

## **Integrated Device Technology, Inc. Corporate Governance Guidelines**

The Board of Directors (the “**Board**”) of Integrated Device Technology, Inc. (the “**Company**”) has adopted the following Corporate Governance Guidelines (the “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve best the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company and its stockholders or as required by applicable laws and regulations.

These Guidelines shall be made available on the Company’s website at “[www.idt.com](http://www.idt.com)” and to any stockholder who otherwise requests a copy. The Company’s Annual Report to Stockholders shall state the foregoing.

### **The Board**

#### *Size of the Board*

The Company’s Bylaws provide that the number of directors will be fixed from time to time by the Board, but in no event will be less than one (1). The Board currently has eight (8) members. The Board believes that seven (7) or more directors is an appropriate size based on the Company’s present circumstances. The Board believes that this number of directors permits diversity of experience without hindering effective discussion or diminishing individual accountability. The Board will periodically review the size of the Board, and determine the size that is most effective in relation to future operations.

#### *Independence of the Board*

The Board will be comprised of a majority of directors who qualify as independent directors (the “**Independent Directors**”) under the listing standards of Nasdaq and applicable rules of the Securities and Exchange Commission as then in effect. No more than two (2) management executives who are employed by the Company or who were employed by the Company in the previous 3 years may serve on the Board at the same time.

The Nominating & Governance Committee will review annually the relationships that each director has with the Company (either directly, or as a partner, stockholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional

qualifications prescribed under the listing standards of Nasdaq. The basis for any determination that a relationship is not material will be published in the Company's annual proxy statement.

#### *Separate Sessions of Non-Management Directors*

The Non-Management Directors will meet in executive session without management directors or management present on a periodic basis, but no less than two (2) times a year. The Non-Management Directors will review the Company's implementation of and compliance with its Guidelines and consider such matters as they may deem appropriate at such meetings.

#### *Director Qualification Standards*

The Nominating & Governance Committee is responsible for reviewing with the Board, on an annual basis, the appropriate characteristics, skills, experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current Board members), the Nominating & Governance Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, take into account many factors, including ability to make independent analytical inquiries, general understanding of marketing, finance and other elements relevant to the success of a publicly-traded company in today's business environment, understanding of the Company's business on a technical level, other board service and educational and professional background. Each candidate nominee must also possess fundamental qualities of intelligence, honesty, good judgment, high ethics and standards of integrity, fairness and responsibility. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas. In determining whether to recommend a director for re-election, the Nominating & Governance Committee also considers the director's past attendance at meetings and participation in and contributions to the activities of the Board.

#### *Selection of New Directors*

The Board will stand for election by the stockholders of the Company at the Company's annual meeting in accordance with the provisions set forth in the Company's Certificate of Incorporation. Each year, at the annual meeting, the Board will recommend a slate of directors for election by the stockholders. In accordance with the Bylaws of the Company, the Board will also be responsible for filling vacancies or newly-created directorships on the Board that may occur between annual meetings of stockholders. The Nominating & Governance Committee is responsible for identifying, screening, and recommending candidates to the entire Board for Board membership. An individual will not be eligible for Board membership if he or she has been convicted of securities fraud by a court of competent jurisdiction.

#### *Selection of Chairman of the Board*

The Board will select the Chairman of the Board in accordance with the Company's Bylaws.

### *Lead Independent Director*

If the Company has a member of management (or otherwise a non-independent member) serving as Chairman of the Board, it will appoint a Lead Independent Director (the “Lead Independent Director”) to serve an annual term. The Lead Independent Director will be selected by the majority vote of the Board.

