



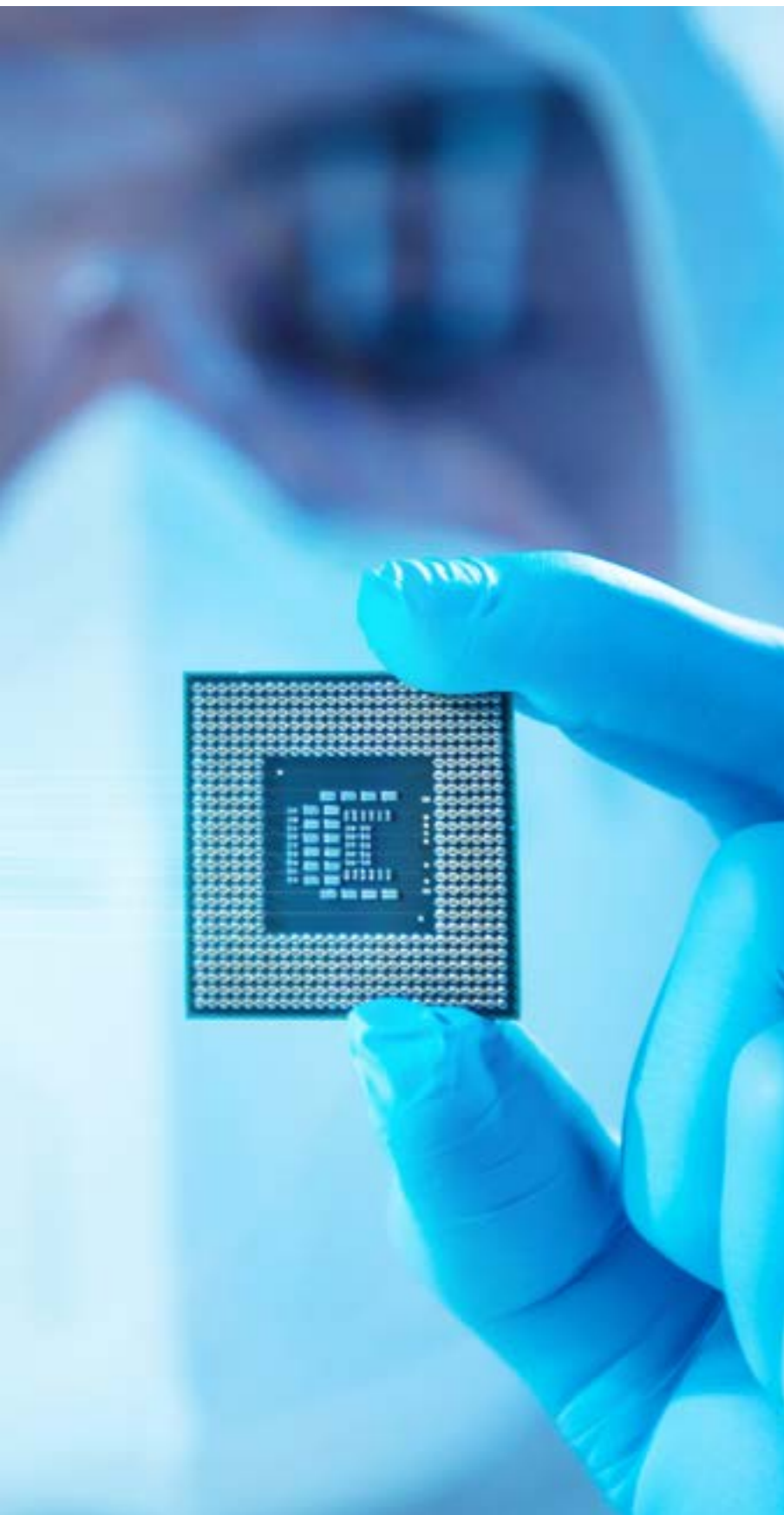
2023

# Sustainability Report



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## Introduction

### Leadership Letter to Stakeholders

Dear valued stakeholder,

Vishay powers the technology that is creating a better tomorrow. We serve customers worldwide, spanning innovative designs in the automotive, industrial, computing, consumer, telecommunications, military, aerospace, and medical markets. In partnership with our customers, we empower change through renewable energy, electric vehicles, 5G network technology, and the rapid expansion of connectivity across everything (IoT). This position in the market comes with great responsibility.

We are committed to operating responsibly in all our regions—North America, Asia, Europe, and Israel. We believe in empowering our people, protecting our ecosystem, and operating with the highest regard for safety and ethics. As such, we're proud to publish our first Sustainability Report. We have begun adopting the forthcoming reporting topics and standards laid out by the European Financial Reporting Advisory Group (EFRAG) to guide our inaugural report as we prepare to comply with the European Union's Corporate Sustainability Reporting Directive (CSRD). Vishay's European operations are subject to CSRD disclosure in 2026. The Company has adopted a consolidated approach for our inaugural report to provide a comprehensive overview of our internal sustainability program.

Our commitment to responsible operations is unwavering. We view sustainability as a continuous journey, and we invite you to see where we stand today. We take pride in sharing our achieved internal milestones, such as internal reporting, setting annual environmental goals, and tracking our greenhouse gas emissions since 2012. We will advance our program and achieve new levels of sustainability across environmental, social, and governance aspects.

From discrete semiconductors to passive components, Vishay manufactures a wide range of products that we proudly call The DNA of tech™. Our work in R&D, manufacturing, engineering, quality, sales, and marketing results in a diverse array of components directly supporting the next generation of products necessary to support our communities in building a sustainable future. We appreciate your interest in our sustainability journey today and in the future.

Kind regards,

**Joel Smejkal**  
President & Chief Executive Officer

## Introduction About Vishay

Vishay Intertechnology, Inc. (Vishay) is the DNA of tech.™ Vishay is a global manufacturer of discrete semiconductors and passive electronic components. We serve companies to power innovative designs in the automotive, industrial, computing, consumer, telecommunications, military, aerospace, and medical markets worldwide. Together with our customers, we are supporting next level automation in multiple areas, including factories, the electrification of the automobile, 5G network technology, and the rapid expansion of connectivity across everything (IoT).

### Vishay’s Product Portfolio

From discrete semiconductors to passive components; from the smallest diode to the most powerful capacitor, Vishay manufactures a breadth of products which we call The DNA of tech.™

Business Line	Business Segments
Semiconductors	<ul style="list-style-type: none"> <li>• MOSFETs</li> <li>• Diodes</li> <li>• Optoelectronic components</li> </ul>
Passive Components	<ul style="list-style-type: none"> <li>• Resistors</li> <li>• Inductors</li> <li>• Capacitors</li> </ul>

The Company operates globally and is headquartered in Malvern, Pennsylvania in the United States. To optimize production efficiencies, Vishay maintains manufacturing facilities in the United States, Europe, India, Israel, Malaysia, Mexico, the People’s Republic of China, the Republic of China (Taiwan), the Philippines, Japan, and the Dominican Republic. Our manufacturing operations are certified under ISO 45001, ISO 14001, and ISO 9001, covering environmental, occupational health and safety, and quality standards set by the International Standards Organization. As of December 31, 2023, Vishay employed approximately 23,500 full-time employees worldwide.

Vishay’s Employee by Location in 2023



## About Vishay

We are committed to deep and meaningful service for our customers. We maintain significant production facilities in those regions where we market the bulk of our products in order to enhance the service and responsiveness that we provide to our customers. We aim to further strengthen our relationships with customers and strategic partners by providing broad product lines that allow us to provide a “one-stop shop” service. Further, we plan to continue to use and invest in our research and development (R&D), engineering, and product marketing resources to continually roll out new and innovative products to power accelerated electrification, such as factory automation, electric vehicles, and 5G infrastructure.

The Company operates and is reliant on a complex global interconnected supply chain of vendors, manufacturing facilities, third-party foundries and subcontractors, shipping partners, distributors, and end market customers. We maintain long-term partnerships with our suppliers and continuously collaborate to address supply chain challenges, further innovate, and commercialize solutions that support business growth. By fostering strong relationships with key niche suppliers, we enhance our ability to manage and monitor our supply chain.

For more information about the Company, its operations, and financial information, please review our [2023 10-K](#).



## About this Report

Vishay’s 2023 Sustainability Report (the Report) serves as the Company’s inaugural sustainability-focused external report. The Report includes performance from January 1 – December 31, 2023, for all of Vishay’s owned and operated entities and aligns with the scope of financial reporting, unless otherwise noted. The Company acquired multiple businesses throughout 2024, and these entities are outside of the Report’s boundary. The Company has considered and included disclosures, as feasible and relevant, related to its value chain, including upstream and downstream entities.

With the forthcoming sustainability reporting mandate of the EU’s Corporate Sustainability Reporting Directive (CSRD), the Company has prepared this Report in following the recommended guidance of the CSRD and the European Sustainability Reporting Standards (ESRS) in a consolidated format. As this Report is still a voluntary disclosure, the Company has adopted the framework and prescribed disclosures at the Company’s discretion. The Company intends to be fully compliant at the time of mandated disclosure. This Report has not undergone external assurance.

This Report is organized by material ESRS topics. The Company has begun the execution of a CSRD-compliant double materiality assessment (DMA). The DMA is being completed in line with the guidance outlined by ESRS. The Company has disclosed relevant and available information for the following ESRS topics:

- **ESRS E1: Climate Change,**
- **ESRS E2: Pollution,**
- **ESRS E3: Water & Marine Resources,**
- **ESRS E5: Materials & Circular Economy,**
- **ESRS S1: Own Workforce,**
- **ESRS S2: Workers in the Value Chain,**
- **ESRS S3: Affected Communities, and**
- **G1: Business Conduct.**

The Company is continuing to refine its DMA results to ensure accurate and compliant results. Once finalized, the Company will publish more information on the DMA process, results, and identified impacts, risks, and opportunities (IROs).

The Company defines short-, medium-, and long-term timeframes in alignment with ESRS guidance. As such, the short-term is 2023 (i.e., the reporting year); the medium-term is less than five years; and the long-term is more than five years.

## Sustainability at Vishay

Vishay is committed to conducting its worldwide operations in a socially responsible, ethical, and sustainable manner to protect the environment and ensure the safety and health of our employees, customers, and surrounding communities. The Company maintains ISO 14001 and ISO 45001 certifications across all manufacturing facilities, continuously improving through our Environmental and Occupational Health and Safety Management Systems.

The Company has invested significantly in its research and development, facilities efficiencies, and workforce to deepen its progress on sustainability across operations. In addition to our sustainability program, Vishay is powering the future of automation and electrification through our products. We maintain research and development personnel and promote programs at several of our production facilities to develop new products, identify new applications of existing products, and improve manufacturing processes and technologies.

To manage our environmental impact, Vishay has established a Sustainability Committee appointed by the Board of Directors. The formal EHS organization includes cross-functional experts at a local level reporting functionally to Regional Directors. The Regional Directors are functionally responsible to the Company’s Vice President, EHS. Additionally, the Company hired its first Sustainability & ESG Director to support the Company-wide sustainability program in early 2023. The Director works closely with the Vice President of EHS and other subject matter experts across the Company.

Vishay is committed to investing in improving operational efficiencies and sustainability program governance as it elevates its market position. Downstream customers have a growing interest in Vishay’s carbon inventory, as it is incorporated into our customers’ Scope 3 emissions and embeds carbon into our customers’ products that use Vishay components. As such, we are striving to reduce the environmental impact of our operations and products to meet the needs of our customers. The Company has several, external-facing sustainability-focused goals. These goals will reduce the overall environmental impact of most of our product portfolio. The Company intends to add additional goals as feasible and relevant to the Company’s operations.

### Vishay’s Sustainability Goals

- 1 Develop a local decarbonization roadmap by the end of 2025
- 2 Reduce Scope 1 & 2 emissions by 30% by 2025, compared to a 2018 baseline
- 3 Calculate Scope 3 emissions inventory by the end of 2024
- 4 Recycle at least 15% of wastewater by 2030

More information on the Company’s sustainability program, goals, and respective performance metrics are detailed throughout this Report.

## Governance

Vishay’s Board of Directors (Board) is made up of eleven members with three committees – Audit, Compensation, and Nominating & Corporate Governance. Nine members are non-executives. Vishay’s Board has seven independent members and four non-independent members, including Vishay’s Chairman and its President & Chief Executive Officer. Vishay’s Board members bring decades of industry knowledge to the Company; for more information on executives’ experience, please review our [Corporate Governance](#) website.

