



**SILICON LABORATORIES INC.**  
**CORPORATE GOVERNANCE POLICY**

**(Amended as of October 19, 2017)**

**Purpose**

The Board of Directors (the “*Board*”) of Silicon Laboratories Inc. (the “*Company*”) has adopted this Corporate Governance Policy (this “*Policy*”). This Policy is subject to requirements of the charters and bylaws of the Company, as well as applicable law. The Board will review this Policy and other aspects of the Company’s corporate governance as often as it deems necessary and may modify this Policy or waive any element of this Policy at any time.

**Role of Directors**

The fundamental role of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In fulfilling that responsibility, the directors may reasonably rely on the honesty and integrity of the Company’s senior management and expert legal, accounting, financial and other advisors.

**Director Qualifications**

Each director should contribute to the experience, skills and other characteristics required of a properly functioning Board. Criteria include their personal and professional integrity, depth and breadth of experience, ability to make independent analytical inquiries, ability to understand the Company’s business, willingness to devote adequate attention and time to duties of the Board and such other criteria as is deemed relevant by the Nominating and Corporate Governance Committee. The backgrounds and qualifications of the directors, considered as a group, should provide a diverse mix of experience, knowledge and skills.

**Director Independence**

The Board believes that, as a matter of policy and consistent with applicable laws, rules and regulations, independent directors should constitute at least a majority of the Board.

**Director Outside Activities**

Directors must be willing to devote sufficient time to carry out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. Each Board member is expected to ensure that other existing and future commitments do not conflict with or materially interfere with the member’s service as a director. Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company, or gives the appearance of a conflict.

A director who also serves as the Company’s Chief Executive Officer should not serve on more than one board of a public company in addition to the Board and should not serve on the audit committee of any public company. Other directors should limit their service on the boards of other public companies so as not to impair the director’s service on the Board and should not serve on more than four public company boards in addition to the Board. All directors should inform the Chairman of the Nominating and Corporate Governance Committee prior to joining the board of

another public company to ensure that any potential conflicts, excessive time demands or other issues are carefully considered.

### **Resignation Policy**

Directors should offer their resignation to the Board in the event of any significant change in their personal circumstances, such as a material change in their principal job responsibilities.

The Board expects each incumbent director who is nominated for re-election to resign from the Board if he or she fails to receive the required number of votes for re-election in accordance with the Bylaws and the Board determines to accept such resignation.

In the event one or more incumbent directors submits their resignation (each, a "Subject Director"), the Board (excluding each Subject Director) will make a determination as to whether to accept or reject any resignation of a Subject Director. In making such determination, the Board may consider all factors it considers relevant, including (i) whether acceptance of any resignation would lead to a "change of control" of the Company as determined pursuant to any Company financing or other material agreement, and (ii) whether acceptance of any resignation would lead to a default under any material agreement to which the Company or any of its subsidiaries is a party or otherwise bound, or to the Company's failure to comply with any applicable rule or regulation (including Nasdaq listing standards). The Board will generally act with respect to any Subject Director within 90 days that a resignation is tendered to the Board and shall notify the Subject Director of its decision.

### **Director Nomination Process**

The Nominating and Corporate Governance Committee will review the needs of the Board for various experience, skills and other characteristics in determining the director candidates to be nominated at the annual meeting. The Nominating and Corporate Governance Committee will evaluate candidates for directors proposed by directors, stockholders or management in light of the Director Qualification standards. The process for stockholder recommendations will be determined from time to time by the Nominating and Corporate Governance Committee and shall be in compliance with the Company's Bylaws and all applicable laws, rules and regulations. If the Nominating Committee believes that the Board requires additional candidates for nomination, the Committee will engage, as appropriate, a third party search firm to assist in identifying qualified candidates. The nominating process may include interviews and background and reference checks at the discretion of the Nominating and Corporate Governance Committee.

### **Retirement Age**

The Board believes that 75 is an appropriate retirement age for all directors.

### **Term Limits**

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

## **Size of Board**

The Board reviews from time to time the appropriate size of the Board. The Board will consider changing its size to accommodate outstanding candidates or to satisfy specific governance needs.

## **Separation of Chairman and Chief Executive Officer**

The Board separates the role of Chairman of the Board from the role of Chief Executive Officer, believing that this currently provides the most efficient and effective leadership model for the Company.

## **Lead Director**

The Board considers it useful and appropriate to designate one of the independent Board members to serve as Lead Director, with responsibilities to: preside over executive sessions of the Company's independent directors; serve as principal liaison between the non-employee directors, the Chief Executive Officer, and the Chairman on sensitive issues; and perform such other duties and responsibilities as the Board may determine.

## **Director Stock Ownership**

The Board believes that stock ownership by Board members further aligns their interests with the interests of the Company's stockholders. Accordingly, the Board has established a guideline that each Board member own Company shares equal to at least three times their annual cash retainer.

