

Chelsio Communications Conflict Minerals Policy

Chelsio Communications seeks to operate as a good corporate citizen and be socially responsible. And as such, we wish to source materials and components from suppliers that share our values.

Chelsio therefore supports the goals of section 1502 of the <u>Dodd-Frank Wall Street Reform and</u> <u>Consumer Protection Act</u> (the Act), which requires issuers with conflict minerals that are necessary to the functionality or production of a product manufactured by such person to disclose annually whether any of those minerals originated in the Democratic Republic of the Congo or an adjoining country. Section 1502 was enacted because of concerns that the exploitation and trade of conflict minerals by armed groups is helping to finance conflict in the DRC region and is contributing to an emergency humanitarian crisis. The goal is to eliminate this source of funding for the conflict.

While Chelsio Communications, as a privately held company, is not an "issuer" and does not report to the SEC under Section 13(a) or Section 15(d) of the Exchange Act, many of our customers are and they must comply with the <u>SEC rule</u> implementing Section 1502 of the Act. Chelsio, as a supplier, is proud to support our customers' Conflict Minerals requirements.

Chelsio Communications continues to assess its supply base using the industry standard <u>system</u> of tools and conflict-free smelter information provided by the Electronics Industry Citizenship Coalition and Global e-Sustainability Initiative (EICC/GeSI) and will provide customers with status updates as needed.

Chelsio has been implementing a program of DRC conflict-free sourcing consistent with and in support of our customers and our values. This includes requiring direct suppliers to source 3TGs from smelters whose due diligence practices have been validated by an independent third party audit program, such as the <u>Conflict-Free Smelter Program</u>.

Copyright 2015. Chelsio Communications Inc. All rights reserved