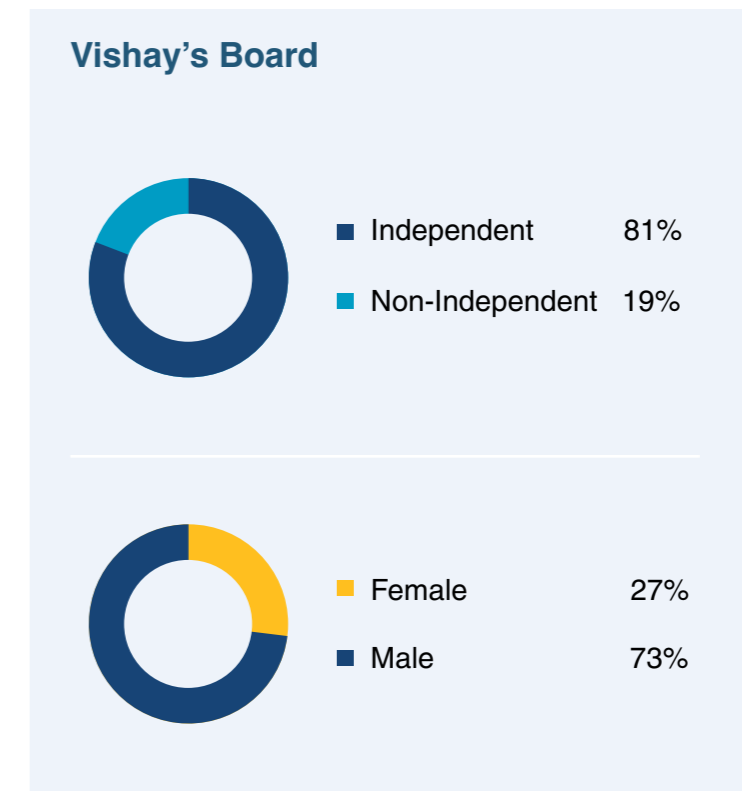
Vishay’s Board meets at least four times per year. The Board’s three committees meet regularly in accordance with the terms of their respective committee charters. The Company’s Corporate Governance Principles outline the Board principles and practices in carrying out its responsibilities. Committee roles are outlined in each committees’ respective Charter. Vishay’s President and Chief Executive Officer provides direct updates from Vishay’s leadership to the Board.

The Board serves as the Company’s ultimate decision-making body, except with respect to any matters reserved to a vote of the stockholders. The Board oversees Vishay’s management’s performance to ensure that the Company operates in an effective, efficient, and ethical manner. The Board also evaluates the Company’s overall strategy, as formulated and presented by management, and monitors the Company’s performance against its operating plan and against the performance of its peers. Further, the Board has responsibility for risk oversight. Risk oversight is often conducted by topic assigned by committee charters. The Board is responsible for oversight of strategic, financial, and execution risks and exposures associated with the Company’s business strategy, policy matters, significant litigation and regulatory exposures, and other current matters that may present a material risk to the Company.

### Vishay’s Board of Directors and Committees

Executive	Independent	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
		Audit Committee Charter	Compensation Committee Charter	Nominating and Corporate Governance Committee Charter
Marc Zandman <i>Executive Chairman</i>				
Dr. Renee Booth	Member		Member	
Michael Cody	Member	Member		Member
Dr. Michiko Kurahashi*	Member			
Dr. Abraham Ludomirski	Member		Member	Chair
John Malvisi	Member	Chair		
Ziv Shoshani				
Joel Smejkal				
Timothy V. Talbert	Member		Chair	
Ruta Zandman				
Raanan Ziberman	Member	Member		Member

\* Dr. Michiko Kurahashi will become a member of the Compensation committee in December, 2024



## Stakeholder Engagement

Given the nature of our industry, Vishay collaborates on a regular cadence with our stakeholders. We believe stakeholder engagement is critical to ensure we're delivering the expected and desired results to each group. We engage our stakeholders in various mediums, including direct engagement (e.g., meetings, one-on-one calls), surveys and/or audits, and townhalls. Stakeholder engagement medium and frequency is informed by business need and/or needs of the stakeholder groups. Vishay keeps an open and ongoing line of communication with all of its stakeholders. For example, our components are used in complex and technological products. Therefore, we must communicate frequently with our customers to ensure our components remain in line with customer needs and technological developments. Customer feedback is collected often and directly informs research projects and innovation of existing products. Vishay also works with local regulators to ensure ongoing compliance.

### Vishay's Stakeholder Groups



Customers



Employees



Suppliers



Investors

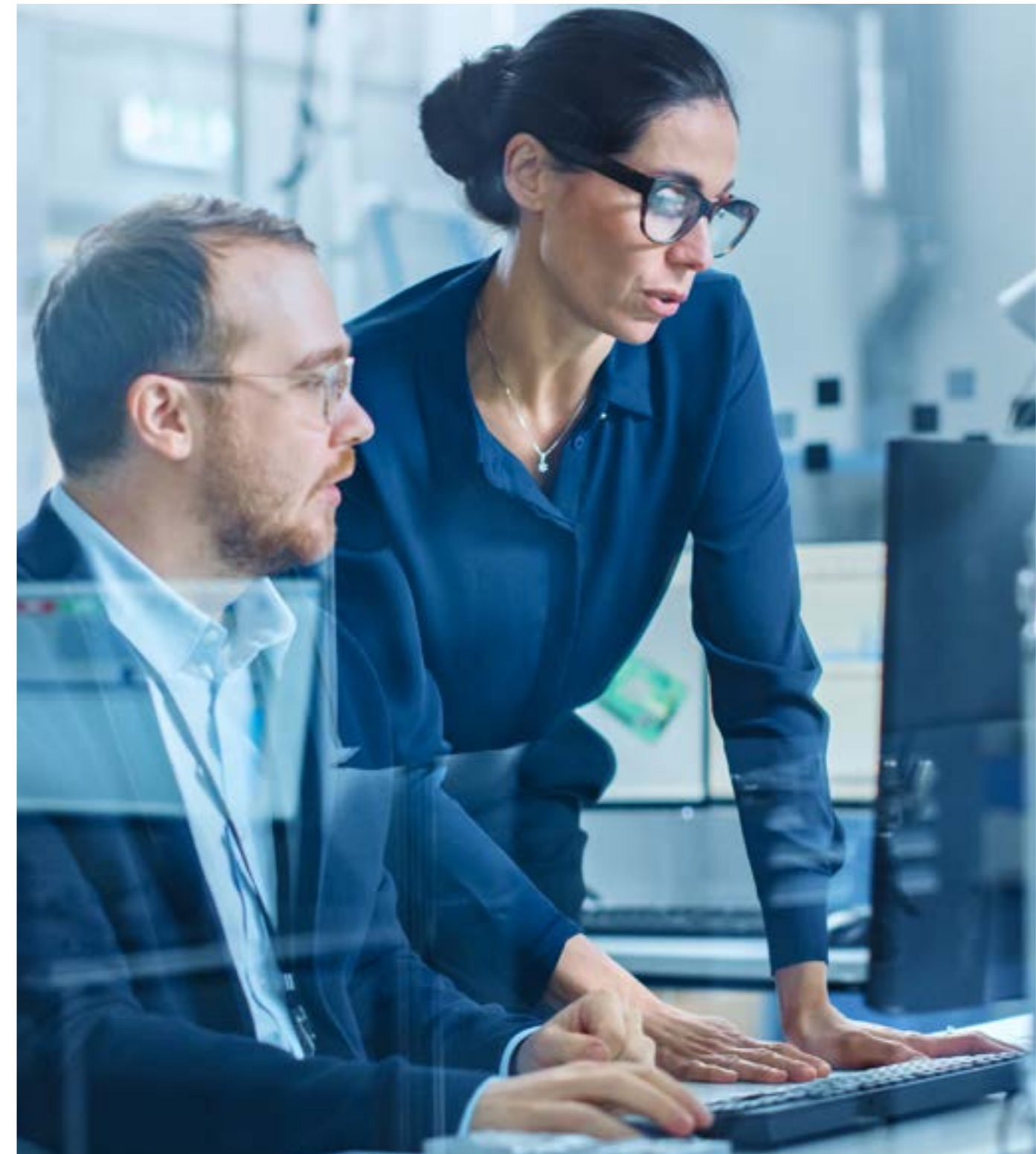


Community Members



Trade Associations

The Company also engages its stakeholders to inform and mature its sustainability program. We are in the process of finalizing our double materiality assessment, in which key stakeholders were directly involved. Vishay plans to disclose more information on their role and the assessment's outcome in future reports.





An aerial photograph showing a winding asphalt road that curves through a dense, lush green forest. To the left of the road, a dark blue lake is visible. A single white car is driving on the road. The overall scene is serene and natural.

# Environment

# CLIMATE CHANGE

Vishay strives to conduct its operations in a manner that protects the environment and the communities in which our facilities are located. We believe in reducing our environmental impact where possible while simultaneously supporting technology enabling the energy transition. Through our products, we aim to power modern technological advances that will propel the world into a more sustainable future.

## Vishay’s Material Impacts, Risks, and Opportunities related to Climate Change

Greenhouse Gas Emissions	
Emissions contribution to climate change	Impact, Risk
Scope 1 & 2 emissions regulation and reporting	Risk
Scope 3 reporting	Risk, Opportunity
Energy Use	
Emissions from energy use	Risk, Opportunity
Renewable energy sourcing	Risk
Opportunities in Clean Tech	
Cost savings through emissions reduction projects	Opportunity, Impact
Market opportunities due to energy transition	Opportunity, Impact

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



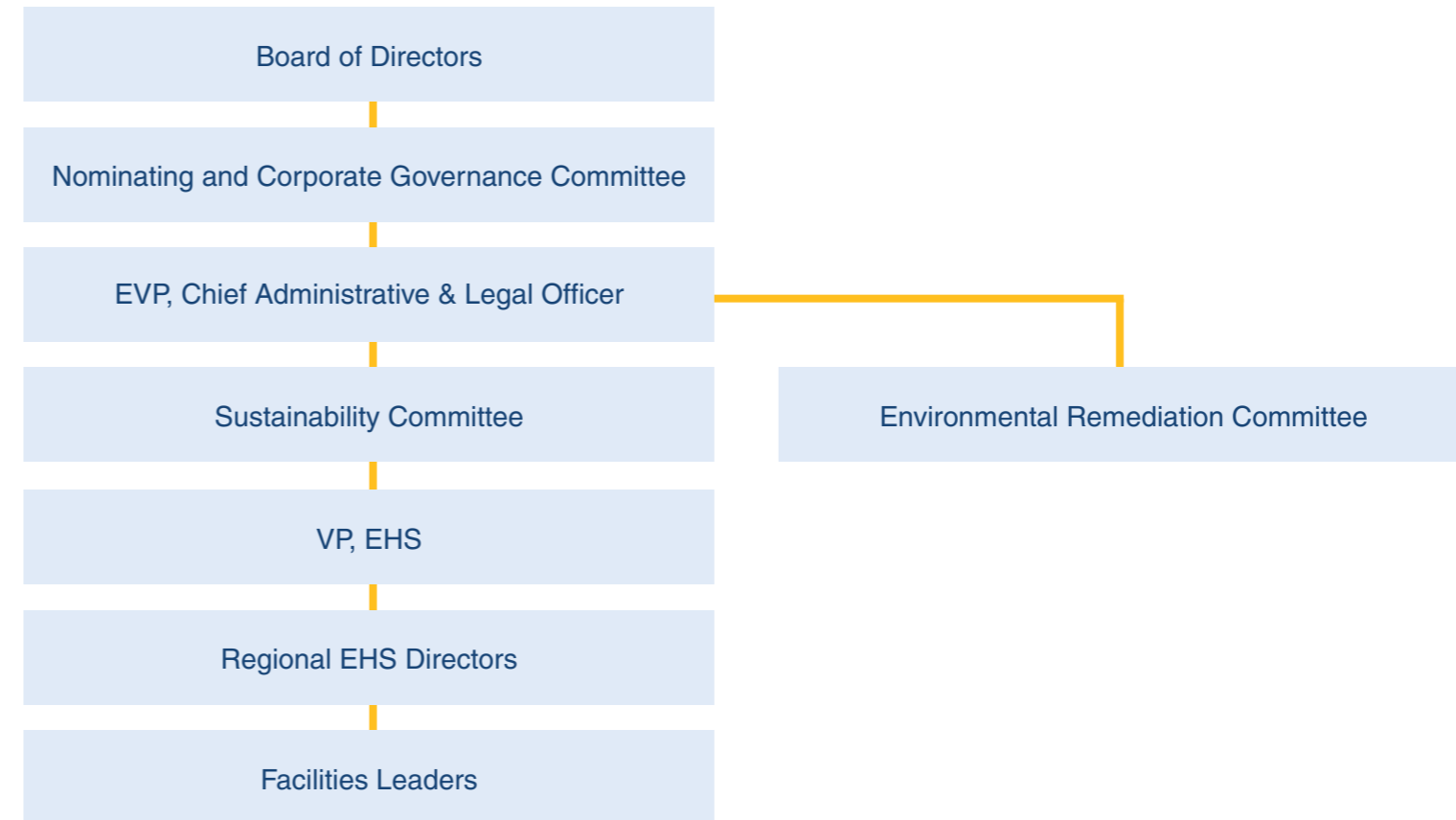
## Climate Change and Environment Policies and Oversight

This Company is committed to continuous improvement across the full range of environmental factors relevant to our business. Our environmental management program is governed by our Environmental, Health, and Safety Policy, which details environmental responsibility for each level of management and employee at Vishay around energy and greenhouse gas (GHG) management. The Policy is reviewed annually for necessary revisions and is implemented with direct accountability to the Board of Directors. In 2023, the Company updated the policy to ensure comprehensive and up-to-date governance of the Company's EHS-related risks, impacts, and opportunities. Further, Vishay is a Responsible Business Alliance (RBA) member and therefore has implemented the RBA Code of Conduct, which can be found [here](#). The RBA Code of Conduct governs our commitment to managing and tracking our GHG emissions and energy consumption. In addition, our manufacturing operations are subject to various federal, state, and local laws governing our materials handling, management, and disposal.