The Lead Independent Director’s duties will include: coordinating the agenda of regularly scheduled Board meetings with the Chairman of the Board and Chief Executive Officer, meeting with the Chair of the Compensation Committee, Chairman of the Board and the Chief Executive Officer to convey the results of the Chief Executive Officer’s annual performance evaluations, coordinating the activities of the Independent Directors, coordinating the agenda for and chairing sessions of the Board’s Independent Directors and facilitating communications between the Independent Directors and the other members of the Board and the management of the Company. In performing the duties described above, the Lead Independent Director is expected to consult with the chairs of the appropriate Board committees and solicit their participation in order to avoid diluting the authority or responsibility of such committee chairs. The name of the Lead Independent Director will be disclosed along with a means for stockholders to communicate with the Independent Directors.

### *Limitation on Other Board Service*

The Board believes that the Company’s Chief Executive Officer should sit on no more than a total of two (2) public company boards. The Board further believes that non-employee members of the Board should sit on no more than a total of five (5) public company boards. Nonetheless, the Nominating & Governance Committee and the Board will take into account the nature of and time involved in a director’s service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors and making its recommendations to the Company’s stockholders.

Service on other boards and/or committees should be consistent with the Company’s conflict of interest policies set forth below.

### *Directors Who Resign Their Current Positions With Their Company*

When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer, or a director who is serving on another board resigns from that board for cause, such director should submit his or her resignation from the Board, which the Board may accept or reject based on the recommendation of the Nominating & Governance Committee.

### *Limitations on Terms of Board Service*

It is the general policy of the Company that no director should serve on the Board for more than fifteen (15) years. The Board may, however, make exceptions to this standard, based on the

recommendation of the Nominating & Governance Committee, as it deems appropriate in the interests of the Company's stockholders.

### *Retirement*

It is the general policy of the Company that no director may stand for election to the Board after his or her 70th birthday. The Board may, however, make exceptions to this standard, based on the recommendation of the Nominating & Governance Committee, as it deems appropriate in the interests of the Company's stockholders.

### *Director Responsibilities*

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees as set forth in the Bylaws and committee charters. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- (1) overseeing the strategic direction and conduct of the Company's business plans;
- (2) reviewing and, where appropriate, approving the Company's major financial objectives, plans and actions;
- (3) reviewing and, where appropriate, approving major changes in, and determinations of other major issues respecting, the appropriate auditing and accounting principles and practices to be used in the preparation of the Company's financial statements;
- (4) reviewing and, where appropriate, approving major changes in, and determinations under the Company's Guidelines, Code of Business Ethics and Complaint and Investigation Program;
- (5) reviewing and, where appropriate, approving actions to be undertaken by the Company that would result in a material change in the financial structure or control of the Company, the acquisition or disposition of any businesses or asset(s) material to the Company, or the entry of the Company into any major new line of business;
- (6) regularly evaluating the performance and approving the compensation of the Chief Executive Officer;
- (7) regularly monitoring the performance of principal senior executives, with the input of the Chief Executive Officer;
- (8) planning for succession with respect to the position of Chief Executive Officer and monitoring management's succession planning for other key executives; and
- (9) ensuring that the Company's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

### *Compensation*

The Company's executive officers shall not receive additional compensation for their service as directors. Senior management of the Company will report periodically to the Compensation Committee regarding the status of the Company's non-employee director compensation in relation to other U.S. companies of comparable size and the Company's competitors. Such report will include consideration of both direct and indirect forms of compensation to the Company's directors, including any charitable contributions by the Company to organizations in which a director is involved. Following a review of the report, the Compensation Committee will recommend any changes in director compensation to the Chairman of the Board, which changes will be approved or disapproved by the Board after discussion. The Company's executive officers and directors shall not be eligible to receive loans from the Company, consistent with applicable provisions of the Securities and Exchange Act of 1934, as amended.

Director fees, consisting of both cash and equity compensation, are the sole form of compensation that Non-Management Directors may receive from the Company.

