




Creating a more sustainable world.



 **UV Sensor**
40 lux

 **Proximity Sensor**
20 cm

 **Accelerometer**
X: 1.2, Y: -2, Z: 0

Our Purpose

Silicon Labs is creating a smarter, more connected world. Our products, people, and purpose are addressing some of today's biggest challenges.

As a global corporate citizen, we are committed to environmental sustainability, operational excellence, and support for people and communities around the world. In this brief, you will find an overview of Silicon Labs' corporate governance practices and environmental and social performance. Though 2020 was an unprecedented year, our dedication to performance, products, and people remained steadfast.

Strong Governance

Silicon Labs has a strong corporate governance framework and defined set of responsibilities aimed at ensuring the success of the company, generating value for our stakeholders, and fulfilling our mission of building a smarter, more connected world. We strive to do the right thing for our shareholders, employees, communities, and the planet.

Board of Directors

The Silicon Labs Board of Directors (Board) helps establish the purpose, strategy, and values of the organization, working within an effective set of controls that enable risks to be assessed and managed.

Our Board is led by an independent lead director and comprised of directors with diverse skills and experiences. Our Corporate Governance Policy requires the inclusion of women and minority candidates in any new director search. More than 20% of our Board members self-identify as female and more than 20% self-identify as racial minorities.

Board of Directors Committees

Independent Board members form our Audit, Compensation, and Nominating and Corporate Governance Board Committees to ensure deeper review and oversight.

Each of these Committees is chartered with specific responsibilities:

- **Audit:** Oversees the accounting and financial reporting processes of the Corporation, the Company's auditors, and the audits of the Corporation's financial statements. The Committee also monitors complaints and issues regarding accounting, internal accounting controls, or auditing matters. The Audit Committee also reviews the Company's risk management policies and practices, including cyber security.

- **Compensation:** Reviews the compensation and benefits of the Corporation's senior management and the overall compensation policy of the Company.
- **Nominating and Corporate Governance:** Focuses on the issues surrounding the composition, practices, and operation of the Board. It also oversees issues and developments related to corporate governance, environmental, and social matters and recommends associated standards to the Board.

Refer to the 2020 Annual Report, 2021 Proxy Document, and Corporate Governance Documents in the Investor Relations section of the company's website at silabs.com for more detail on our corporate governance practices.

ESG Commitment and Board Oversight

Environmental, Social, and Corporate Governance (ESG) efforts at Silicon Labs are led by the ESG Steering Committee, which is comprised of employees from various departments, including investor relations, legal, marketing, operations, people team, and others. The Committee has executive sponsorship from the Chief Financial Officer, Chief Legal Officer, Chief Marketing Officer, and Chief People Officer. On a quarterly basis, senior management report on key ESG activities to the Nominating and Governance Committee and the Board. As appropriate, the Compensation Committee and the Board include ESG measures, such as diversity and inclusion goals, as components in the compensation of senior management.

Sustainable Operations

One of Silicon Labs' core values is "do the right thing." Part of that aim is to adopt environmentally-responsible practices; therefore, sustainability is an integral component to everything we do – business operations, product design, technology investments, and more.

Business Operations

As part of our efficient, insight-driven business operations, we consider productivity and efficiency gains as well as ways to ensure environmental best practices.

Silicon Labs lessens the environmental footprint of our operations through the following:

- Purchasing electricity from renewable sources
- Installing energy-friendly products, such as automatic LED lighting, low-flow water equipment, and chilled-water AC systems
- Performing real-time monitoring of electricity usage, recycling bins, reusable drinkware, and battery and electronic disposal bins
- Reducing travel-related environmental impacts through global adoption of teleconferencing solutions and by offering incentives and facilities for mass transit, carpools, electric vehicles, and cycling
- Adhering to leading standards, gaining recognition as Samsung Eco-Partner, Sony Green Partner, WasteSMART Award winner, and Platinum Austin Green Business Leader

Workplaces

Silicon Labs prioritizes safe, engaging, environmentally-friendly working conditions in our locations around the world. Specifically, we focus on three key areas: green power, consumption reduction, and support of eco-friendly organizations.

Green Power: At our offices around the world, we strive to reduce our carbon footprint and protect the environment. Our headquarters in Austin, Texas, is a flagship example. Silicon Labs participates in Austin Energy's GreenChoice program, which purchases 30 percent of our energy from renewable sources like wind and solar. This support helps our business and local community rely less on fossil fuels, reduce air pollution, and grow green jobs in Texas. It's also a smart, long-term investment since renewable power is less prone to price fluctuations.