In addition to the Policy, our environmental management program is overseen by our Nominating and Corporate Governance Committee which directs the Company's environmental, social, and governance (ESG) program, including climate-related initiatives. The Committee reports to the Board regularly and meets at least twice a year. Additionally, Vishay has established a Sustainability Committee appointed by the Board. The Committee assesses climate-related risks and opportunities and reports findings to the Board and senior leadership. They are also tasked with monitoring climate-related data per site and setting environmental targets.

At the management level, Vishay's EVP, Chief Administrative and Legal Officer oversees the EHS program and reports to our President & Chief Executive Officer, who reports to the Board. The Company's Vice President of Environmental, Health, and Safety (EHS) is tasked with managing and executing the Company's environmental program. The EHS organization includes professionals with professional expertise in environmental, health, and safety in each facility reporting functionally to Regional Directors, who report to the Vice President of EHS. In addition to Vishay team members, the EHS team is supported by a network of external EHS consultants and legal resources, as appropriate.

### Vishay's Environmental, Health, and Safety Organizational Chart



At each facility, the Company deploys management systems through a systematic verification process to ensure continuous improvement around environmental performance. This system allows for the identification and mitigation of risks to the environment, people, and property. Further, the Company maintains ISO 45001 and ISO 14001 certifications in all manufacturing facilities. Additionally, Vishay is working towards ISO 50001 energy management certifications in all facilities consuming more than 10 GWh of electricity annually. On a continuous basis, the Company audits each facility and monitors key EHS measurements for compliance with Company environmental goals. The audit results are reviewed by the EHS team.



## Climate Change Management Strategy

The Company aims to reduce our energy consumption and GHG emissions where feasible throughout our operations and value chain. The Company has calculated its Scope 1 and 2 emissions in accordance with the Greenhouse Gas Protocol, setting targets against a 2018 baseline. Scope 2 accounts for the majority (90%) of our GHG emissions, driven by our purchased electricity. The Company has experienced a 25% decrease in total Scope 1 and 2 emissions and a 33% reduction in Scope 1 and 2 emissions intensity. This progress is driven by our ongoing monitoring and proactive energy efficiency efforts, which target emissions sources, track data, and identify opportunities for conservation and efficiency improvements throughout our operations.

We continue to expand two notable initiatives to further our commitment to reducing our emissions. We began exploring our options for on-site generation of renewable energy (e.g., solar power) and expanding our purchased renewable energy. In this exploratory phase, we are considering the viability and affordability of improving our energy mix based on on-site generation, local procurement, and alternative options, such as renewable energy credits (RECs). We also began calculating our Scope 3 emissions inventory, which we intend to disclose once final. Scope 3 calculations are critical to our business, as we are committed to reducing our emissions to meet the expectations of our stakeholders. This includes our customers who are focused on achieving their respective decarbonization plans, in which we play a role as their supplier.

Looking ahead, the Company intends to conduct a formal climate scenario assessment. This exercise will formally identify the Company's climate-related risks over the short-, medium-, and long-term, including the impact on the business, operations, and assets. The Company integrates climate-related risks into its multi-disciplinary company-wide risk management process, which is conducted annually. During this process, the Company addresses business continuity as well as defines new annual EHS goals.

The Company has identified climate-related risks, and continues internal efforts to evaluate the financial and strategic impact of these risks on the business with the ultimate goal of incorporating these risks into our company-wide risk assessment and reporting processes. The ongoing market focus on product carbon footprints and Scope 3 inventories is a risk for our Company. We strive to measure and reduce our carbon footprint to remain competitive in the marketplace and a preferred supplier to our customers.

To reduce such risks, we have set a collection of near-term GHG emission reduction targets and are in the process of setting long-term GHG emissions reduction targets and strategies. In 2023, the Company began the development of our transition plan for climate change mitigation. Our Director of Sustainability is leading the transition plan development and is sponsored by our Executive Vice President, Chief Administrative and Legal Officer. The plan will be finalized and implemented once approved by the Sustainability Committee. The plan will

outline an implementation timeline, including key actions, tactical levers, and long-term decarbonization goals. While our decarbonization strategy seeks to reduce costs and mitigate risks, we do not use a uniform cost of carbon to evaluate reduction projects currently. Once our emissions roadmap is finalized, the Company intends to embed the plan into our overall business operations and begin to earmark necessary expenditures. This will enable the Company to reduce climate-related risks, decrease our operational emissions inventory, and support the broader decarbonization of our customers. For more information on our existing short-term targets, see our Targets section.

As a technology provider, we hold an opportune and unique position in the market to aid many industries with decarbonization through our product portfolio. Our products — semiconductors and passive electronics — are used in virtually all types of electronic devices and equipment. Further, our business strategy is designed to promptly react to our customers' needs and evolving market trends through strategically placed application and product support centers, the breadth of our product portfolio, and the proximity of our field application engineers. This nimble operational model positions us to respond to market trends and shifts related to climate-related transitions.

In 2023, our executive management team developed a three-year roadmap to increase our manufacturing capacity and tailor go-to-market strategies to meet the growing demand for electrification in our key end markets. Over the next few years, we expect to experience significant business growth driven by accelerated electrification, including e-mobility, renewable energy, and connectivity.

As our business strategy evolves, we plan to invest approximately \$1.2 billion between 2023 and 2025 to expand our overall internal capacity. Specifically, in 2023, we invested \$329.4 million in property and equipment, primarily outside of China.

### Vishay's Key End Markets



Aerospace



Automotive



Computing



Consumer



Industrial



Medical



Military



Telecoms

\* We do not track the capital expenditures of coal-, oil-, or gas-related economic activities as they are not a key business segment. Therefore, no CapEx was allocated to these economic activities.

## Climate Change Management Strategy (cont.)

The Company strives to responsibly manage our resources, including consumption of energy and materials. Further, we seek to reduce our GHG emissions within our operations to continually improve the sustainability of our products and processes. Our Scope 2 emissions accounts for approximately 90% of our Scope 1 and 2 emissions. To manage this, the Company is in the discovery phase of procuring a higher volume of renewable energy into our overall energy mix, including the generation of our own renewable energy through solar panel installation.

### Targets

The Company has set three energy and climate-related goals to aid in our decarbonization and climate-risk management efforts.

1. Develop a local decarbonization roadmap by the end of 2025
2. Reduce Scope 1 & 2 emissions by **30%** by 2025, compared to a 2018 baseline
3. Calculate Scope 3 emissions inventory by the end of 2024

These targets have been set as the Company strives to reduce its carbon footprint. Our 30% reduction goal with a 2018 baseline, averages to 3% reduction per year through 2025. In 2023, the Company has reduced Scope 1 and 2 emissions by 25% since 2018. The Company attributes this success to our continuous monitoring and proactive deployment of our energy efficiency efforts, which focuses on identifying emissions sources, tracking data, and pinpointing opportunities for energy conservation and efficiency improvements across our operations. We selected our baseline year as the earliest date with complete information reflective of the current state of the Company (i.e., operations, product lines, etc.). To further our emissions reduction, the Company is developing a climate transition plan that will outline decarbonization strategies to further reduce emissions in 2030 and 2050.

## Scope 1-2 Greenhouse Gas Emissions (tCO<sub>2</sub>e)

	Emissions				2023 Reductions (Compared to 2018 baseline)	
	2018 (baseline year)	2021	2022	2023	Absolute Reduction	% Reduction
Scope 1	31,244	34,099	29,928	32,864	(1,620)	-5%
Scope 2 (Market-based)	400,019	353,584	294,401	289,804	110,215	28%
Scope 2 (Location-based)	400,019	344,541	342,720	346,494	53,525	13%
Scope 1 & 2*	431,263	387,683	324,329	322,668	108,595	25%
Scope 1 & 2 Intensity (tCO <sub>2</sub> eq/Net Revenue (\$M))	142	120	93	95	-	33%

\* The cumulative Scope 2 emissions are market-based.

For further breakdown of our GHG emissions, please refer to pg. 14-16 of this report.

These targets enable the Company to reduce our operational risk and environmental impact. As we reduce our emissions, we therefore become more competitive in the market as our products' embedded carbon decreases respectively. Our emission reduction goal enables us to remain competitive in the market as our customers aim to reduce their Scope 3 emissions. Further, our commitment to reducing our energy consumption and decarbonizing operations will reduce our operational costs and assist with future compliance with carbon-related regulations, such as taxes or caps.

## Energy and Emissions Metrics

## 2023 Energy Consumption

Line	Metric	Comparative	Unit
<b>Energy consumption and mix</b>			
1	Fuel consumption from coal and coal products	0	MWh
2	Fuel consumption from crude oil and petroleum products	3,436	MWh
3	Fuel consumption from natural gas	117,126	MWh
4	Fuel consumption from other fossil sources	0	MWh
5	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	478,357	MWh
6	Total fossil energy consumption (calculated as the sum of lines 1 to 5)	598,919	MWh
<b>Share of fossil sources in total energy consumption</b>		<b>76%</b>	-
7	Consumption from nuclear sources	70,703	MWh
<b>Share of consumption from nuclear sources in total energy consumption</b>		<b>9%</b>	-
8	Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0	MWh
9	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	127,101	MWh
10	The consumption of self-generated non-fuel renewable energy	675	MWh
11	Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	127,776	MWh
<b>Share of renewable sources in total energy consumption</b>		<b>16%</b>	-
<b>Total energy consumption (calculated as the sum of lines 6, 7 and 11)</b>		<b>797,398</b>	<b>MWh</b>

**Greenhouse Gas Emissions**

Base year	Retrospective			Milestones & Target Years*	
	Current Year: 2023	Baseline Year: 2018	Change from Baseline	2025	Annual % target / Base year
<b>Scope 1 GHG emissions</b>					
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	32,864	31,244	5%	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	-	-
<b>Scope 2 GHG emissions</b>					
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	346,494	400,019	-13%	-	-
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	289,804	400,019	-28%	-	-
<b>Total GHG emissions</b>					
Total GHG emissions (market-based) (tCO <sub>2</sub> eq)	322,668	431,263	-25%	30% reduction from baseline	84% towards achieving target

\* The Company does not have long-term targets for emissions reductions (i.e., 2030 and 2050) at this time.

**GHG intensity based on net revenue**

GHG Intensity per Net Revenue	Current Year: 2023	Baseline: 2018	Change from Baseline
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/Net Revenue (\$M))	111	142	-22%
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/Net Revenue (\$M))	95	142	-33%

**GHG intensity based on net revenue**

Net revenue used to calculate GHG intensity	\$3,402,045,000	\$3,034,689,000	-
Total net revenue (in financial statements)	\$3,402,045,000	\$3,034,689,000	-

**Accounting Overview**

Vishay utilizes the guidance provided by the IPCC Guidelines for National Greenhouse Gas Inventories, 2006 and The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) to calculate our GHG emissions inventory. We also calculate using an operational boundary. Further, the Company did not sell or purchase any contractual instruments or energy unbundled/bundled for energy generation. The Company is currently working on the calculation of its Scope 3 emissions inventory. Once finalized, the Company will make our Scope 3 data publicly available to our stakeholders.



