



CORPORATE RESPONSIBILITY AT MPS

2024

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MPS

About MPS

Message from the CEO

Our journey of developing products that reduce the overall environmental impact and emissions started 26 years ago.

When I started MPS in 1997, I had a vision of creating a product that integrates the entire power system to a monolithic block, which reduces the discrete solution dimension. We fulfilled that vision, setting a new standard in power management. Our revenue growth story speaks for itself.

The reasons behind our past success remain true today: We design innovative and versatile solutions that improve power conversion efficiency and reduce material consumption. These solutions are simple to use and cost less. They make it possible for our customers to build great products, and still lessen their own environmental impact and meet sustainability goals.

We continue to defy industry expectations. And demand for our products has never been higher.

Over the past year, in the face of a challenging economic climate in the technology sector, we put our heads down and got to work. We focused our efforts to reduce our environmental footprint while continuing to drive exciting product innovations. Our hard work has paid off.

We made progress toward our goals of reducing greenhouse gas emissions by 40% by 2030 and increasing renewable electricity across our operations. I am proud of that progress. This year, we also helped our customers reduce their environmental footprint by delivering some of the industry's best performing power solutions for AI. The broader adoption of AI has brought with it new opportunities for MPS to do what it does best: Invent creative solutions that consistently push the envelope – ahead of our competitors – of what is possible in power density and efficiency. The result is that MPS continues to set the pace in the industry, delivering leading solutions that are quite literally powering the AI revolution.

But we aren't stopping there. I tell my team: Keep. Going.

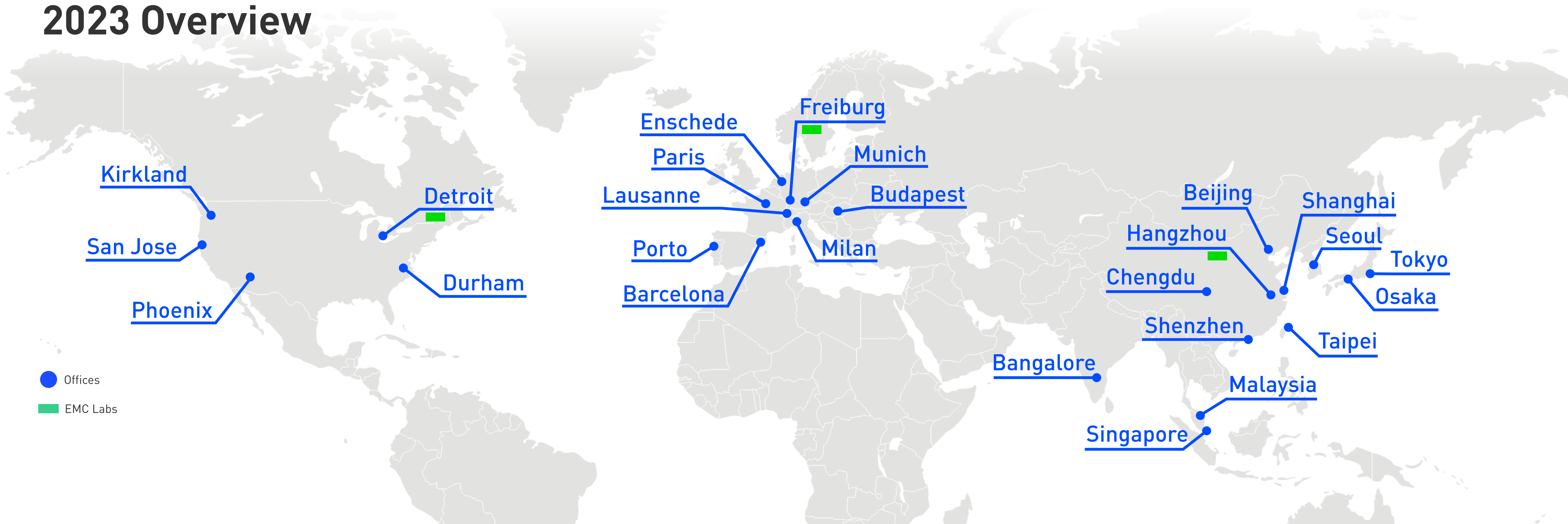
We will continue to push our technologies to allow our customers to do more and go further, while working to make a positive impact in our own operations, in our communities, and on Earth.



Michael R. Hsing, CEO



2023 Overview



Founded in
1997
 in San Jose - California IPO
 in 2004 (NASDAQ: MPWR)

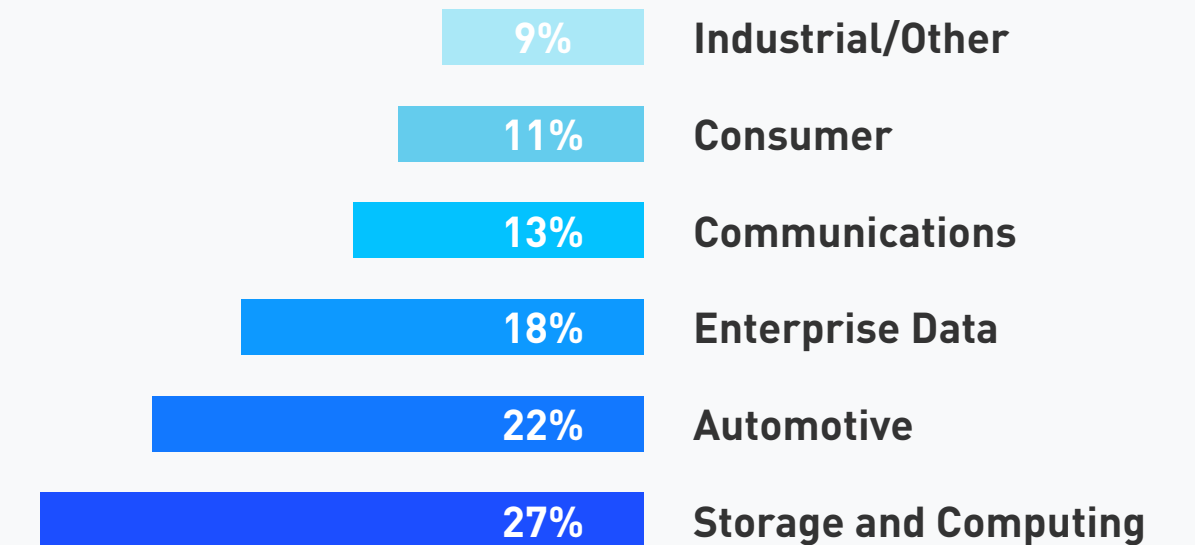
Employees Worldwide
3,500+

Number of Products
4,000+

Female
41%

Revenue
\$1.82B

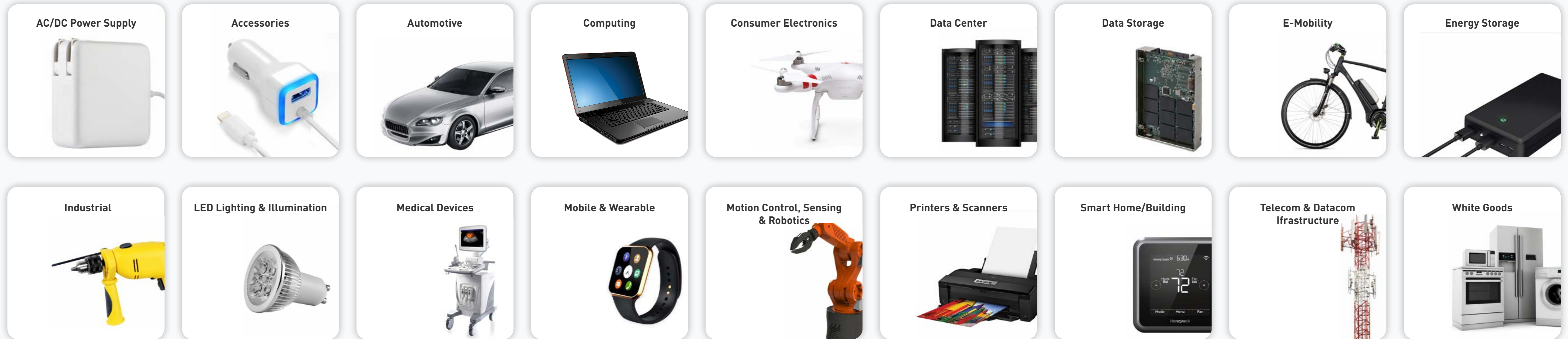
Minority Workforce (U.S. only)
69%



Our products

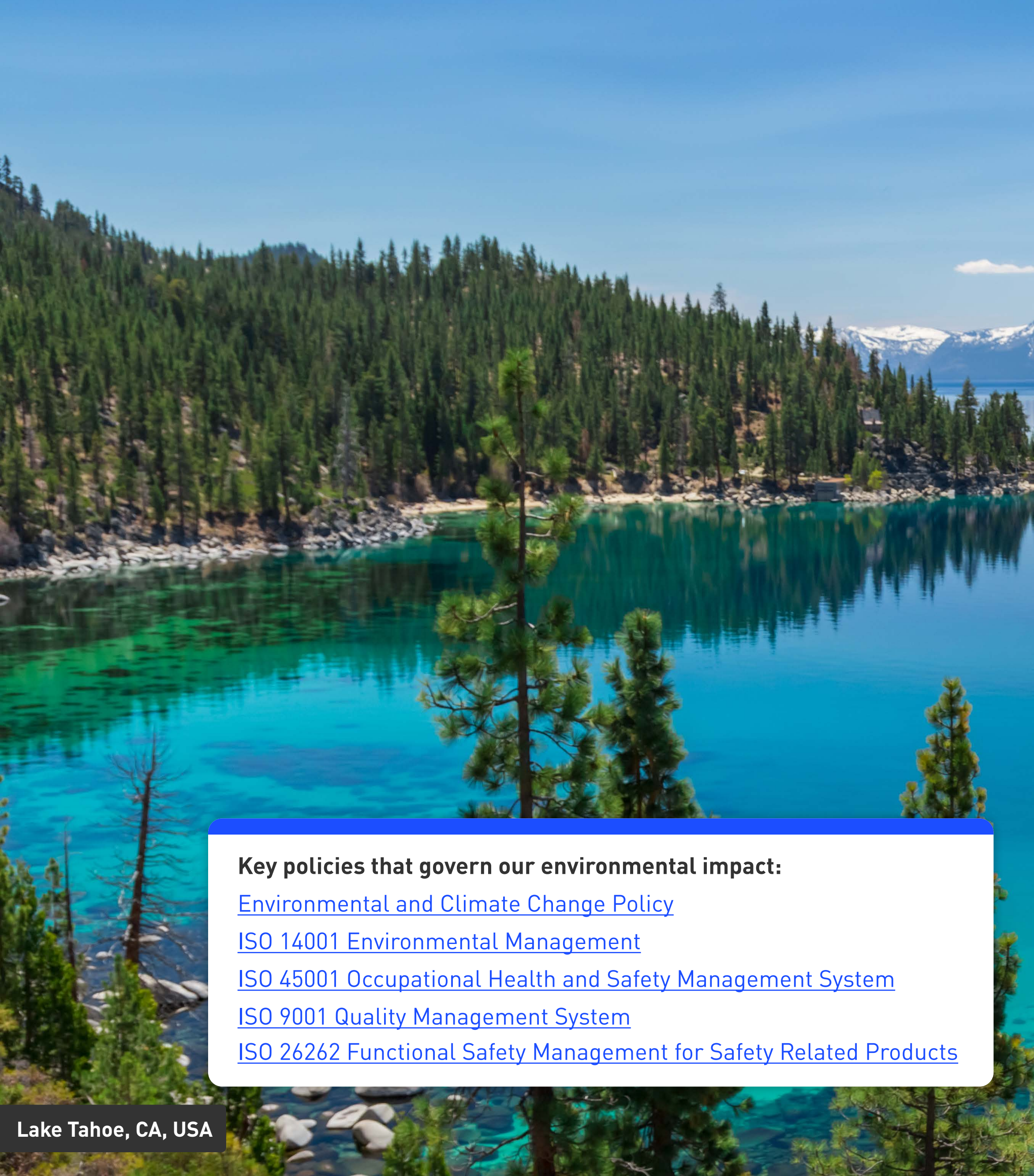
MPS core strengths are deep system-level knowledge, strong semiconductor design expertise, and innovative proprietary technologies in the areas of semiconductor processes, system integration, and packaging. We develop technology for a more sustainable planet by offering solutions that are more highly integrated by designing small, ultra-efficient, easy-to-use power management solutions. We invest in the research and thorough testing to offer increasingly efficient and reliable ways to power state-of-the-art technology. The market is hungry for ever-greener power solutions, and we are ambitious and boundary-breaking in our journey to answer the demand.

Powering & Enabling





Environment



We recognize the impact of climate change and our company's contribution

We understand that as a business, we must prepare for the wide range of climate change related risks with potentially damaging consequences to our environment, economy and society.

We recognize the impact climate change and associated extreme weather events pose to our operations, and the need to be transparent and proactive in managing those risks. Higher global temperatures have led to more frequent and severe weather events, including droughts, heatwaves, wildfires, severe flooding and hurricanes.

For example, some of our third-party manufacturing partners have operations in regions that are experiencing an increase in extreme heat events and prolonged dry periods. A resulting increase in the frequency and severity of such events could disrupt their operations and hence could impact our supply chain and customers. Because water is essential to semiconductor manufacturing, and many suppliers are based in areas experiencing “high” or “extremely high” water stress, major droughts could affect hydropower generation further disrupting manufacturing operations.

We have a global physical footprint with facilities in North America, Asia and Europe, and we employ more than 3,500 people worldwide. Our operations use land, energy, materials, water and generate waste, all of which contribute to climate change. As a fabless company, our largest environmental impact comes from the energy used to run our operations. Our supply chain, while not part of our direct operations, accounts for the largest part of our environmental footprint. This includes mining, processing of raw materials by foundries, manufacturing and shipping of our products.

In order for us to systematically identify and measure the full range of possible key climate change- related risks—and collect the necessary data to do so — we use several widely accepted compliance frameworks, including the following ISO certifications (ISO 9001, 14001, ISO 45001, and ISO 27001). We are a member of good standing in the RBA. We use the RBA's Self-Assessment Questionnaire to assess our suppliers on specific inherent supply chain risk areas related to labor, health and safety, environment, and ethics.

We incorporate climate-related risks and opportunities into our business strategy. Environmental measurements have been integrated into our key performance goals.

Key policies that govern our environmental impact:

[Environmental and Climate Change Policy](#)

[ISO 14001 Environmental Management](#)

[ISO 45001 Occupational Health and Safety Management System](#)

[ISO 9001 Quality Management System](#)

[ISO 26262 Functional Safety Management for Safety Related Products](#)

We see business opportunities in addressing climate risk

Many of our customers have set environmental goals of reducing the energy used by their products. They are relying, in part, on MPS continuously offering component products that use less energy. Our goal is to build products with higher performance, lower cost, and improved energy efficiency, compared to previous generations, to meet our customers' needs.

Our products are key to developing technologies that support sustainable infrastructures. Our solutions are already an essential part of those applications, including renewable energy infrastructures, electric transportation, factory automation and data centers.

Our energy-efficient products help create value for our customers by lowering their overall energy use and overall environmental impacts, which in turn benefit our own scope 3 emissions.

Next, we will outline the processes of how we manage and quantify our environmental impacts, our goals to reduce them.





We actively work to improve and reduce our environmental impact

Our Environmental Management System (EMS) is an overarching framework we use to monitor our environmental stewardship. It is designed to prevent pollution and ensure compliance with all applicable global and local environmental requirements. It includes records, data and targets that we establish and it tracks our use of energy, electricity and water, as well as waste disposal. We also use our EMS to manage environmental risks and for hazardous materials training.

It is based on globally accepted best practices, including those recommended by the RBA, a trade organization focused on responsible business conduct. It is further supported by our Environment and Climate Change Policy. Our EMS is compliant with relevant international standards including ISO 14001, 45001 and 9001.

Our largest testing facilities in Chengdu, China are ISO14001, and ISO45001 certified and are audited annually. This audit includes an extensive environmental risk analysis, which we use as a basis for improving our processes. We believe that compliance with these standards helps us prevent work-related injuries and health issues.

We require our own suppliers to comply with our EMS, and the contained legal and ISO 14001 requirements. Through our EMS, we ensure our products are shipped in compliance with the European Restriction of Hazardous Substances (ROHS) directive and exclude banned substances such as BFRs, PVC, phthalates, beryllium, arsenic, and antimony.



We have clear Environmental Health and Safety procedures

Our Environmental, Health and Safety policy is part of our broader EMS. It ensures that we comply with all personal and workplace safety laws and regulations, including local regulatory requirements.