Consumption Reduction: To save energy, we replaced high intensity office light fixtures with automatic LEDs, installed energy efficient appliances and low-flow equipment, and use a chilled water system to cool our spaces. Silicon Labs also provides employees and guests with reusable drinkware and access to reverse osmosis water systems, reducing waste from plastic water bottles.

Funding: Silicon Labs supports organizations and projects that help protect our planet. We contribute funding for Austin's pedestrian trail projects and park improvements, sponsor environmental education and outreach programs, and match employee contributions to environmental nonprofits.

Due to our sustainability efforts, the City of Austin lists Silicon Labs as a Platinum Level Green Partner, shows our compliance with the local Universal Recycling Ordinance, and awarded us the first-ever WasteSMART Award.

Energy & Emissions

Silicon Labs carefully measures our energy and emissions to ensure we operate responsibly and protect the environment. Here are some specific datapoints:

- Main driver of greenhouse gas emissions (GHG) is electric energy use
- By adopting renewable energy sources, our total usage decreased 2 percent from 2018 to 2019 and our GHG emissions decreased 22 percent

	2018	2019
Energy Use		
Total (GWh) from Grid	8.5	8.3
Energy Use		
Percent from Grid	100%	100%
Renewable Energy (GWh)	3.6	3.6
Renewable Energy (Percent)	42%	43%
Non-Renewable Energy (GWh)	4.9	4.7
Non-Renewable Energy (Percent)	58%	57%
C02e (Metric Tons, scope 1&2)*	3,516	2,726
Scope 1	86	153
Scope 2	3,242	2,573
Other Significant Air Emissions (Tons)**	1.42	1.36

* Verified by an independent third-party

** Other significant air emissions include NOx, SOx, etc. and are estimated based on approximate usage of boiler and generator equipment.

Water Usage

Water usage is an important environmental measurement. Silicon Labs primarily uses this resource for human consumption and hygiene purposes; therefore, our conservation efforts include low-flow bathroom facilities and reduced landscaping water usage. We do not use significant amounts of water for production or manufacturing.

	2018	2019
Water use (million liters)	9.3	9.5***

Waste

From educating employees on recycling to disposing of e-waste in accordance with the Waste and Electronic Equipment Directive, Silicon Labs takes waste management seriously. We started tracking total waste generated in 2019 and here are some benchmarks:

- More than 99 percent of our waste was non-hazardous
- Achieved a 61 percent landfill diversion rate by providing more recycling options, educating employees on recyclable materials, and donating reusable items to local nonprofits

	2018	2019
Waste water (million liters)	9.1	9.2***
Non-hazardous waste (tons)	–	90
Landfill diversion rate	–	61%
Hazardous Material Waste (tons)	0.15	0.14

*** Water usage rose 2% and waste water rose 1% year over year, despite an increase in on-site HQ headcount by over 3.8%.

State-of-the-Art Solutions

Silicon Labs is a global leader in connectivity solutions. Since our founding in 1996, we've engineered for low-power, intelligent design. Today, customers use our solutions to design, develop, deploy, and manage applications that transform industries, grow economies, and improve lives. Our flexible software, hardware, and tools offer superior performance, energy efficiency, connectivity, reliability, and security to help create a more sustainable, healthy planet.

We believe our customers' success is our success. Our semi-conductors help companies around the world innovate, improve, and inspire. Silicon Labs has a highly diversified customer base that uses our solutions in Internet of Things (IoT), infrastructure, broadcast, and access applications. Together with our customers, we make homes, cars, retail shops, data centers, medical devices, and more, smarter.

Silicon Labs' solutions help customers develop smart, secure, sustainable applications, including:

Smart metering systems to conserve electricity, gas, and water – over 45 billion liters of water is lost every day from leaks. ¹ Smart water meters can help recover up to 90 percent of that loss. ²	Safe, fast-charging electric and hybrid-electric vehicles – our products are in more than one million EV/HEV cars
Solar inverters that transfer power from panels to the grid, boosting energy capacity by 15 megawatts in 31 million solar inverters ³	Wind turbines used for green energy harvesting
Energy-efficient, LED lighting system controls	Smart thermostats to reduce energy consumption in homes and buildings
Battery management systems that extend battery life and reduce landfill waste	Low-power trackers to monitor wildlife and poaching in remote locations



Technology and Applications

Our passion for energy-savings goes from chip-level design to system-level power consumption. We provide small, energy-efficient integrated circuits, including wireless systems-on-chips (SoC), modules, and development kits, digital isolators, and microcontrollers. Our IoT solutions extend battery life by up to 25 percent, enabling fewer disposable batteries and reducing landfill waste.

