

An aerial photograph of a lush green mountain valley. A two-lane road with a yellow center line runs straight down the center of the valley, flanked by dense evergreen forests. In the distance, more mountain peaks are visible under a blue sky with scattered white clouds. Two small white cars are visible on the road, one further ahead than the other.

MPS

2025 Corporate Responsibility Report



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About MPS

MPS HQ Office, Kirkland, USA



MPS CEO Michael Hsing

A Message From the CEO

At MPS, reducing emissions, conserving energy, and protecting the planet is at the core of everything we do.

It's right there in our name: Monolithic Power Systems. Our business is based on offering customers a fully integrated, complete power system in a single monolithic block. Why do we do it this way? We do it because developing the smallest, most simple, most efficient power source is one of the best ways to drastically reduce energy use across countless applications.

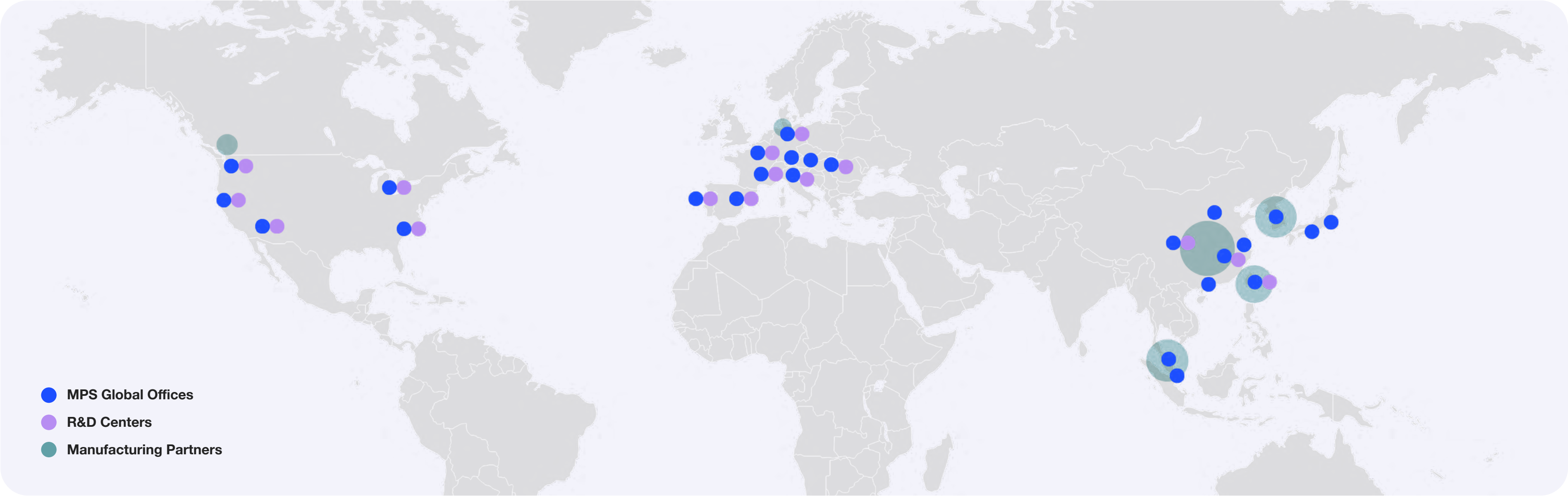
Our innovative, versatile solutions are designed to improve power conversion efficiency and reduce material consumption. They're easy to use and they're cost effective. They empower our customers to not only create groundbreaking products—from electric vehicles to AI data centers to smart phones—but to do it in a way that meets their sustainability goals and contributes to our shared fight against climate change.

MPS is growing by leaps and bounds. We now sell more than 4,000 products to more than 30,000 customers. Yes, that's great for our company—our employees and our shareholders. But it's also great for the world at large because it means more businesses are choosing power systems that are designed to have a reduced environmental impact.

What does the future hold for MPS? One of the things I'm most excited about is our work in automating environmental controls in office buildings and homes—everything from temperature to lighting to sound. By optimizing people's indoor experiences, we're both improving their quality of life and significantly reducing their energy use.

Like many other companies, MPS is working hard to reduce our own greenhouse gas emissions and increase renewable electricity use across our operations. I'm proud of the tremendous progress we've made, which you'll read about in this report. But what I'm most proud of is how MPS is at the center of helping customers across the globe make smarter, more energy-efficient choices—and supporting their sustainability strategies.

Michael R. Hsing, CEO



2024 Overview

Company Overview

Founded in California	1997
IPO (NASDAQ: MPWR)	2004
Revenue	\$2.2B
Number of Products	4,000+
Number of Customers	30,000+
Employees Worldwide	4,017

Market Sectors

Enterprise Data	32%
Storage and Computing	23%
Automotive	19%
Communications	10%
Consumer	9%
Industrial/Other	7%

Our technology powers breakthrough innovations

Creating efficient, reliable, and powerful products is essential to our business. It's what our customers demand to meet their business goals, and it's what our world needs to confront the challenges of a changing climate and better utilize the planet's natural resources. Therefore, we invest heavily in research and development in order to discover new, innovative ways to improve our current offerings, as well as introduce products in new categories.

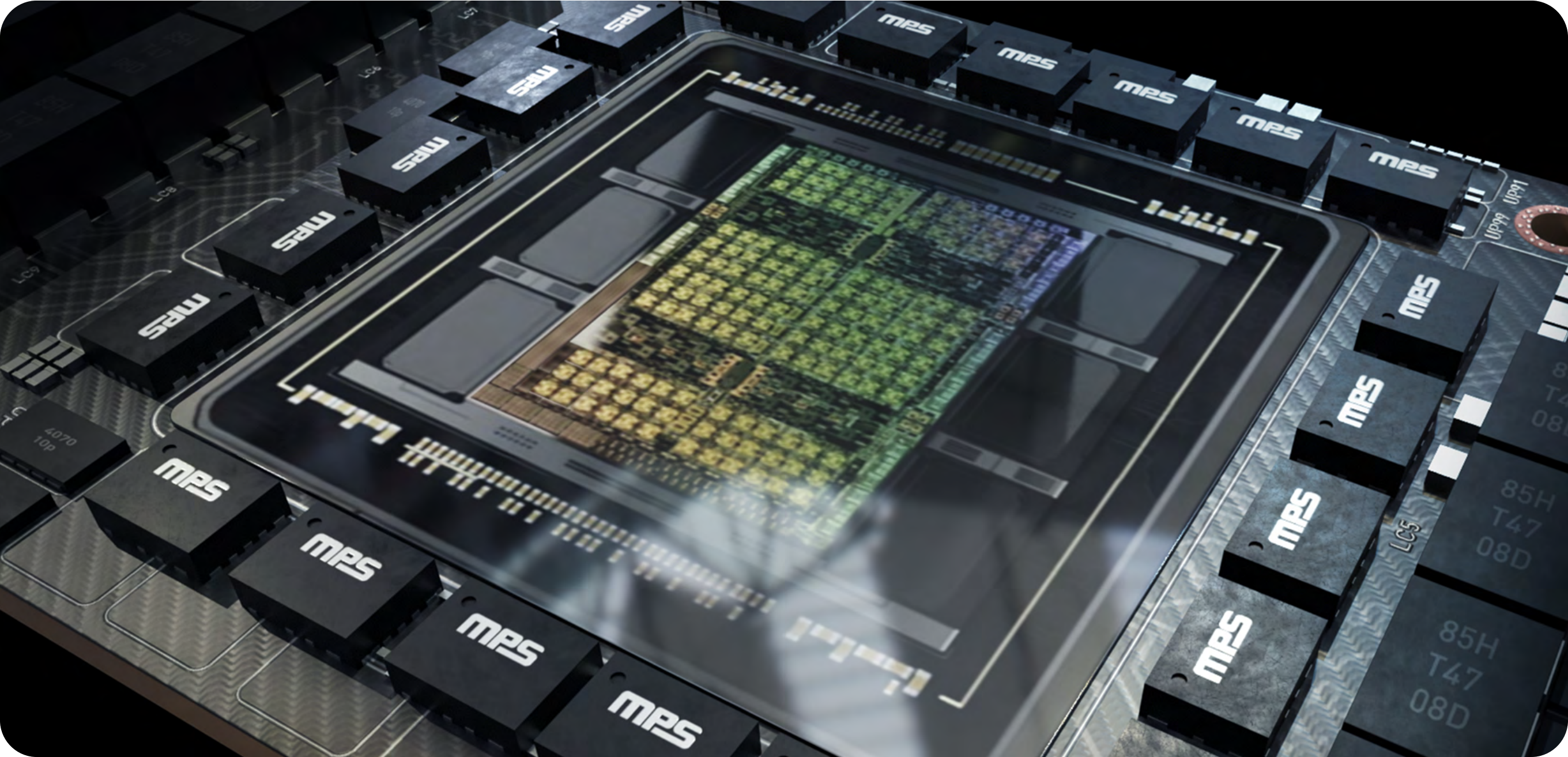
We differentiate ourselves by offering solutions that are highly integrated and smaller in size. Our products are more energy efficient, more accurate with respect to performance specifications, and, consequently, more cost-effective than many competing solutions

We do this by developing power solutions that push boundaries, so 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, as well as in our subsequent design processes. We aim to make every new product generation more energy efficient than the last.

A critical aspect of this work is evaluating our progress toward our goals. We strive to integrate more advanced energy savings tracking through our product development cycle to better assess the energy/emissions savings and improved compute-enabled of several of our core products.

In 2024, MPS entered the audio market by acquiring the Dutch company Axign, a leader in digital audio processing. The innovative technology developed by Axign delivers high-fidelity audio performance with near-zero distortion, and lowers the idle power loss by 90%, significantly extending the battery run time. The highly integrated and high-performance audio amplifier module from MPS is only a fraction of the physical footprint of the audio solutions currently on the market, making high-quality portable audio a reality.

Our commitment to innovation is reflected by our substantial investment in research and development in recent years and the pace of our patent filings. Our three-year average R&D investment-to-sales ratio was 14.2%. In addition, we filed 1,917 patents and issued 1,454.



Our technology enables greener products



Powering Data Centers: Our Z-Axis Power Delivery (ZPD) architecture approach allows each rack in a data center to receive more power, and it reduces power distribution network (PDN) losses to the servers by 5X. This translates into data centers increasing the computing capacity that can be stored in a given rack. Because the power demand at the rack level is skyrocketing, we are working to deliver a fully integrated solution that can support twice as much power as today—up to 3A/mm2.



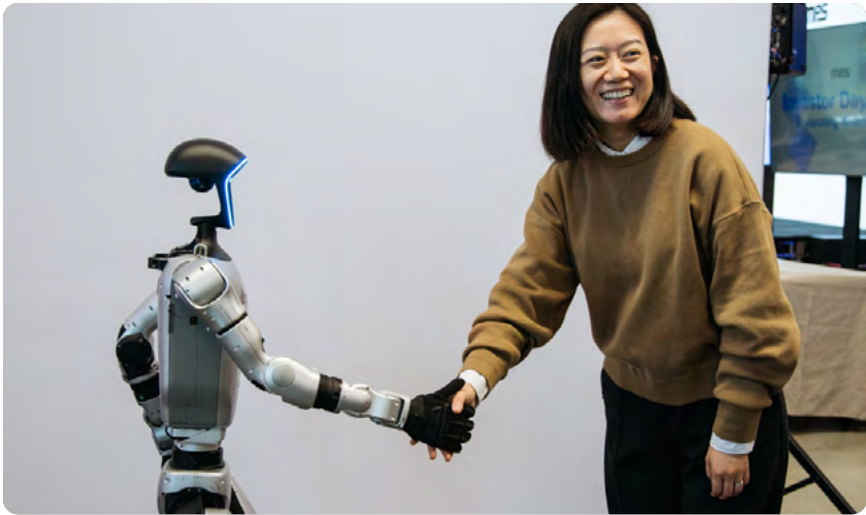
Automotive: Our high-voltage converters are designed to maximize power conversion efficiency, making them ideal for optimizing the power use of electric vehicles. Our ADAS sensor power solutions are up to 4X smaller and deliver up to 8X faster operation than other available solutions. Our digital cockpit solutions deliver a 70% smaller board footprint, require up to 50% fewer components, and deliver higher efficiency and cooler thermals. Looking ahead, our Automotive Battery Management Solutions (ABMS) will facilitate the transition to higher voltage charging—up to an 800V battery architecture—and a faster charging network, which are essential to support the growing demand for electric vehicles.



Notebook Solutions: Monolithic battery chargers for computer notebooks are delivering higher efficiency, lower power consumption, and up to 50% faster charging, while also being 50% smaller and thinner than those of our competitors. Looking ahead, MPS plans to introduce MiniPhase™, a heterogeneous, dual-output power stage that further reduces power loss during the most-used power levels of the system on chip.



Smart Home and Building Automation: Intelligent controls in living spaces and workplaces can deliver substantial power savings. We developed an all-in-one AI building management solution that is intended to enhance indoor life quality through better sound proofing, localized sound cancellation, indoor air quality, and lighting that mimics natural daylight. It delivers power efficiency that may yield up to 15% in energy savings, as well as up to 30% installation savings by using low voltage DC, less cabling, and fewer conduits.



Intelligent Robots: In 2024, we launched the smallest coreless motor total solution in the world by leveraging our highly integrated and innovative packaging technology. This enables the miniaturization of robotic actuators by freeing up physical space to integrate new functions. In 2025, our focus is on an ADAS solution for autonomous robots and high-powered, wireless, fast-charging stations as a reliable and convenient charging solution to keep robots busy.



Battery Energy Storage Systems: ESSs are a key part of renewable energy infrastructure. Our active battery management solutions are increasing power output by reducing switching losses and optimizing efficiency.

