

PERICOM SEMICONDUCTOR CORPORATION  
CORPORATE GOVERNANCE GUIDELINES

I. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board”) has adopted a set of corporate governance guidelines to address the functioning of the Board and its committees, and to set forth a common set of expectations as to how the Board should carry out its responsibilities. The primary responsibilities of the Board are to provide oversight, counseling and direction to the management of Pericom Semiconductor Corporation (“Pericom” or the “Company”) in the interest and for the benefit of the Company’s shareholders, and overseeing the Company’s adherence to corporate standards.

In addition to its general oversight of management, the Board also performs a number of specific functions, including:

- Selecting, regularly evaluating the performance of, and approving the compensation of the Chief Executive Officer (“CEO”) and executive officers, and overseeing management succession planning;
- Reviewing and, where appropriate, approving the Company’s principal financial objectives and strategic and operating plans and actions;
- Overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed; and
- Ensuring processes are in place for maintaining the integrity of the Company, its financial statements and other public disclosures, its compliance with law and ethics, and its relationships with employees, with customers and suppliers, and with shareholders.

The Board has delegated to the CEO, working with the other executive officers of the Company, the authority and responsibility for managing the business of the Company in a manner consistent with the standards of the Company, and in accordance with any specific plans, instructions or directions of the Board. The CEO and management are responsible to seek the advice and, in appropriate situations, the approval of the Board with respect to significant actions to be undertaken by the Company.

II. CODE OF BUSINESS CONDUCT AND ETHICS

The Board expects its directors, as well as the officers and employees of Pericom, to act in accordance with, and to acknowledge their adherence to, the requirements of the Company’s Code of Business Conduct and Ethics, which shall be applicable to each individual in connection with his or her activities relating to the Company. This expectation shall at all times include, without limitation, adherence to the Company’s policies with respect to conflicts of interest, confidentiality, protection of the Company’s assets, ethical conduct in business dealings, and respect for and compliance with applicable law.

III. BOARD COMPOSITION

- a. Board Size. The Board believes the range of between 4 and 7 set by the Company's Bylaws is an appropriate size based on the Company's present circumstances. The Board, through the

Nominating and Corporate Governance Committee, periodically evaluates whether a different number or range would better serve the Company's goals and needs, including the goals reflected in these guidelines.

- b. Majority of Independent Directors. The policy of the Board is that a majority of the Board members will be independent. A director will qualify as “independent” only if he or she meets the independence test set out in the NASDAQ listing rules.
- c. Board Membership Criteria. Prior to the annual meeting of shareholders, the Nominating and Corporate Governance Committee assists the existing Board in selecting the candidates who will be presented to the Company’s shareholders for election as directors. The Nominating and Corporate Governance Committee also considers and makes recommendations to the Board of Directors regarding any shareholder recommendations for candidates to serve on the Board of Directors.

In reviewing potential candidates for the Board, the Nominating and Corporate Governance Committee considers the individual’s experience in the semiconductor and related industries, the general business or other experience of the candidate, the needs of the Company for an additional or replacement director, the personality of the candidate, the candidate’s interest in the business of the Company, as well as numerous other subjective criteria. Of greatest importance is the individual’s integrity, willingness to get involved, and ability to bring to the Company his or her experience and knowledge in areas that are most beneficial to the Company. The Committee evaluates the mix of characteristics, skills and experience of the directors, including diversity of personal background, perspective and experience, and assesses nominees and potential candidates in the context of the current composition of the Board and the requirements of the Company.

Board members are expected to rigorously prepare for, attend, and participate in all Board and applicable committee meetings. Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member’s service as a director of the Company.

- d. Selection of Board Members. All Board members are elected annually at the Company's annual meeting of shareholders. In the event of a vacancy on the Board due to the resignation of a director or an increase in the authorized board membership, the members of the Board shall appoint a director to fill such vacant position by a majority vote of the directors present at a meeting at which a quorum of directors is present. Such directors are elected by the Board to serve only until the next election of directors by the shareholders.
- e. Board Leadership Structure. The CEO currently serves as the Chairman of the Board of Directors of the Company. As of the date of the adoption of these Corporate Governance Guidelines, the Board of Directors believes that the traditional practice of combining the roles of chairman of the board and CEO currently provides the preferred form of leadership for the Company. The CEO has served in these dual capacities since 1999, and has overall experience as a co-founder and President, Chief Executive Officer and director of Pericom for over 20 years.

The Company's non-management directors meet at regularly scheduled executive sessions, without management present.

- f. Board Compensation. It is the general policy of the Board that Board compensation should be a mix of cash and equity. The Company's officers who are members of the Board do not receive additional compensation for serving on the Board. Non-employee directors receive an annual Board retainer, additional fees for service as chairperson or member of a Board committee, and share-based awards.