With our state-of-the-art solutions and quality support, Silicon Labs has become a leader in several sustainability-focused markets.



Electric and Hybrid Electric Vehicles

We work with the world leaders in electric vehicles to provide innovative solutions. Our designs help EVs produce fewer emissions than conventional vehicles, making an impact on people and our planet.

1 million electric and hybrid electric vehicles use our chips, making us a leading supplier of digital isolation technology to the EV market, from battery management systems to on-board chargers to charging stations



Smart Lighting

We help some of the biggest lighting companies in the world add wireless connectivity to commercial and residential luminaries, sensors, and controls. From fewer cables used in installation to occupancy-based controls to preventative maintenance alerts, smart lighting makes a significant environmental impact.

Smart LED bulbs use less energy and last 25X longer than traditional, incandescent lights⁴

Motion-based smart lighting uses 35 percent less energy⁵

Over 120M units of our products have been shipped to customers, building energy efficient smart lighting solutions for residential, commercial, and street applications

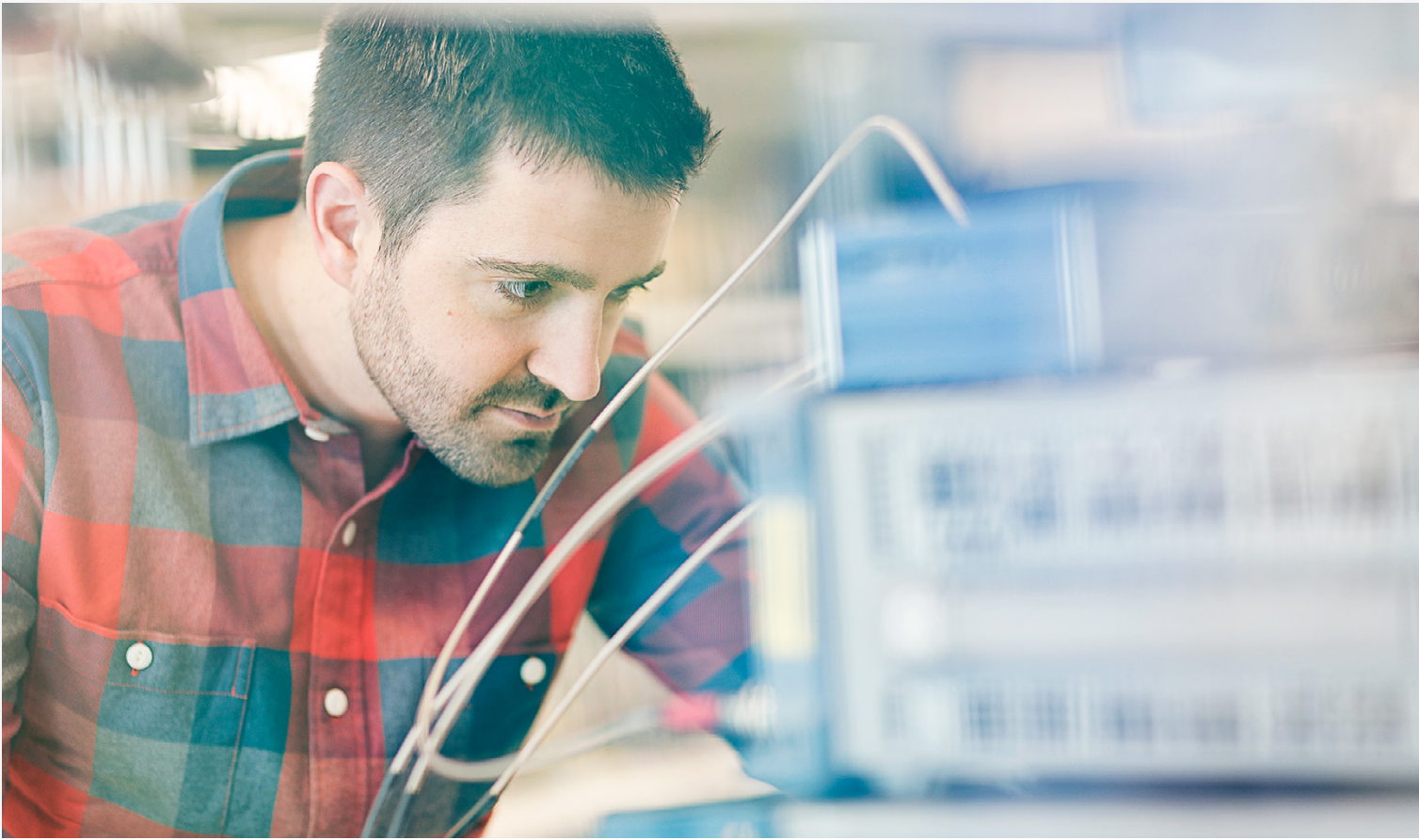


Smart Metering

Electric, water, and gas providers turn to us to improve the reliability and accuracy of their smart meters. Additionally, these devices give consumers the ability to better manage energy usage and reduce costs.

Customers using smart electric meters reduce their total energy consumption between 3 – 10 percent⁶

Silicon Labs has the majority market share of smart meters in Great Britain, where more than 100 million meters were installed at more than 30 million small businesses and homes



Product Longevity

Silicon Labs stands by our products and solutions. We offer longevity statements of 10+ years, backed by a rigorous software maintenance program.

Supply Chain

Silicon Labs partners with world-class suppliers to manage products from development to customer delivery. As a fabless semiconductor company, we work with our supply chain to ensure global manufacturing processes are environmentally and socially responsible, including safe and respectful working conditions. We demand high standards of business integrity, environmental responsibility, and respect for human rights from all partners.

Silicon Labs ensures an environmentally and socially responsible supply chain by taking the following actions:

- Follows and requires supplier adoption of the Responsible Business Alliance® (RBA®) Code of Conduct

- Prioritizes socially and environmentally progressive, qualified suppliers
- Demands excellence in our quality and environmental performance, as demonstrated through our extensive product and process qualification commitments, including ISO 9001 Quality Management System and ISO 14001 Environmental Management System