Environment



MPS is working to address the threats of climate change

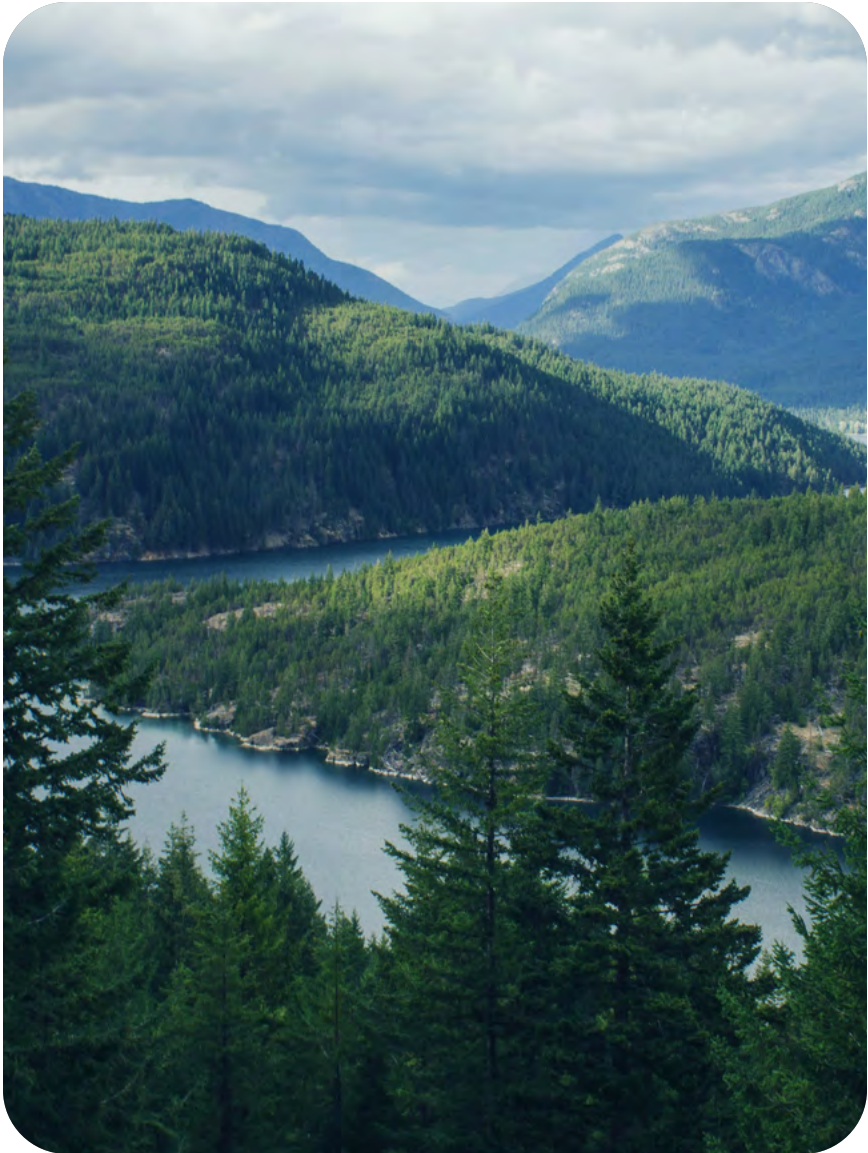
At MPS, we care about our customers, our stakeholders, and the world in which we live and work. Climate change and related weather and other events cause risk to our business and operations, as well as to the economy and society. We seek to prepare for the wide range of climate change-related risks and do everything we can to minimize their impact on our operations and our communities.

For example, higher global temperatures have led to more frequent and severe weather events, including droughts, heatwaves, wildfires, severe flooding, and hurricanes. Because we have a fabless manufacturing model, we believe that our exposure to these natural disasters within our direct operations is limited. However, our supply chain can be adversely affected by these types of events, so it is essential that we work closely with our partners to ensure we are actively trying to mitigate the risks they pose.

For example, some of our third-party manufacturing partners have operations in regions that are experiencing an increase in extreme heatwaves and prolonged dry periods. Because water is essential to semiconductor manufacturing, major droughts could affect their access to water and impact hydropower generation, disrupting manufacturing operations.

High winds, flooding, droughts, heatwaves, wildfires and other severe weather can also result in physical damage to buildings and equipment, disruption of information and communications systems, loss of energy and water supply, and other major consequences. Left unchecked, they could impact our business opportunities and costs.

In order for us to improve our ability to identify, measure, and collect data on possible climate change-related risks, we are accredited with the ISO certifications listed to the right. We are also a member in good standing of the Responsible Business Alliance (RBA), a trade organization focused on responsible business conduct. We use the RBA's Self-Assessment Questionnaire to assess our suppliers on specific supply chain risk areas related to labor, health and safety, the environment, and ethics. We incorporate climate-related risks and opportunities into our business strategy, and environmental measurements have been integrated into our key performance goals.



Key policies that govern our environmental impact include:

- [MPS Environmental and Climate Change Policy](#)
- [MPS Environmental Compliance Declaration](#)
- [ISO 14001 Environmental Management](#)
- [ISO 45001 Occupational Health and Safety Management System](#)
- [ISO 26262 Functional Safety Management for Safety Related Products](#)
- [ISO 9001 Quality Management System](#)

We help companies use less energy and protect the environment

MPS designs products that are key to developing and supporting technologies that enable sustainable infrastructures. Our solutions are already part of applications that reduce energy consumption, decrease greenhouse gas emissions (GHG), and help combat climate change. We develop key components for everything from renewable energy infrastructures to electric transportation to factory automation to data centers.

Many of our customers have set environmental goals of reducing the energy used by their products. They rely on us to offer component products that help them achieve their goals. Part of our mission is to continuously build products with higher performance, lower cost, and improved energy efficiency compared to previous generations so that we can keep meeting our customers' needs.

Our energy-efficient products help create value for our customers by lowering their overall energy use and environmental impacts, potentially contributing to reductions in Scope 3 emissions.



We work to reduce our own environmental impact

As a fabless company, our direct operations have a relatively small impact on the environment. However, the land, energy, materials, and water we use do contribute to climate change, as does the waste we generate. Our supply chain, which includes mining, processing raw materials by foundries, manufacturing, and shipping of our products, accounts for the largest part of our environmental footprint. Therefore, we are committed to addressing all aspects of our business—from our direct operations to our supply chains—to find innovative ways to manage resources more effectively and manufacture products more efficiently.

Our largest testing facilities in Chengdu, China, are ISO 14001 and ISO 45001 certified and are audited annually. This audit includes an extensive environmental risk analysis, which we use as a basis for improving our processes. Compliance with these standards also helps us prevent work-related injuries and health issues.

Our Environmental Management System (EMS) is the overarching framework we use to monitor our environmental stewardship. It is

designed to mitigate environmental impacts and enable our operations to comply with applicable international and local 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 train employees to handle hazardous materials. It is based on globally accepted best practices, including those recommended by the RBA, and is further supported by our Environment and Climate Change Policy. Our EMS is compliant with relevant international standards, including ISO 14001, ISO 45001, and ISO 9001.

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

We utilize solar power and water conservation technology

We are looking for new, innovative opportunities to help minimize the environmental impact of our operations and facilities by leveraging energy efficiency and clean energy technology. For example, we have installed almost 33,500 square feet of solar panel on our buildings worldwide, which has generated 542 megawatt hours (MWh) and saved 126 metric tons of carbon dioxide equivalent (MTCO2e) in 2024. More than a third of the 86 EV charging stations we provide free of charge to our employees are powered by solar panels, which helps encourage the use of cleaner modes of transportation.

We have installed a solar-powered microgrid in our San Jose, California, facility to mitigate peak power demand and power outages, and we use LED lighting, as well as controls for heating, ventilation, air conditioning, and lighting, to further minimize our energy use. We have also upgraded our cooling equipment to more efficient models in one of our largest facilities in Chengdu. Since 2023, we have minimized our electricity use by more than 500,000 kWh.

We have water conservation programs 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. In 2024 we collected and re-used 60% more rainwater than in 2023 in our Chengdu operations. We have also installed water-efficient, sensor-activated faucets and flushing mechanisms in the restrooms of some of our offices. We are partnering with our real estate design teams to incorporate LEED requirements for our next-generation facilities.



MPS Chengdu offices, Chengdu, China



We are reducing our greenhouse gas emissions

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

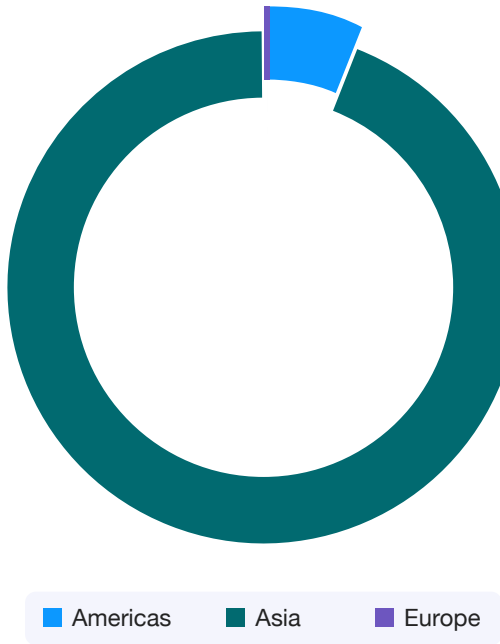
We have taken steps to ensure transparency and data verification. Our GHG inventory methodology follows the standards developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development's GHG Protocol. We use the operational control approach to define organizational boundaries. 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, we launched our ESG web-based platform in 2023. It centralizes and automates our data collection and calculates our greenhouse gas 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. Emissions are calculated using GWP factors from the IPCC AR5. We report Scope 1 and Scope 2 emissions using both location-based and market-based methods. The emissions factors used for electricity are from the eGrid (USA) and the International Energy Agency. For scope 1 they are from the US EPA, UK Defra, and AR5. Our inventory has been verified by a third-party expert. The Assurance Statement by UL Verification Services Inc. with respect to certain indicators' compliance with ISO 14064 Part 1: 2018 is available in the appendices.

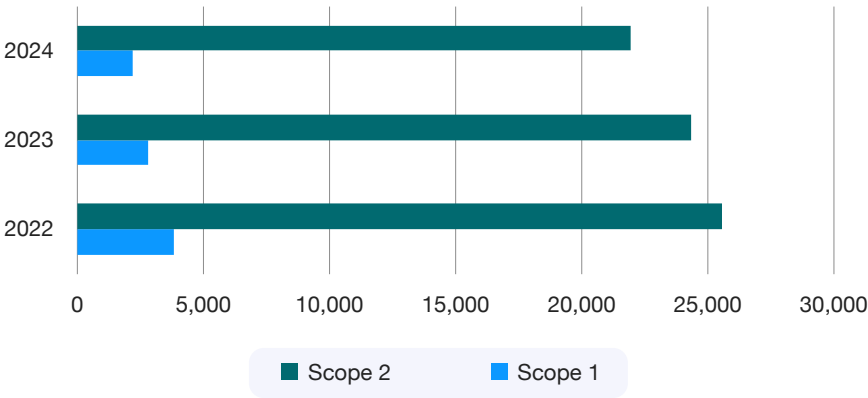
In 2024, our Scope 1 and Scope 2 (market) GHG emissions were 18% lower than in 2022. Our scope 1 emissions were more than 40% lower than in 2022. This reduction was primarily driven by improved refrigerants leak detection and management, as well as finding alternatives to using refrigerants. Scope 2 GHG emissions were down by 14% compared to 2022 as a result of energy efficiency initiatives and increasing our use of renewable electricity.

2024 GHG Emissions (MTCO2e) by Region



Americas Asia Europe

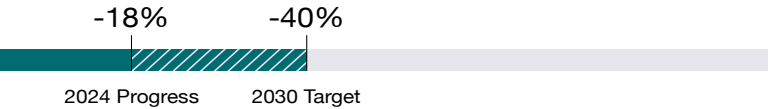
Total GHG Emissions MTCO2e (Market)



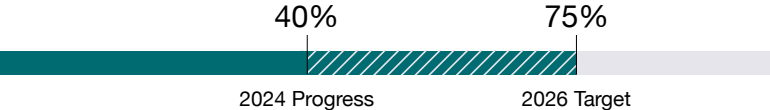
Scope 2 Scope 1

Our goals

40% less GHG emissions (Scope 1 and 2) by 2030 compared to 2022



Powered by 75% renewable electricity globally by 2026



MPS San Jose offices, USA

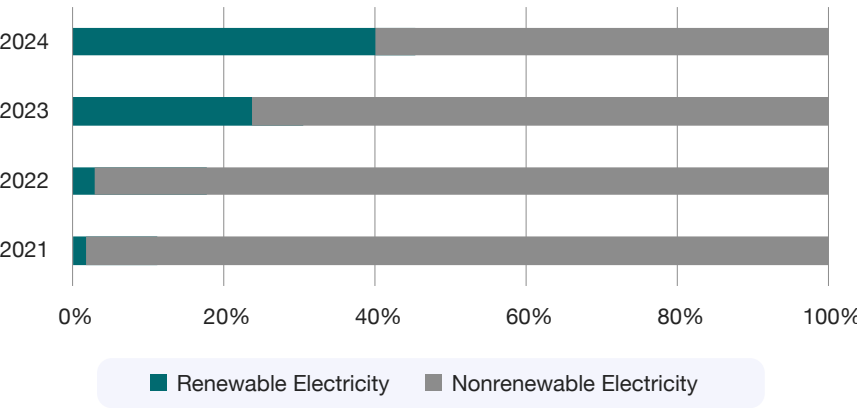
We doubled our use of renewable electricity in 2024

Our goal is to power our global operations using 75% renewable electricity by the end of 2026. In 2024, our business grew (+20%) over 2023, and the expansion of our testing capacity drove an 18.6% increase in energy use globally. In addition, our testing operations are increasingly focused on our most complex products, resulting in more elaborate testing processes and longer average test times. Both contributed to our overall increase in energy use.

To counteract this increase in energy consumption, we increased our use of renewable electricity, (including the purchase of Renewable Electricity Credits) to 40% in 2024, compared to just 2% in 2022. At the end of 2024, all of our U.S. and European operations were powered by renewable electricity provided by local utility companies, representing just over 6% of our global electricity use. We will be working on establishing similar contracts in other locations where available.

Moving forward, we will continue to identify energy efficiency opportunities and develop implementation strategies, and we will use our recently established global energy usage baseline to measure energy efficiency improvements.