We manage potentially harmful chemicals or hazardous materials, which we track through our EMS. Our EHS procedures cover legal requirements for handling and recycling or disposing of special substances and materials. It also includes enhanced ventilation requirements for maintaining a safe workplace.

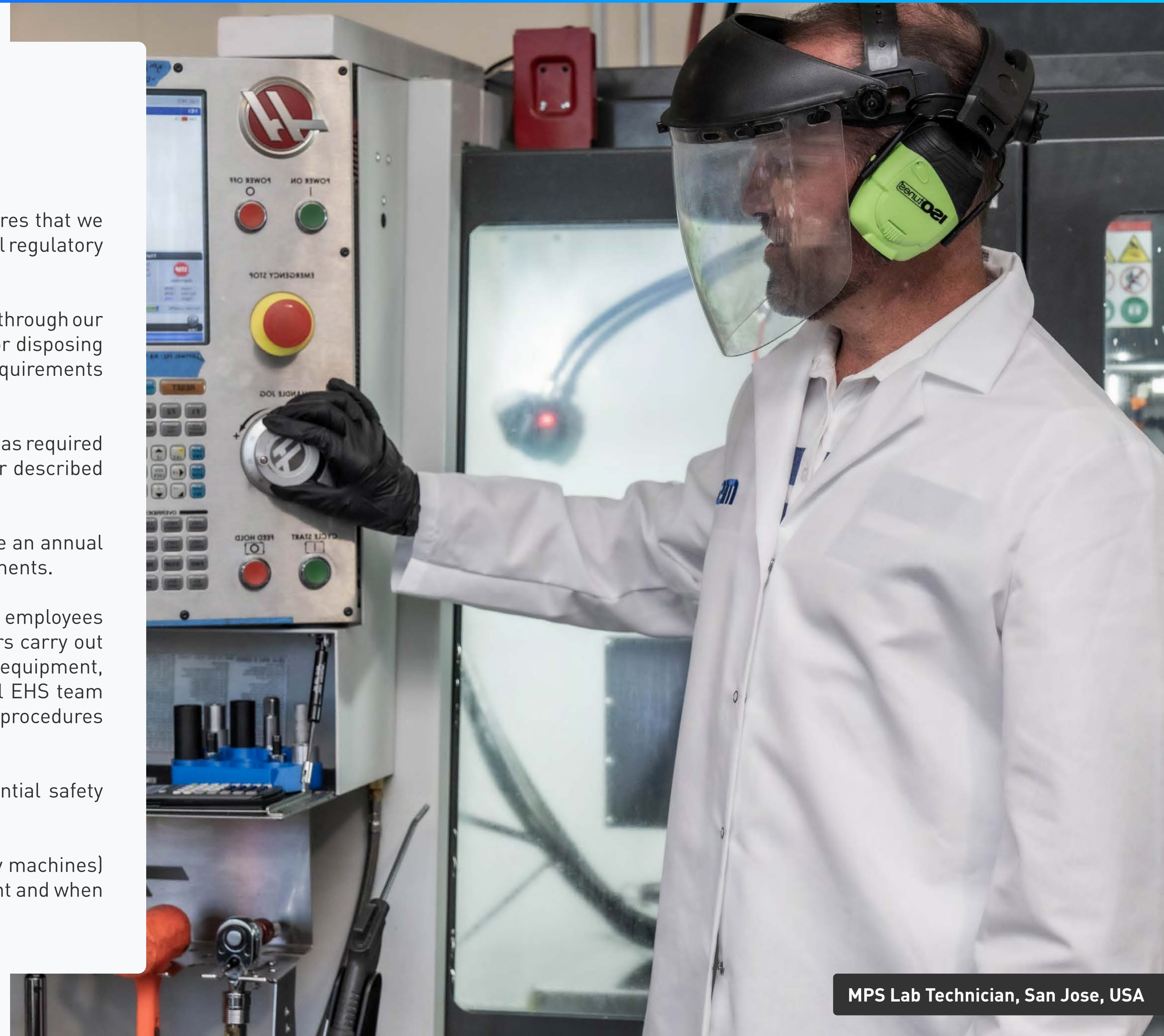
We maintain and update data on specific substances that are banned or restricted, as required by various oversight organizations. Specific hazardous waste policies are further described in our Code of Social Responsibility and our Supplier Code of Conduct.

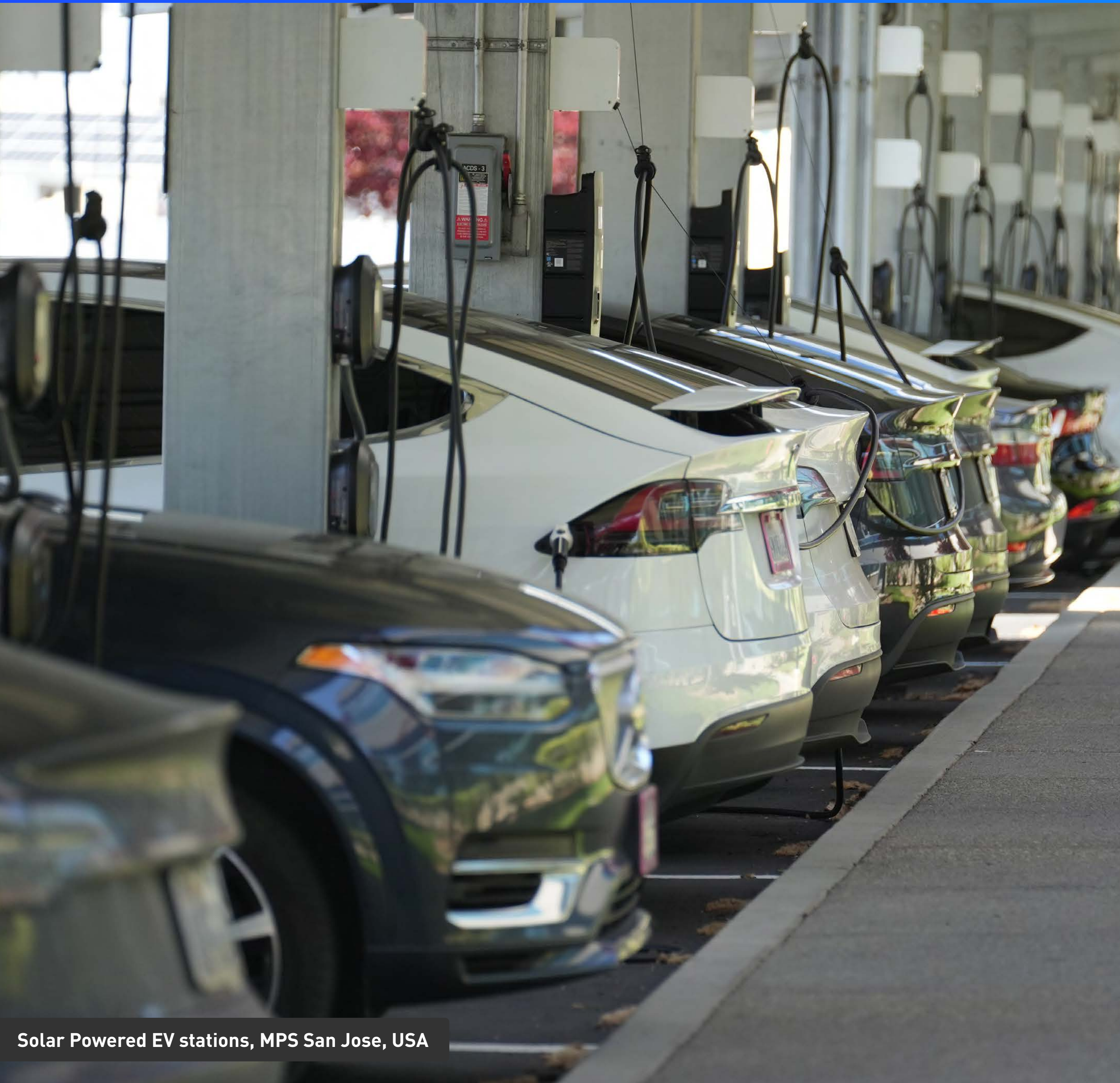
All employees handling and/or managing hazardous materials and waste receive an annual refresher training in accordance with federal, state and local regulatory requirements.

Our procedures have clear personal protective equipment (PPE) guidance. New employees are trained on the importance of proper PPE use and disposal. Local supervisors carry out periodic inspections to ensure PPE is adequate and properly fitted. When new equipment, testing procedures, chemicals or hazardous materials are introduced, the local EHS team is responsible for determining which PPE items will be required and updating procedures accordingly.

We conduct annual safety risk assessment of our workplace and identify potential safety risks and implement proper actions to mitigate them.

All employees exposed to occupational hazards (e.g. hazardous chemicals, X-ray machines) receive special medical examination at the time of hiring, during their employment and when leaving MPS in accordance with local regulatory requirements.





Solar Powered EV stations, MPS San Jose, USA

We are making our operations more sustainable

We look for opportunities to minimize the environmental impact of our operations and facilities, by leveraging energy efficiency and clean energy technology.

Globally we have almost 33,500 square feet of solar panel installed on our buildings, which generated 637 megawatt hours (MWh), with 158 metric tons of carbon dioxide equivalent (MTCO₂e) saved in 2023. More than a third of the 86 EV charging stations we have installed are powered by solar panels and are provided free of charge to our employees. As a result, 100% of the charging stations are utilized supporting cleaner mode of transport.

Our San Jose facility in California has installed a solar powered micro-grid to mitigate peak power demand and power outages. We use LED lighting, heating, ventilation and air conditioning and lighting controls to further minimize our energy use. We are upgrading some of our cooling equipment to more efficient models in one of our largest facilities over the next 2 years.

We also have water conservation plans in place. For example, our German facilities include drainage systems that enable rainwater retention to flow directly to the soil rather than to storm drains. In China, our newest testing plant has a rainwater recycling system directly linked to our landscape irrigation. We have also installed water-efficient, sensor-activated faucets and flushing mechanisms in the restrooms of some of our offices.

In 2023, we focused on our next generation facilities and partnered with our real estate design teams to incorporate alignment to LEED requirements for our building.

Spotlight initiative:

Our team identified opportunities to reduce printing requirements by maximizing digital files where appropriate. As a result, we are saving **1 million paper sheets** and **20kg of ink toner** per year.

We are reducing our GHG emissions

While many of our products improve energy efficiency for our customers, we know that we need to reduce our own greenhouse gas emissions. In 2023 we set a goal to reduce our absolute GHG emissions scope 1 and 2 by 40% by 2030 against our baseline in 2022. Our short-term target is to reduce our GHG emissions by 25% by 2026 against that baseline. We are tracking and reporting our progress against our commitment annually.

We have taken steps to ensure transparency and data verification. Our GHG inventory methodology follows the standards developed by the World Resources Institute and World Business Council for Sustainable Development’s GHG Protocol. It requires us to clearly define boundaries for the purpose of establishing responsibility for emissions. We have set our boundaries to include our operations over which we have control. Per these requirements, we identify, collect, and account for GHG emissions from these sources. Our facilities are a mix of large and small offices, research and development labs, testing facilities and warehouses.

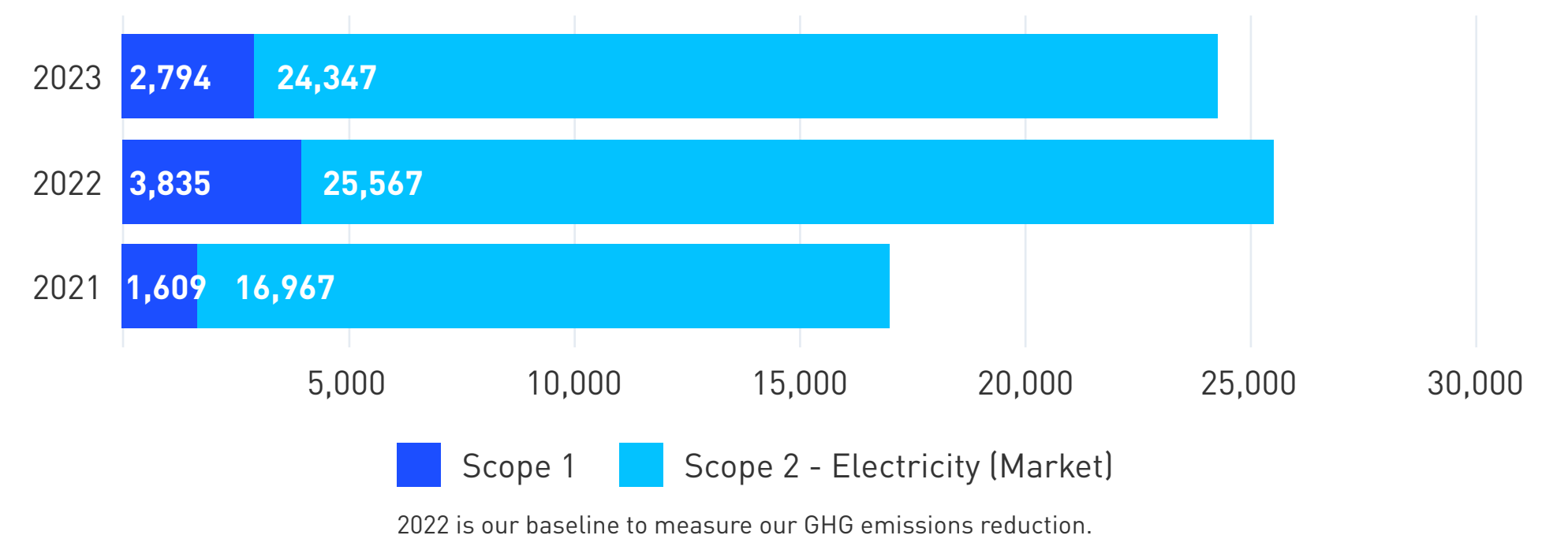
To support our sustainability effort, in 2023, we launched our ESG web-based platform. It centralizes and automates our data collection and calculates our greenhouse emission inventory in real time, generating detailed and up to date reports on our ESG program. It will also support the future evaluation and reporting of our supply chain emissions inventory.

Our reported GHG emissions inventory includes our direct emissions from resources we own and control, known as Scope 1, and the indirect emissions associated with the electricity we use, known as Scope 2. Our inventory has been verified by a third-party expert. The Assurance Statement is available in Appendix 1.

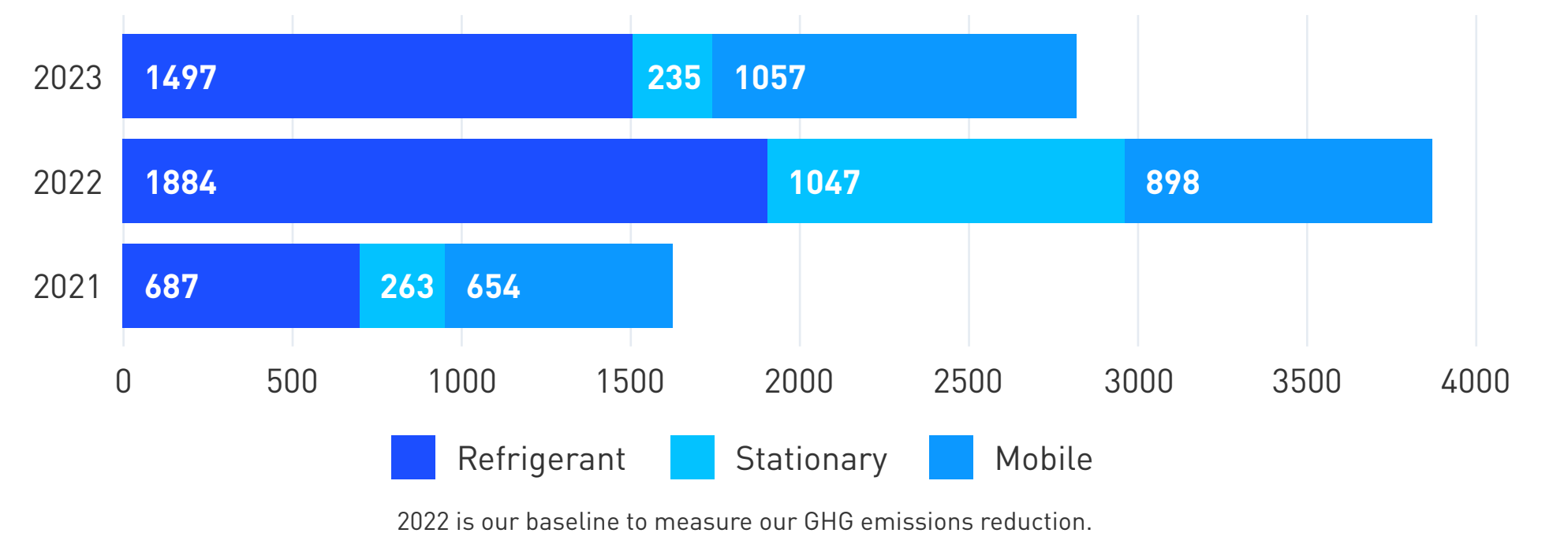
In 2023, our Scope 1 and 2 GHG emissions were 8% lower than in 2022. Our overall Scope 1 GHG emissions were reduced by 27%. Our emissions from refrigerants were reduced by 21%. This was achieved by replacing some of our equipment and deploying new processes for early leakage detection. Our stationary emissions significantly reduced by 77%.

