



IATF16949 Customer Notification

Dear Valued Silicon Labs Customer,

As part of Silicon Labs' commitment to customer requirements and satisfaction we have pursued IATF 16949 certification to support our automotive product lines. Unfortunately, the IATF (International Automotive Task Force) has given Silicon Labs notice that Silicon Labs is not eligible for IATF 16949 certification. Silicon Labs was previously certified to ISO/TS 16949 since January of 2008 and had successfully passed all surveillance and re-certification audits since then to maintain its ISO/TS 16949 certification.

While certification to IATF 16949 is no longer possible, Silicon Labs remains committed to conformity to IATF 16949, TUV has committed to provide IATF 16949 certified auditors for Silicon Labs' Quality Management System audits and will provide annual documentation regarding Silicon Labs' QMS conformance to IATF 16949 requirements. In addition, Silicon Labs continues to partner with world-class IATF 16949 certified wafer fabrication, assembly, and test suppliers for all of our automotive products.

More specifically, the reason that Silicon Labs is not eligible for IATF 16949 certification is the "Rule for achieving and maintaining IATF recognition 5th edition" section 1.0 - Eligibility for Certification for IATF 16949, reads:

"'Site' shall be understood as the location at which value-added manufacturing processes occur (See IATF 16949, section 3.1). Fabless sites are not eligible for IATF 16949 certification..."

Previously, independent ISO/TS16949 auditors had concluded that Silicon Labs' operations included value-added manufacturing processes. Firmware programming and other finishing operations are completed "in-house" by Silicon Labs and are required for our end products to meet all specifications. However, the IATF has now concluded that Silicon Labs is a "fabless" manufacturer under this new rule definition. Our previous registrar, TUV SUD, a member of the IATF, stated:

"The IATFs response was that Firmware insertion did not constitute manufacturing (based on their definition of fabless) and therefore any organization that outsourced the wafer fab and package assembly portions did not qualify for ISO/TS 16949 as they do not meet the applicability requirement of ISO/TS 16949. Given that this answer was confirmed unanimously by all the IATF members that were present from all oversight bodies, including the German oversight body representative to which TUV SUD reports we must then take this as an official interpretation. TUV SUD has no recourse to appeal this decision given that all oversight bodies confirmed the answer."

This definition has not changed with the new release of IATF 16949. Silicon Labs ISO/TS 16949:2009 certification expired on January 24, 2015. Based on the above and current rules, Silicon Labs will not be able to certify to IATF 16949. The change in certification status is not due to any change made by Silicon Labs and we are indeed disappointed. Our commitment to quality and continuous improvement will not change due to this outcome, and we will continue to support AIAG AEC-Q100 Qualification and PPAP/PSW documentation for all of our automotive devices.



Silicon Labs recognizes the importance of IATF 16949 certification and the needs of our automotive customers. Despite the position of the IATF with respect to our IATF 16949 certification, Silicon Labs remains a committed supplier in the automotive market, and, more specifically, to you as our valued customer. Please contact us as soon as possible if this is an issue for your company. We also encourage you to speak to your IATF representative to reinstate their original definition of section 1.0.

Thank you very much for your understanding and support.

A handwritten signature in black ink that reads 'Sandeep P. Kumar'. The signature is written in a cursive style with a horizontal line under the first name.

Sandeep Kumar

Senior Vice President, Worldwide Operations
Silicon Laboratories Inc.