

Microchip Technology Inc.

TICKER

NasdaqGS:MCHP

MARKET CAPITALIZATION

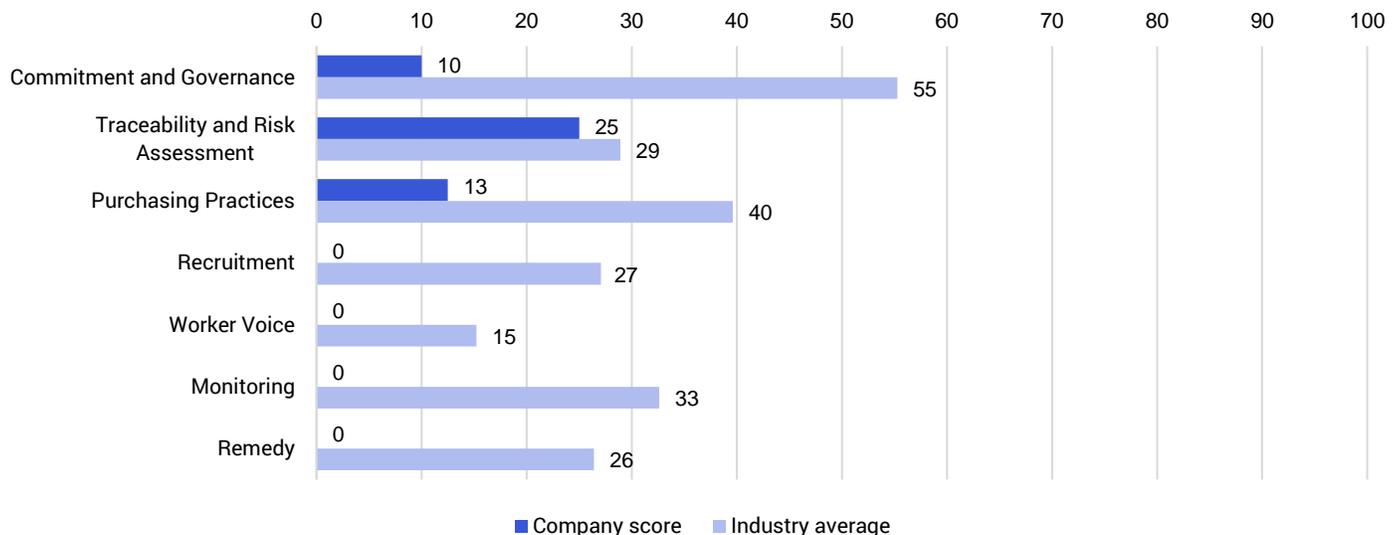
US\$22 billion

HEADQUARTERS

United States

COMPLIANCE
UK Modern Slavery Act: [Disclosure available, but not compliant](#)
California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)
COMMITMENTS
[None](#)
COMPANY'S OVERALL RANKING
35 out of 40
COMPANY'S OVERALL SCORE
7 out of 100
SUMMARY

Microchip Technology Inc. (Microchip Technology) supplies to companies such as Apple. It ranks 35th out of 40 companies, disclosing less information on its forced labor policies and practices than its peers across all themes. The company does make some disclosures on the themes of commitment and governance, traceability and risk assessment, as well as purchasing practices, but scores zero in all other themes. In particular, the company does not disclose a publicly available supplier code of conduct. The company is encouraged to improve its performance and disclosure on the themes of commitment and governance, purchasing practices, and monitoring.

THEME LEVEL SCORES


LEADING PRACTICES

None

NOTABLE FINDINGS

Commitment: Microchip demonstrates awareness of human trafficking risks.

Traceability: The company has taken some steps to trace its supply chains. It publishes a list of its smelters and refiners of tungsten, tin, tantalum and gold, and the countries it sources raw materials from.

Integration in Supplier Contracts: The company states that its supplier agreements and purchase order terms and conditions include prohibitions on the use of forced labor and require adherence to applicable laws.

OPPORTUNITIES FOR IMPROVEMENT

Commitment and Governance: The company is encouraged to develop a supplier code of conduct that includes all four rights outlined in the ILO Declaration on Fundamental Principles and Rights at Work, including the prohibition of forced labor and human trafficking. The company may further consider making such a standard easily accessible from the company's website and communicating the standard to its suppliers.

Purchasing Practices: The company may consider taking steps to address forced labor risks in its raw materials sourcing. The company is further encouraged to adopt responsible purchasing practices (such as improving forecasting alignment or sharing purchasing plans with suppliers) and provide procurement incentives (such as increased orders or longer-term contracts) to first-tier suppliers to encourage or reward good labor practices.

Monitoring: The company may consider adopting and disclosing a supplier monitoring process to verify that its suppliers are compliant with its supply chain standards. Implementing specific practices, such as interviewing workers and conducting unannounced audits of suppliers may help the company detect forced labor risks in its supply chains. Disclosing information on the results of its supplier audits, such as the percentage of suppliers audited annually or a summary of findings, assures stakeholders that the company has strong monitoring processes in place.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[No](#)