Our Scope 2 GHG emissions were down by 5% vs 2022 as a result of increasing our use of renewable electricity in the US, Europe and Asia.

Total GHG Emissions MTCO2e (Market)



Scope 1 Emission (MTCO2e)



GHG EMISSIONS
REDUCED BY

80% vs
2022

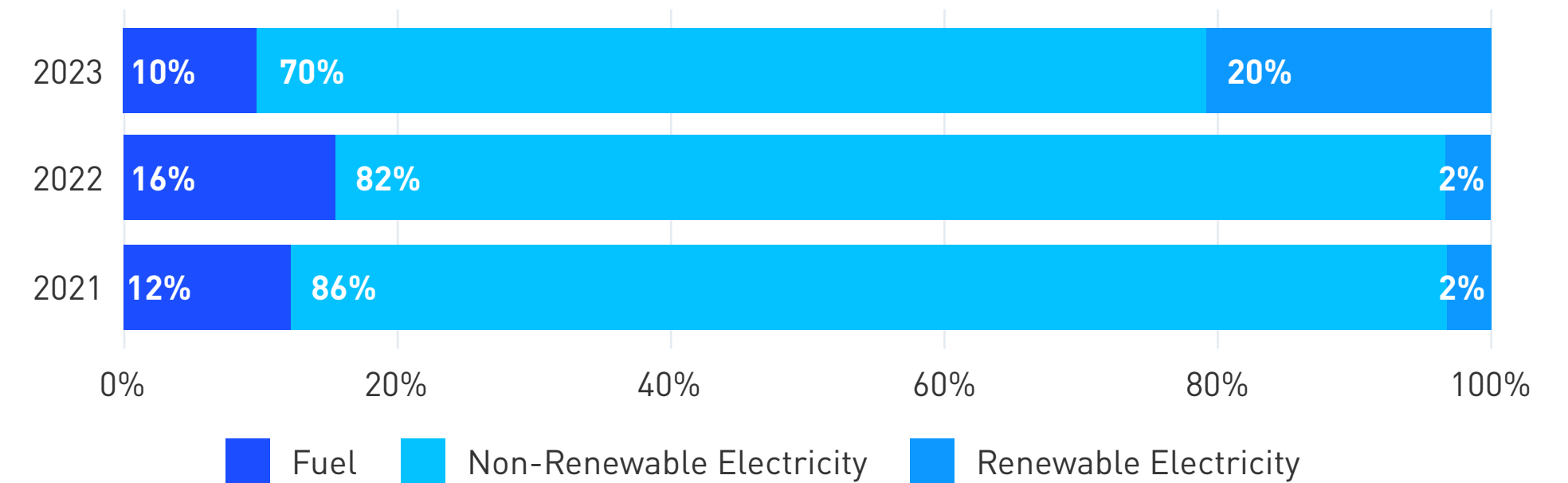
We used ten times more renewable electricity

In 2023, our global operations were powered by 20% renewable electricity compared with 2% in 2022. At the end 2023, all our US and European operations moved to renewable electricity contracts provided by local utility companies, representing more than 5% of all electricity used. We will be working on establishing similar contracts in other locations where available.

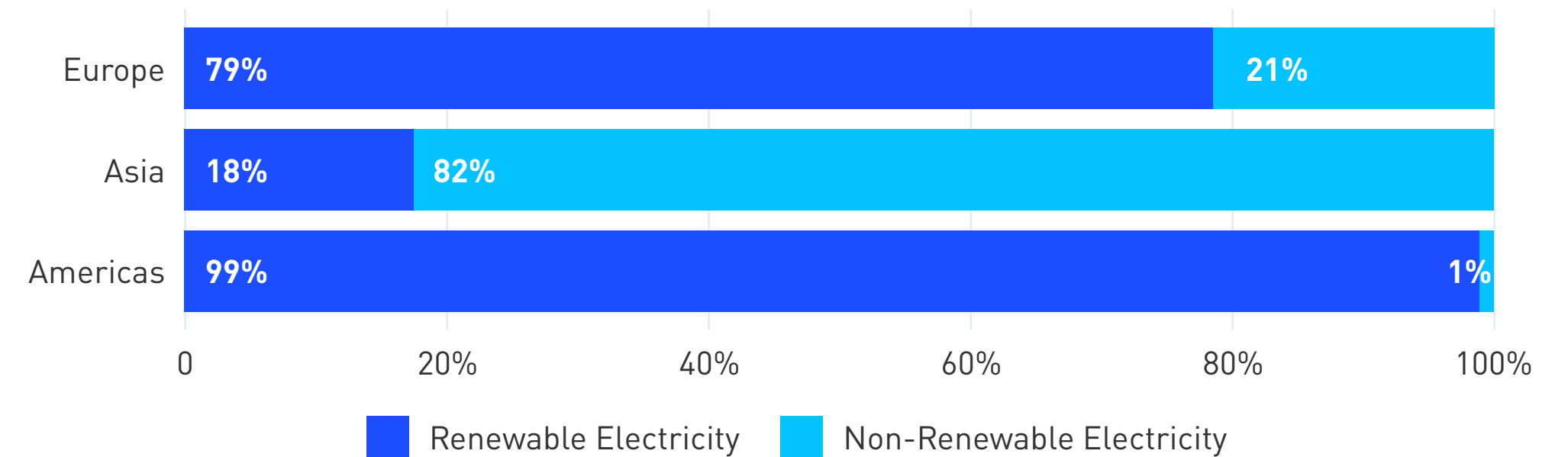
In 2023, our business growth, and the expansion of our testing capacity drove an 11% increase in our energy use. Our testing operations are also increasingly focusing on our most complex products. This results is more elaborate testing processes and longer average test time. Both contributed to our overall increase in energy use.

In 2023, we will be identifying energy efficiency opportunities and developing implementation strategies. We will use our recently established global energy usage baseline to measure energy efficiency improvements.

Energy Consumption Breakdown



2023 Electricity Consumption by Regions





20%

**POWERED BY RENEWABLE
ELECTRICITY
IN 2023**

We are measuring and tracking our waste and water use

We continually look for ways to minimize waste generation, most of which is produced at our testing facilities. Our local facilities have established recycling programs, both for municipal solid waste (MSW) and hazardous waste to minimize landfilling, where these options exist. We produced 738 metric tons of waste globally, 81% of which was recycled or composted and a further 15% was combusted with energy recovery. Hazardous waste is a small fraction of our overall waste representing less than 1%.

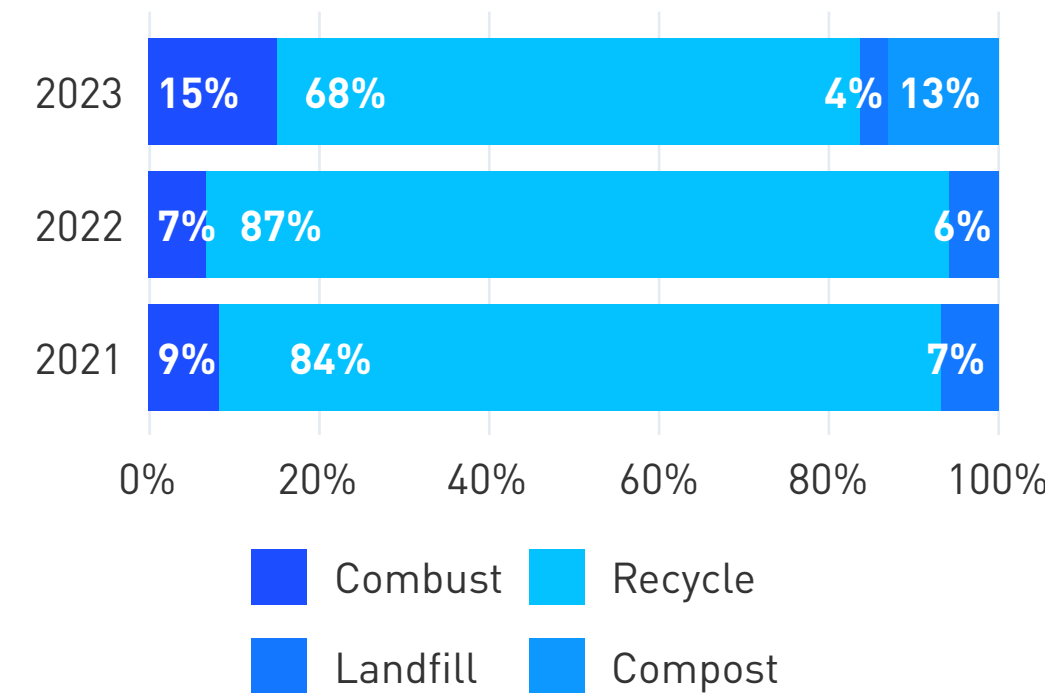
Looking forward, we are focused on recycling more of our hazardous waste. We set a 2026 goal of recycling 80% of our hazardous waste categories. In 2023, we worked closely with our waste contractors to identify available options. In 2024 we will be recycling two additional categories, resulting in 50% of all hazardous waste categories being recycled.

Our Water use

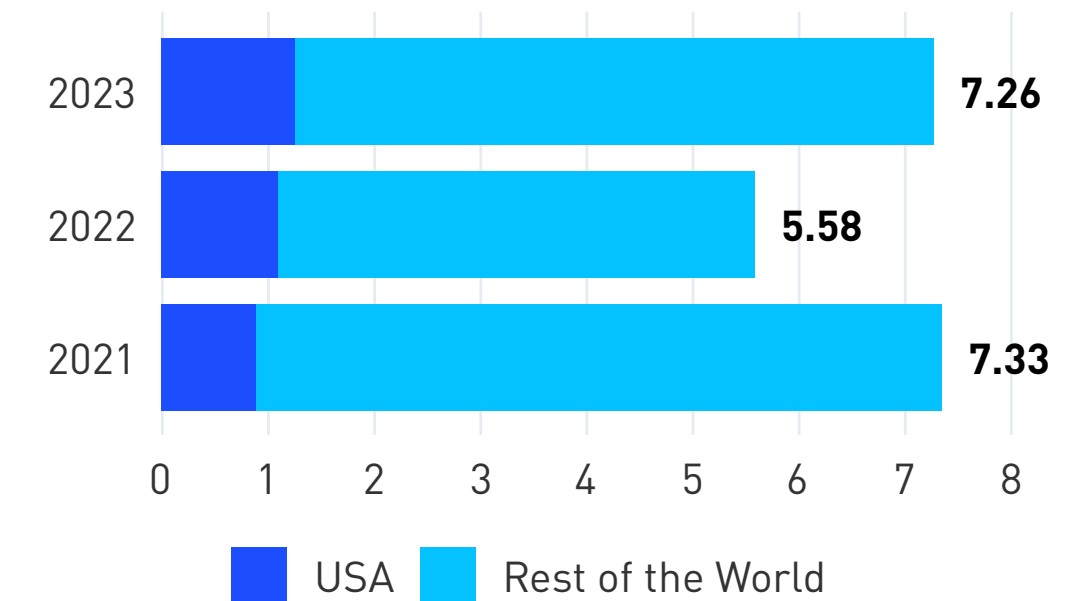
Water scarcity risks are periodically assessed as part of our EMS program. Our team uses the World Resource Institute’s Aqueduct Water Risk Atlas to assess our regional water risks. In 2023 a new version of the tool was released, using up to date data. We ran a new analysis and identified that our facilities in China and Spain are within medium/high water scarcity risk areas.

Our larger testing facilities are responsible for over 90% of our water use. We monitor our water use monthly. If the data reflects any unusual usage patterns, our EHS team investigates the root cause and implements a remediation plan.

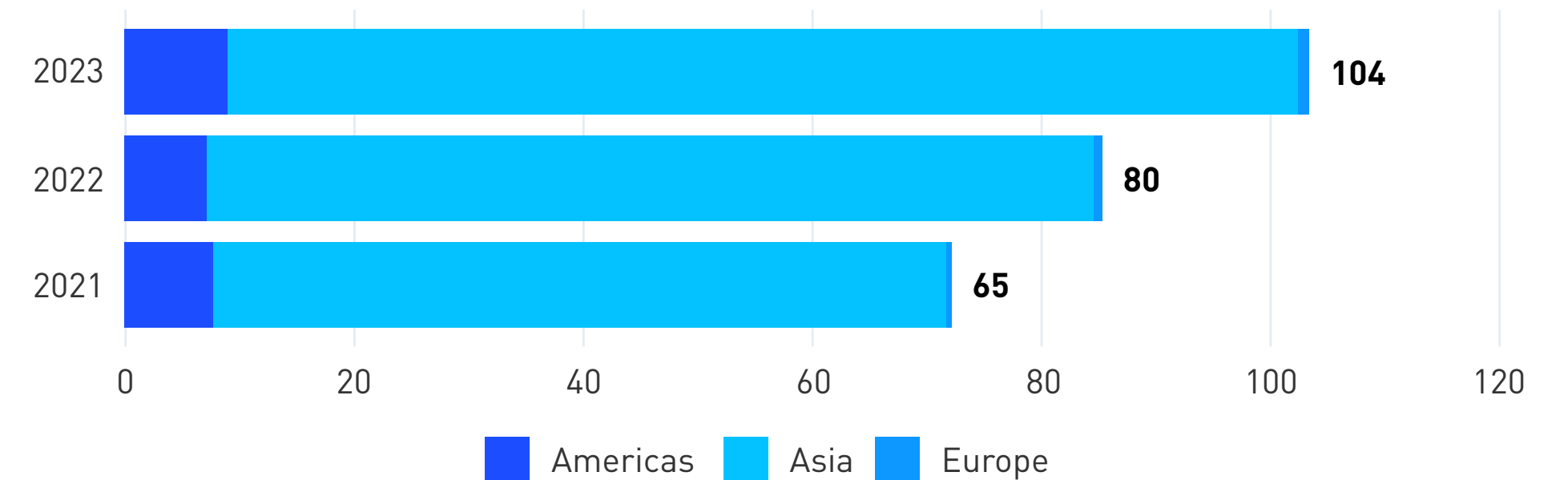
General Waste Disposal*



Hazardous Waste Generated (Tons)



Water Use by Region (Mega-liters)



*We continue to improve our data tracking and have identified waste sent to composting facilities that were reported as landfilled or combusted in previous years.



Our ESG Steering Committee manages risk reduction strategies

We created an ESG Steering Committee to provide direct responsibility and accountability for our efforts. It oversaw our process for establishing environmental impact baselines, from which we developed our public goals. This committee is tracking the progress on our GHG emissions reductions, and our efforts to increase renewable energy use and recycle more hazardous waste.