### *Stock Ownership Guidelines*

The Company has established the following mandatory stock ownership guidelines for its executive officers and directors, as follows:

Chief Executive Officer	The lesser of the value equal to 3.0 times annual base salary or 70,000 shares
Chief Financial Officer and all other Executive Officers	The lesser of the value equal to 1.0 times annual base salary or 10,000 shares
Board of Directors	value equal to 3.0 times annual cash retainer

The foregoing mandatory ownership guidelines are to be achieved no later than five (5) years after commencement of service in the designated position, or in the case of board members and Executive Officers serving as of January 26, 2016, then five years from that date and thereafter maintained for as long as each executive officer and/or board member respectively, serves in such role for the Company. Compliance with the valuation portion of the foregoing guidelines shall be determined based on the average closing price of the Company's stock during the thirty-day period immediately prior to the measurement date.

Shares that count toward satisfaction of the foregoing mandatory ownership guidelines include shares owned outright by the individual or by his or her spouse or children under the age of eighteen (18), shares held in trust for the benefit of the individual or for the benefit of his or her spouse or children under the age of eighteen (18), shares held through a fund or other entity as to which the individual has control, or Restricted Stock or Restricted Stock Units which have vested and are held by the individual pursuant to the Company's Equity Incentive Plan or other equity compensation plan of the Company. Unexercised options (if any, and whether or not vested) and unvested restricted stock and/or performance-based equity awards (if any) held pursuant to any Company equity compensation plan will not count towards satisfaction of the Minimum Ownership Requirement.

### *Conflicts of Interest*

Directors are expected to avoid any action, position, or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report the matter to the Chairman of the Board. Any significant conflict must be resolved or the director should resign. If a director has a personal interest in a matter before the Board, the director will disclose the interest to the Board, excuse himself or herself from discussion on the matter and not vote on the matter.

### *Anti-Hedging/Anti-Pledging*

Officers and directors of the Company are prohibited from engaging in any hedging transactions such as short sales, put options, or call options on the Company's stock. Officers and directors of the Company are prohibited from any pledging, hypothecating, or otherwise encumbering shares of Company stock as collateral for indebtedness and from purchasing the Company's stock on margin. Officers and directors of the Company shall at all times comply with any and all other requirements and obligations set forth in the Company's Insider Trading Policy.

### *Board Orientation and Continuing Education of Board Members*

The Company provides new directors with a director orientation program to familiarize them with, among other things, the Company's business, strategic plans, significant financial, accounting and management issues, compliance programs, conflicts policies, code of business conduct and ethics, Governance Guidelines, principal officers, internal auditors and independent auditors.

The Company will make available to directors continuing education programs from time to time, including materials related to public company governance, and each director should participate in such programs, as management or the Board determines desirable.

### *Interaction with Institutional Investors, the Press and Customers*

The Board believes that management speaks for the Company. Each director should refer all inquiries from institutional investors, the press or customers to management. Individual Board members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman of the Board.

### *Board Access to Senior Management*

The Board will have complete access to Company management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company.

### *Board Access to Independent Advisors*

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to such advisors and such other independent advisors that the Company retains or that the Board considers necessary to discharge its responsibilities.

### *Annual Self-Evaluation*

Following the end of each fiscal year, the Chairman of the Board will oversee an annual assessment by the Board of the Board's performance. The Nominating & Governance Committee will be responsible for establishing the evaluation criteria and implementing the process for such evaluation, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Company, as well as a review of the committee structure and an assessment of the Board's compliance with the principles set forth in these Guidelines. The purpose of the review will be to improve the performance of the Board as a unit, and not to target the performance of any individual Board member. The Nominating & Governance Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board.

## **Board Meetings**

### *Frequency of Meetings*

The Board will meet at least four (4) times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

### *Director Attendance*

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference.

### *Attendance of Non-Directors*

The Board encourages the Chairman of the Board or of any committee to bring Company management and outside advisors or consultants from time to time into Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant, (ii) make presentations to the Board on matters which involve the manager, advisor or consultant, and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

### *Agendas*

The Chairman, with input from management and other directors as necessary or requested, establishes the agenda for each Board meeting.