Renewable Electricity (%)

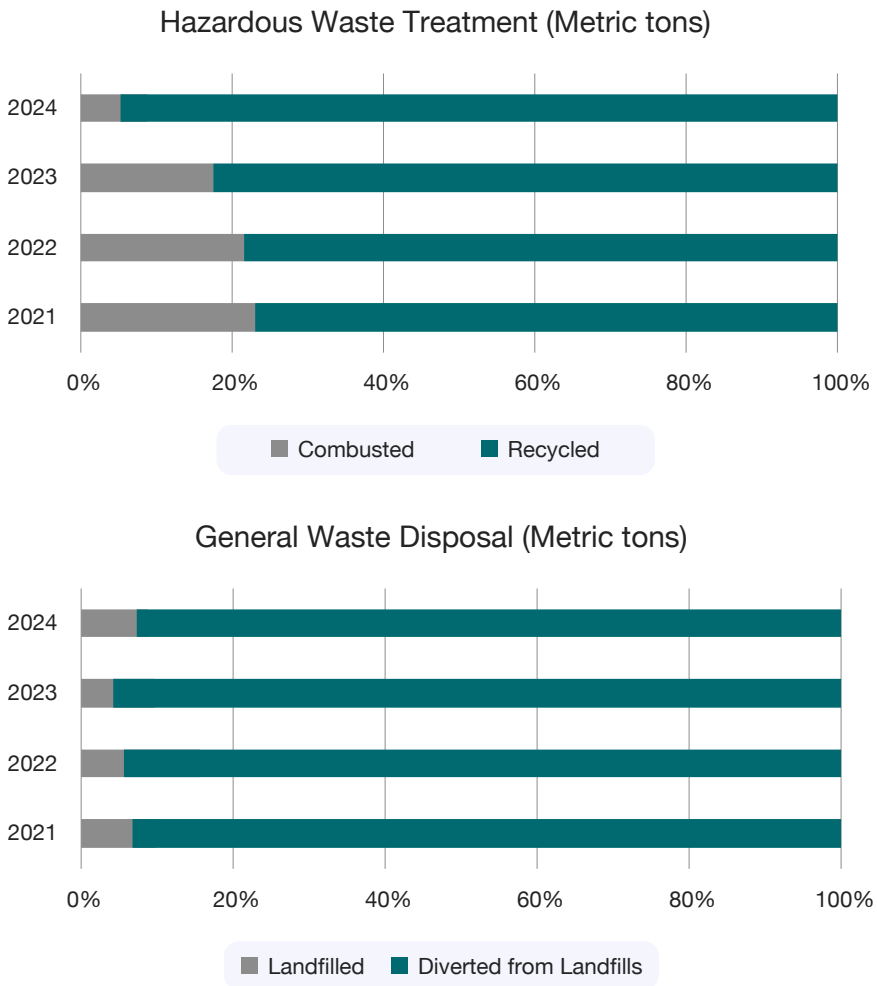


Renewable Electricity Nonrenewable Electricity

We are diverting most of our waste from landfills

We continually look for ways to minimize waste generation, and divert waste from landfills, particularly at our testing facilities. Where possible, our local facilities have established recycling programs both for municipal solid waste (MSW) and hazardous waste. In 2024, we produced 1,072 metric tons of waste globally, 89% of which was recycled or composted, and an additional 6% was combusted with energy recovery. Hazardous waste is a small fraction of our overall waste, representing less than 1%.

Looking ahead, we are focused on recycling more of our hazardous waste. We set a goal to recycle 80% of our hazardous waste categories (12 categories in total) by the end of 2026. In 2023, we worked closely with our waste contractors to identify available options. In 2024, we recycled two additional categories, resulting in 50% of all hazardous waste categories being recycled.

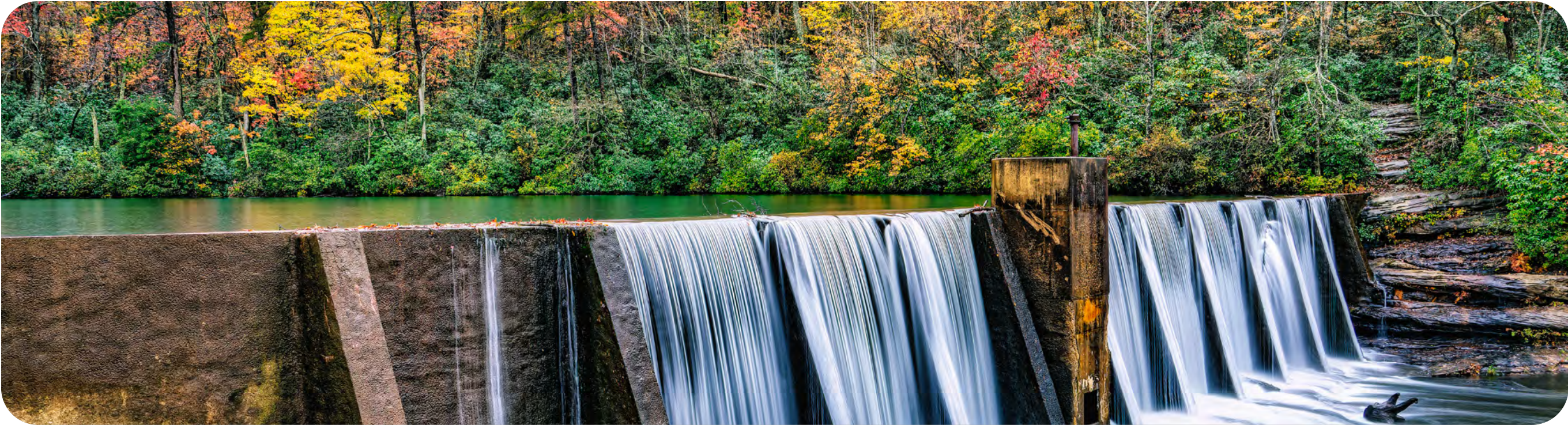
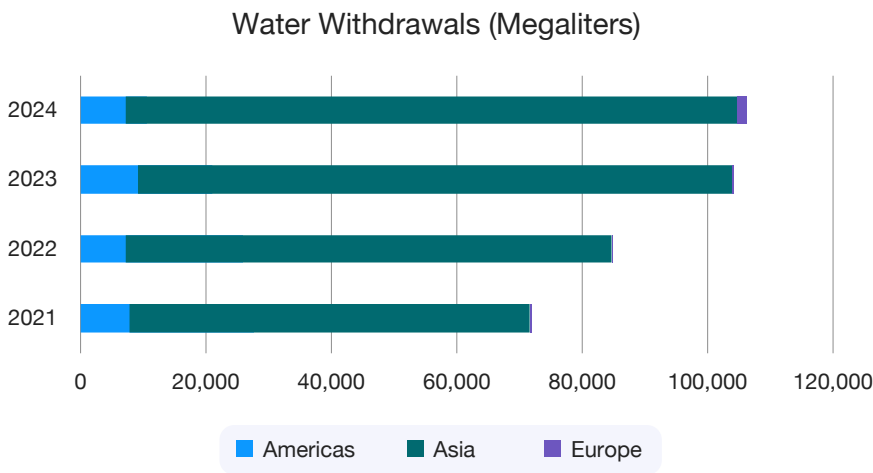


We are improving water conservation and efficiency

MPS uses various water risk and stress assessment tools, including the World Wildlife Fund (WWF) Water Risk Filter and the WRI Aqueduct Water Risk Atlas, to analyze water risks related to our direct operations and supply chains. This assessment is performed on an annual basis as part of our EMS program. Our facilities in China (Hangzhou, Chengdu, Shanghai) and Spain (Barcelona) are within medium/high water scarcity risk areas.

We work to identify and implement water conservation and efficiency measures. We also seek to optimize our overall water use to help limit the stress on local water basins and to help insulate our direct operations from the impact of any future water regulations or restrictions. We also installed water-efficient, sensor-activated faucets and flushing mechanisms in our facilities in Chengdu, Barcelona, San Jose, and Kirkland.

Our fabless manufacturing model limits our exposure to water risks within our direct operations. Our largest facility in Chengdu, China, which includes our regional corporate offices, product testing, and research and development, is responsible for most of the water we 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.



We are assessing environmental risks in the supply chain

Actively managing our supply chain creates business value for MPS and our customers by helping to reduce risk, improve product quality, achieve environmental goals, and raise the overall performance of our suppliers. As a fabless semiconductor company, we recognize that our Scope 3 upstream emissions are impacted by our ability to monitor and influence our manufacturing suppliers’ sustainability performance, which we have started assessing more actively. We prioritize engagement with our key manufacturing partners, primarily located in China, Taiwan, and Korea, on environmental, climate, and water issues.

We engage with our suppliers directly and via the RBA to promote best practices that can help reduce their carbon footprint. We require our suppliers to adopt the RBA Code of Conduct and encourage their participation in the Carbon Disclosure Project (CDP). We evaluate compliance by performing both internal and third-party audits and risk assessments. These include RBA’s standardized Self-Assessment Questionnaire (SAQ) and validated audit process (VAP) tools, as well as internally developed assessments and audits. These tools help identify risk factors related to environmental issues. The output of this assessment is reviewed by the ESG Steering Committee, the Quality Assurance team, and our suppliers’ management team.



MPS testing operatives, Chengdu, China

The ESG Steering Committee manages our environmental strategies

We created our ESG Steering Committee to manage our climate-related activities, initiatives, and policies. It oversaw the process for establishing the environmental impact baselines from which we developed our public goals. It tracks the progress on our GHG emissions reductions, our efforts to increase renewable energy use, and our goal to recycle more of the hazardous waste we generate.

The ESG Steering Committee reviews all projects that will have additional sustainability requirements based on our goals, such as the expansion of MPS facilities, to ensure they meet our sustainability and ESG objectives. The Committee regularly conducts assessments of climate- and water-related risks on our business by monitoring regulatory developments and requirements, market trends and best practices, geographical risks, and technological changes.

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. This ensures that all MPS environmental goals will be measured and assessed, with tangible results expected.

We have clear environmental health and safety procedures

Our Environmental, Health and Safety (EHS) 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 have procedures in place to manage potentially harmful chemicals and hazardous materials, which we track through our EMS. Our EHS procedures seek to address legal requirements for handling and recycling or disposing of special substances and materials. They also include 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.

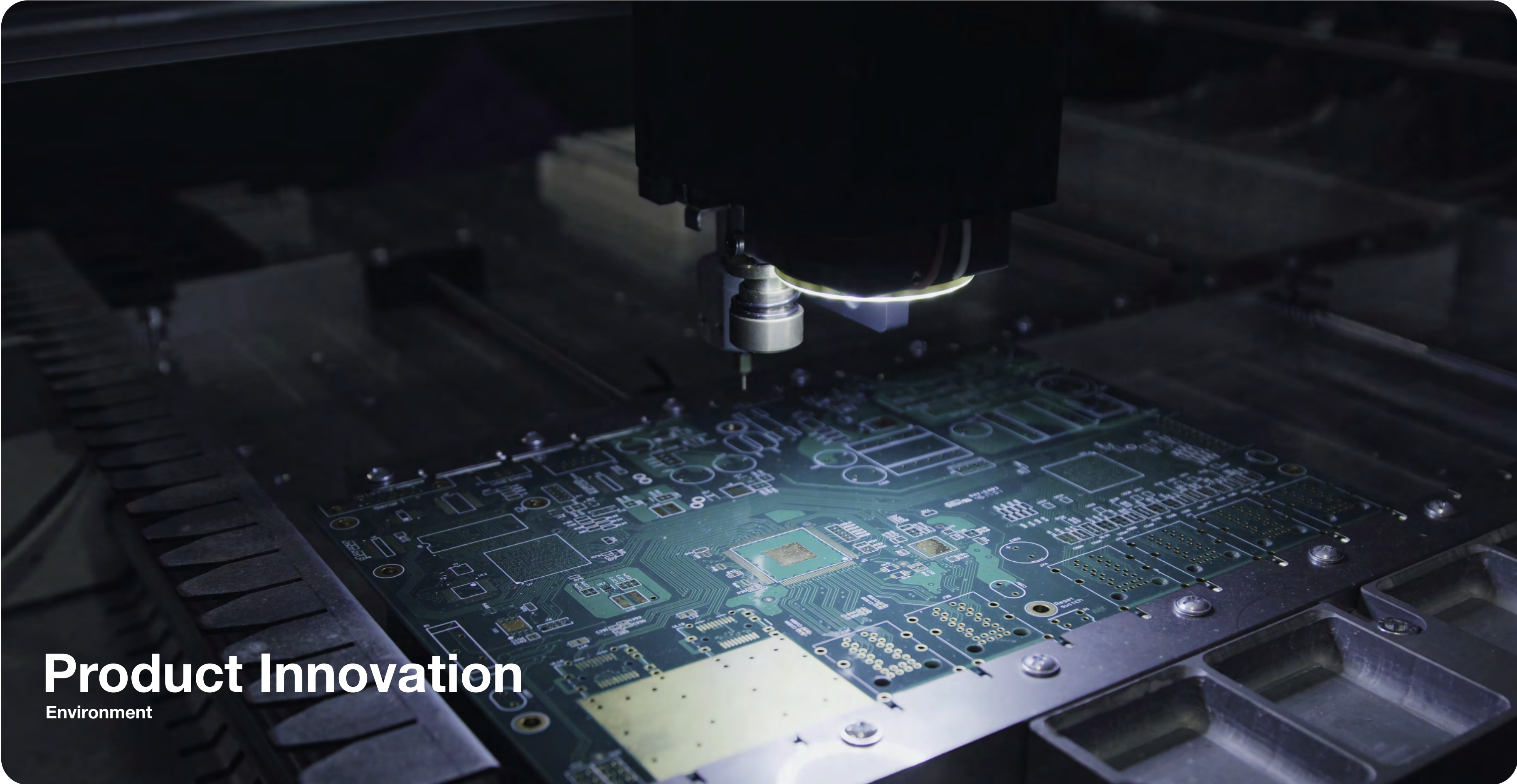
Our procedures contain personal protective equipment (PPE) guidance. New employees are trained on the importance of proper PPE use and disposal. Local supervisors carry out periodic inspections to ensure PPE is adequate and properly fitted. When new equipment, testing procedures, chemicals, or hazardous 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 assessments of our workplace, identify potential safety risks, and implement proper actions to mitigate them. In 2024, our global incident rate was 0.03%, and we registered no fatalities.

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



MPS employees, San Jose, USA



Product Innovation

Environment

We are enabling the next generation of data centers

Two years ago, we announced a power density improvement target for our data center power solutions: delivering 120 kW per rack commercially available by 2027. We did this even though we believed at that point that others were on track to offer solutions only up to 100 kW per rack in the coming years.

Due to the explosion of AI adoption across society, which has driven an immediate demand for a higher-powered solution at the rack level of data centers, we realized we had to fast track our solution to meet that demand. We are proud to say we succeeded. In 2024, three years earlier than expected, we commercialized a 120 kW per rack power solution. Our design was successfully incorporated into a major customer's new data center design last year. Today, our 120 kW per rack power solution is shipping to many major data center providers.