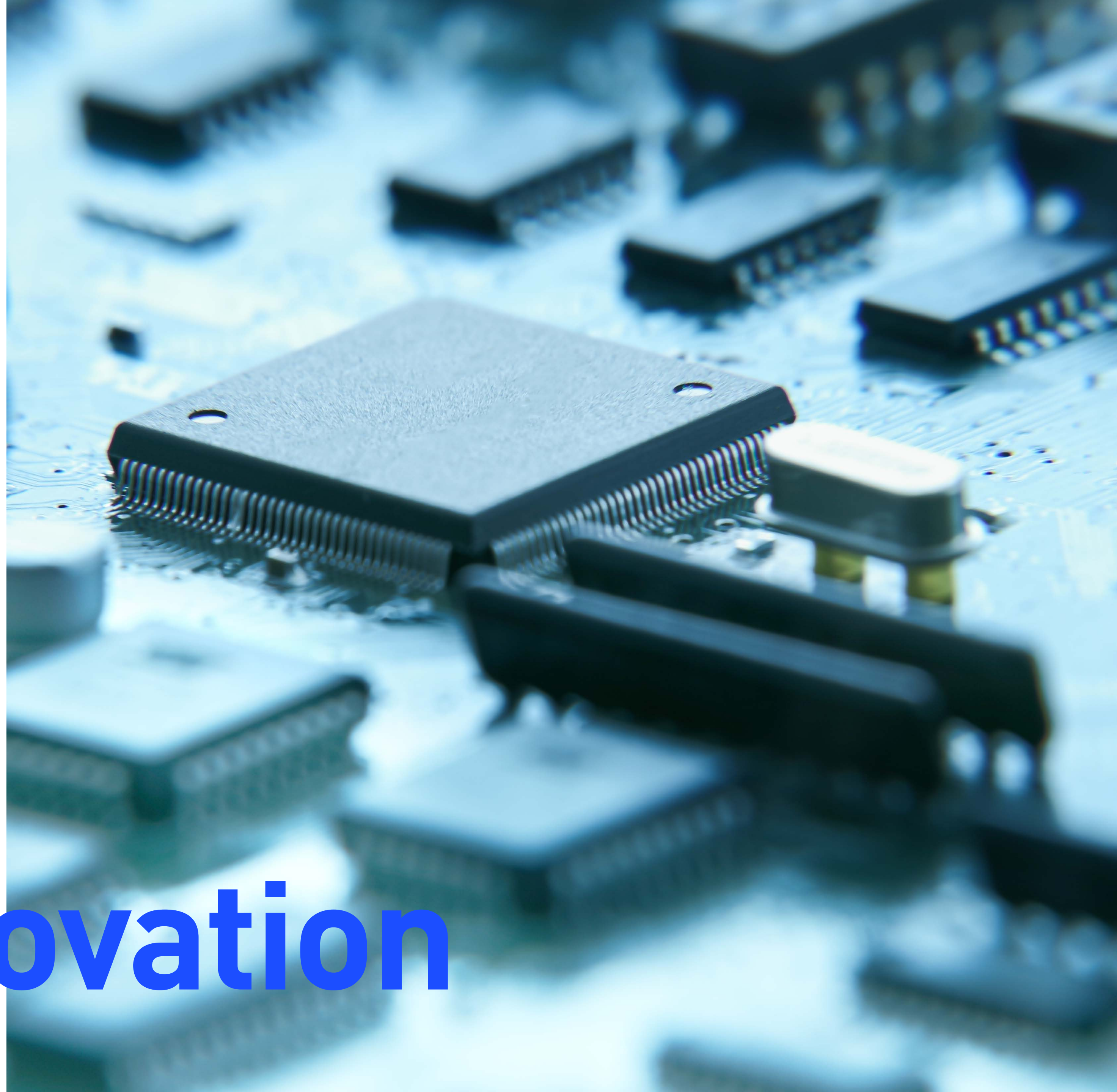
The ESG Steering Committee reviews projects that will have additional sustainability requirements given our goals, such as the expansion of MPS facilities. The committee reviews the projects to ensure they meet our sustainability and ESG objectives.

The ESG Steering Committee reports to our Board and its designated committees, which oversee various aspects of our ESG practices, policies, and performance.

We have tied environmental-related risks and opportunities to management compensation, solidifying executive accountability for these initiatives. It ensures that all MPS environmental goals will be measured and assessed, with tangible results expected.

ENVIRONMENT

Product Innovation





We invest in eco-efficiency through technology

We differentiate ourselves by offering solutions that are highly integrated and smaller in size. Our products are more energy-efficient, more accurate with respect to performance specifications and, consequently, more cost-effective than many competing solutions.

We continue to introduce new products within our existing product families, as well as in new innovative product categories.

Our primary mission is to develop energy efficient products that better utilize the world's natural resources, as outlined in our Environmental Policy.

We do so by developing power solutions that constantly push boundaries, so that we can offer some of the highest power density solutions in the industry. Improving a given product's performance and energy efficiency remains a priority throughout product research and development, and in our subsequent design processes. We aim to make every new product generation more energy efficient than the last.

In doing so, we hope to help customers reach their own sustainability goals. The positive impacts of our innovation are tangible. Our solutions are found in many applications, including electric vehicles, renewable energy infrastructure, data centers and factory automation.

Our substantial investment in research and development helps drive these results. Our three-year average R&D investment-to-sales ratio was 14.5%.

Number of patents filed: **1,731**
Number of patents issued: **1,393**

We are enabling the next generation of data centers

In 2023 we announced a power density improvement target for our data center power solutions delivering 120 kW per rack commercially available by 2027. We believe that others are on track to offer solutions up to 100 kW per rack in the coming years.

Our innovative design is more compact, reducing power distribution losses. These savings translate into data centers increasing the computing capacity that can be stored in a given rack.

In 2023, we achieved a key milestone towards our goal. Our 120 kW per rack design has successfully been incorporated into a major customer new data center solution design. The next challenge for a broad-market adoption of this solution is to overcome the current maximum power at rack level of 60 kW.

We achieved this solution through innovative power architecture. Our power conversion technology creates a smaller footprint on the motherboard than competitor solutions. The design brings all the processors closer together, enabling more computing power in a smaller space. It includes better heat removal from the servers through liquid cooling, making such a large power increase per rack feasible.

The smaller footprint (and resulting energy savings) allows our customers to run much more powerful computers in their current data centers.

We have focused on power density improvements for data centers, because they face significantly larger power requirements for new computing applications like artificial intelligence. The innovations that enable more power density will mean fewer electricity losses, which lowers data centers' overall operational costs, total costs per compute output, and carbon footprint. It also minimizes a data center's physical footprint by reducing the number of racks.





Quality management drives our processes

Our mission is to ensure that our product quality is consistently at the highest standard. We do so by developing and maintaining quality processes for developing, manufacturing and testing our products.

For every product, we establish the necessary new processes in advance of starting manufacturing operations. We use our Quality System Management to identify specific risks within our systems, opportunities for improvement, and to prevent product nonconformities. We treat quality as a competitive advantage and business enabler.

We developed and track quality key performance indicators to identify and investigate trends.

We are certified to ISO 9001. For our automotive sector, we are aligned with IATF16949 requirements and are certified to ISO 26262 for functional safety parts.

Quality is part of product innovation and development

Ensuring a quality product is built into every stage of our product development process.

We first design the foundry process technology development, followed by the manufacturing processes as the basis for any product design. The name Monolithic Power represents the unique foundry process technology we have developed. All MPS products are designed using this proprietary technology.

Advanced product quality planning is key to our product development, which allows us to identify and resolve any potential problems in the most effective and efficient way. We use Design Failure Modes and Effects Analysis (FMEA), as a preventive measure in our automotive line.

EMC testing is a mandatory requirement for a growing range of product applications. MPS has three state-of-the-art EMC compliant facilities. Our team understands the unique complexities and challenges of EMC testing for automotive, consumer products, military and integrated circuits.

You can learn more about our EMC services by visiting [our website](#).

As a fabless semiconductor company, we rely on our manufacturing partners to manufacture our products to meet the product specifications and our quality standards.

We use control plans and Process FMEA to assess product quality and make improvements. We assess our manufacturing processes for possible failure modes, including the severity, occurrence and detection of potential failure.





100% of our products are tested

We use best in class Manufacturing Execution System (MES) for automated quality control in Production Final Test. 100% final electrical testing for all our products is completed, some is done in-house and some at our testing partners. We monitor process variations to identify any potential outliers in electrical performance and identify performance patterns. We remove parts that are conforming but considered statistical outliers.

We have advanced reliability labs for product qualifications, and as a real-time monitoring gate for shipments.

We work with our customers

We review every customers' report, have a dedicated team of failure analysis engineers to identify and resolve concerns.

We use customer surveys and our customer complaint process to measure customer satisfaction.

We are committed to product longevity for our customers and have strategies and internal policies in place to uphold this commitment. Further information on how we manage product life cycle can be found on [our website](#).

Our processor technology makes many products greener

Electric Vehicles



Our high-voltage converters maximize power conversion efficiency, making them ideal for maximizing the power use of electric vehicles. Our intelligent digital power products simplify the system designs, which results in a smaller component footprint, making more power available for the motor.

LED Controller and Driver Solutions



Our portfolio of LED and WLED drivers and controllers use proprietary technology to integrate passive components, such as inductors and capacitors, to shrink board space and reduce components, which improves energy efficiency and extends the life of a light.

Solar Power



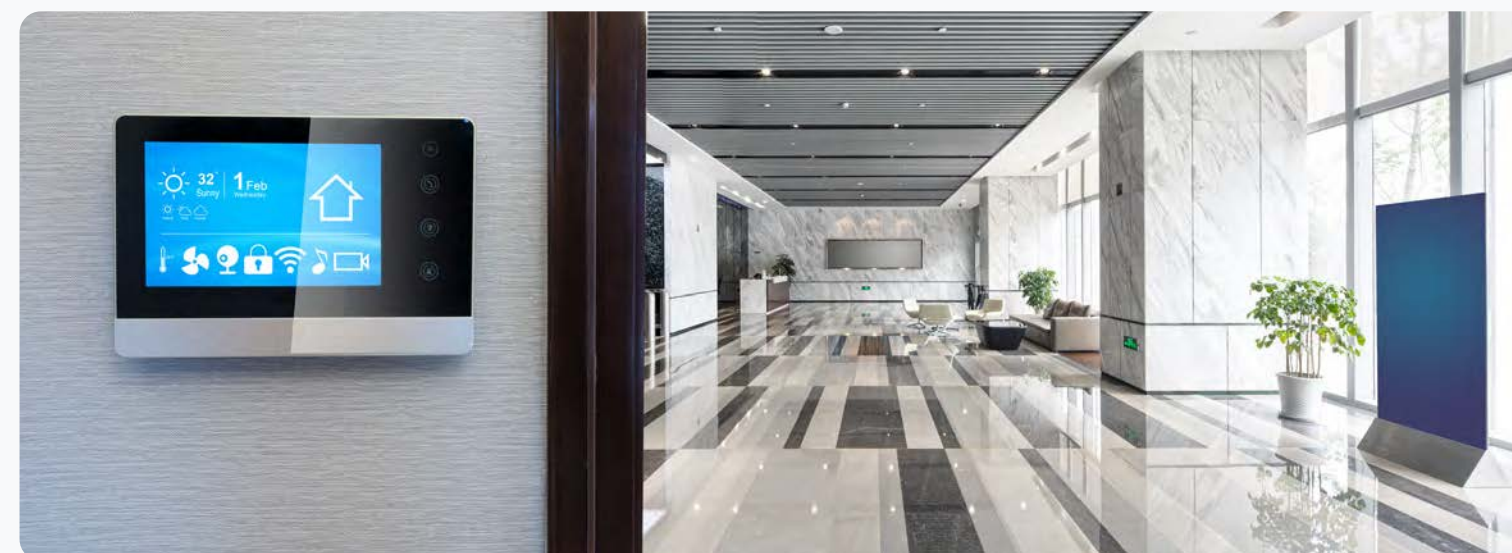
Our portfolio of products is designed to increase power output of solar arrays by reducing switching losses and optimizing efficiency, thereby converting more sunlight into usable energy.

Notebook Solutions



Our digital power solutions for computer notebooks give them more battery life, better processing performance, and less power consumption. We do so by utilizing high switching frequencies that are more efficient and reduce board space by up to 70%.

Smart Home and Building Solutions



Our power-saving products are used in numerous smart-home and building applications, such as HVAC systems, electric and gas meters, home remote controls. Our integrated solutions run efficiently, allowing households and businesses access to accurate, real-time monitoring of energy or water consumption.

Data Center



Our power solutions increase computing power in data center. Our innovative power architecture approach allows each rack to receive more power, and reduces power distribution losses to the servers, saving both energy and money.



Social

SOCIAL

Our People



MPS Employees, Barcelona, Spain



[Code of Social Responsibility](#)

[Code of Ethics and Business Conduct](#)

[Diversity, Equity and Inclusion Policy](#)

Our culture is one of innovation and empowering people

MPS is a leader in the semiconductor industry, offering some of the world's best solutions in power density and energy efficiency. We are consistently pushing the envelope by creating the most power efficient products in many categories.

Innovation is at the heart of our business. This means bringing the best minds into our labs and offices, providing state-of-the-art equipment and professional development, and rewarding them generously for their work. We work hard to ensure that our employee's hard work is leveraged properly towards tangible growth, both for the company as well as for their career".

We recognize that quality products come from long-term investments and relationships, and we reflect this in our human capital strategy. We invest time and energy in ensuring that we have responsible work practices and a welcoming environment.

Our success enables us to give back to our communities, through the MPS Foundation and our academic partnerships.

Our core values:

- ✓ We cultivate creativity.
- ✓ We do not accept the status quo.
- ✓ We innovate for our customers.
- ✓ We don't compromise on quality.
- ✓ We are passionate about sustainability.

We invest in talent development

We are passionate about the professional growth of our employees. They are encouraged to map out their own career paths, with their managers' support. We provide extensive on-the-job training and foster a culture of collaboration so that our employees learn from some of the most talented people in the industry.

MPS offers rewards for long-term expertise, with phased incentives for increasing responsibility. We have found that these benefits provide motivation and produce upward mobility for our employees. MPS prides itself in promoting most of our managers internally, rather than looking for outside sources.

Our engineers, designers, and other professionals need to keep current on the latest developments within their expertise, as well as new ideas. For this reason, we have a broad offering of live and on-demand learning experiences. This library provides our employees with the opportunity to explore their interests and sharpen their skills through workshops, panel discussions, and speaker-based forums.

Based on the needs of the individual, MPS empowers and finances certain advanced technical education programs and online technical certifications for our employees.

"MPS employees can learn from and work with world-class IC experts in the semiconductor industry. MPS assigns senior mentors to coach and assist in an employee's career development. In the model of "transfer, aid and lead," employees can learn from on-the-job assignments and easily adapt to the new environment."

-MPS Employee.





Leadership development is a company priority

Leadership development is central to the success of our business. We prioritize developing top talent from inside the company to become the next generation of company leaders. To do so, we provide active mentoring, leadership training and development opportunities for our entry-level and managerial staff.

We hire employees that are aware of their strengths and weaknesses and provide them with the tools they need to succeed to foster an environment of innovation and creativity. When this happens, we are able to develop solutions and products that once seemed out of reach or impossible.

Women make up nearly a quarter of our management level staff and are an important part of our leadership. We want to build further on this track record of gender inclusion for both our engineering staff and in our future leaders.

We look for additional ways to mentor and encourage future leaders. We do so by actively participating in industry organizations, including the Institute of Electrical and Electronics Engineers (IEEE). We also provide industry mentoring and support at the university level.

We provide extensive trainings to our employees

In 2022 we launched a new learning management system, Cornerstone, as a flexible learning tool.

This new platform offers a standard suite of training materials, on topics including business and leadership skills, ethical standards, IT security, and career development.

Our teams use Cornerstone to manage their career development and plan their own role-specific training programs, including those on our latest technologies. Additionally, all employees set annual goals and complete an annual review with their manager.

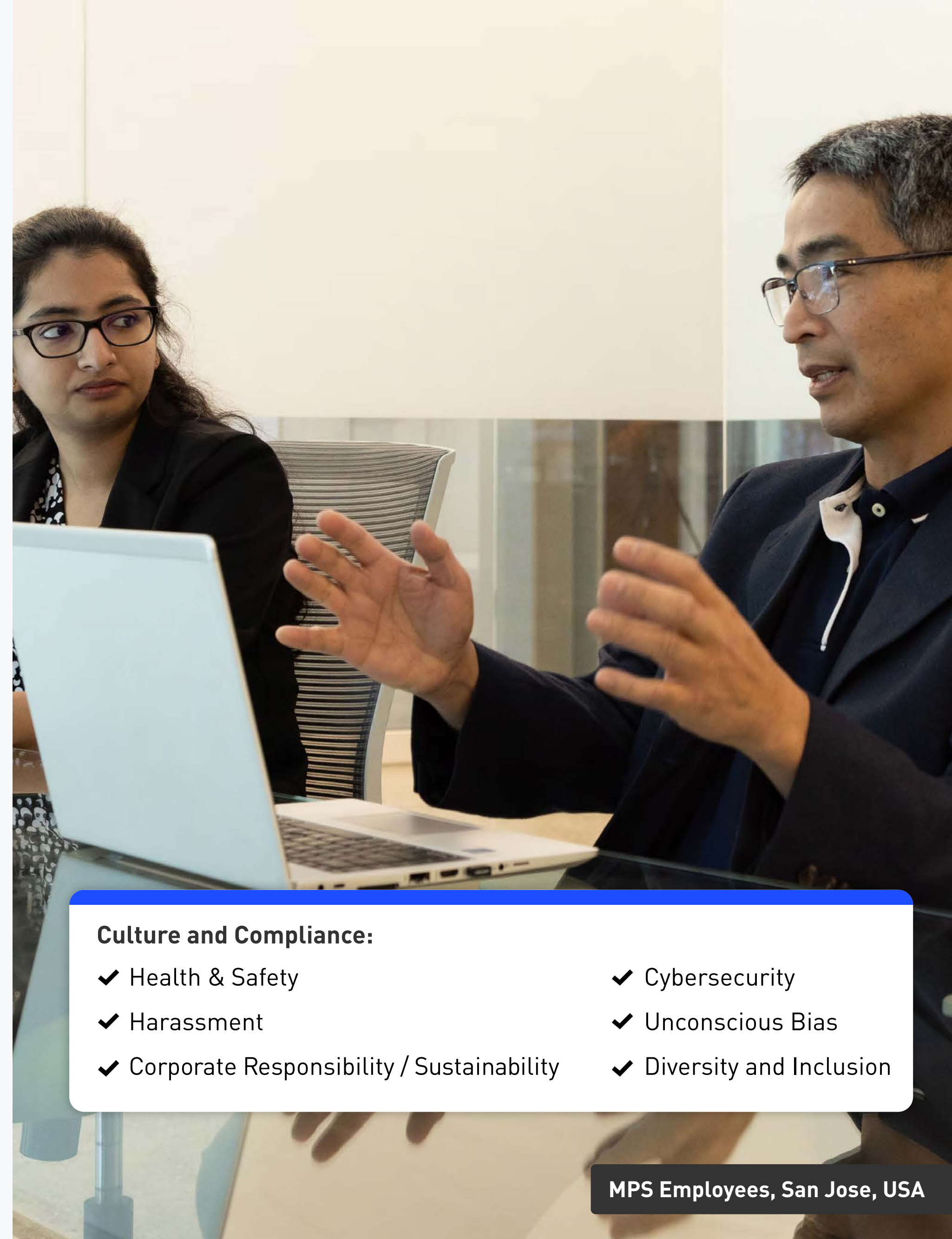
Employees are encouraged to self-identify skills and interests they want to develop. Managers can choose additional suitable team training options, including project management and leadership training.