### *Advance Receipt of Meeting Materials*

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

## **Committee Matters**

### *Number, Name, Responsibilities, and Independence of Committees*

The Board currently has three (3) committees, each composed entirely of Independent Directors. From time to time, the Board may form a new committee or disband a current committee, depending upon the circumstances. Each committee will perform its duties as assigned by the Board in compliance with the Company's Bylaws and the committee's charter.

The current committees are:

(1) Audit Committee. The Audit Committee consists of at least three (3) members and reviews the work of the Company's internal accounting and audit processes and independent auditors. The committee has sole authority to appoint and dismiss the Company's independent auditors



and to approve any significant non-audit relationship with the independent auditors. The committee also produces an annual report on the Company's audit practices and non-audit services for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations. All related-party transactions of the Company will require review and approval of the Audit Committee.

(2) Compensation Committee. The Compensation Committee consists of at least three (2) members and reviews and approves the Company's goals and objectives relevant to compensation and evaluates the compensation plans, policies and programs of the Company, particularly those regarding executive compensation. The Compensation Committee also produces an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.

(3) Nominating & Governance Committee. The Nominating & Governance Committee consists of at least three (3) members and is responsible for recommending to the Board individuals to be nominated as directors and committee members. This includes evaluation of new candidates as well as evaluation of current directors. The Nominating & Governance Committee is also responsible for making recommendations to the Board about the adoption or amendment of corporate governance guidelines and principles applicable to the Company. This committee also performs other duties as are described in these Guidelines.

#### *Assignment and Rotation of Committee Members*

Based on the recommendations of the Nominating & Governance Committee, the Board appoints committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis, unless the Board determines that rotation is in the best interest of the Company.

The Board requires that each member of the Audit Committee be financially literate (i.e.; able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement), as determined by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment.. Further, that Board requires that at least one member of the Audit Committee shall satisfy the "audit committee financial expert" designation in accordance with applicable SEC and NASD rules.

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### *Frequency of Committee Meetings*

Each committee will conduct that minimum number of meetings as provided in such committee's charter, as applicable. In addition, special meetings may be called by the Chairman of the committee from time to time as determined by the needs of the business. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

### *Committee Agendas*

The Chairman of each committee, in consultation with the appropriate members of the Committee and management, as deemed necessary by the Chairman, will develop his or her committee's agenda.

### *Committee Self-Evaluations*

Following the end of each fiscal year, each committee will review its performance and charter and recommend to the Board any changes it deems necessary.

## **Leadership Development**

### *Annual Review of Chief Executive Officer*

The Compensation Committee, with input from the Chief Executive Officer, shall annually establish the performance criteria (including both long-term and short-term goals) to be considered in connection with the Chief Executive Officer's next annual performance evaluation. At the end of each year, the Chief Executive Officer shall make a presentation or furnish a written report to the Compensation Committee indicating his or her progress against such established performance criteria. Thereafter, with the Chief Executive Officer absent, the Compensation Committee shall meet to review the Chief Executive Officer's performance. The results of the review and evaluation shall be communicated to the Chief Executive Officer by the Chairman of the Compensation Committee.

### *Succession Planning*

The Nominating & Governance Committee works on a periodic basis with the Chief Executive Officer to review, maintain and revise, if necessary, the Company's succession plan upon the Chief Executive Officer's retirement and in the event of an unexpected occurrence. The Chief Executive Officer shall report annually to the Board on succession planning for the Chief Executive Officer and senior management positions, including a discussion of assessments, leadership development plans and other relevant factors.

### *Management Development*

The Board will determine that a satisfactory system is in effect for the education, development and orderly succession of senior and mid-level managers throughout the Company.

## **Communications with Stockholders**

Stockholders may send correspondence to the Board in care of the Company's Secretary at the Company's principal executive offices. The Company's Secretary will review all correspondence addressed to the Board, or any individual Board member, for any inappropriate correspondence and for correspondence more suitably directed to management. The Company Secretary will thereafter forward relevant stockholder communications to the Board prior to the next regularly scheduled meeting of the Board following receipt of the communication.