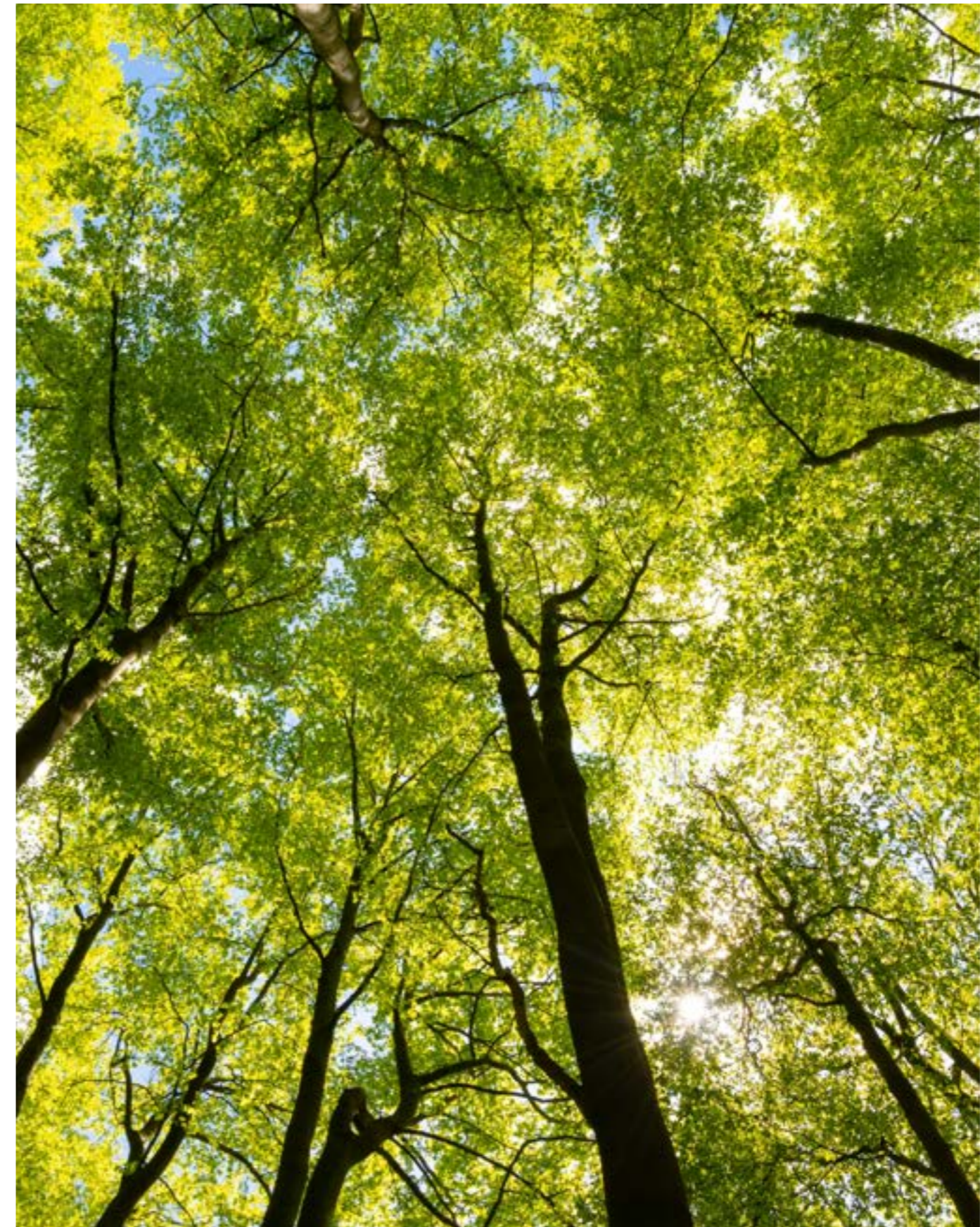
# POLLUTION

Our operations produce emissions and substances which have the potential to be harmful to the environment and living organisms. As an organization, Vishay monitors contributors to pollution within our direct operations and across the value chain to determine where we can mitigate these effects.

## Vishay’s Material Impacts, Risks, and Opportunities related to Pollution

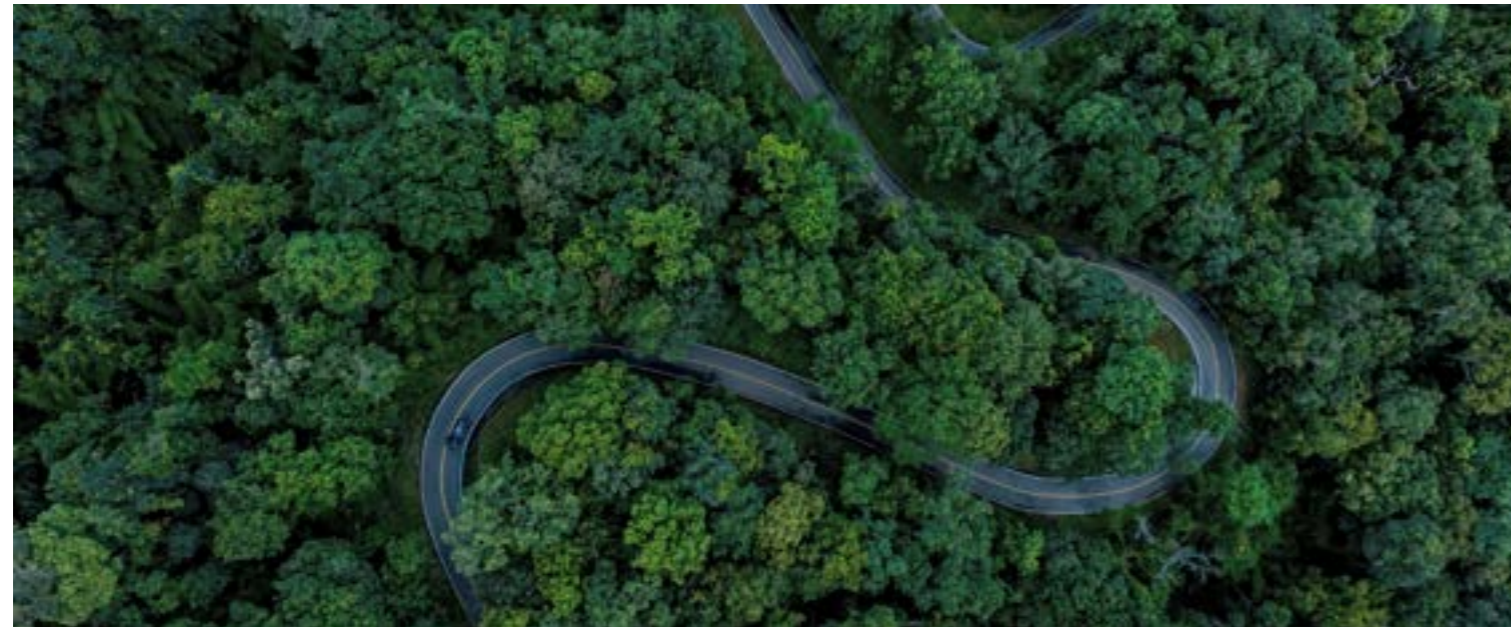
Pollution of Air	
Air pollution	Impact, Risk
Pollution of Water	
Water pollution	Impact, Risk
Pollution of Soil	
Soil pollution	Impact, Risk
Pollution of Living Organisms and Food Resources	
Pollution of living organisms and food	Impact, Risk
Substances of Concern	
Substances of concern (Direct Operations)	Risk
Substances of concern (Downstream)	Impact
Substances of Very High Concern	
Substances of very high concern (Direct Operations)	Risk
Substances of very high concern (Downstream)	Impact

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



## Pollution Policies and Oversight

Pollution is overseen by Vishay's EVP, Chief Administrative and Legal Officer, who manages the EHS program and reports to our President & Chief Executive Officer, who reports to the Board. The Company's Vice President of EHS is tasked with managing and executing the Company's EHS program, which manages pollutants, substances of concern, and substances of very high concern. The EHS organization includes professionals with expertise in environmental, health, and safety across our facilities, reporting functionally to Regional Directors, who report to the Vice President of EHS. In addition to Vishay team members, the EHS team is supported by a network of external EHS consultants and legal resources, as appropriate.



At each facility, the Company deploys management systems through a systematic verification process to ensure continuous improvement around environmental performance. This system allows for the identification and mitigation of pollution-related risks to the environment, people, and property. Further, the Company maintains ISO 14001 certifications in all manufacturing facilities. On a continuous basis, the Company audits each facility and monitors key EHS measurements for compliance with Company environmental goals. The audit results are reviewed by the EHS team.

Our environmental management program is governed by our [Environmental, Health, and Safety Policy](#), which details environmental responsibility for each level of management and employee at Vishay around pollution management. The Policy is reviewed annually for necessary revisions and is implemented with direct accountability to the Board of Directors. In 2023, the Company updated the policy to ensure comprehensive and up-to-date governance of the Company's EHS-related risks, impacts, and opportunities. Further, Vishay is a Responsible Business Alliance (RBA) member and therefore has implemented the RBA Code of Conduct, which can be found [here](#). The RBA Code of Conduct governs our commitment to managing and tracking our GHG emissions and energy consumption. In addition, our manufacturing operations are subject to various federal, state, and local laws governing our materials handling, management, and disposal.

In addition to the Policy, our environmental management program is overseen by our Nominating and Corporate Governance Committee which directs the Company's ESG program, including climate-related initiatives. The Committee reports to the Board regularly and meets at least twice a year. Additionally, Vishay has established a Sustainability Committee appointed by the Board. The Committee assesses climate-related risks and opportunities and reports findings to the executive leadership. They are also tasked with monitoring climate-related data per site and setting environmental targets.



## Pollution Management Strategy

We design our products, processes, and facility operations to minimize the generation of hazardous and non-hazardous wastes at our facilities and to prevent or eliminate pollution. We manage and dispose wastes that occur during production safely and responsibly.

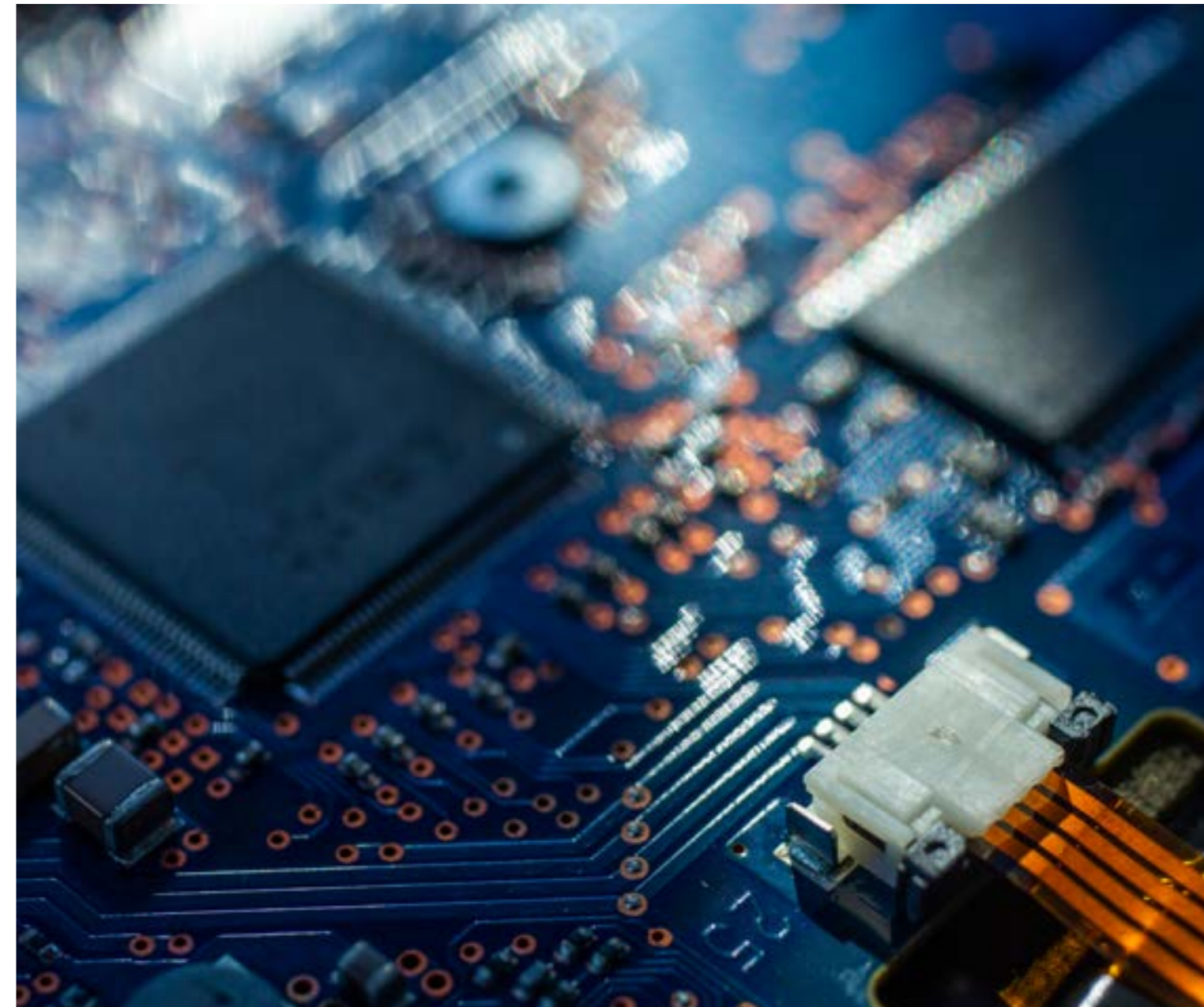
EHS team is committed to complying with environmental laws and regulations across the goods we produce. We diligently adhere to appropriate treatment and disposition processes for our waste management to ensure we reduce our impact on the environment. The Company complies with local and regional environmental laws and regulations. Further, we have internal processes and procedures to manage our operational generation, storage, treatment, and disposition of hazardous waste. We provide our employees training on waste management, including reporting procedures to properly report any pollution-related issues they become aware of.