The platform in-house training library function can be used to develop and document MPS technical expertise and employee innovations. It can be used to document our internal institutional expertise, making it permanently available to teach new hires and management. It also ensures that we are safeguarding our legacy knowledge. Cornerstone also makes it easy for managers and our People Team to ensure all employees are receiving compliance training on a consistent basis.

Spotlight in 2023:

- ✓ 16,138 hours of training completed globally.
- ✓ 97% of US based managers completed unconscious bias training.
- ✓ 100% of managers globally completed a sexual harassment awareness training course.
- ✓ 100% of our staff in Chengdu completed a training on the RBA code of conduct.

As we returned to the office full time in 2023, our teams encouraged and maximized in person mentoring opportunities over formal training courses.



Culture and Compliance:

- ✓ Health & Safety
- ✓ Harassment
- ✓ Corporate Responsibility / Sustainability
- ✓ Cybersecurity
- ✓ Unconscious Bias
- ✓ Diversity and Inclusion



Our employees are diverse

We welcome employees from all backgrounds.

Our employees come from a diverse range of backgrounds across the globe. We want to make sure we are providing an inclusive workplace for them. In 2023, more than two-thirds (69%) of our US based employees self-identified as non-Caucasian. We have been successful in recruiting more women, who make up 41% of our global workforce.

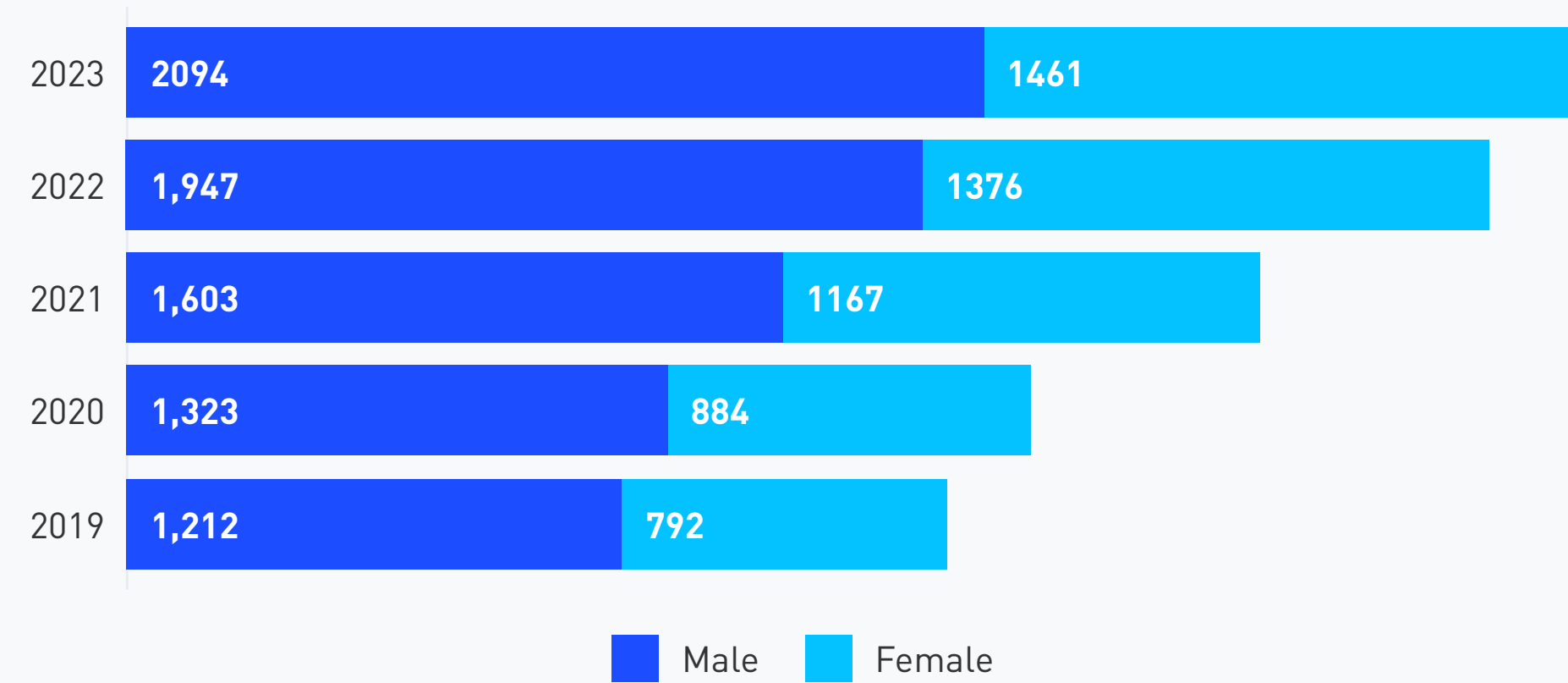
We do not tolerate discrimination of any kind and have adopted policies for reporting concerns or violations. Our Diversity, Equity and Inclusion Policy explains how we encourage and support a culture of teamwork, fairness and tolerance. This year we delivered training on unconscious bias for our US based leaders and managers.

Our recruitment focuses on attracting, retaining, and developing a broad range of top talent. This includes taking steps to provide hiring managers with a set of candidates that includes historically underrepresented groups in technological fields. We use job posting forums such as workplacediversity.com as well as participating in various college on-campus recruiting events focused on candidate diversity, to support that effort.

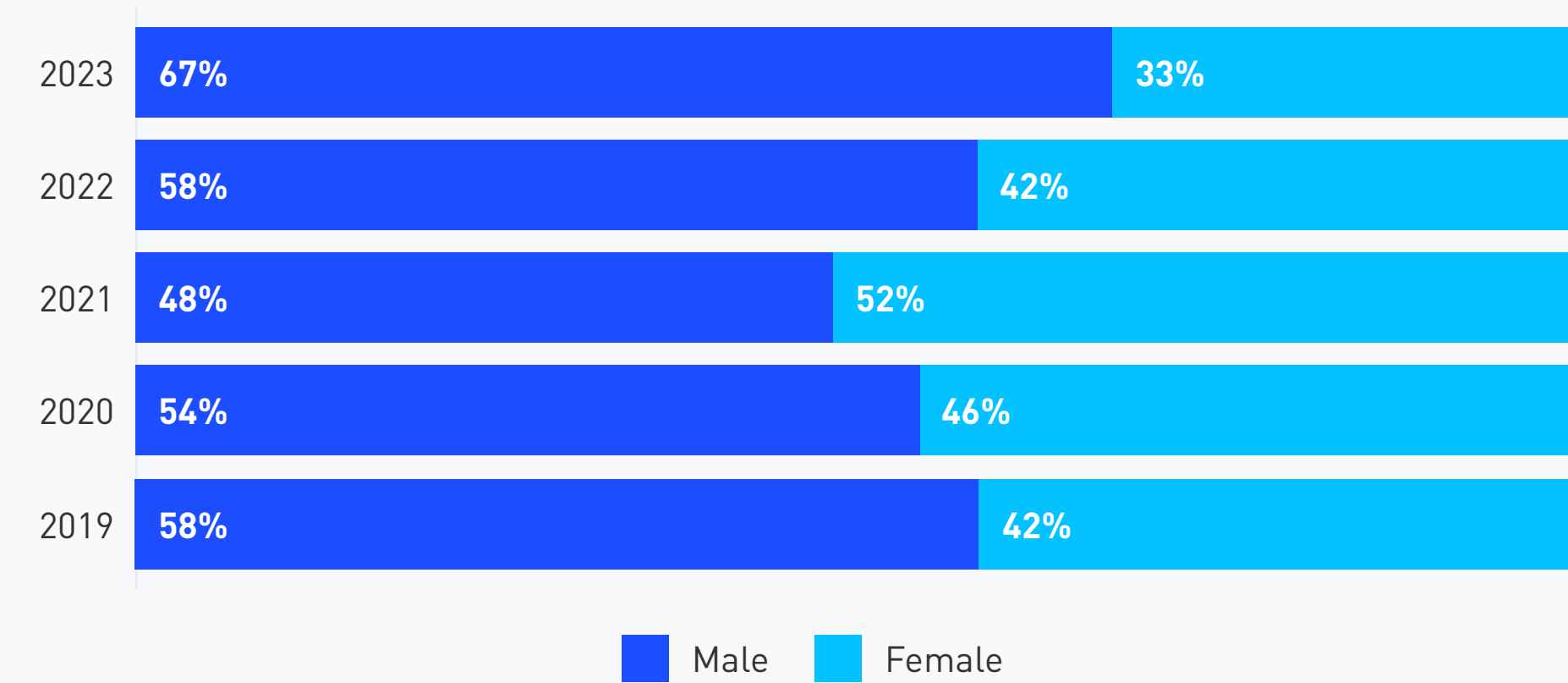
MPS also supports increasing diversity in engineering. We are helping by encouraging the next generation of engineers through mentoring programs and related community involvement focused on reaching underrepresented groups in STEM. We have done this by attending recruiting events that are hosted by and are focused on underrepresented minorities.

Workforce diversity metrics

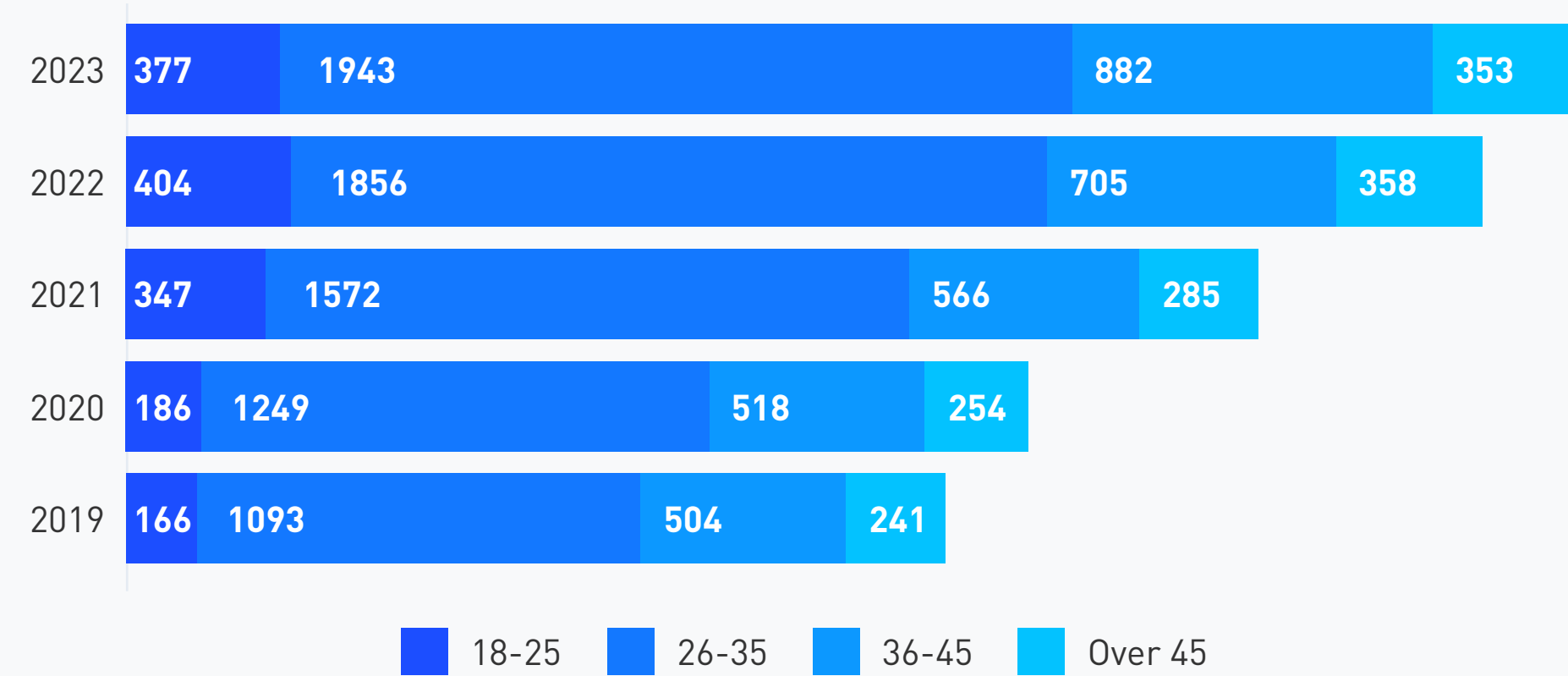
Worldwide Headcount by Gender



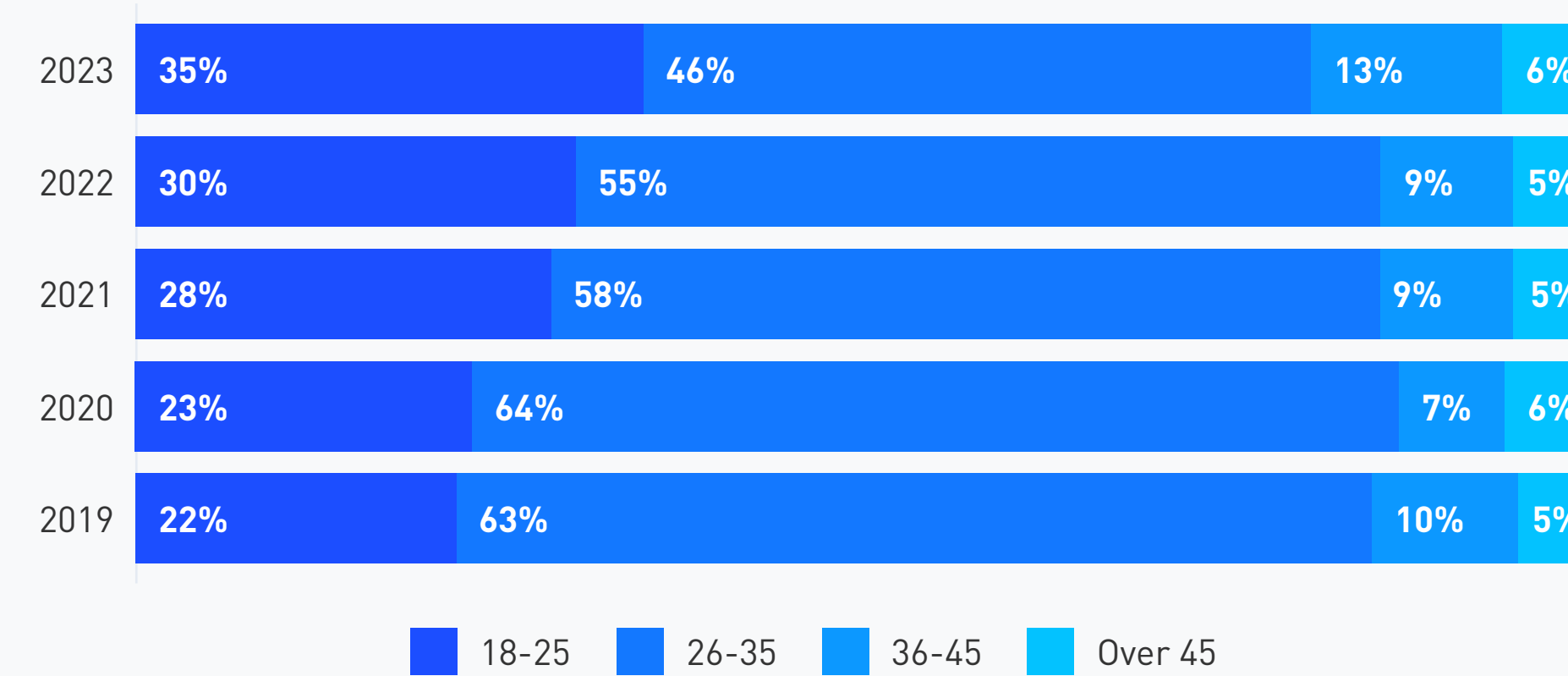
Worldwide New Hire by Gender



Worldwide Headcount by Age



Worldwide New Hire by Age



Workforce diversity metrics

U.S. Employee Population Racial/Ethnic Diversity*

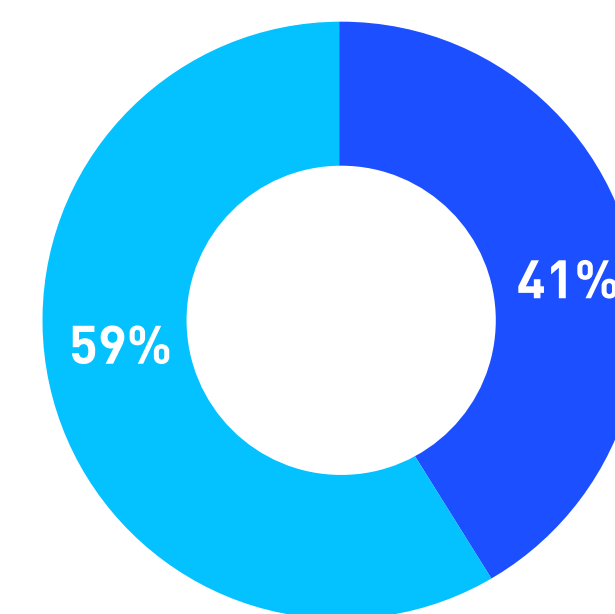
	2019	2020	2021	2022	2023
Asian	67%	70%	64%	62%	61%
White	25%	23%	29%	31%	31%
Hispanic or Latino	3%	3%	4%	4%	5%
Two or more races	4%	3%	2%	2%	2%
Black or African American	1%	1%	1%	1%	1%
American Indian or Alaskan Native	0%	0%	0%	0%	0%
Native Hawaiian or Pacific Islander	0%	0%	0%	0%	0%

