

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

MICREL, INCORPORATED

AUTHORITY AND PURPOSE

The Nominating and Corporate Governance Committee (the “Committee”) of Micrel, Incorporated (the “Corporation”) is appointed by the Corporation’s Board of Directors (the “Board”) to assist and advise the Board on composition and operation of the Board, including membership selection, committee selection and rotation practices, and to assist with review and consideration of developments in corporate governance practices. The Committee shall undertake those specific duties and responsibilities listed below and such other duties as the Board shall from time to time prescribe.

The primary objectives of the Nominating and Corporate Governance Committee are to assist the Board by: (i) considering and/or recruiting individuals qualified to become Board members and recommending that the Board select a group of director nominees for each next annual meeting of the Corporation's stockholders; (ii) recommending members of the Audit, Compensation and Nominating and Corporate Governance Committees of the Board who are qualified and experienced "independent" directors; (iii) assisting management and the Board in developing and recommending to the Board corporate governance policies and procedures applicable to the Corporation; and (iv) monitoring compliance with appropriate corporate governance practices as they relate to the duties of both management and the Board. All powers of the Committee are subject to the restrictions designated in the Corporation’s bylaws and by applicable law.

COMMITTEE MEMBERSHIP

The Committee members (the “Members”) shall be elected annually by the Board and will serve at the discretion of the Board. The Committee will consist of at least three (3) members of the Board, each of whom shall satisfy the applicable independence requirements of NASDAQ and any other relevant regulatory requirements. Unless otherwise directed by the Board, Committee members shall serve until his or her successor has been duly qualified and appointed by the Board.

DUTIES AND RESPONSIBILITIES

The duties of the Committee shall include, without limitation, the following:

Nominating Responsibilities

- (1) Monitor the size and composition of the Board;
- (2) Consider and make recommendations to the Board with respect to the nominations or elections of directors of the Corporation;
- (3) Appoint directors to committees and suggest rotations for chairpersons of committees of the Board as the Board deems desirable from time to time; and
- (4) Recommend to the Board a policy on succession planning for the CEO and senior executive management; review the policy on an annual basis and report to the Board on the results.

In considering potential new directors and officers, the Committee will review individuals from various disciplines and backgrounds. Among the qualifications to be considered in the selection of candidates are broad experience in business, finance or administration; familiarity with national and international business matters; familiarity with the Corporation's industry; and prominence and reputation. Since prominence and reputation in a particular profession or field of endeavor are what bring most persons to the Board's attention, there is the further consideration of whether the individual has the time available to devote to the work of the Board and one or more of its committees.

A review is also to be made of the activities and associations of each candidate to ensure that there is no legal impediment, conflict of interest, or other consideration that might hinder or prevent service on the Board. In making its selection, the Committee will bear in mind that the foremost responsibility of a director of a Corporation is to represent the interests of the shareholders as a whole.

The Committee shall periodically review and reassess the adequacy of this Charter and propose any changes to the Board for approval.

Corporate Governance Responsibilities

- (1) Regularly review issues and developments related to corporate governance and recommend to the Board new governance standards and/or modifications to existing standards;
- (2) Evaluate and recommend any revisions to board and committee meeting policies and logistics;
- (3) Consider and recommend changes in the size of the Board; and
- (4) On an annual basis, solicit input from the Board and conduct a review of the effectiveness of the operation of the Board and its committees, including reviewing governance and operating practices.

CONDUCT OF BUSINESS

The Committee shall conduct its business in accordance with this Charter and any direction by the Board of Directors. The Committee shall report, at least annually, to the Board. Prior to the annual meeting of shareholders, the Committee will recommend to the Board the persons who will be the nominees of the Board of Directors for the election of whom the Board will solicit proxies. As part of this process, the Committee will review candidates recommended by shareholders of the Corporation. A shareholder who wishes to recommend an individual for Board membership may do so by writing to: Corporate Secretary, Micrel, Incorporated, 1849 Fortune Drive, San Jose, CA 95131. Notice by a shareholder that the shareholder intends to nominate one or more persons as a Board member at a meeting of shareholders or otherwise must be received by the Secretary within the time periods prescribed by the Corporation's bylaws and applicable law.

MEETINGS

The Committee will meet at least twice per year and more frequently as circumstances require. The Committee may establish its own schedule which it will provide to the Board in advance.

MINUTES

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of committees of the Board.

COMMITTEE RESOURCES

The Nominating and Corporate Governance Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. The Committee shall have the authority to retain and terminate any search firm to be used to identify director candidates, including authority to approve such search firm's fees and other retention terms.