The Board believes that a meaningful portion of the compensation of its non-employee directors should be in equity of the Company to further the direct correlation of the economic interests of its directors with those of the Company's shareholders. In furtherance of this policy, each non-employee director shall own and hold a minimum number of shares of the Company's common stock in accordance with a written policy adopted by the Board or its designated committee, which policy may be amended from time to time.

#### IV. BOARD MEETINGS

- a. Frequency of Board Meetings. A minimum of four regular meetings of the Board are held each year. Additional meetings will be held as needed and will be called in accordance with the Company's Bylaws. In appropriate circumstances, the Board may also act by written consent, as permitted by the Company's Bylaws.
- b. Scheduling of Full Board Meetings. Board meetings will be scheduled in advance, ordinarily one every quarter and generally at the Company's principal executive office.
- c. Agenda and Materials. In preparing the agenda, the CEO will solicit and collect possible agenda items from other members of the Board, and from senior management. Each Board committee and each individual director is encouraged to suggest items for inclusion on the agenda. The Board, however, will ultimately be responsible for its own agenda. An agenda will be distributed in advance of each meeting to each director.
- d. Director Attendance. Proxy materials of the Company prepared in connection with its annual meeting of shareholders must identify each director who attends less than 75% of the total number of Board and applicable committee meetings (in person or by telephone) held during the preceding fiscal year. Additionally, proxy materials must also identify the Company's policy with respect to director attendance at annual meetings of shareholders. Directors are encouraged, but not required, to attend the Company's annual meeting of shareholders.
- e. Attendance at Board and Committee Meetings. Appropriate officers and others may be invited by the Chairman of the Board to attend the general session of the regular meetings of the Board, or by the chair of each committee to attend meetings of that committee. The Board encourages management to bring managers into Board and committee meetings from time to time who: (a) can provide additional insight on items being discussed, or (b) have potential for additional leadership responsibilities.

- f. Executive Sessions of the Independent Directors. It is the policy of the Board that the independent directors have the opportunity for separate meeting times, before or after regularly scheduled Board meetings, or at such other times as they deem necessary, to discuss such matters as they consider appropriate.
- g. Access to Employees and Independent Advisors. The Company's executive management will provide the Board and the Board's committees with access to Company employees and the Company's independent registered public accounting firm and legal advisors to ensure that directors can obtain all information necessary to fulfill their duties.

The Board and each committee of the Board may retain and have access to independent legal, financial or other advisors of their choice with respect to any issue relating to their activities at the Company's expense, which advisors shall report directly to the retaining person or entity.

## V. BOARD COMMITTEES

- a. Number and Type of Committees. The Board currently has an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The Board may add or remove committees from time to time as it deems advisable for purposes of fulfilling its primary responsibilities.

The Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee each has a written charter, approved by the Board, that sets forth the committee's general authority and responsibilities. The full authority and responsibilities of each committee may be fixed by the Company's Bylaws, resolutions of the full Board and/or the committee's charter.

- b. Assignment of Committee Members. The Board is responsible for the appointment of committee members and committee chairpersons. The Audit, Compensation, and Nominating and Corporate Governance Committees shall consist solely of independent directors. Members of the Audit and Compensation Committees shall also meet any additional criteria for independence, financial literacy, expertise and experience that statutes and the SEC and NASDAQ may require for those committees.
- c. Committee Functions and Meetings. The frequency, length and content of committee meetings and other matters of committee governance will be determined by each committee chairperson in light of the authority delegated by the full Board to the committee, the committee's charter, and legal, regulatory, accounting or governance principles applicable to that committee's function. The Company will provide each committee with access to Company employees and the Company's independent registered public accounting firm and legal advisors and other resources, as requested, to enable the committee to carry out its responsibilities. Minutes of each committee meeting will be made available to the Board to assure that the Board remains fully apprised of topics discussed and actions taken. The Chair of each committee will report at Board meetings on committee actions, as appropriate.

## VI. PERFORMANCE EVALUATION AND SUCCESSION PLANNING

- a. Evaluation of Chief Executive Officer. The Compensation Committee, together with the other independent directors, performs an annual evaluation of the Chief Executive Officer.
- b. Management Development and Succession Planning. The Chief Executive Officer reviews management development and succession planning with the Board periodically.

#### VII. POLICY ON SHAREHOLDER RIGHTS PLANS

The Board may adopt a shareholder rights plan if, in its exercise of its fiduciary responsibilities, it deems it to be in the best interests of the Company and the Company's shareholders to adopt such a plan.

#### VIII. CORPORATE GOVERNANCE GUIDELINES

The Nominating and Corporate Governance Committee reviews these Guidelines periodically and recommends amendments to the Board as necessary.

These Guidelines are posted on the Company's website for communication to the Company's shareholders.