We achieved our goal through innovative power architecture. Our power conversion technology creates a smaller footprint on the motherboard than our competitors' solutions. This design brings all the processors closer together, enabling more computing power in a smaller space. It offers better heat removal from the servers through liquid cooling, which makes such a large power increase per rack feasible. The smaller footprint and resulting energy savings allow our customers to run much more powerful computers in their current data centers.

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

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 total number of racks required. This means that operators can scale their operations without having to build additional facilities.

In 2025, AI has become incorporated into many aspects of our daily lives. This is driving the rapid adaptation and adoption of technology in data centers to support the growing AI compute and power demand. The next wave of challenges includes higher density, greater efficiency, and an AI/ML rack power beyond 500 kW.



Quality assurance is key to product development

Ensuring a quality product is built into every stage of our product development process. We first design the foundry process technology, followed by the product design. The name Monolithic Power Systems represents the unique foundry process technology we have developed. All MPS products are designed using this proprietary technology.

Advanced product quality planning allows us to identify and resolve any potential problems in the most effective and efficient way. We use Design Failure Modes and Effects Analysis (DFMEA) as a preventive measure for automotive products. 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.

Electromagnetic compatibility (EMC) testing is a mandatory requirement for a growing range of product applications. MPS has three state-of-the-art EMC facilities. Our team understands the unique complexities and challenges of EMC testing for different applications. We also require our manufacturing partners to meet product specifications and our quality standards. All manufacturing partners are certified to IATF 16949 and ISO 14001.

We use a Manufacturing Execution System (MES) for automated quality control in production final test. We complete 100% of the final electrical testing for all our products. Some is done in-house and some is done by our testing partners. We monitor process variations to identify any potential outliers in electrical performance and to identify performance patterns. Our policy is to remove parts that are conforming but considered statistical outliers. We have advanced reliability labs for product qualifications and to act as a real-time monitoring gate for shipments.

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 the product life cycle can be found on [our website](#).



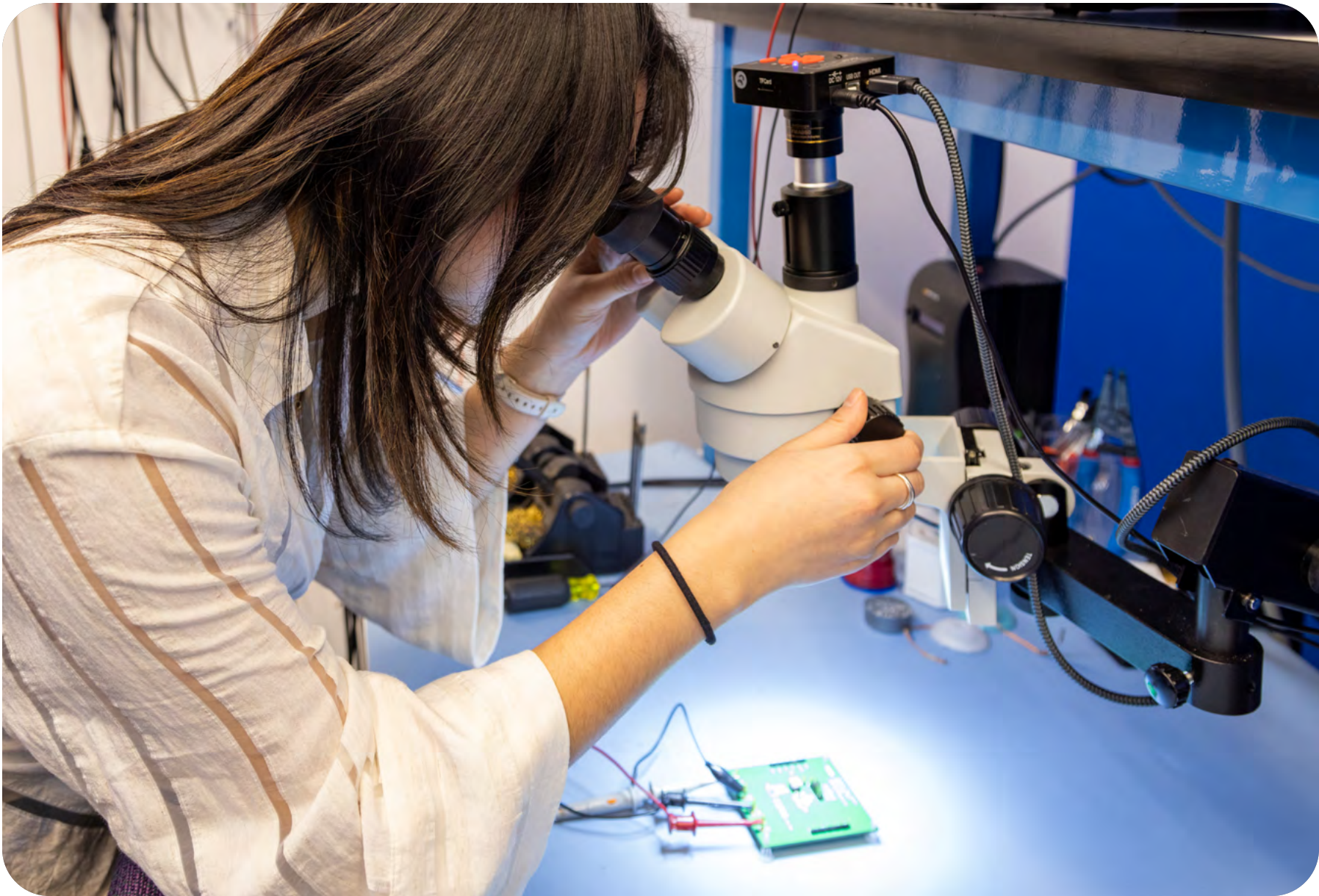
MPS EMC engineer, Freiburg, Germany

Quality management drives our processes

In order to deliver on our goal that our products are consistently at the highest quality standard, we develop and maintain quality processes for the development, manufacturing, and testing of all our products.

For every product, we establish these processes before starting manufacturing operations. We use our Quality System Management to identify specific risks within our systems and opportunities for improvement, as well as to prevent product nonconformities. We developed and track quality key performance indicators to identify and investigate trends. Overall, we treat quality as a competitive advantage and business enabler.

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. As part of our ISO certifications, we are audited every year.



MPS engineer, San Jose, USA



Our People

Social

MPS is committed to empowering our people

At MPS, we understand that our success depends on having a strong and empowered workforce. As a leader in the semiconductor industry offering some of the world’s best solutions in power density and energy efficiency, we continue to cultivate a company culture that encourages employees to consistently push the envelope, create the most power-efficient products, and not be satisfied by the status quo.

Innovation is at the heart of our business. We seek to attract the best and brightest with our cutting-edge technology and ideas, competitive salaries, comprehensive benefits, extensive professional development, and state-of-the-art equipment and facilities. We reward our people generously for their work by providing strong performance bonuses, generous stock plans, and career growth to leverage tangible growth, both for the company and for their career.

Most importantly, we seek to create a work environment that is positive, welcoming, and inspiring. In 2024, we focused on an improved and engaging new hire orientation process that works to better immerse the new hire into MPS culture.

To facilitate a fair and just work culture that leads to growth and success for both our people and for the company, we have established clear codes of conduct and responsible work practices. These include our Code of Social Responsibility, and Code of Ethics and Business Conduct

MPS Core Values:

- We cultivate innovation.
- We do not accept the status quo.
- We innovate for our customers.
- We do not compromise on quality.
- We are passionate about sustainability.

Key documents that govern our employees:

- [MPS Code of Social Responsibility](#)
- [MPS Code of Ethics and Business Conduct](#)

We invest in talent development

We are passionate about the professional growth of our employees. We provide extensive on-the-job training, encourage each employee to map out their career path with their manager’s support, and foster a culture of collaboration so employees can learn from their peers and supervisors. For example, we assign 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 working alongside world-class integrated circuit experts in the semiconductor industry.

MPS offers stock-based rewards for long-term service using phased incentives for increasing responsibility. We have found that long-term incentives provide motivation and increase upward mobility for our employees. MPS prides itself on organic growth, promoting most of our managers internally rather than looking outside the organization.

In order to help our employees keep current on the latest developments and new ideas within their field, we have a broad offering of live and on-demand learning experiences. This extensive library provides our employees with the opportunity to explore their interests and sharpen their skills through workshops, panel discussions, and speaker-based forums. We also offer qualified employees the opportunity to participate in advanced technical education programs and online technical certifications.



MPS engineers, Freiburg, Germany

We develop the next generation of leaders

We believe in giving our employees the tools they need to build on their strengths and address their weaknesses. This fosters an environment of innovation and creativity, which allows us to develop solutions and products that once seemed out of reach.

We prioritize developing top talent from inside the company to become the next generation of leaders. We do this by providing mentoring opportunities and leadership training for all entry-level and managerial staff. We actively partner with industry organizations, including the Institute of Electrical and Electronics Engineers (IEEE), and we provide industry mentoring and support to the next generation of engineers at universities around the globe.

Women make up nearly a quarter of our management-level staff and are an important part of our leadership.



MPS Automotive Summit, Freiburg, Germany



MPS employees, Freiburg, Germany

We make learning tools easy to access

Cornerstone, our in-house training library function, is an internal learning management system and flexible learning tool. It offers a standard suite of training materials on topics such as 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. All employees set annual goals and complete an annual review with their manager. Employees are encouraged to identify the skills and interests they want to develop. Their managers can suggest additional training options, such as project management and leadership training.

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

Some of our employee training successes in 2024 include:

- A total of 28,383 hours of training were completed globally.
- A total of 7.1 hours of training were completed per employee, and 100% of managers globally completed a sexual harassment awareness training course (every two years).
- 100% of our staff in Chengdu completed a training on the RBA code of conduct.
- We designed, built, and implemented MPS-specific trainings that focus on skill gaps among our teams.

We encourage our teams to prioritize in-person mentoring opportunities over formal training courses.

In 2024, our People team implemented and launched a new tool, Workday, to streamline, strengthen, and automate our people management processes. It simplifies employees' success management through monitoring progress, tracking goals, and consolidating performance. Workday also improves, simplifies, and solidifies our internal audit systems. For our employees, the platform provides a simplified user interface and helps centralize personal data.

MPS is committed to building a strong workforce

Our employees come from across the globe and have a broad range of backgrounds. In 2024, more than two-thirds (70%) of our U.S.-based employees self-identified as non-Caucasian. Women make up 40% of our global workforce.

In order to provide an inclusive workplace for our employees, we do not tolerate discrimination of any kind and have adopted clear policies for reporting concerns or violations. We encourage and support a culture of teamwork, fairness, and tolerance. Every two years, we deliver training on unconscious bias for our U.S.-based leaders and managers.

Our recruitment team focuses on attracting, retaining, and developing a broad range of top talent. To support this effort, we participate in various on-campus college recruiting events and other mentoring and community programs.

Our employees feel valued and positive about their work

In 2024, MPS’s headcount grew by almost 12%. Even more importantly, our employees choose to stay with us for a long time because they believe they can develop rewarding careers in an environment where they feel valued and respected.

At the end of 2024, more than a third of employees had been with the company for more than five years, and 16% had been at MPS for more than 10 years. Our retention rate in 2024 was 88%.

Our employees regularly recruit their peers and colleagues to join them at MPS, which is the best kind of advertising for our company. More than one-third of our new hires come from internal recommendations. We measure job satisfaction through employee “pulse” surveys. When

asked about the strength of our culture, engagement, vision and direction, connection, and meaningful work in 2024, employees gave us a 90% positive score for the second year in a row.

MPS prefers hiring employees as exempt or non-exempt rather than on a contract basis. The majority of non-exempt employees are interns. In rare instances when we need highly specialized workers, MPS will seek out contractors to help with certain projects. Contractors accounted for less than 1% of MPS’ workforce worldwide in 2024.



MPS employees, Kirkland, USA



MPS family picnic, Kirkland, USA



MPS family picnic, San Jose, USA

We provide competitive compensation and benefits

Our compensation program is designed to reward excellence. It includes competitive base salaries and a performance-based bonus plan. A special incentive program encourages publishing technical papers on our products. Our patent award program incentivizes employee innovation by recognizing and rewarding inventors and their contributions.

We have a long-standing practice of granting equity incentive awards to share ownership in our company, so all of us are invested in our shared success. Approximately 25% of our global employees received stock grants in 2024. In addition, we offer an employee stock purchase plan, and 80% of eligible staff participated in this plan in 2024.

Our comprehensive benefits package supports the well-being of our employees and their families. The health benefits we offer to our U.S.-based employees are amongst the most competitive and generous in the tech sector, in terms of quality of coverage, choice of providers, and cost to employees. In certain regions, we offer social insurance benefits, pension plans, and flexible spending accounts. Multiple MPS facilities have amenities such as fitness centers, sports courts, exercise and yoga classes, and private rooms for nursing.

Periodically, we offer employees access to tickets for sporting events, concerts, and other types of entertainment. We host social gatherings such as lunches, company picnics, and special occasion celebrations to help our employees get to know each other on a personal level.

MPS employee benefits include:

- Paid time off
- Job referral bonuses
- Health, vision, and dental insurance; employee assistance programs, disability benefit programs; and life insurance
- 401(k) programs in the United States, with matching contributions for employees who enroll beginning in 2025; and statutory pension programs outside of the United States
- Parental leave

We focus on providing a healthy and safe environment

Because we prioritize our employees’ health and safety, we have developed a detailed occupational health and safety management system, an environmental management plan, and an Environment Health and Safety (EHS) management system. The EHS includes 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, and we have a standardized incident reporting system to monitor accident rates. Our 2024 reported incident rate was 0.03%, but we continue to strive toward a zero-accident rate across our business.

Our largest testing facilities in Chengdu, China, are ISO 14001 and ISO 45001 certified, in an effort to prevent work-related injuries and health issues.

We have Safety Committees in the United States and China to facilitate the safety and security of our offices. All Safety Committee members have been trained and certified in CPR, First Aid, and Bloodborne Pathogens.

We promote safety by:

- Creating and operating safe worksites
- Providing personal protective equipment
- Maintaining internal standards that often exceed 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
- Implementing emergency evacuation preparedness plans



MPS testing opertive, Chengdu, China

MPS supports STEM education

We want to encourage young people from all geographies and backgrounds to pursue studies and careers in STEM fields, so we have partnered with universities, professional organizations, and student organizations all over the world in support of their STEM and related programs. To promote a broad talent pool in these fields, we sponsor and encourage a broad range of students who are interested in STEM, and we are establishing a scholarship program to provide further support and funding for those in need.