Across all of our operational regions (Americas, Europe, Israel, and Asia), we aim to manage and reduce pollutants, where possible, across operations. All of our operational regions are managed by an Environmental, Health, and Safety (EHS) manager who reports to our Vice President of EHS and is responsible for overseeing facilities' management pollution and substances of concern.

Vishay promotes effective, consistent practices to minimize and eliminate pollution by conducting periodic audits of compliance with relevant laws, regulations, and requirements. Further, the Company promptly implements plans into EHS management systems for any identified corrective and preventative actions. In addition, we maintain open communication with employees, governmental agencies, suppliers, contractors, customers, and industry groups.

Vishay strives to minimize the generation of hazardous and non-hazardous wastes at our facilities to prevent or eliminate pollution through the design of products and processes and in the operation of our facilities.

Vishay aligns closely with the waste management and pollution control principles under the RBA Code of Conduct to minimize or eliminate the discharge of pollutants at the source by modifying production, maintenance, and facility processes and introducing pollution control equipment into operational processes. In addition, our company diligently upholds compliance with local environmental health and safety laws and regulations in all operating locations.



## Pollution Metrics

As of December 31, 2023, the Company has accrued environmental liabilities of \$12,430,000. Of this amount, \$2,936,000 is included in other accrued liabilities, and \$9,494,000 is included as other noncurrent liabilities on the accompanying consolidated balance sheet. The Company is not aware of notable operating or capital expenditures in conjunction with major incidents and deposits of pollution.

## WATER AND MARINE RESOURCES

Our manufacturing requires water as a significant input to our operations. As such, Vishay strives to effectively manage and conserve our water consumption. Further, we are diligent in the responsible treatment and disposal of utilized water resources.

### Vishay's Material Impacts, Risks, and Opportunities related to Water

#### Water Consumption

Water Consumption	Risk
Water Consumption	Risk

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.

### Water and Marine Resources Policies and Oversight

This Company is committed to the management and ongoing improvement of water consumption and disposal. Our water management program is governed by our [Environmental, Health, and Safety Policy](#). The Policy details our commitment to environmental protection and corporate responsibility for each level of management and employee at Vishay. Most notably, the Policy directs responsible resource consumption and the protection of the communities and ecosystems near our facilities. Additionally, the Company maintains ISO 14001 certifications in all manufacturing facilities. This operational standard provides an overall environmental management system, including a comprehensive approach to addressing water quality, safety, and emergency preparedness.



## Water and Marine Resources Management Strategy

The Company aims to manage its water consumption across its operations. All of our operational regions – Americas, Europe, Israel, and Asia – are managed by EHS Regional Directors. They are responsible for overseeing facilities' management of water consumption, treatment, and disposal in their regions. The Directors report to our Vice President of EHS and Operation Directors.

At the corporate level, we conduct an annual, comprehensive water management survey of all facilities. This presents a data-driven approach to assessing and planning for further improvements, as feasible. In 2021, we conducted a formal outreach program, which included a status survey completed by all sites globally on operational water consumption. This survey informed a five-year water conservation and recycling program designed to optimize water consumption efficiency.

Our manufacturing operations require a high volume of water and subsequent treatment and disposal. Further, our production requires a high level of water purity. Water contamination can result in production disruption and damage to product lines. Our team is proactively developing and testing new solutions to increase the feasibility of utilizing recycled water at the required purity level. Water recycling needs to be completed with a high level of control, and therefore use case varies by operational region. We are also actively managing our water disposal to ensure we are returning water in a healthy state.

Further, the Company's production can be disrupted by the unavailability of resources, such as water. The unavailability or reduced availability of these resources could require the Company to reduce production or incur additional costs, which would negatively impact the Company. As such, we also actively manage our water accessibility where regulations may impact our productions. We have invested in solutions to store water reserves if supply is interrupted for various causes.



### Targets

The Company is committed to finding solutions to reduce its water consumption volume. As such, we have set one clear goal focused on water management:

1. Recycle at least **15%** of wastewater by **2030**

This goal poses a significant gain for the Company's overall water consumption and operational costs as technologies and processes improve to reach necessary water purity in recycling processes. Further, this goal will improve our water withdrawal and discharges as we reuse higher volumes of water.

## Water and Marine Resources Metrics

Metric	2023 Data	Unit
Total water consumption	895,484	m <sup>3</sup>
Total water consumption in areas at water risk, including areas of high-water stress*	333,578	m <sup>3</sup>
Water intensity ratio	263	m <sup>3</sup> / net revenue (\$M)

\* Areas of high-water stress identified using Aqueduct Water Risk Atlas

## CIRCULAR ECONOMY AND MATERIAL USE

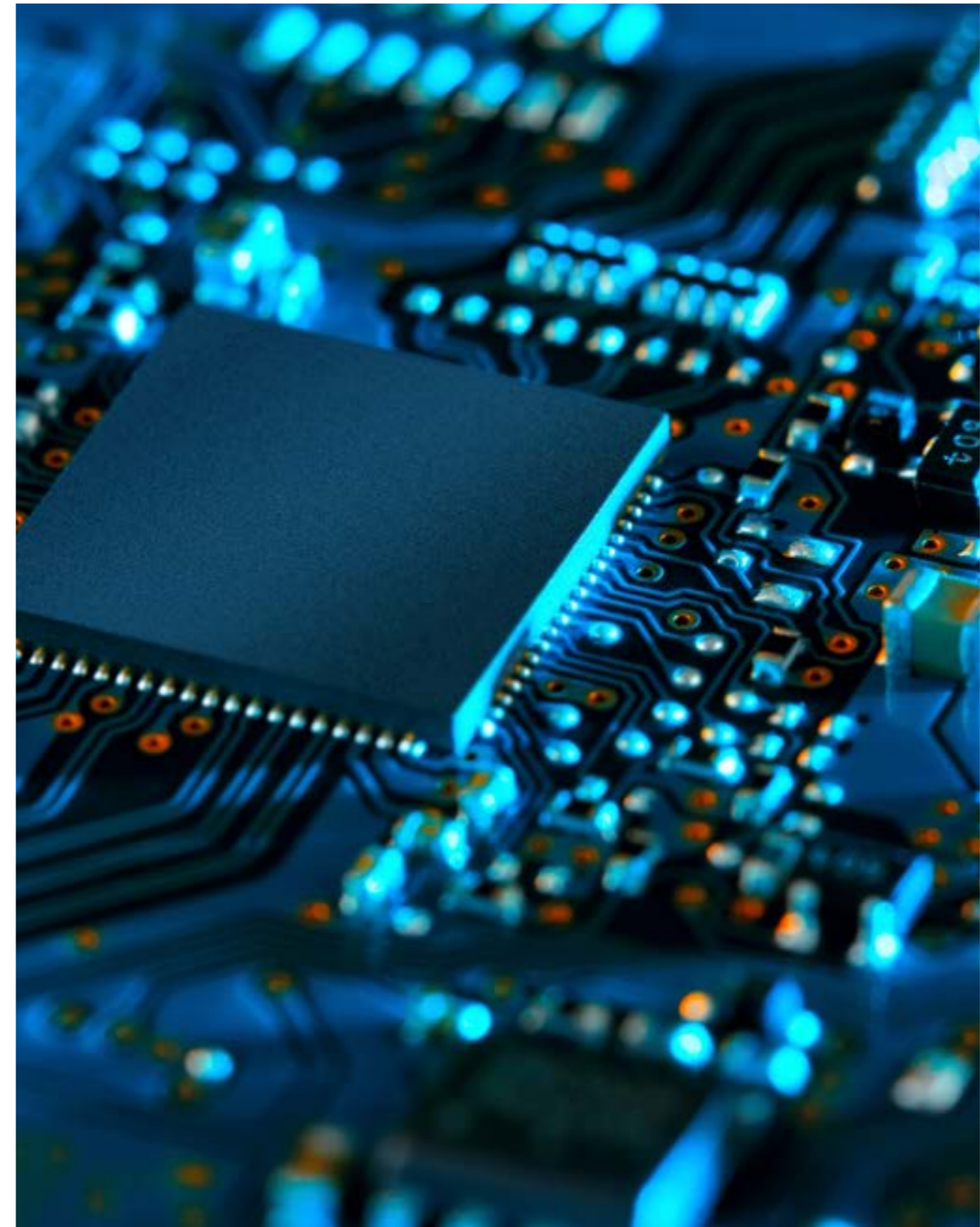
Our Company is committed to managing our resource inflows and outflows with a keen awareness of our environmental impact. As we support the transition to a more circular economy, we actively seek opportunities to enhance our resource and waste management practices. We strive to be responsible stewards of all materials flowing in and out of our operations, including managing hazardous waste and integrating recyclable plastics and other sustainable materials into our product design, production, and packaging.

With operations spanning the globe, we ensure compliance with local regulations and focus on implementing a streamlined global database to track our resource inflows and outflows. We closely monitor international regulations on plastic packaging and continually develop our capabilities to provide detailed product information, such as raw material, renewable material inputs, and recyclable product components, to support our customers' environmental goals.

### Vishay's Material Impacts, Risks, and Opportunities related to Waste

Resources Inflows, including Resource Use	
Resource inflow tracking	Opportunity
Resource Outflows Related to Products and Services	
Resource outflows & product footprint	Opportunity
Disposal of Hazardous Waste	
Hazardous waste disposal	Impact, Risk
Recyclable Plastics	
Recyclable plastics regulation	Risk
Recyclable plastics market opportunity	Opportunity

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



## Circular Economy and Material Use Policies and Oversight

Our Environmental, Health, and Safety (EHS) Policy outlines overarching guidance for our resource management, ensuring compliance with environmental laws and promoting the safe management of hazardous materials to protect both our employees and the environment. Specifically, the Policy emphasizes:

- Promoting the recycling of materials, including hazardous wastes, whenever possible.
- Minimizing the generation of hazardous and non-hazardous wastes at our facilities to prevent or eliminate pollution.
- Managing and disposing of waste safely and responsibly.

This policy is implemented with direct oversight of the Board of Directors. Vishay's EVP, Chief Administrative and Legal Officer oversees the management of materials outflows with the Vice President of EHS responsible for global operations. The Vice President is supported by regional EHS Directors who manage their respective regional sites. Across our four operational regions, we have managers responsible for EHS who work closely with site managers to oversee waste generation, recycling, treatment, and disposal. Additionally, our manufacturing operations comply with various federal, state, and local laws regulating the discharge of materials into the environment.

## Circular Economy and Material Use Management Strategy

Our product portfolio encompasses two primary categories: semiconductors and passive components. Semiconductors include MOSFETs, diodes, and optoelectronic components, while passive components comprise resistors, inductors, and capacitors. Given the distinct nature of these products, their resource inputs and waste outputs also vary. Waste components are generally divided into hazardous and non-hazardous waste. We also collect recyclable materials separately at the plant as possible. These include wood, paper and cardboard, scrap metal, copper scrap, ceramics, and construction waste.

### Key Waste Components in Resistor Manufacturing

Hazardous Waste	Non-Hazardous Waste (including recyclable material)
Nitric acid, Solderon	Sortable waste
Electroplating slurries	Paper / Cardboard
Solvent	Wood / Bulky waste
Cleaning cloth	Scrap
	Removal ceramics

The Company maintains ISO 14001 certifications in all our manufacturing facilities. This operational standard provides a comprehensive environmental management system that addresses waste-related data and events. Site managers and local responsible EHS Directors utilize this system, working closely with the finance department to collect resource inflow and outflow information through the Local Waste Balance Report, which is reported annually at the local and global level.



## Circular Economy and Material Use Management Strategy (cont.)



The Local Waste Balance Report includes detailed breakdowns of waste types, designations, quantities, and disposers. When reporting waste, we calculate the total waste generated in weight, including both hazardous and non-hazardous waste, and identify the corresponding weights that were disposed of, recycled, or sent for thermal recycling.

We provide specific guidance and trainings for our employees to responsibly manage the handling, storage, inspection, and labeling of hazardous waste, and the precautions needed to protect their own health and safety. Additionally, we engage in auditing our facilities on a continuous and regular basis. We developed a standardized audit checklist which includes the following key categories:

- **Waste Minimization:** Verifying the existence and effectiveness of waste reduction plans, including targets, procedures, and internal audits.
- **Recycling:** Evaluating recycling programs for recyclable materials, tracking quantities, and measuring cost savings.
- **Hazardous Waste Management:** Verifying hazardous waste lists, disposal procedures, and on-site management practices. Ensuring all waste is sent to authorized disposal companies.
- **Recordkeeping:** Ensuring accurate records of waste generation, management, and disposal

The Company engaged environmental consultants and attorneys to assist management in evaluating potential liabilities to tangibly understand and proactively mitigate the financial impacts of material risks related to hazardous waste, which can include violations and fines. Management assesses environmental exposure on a site-by-site basis, including those sites where the Company has been named as a “potentially responsible party”. Key factors of these assessments include the Company’s share of remediation costs, the size of the hazardous waste sites, their years of operation, and the number of past users and their financial viability.



