduction projects, it should be balanced with other financial considerations and overall business objectives. Each project undergoes a comprehensive cost-benefit analysis to determine its viability and alignment with the company's long-term goals.
Internal incentives/recognition programs	Microchip provides monetary rewards as an incentive for certain managers/C-suite officers for the management of environmental issues. These managers/officers were specifically chosen because they play integral roles in the tracking of Microchip's environmental data and the implementation of climate-friendly initiatives.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Power	Other, please specify (Microprocessors and Microcontrollers)
-------	--

Description of product(s) or service(s)

Minimizing power consumption in battery-powered wearables, wireless sensor networks and other Internet of Things (IoT)-enabled smart devices is essential. Our 8-, 16- and 32-bit eXtreme Low Power (XLP) PIC® microcontrollers (MCUs), 8-bit AVR® and 32-bit PIC and SAM MCUs with picoPower® technology and 32-bit low-power SAM microprocessors (MPUs) offer the right combination of features to reduce the operating power in our cutsomer's projects. Details on our low-power microcontrollers and microprocessors can be found here: <https://www.microchip.com/en-us/solutions/low-power>

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
529370

Comment

Scope 2 (location-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
328915

Comment

Scope 2 (market-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)

Comment
Scope 2 emissions are calculated using location based emission factors.

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)

Comment
Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 2: Capital goods**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 4: Upstream transportation and distribution**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 5: Waste generated in operations**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 6: Business travel**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 7: Employee commuting**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 8: Upstream leased assets**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)**Comment**

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 10: Processing of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - Microchip's finished products typically don't require further processing before installation as they are sold directly or indirectly to the manufacturers of other products. Our products are then used in various applications and equipment by the manufacturers of other products and Microchip has limited exposure to this information making it difficult to calculate the associated scope 3 emissions.

Scope 3 category 11: Use of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Microchip is in the process of evaluating its scope 3 emissions. These were not calculated/disclosed for the base year (2018).

Scope 3 category 13: Downstream leased assets

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - All our leased assets have been accounted for within our scope 1 and 2 emissions or other categories of our scope 3 emissions. Microchip does not lease downstream assets.

Scope 3 category 14: Franchises

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - Microchip does not franchise its product design, manufacturing, or distribution.

Scope 3 category 15: Investments

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - This topic is not material to our business. Emissions from our investments in joint ventures, subsidiaries, or associate companies were captured in our Scope 1 emissions

Scope 3: Other (upstream)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - All relevant emissions material to our business have been accounted for in the previous categories.

Scope 3: Other (downstream)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

Comment

Not relevant - All relevant emissions material to our business have been accounted for in the previous categories.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IEA CO2 Emissions from Fuel Combustion
IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
US EPA Mandatory Greenhouse Gas Reporting Rule
US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

423877

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year
Scope 2, location-based
282163
Scope 2, market-based (if applicable)
286019
Start date
<Not Applicable>
End date
<Not Applicable>
Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Microchip sites that are purely sales offices without any design capabilities and employ less than 10 full-time employees

Scope(s) or Scope 3 category(ies)

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Upstream leased assets
Scope 3: Downstream transportation and distribution
Scope 3: Processing of sold products
Scope 3: Use of sold products
Scope 3: End-of-life treatment of sold products
Scope 3: Downstream leased assets
Scope 3: Franchises
Scope 3: Investments
Scope 3: Other (upstream)
Scope 3: Other (downstream)

Relevance of Scope 1 emissions from this source

Emissions are not evaluated

Relevance of location-based Scope 2 emissions from this source

Emissions are not evaluated

Relevance of market-based Scope 2 emissions from this source

Emissions are not evaluated

Relevance of Scope 3 emissions from this source

Emissions are not evaluated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

The sites are excluded due to the following reasons:

1. The total contribution from these low-volume sites is less than 1% of our total global footprint
2. The utility bills are tied into the overall landlord bill which can't be broken down per leased space

Explain how you estimated the percentage of emissions this excluded source represents

