

MKS INSTRUMENTS, INC.
Conflict Minerals Report
For The Year Ended December 31, 2016

Special Note Regarding Forward-Looking Statements

This report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect management’s current opinions and are subject to certain risks and uncertainties that could cause actual results to differ materially from those stated. MKS assumes no obligation to update this information. Risks and uncertainties include, but are not limited to, those discussed in the section entitled “Risk Factors” found in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC).

Summary of the Conflict Minerals Rule

This report for the year ended December 31, 2016 is included to comply with Rule 13p-1 under the Securities Exchange Act of 1934 (the Conflict Minerals Rule) which was adopted by the SEC to implement reporting and disclosure requirements related to Conflict Minerals as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). The Conflict Minerals Rule imposes certain reporting obligations on a company that files reports with the SEC under Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (a public company) whose manufactured products contain Conflict Minerals which are necessary to the functionality or production of their products. Conflict minerals are defined as gold, columbite-tantalite (coltan), cassiterite and wolframite, including their derivatives, tantalum, tin and tungsten (Conflict Minerals).

If a public company cannot establish that the Conflict Minerals originated from sources other than the Democratic Republic of the Congo or an adjoining country (the Covered Countries), or from recycled and scrap sources, they must submit a Form SD which describes the reasonable country of origin inquiry completed.

If a public company has reason to believe that any of the Conflict Minerals in its supply chain may have originated in the Covered Countries, or if it is unable to determine the country of origin of those Conflict Minerals, then that company must exercise due diligence on the Conflict Minerals’ source and chain of custody. The company must annually submit a report to the SEC that includes a description of those due diligence measures (Conflict Minerals Report).

1. Company Overview

This report has been prepared by management of MKS Instruments, Inc. (herein referred to as “MKS,” the “Company,” “we,” “us,” or “our”). The information includes the activities of MKS and all of its subsidiaries.

Founded in 1961, MKS is a global provider of instruments, subsystems and process control solutions that measure, control, power, deliver, monitor and analyze critical parameters of advanced manufacturing processes to improve process performance and productivity. MKS' products are derived from its core competencies in automation and control, gas composition analysis, lasers, materials delivery, optics, photonics, pressure, power, reactive gas and vacuum. MKS also provides services relating to the maintenance and repair of its products, software, service and maintenance, installation services and training. As of December 31, 2016, MKS employed more than 4,000 individuals.

In April 2016, MKS completed the strategic acquisition of Newport Corporation (Newport), a global leader in lasers, optics and photonics, for aggregate consideration of approximately \$1 billion. In conjunction with the acquisition of Newport, MKS changed the structure of its reportable segments. MKS' two reportable segments are the Vacuum & Analysis segment and the Light & Motion segment. The Vacuum & Analysis segment represents the legacy MKS business and the Light & Motion segment represents the legacy Newport business.

The Vacuum & Analysis segment provides a broad range of instruments, components, subsystems and software which are derived from our core competencies in pressure measurement and control, flow measurement and control, gas and vapor delivery, gas composition analysis, residual gas analysis, leak detection, control and information technology, ozone generation and delivery, RF & DC power, reactive gas generation and vacuum technology. The Light & Motion segment provides a broad range of instruments, components and subsystems which are derived from our core competencies in lasers, photonics and optics.

MKS' product portfolio includes more than 20,000 products. We group our products into seven product groups based upon the similarity of the product function, type of product and manufacturing processes. These seven groups are: Analytical and Controls Solutions Products; Materials Delivery Solutions Products; Power, Plasma and Reactive Gas Solutions Products; Pressure and Vacuum Measurement Products; Photonics Products; Optics Products; and Laser Products. The Analytical and Controls Solutions Products, Materials Delivery Solutions Products, Power, Plasma and Reactive Gas Solutions Products and the Pressure and Vacuum Measurement Products are included in the Vacuum & Analysis segment and the Photonics Products, Optics Products and Lasers Products are included in the Light & Motion segment.

MKS' products are used in diverse markets, applications and processes. The majority of our sales are derived from products sold to semiconductor capital equipment manufacturers and semiconductor device manufacturers. MKS' products are used in the major semiconductor processing steps such as depositing thin films of material onto silicon wafer substrates, etching, cleaning, lithography, metrology and inspection. In addition, MKS' provides specialized instruments and software to monitor and analyze process performance. In addition to semiconductor manufacturing, MKS' products are used in the manufacture of electronic thin films, life and health sciences, process and industrial technologies, as well as research and defense.