- Requires suppliers involved in product manufacturing to have ISO 9001 and ISO 14001 certifications
- Ensures automotive suppliers are IATF 16949 certified
- Silicon Labs is committed to a conflict-free supply chain. No known conflict minerals, including cobalt, in our products directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries.

Overall, to deliver the highest standard of product quality and meet all environmental regulations and requirements, Silicon Labs maintains a close relationship with our supply chain.



Investment in People

Silicon Labs hires the most innovative talent around the world to solve tough challenges for a myriad of markets, including smart home, consumer, industrial, commercial, internet infrastructure, and automotive. We take pride in our people, and that's one of the many reasons we continue to be awarded Most Respected Public Semiconductor Company and a certified Great Place to Work.

Benefits

Silicon Labs offers medical, dental, and vision insurance plans to fit the needs of employees and their families. Our employees also have access to broad benefit packages, including profit sharing, retirement, short and long-term disability insurance coverage, and life insurance plans. Additionally, we host global events, activities, and seminars on healthy lifestyles, financial literacy, and other areas of interests for employees.

Diversity, Equity, and Inclusion (DEI)

Silicon Labs is an equal opportunity employer who values diversity. Specifically, we:

- Do not discriminate on the basis of race, religion, color, national origin, gender, sexual orientation, age, marital status, veteran status, or disability status
- Are a multi-national and multi-ethnic workforce, with sites and employees in more than a dozen countries
- Actively promote diversity in our recruitment, development, and promotion practices

- Provide financial and volunteer support for equity in STEM initiatives
- Advocate for policies that support human rights, racial justice, and LGBTQ+ equality in the communities in which we live and work
- Support employee resource groups like Women @ Silicon Labs, mentorship circles, and diversity leadership initiatives in the semiconductor industry
- Drive commitment and accountability for long-term change by incorporating DEI metrics into our executive bonus plan
- Partner with external DEI experts and hold regular workshops for all global employees on understanding bias and promoting inclusion

Education

Silicon Labs fosters and empowers our top talent. We support a high-performance culture through learning and development solutions aligned with our strategic priorities. Our approach is business-centric, accessible, and inclusive.