<Not Applicable>

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2162

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

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

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6933

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

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

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

20400

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

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

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Microchip's finished products typically don't require further processing before installation as they are sold directly or indirectly to the manufacturers of other products. Our products are then used in various applications and equipment by the manufacturers of other products and Microchip has limited exposure to this information making it difficult to calculate the associated scope 3 emissions.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are currently in the process of developing a supplier engagement program that will enable us to collect primary data from our suppliers which will be used to accurately calculate scope 3 emissions for this category.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

All our leased assets have been accounted for within our Scope 1 and Scope 2 emissions or other categories of our Scope 3 emissions. Microchip does not lease downstream assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Microchip does not franchise its product design, manufacturing, or distribution.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This topic is not material to our business. Emissions from our investments in joint ventures, subsidiaries, or associate companies were captured in our Scope 1 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

All relevant emissions material to our business have been accounted for in the previous categories.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

All relevant emissions material to our business have been accounted for in the previous categories.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000088

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

705996

Metric denominator

unit total revenue

Metric denominator: Unit total

8050200000

Scope 2 figure used

Location-based

% change from previous year

21

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Change in output

Change in revenue

Please explain

Intensity figure

135

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

705966

Metric denominator

unit of production

Metric denominator: Unit total

5229

Scope 2 figure used

Location-based

% change from previous year

8

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Change in output

Please explain

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	423792	IPCC Sixth Assessment Report (AR6 - 100 year)
CH4	24	IPCC Sixth Assessment Report (AR6 - 100 year)
N2O	25	IPCC Sixth Assessment Report (AR6 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	421617
Canada	83
Germany	328
France	378
United Kingdom of Great Britain and Northern Ireland	31
Italy	46
India	256
Philippines	374
Thailand	578
Romania	187

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.
By facility
By activity

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
TempeFab	88430		
GreshamFab	149822		
CSOFab	179644		
Bangalore	204		
BendFab1	52		
Beverly 1	45		
Beverly 2	108		
Boulder	46		
Bucharest	187		
Burnaby	83		
CaldicotFab	13		
Chandler	536		
Chennai	10		
Garden Grove	278		
Hauppauge	334		
Hyderabad	42		
Irvine	21		
LandstraBe	327		
LawrenceFab	928		
Legnano	46		
LowellFab	331		
MMT	91		
Mount Holly Springs	50		
MPHIL 1	373		
MPHIL 2	1		
MTHAI	487		
Norristown	26		
Roseville	19		
Rousset	378		
San Jose 1	266		
San Jose 2	16		
San Jose 3	253		
San Jose 4	286		
San Jose 5	87		
Tuscaloosa	2.502		
Winnersh	18.447		

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Front-end operations, includes US EPA Subpart I (Electronics Manufacturing) and Subpart C (Stationary Combustion)	417896
Other supporting operations (Stationary Combustion)	5896

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	141	141
China	567	567
France	452	396
Germany	1849	3827
India	6826	6826
Ireland	1603	3090
Israel	328	328
Malaysia	535	535
Philippines	45265	45265
Romania	135	139
Taiwan, China	591	591
Thailand	78037	78037
United Kingdom of Great Britain and Northern Ireland	391	711
United States of America	145	145
Viet Nam	67	67
Hong Kong SAR, China	210	210
Italy	12	22

