



## **Policy Statement**

### **German Supply Chain Act**

#### **1. Introduction and human rights commitment**

Vishay Intertechnology, Inc., Vishay Europe GmbH and their subsidiaries (collectively referred to herein as “Vishay” or “we”) are committed to upholding the principles of the German Supply Chain Act (LkSG). In alignment with our dedication to ethical business practices and corporate responsibility, which manifests itself, among other things, in the Vishay Code of Business Conduct (CoC), in the Vishay Suppliers and Business Partners Code of Conduct (SCoC) and the Responsible Minerals Sourcing Policy (RMSP) as well as Vishay’s membership in the Responsible Business Alliance (RBA), we hereby affirm our intention to diligently comply with the provisions set forth in the LkSG. This includes appropriate compliance with the human rights and environmental due diligence obligations of the LkSG so that violations or imminent violations of the following issues are prevented, stopped or minimised (together “human rights and environmental non-compliance”):

- Child labour;
- Forced labour and all forms of slavery;
- Disregard for occupational health and safety and work-related health hazards;
- Disregard for freedom of association, freedom of unionisation and the right to collective bargaining;
- Unequal treatment in employment;
- Withholding an appropriate wage;
- Destruction of natural resources through environmental pollution; unlawful violation of land rights;
- Hiring or using private/public security forces that could lead to impairment due to lack of instruction or control;
- An act or omission in breach of duty that goes beyond the above, which is directly capable of impairing a human rights position in a particularly serious manner and the unlawfulness of which is obvious on a reasonable assessment of all the circumstances in question;
- Production, use and/or disposal of mercury (Minamata Convention);
- Production and/or use of substances within the scope of the Stockholm Convention (POPs) and non-environmentally sound handling of waste containing POPs;
- Import/export of hazardous waste within the meaning of the Basel Convention.

#### **2. Expectations**

In accordance with the LkSG, we expect our employees and suppliers in the supply chain to respect human rights and the environment and to provide us with the best possible support in order to appropriately prevent the human rights and environmental non-compliance described in the LkSG and to end or minimise violations. These expectations are expressed for employees, for example, in the CoC and for suppliers, for example, in the SCoC and the RBA Code of Conduct. In addition, we express our expectations through further-reaching preventive and remedial measures (see below).

#### **3. Risk management**

We have a risk management system within the meaning of the LkSG.

Our risk management system enables us to identify and minimise human rights and environmental non-compliance and to prevent, end or minimise the extent of violations of human rights or environmental obligations if we have caused or contributed to these non-compliances or violations within our supply chain.



Risk management is anchored in particular in the business processes through the following measures:

- Responsibilities: The Compliance department is headed by the Executive Vice President Chief Administrative and Legal Officer and is supported by the Legal, Export Compliance, EHS, Purchasing, Ethics, and HR departments, among others.
- Processes: A compliance management system has been implemented by Purchasing and is monitored by Vishay's Compliance department, Vishay's Human Rights Officer, and Internal Audit to ensure proper management.
- Documents: Inter alia CoC, SCoC, RMSP and RBA Code of Conduct.

We have also defined a responsibility for monitoring risk management by appointing a Human Rights Officer.

Our management is informed regularly, at least once a year, and if necessary on an ad hoc basis about the work of the responsible persons.

In setting up and implementing our risk management system, we have taken appropriate account of the interests of our employees, the employees within our supply chain and those who may otherwise be directly affected in a protected legal position by our business activities or by the business activities of a company in our supply chain.

#### **4. Risk analysis and priority risks**

We carry out annual and ad hoc risk analyses in accordance with the LkSG. The risks identified are evaluated and prioritised with the principle of proportionality in order to identify any weakness at our suppliers according to the value of the annual purchases with the respective supplier and the country/region where it is located or delivers the products from. These suppliers are obliged to answer our CSR checklist based on the RBA Code of Conduct and thus the assessment of social, ecological and ethical industry standards that relate to international norms. In our risk analyses, we also take into account findings from the processing of information received via the complaints procedure. We communicate the results of our risk analyses to the relevant decision-makers and take them into account appropriately. All risks are followed up closely and affected suppliers will be given, also depending on the seriousness, a timeline (e.g. six months) to eliminate the risk.

#### **5. Preventive measures**

In order to avoid human rights and environmental non-compliance, we have introduced various preventive measures in our own business area and in relation to suppliers, the effectiveness of which we monitor on an on-going basis and adjust as necessary.

These preventive measures currently include the following regulations in particular:

- CoC for own employees, available at <https://www.vishay.com/en/company/ethics/>.
- SCoC for direct suppliers, available at <https://www.vishay.com/docs/48837/cqa052-supplierscodeconduct.pdf>
- RMSP, available at [https://www.vishay.com/docs/49037/rmsa\(cmp\)9-2021.pdf](https://www.vishay.com/docs/49037/rmsa(cmp)9-2021.pdf)
- RBA Code of Conduct, available at <https://www.responsiblebusiness.org/code-of-conduct/>

We expect all our employees to adhere to the CoC. To this end, we regularly train our employees on the content of the CoC.

We obtain assurances from our direct suppliers that they comply with our human rights and environmental expectations and address them appropriately along the supply chain. We have the SCoC, the RBA Code of Conduct as well as the CSR checklist as mentioned above under Section 4 for this purpose.

If we have substantiated knowledge, we take appropriate preventive measures vis-à-vis the originator, such as the implementation of control measures or support in the prevention and avoidance of a risk or the implementation of industry-specific or cross-industry initiatives that we have joined, in our case the Responsible Business Alliance.



We review the effectiveness of the preventive measures once a year and on an ad hoc basis, particularly if we have to reckon with a significantly changed or significantly expanded risk situation in our own business area or at suppliers; preventive measures are then updated immediately if necessary.

#### **6. Remedial measures**

If we identify an actual or imminent violation of human rights or environmental obligations, we take appropriate remedial action without delay. If immediate termination, prevention, or minimisation is not possible, we draw up a concept with a specific timetable and implement it.

When drawing up and implementing the concept, particular consideration is given to: (1.) the joint development and implementation of a plan to end or minimise the breach with the company causing the breach, (2.) joining forces with other companies as part of industry initiatives and industry standards to increase the possibility of influencing the polluter, (3.) a temporary suspension of the business relationship while efforts are made to minimise the risk.

We review the effectiveness of the remedial measures once a year and on an ad hoc basis, in particular if we have to expect a significantly changed or significantly expanded risk situation in our own business area or at suppliers; remedial measures are then updated immediately if necessary.

#### **7. Complaints procedure**

We have set up an LkSG-compliant system for complaints and information on human rights and environmental non-compliance and violations of human rights or environmental obligations arising from our business activities or the business activities of our direct or indirect suppliers, available at <https://www.vishay.com/en/responsibility-in-supply-chains/>, including the Supply Chain Complaints Procedure.

#### **Contact details:**

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#### **8. Documentation and report**

We document and report in accordance with the LkSG. From 2025 on, the reports can be accessed at [www.vishay.com](http://www.vishay.com).

#### **9. Update**

We regularly update this policy statement and the measures specified therein in accordance with the requirements of the LkSG.

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