Employees continuously collaborate and share their expertise through an internal training program consisting of classes and workshops that help strengthen technical and professional skills and advance careers. We also host university professors and external speakers to broaden our knowledge, trigger creativity, and inspire innovation.

Our e-learning libraries and on-demand training videos allow employees to absorb information at their own pace and share their recommendations with co-workers. Employees are invited to attend our annual two-day technical symposium, featuring peer-reviewed presentations that showcase internal technical achievements and talks from outside experts to educate and inspire our workforce.

Safety

Silicon Labs provides our employees with a healthy, safe, and productive work environment. During the pandemic, we've implemented additional measures to enforce social distancing and reduce the spread of airborne and surface contaminants. We strive for zero workplace incidents across our offices and operations by complying with all applicable occupational health and safety regulations.¹

	2017	2018	2019
Hours Worked	2,185,339	2,155,359	2,331,412
Number of Recordable Incidents	1	0	1
Total Recordable Injury Rate	0.09	0.00	0.09
Number of Lost Time Incidents	0	0	0
Lost Time Injury Rate	0.00	0.00	0.00

¹ As of December 2019, we had two sites with headcount of greater than 100 people per site, including both full-time and contract employees: Austin and Singapore. These two offices are also the only offices with any production equipment. The Work Related Safety Statistics are calculated based on data from these two offices.

Community Commitment

One of our corporate values is "do the right thing," and sharing our success with the community is a key component of this charter. Silicon Labs has a long history of providing financial, volunteer, and in-kind support to nonprofits worldwide. We want people to benefit from our products, services, and presence in their communities.

Today, we donate more than 1 percent of our annual profits to charitable organizations with a strong focus on the advancement of science, technology, engineering, and math (STEM) in education. Specifically, we:

- Host a corporate match program for US employee donations to qualified nonprofits
- Offer 24 hours of paid time off per year for all employees to volunteer in their communities
- Provide financial grants and volunteer support to organizations offering equity-focused STEM education programs for women, LGBTQ+, and minority youth
- Allocate funds to our global sites for grants supporting critical causes locally
- Engage in service projects and donate to relief efforts when disasters occur
- Hold a company-wide volunteer and giving campaign, the Global Month of Service, annually
- Operate an employee board service program to encourage leadership development and service





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Policies and Position Statements

Code of Business Conduct and Ethics

Conducting the business affairs of Silicon Labs in accordance with the highest ethical standards and in compliance with legal requirements aligns directly with our mission of providing quality solutions to our customers. A reputation for ethical conduct, market leadership, and business success builds the bond between employees, officers, members of the Board of Directors, shareholders, suppliers, consultants, and all business partners to satisfy the demands of customers. The integrity of Silicon Labs provides a foundation for this mission. This Code of Business Conduct and Ethics (the "Code") applies to all Company employees, officers, consultants, and members of the Board of Directors.

[Silicon Labs' Code of Business Conduct and Ethics](#) can be found in the Governance Documents section of our investor page: investor.silabs.com.

Global Human Rights Policy

At Silicon Labs, we are committed to protecting, respecting, and advancing human rights as a core component of the way we do business and to which all people worldwide are entitled. We respect internationally-recognized human rights, as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We recognize our responsibility to respect human rights and avoid complicity in human rights abuses, and this Global Human Rights Policy encompasses principles within the United Nations Global Compact, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, our Code of Business Conduct and Ethics, and the laws of the countries in which we operate.

This policy applies to all employees, contingent workers, and business relationships, including our partners, supply chain, and vendors. It is crossfunctionally managed by the company's Environmental, Social, and Governance team.

[Silicon Labs' Global Human Rights Policy](#) can be found in the Governance Documents section of our investor page: investor.silabs.com.

Supplier Code of Conduct

Silicon Labs is committed to the highest standard of product quality and business integrity and ensuring that working conditions in our supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally and socially responsible. To ensure our suppliers meet and support these expectations, Silicon Labs has adopted the Responsible Business Alliance® (RBA®) Code of Conduct and requires all of our supply chain partners to adopt the same code of conduct or another internationally recognized code that is equally or more comprehensive, such as the OECD Guidelines for Multinational Enterprises or the UN Global Compact.

In selecting qualified suppliers, Silicon Labs will give preference to those that are socially and environmentally progressive. In addition, failure to comply with an internationally recognized code of conduct may result in supplier disqualification.