*As reported within MPS EEO-1 Report

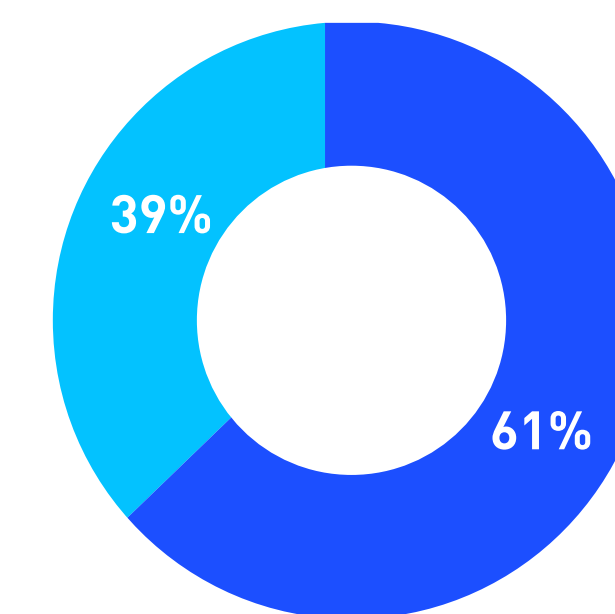
Turnover by Gender and Age

	2019	2020	2021	2022	2023
Total Company	10%	10%	16%	13%	6%
Male	8%	9%	15%	12%	7%
Female	14%	12%	17%	15%	5%
Age 18 - 25	36%	39%	48%	17%	8%
Age 26 - 35	11%	10%	17%	15%	5%
Age 36 - 45	3%	3%	8%	10%	3%
Age 45+	7%	5%	4%	8%	7%

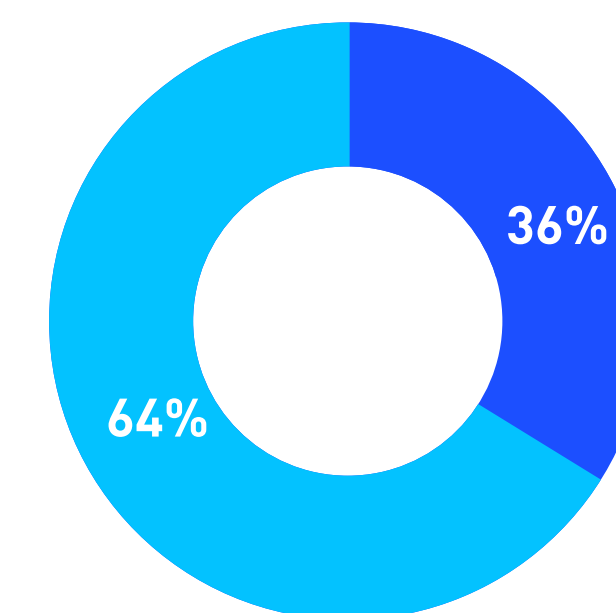
MPS Employment Statistics in 2023



Employees at MPS



Non-technical Roles



Engineers and Technicians

Male Female



MPS Employee Benefits:

- ✓ Paid time off.
- ✓ Job referral bonus.
- ✓ Health, vision, and dental insurance.
- ✓ Disability benefit programs & life insurance.
- ✓ 401(k) programs in the United States, statutory pension programs outside of the United States.
- ✓ Parental leave.

We provide competitive compensation and benefits

We have designed our compensation program to reward excellence. It includes competitive base salaries and a performance-based bonus plan.

We have a long-standing practice of granting equity incentive awards to share ownership in our company. Approximately 30% of eligible employees received stock grants in 2023. In addition, we offer an employee stock purchase plan which offers a 15% discount at the time of purchase. 78% of eligible staff participated in 2023. This allows us all to be invested in our shared success.

We have a comprehensive benefits package to support the well-being of our employees and their families. We offer additional regional benefits, such as social insurance benefits, pension plans and flexible spending accounts. Multiple MPS facilities have additional amenities, such as fitness centers, sports courts and private rooms for nursing.

We offer free exercise classes, strength training, and yoga, in some of our offices. Periodically we offer employees access to tickets for various sports, concerts, and entertainment events. We host social events such as lunches, company picnics, and special occasion desserts to encourage employee sociability.

A special incentive program encourages publishing technical papers on our products.

Our employees feel positive about their work

In 2023, MPS headcount grew by almost 10%, in contrast to many other technology companies had to conduct significant layoffs.

Generous compensation packages, a strong emphasis on training, and internal promotions are designed to give our employees long-term career growth potential at MPS.

Our employees regularly recruit their peers and colleagues to join them here, which is the best kind of advertising for our company. More than one-third of our new hires come from internal recommendations.

MPS' employees expect to be able to develop interesting and rewarding careers within MPS. At the end of 2023, over a quarter (29%) have been with the company for over 5 years, and 14% have been at MPS more than 10 years. Our retention rate in 2023 was 89%, which is a reflection on our ability to meet the high standards and needs for career development and opportunity for our employees.

We measure job satisfaction through employee "Pulse" surveys. We asked for feedback on strength of culture, engagement, vision and direction, connection, and meaningful work. Our 2023 pulse survey had a 90% positive score. Our employees are feeling respected and making good use of their skills at work.

As a standard, MPS prefers the use of regular employment and works to hire all employees as exempt or non-exempt employees. MPS is also aware that highly specialized projects may require outside help. In these rare instances, MPS seeks out contract help (non-regular employment) from specialized talent to complete individualized projects. Worldwide Contractors account for approximately 1.2% of MPS' workforce.





We are committed to providing a healthy and safe environment

We prioritize our employees' health and safety. We have a detailed occupational health and safety management system, environmental management plan, and health and safety (EHS) management system in place. It includes our standards for chemical and hazardous waste management, rules on the use of personal protective equipment, and an annual EHS training plan.

We perform annual internal audits to make sure we are following our own health and safety standards. We have a standardized incident reporting system to monitor accident rates. Our 2023 reported incident rate was 0.14%. We aspire to a zero-accident rate across our business.

Our largest testing facilities in Chengdu, China are ISO14001 and ISO45001 certified. We believe that compliance with these standards helps us prevent work-related injuries and health issues.

The MPS US team has implemented a Safety Committee to ensure the safety and security of our offices. All Safety Committee members have been trained in CPR, First Aid and Blood Born Pathogens.

MPS Safety Performance

	2019	2020	2021	2022	2023
Global Incident Rate	0.16	0	0.04	0.09	0.14
Fatalities	0	0	0	0	0

We promote safety by:

- ✓ Creating and operating safe worksites.
- ✓ Providing personal protective equipment.
- ✓ Maintaining internal standards, often exceeding regulatory requirements.
- ✓ Delivering relevant safety training.
- ✓ Inspecting our equipment.
- ✓ Following safety codes in all buildings.
- ✓ Auditing our safety processes for compliance and efficacy.
- ✓ Requiring key suppliers to adopt equal safety standards.
- ✓ Creating and implementing detailed emergency management plans.

We partner with universities around the world

We partner with both U.S. and international universities, in support of their STEM and related programs, to further encourage students with a passion for engineering. We are building partnerships with professional and student organizations to increase diversity in engineering by sponsoring and encouraging underrepresented students in STEM fields. Through those relationships, we are establishing a scholarship program to provide further support and funding for those efforts.

For our partner universities, we also offer hands-on learning opportunities for students and faculty. Students and researchers get a taste of the work we do by building and testing real-world, functional analog design circuits. For instance, we have worked with universities in Europe and the US to help build Electric race cars, donating both MPS products and funding from the MPS Foundation. In the classroom, our engineers share their knowledge of and passion for engineering with students and faculty. Additionally, we pride ourselves in donating funds as well as parts to these universities to help update critical lab equipment and supplies. We offer input and mentorship to help prepare students for a career in engineering. We also offer internships, research funding and engineering syllabus development.

We run an innovation program for college students that provides them with the opportunity to turn their ideas or designs into products. In addition, our engineering teams provide technical support to funded projects and programs.

We sponsor university-based programs, such as student racing teams at the University of Washington and various universities in Germany. In addition, we support student research in electrical engineering field and power electronics programs at California Polytechnic at San Luis Obispo and the University of Florida.



We currently provide:

- Internship programs in the U.S. and Asia.
- Classroom visits and lectures in Santa Clara.
- Research funding for universities in Europe, U.S. and Asia.
- Funding for university groups and activities in Germany.

Giving back

We founded the MPS Foundation in 2020 and have funded it generously to support organizations focused on education, healthcare, arts, social welfare, youth programs, and life-improving research and development.

The Foundation is committed to establishing relationships with organizations that will carry out its mission through their work. We are looking for opportunities to expand our support of education and empowerment of underrepresented groups in STEM. We support research in medical technology advancement and improved healthcare. We donate to keep the music playing at our local symphony and continue to look for ways to support the arts. In 2023, we partnered with two organizations to protect our local environment and planted 20,000 trees.

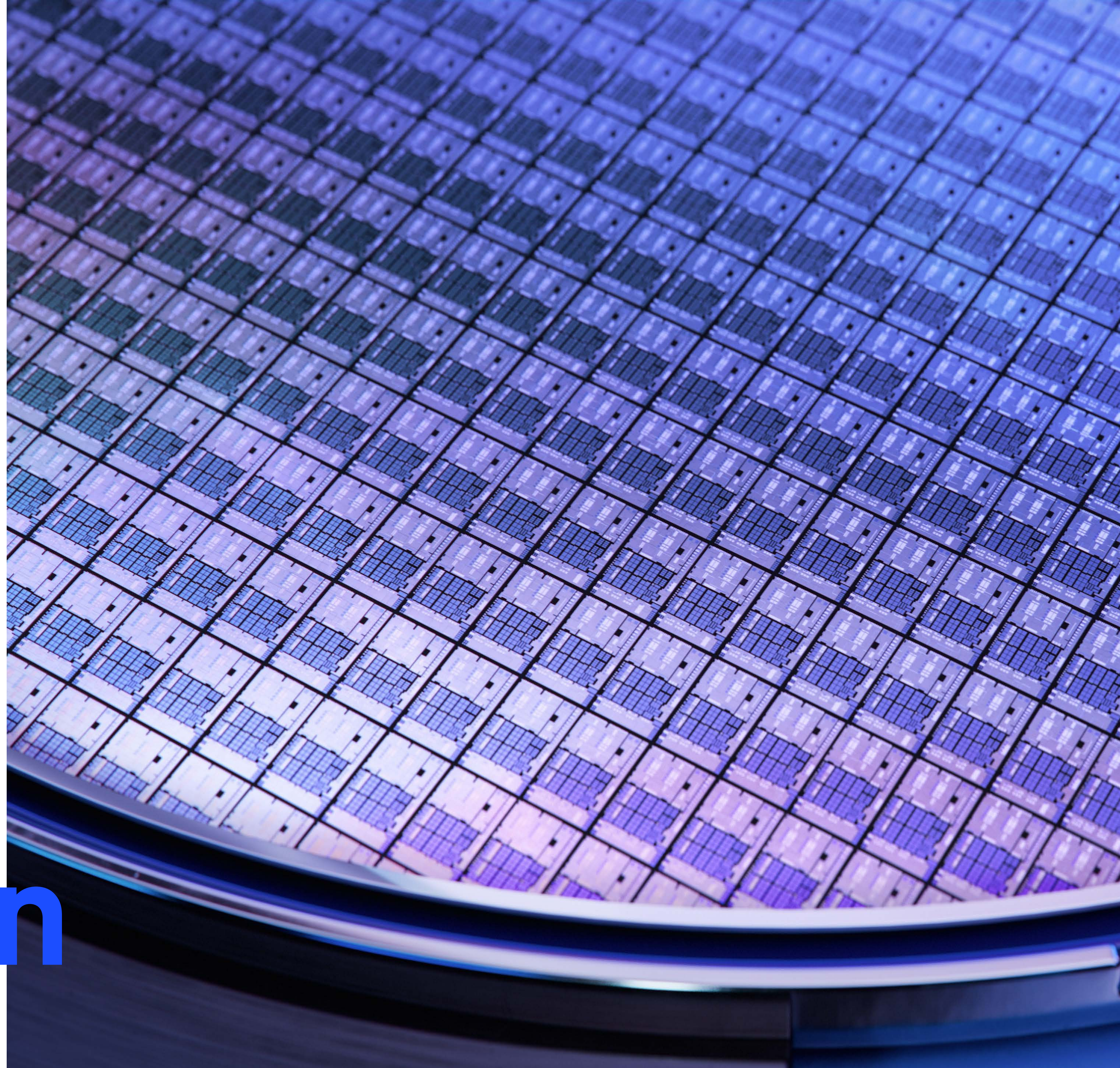
We are eager to make meaningful contributions and to work closely with our community partners to make their work and our support as impactful as possible.

In 2023, MPS donated \$10.85 million to the Foundation. Some of the organizations that have benefited from donations from the Foundation include Virginia Mason Medical Center, Healthier Kids Foundation, Second Harvest, The Seattle Symphony, Forterra and the National Forest Foundation.



SOCIAL

Supply Chain





We expect and ensure ethical supply chain conduct

We are members of the Responsible Business Alliance, which helps us manage our supply chain. Part of the RBA's mission is to ensure that working conditions in the electronics industry and its supply chains are safe. We endorse and abide by the RBA Code of Conduct and our Supplier Code of Conduct is based on RBA standards. We take part in bi-annual RBA audits of our own practices, and consistently perform well in those audits.

We require our key manufacturing suppliers to act with integrity and treat the people they employ fairly and with dignity. We explain these requirements, and what they entail, in our Supplier Code of Conduct Code. We require our key manufacturing suppliers to sign and abide by our Supplier Code of Conduct annually.

Our Quality Department audits our key manufacturing suppliers' facilities, to ensure that they comply with international best practices ISO 9001, ISO 14001, and IATF 6949.

Our Supplier Code of Conduct and the key manufacturing suppliers' audits make up a compliance framework. That framework ensures that our supply chain reflects our priorities and values of protecting human rights and the environment.

List of relevant MPS policies:

[Code of Social Responsibility](#)

[Code of Ethics and Business Conduct](#)

[Supplier Code of Conduct](#)

[RBA Code of Conduct](#)

[Conflict Minerals Policy](#)

[SEC Conflict Mineral reporting](#)

[UFLPA statement](#)

ISO9001* This standard outlines several best-practice management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement.

IATF16949* Quality management system which provides for continual improvement, emphasizing defect prevention and the reduction of variation and waste in the automotive industry supply chain and assembly process.

We are committed to protect to human rights

Our standards for ethical labor in our supply chains extend to our own business practices. We support the United Nation's Universal Declaration of Human Rights, which serves as a global standard for protecting fundamental human rights, including those pertaining to labor.