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By facility
- By activity

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Austin 1	1094	1094
Bangalore	5168	5168
Bayan Lepas	535	535
BendFab 1	72	72
Beverly 1	1113	1113
Beverly 2	883	883
Boulder	65	65
Bucharest	135	135
Burnaby	130	130
CaldicotFab	333	604
Chandler	270	270
Chennai	765	765
CSOFab	81384	81384
Ennis	1603	1603
Garden Grove	879	879
GreshamFab	25737	25737
Hauppauge	516	516
Heilbronn	149	149
Ho Chi Minh City	67	67
Hod Hasharon	328	328
Hsinchu	591	591
Hyderabad	893	893
Irvine	56	56
Karlsruhe	73	73
Kowloon	210	210
LandstraBe	880	1821
LawrenceFab	4223	4223
MMT	23094	23094
Mount Holly Springs	2212	2212
MPHIL 1	40666	40666
MPHIL 2	3782	3782
MTHAI	54943	54943
Muntinlupa	817	817
Nantes	244	214
Neu-Ulm	8	16
Norristown	24	24
Reading	77	77
Roseville	198	198
Rousset	207	182
San Diego 1	114	114
San Jose 1	560	560
San Jose 2	581	581
San Jose 3	264	264
San Jose 4	1096	1096
San Jose 5	469	469
Santa Rosa	8	8
Saskatoon	11	11
Shanghai 1	267	267
Shanghai 2	299	299
Simsbury	266	266
Teltow	739	1529
TempeFab	20881	20881
Trondheim	2	116
Tuscaloosa	62	62
Whiteley	10	18
Winnersh	49	89
Legnano	12	22
LowellFab	2049	2049

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased and Used Electricity	282163	286019

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		The direct quantitative impact of change in renewable energy consumption at our different facilities on our absolute Scope 2 GHG emissions has not been evaluated
Other emissions reduction activities	3863	Decreased		We improved performance and reliability of CDA, P-VAC, ASO-AHU, chillers, HVAC systems, cooling towers and compressors at multiple Microchip facilities
Divestment	0	No change	0	No divestment during the reporting period
Acquisitions	0	No change	0	No acquisitions during the reporting period
Mergers	0	No change	0	No mergers during the reporting period
Change in output		<Not Applicable>		The direct quantitative impact of change in output on absolute GHG emissions has not been evaluated
Change in methodology	0	No change	0	No change in methodology
Change in boundary	0	No change	0	No change in boundary
Change in physical operating conditions	0	No change	0	No change in physical operating conditions
Unidentified	0	No change	0	Not applicable
Other	0	No change	0	Not applicable

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

Don't know

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	222612	222612
Consumption of purchased or acquired electricity	<Not Applicable>	195591	508017	703608
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	195591	730629	926220

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Not applicable

Other biomass

Heating value
Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Not applicable

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

4566

MWh fuel consumed for self-generation of electricity

3282

MWh fuel consumed for self-generation of heat

1284

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

218046

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

218046

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable

Total fuel

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Canada

Consumption of purchased electricity (MWh)

7437

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

China

Consumption of purchased electricity (MWh)

918

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

France

Consumption of purchased electricity (MWh)

8153

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Germany

Consumption of purchased electricity (MWh)

6195

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Hong Kong SAR, China

Consumption of purchased electricity (MWh)

327

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

India

Consumption of purchased electricity (MWh)

9852

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Ireland

Consumption of purchased electricity (MWh)

5420

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Israel

Consumption of purchased electricity (MWh)

710

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Italy

Consumption of purchased electricity (MWh)

48

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Malaysia

Consumption of purchased electricity (MWh)

818

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Norway

Consumption of purchased electricity (MWh)

286

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Philippines

Consumption of purchased electricity (MWh)

63575

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Romania

Consumption of purchased electricity (MWh)
492

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
Taiwan, China

Consumption of purchased electricity (MWh)
1078

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
Thailand

Consumption of purchased electricity (MWh)
163703

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
2024

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area
United States of America

Consumption of purchased electricity (MWh)
432467

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Country/area

Viet Nam

Consumption of purchased electricity (MWh)
105

Consumption of self-generated electricity (MWh)

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

Consumption of self-generated heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Energy usage

Metric value
161

Metric numerator
797,797

Metric denominator (intensity metric only)
4,953

% change from previous year
7

Direction of change
Decreased

Please explain

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for current reporting year – first year it has taken place

Type of verification or assurance

Third party verification/assurance underway

Attach the statement

Page/ section reference

The certification process for our Scope 1 emissions during the reporting period is currently underway and will be available in August 2023 tentatively.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for current reporting year – first year it has taken place