New Board members will have three years from the time they join the Board to meet the ownership guidelines. In the event the requisite number of shares is increased by the Board, the Board members will have three years from the time of the increase to acquire any additional shares needed to meet such revised guidelines.

## **Chief Executive Officer Stock Ownership**

The Board has established a guideline that the Company's Chief Executive Officer should own Company shares equal to at least three times the Chief Executive Officer's annual salary. A new Chief Executive Officer will have three years from the time such individual becomes the Chief Executive Officer to meet the ownership guidelines.

## **Chief Financial Officer Stock Ownership**

The Board has established a guideline that the Company's Chief Financial Officer should own Company shares equal to at least three times the Chief Financial Officer's annual salary. The Chief Financial Officer as of the date this Policy was adopted (October 19, 2017) will have three years to meet these ownership guidelines. A new Chief Financial Officer will have three years from the time such individual becomes the Chief Financial Officer to meet the ownership guidelines.

## **Other Executive Officer Stock Ownership**

The Board has established a guideline that each individual (other than the Chief Executive Officer and the Chief Financial Officer) that is designated by the Board as an officer for purposes of the Section 16 of the Securities Exchange Act of 1934 (each an "*Officer*") should own Company shares equal to at least one times such Officer's annual salary. Each Officer as of the date this Policy was adopted (October 19, 2017) will have three years to meet these ownership guidelines.

A new Officer will have three years from the time such individual becomes an Officer to meet the ownership guidelines.

### **Measurement of Ownership**

For purposes of the above ownership guidelines, the following will be counted in determining whether an individual owns the requisite number of shares: Shares purchased on the open market; Shares obtained through option exercises; Shares owned jointly with, or separately by spouse and/or minor children, including shares held in trusts; Net after tax proceeds (using a 34% tax rate) of vested unexercised stock options; and Vested restricted stock/restricted stock unit shares. The value of an individual's ownership shall be based on the average closing price of a share for the previous calendar year.

### **Holding Period**

Apart from the above guidelines, the Company does not impose post-vesting holding period requirements with respect to restricted stock or stock options.

### **Executive Sessions of Independent Directors**

The independent directors of the Board will generally meet in executive session at the end of each regularly scheduled Board meeting and at any other time requested by a majority of the independent directors.

### **Board Access to Management**

The independent members of the Board shall have access to Company employees in order to obtain any information they deem appropriate to fulfill their duties. The Board may establish a process for such inquiries. Management is encouraged to invite Company employees to Board meetings where management participation will provide the Board with additional insight into the matters being considered.

### **Retention of Advisors/Consultants**

The Board and each committee of the Board shall have the authority to retain outside financial, legal or other advisors as they deem appropriate, and shall have the authority to obtain advice, reports or opinions from internal and external counsel and advisors, without consulting with or obtaining approval from any officer of the Company.

### **Board and Committee Evaluation**

The Board and each committee will perform a periodic self-evaluation. Each director will be requested to participate in an assessment of the effectiveness of the Board and any committee on which such director serves. The assessment of each committee will be reported by the chairman of such committee to the full Board.

## **Communications by Stockholders with Directors**

Stockholders may communicate with any or all Company directors by transmitting written correspondence addressed to:

Board of Directors  
c/o Corporate Secretary  
Silicon Laboratories Inc.  
400 West Cesar Chavez  
Austin, TX 78701

Any such communication must contain (i) a representation that the stockholder is a holder of record of stock of the corporation, (ii) the name and address, as they appear on the corporation's books, of the stockholder sending such communication and (iii) the class and number of shares of the corporation that are beneficially owned by such stockholder. The Corporate Secretary will forward such communications to the Board or the specified individual director to whom the communication is directed unless such communication is deemed unduly hostile, threatening, illegal or similarly inappropriate, in which case the Corporate Secretary has the authority to discard the communication or to take appropriate legal action regarding such communication.

### **Attendance of Directors at Annual Stockholder Meetings**

The Company will make every effort to schedule its annual meeting of stockholders at a time and date to maximize attendance by directors. All directors shall make every reasonable effort to attend the Company's annual meeting of stockholders.

### **Committees**

The Board shall have an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. The Board may from time to time establish additional committees as necessary or appropriate. Committee members will be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. Consideration should be given to rotating committee members periodically, but rotation should not be mandated as a policy. Each committee will generally have its own charter. The charters will set forth the purposes of the committees as well as qualifications for committee membership.

The Chairman of each committee, in consultation with the committee members and senior management, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda.

### **Succession Planning**

The Board (or a committee thereof) shall conduct a periodic review of the Company's succession planning, including policies and principles for Chief Executive Officer selection and succession in the event of an emergency or the retirement of the Chief Executive Officer. If such review is conducted by a committee, the committee shall report its recommendation to the Board for approval.

### **Prohibition on Loans**

The Company shall not make any loan to any director or executive officer.