

# MONOLITHIC POWER SYSTEMS, INC.

## Nominating Committee Policies and Procedures for Director Candidates

### 1. Stockholder Recommendations and Nominations.

It is the policy of the Nominating Committee of the Board of Directors of Monolithic Power Systems, Inc. (the "Committee") to consider recommendations for candidates to the Board of Directors from stockholders holding no less than 1% of the outstanding shares of the Company's voting securities continuously for at least twelve (12) months prior to the date of the submission of the recommendation.

A stockholder that desires to recommend a candidate for election to the Board of Directors shall direct the recommendation in writing to Monolithic Power Systems, Inc., attention Corporate Secretary, 983 University Avenue, Building A, Los Gatos, CA 95032 and must include the candidate's name, home and business contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and Monolithic Power Systems, Inc. within the last three years and evidence of the nominating person's ownership of Company stock, a statement from the recommending stockholder in support of the candidate, references, particularly within the context of the criteria for Board membership, including issues of character, diversity, skills, judgment, age, independence, industry experience, expertise, corporate experience, length of service, other commitments and the like, and a written indication by the candidate's of her/his willingness to serve, if elected.

A stockholder that instead desires to nominate a person directly for election to the Board of Directors must meet the deadlines and other requirements set forth in Section 2.4 of Article II of the Bylaws of Monolithic Power Systems, Inc. and the rules and regulations of the Securities and Exchange Commission.

### 2. Identifying and Evaluating Nominees for Director.

The Committee's criteria and process for evaluating and identifying the candidates that it selects, or recommends to the full Board for selection, as director nominees, are as follows:

- The Committee regularly reviews the current composition and size of the Board.
- The Committee shall review the qualifications of any candidates who have been properly recommended by stockholders, as well as those candidates who have been identified by management, individual members of the Board of Directors or a search firm designated by the Committee. Such review may, in the Committee's discretion, include, but is not limited to, a review solely of information provided to the Committee or may also include discussions with persons familiar with the candidate, an interview with the candidate or other actions that the Committee deems proper.

- The Committee shall evaluate the performance of the Board as a whole and evaluate the performance and qualifications of individual members of the Board of Directors eligible for re-election at the annual meeting of stockholders.
- The Committee has not formally adopted any specific, minimum qualifications that must be met by each candidate for the Board of Directors, nor are there specific qualities or skills that are necessary for one or more of the members of the Board of Directors to possess. However, the Committee believes that candidates and nominees must reflect a Board that is comprised of directors who (i) are predominantly independent, (ii) are of high integrity, (iii) have or have had experience in positions with a high degree of responsibility, (iv) are or were leaders in the companies or institutions with which they are or were affiliated, (v) have qualifications that will increase overall Board effectiveness and (vi) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to audit committee members.
- The Committee shall consider the suitability of each candidate, including the current members of the Board of Directors, in light of the current size and composition of the Board of Directors. In evaluating the qualifications of the candidates, the Committee considers many factors, including, but not limited to, issues of character; diversity; skills; judgment; age; independence; industry experience; expertise; corporate experience; length of service; other commitments and the like; and the general needs of the Board, including applicable independence requirements. The Committee evaluates the foregoing factors, among others, and does not assign particular priority to any of these factors. The Committee considers each individual candidate in the context of the current perceived needs of the Board of Directors as a whole.
- In evaluating and identifying candidates, the Committee has the authority to retain and terminate any third party search firm that is used to identify director candidates, and has the authority to approve the fees and retention terms of any search firm.
- After such review and consideration, the Committee selects, or recommends that the Board of Directors selects, a slate of director nominees, either at a meeting of the Committee at which a quorum is present or by unanimous written consent of the Committee.
- The Committee will endeavor to notify, or cause to be notified, all director candidates of its decision as to whether to nominate such individual for election to the Board of Directors.