To support the transition to a circular economy, we are proactively monitoring evolving global regulations around recyclable plastics and exploring opportunities to phase out or minimize non-reusable plastics in our products and packaging. We continuously seek more sustainable packaging designs and aim to increase the recycled materials component in our products and packaging.

Additionally, we are expanding our Scope 3 emissions data collection and calculations to incorporate waste-related emissions, furthering a more transparent and comprehensive understanding of our environmental footprint.

## Circular Economy and Material Use Management Strategy (cont.)

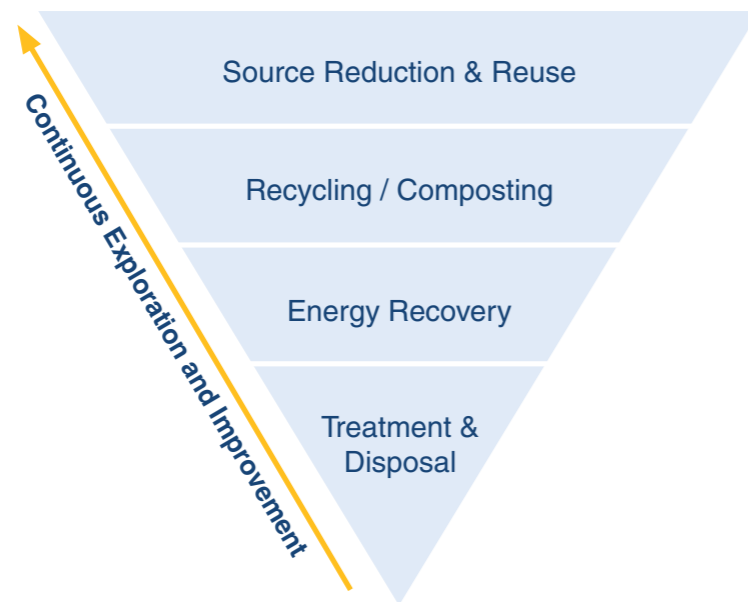
### Targets

With confidence in our resource management system, we strive to enhance our recycling capabilities in the coming years. **We voluntarily established an internal aspiration that less than 50% of our waste worldwide should be landfilled by 2030.** By reducing the amount of waste sent to landfills, we aim to conserve resources through recycling, reuse, or recovery, thereby extending materials' lifespan and aligning with the circular economy principle of keeping resources in use for as long as possible.

We also leverage this target to track the effectiveness of our policies and actions, ensuring progress in recycling materials. This also allows us to stress-test our systems for recording and reporting the amounts of waste that are reused, recycled, composted, incinerated, landfilled, or stored on-site across our global operations.

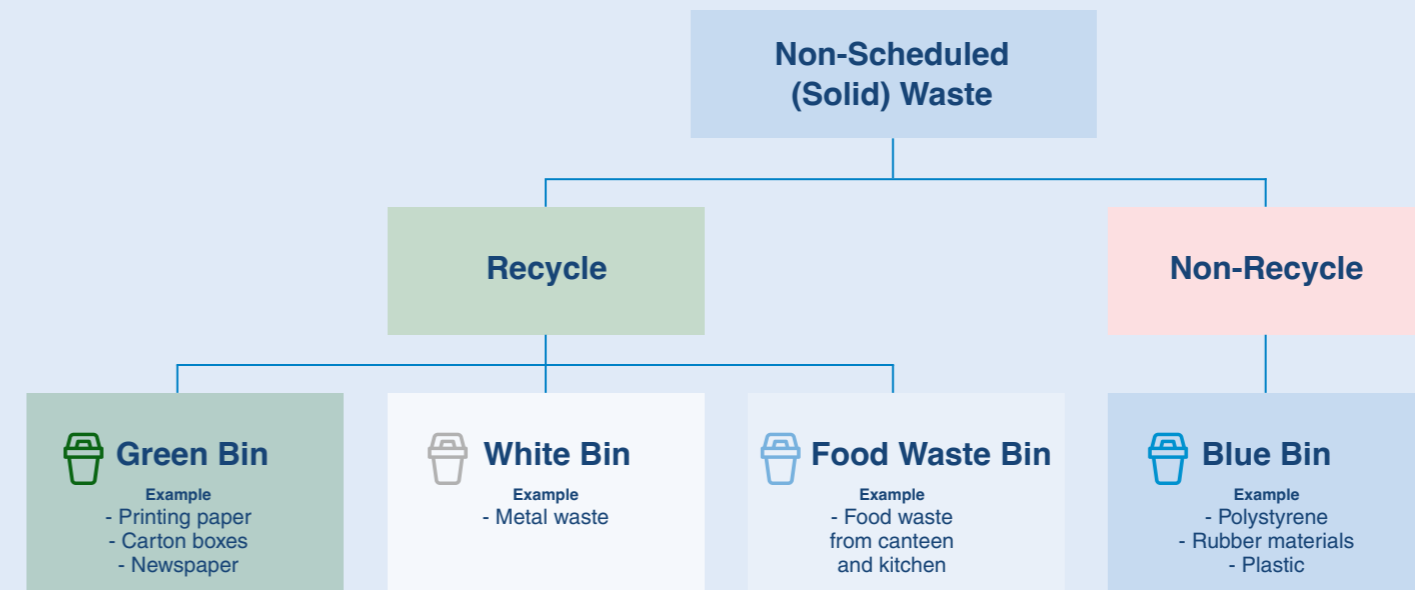
Our current focus is on the last phase of the waste hierarchy — Treatment & Disposal. Moving forward, we plan to explore further opportunities to increase our recycling capabilities and incorporate more recyclable materials into our product design and packaging.

### Waste Management Hierarchy



### Krubong Recycling Program Highlight - Vishay Semiconductor Malaysia

Vishay regional facilities have recycling and waste treatment programs tailored to meet local needs and requirements. Vishay Semiconductor Malaysia (VSM) continues to reduce solid waste sent to landfills through recycling and waste reduction efforts. This includes implementing on-site solid waste segregation using color-coded bins to streamline recycling efforts. Clear signage above each bin guides proper materials disposal. Employees are educated on VSM's solid waste management system during introductory and refresher EHS trainings.



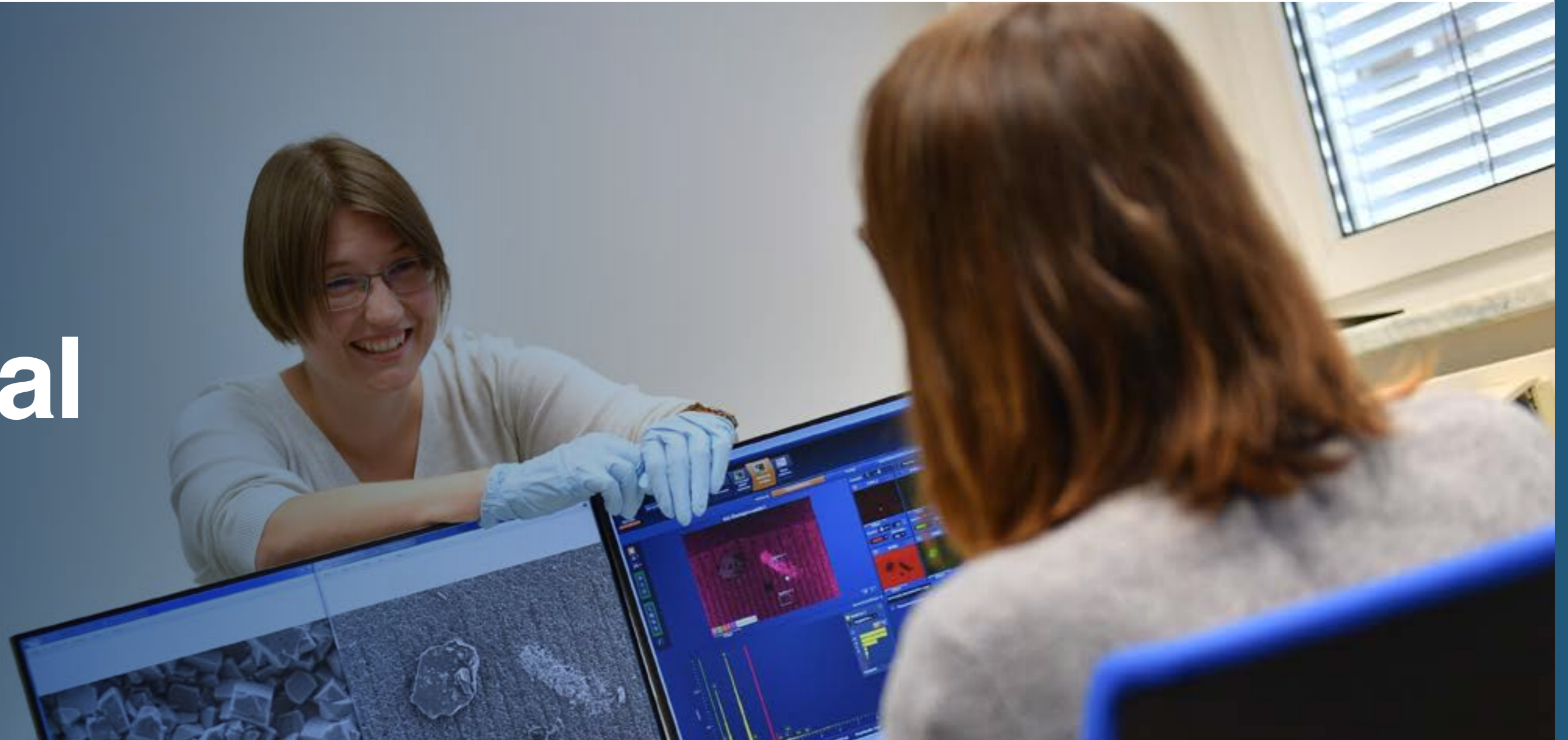
Sorted materials are then managed in partnership with third-party vendors for recycling and processing. For instance, kitchen food waste is diverted to an off-site organic perishable waste cycling facility, where it is transformed into valuable resources such as fish feed and organic fertilizer. Tracking reduction in waste sent to landfill in 2024 will help to evaluate the success of the recycling program.

## Circular Economy and Material Use Metrics

Metric	2023 Data	Unit
Total Waste generated	26,810	tons
Total amount of hazardous waste	14,624	tons
Total amount of Non-hazardous waste	12,186	tons
Total amount of radioactive waste	0	tons
Waste diverted from disposal	13,246	tons
Hazardous waste diverted from disposal	6,683	tons
Hazardous waste diverted from disposal due to preparation for reuse	552	tons
Hazardous waste diverted from disposal due to recycling	5,831	tons
Hazardous waste diverted from disposal due to other recovery operations	190	tons
Non-hazardous waste diverted from disposal	6,563	tons
Non-hazardous waste diverted from disposal due to preparation for reuse	292	tons
Non-hazardous waste diverted from disposal due to recycling	5,131	tons
Non-hazardous waste diverted from disposal due to other recovery operations	570	tons
Waste directed to disposal	13,564	tons
Hazardous waste directed to disposal	7,941	tons
Hazardous waste directed to disposal by incineration	993	tons

Metric	2023 Data	Unit
Hazardous waste directed to disposal by landfilling	407	tons
Hazardous waste directed to disposal by other disposal operations	6,291	tons
Non-hazardous waste directed to disposal	5,623	tons
Non-hazardous waste directed to disposal by incineration	1,361	tons
Non-hazardous waste directed to disposal by landfilling	1,968	tons
Non-hazardous waste directed to disposal by other disposal operations	1,548	tons

# Social



## OWN WORKFORCE

As a global company, the talent, experience, and diversity of our employees are tremendous assets at Vishay. To attract, retain, and develop top talent, we have implemented comprehensive policies, standards, and initiatives. By setting goals and tracking key metrics, we are committed to fostering an inclusive, safe, and welcoming environment where every employee can thrive and contribute to our shared success.

### Vishay's Material Impacts, Risks, and Opportunities related to Own Workforce

Employee Working Conditions	
Employee training	Impact
Return to work	Risk
Labor reporting	Risk
Talent Attraction & Retention	
Talent attraction	Risk
Talent retention	Risk

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



## Workforce Policies and Oversight

Vishay is committed to fostering a high-performance culture built on collaboration, inclusion, and support. We strive to empower our employees to thrive and grow with the organization. To achieve this, we have implemented a comprehensive framework of policies and initiatives.

Our core policies that apply to our global workforce include:

- **Ethics Code of Business Conduct (the Code):** Outlining the highest ethical standards, this Code guides employee behavior and decision-making.
- **Environmental Health and Safety (EHS) Policy:** Prioritizing employees' and contractors' well-being and safety throughout our business activities.
- **Non-Discrimination and Harassment Policy:** Promoting a fair and inclusive workplace, free from discrimination and harassment.
- **Responsible Business Alliance (RBA) Code of Conduct:** Aligning with international standards, this code ensures the protection of human rights, labor, and environmental practices.