Except for certain metal product lines (e.g. fittings, flanges, lenses, certain mirrors, tubing, etc.) virtually all of the products MKS manufactures or contracts to manufacture include tin, gold, tantalum and/or tungsten. As a result, Conflict Minerals are found in almost all of our products.

Supply Chain

With such an extensive product portfolio, our supply chain is highly complex. In 2016, MKS and its subsidiaries purchased supplies from over 3,500 suppliers across the world, compared to over 1,500 in 2015, an increase of more than 200% due to our acquisition of Newport. In addition to dealing with a very large

number of suppliers, MKS deals with multiple tiers of suppliers. We are many steps removed from the mining of the Conflict Minerals and the smelting and refining of the raw ores. We do not buy raw ore or unrefined Conflict Minerals or make purchases from the Covered Countries. We also do not buy directly from smelters or refiners. The smelters and refiners are in the best position in our supply chain to know the origin of the ores. For these reasons, the process of mapping our end-to-end supply chain is extremely onerous.

In order to comply with the Conflict Minerals Rule, we rely on our direct suppliers to provide information on the origin of the Conflict Minerals contained in components and materials supplied to us – including sources of Conflict Minerals that are supplied to them from lower tier suppliers. For 2013, we believed a reasonable approach was to conduct a survey of the suppliers who represented the majority of our expenditures in that year. We sent a survey to 514 of our direct suppliers representing in excess of 77% of our 2013 expenditures. For 2014, we expanded our supplier outreach efforts by contacting 957 of our direct suppliers representing in excess of 80% of our 2014 expenditures. In 2015, we expanded our supplier outreach efforts again, contacting over 1,400 of our direct suppliers and many more manufacturers represented by distributors, representing over 99% of our 2015 expenditures. In 2016, we contacted over 3,500 of our direct suppliers representing 99% of our 2016 expenditures. We then followed up with periodic electronic reminders and telephone calls to those suppliers who had not completed the surveys.

Despite having conducted a good faith reasonable country of origin inquiry, we are unable to determine the origin of all of the Conflict Minerals in our products and therefore cannot exclude the possibility that some may have originated in the Covered Countries. Due to the complexity of our broad product portfolio and supply chain, it will take additional time for many of our suppliers to verify the origin of the Conflict Minerals in the products they supply to us. We continue to engage with each of these suppliers and they in turn continue to engage with their suppliers. We hope that with additional time, these outreach efforts will result in greater transparency into our supply chain. For these reasons, we are required under the Conflict Minerals Rule to submit to the SEC a Conflict Minerals Report as an exhibit to Form SD. This report must include:

- a description of the measures we took to exercise due diligence on the Conflict Minerals’ source and chain of custody
- a description of the products manufactured or contracted to be manufactured that are not “DRC conflict free” (i.e. products containing minerals that finance armed groups in the Covered Countries)
- the facilities used to process the Conflict Minerals
- the country of origin of the Conflict Minerals
- the efforts to determine the mine or location of origin.

In accordance with the The Organisation for Economic Co-operation and Development (OECD) Guidance and the Conflicts Minerals Rule, this report is available on our website <http://www.mksinst.com/docs/ur/MKS-ConflictMineralsReport.pdf>

Conflict Minerals Policy

We adopted the following Conflict Minerals Policy:

MKS Conflict Minerals Policy

In 2012, the U.S. Securities and Exchange Commission (the “SEC”) issued its final rule under Section 1502 of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Conflict Minerals Rule”) imposing new disclosure and related supply chain due diligence requirements for public companies regarding their use of “Conflict Minerals” in products they manufacture or contract to manufacture. The goal of this new rule is to curb the violent conflict and human rights abuses in the Democratic Republic of the Congo (“DRC”)¹ and adjoining countries that are being financed in part by the exploitation and trade of Conflict Minerals from that region.