We believe that one of the best ways for university students, faculty, and researchers to gain real-world knowledge about the semiconductor industry and get a taste of the work we do is to offer hands-on learning opportunities where they can build and test functional analog design circuits. For instance, we have worked with universities in Europe and the United States to build electric race cars using donated MPS products and funding from the MPS Foundation. MPS engineers frequently visit classrooms, where they share their knowledge and passion for engineering with students and faculty.

MPS donates funds and products to partner universities to help update critical lab equipment and supplies; offers mentorship opportunities to help prepare students for a career in engineering; and provides internships, research funding, and engineering syllabus development.

MPS also runs an innovation program for college students that provides them with the opportunity to turn their ideas or designs into products. 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, and we support student research in the electrical engineering field and power electronics programs at California Polytechnic at San Luis Obispo and the University of Florida. We collaborated with the University of Florida Electrical and Computer Engineering department to donate equipment to a new faculty lab.

Our university partnership activities include:

- Internship programs in the United States and Asia
- Classroom visits and lectures around the globe
- Research funding for universities in Europe, the United States, and Asia
- Funding for university groups and activities in Germany and many parts of the United States



University of Washington Formula Motorsports



Rennstall Esslingen



KA.Racing



TU Fast Eco Team

We give back to our community

We founded the MPS Charitable Foundation in 2020 to support organizations focused on education, health care, the arts, social welfare, youth programs, the environment, and life-improving research and development. In 2024, we contributed \$23.75 million to the MPS Charitable Foundation.

We support research in medical technology advancement and improved health care. We donate to our local symphony and are always looking for new ways to support the arts. In 2024, we partnered with two organizations in the states of California and Washington that support the environment.

The MPS Charitable Foundation is currently looking at opportunities to expand our support of education for and empowerment of a broad pool of talent in STEM careers.

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

MPS knows that passions and interests begin early, which is why we are partnering with the Seattle Seahawks and Out Teach to build an outdoor learning lab/community garden to ignite the spark for science and engineering in grade school children. Together, we will be targeting Title 1 schools in the greater Seattle area to build this dream.

Some of the organizations that have benefited from donations from the MPS Charitable Foundation include Virginia Mason Medical Center, Healthier Kids Foundation, Second Harvest, the Seattle Symphony, Forterra, and the National Forest Foundation.



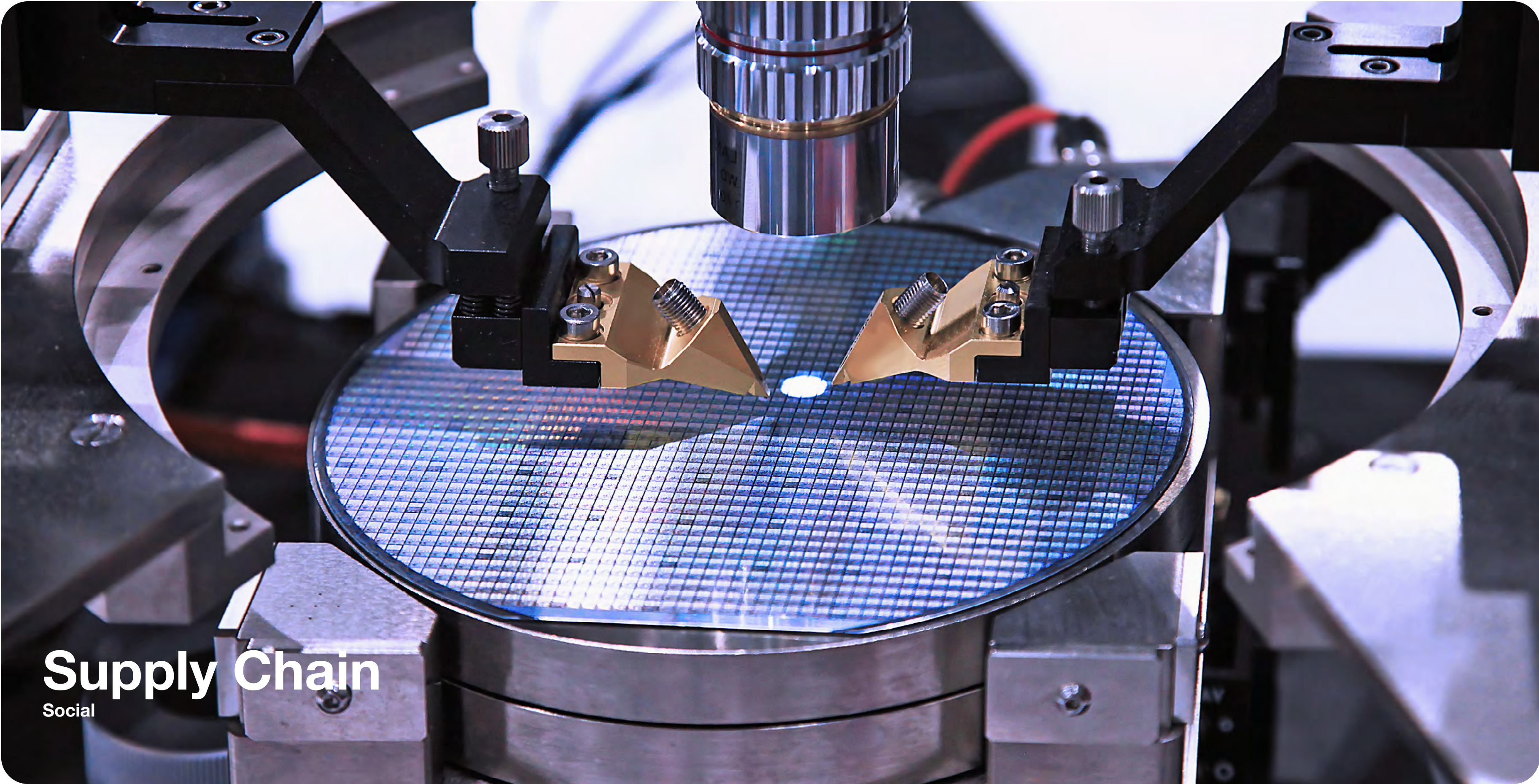
Outdoor learning lab build by Out Teach



Outdoor learning lab build by Out Teach



Outdoor learning lab build by Out Teach



Supply Chain

Social

We established and enforce ethical supply chain standards

We are a member of the Responsible Business Alliance (RBA), 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 biannual RBA audits of our 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. We require our key manufacturing suppliers to sign our Supplier Code of Conduct annually and abide by it.

Our Quality Department audits our key manufacturing suppliers' facilities to ensure they comply with international best practices, including ISO 9001,* ISO 14001, and IATF 16949.**

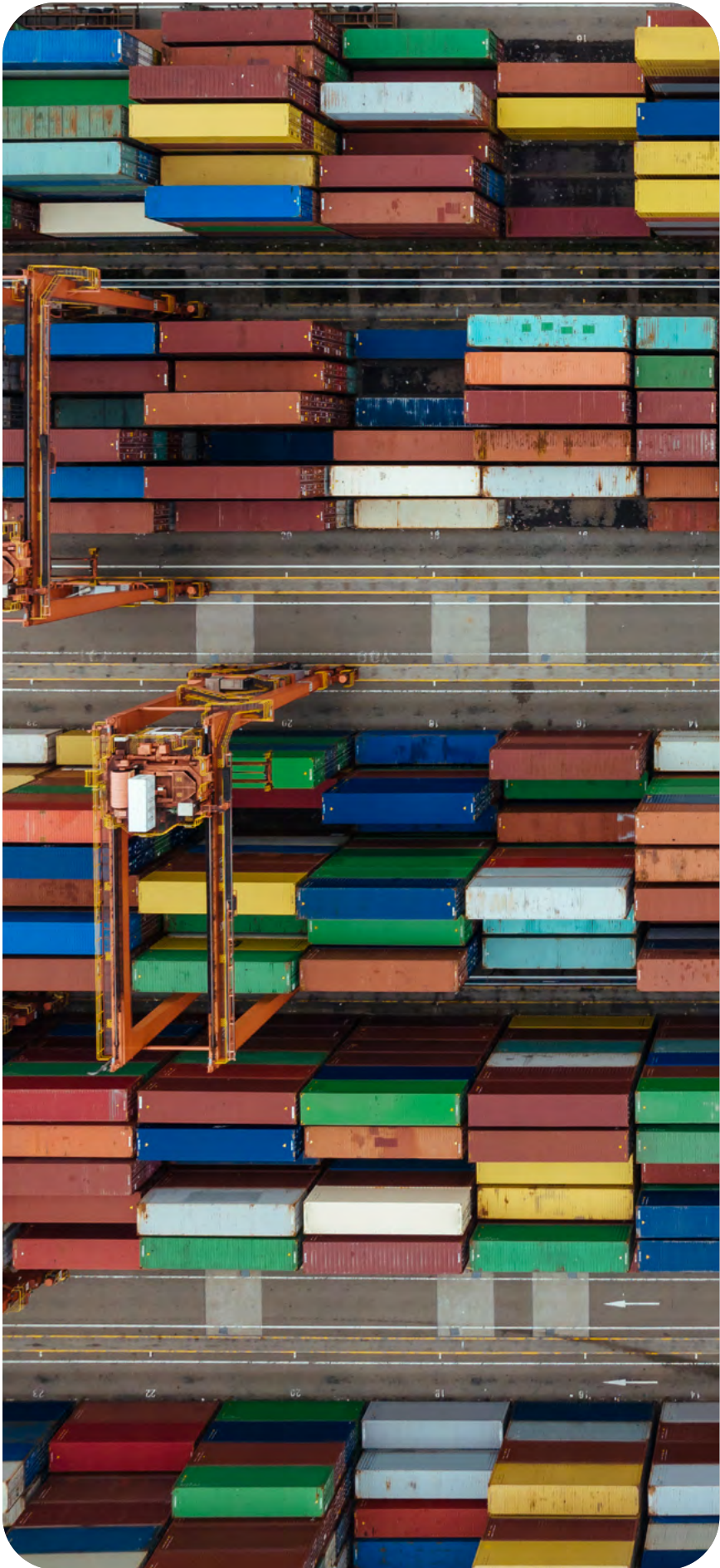
Our Supplier Code of Conduct and the key manufacturing suppliers' audits make up a compliance framework that ensures our supply chain reflects our priorities and values of protecting human rights and the environment.

MPS policies related to ethical standards include:

- [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](#)
- [Uyghur Forced Labor Prevention Act \(UFLPA\) statement](#)

ISO 9001* 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.

IATF 16949** This relates to our 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 protecting human rights

Our standards for the ethical treatment of workers in our supply chains extends to our own business practices. We align with 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, which lays out our standards on ethical labor, is based on the United Nation's Universal Declaration of Human Rights, the RBA's Code of Conduct, and the 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 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 pursuant to 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 certify and comply with our Supplier Code of Conduct annually
 - Enforce corrective action plans for nonconformances, 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 products 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 a 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 seek to ensure that all conflict minerals sourced for our products conform to 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 are conducted pursuant to the OECD Due Diligence Guidance for Responsible Supply Chain from Conflict-Affected and High-Risk Areas, the RBA's Code of Conduct, and the RMI standards. We require our suppliers to adhere to these same requirements.

We also 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 Conflict Minerals Reports. 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 biannually 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 2024, we had 113 smelters in our supply chain, 100% of which were recognized as RMAP conformant. RMAP 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 critical to our long-term success. Not only does it help ensure that we achieve our sustainability and social priorities, it allows us to successfully manage business operations and risks.

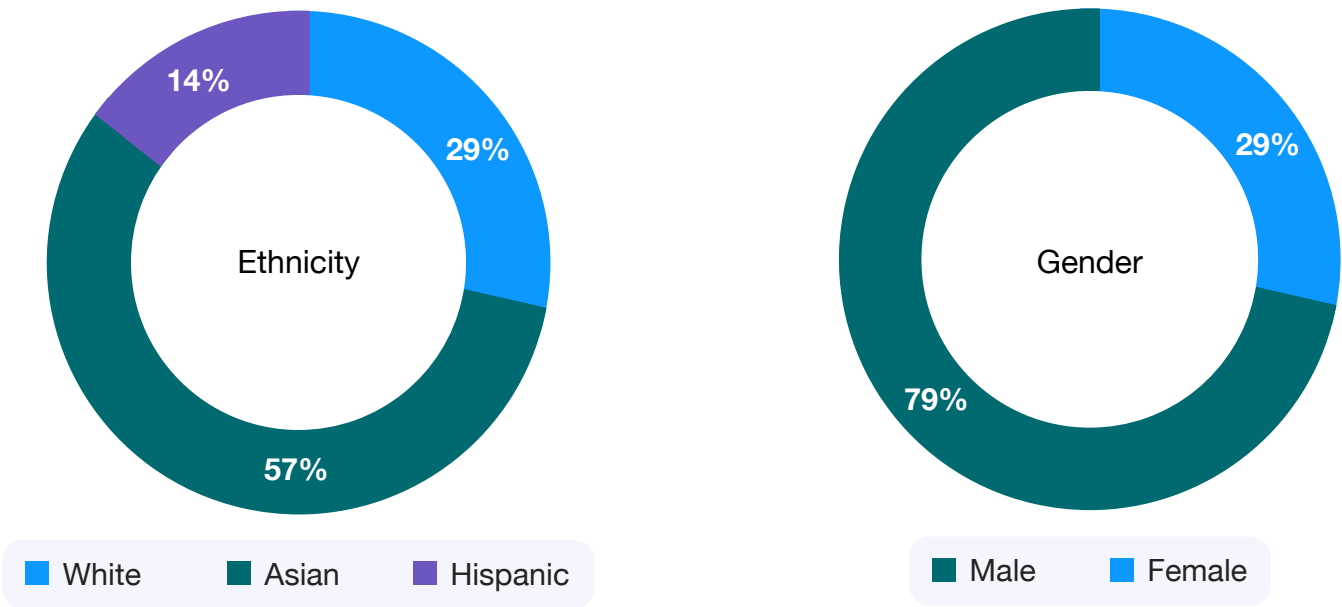
Our corporate governance guidelines establish independent and effective Board oversight along with management accountability. Our Board is responsible for overseeing our ESG program and resource allocation. The goal is to balance these priorities with our global business and risk management strategy.

MPS’s Chief Executive Officer, Michael Hsing, serves as our Board Chairman. To ensure the Board operates independently from executive management, one of the other Board directors is designated as the Lead Independent Director each year.