Type of verification or assurance

Third party verification/assurance underway

Attach the statement

Page/ section reference

The certification process for our Scope 2 emissions during the reporting period is currently underway and will be available in August 2023 tentatively.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISO14064-3	Audit of the energy consumption data from electricity, natural gas, diesel, and LPG is underway as part of the third-party assurance of our Scope 2 emissions.
C12. Engagement	Other, please specify (Environmental Management System)	ISO14001	As part of our full membership with the Responsible Business Alliance, we conduct annual VAP audits by third-party auditors at our assembly, testing, and packaging facilities. All three of our audited sites were rated low risk and received external recognition for these audits.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Other, please specify (Climate related stipulations are included within our supplier purchase order terms)

Details of engagement

Other, please specify (Supplier purchase order terms and conditions)

% of suppliers by number

100

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

All suppliers are required to adhere to the climate related terms and conditions included in our purchase orders.

Impact of engagement, including measures of success

All suppliers are covered under this program.

Comment

Suppliers are required to make representations with respect to any toxic or hazardous substances delivered (the term "toxic" shall have the definition set out in the resources Conservation and Recovery Act, 42 U.S.C 6901 et seq. and the term "hazardous substances" shall have the definition set out in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq. No Class I or Class II Ozone Depleting Substances, polychlorinated or polybrominated biphenyl or phenyl ethers, dioxins or their analogs, or asbestos containing materials are supplied to us.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We engage with our employees on internal energy and water conservation projects that are in line with our climate goals and targets. These projects are advertised through our EHS notice boards and communication updates. Ex. Employees who drive AFVs or carpool enter a draw for designated carpool parking spots. Recycling initiatives are also incentivized at some locations.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization’s purchasing process and the compliance mechanisms in place.

Climate-related requirement
Complying with regulatory requirements

Description of this climate related requirement
Suppliers are required to make representations with respect to any toxic or hazardous substances delivered (the term "toxic" shall have the definition set out in the resources Conservation and Recovery Act, 42 U.S.C 6901 et seq. and the term "hazardous substances" shall have the definition set out in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq. No Class I or Class II Ozone Depleting Substances, polychlorinated or polybrominated biphenyl or phenyl ethers, dioxins or their analogs, or asbestos containing materials are supplied to us.

% suppliers by procurement spend that have to comply with this climate-related requirement
100

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement
Certification
Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement
Other, please specify (All suppliers are required to adhere to the climate related terms and conditions included in our purchase orders.)

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
Our 2040 Net Zero target is aligned with the 1.5 scenario.

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
Microchip engages with state regulatory bodies and trade associations to influence policy on GHG reduction targets. This helps us to align our climate strategy and targets with current and upcoming regulatory obligations.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Colorado GEMM Phase II

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related targets

Climate transition plans

Emissions – CO2

Emissions – other GHGs

Verification and audits

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

Our team engaged with the Colorado Department of Public Health and Environment and other businesses in the area to draft and assess the language in the GEMM Phase II Rule.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Fab Owners Association (FOA))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify (Semiconductor Industry Association (SIA))

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

2022-Microchip-Sustainability-Report.pdf

Page/Section reference

Refer to sections "Our Company," and "Our Planet" within the 2022 Sustainability Report.

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Other, please specify (RBA)	Microchip is a full member of the Responsible Business Alliance. We complete annual Self-Assessment Questionnaires (SAQs) for our major facilities, which include an extensive evaluation of our environmental management. We also track our suppliers’ environmental-related risks and complete the RBA Environmental Survey each year.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, but we plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
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C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Corporate Vice President - Back-End Operations	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	8050200000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Products vary in complexity, size, use case etc. which dictate the process emissions. Simply allocating emissions based on spend data will not yield accurate results.
Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult	Our customers operate and use our products in different geographies that have different emission factors which makes it challenging to assign a single factor for the purpose of our calculations.
Customer base is too large and diverse to accurately track emissions to the customer level	Microchip has a huge customer base and we're in the process of developing our Scope 3 emissions program to collect and track the supporting data

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below
I have read and accept the applicable Terms