The Conflict Minerals Rule defines “Conflict Minerals” as cassiterite (tin), columbite-tantalite (tantalum), wolframite (tungsten), their respective derivatives and gold (commonly referred to as the “3Ts&G”). MKS, being a global provider of instruments, subsystems and process control solutions that measure, control, power, monitor and analyze critical parameters of advanced manufacturing processes, uses certain of these Conflict Minerals in the manufacturing of its products. MKS is committed to identifying any of its suppliers who source Conflict Minerals from the DRC region from conflict sources. We expect our suppliers to partner with us in this endeavor regardless of whether they are subject to the new Conflict Minerals Rule by providing us with all necessary declarations. We also expect our suppliers to pass this requirement on to their supply chain if they do not source directly from smelters and determine the source of the Conflict Minerals. The process of mapping our end-to-end supply chain is onerous because MKS deals with multiple tiers and a very large number of suppliers. However, MKS is committed to this effort and should MKS discover at any time that any of its suppliers are sourcing materials from the DRC region from conflict sources, MKS will work with the supplier to end this practice and if the supplier refuses, MKS will work diligently to identify and partner with an alternative supplier.

If you have any questions regarding MKS’ Policy on Conflict Minerals, please contact us at conflictminerals_customer@mksinst.com.

Our policy is publicly available on our website at <http://www.mksinst.com/docs/ur/MKS-ConflictMinerals-Stmt.pdf>

2. Due Diligence Process

2.1 Design of Due Diligence

Our due diligence process has been designed to conform generally with the framework in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance) and the related Supplements for gold and for tin, tantalum and tungsten.

Our due diligence process includes:

- the adoption of a Conflict Minerals Policy,
- the establishment of a cross-functional team for complying with the Conflict Minerals Rule,
- engagement of suppliers,
- due diligence compliance process and measurement,

¹ Conflict Minerals procured from the following "covered countries" are the focus of the Rule: the DRC, Angola, Burundi, the Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia

- extensive record keeping and
- continued follow-up communication with suppliers.

2.2 Management Systems

As described above, MKS has adopted a company policy which is posted on our website at <http://www.mksinst.com/docs/ur/MKS-ConflictMinerals-Stmt.pdf>

Internal Team

MKS has established a cross-functional team led by our Director of Global Quality Systems who has over twenty years of experience working with our complex supply chain. Our team also includes a chemist with over ten years' experience in chemical and supplier management. The team is responsible for implementing our Conflict Minerals compliance strategy. Senior management is briefed about the results of our due diligence efforts.

Supplier Engagement

With respect to the OECD requirement to strengthen engagement with suppliers, we have established, where practicable, long-term relationships with our numerous suppliers. We have communicated to our suppliers our expectations with respect to the Conflict Minerals Rule. In addition, we have incorporated our expectations with respect to our Conflict Mineral Policy and reporting obligation into the terms and conditions of our supplier contracts.

Maintain records

We have developed an internal system for documenting the implementation, management and monitoring of our Conflict Minerals Program.

2.3 Identify and assess risk in the supply chain

Because of our size, the complexity of our products, and the depth and breadth of our supply chain, it is difficult to identify suppliers upstream from our direct suppliers. In 2016, we reached out to over 3,500 of our direct suppliers representing over 99% of our supplier spend. We rely on these suppliers, whose components contain Conflict Minerals, to provide us with information about the source of Conflict Minerals contained in the components supplied to us. Our direct suppliers are similarly reliant upon information provided by their suppliers. While we did receive significantly more information relating to smelters/refiners used in our supply chain in 2016 as compared to 2015, several of our direct suppliers and distributors either: (i) did not respond to our survey despite follow-up requests, (ii) responded to our survey with incomplete or inconsistent information, or (iii) responded to our survey with a form letter informing us that they would not be completing the survey due to a variety of reasons, including, but not limited to: (a) lack of resources, (b) the fact that only de minimis amounts of Conflict Minerals were contained in their products, and/or (c) the supplier was not itself subject to the Conflict Minerals Rule. In general, follow-up requests to these suppliers did not produce additional information unless we had leverage with a particular supplier due to the amount of our spend with such supplier. More time is still needed to determine all of the smelters/refiners used in our supply chain. The list set forth on Exhibit A includes all of the smelters/refiners included in the surveys completed by our direct suppliers. Many of these smelters/refiners appear on the EICC Conflict-Free

Sourcing Initiatives Conflict-Free Smelter Program Compliant Tantalum, Tin, Tungsten and Gold Smelter Lists. MKS plans to continue its efforts to identify all of the Conflict Minerals' smelters/refiners used in our supply chain through a combination of annual supplier surveys and direct follow-up supplier engagement.

2.4 Design and Implement a Strategy to Respond to Risks

MKS has a risk management plan, through which the Conflict Minerals program is implemented, managed and monitored. Updates to this risk assessment are provided regularly to senior management.