Our Board currently consists of seven members with diverse backgrounds, business skills, and industry experience. Since 2021, two new female directors have joined the Board.

When evaluating new director nominees, the Board considers whether they will foster a diversity of gender, race, background, skills, perspectives, and experiences. Our Nominating and Corporate Governance (NCG) Committee’s charter sets out rules to ensure women and minority candidates are included in the initial pool of director nominees.

Board of Directors Diversity



January 1 – December 31, 2024*

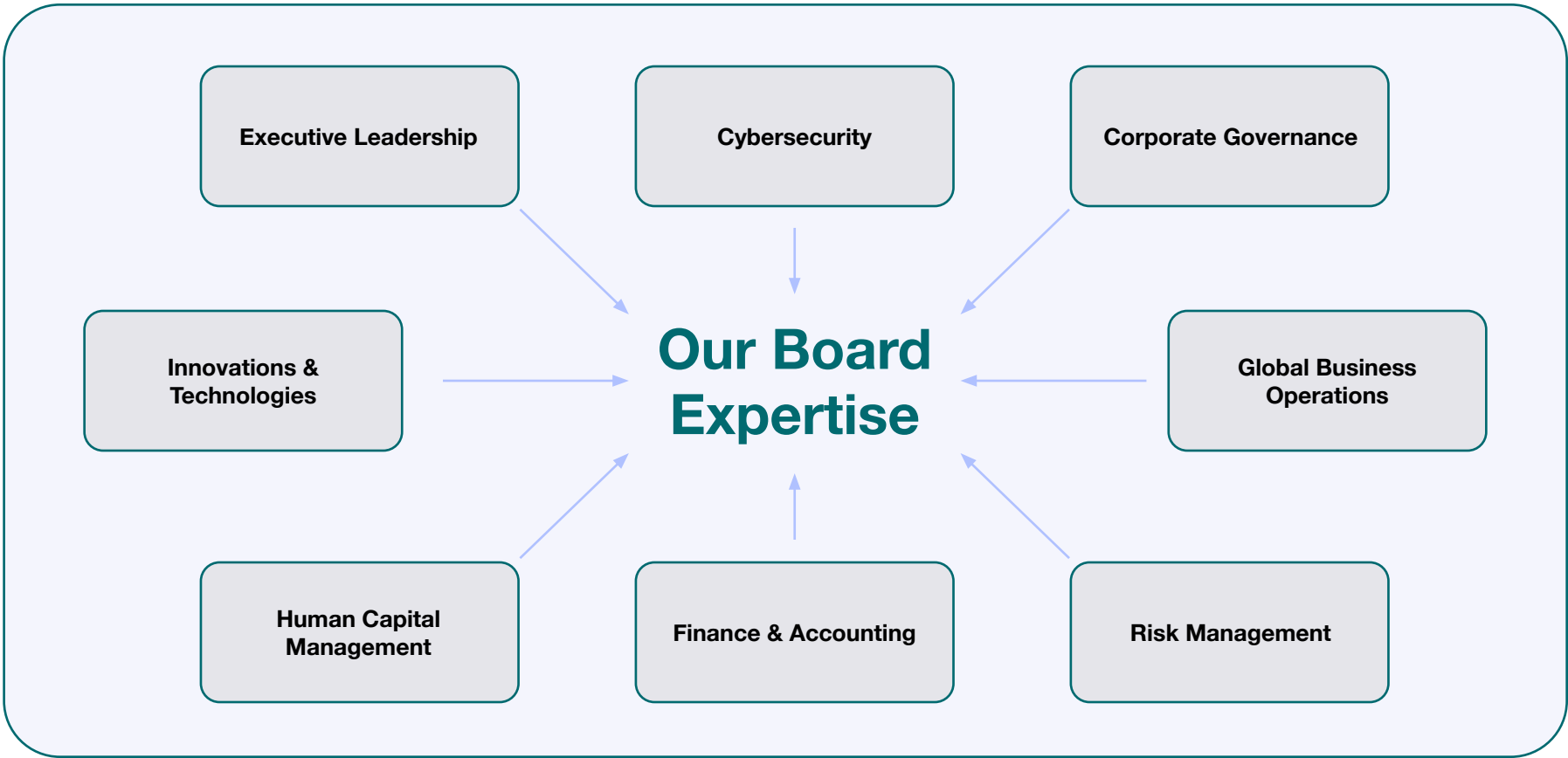
*One Director retired and resigned in October 2024

Our Board and Executive Team:

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

Our corporate governance charters and policies:

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



We protect the rights and interests of our stockholders

Our corporate governance guidelines provide a framework to ensure the rights and long-term interests of stockholders are protected and served. We conduct regular engagements with our stockholders, which allow our Board and the management team to address issues that are important to our stockholders and take appropriate actions.

MPS stockholders' rights include the following:

- We have a single-class share structure.
- Each stockholder is entitled to one vote per share.
- Our Bylaws provide proxy access to our stockholders.
- Our Bylaws allow stockholders to call special meetings, if certain requirements are met.
- Stockholders have the right to vote on executive compensation annually.
- We do not have a stockholders' rights plan, or "poison pill".
- We have a clawback policy for our officers.



MPS CFO Bernie Blegen

We are managing progress towards our ESG goals

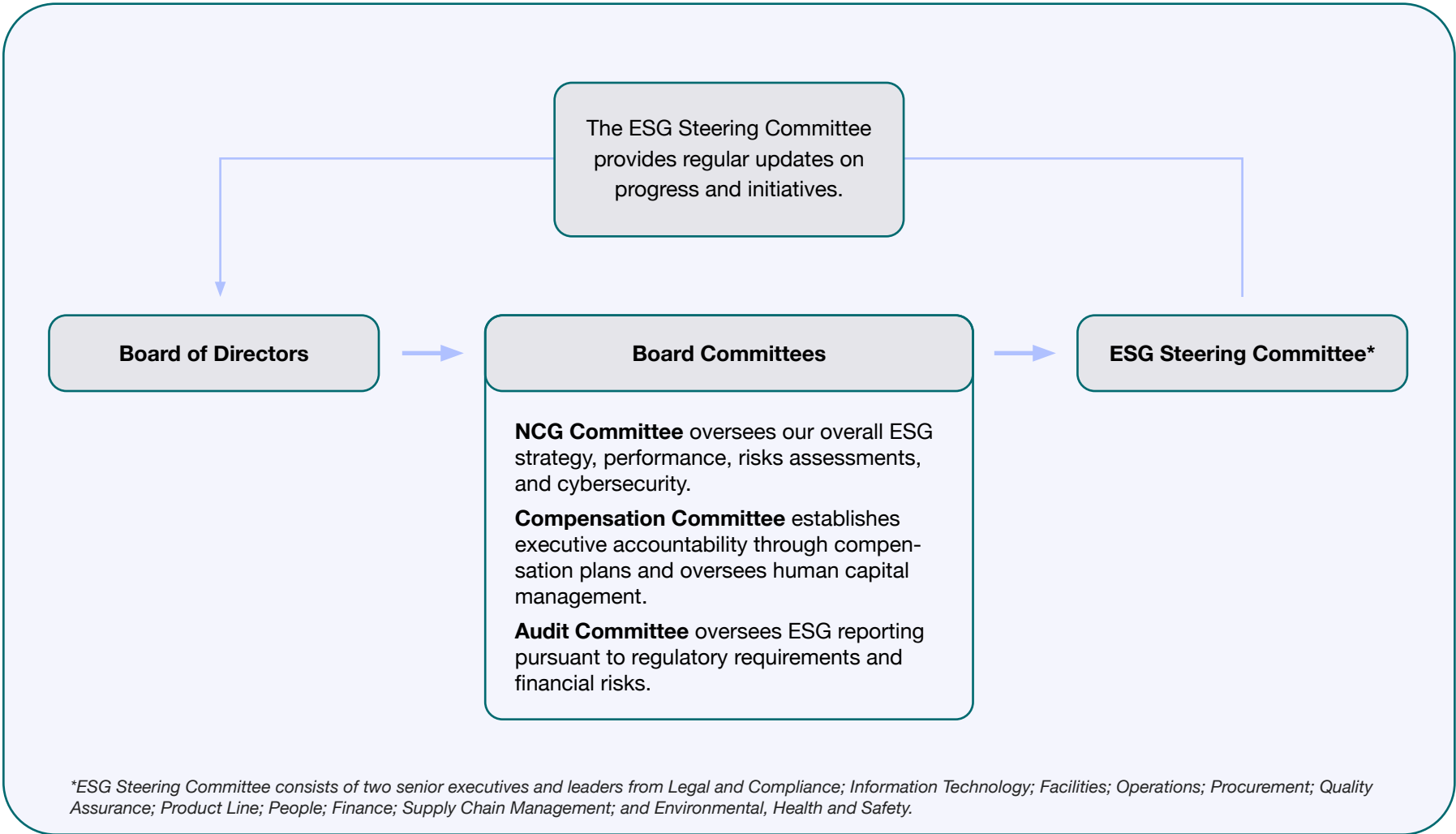
We believe that effective oversight is essential to ensure our ESG practices and policies are aligned with our business strategy and serve the long-term interests of our stakeholders. Our Board is actively engaged on ESG matters and has the ultimate responsibility on the oversight, management, and implementation of our ESG program. In its oversight role, our Board:

- **Assesses ESG risks and opportunities**
- **Sets measurable and rigorous goals and monitors progress**
- **Establishes management accountability for ESG performance**
- **Reviews our reporting processes and controls**
- **Oversees our engagement strategy with our stakeholders**

Our ESG Steering Committee is responsible for the day-to-day management of our ESG program. Under the supervision of the Board and its committees, the ESG Steering Committee:

- **Manages the execution of our corporate ESG strategy**
- **Develops and implements initiatives and policies**
- **Drives ESG performance**
- **Oversees communications with our stakeholders**
- **Monitors and assesses regulatory developments and trends**

On a quarterly basis, our Board and its committees receive updates from the ESG Steering Committee. These updates provide our Board and its committees with the opportunity to evaluate our ESG priorities, performance against our goals, and regulatory requirements.



We expect ethical behavior from our employees, suppliers, customers, and other business partners

Our Code of Ethics and Business Conduct (Code of Ethics) aligns with the RBA Code of Conduct and describes our expectations for professional behavior among our employees. Following the Code of Ethics is a condition of employment with MPS.

We train all new employees on the Code of Ethics in new hire orientations and provide further trainings through our online training platform. We also offer targeted trainings for our 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 team communicates annually to all employees the importance of ethical conduct and compliance 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, dignity of our employees, and environmentally responsible operations.

Our Anti-Bribery and Anti-Corruption Policy explicitly prohibits our directors, officers, employees, and anyone acting on our behalf from engaging in corruption or bribery with customers, suppliers, or other partners.

We also 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 Ethics 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 and People team.
- **KNOW** that MPS will protect whistleblowers.



MPS employees, Kirkland, USA

We protect employees who voice concerns

MPS fosters a workplace culture where each employee is expected to act ethically and feel that they can voice concerns confidentially and anonymously. We strictly prohibit any discrimination, retaliation, or harassment against any person who reports conduct in violation of our Code of Ethics and other 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 business partners, including customers and suppliers, can also report any misconduct by following the whistleblower procedures.

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 each allegation submitted via our Whistleblower Hotline, as well as reports and updates on investigations in progress or completed.

In 2024, we received no reports of violations from our Whistleblower Hotline.

Employees and our business partners can report concerns in the following ways:

- Email: Reports@syntrio.com
- Phone: 800-398-1496 (United States and Canada);
400-120-1853 (China);
800-603-2869 (all other countries)
- Online: report.syntrio.com/monolithicpower





We plan for business continuity in the face of unanticipated events

We have strategies in place to respond to risks and ensure business continuity when events occur that could directly impact our operations. These include natural disasters, geopolitical issues, pandemics, supply chain disruptions, cyber-attacks, and other unanticipated events.

An important part of our strategy is to avoid concentrating R&D, manufacturing activities, and supply chain in any one country that could have an unfavorable impact on our business. For example, we continue to diversify our operations outside of China to help mitigate the risks of climate events, such as drought, heatwaves, and earthquakes, as well as other operational and geopolitical risks. We have added new R&D facilities in Europe, the United States, and Taiwan, and we are building additional manufacturing facilities in other parts of Asia. By increasing our wafer, testing, assembly, and packaging capacities with suppliers outside of China, we are implementing a more resilient, cost-effective supply chain strategy that we believe can better adapt to dynamic market conditions with minimal business disruptions while maintaining competitive advantages.

Our IT business continuity plan includes an IT recovery strategy, which involves backing up sensitive data and identifying an emergency response team to ensure critical business operations can function and return to normal should an unexpected event take place. These plans are periodically updated and tested in a simulated environment for essential systems and services to ensure they can be implemented quickly and effectively 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.

We have the following key business continuity plans in place:

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

MPS employees, Kirkland, USA

Our cybersecurity programs help protect against cyber threats

Our cybersecurity safeguards and countermeasures are designed to protect our information technology networks and infrastructure from unauthorized access and attacks.

We have a dedicated IT and Security team responsible for managing and protecting our networks, systems, and infrastructure, including identifying and mitigating potential threats daily. 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). The IT and Security team reviews and updates our policies regularly. The IT and Security team also ensures our system remains 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 and provides policy updates when needed. New employees receive IT security training in orientation sessions.

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

In case we incur any losses due to a data breach or other cybersecurity incident, we maintain an insurance policy that provides certain coverage. For 2024, 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.

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 about security initiatives. The NCG Committee also provides quarterly updates on our cybersecurity risk management and strategy programs to the Board.