Our Code of Social Responsibility lays out our own standards on ethical labor. It is based on the United Nation's Universal Declaration of Human Rights, the RBA's Code of Conduct and labor standards provided by the International Labor Organization. We require our employees and key manufacturing suppliers to acknowledge and abide by it. We do so to ensure that our workers are treated with respect and dignity, and that business operations are conducted ethically.

Our employees who work directly with our key manufacturing suppliers are required to complete an RBA introductory training course during their onboarding. They also must complete annual refreshers on modern slavery and forced labor to ensure that they stay up-to-date with the latest requirements.

We condemn the use of forced, slave, or child labor in any form. We will not conduct business with any organizations found to have violated these human rights protections. We are committed to preserving and promoting the fundamental rights of others. We perform the following actions to protect human rights and ensure compliance with relevant regional and global regulations:

- ✓ Prohibit business dealings with any suppliers listed under the UFLPA's Entity List.
- ✓ Conduct due diligence in accordance with the Responsible Mineral Initiative standards and the OECD Due Diligence Guidance.
- ✓ Mandate all employees to comply with our Code of Social Responsibility.
- ✓ Provide training courses to employees with respect to human rights and the RBA Code of Conduct.
- ✓ Maintain membership with the RBA and incorporate its Code of Conduct.
- ✓ Adopt a Code of Ethics and Business Conduct and a Code of Social Responsibility prohibiting forced and child labor.
- ✓ Require each key manufacturing supplier to acknowledge and comply with our Supplier Code of Conduct annually.
- ✓ Enforce corrective action plans for non-conformances, up to and including the termination of business relationships.





Our conflict minerals policy is based on best practices

Our [Conflict Minerals Policy](#) lays out our strategy to ensure that the minerals that are used in our product do not knowingly contribute to human conflict.

As a fabless company in the semiconductor business, we do not manufacture our products or engage in the actual mining of conflict minerals. In addition, we do not make purchases of raw ore or unrefined conflict minerals. In the course of business operations, however we contract with key manufacturing suppliers, and those manufacturers may source conflict minerals to manufacture our products.

Because MPS does not fabricate products, our key manufacturing suppliers represent the possible link to conflict minerals within our supply chain. As a result, we rely on key manufacturing suppliers to provide information regarding the origin of any conflict minerals in their products, and to ensure that all conflict minerals sourced for our products are conformant under the Responsible Minerals Initiative (RMI) standards.

We have due diligence programs for conflict minerals, including 3TG (tungsten, tantalum, tin, and gold) plus cobalt. Our programs conform to the OECD Due Diligence Guidance for Responsible Supply Chain from Conflict-Affected and High-Risk Areas and the RBA's Code of Conduct and the RMI standards. We require our suppliers to adhere to these same requirements.

Also, we monitor additional legal requirements, including Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains and the EU Conflict Minerals Regulations, to identify any future requirements for conflict materials and high-risk regions of the world.

We publish our conflict mineral due diligence analysis and our annual [SEC Minerals Report](#). We inform our customers if any of our suppliers are out of compliance and our due diligence measures are made available to our customers upon request.

We actively verify our supply chain smelters are 100% conformant

We only use materials from smelters that have a conflict-free, conformant designation from the Responsible Minerals Assurance Process (RMAP), an independent third-party assessment process developed by the RMI and other industry experts. We require our key manufacturing suppliers to source materials from smelters that participate in RMAP.

We verify our compliance by requiring all key manufacturing suppliers to perform due diligence and provide Conflict Minerals Reporting Template (CMRT), and Extended Mineral Reporting Template (EMRT) reports. If a smelter changes its operations or refuses to participate in an audit, we take immediate corrective actions to ensure that 100% of all minerals used in our products come from RMI conformant smelters.

We are audited bi-annually by the RBA via their onsite RBA Validated Assessment Program (VAP). VAP assesses labor, health and safety, environmental, and ethical practices in the supply chain. RBA Approved Auditors are assigned, and they follow RBA developed audit processes and protocols.

In 2023, we had 109 smelters in our supply chain, 100% of which were recognized as RMI conformant. RMI defines conformant smelters using multiple factors, including whether a smelter is in a region defined as being in a “Conflict-Affected” or “High-Risk” area.



Governance



We operate under sound principles of corporate governance

Good corporate governance is important for our long-term success and ensures that we achieve our sustainability priorities while managing business operations and risks. It is designed to establish independent and effective Board oversight and management accountability. Our Board is responsible for overseeing our ESG program and the resources it will require. It balances these priorities with our global business and risk management strategy.

Our Chief Executive Officer, Michael Hsing, is our Chairman. To ensure our Board operates with sufficient independence from the executive management, one of the other directors is designated every year as the Lead Independent Director. Our Board consists of eight members with diverse ethnic backgrounds, business skills, and industry experience. We appointed two female directors in the last two years.

For new director nominees, the Board will consider whether a prospective nominee will foster a diversity of gender, race, backgrounds, skills, perspectives and experiences. Our NCG Committee's charter set out rules to ensure women and minority candidates are included in the initial pool of director nominees.



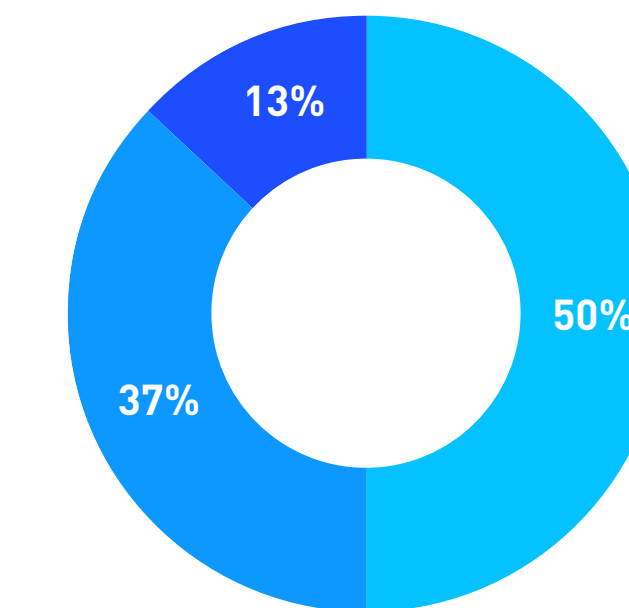
Our corporate governance charters and policies:

[Audit Committee Charter](#)[Code of Ethics and Business Conduct](#)[Whistleblower Policy](#)[Compensation Committee Charter](#)[Supplier Code of Conduct](#)[Director Time Commitment Policy](#)[Nominating and Corporate Governance Committee Charter](#)[Code of Social Responsibility](#)[Anti-Bribery and Anti-Corruption Policy](#)[Bylaws](#)

Our Board and Executive Team:

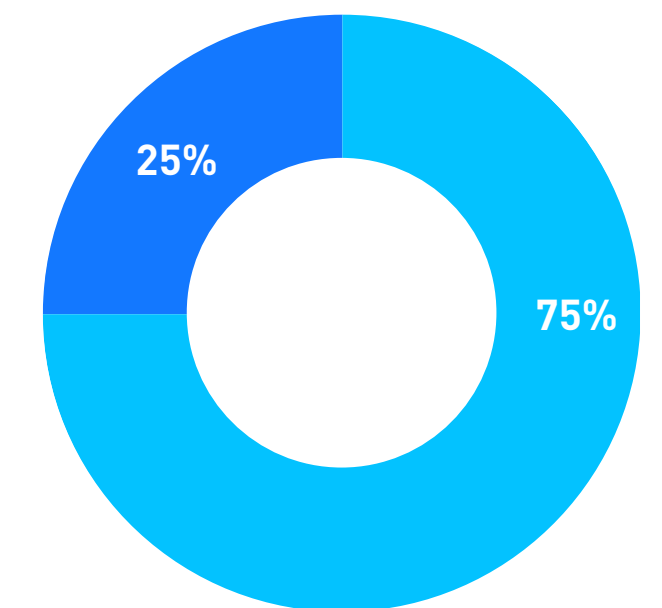
[Board of Directors](#)[Board Committees Members](#)[MPS Executive Team](#)

Ethnicity



■ Asian ■ White ■ Hispanic

Gender



■ Male ■ Female

As of April 2024

We protect the rights and interests of our stockholders

Our corporate governance guidelines provide the framework to ensure the rights and long-term interests of stockholders are protected and served.

Stockholders' rights:

- We have a single-class share structure.
- Each stockholder is entitled to one vote per share.
- Our bylaws provide proxy access to our stockholders.
- Stockholders have the right to vote on executive compensation annually.
- Director nominees are required to tender resignation to the Board for consideration if they do not receive a plurality vote.
- We do not have a poison pill provision.
- We have a clawback policy for our officers.



We are managing the progress towards our ESG goals

The management and oversight of our ESG strategy is integrated into our corporate structure, to ensure we provide the needed resources and foster accountability.

We allocated resources to build a new ESG team that is responsible for developing, driving and delivering our strategy. It will track data, engage with third party advisors and auditors and report to management on progress made against our goals.

The ESG Steering Committee manages our progress towards current goals and all related plans.

Our Board has the ultimate responsibility for ensuring we meet our goals. Individual committees oversee how progress is measured and rewarded. The Board also reviews proposed ESG initiatives and makes decisions on suitable resources allocation.

The ESG Steering Committee provides regular updates on progress and initiatives.



We encourage ethical employee and supplier behavior

To make our expectations clear, we have established our Code of Ethics and Business Conduct (Code of Ethics) in alignment with the RBA's Code of Conduct. It describes our expectations for professional behavior and following it is a condition of employment with us.

We train all new employees on the Code of Ethics in new hire orientations and provide further training through our online training platform. We also offer targeted training for our new sales team members on ethical business conduct with customers. Every quarter the sales team is required to certify that they understand and abide by these rules.

Our People department reiterates annually to all employees the importance of ethical conduct and remaining compliant with the Code of Ethics. In addition, we conduct an annual audit with our employees to test their awareness and knowledge of the Code of Ethics, and the multiple channels through which they can report any concerns.

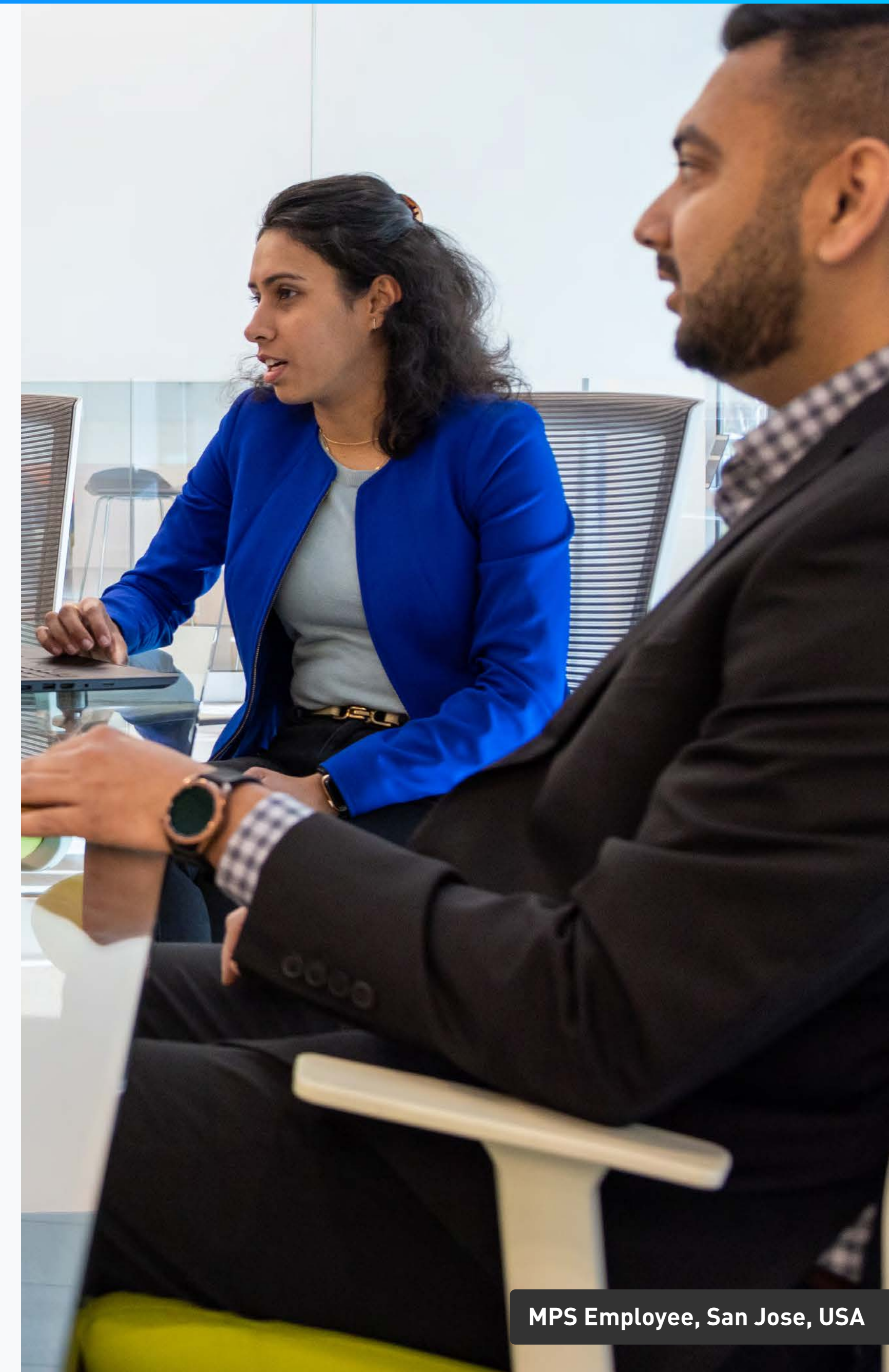
Our Code of Social Responsibility describes our policies related to human rights, safe working conditions, fairness and dignity of our employees, and environmentally responsible operations.

We explicitly prohibit our directors, officers, employees and anyone acting on our behalf from engaging in corruption and bribery with customers, suppliers and other partners, as described in our Anti-Bribery and Anti-Corruption Policy.

We expect our key manufacturing suppliers to comply with our ethical business standards. Each year, they are required to review and acknowledge our Supplier Code of Conduct.

All MPS employees are required to:

- ✓ **READ** and understand our Code of Ethic and Business Conduct and other policies.
- ✓ **USE** sound business judgment and act with integrity in their role and business relationships.
- ✓ **SPEAK UP** to report any concerns or violations.
- ✓ **ASK FOR HELP** and seek guidance from their managers.
- ✓ **KNOW** that MPS will protect whistleblowers.





We protect employees who voice concerns

We aim to foster a strong workplace culture where each employee acts ethically and can voice concerns confidentially and anonymously. We strictly prohibit any discrimination, retaliation, or harassment against any person who reports conduct in violation of our legal duties or policies, based on the person's reasonable belief that such misconduct occurred. Anyone reporting concerns under the whistleblower procedures has a legal right to raise those matters without fear of harassment, discrimination, or retaliation.

Our Whistleblower Hotline is available in different languages and is hosted by an external firm not associated with MPS.

We take all concerns and allegations seriously. We address them promptly, investigate to the extent necessary and take disciplinary actions as appropriate. Our Audit Committee Chair and Chief Compliance Officer receive information on every allegation submitted via our Whistleblower Hotline, as well as reports and updates on investigations in progress or completed.

In 2023, we received no report of concern from our Whistleblower Hotline.

How to report concerns:

Reports@syntrio.com

800-398-1496 (US and Canada)

400-120-1853 (China)

800-603-2869 (All other countries)

report.syntrio.com/monolithicpower

We plan for business continuity in the face of climate and other unanticipated events

We continuously monitor, manage and train to respond to business risks as a result of natural disasters, geopolitical issues, pandemics, supply chain disruptions, cyberattacks and other unanticipated events. We have strategies in place to ensure business continuity, should such events occur that directly impact our operations.

We recognize that R&D, manufacturing activities and supply chain concentrated in any one country could have an unfavorable impact on our business. Part of our ongoing strategy to diversify our operations outside of China will help us mitigate the risks of climate events, such as drought, heatwaves and earthquakes, and other operational risks. We have added new R&D facilities in Europe, the U.S. and Taiwan, and we are building additional manufacturing facilities in other parts of Asia. In addition, by increasing our wafer, testing, assembly and packaging capacities outside of China, we are implementing a resilient, cost-effective supply chain strategy that can adapt to dynamic market conditions with minimal business disruptions, while maintaining competitive advantages.