Vishay is a proud member of the Responsible Business Alliance and is committed to the principles contained in the RBA Code of Conduct. The RBA Code of Conduct aligns with several internationally recognized instruments, such as the UN Guiding Principles on Business and Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. The Company's adherence to the RBA Code of Conduct guides responsible, ethical business conduct and mandated respect for human rights and the environment.

Specifically, we are committed to respecting the human rights of workers and treating them with dignity. This commitment applies to all workers, including temporary, migrant, student, contract, and direct employees, as well as our suppliers. The RBA Code of Conduct provides clear definitions and guidance on the following aspects within our workforce:

**Protecting human rights**, covering standards around the following topics:

- Prohibition of Forced Labor and child labor
- Working Hours
- Wages and Benefits
- Non-Discrimination/Non-Harassment/Humane Treatment
- Freedom of Association and Collective Bargaining

**Promoting a safe and healthy working environment**, including standards for the following topics:

- Occupational Health and Safety
- Emergency Preparedness
- Occupational Injury and Illness
- Industrial Hygiene
- Physically Demanding Work
- Machine Safeguarding
- Sanitation, Food, and Housing
- Health and Safety Communication

In addition to our commitment to the RBA Code of Conduct, we follow our established [Ethics Code of Business Conduct](#) (Code). We conduct training refreshers and require all employees to understand and comply with this policy. Within our Code, we clearly outline that the Company is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any kind of discrimination or harassment. The Company also will not tolerate any type of workplace violence. Any violations of the Code are not tolerated, and we have established a mechanism for employees to report any noncompliance behaviors without fear of retaliation. All reports of possible violations will be forwarded to the Company's Corporate Ethics Director. Due to our comprehensive policies and their implementation, we have observed no severe human rights issues or incidents connected to our workforce.

For further detailed guidance, the Company has also established a [Non-Discrimination and Harassment Policy](#) and our [EHS policy](#) to outline Company-wide guidance on providing a safe and healthy working environment for our employees and contractors working at our facilities.

## Workforce Policies and Oversight (cont.)

### How to Issue a Report or Inquiry at Vishay

All reports of conduct in violation of this Code and requests for clarification or questions of any type pertaining to this Code may be referred to any of the following:



Supervisor



Human Resources Manager



Division Manager



Regional Ethics Rep.



Legal Department



Corporate Ethics Director

#### The Corporate Ethics Director can be reached:

Via Vishay's Helpline 800-669-5256

By writing to: Corporate Ethics Director Vishay Intertechnology, Inc. 63 Lancaster Avenue Malvern, PA 19355

Via Email: [ethics@vishay.com](mailto:ethics@vishay.com)

Or report an ethics issue using the Ethics Incident Report form at [www.vishay.com/company/ethics/report/](http://www.vishay.com/company/ethics/report/)

*Our Whistleblower Procedure available at the bottom of the Vishay.com homepage is also another avenue to report potential unlawful behavior or practices.*



### Our Workforce and Oversight Structure

As of December 31, 2023, the Company employed approximately 23,500 full-time employees worldwide. Reflecting our global business, our executive management team and many leadership positions are distributed throughout the world.



As a global company, we value collaboration internationally and celebrate the diversity of our local cultures. A multi-level organizational structure allows Vishay to ensure consistency in global HR and EHS practices while accommodating cultural and legal differences at the local level.

Our Human Resources (HR) function is organized across four operational regions, each led by a Regional Vice President of HR, who reports to the Senior Vice President of HR. Within each region, Country-level HR Managers oversee compensation and benefits, talent management, and leadership development trainings and projects. The regional HR VPs collaborate closely with Country Management Coordinators, Employee Development VPs, Compensation & Benefits Managers, Global HR Business Partners, and HR Information Systems Managers to deliver comprehensive HR services globally. Similarly, to ensure the health and safety of our global workforce, we have dedicated regional EHS managers who collaborate with facility site managers to oversee employee health and safety and working conditions.



## Workforce Management Strategy

### Employee Working Conditions

We consider our relationships with employees to be positive, fair, and equitable. To ensure we are taking care of our employees and maintaining their health and safety in the workplace, we have implemented the following reporting and auditing practices to uphold our comprehensive health, safety, and human rights standards across our global operations:

- **Accident/Illness Report:** Every quarter, our regional EHS managers collect and report on the number and details of claimable cases, industrial accidents, performance indices, compensation, safety meetings, and other information relevant to each operational site.
- **Audit:** We conduct continuous and regular EHS audits at our sites, covering areas such as occupational hygiene, the use of personal protective equipment, industrial hygiene, respiratory protection, and more. We also assess risk management processes concerning the safety of our employees and contractors, as well as processes and equipment.
- **Compliance:** We adhere to international and regional regulations, and we meet both agency and customer audit requirements.

Additionally, many of our employees outside the United States are members of workers' councils or unions or are otherwise subject to collective bargaining agreements. Employees at one small U.S. facility, representing less than 1% of our U.S. workforce, are represented by a trade union.

### Targets

To further enhance the health and safety of our workplace, we have established the following internal goals to reduce incident rates:

- Maintain and control health and safety incident rates below 5 years comparable regional average for frequency and severity and create a plan to reduce incident rate
- Improve process for incident investigation and address 100% of incidents within 3 days

Our site manager, local HR manager, and EHS manager work closely to track metrics and report to our regional EHS and HR managers. They leverage our existing oversight framework to consolidate global data and keep our targets on track.

### Talent Attraction & Retention

Our employees are our most valuable asset as their talent and contributions are essential to our ongoing success. We continue to develop initiatives and enhance our practices to ensure we listen to employee feedback, support their career development, equip our leadership with evolving skill sets, and foster effective communication throughout our workforce.

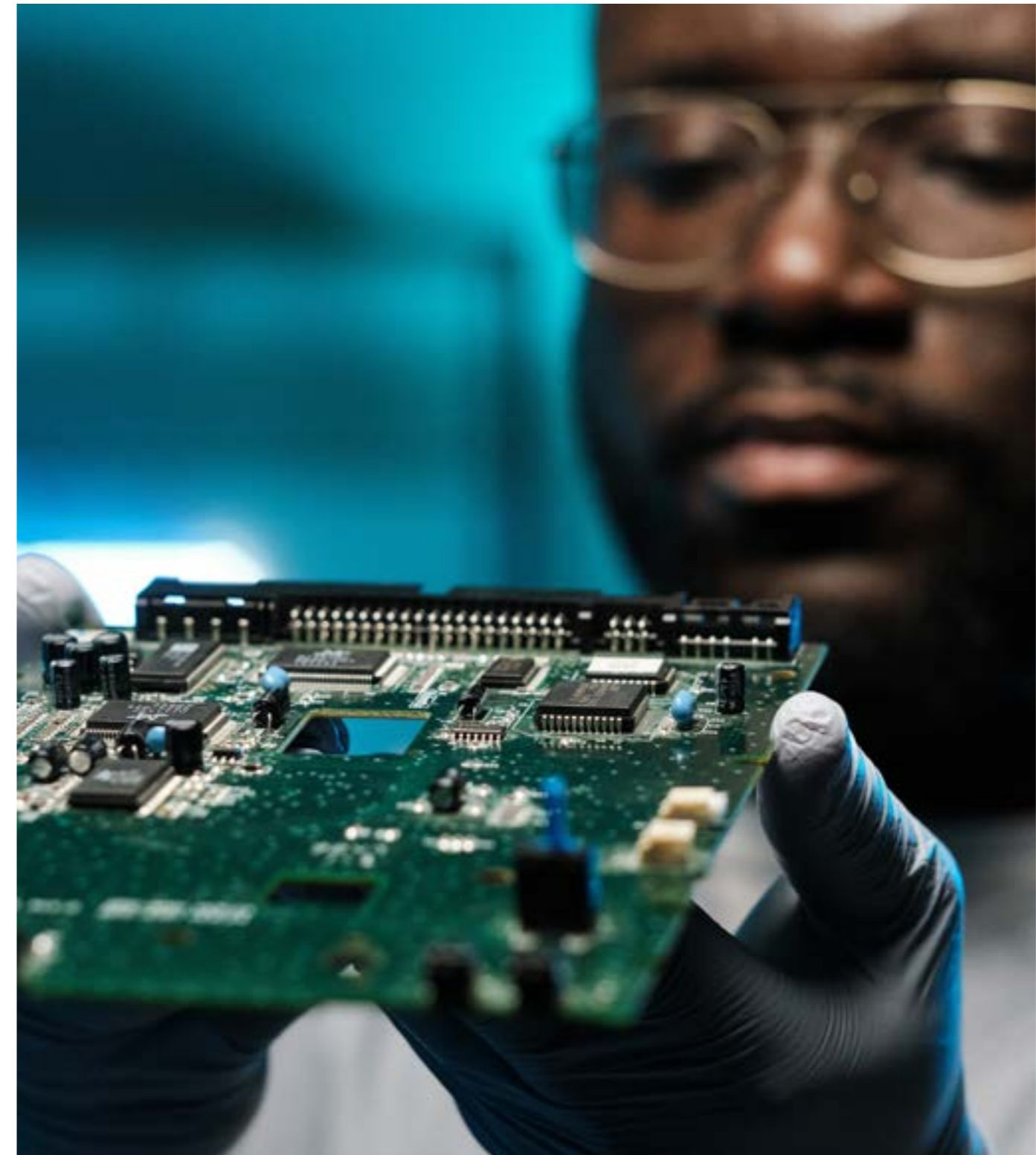
In 2023, we added resources to lead the global functions of Talent Acquisition and Total Rewards, refining our focus on attracting and nurturing key talent. We continuously invest in our people through diverse training offerings, networking opportunities, and a commitment to developing both life and professional skills. Some of our key strategies and practices include:

- **90-Day Onboarding Objectives & Onboarding Checklist:** Streamlined onboarding processes with clear guidelines for managers, supervisors, and new hires.
- **Managers Guide to Onboarding:** Tool for managers and supervisors to facilitate successful integration of new hires into their roles and into the Vishay community.
- **Annual Employee Benefits Guide:** Outline market-leading plans, benefit offerings and resources that cover a broad spectrum of care for the team members and their families.
- **Engagement Strategies Playbook:** Offers strategies and resources for leaders to create effective engagement plans and approaches to follow through on those plans.
- **Employee Engagement Survey:** An annual company-wide survey to gauge employees' sentiments around workplace diversity, work environment, career development, work-life balance, and more.

## Workforce Management Strategy (cont.)

Additionally, our Vishay Academy Program hosts global and regional standard trainings for our own workforce, including:

- **Leadership Development Program:** A 6-9 month program for managers to become future team leaders or grow in their leadership responsibilities.
- **Foundation of Leadership:** Courses and training designed to equip leaders with skills and tools to enable them to be the best leaders and managers possible. Includes a workshop to help new and aspiring leaders learn how to form relationships and networks, build their team, and increase their self-awareness.
- **Leadership Plus:** A series of advanced leadership trainings covering:
  - Leading and managing remote teams
  - Leading and managing in a matrix
  - Building on a leader's coaching and communication skills
  - Preparing talents to be better leaders equipped with higher competencies to drive business results
- **Influence & Communication Training:** A course that teaches skills for communicating when the stakes are high, opinions vary, and emotions run strong. The program is designed to support employees in building and establishing their personal brand to more effectively communicate and convey core messages.



## Workforce Metrics

Metric	2023 Data	Unit
Total Number of Employees (head count)	23,500	#
United States	2,400	#
People's Republic of China	7,300	#
Germany	2,300	#
Israel	2,300	#
Taiwan	2,000	#
Czech Republic	1,200	#
India	1,000	#
Other Europe	1,600	#
Other Americas	1,500	#
Other Asia	1,900	#
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	#
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0	#
Number of recordable work-related accidents for own workforce	165	#

Metric	2023 Data	Unit
Rate of recordable work-related accidents for own workforce	0.7	# of recordable work-related accidents / 100 employees
Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines	100%	-
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	\$
Number of complaints filed through ethics hotline for people in own workforce to raise concerns	30	#
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	\$
Number of severe human rights issues and incidents connected to own workforce	0	#

## WORKERS IN THE VALUE CHAIN

As one of the world’s largest manufacturers of discrete semiconductors and passive components, Vishay has an extensive upstream value chain that includes workers across the globe. Vishay is committed to ensuring that quality and safety standards are maintained throughout our supply chain by a well-treated and fairly compensated workforce in accordance with applicable laws. We believe that workers at supplier facilities have the right to freely choose employment and a workplace free of harassment and unlawful discrimination.

The nature of Vishay’s business model and value chain exposes the Company to risks associated with health and safety in the value chain. Vishay acknowledges these risks and has enacted comprehensive policies designed to protect the health and safety of workers in the value chain.