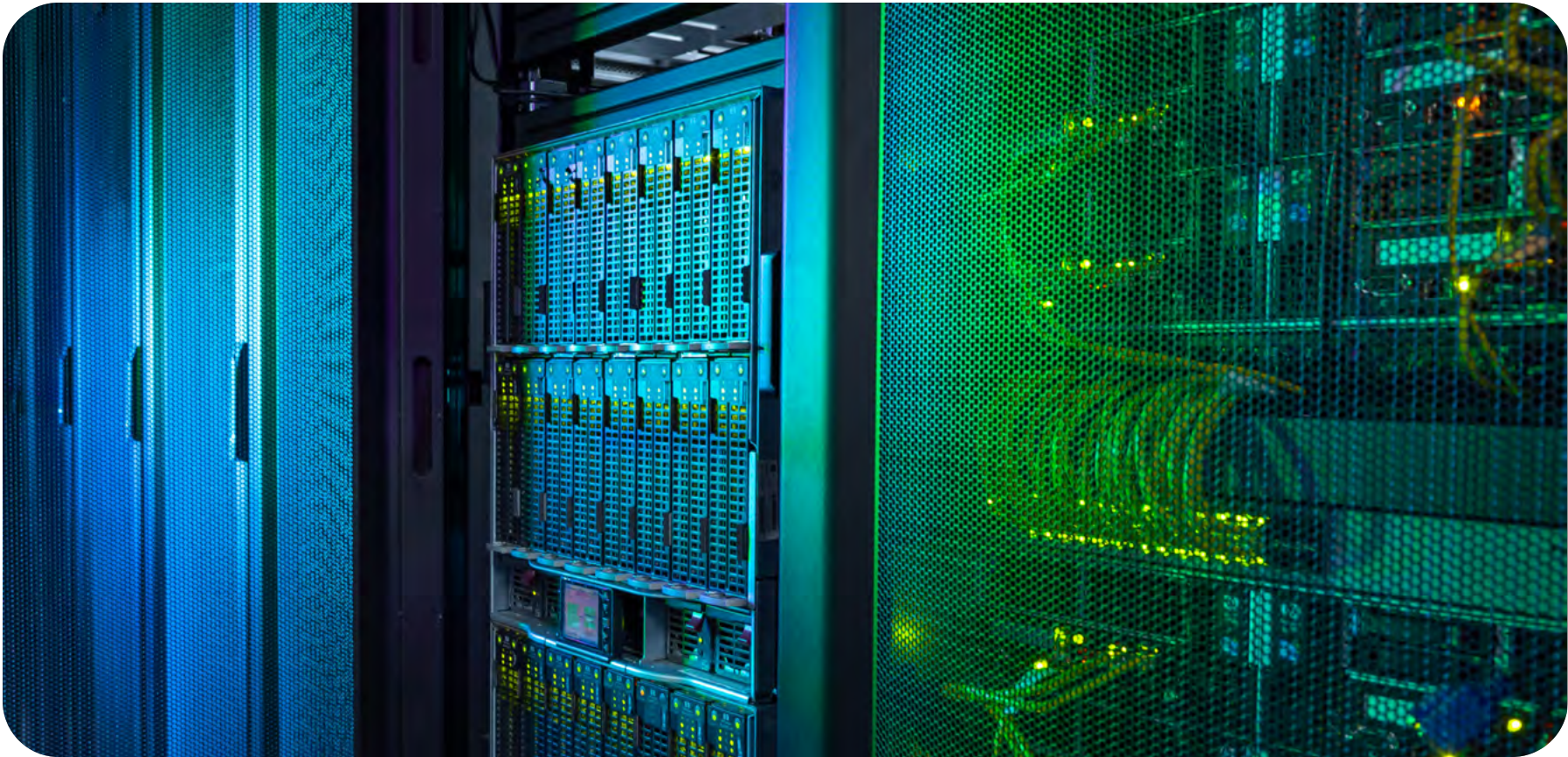
We follow international best practices for protecting data privacy

Our implementation of data privacy policies contributes to a core tenet of our operations—preserving data privacy. Our customers and partners can have confidence that their sensitive personal data will remain secure and their privacy rights will be upheld when engaging with MPS. Maintaining trust through best-in-class data governance is one of our highest priorities.

Our data privacy policy is designed to address key areas of concern, including personal information collection, cookies, and specific privacy safeguards for children. We have several internal and corporate data privacy policies, including one specifically to safeguard employee privacy, designed to prevent inappropriate use and unauthorized access of the personal information of our employees and anyone doing business with us. In addition, our employees regularly receive trainings and updates on data privacy to prevent misuse of personal information.

We have 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.

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



We have created 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 engage stakeholders as part of our ESG journey

Stakeholder priorities continue to evolve with the changing social and environmental landscape. We work to actively engage with our stakeholders so we can better understand their expectations and develop initiatives that support their interests. We believe this collaboration helps strengthen our relationships and our ESG program.

In 2024, stakeholder engagement included:

- External ESG Agencies**
- Conduct annual disclosures and reporting with rating agencies, including CDP, Ecovadis, ISS, and RBA, regarding our environmental sustainability, labor and human rights, health and safety, supply chain, and governance initiatives and progress.
 - Align our Code of Ethics with the RBA Code of Conduct.
 - Participate in Validated Assessment Program audits conducted by RBA.
- Communities**
- Provide monetary donations to nonprofit organizations (arts, youth, food security, health care, research, environmental) through our charitable foundation.
 - Support students’ interests in science and engineering by investing in academic research.
- Suppliers**
- Align our Supplier Code of Conduct with the RBA Code of Conduct.
 - Require our suppliers to comply with our Supplier Code of Conduct.
 - Evaluate and monitor our suppliers’ compliance with human rights laws and regulations.
 - Assess and monitor our supply chain on responsible minerals sourcing.
 - Evaluate and engage with our key suppliers on their GHG emissions reduction progress and other sustainability initiatives.

- Investors / Stockholders**
- Conduct year-round engagements with stockholders providing ESG progress and performance updates.
 - Solicit feedback on our executive compensation program and business strategy.
 - Align the long-term interests of our executives and stockholders.
- Employees**
- Require our employees to understand and abide by our Code of Ethics.
 - Encourage feedback from employees via frequent pulse surveys.
 - Build a broad base of backgrounds and experiences and create a culture of inclusion and belonging.
 - Provide trainings through our online platform and develop career opportunities.
 - Offer wellness programs and social events.
- Customers**
- Partner with our customers to design and deliver greener, innovative solutions.
 - Support our customers on their sustainability priorities.
 - Share our ESG initiatives and progress through customer questionnaires and our disclosures with rating agencies, including CDP, Ecovadis, ISS, and RBA.



MPS employee, San Jose, USA

Forward-looking Statements

This 2025 Corporate Responsibility Report contains forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “target,” “efforts,” “goal,” “commitment,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. These forward-looking statements are not historical facts or guarantees of future performance or events, are based on current expectations, estimates, beliefs, assumptions, goals, and objectives, and involve significant known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from the results expressed by these statements. Readers of this report are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We describe risks and uncertainties that could cause actual results and events to differ materially in our reports filed with the Securities and Exchange Commission. We undertake no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events, or otherwise.



Appendices

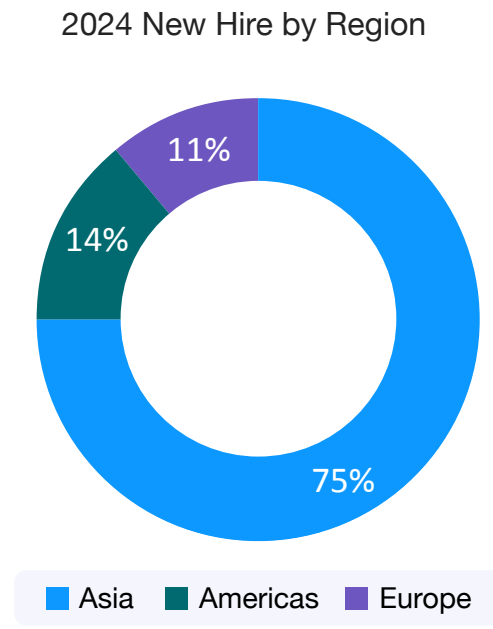
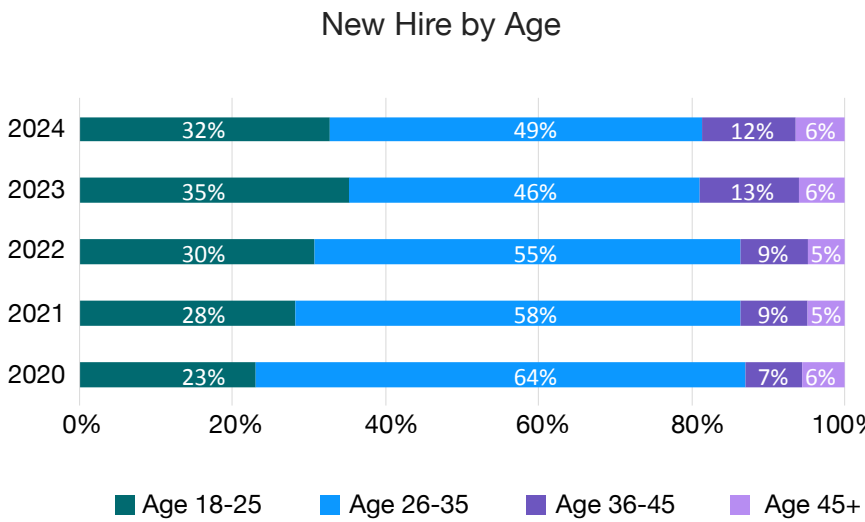
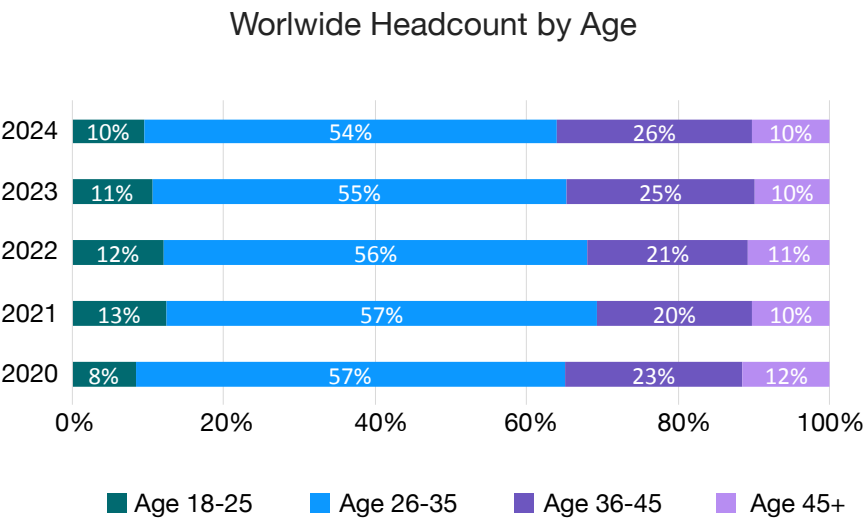
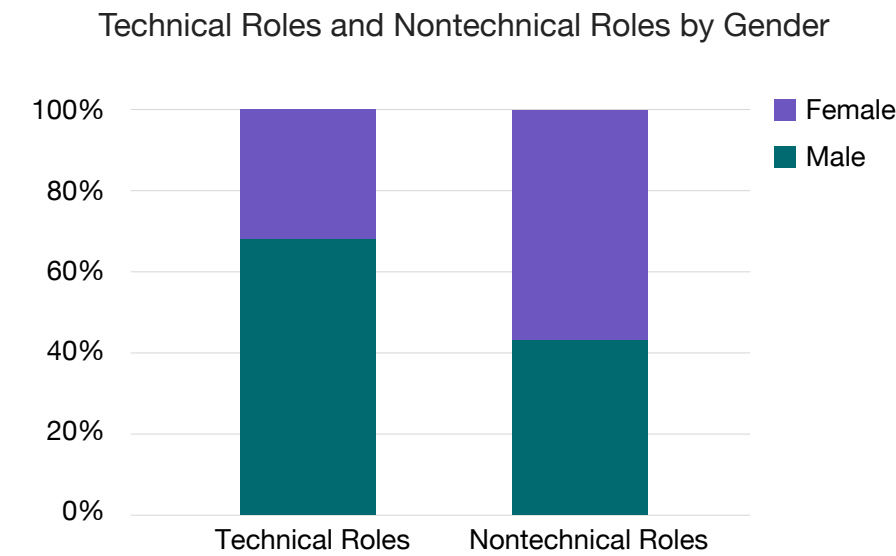
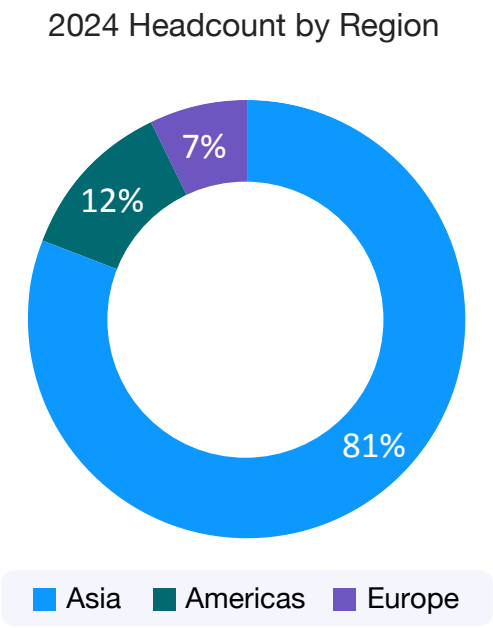
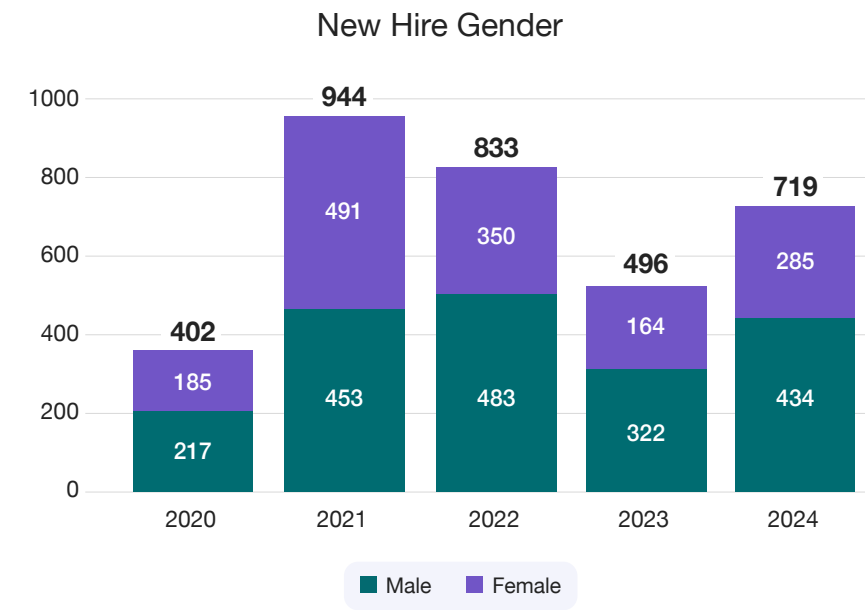
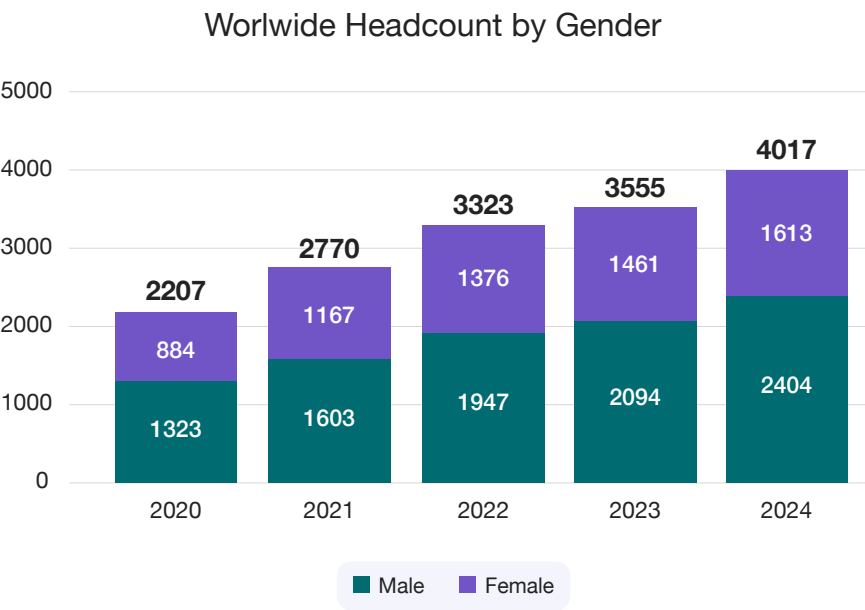
Sustainability data*