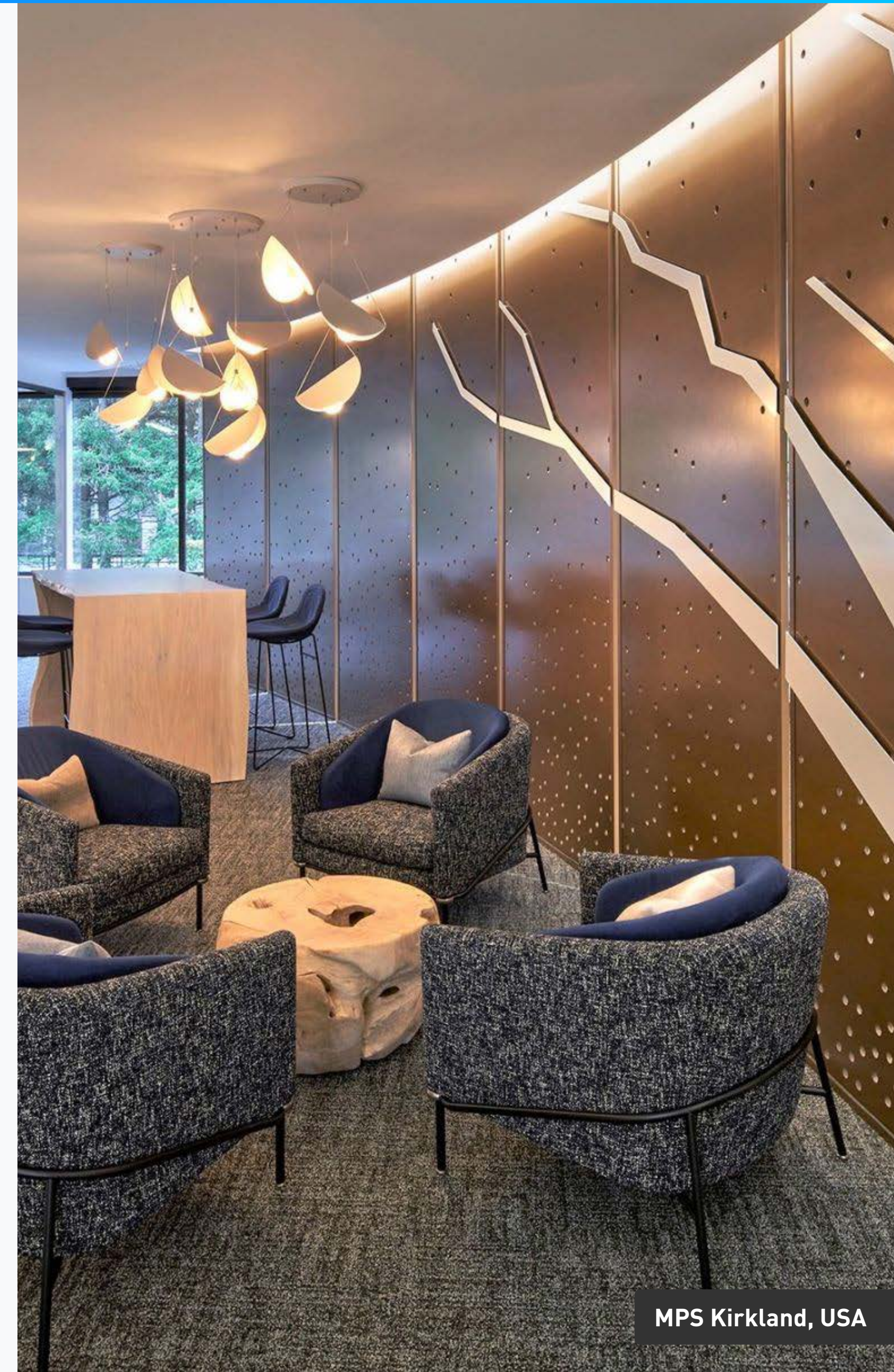
We have an IT recovery strategy, which contains sensitive data backup plans and identifies an emergency response team to ensure critical business operations can function and return

to normal operations, should an unexpected event take place. Our IT business continuity plan is periodically updated and tested in a simulated environment for essential systems and services, to ensure that it can be implemented effectively and immediately in emergency situations.

Our Board, under the NCG Committee, periodically assesses business continuity and our strategies to respond to emergencies and mitigate disruptions to our operations.

Key business continuity plans in place:

- Global Business Continuity Plan.
- Inventory Management.
- Subcontractor Management.
- IT Systems and Infrastructure.
- Facilities and Emergency Response.
- Finance.
- Human Resources and Communications.





We have strong cybersecurity programs

We have cybersecurity safeguards and countermeasures in place to protect our information technology networks and infrastructure from unauthorized access or attacks.

We have a dedicated IT and Security team who is responsible for managing and protecting our networks, systems and infrastructure. The team identifies potential threats and mitigates them daily. Our IT and Security policies are updated regularly, and relevant ones are communicated to employees. The IT and Security team also ensures our system stays compliant with applicable laws and regulations.

Employee awareness is a key part of our strategy. The IT and Security team keeps our employees informed about potential information security risks. New employees receive IT Security training in orientation sessions. We maintain an insurance policy that provides certain coverage for losses we incur due to data breaches and other cybersecurity incidents.

We also maintain an incident response, disaster recovery, and business continuity plan that identifies key personnel in case of emergency. It includes off-site data back-up locations and specifies strategies, depending on the triggering event and whether it includes loss of access to power or offices.

As an important part of our risk management processes, cybersecurity is a focus area for our Board and management. Our NCG Committee, which consists of independent members of the Board, is responsible for the oversight of risks from cybersecurity threats. The NCG Committee receives quarterly updates from the Cybersecurity Steering Committee, which includes senior employees with extensive experience in IT

governance and management, cybersecurity, auditing, and compliance. These quarterly updates include existing and emerging cybersecurity threats and risks, cybersecurity incident management and key information security initiatives. The NCG Committee also provides quarterly updates on our cybersecurity risk management and strategy programs to the Board.

Our IT and Security policies are based on leading industry cybersecurity frameworks, including ISO 27001, CIS Controls, and standards from the National Institute of Standards and Technology (NIST).

We do not believe we have experienced any material information security breaches and we have not incurred significant operating expenses related to information security breaches in 2023.

We have established an internal global IT policy handbook and security management control procedures designed to:

- Create information security awareness and define responsibilities among our employees and business partners.
- Implement controls to identify IT risks and monitor the use of our systems and information resources.
- Establish key policies and processes to adequately and promptly respond to security threats.
- Maintain disaster recovery and business continuity plans.
- Ensure compliance with applicable laws and regulations.

We follow international best practices for protecting data privacy

We have internal data privacy policies in place designed to prevent personal information of our employees and anyone doing business with us from inappropriate use and unauthorized access. Our employees regularly receive training on data privacy to prevent misuse of personal information.

We implemented a robust data classification system to ensure compliance with all applicable data privacy laws and regulations. This system enables us to identify and protect personally identifiable information (PII) proactively. Through a combination of automated scanning, encryption protocols, and strict access controls, we ensure that no PII is stored on our systems in an insecure manner. Our unwavering commitment to data privacy is a core tenet of our operations. Customers and partners have full confidence that their sensitive personal data remains secure, and their privacy rights are upheld when engaging with MPS. Maintaining trust through best-in-class data governance is one of our highest priorities.

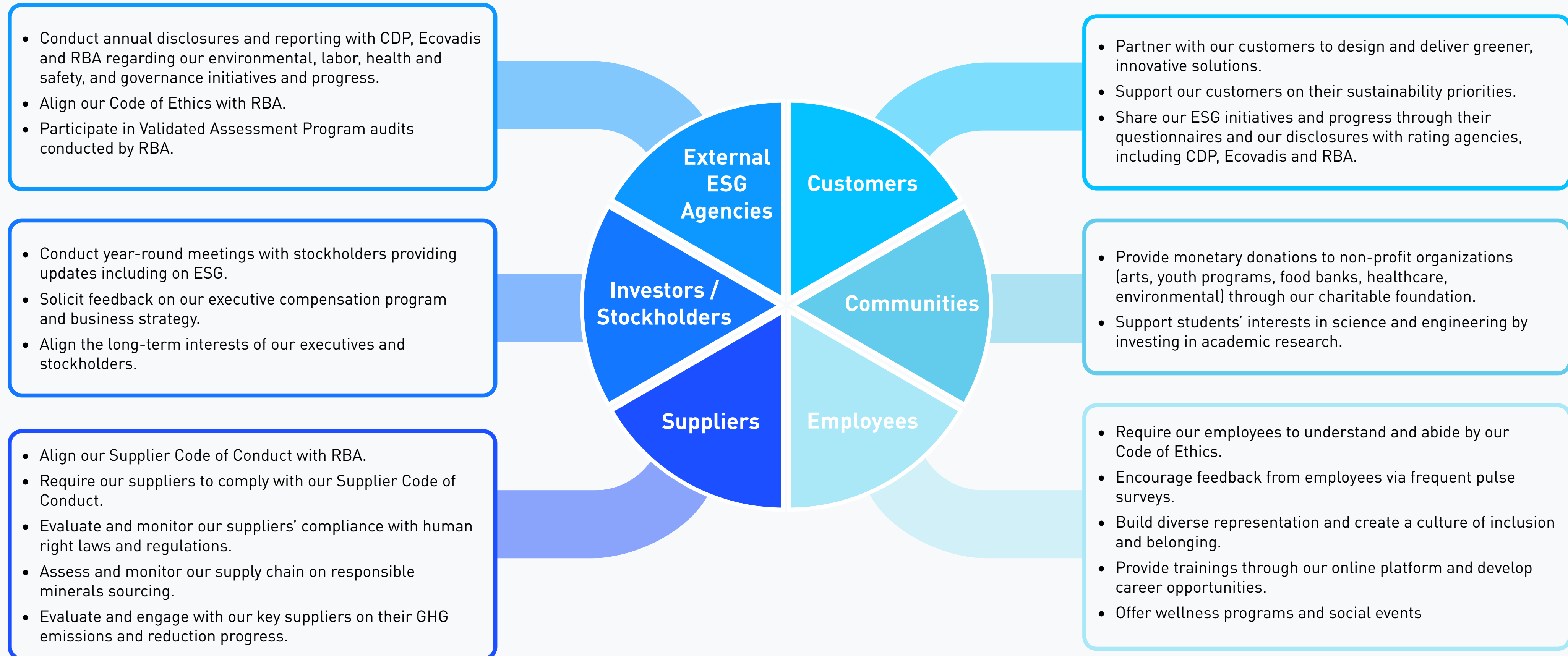
We also keep current on global data privacy legislation and update our policies to reflect them. In 2023, we developed and implemented a data privacy policy, which follows global standards, including the EU's General Data Protection Regulation principles and the California Consumer Privacy Act of 2018.

Our data privacy policy is designed to address key areas of concern, including personal information collection, cookies and specific privacy safeguards for children. We also have several internal and corporate data privacy policies, including one to safeguard employee privacy.



We keep our stakeholders engaged in our ESG journey

The priorities of our many stakeholders continue to evolve with the changing social and environmental landscape. Active engagement helps us to better understand their expectations and develop initiatives that support these interests. We believe these collaborative engagements help strengthen our stakeholder relationships and our ESG program.





Appendices

UN Sustainable Development Goals alignment



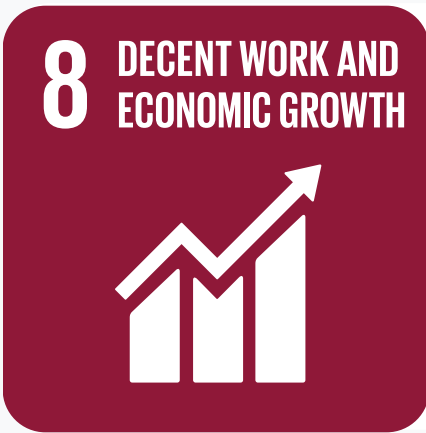
We have set public goals to reduce our GHG emissions by 40% by 2030.

Our solutions are found in a wide range of new technologies that are key to accelerating the decarbonization of infrastructures such as power generation, data center and electric transportation.

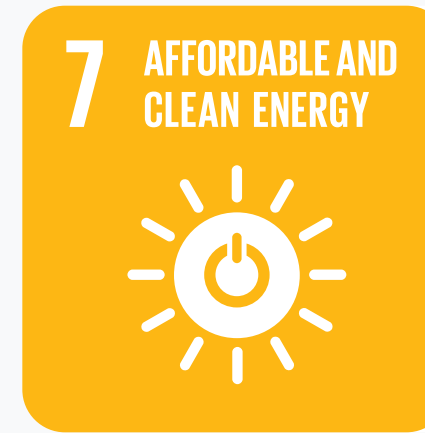


Our primary mission is to develop energy efficient products that better utilize the world's natural resources.

We limit the use of hazardous chemicals in our products and operations.



We are committed to preserving and promoting the fundamental rights of others. We are member of the RBA and abide by its Code of Conduct. We demand that all our key manufacturing partners abide by the same principles. We provide a safe and secure work environment and pay a fair wage to all our employees.



We are committed to be powered by 75% renewable electricity by 2026.

Our products are used in a wide range of renewable energy infrastructures such as photovoltaic panels and wind turbines.



We condemn the use of forced, slave, or child labor in any form. We will not conduct business with any organizations found to have violated these human rights protections. We are committed to preserving and promoting the fundamental rights of others through our membership with the RBA and RMI.

Sustainability data

	Unit	2021	2022	2023	
GHG Emissions	Scope 1	Metric TCO2e	1,604	3,837	2,794
	Stationary	Metric TCO2e	263	1,047	235
	Mobile	Metric TCO2e	654	907	1,063
	Refrigerants	Metric TCO2e	687	1,884	1,497
	Scope 2 Location	Metric TCO2e	16,928	25,698	30,467
	Scope 2 Market	Metric TCO2e	16,967	25,567	24,342
	Total GHG Market	Metric TCO2e	18,571	29,404	27,141
	Intensity (MTCO2e/Million \$ Revenue)	Metric TCO2e/M\$	15.4	16.4	14.9
Energy	Total Energy Consumption	MWh	32,852	51,344	57,223
	Fuel	MWh	4,074	7,996	5,511
	Total Electricity from the Grid	MWh	28,778	42,769	51,712
	Non-renewable Electricity	MWh	28,218	41,697	39,789
	Total Renewable Electricity	MWh	0	1,072	11,923
	Onsite Renewable	MWh	560	579	637
	Intensity (MWh/Million \$ Revenue)	MWh/M\$	27.2	28.6	31.4

Sustainability data

	Unit	2021	2022	2023	
Water	Water Use	Megaliters	72	85	103
	Water Megaliter/M\$ Revenue	Megaliters/M\$	0.06	0.05	0.06
Waste	Total Waste Produced	Metric Tons	492	564	738
	Municipal Waste Produced	Metric Tons	484	559	731
	Municipal Waste Landfilled	Metric Tons	32	32	30
	Municipal Waste Diverted from Landfill	Metric Tons	452	527	701
	Total Hazardous Waste Produced	Metric Tons	7.3	5.6	7.3
	Hazardous Waste Combusted	Metric Tons	1.7	1.2	1.3
	Hazardous Waste Recycled	Metric Tons	5.7	4.4	6.0
	Intensity (Metric Tons/Million \$ Revenue)	Metric Tons/M\$	0.41	0.31	0.41

GHG emissions verification statement FY2023

GREENHOUSE GAS VERIFICATION REPORT

Project number: 47514934
Issue Date: 4/12/2024

UL Solutions has verified, to a limited level of assurance, the GHG statement of

MONOLITHIC POWER SYSTEMS

for January 1st, 2023, to December 31st, 2023, in accordance with ISO 14064 Part 3: 2019. Monolithic Power Systems's organizational GHG Statement has been verified to meet the requirements of ISO 14064 Part 1: 2018 and that there is no evidence that the GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with related International Standards on GHG quantification, monitoring, and reporting, or to relevant national standards or practices.

January 1st, 2023, to December 31st, 2023

- Direct emissions: 2793.85 tonnes of CO₂e
- Energy Indirect emissions (Location-based): 30466.68 tonnes of CO₂e
- Energy Indirect emissions (Market-based): 24347.06 tonnes of CO₂e

LA

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Lead Verifier

UL Verification Services Inc.
2211 Newmarket Parkway, Suite 106
Marietta, GA 30067 USA

Monolithic Power Systems

UL Solutions performs Greenhouse Gas (GHG) Verification in accordance with ISO 14064 Part 3: 2019. Greenhouse Gases: Specification with guidance for the verification and validation of greenhouse gas statements.

UL Solutions applies a risk-based approach to GHG Verification that incorporates an investigation of the inherent and control risks associated with GHG reporting.

UL Solutions' verification approach includes but is not limited to the collection and analysis of:

- Qualitative data through the engagement of management.
- Quantitative data through receipt of data files from information management systems.
- Supporting evidence for all data.

A full description of the approach taken in this verification can be found in Appendix A.