Silicon Labs' Code of Conduct requires that every company in our supply chain is committed to:

- Safe worker conditions
- Environmental requirements for conservation of energy use, water use, and pollution prevention
- No forced labor or child labor
- Fair wages
- Ethical business practices
- Implementation of a water management program that documents, characterizes, and monitors water sources
- Routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance
- Responsible management systems to conform to the Code

Silicon Labs Anti-Slavery, Human Trafficking and Forced Labor Statement

Transparency Statement pursuant to California SB 657 and UK Modern Slavery Act

Silicon Labs strives to be a responsible global corporate citizen. Silicon Labs strongly opposes slavery, human trafficking, and forced labor. We do not use any slave or forced labor and do not knowingly conduct business with any supplier engaged in such practices.

[Silicon Labs' Code of Business Conduct and Ethics](#) outlines our expectations for ethical and corporate responsibility. Silicon Labs is committed to fair employment practices and a requirement that employees do not engage in activities associated with slavery, human trafficking or forced labor. We also commit to comply with local labor laws and regulations. Our People and Legal teams monitor our compliance with these policies, and any employee who violates laws or policies is subject to appropriate discipline. Silicon Labs provides training on its Code of Business Conduct and Ethics to all employees.

Silicon Labs has adopted a Supplier Code of Conduct aligned with the Responsible Business Alliance (RBA) Code of Conduct. Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery, or trafficking of persons are not permitted. Child labor is not to be used in any stage of manufacturing.

Silicon Labs requires all of its supply chain vendors to comply with the RBA Code of Conduct or a similar industry-standard code of conduct. Silicon Labs' supplier agreements and purchase order terms and conditions bind its suppliers to a broad spectrum of social and environmental compliance requirements including prohibitions on forced labor and child labor through adherence to the RBA Code of Conduct. Suppliers are required to annually conduct a self-assessment of their quality, environment, and social accountability systems and performance, or allow Silicon Labs or its agent to conduct such evaluation. Silicon Labs performs audits at key suppliers annually with auditors trained on these policies.

Conflict Minerals Policy

Silicon Labs is committed to eliminating the use of conflict metals in the manufacturing of its products. Silicon Labs requires all of its suppliers to source from third-party audited conflict-free smelters, maintain a conflict-free sourcing policy, and comply with our internal policy based on the Organisation for Economic Co-operation and Development (OECD) due diligence guidelines.

Section 1502 of the Dodd Frank Act requires corporations to report the use of "conflict minerals" in the manufacture of their products. "Conflict minerals" in this context refers to the following minerals: Columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which are limited to tantalum, tin, and tungsten.

Silicon Labs is committed to comply with this legislation. We are actively working with our suppliers to understand or establish their systems for sourcing of raw materials, including any listed minerals which may be used in Silicon Labs' products.

Each year, Silicon Labs prepares an RMI (Responsible Minerals Initiative) CMRT (Conflict Minerals Reporting Template), to report its use of conflict materials in its supply chain to the SEC. The information contained in this report is also available to any customer upon request.

There are no known conflict minerals in Silicon Labs' products that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries.

In an effort to eliminate the impact of our supply chain on conflict minerals, Silicon Labs has begun collecting smelter information on Cobalt in addition to the conflict minerals under Section 1502 of the Dodd Frank Act. We are actively working with our suppliers to understand or establish their systems for sourcing of raw materials, including any cobalt related minerals which may be used in Silicon Labs' products.

Endnotes

- 1 External source: <https://www.ourfuturewater.com/2020/03/10/creating-virtual-sensors-to-save-water/>
- 2 External source: <https://www.energy.gov/sites/prod/files/2017/01/f34/Exploring%20the%20Energy%20Benefits%20of%20Advanced%20Water%20Metering.pdf>
- 3 Estimate based on Silicon Labs solar inverter sales
- 4 External source: <https://www.energy.gov/energysaver/save-electricity-and-fuel/lighting-choices-save-you-money/how-energy-efficient-light#:~:text=Compared%20to%20traditional%20incandescents%2C%20energy,last%203%2D25%20times%20longer.>
- 5 External source: <https://www.homeselfe.com/smart-lighting-can-save-money/#:~:text=Motion%20Detecting%20Lights&text=Consider%20smart%20lights%20that%20work,detectors%20do%20it%20for%20you.>
- 6 External source: <https://link.springer.com/article/10.1007%2Fs12053-012-9169-3>





The leading provider of silicon, software and solutions for a smarter, more connected world.