		Unit	2022	2023	2024
GHG Emissions	Revenue	\$	1,794,000,000	1,821,000,000	2,207,100,000
	Scope 1	Metric TCO2e	3,838	2,794	2,197
	Stationary	Metric TCO2e	1,047	235	251
	Mobile	Metric TCO2e	907	1,062	1,141
	Refrigerants	Metric TCO2e	1,884	1,497	805
	Scope 2 Location	Metric TCO2e	25,698	30,467	35,249
	Scope 2 Market	Metric TCO2e	25,567	24,347	21,926
	Total GHG Market	Metric TCO2e	29,404	27,141	24,123
	Intensity (MTCO2e/Million \$ Revenue)	Metric TCO2e/M\$	16.4	14.89	10.93
Energy	Total Energy Consumption	MWh	51,344	57,223	67,808
	Fuel	MWh	7,996	5,511	5,948
	Total Electricity	MWh	43,348	51,712	61,860
	Total Electricity From the Grid	MWh	42,769	51,075	61,318
	Nonrenewable Electricity	MWh	42,276	39,789	37,064
	Total Renewable Electricity Grid	MWh	493	2,786	3,756
	Total RECs	MWh	0	8,500	20,498
	Total Renewable Electricity (Green tariff + RECs + onsite)	MWh	1,072	11,923	24,796
	Onsite Renewable	MWh	579	637	542
	% Renewable Electricity	%	3%	23%	40%
	Intensity (MWh/Million \$ Revenue)	MWh/M\$	28.6	31.4	30.7

		Unit	2022	2023	2024
Water	Water Withdrawals	Megaliters	85	103	106
	Water Discharge	Megaliters	68	82	85
	Water Megaliter/M\$ Revenue	Megaliters/M\$	0.05	0.06	0.05
Waste	Total Waste Produced	Metric Tons	564	738	1072
	Municipal Waste Produced	Metric Tons	559	731	1066
	Municipal Waste Landfilled	Metric Tons	32	30	55
	Municipal Waste Diverted From Landfill	Metric Tons	527	701	1011
	Total Hazardous Waste Produced	Metric Tons	5.6	7.3	5.9
	Hazardous Waste Combusted	Metric Tons	1.2	1.3	0.31
	Hazardous Waste Recycled	Metric Tons	4.4	6.1	5.6
	Waste Metric Tons/M\$ Revenue	Metric Tons/M\$	0.31	0.41	0.49

*Annual data reported is from January 1 to December 31.

Workforce diversity metrics*



U.S. Headcount Racial/Ethnic Diversity

	2020	2021	2022	2023	2024
Asian	70%	64%	62%	61%	61%
White	23%	29%	31%	31%	30%
Hispanic or Latino	3%	2%	2%	2%	2%
Two or more races	3%	2%	2%	2%	2%
Black or African American	1%	1%	1%	1%	0.4%
Native Hawaiian or Pacific Islander	0%	0%	0%	0%	0%
American Indian or Alaskan Native	0%	0%	0%	0%	0.2%

*Annual data reported is from January 1 to December 31.



Social data*

Worldwide Headcount		2020	2021	2022	2023	2024
	Ending HC	2207	2770	3,323	3,555	4,017
	Male	1323	1603	1,947	2,094	2,404
	Female	884	1167	1,376	1,461	1,613
	Age 18 - 25	186	347	404	377	386
	Age 26 - 35	1249	1572	1,856	1,943	2,185
	Age 36 - 45	518	566	705	882	1,031
	Age 45+	254	285	358	353	415
	Male	60%	58%	59%	59%	60%
	Female	40%	42%	41%	41%	40%
	Age 18 - 25	8%	13%	12%	11%	10%
	Age 26 - 35	57%	57%	56%	55%	54%
	Age 36 - 45	23%	20%	21%	25%	26%
	Age 45+	12%	10%	11%	10%	10%

Global Incident Report	2020	2021	2022	2023	2024
Global Incident Rate	0%	0.04%	0.09%	0.14%	0.03%
Fatalities	0	0	0	0	0

New Hires		2020	2021	2022	2023	2024
	Male	217	453	483	332	434
	Female	185	491	350	164	285
	Age 18 - 25	93	269	252	173	232
	Age 26 - 35	256	550	460	228	353
	Age 36 - 45	29	82	76	65	89
	Age 45+	24	43	45	30	45
	Total	402	944	833	496	719
U.S. Employees Ethnicity / Diversity	Asian	70%	64%	62%	61%	61%
	White	23%	29%	31%	31%	30%
	Hispanic or Latino	3%	4%	4%	5%	6%
	Two or more races	3%	2%	2%	2%	2%
	Black or African America	1%	1%	1%	1%	0%
	Native Hawaiian or Pacific Islander	0%	0%	0%	0%	0%
	American Indian or Alaskan Native	0%	0%	0%	0%	0%

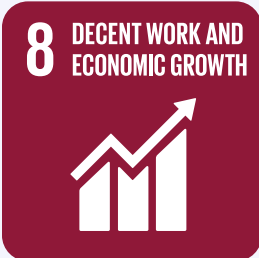
¹Annual data reported is from January 1 to December 31.

UN Sustainable development goals alignment



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 are committed to preserving and promoting the fundamental rights of others. We are a 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.



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 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 centers, and electric transportation.



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.

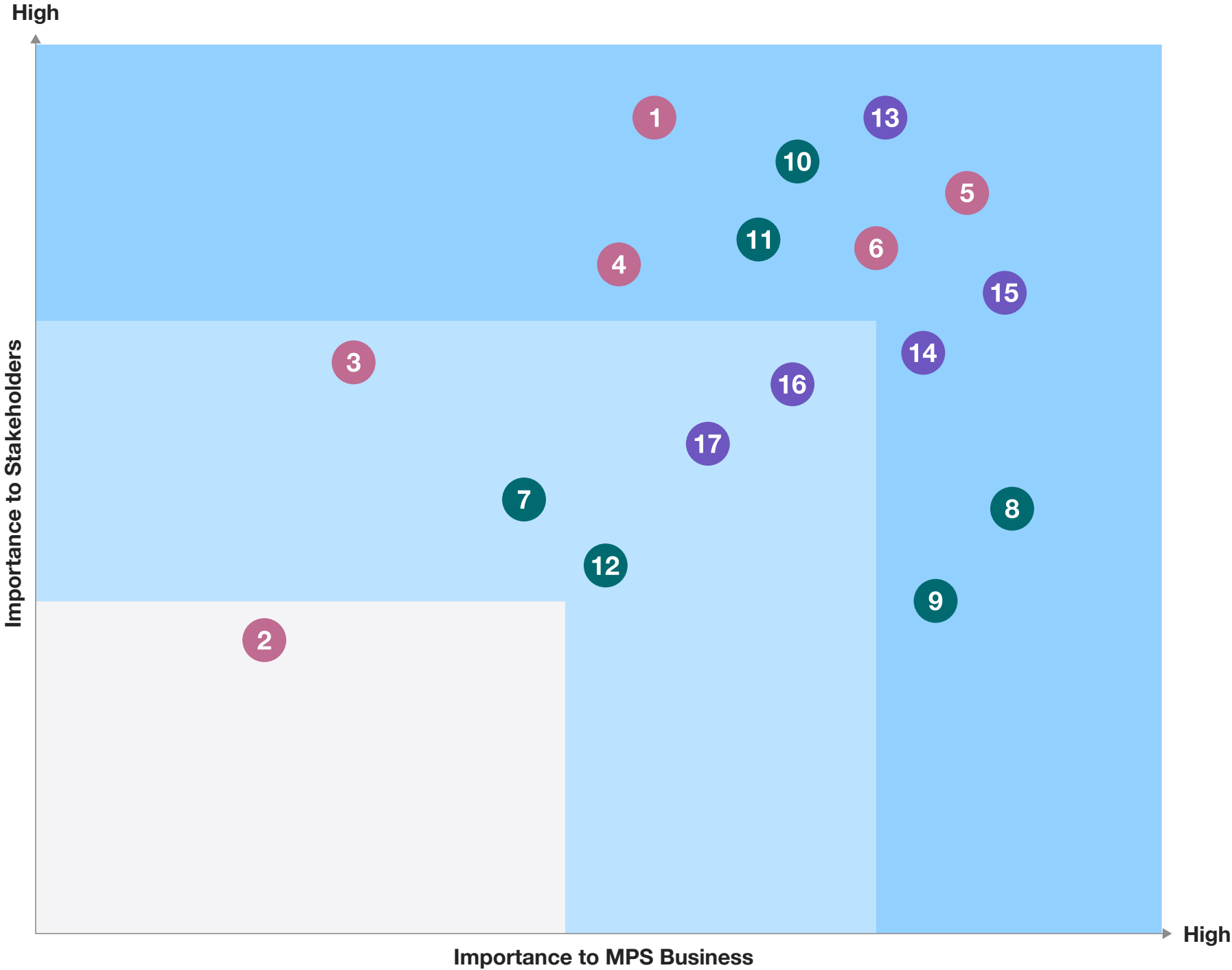
TCFD Report 2025

Disclosure Item	Recommended Disclosure – Description	Cross-Reference*
Governance	a. Board Oversight – Describe the Board’s oversight of climate-related risks and opportunities.	2024 CDP Response: C4. Governance - C4.1.2 pp. 89-91
	b. Management’s Role – Describe management’s role in assessing and managing climate-related risks and opportunities.	2024 CDP Response: C4. Governance - C4.1.2 pp. 89-91; C4.3.1 pp. 95-96
Strategy	a. Risks and Opportunities – Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2024 CDP Response: C2. Identification, assessment, and management of dependencies, impacts, risks and opportunities – C2.1, C2.2.1, C2.2.2 pp. 19-25
	b. Impact on Organization – Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	2024 CDP Response: C5. Business Strategy – C5.3.1, C5.3.2; pp. 112-119
	c. Resilience of Strategy – Describe the potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning.	2024 CDP Response: C5. Business Strategy – C5.1 pp. 110-111
Risk Management	a. Risk Assessment Processes – Describe the organization’s processes for identifying and assessing climate-related risks.	2024 CDP Response: C2. Identification, assessment, and management of dependencies, impacts, risks and opportunities - C2.2.1, C2.2.2 pp. 20-25
	b. Risk Management Processes – Describe the organization’s processes for managing climate-related risks.	2024 CDP Response: C2. Identification, assessment, and management of dependencies, impacts, risks and opportunities - C2.2.1, C2.2.2 pp. 20-25
	c. Integration into Overall Risk Management – Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	2024 CDP Response: C2. Identification, assessment, and management of dependencies, impacts, risks and opportunities pp. 19-21 C5. Business Strategy C5.3.1, C5.3.2 pp. 113-117
Metrics and Targets	a. Climate-Related Metrics – Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2024 CDP Response: C7. Environmental performance – Climate Change, C7.1. C7.2 and C7.5; pp. 137-138 C7. Environmental performance – Climate Change – C7.29 and C7.30; pp. 200
	b. Scope 1,2,3 GHG Emissions – Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2024 CDP Response: C7. Environmental performance – Climate Change, C7.6, C7.3, C7.4, C7.7, C7.8, and C7.12 C7. Environmental performance – Climate Change, C7.15, C7.16, C7.17, C7.20, C7.22
	c. Climate-related Targets – Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	MPS Corporate Responsibility Report 2024, pp. 11-12

*CDP Report 2024

2025 ESG Materiality Assessment

We conducted our annual materiality assessment to identify, prioritize and manage ESG topics that matter most to us and our stakeholders. These topics form the basis for our overall ESG program, and the assessment helps drive our goal-setting and reporting efforts on the issues that have potentially the largest impact on our business, environment and society.



- Environmental**

1 GHG emissions
2 Waste and hazardous materials management
3 Water conservation
4 Sustainable materials and design
5 R&D innovation and product efficiency
6 Climate risk and opportunity management
- Social**

7 Diversity, equity and inclusion
8 Talent recruitment, retention and development
9 Health, safety and well-being
10 Human rights and labor practices in supply chain
11 Responsible sourcing of raw materials
12 Community impact
- Governance**

13 Corporate governance and Board oversight
14 Ethical business conduct
15 Cybersecurity and data privacy
16 Business continuity plan
17 Stakeholders engagement

GHG emissions verification statement FY2024

GREENHOUSE GAS VERIFICATION REPORT

Project number: 4791705858
Issue Date: April 11th, 2025

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

MONOLITHIC POWER SYSTEMS, INC.

for January 1st, 2024, to December 31st, 2024, in accordance with ISO 14064 Part 3: 2019. Monolithic Power Systems, Inc.'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, 2024, to December 31st, 2024

- Direct emissions: 2,196.62 tonnes of CO₂e
- Energy Indirect emissions (Location-based): 35,249.11 tonnes of CO₂e
- Energy Indirect emissions (Market-based): 21,926.42 tonnes of CO₂e

LA

Lauren Alexander
Lead Verifier

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

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.