As part of our risk management plan, to ensure suppliers understand our expectations, in addition to the Conflict Minerals Policy that we published on our website, we incorporated our expectations with respect to our Conflict Mineral Policy into the terms and conditions of our supplier contracts. We also distributed a Conflict Mineral reporting instruction letter and survey to our worldwide suppliers who represent over 99% of our 2016 supplier spend and held individual follow-up calls and/or sent emails with those suppliers whose survey responses were incomplete, unclear or seemed erroneous based on our knowledge of the materials we purchase from that supplier.

As described in our Conflict Minerals Policy, we will work with any of our suppliers whom we have reason to believe is supplying us with Conflict Minerals from sources that may support conflict in the DRC or any adjoining country to end this practice and if the supplier refuses, we will work diligently to identify and partner with an alternative supplier of Conflict Minerals that does not support such conflict. To date, we have been informed that two of the smelters identified by our suppliers are located in Covered Countries but with further due diligence, we confirmed that both are on the EICC Conflict-Free Sourcing Initiatives Conflict-Free Smelter Program Compliant Tantalum, Tin, Tungsten and Gold Smelter Lists. We are not aware of any other instance where we have reason to believe any of our suppliers are supplying us with Conflict Minerals from a source that may support conflict in the DRC or any adjoining country.

2.5 Carry out Independent Third Party Audit of Supply Chain Due Diligence at Identified Points in the Supply Chain

We do not have a direct relationship with Conflict Minerals smelters and refiners and do not perform or direct audits of these entities within our supply chain. We rely on audits performed by industry groups like the Electronics Industry Citizenship Coalition-Global e-Sustainability Initiative's (EICC-GeSI) Conflict Free Sourcing Initiative (CFSI).

2.6 Report on supply chain due diligence

This report is available on our website at <http://www.mksinst.com/docs/ur/MKS-ConflictMineralsReport.pdf>

3. Due Diligence Results

Request Information

We conducted a survey of those suppliers described above using the EICC/GeSI template, known as the Conflict Minerals Reporting Template (the template). The template was developed to facilitate disclosure

and communication of information regarding smelters that provide material to a company's supply chain. It includes questions regarding a company's Conflict Minerals policy, engagement with its direct suppliers, and a listing of the smelters the company and its suppliers use. In addition, the template contains questions about the origin of Conflict Minerals included in their products.

Survey Responses

We received responses from approximately 52% of the suppliers surveyed, representing 90% of our supplier spend surveyed. We reviewed the responses against criteria developed to determine which required further engagement with our suppliers. The vast majority of our suppliers provided data at a company level (vs. a product level). In several of the responses received, (i) the responses were incomplete and/or contained inconsistencies within the data reported in the template and (ii) the identities of the smelters or refiners were not known. We continue to engage directly with these suppliers to provide revised or missing information. We are therefore not yet in a position to verify that all of the smelters or refiners in our supply chain are certified as conflict-free by the EICC.

Efforts to determine mine or location of origin

In our supplier survey, we requested our suppliers to identify the smelter or refiner used in their respective supply chain. We have determined that seeking information about Conflict Minerals smelters and refiners in our supply chain represents the most reasonable effort we can make to determine the mines or locations of origin of the Conflict Minerals in our supply chain. The table set forth on Exhibit A hereto lists the smelter or refiner facilities identified by our suppliers. Although we did receive significantly more reliable smelter and refiner information for 2016 as compared to 2015, we know this list is incomplete as several of our suppliers either did not return a completed survey or returned an incomplete survey which did not include smelter or refiner names. We expect that with more time, more upstream suppliers will be in a better position to identify relevant smelters and refiners and will in turn pass that information further down the supply chain so that this list will be more complete.

4. Steps to be taken going forward

We intend to take the following steps in 2017 to improve the due diligence conducted with respect to our supply chain:

- a. Continue to identify and implement changes to improve the process used to collect survey responses from our very large number of direct suppliers. In particular, continue to identify ways to streamline supplier outreach and automate content of supplier responses.
- b. Continue to remind our suppliers of their obligations and our expectations with respect to Conflict Minerals reporting at our supplier conferences.
- c. Continue to engage with suppliers to attempt to increase the response rate and improve the content of the supplier survey responses.
- d. If any of our suppliers are found to be supplying us with Conflict Minerals from sources that support conflict in the Covered Countries, to work with the supplier to end this practice and if the supplier refuses, to work diligently to identify and partner with an alternative supplier.