### Vishay’s Material Impacts, Risks, and Opportunities related to Workers in the Value Chain

Health and Safety in the Value Chain	
Health and safety in the value chain	Risk

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



## Value Chain Worker Policies and Oversight

Vishay's supply chain program is governed by our [Suppliers and Business Partners Code of Conduct](#) (The Code). The Code outlines the expectations of suppliers. All suppliers are required to acknowledge the Code upon the beginning of a partnership. Suppliers must comply with the guidelines outlined in the Code. Vishay holds the right to terminate the business relationship if suppliers fail to comply with the Code's guidelines. Vishay will use reasonable efforts to make its suppliers comply with the principles of our Suppliers and Business Partners Code of Conduct. Further, Vishay is a member of the Responsible Business Alliance (RBA). As a result, the Company expects all suppliers to comply with the provisions laid out in the [RBA Code](#).

### Working Conditions in the Value Chain

As outlined by the Code, Vishay's suppliers are also required to recognize the freedom of association of workers and are forbidden from preferring or disadvantaging members of employee organizations or trade unions. The Suppliers and Business Partners Code of Conduct requires suppliers to act in accordance with applicable statutory and international standards regarding occupational health and safety, provide safe working conditions, and provide training to ensure employees are educated in health and safety issues. Suppliers are also required to provide access to a protected mechanism for employees to report possible violations of the Code. Further details of labor rights protections in the value chain can be found in our Suppliers and Business Partners Code of Conduct and our RBA Commitment Statement.

The RBA Code of Conduct includes provisions for health & safety, which Vishay expects suppliers to comply with. The Code requires the identification, assessment, and mitigation of worker exposure to health and safety hazards and the use of gender-responsive measures, such as providing reasonable accommodations to nursing mothers. The Code also provides minimum requirements for emergency preparedness, including annual emergency drills. Suppliers are required to prevent, manage, track, and report occupational injuries and illnesses, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases and implement corrective actions to eliminate their causes, and facilitate the return of workers to work. Workers shall be allowed to remove themselves from imminent harm and not return until the situation is mitigated without fear of retaliation.

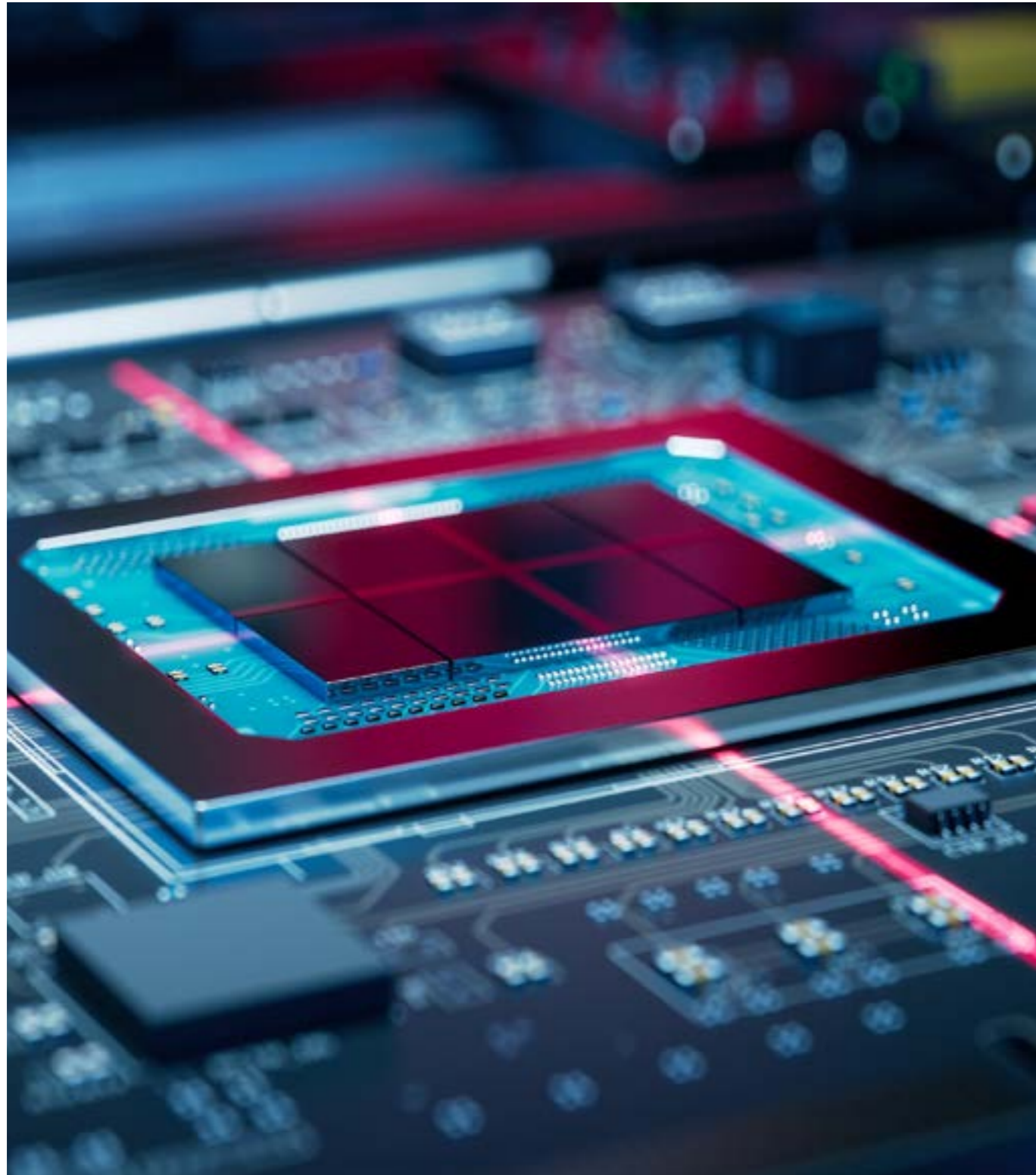
Through the RBA Code, suppliers are also required to identify, evaluate, and control worker exposure to chemical, biological, and physical agents. When hazards cannot be adequately controlled, workers should be provided with and use appropriate, well-maintained, personal protective equipment free of charge. The RBA Code also requires suppliers to assess and control the extent of physically demanding work that workers are exposed to, and periodically evaluate the safety of production and other machinery. The Code also requires suppliers to provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to. Also, workers are encouraged to raise any health and safety concerns without retaliation.

### Equal Treatment and Opportunities for All

The Suppliers and Business Partners Code of Conduct prohibits discrimination of employees and requires suppliers to promote equal opportunities and treatment of employees regardless of skin color, race, nationality, ethnicity, political affiliation, social background, disabilities, gender, sexual identity and orientation, marital status, religious conviction, or age. Suppliers also must refuse to tolerate any unacceptable treatment of individuals such as mental cruelty, sexual harassment, or discrimination, including gestures, language, and physical contact, that is sexual, coercive, threatening, abusive, or exploitative.

### Other Work-Related Rights

The Code explicitly prohibits forced labor and requires suppliers to neither use nor contribute to slavery, servitude, forced or compulsory labor, or human trafficking. The Code also prohibits child labor and sets requirements for employing young workers according to International Labour Organization (ILO) conventions. Vishay's Supplier Code of Conduct explicitly prohibits forced labor and requires suppliers to neither use nor contribute to slavery, servitude, forced or compulsory labor, or human trafficking. The Code also prohibits child labor and sets requirements for employing young workers according to ILO conventions.



## Value Chain Workers Management Strategy

Vishay has formal processes to engage with and remediate the concerns of workers in the value chain. Vishay conducts internal evaluations and procedures of its Environmental, Health, Safety, Human Resources, and Ethics policies. As stated in its RBA Statement, Vishay ensures that worker representatives are involved in the creation, auditing, and adapting of labor standards and ethical practices. As outlined in the Modern Slavery Act Disclosure Statement, Vishay's internal functions such as compliance and legal teams manage impacts and ensure ethical practices throughout the Company and its value chain.

Vishay discloses relevant information on its supply chain under the Company's [California Transparency in Supply Chain Disclosure](#), and is preparing for disclosures under the German Supply Chain Act. As stated, Vishay is committed to ensuring that quality and safety standards are maintained throughout our supply chain by ensuring fair and safe working conditions for its employees.

Vishay will discontinue contracts with suppliers and business partners that do not abide by the Code. The Company reserves the right to audit the suppliers and business partners for compliance with The Code, including site visits. Additionally, Vishay may request that suppliers and business partners self-certify compliance with the code.

### Metrics

While Vishay encourages its suppliers to establish their own targets to improve social, environmental, and health and safety performance, we do not currently require our suppliers to report on a uniform list of metrics related to sustainability impacts, risks, and opportunities.

## AFFECTED COMMUNITIES

As one of the world's largest manufacturers of discrete semiconductors and passive components, Vishay incorporates critical minerals, including 3TG (Tantalum, Tin, Tungsten and Gold) minerals into its products. Vishay takes various measures to facilitate the responsible sourcing of 3TG minerals and their supplements. In addition, the Company has implemented an extensive supplier due diligence process based on international due diligence frameworks.

Vishay can affect communities from which minerals are sourced upstream in the Company's value chain and where the Company has manufacturing facilities. Vishay is aware of the risks associated with negative impacts on communities, and we work to ensure responsible sourcing of conflict-free minerals to minimize negative impacts on communities.

The nature of Vishay's business model and value chain expose the Company to risks associated with communities' civil and political rights and the rights of indigenous peoples, particularly related to the procurement of minerals. Vishay acknowledges and understands these risks and strives to minimize negative impacts on communities and indigenous peoples from our value chain through the responsible sourcing of minerals, which involves working directly with suppliers to achieve this objective.

### Vishay's Material Impacts, Risks, and Opportunities related to Affected Communities

Communities' Civil and Political Rights	
Conflict minerals and human rights	Impact, Risk
Rights of Indigenous Peoples	
Conflict minerals and indigenous groups	Impact, Risk

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.





## Community Policies and Oversight

Vishay is committed to working towards the responsible and conflict-free sourcing of 3TG minerals. The Company's 3TG mineral sourcing practices are governed by our [Responsible Minerals Sourcing Policy](#). The policy details Vishay's commitment to working towards the responsible sourcing of 3TG minerals and their supplements that do not directly or indirectly contribute to armed conflict or human rights abuses in the Conflict-Affected and High-Risk Areas (CAHRA), including the Democratic Republic of Congo (DRC) or adjoining countries. Under the Responsible Minerals Sourcing Policy, Vishay will:

- 1 Exercise due diligence as specified in the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and related 3T and gold supplements as well as other minerals identified by Responsible Minerals Initiative (RMI) from time to time.
- 2 Source only from independently validated smelters.
- 3 Support and participate in industry groups such as the RMI in order to promote industry-wide solutions.
- 4 Commit to transparency by providing necessary reports and information to the U.S. Securities and Exchange Commission and customers.

Vishay's Responsible Sourcing Policy also extends to first-tier "in-scope" suppliers of 3TG, which are expected to:

- 1 Have a responsible mineral sourcing policy in place, exercise due diligence, and obtain CMRTs and other RMI-recognized declarations (IPC-1755) from their suppliers.
- 2 Have a supply chain of only independently validated smelters that are certified as Conflict Free.
- 3 Provide the necessary and most up to date industry standard declarations upon request.

Vishay, to the best of its ability, reviews all in-scope suppliers who fall out of compliance to determine the extent the Company will continue to conduct business with the supplier. Vishay will do its best to encourage its suppliers sourcing 3TG to disengage business with any smelters or refiners who are determined to be directly or indirectly financing armed groups that are perpetrators of serious human rights abuses. For the Company's suppliers sourcing 3TG who fail to cease their partnerships with the aforementioned smelters or refiners, Vishay will work towards disengaging business with such suppliers. Vishay is also working with its supply chain to expand the due diligence process to include other minerals, such as cobalt, to address any potential adverse impacts, including armed violence and exploitation of human rights associated with the mining/refining process.

As a member of the Responsible Business Alliance, Vishay is committed to upholding the human rights and ethical principles outlined by the RBA. The RBA draws on several different internationally recognized standards, including:

- |   |  |
|---|--|
| 1. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals                      | 5. Universal Declaration of Human Rights   |
| 2. International Labour Organization Fundamental Conventions                                  | 6. United Nations Convention Against Corruption  |
| 3. United Nations Guiding Principles on Business and Human Rights                             | 7. United Nations Convention on the Rights of the Child                                      |
| 4. International Labour Organization Declaration on Fundamental Principles and Rights at Work | 8. United Nations Convention on the Elimination of All Forms of Discrimination Against Women |
|   | 9. United Nations Global Compact   |

Due to our RBA membership, Vishay has committed to an extensive ethics and human rights policy specifically tailored to electronics companies, with a focus on our supply chain.

## Community Management Strategy

Vishay does not currently have a formal process to engage with affected communities. Local sites may engage directly with the communities based on existing relationships with the locale. Vishay considers the effects it has on communities throughout its value chain and works to minimize any negative impacts.

Vishay implements an overall strategy that combines supplier due diligence, employee education, and risk assessment tracking to source a supply chain that is DRC Conflict-free and safeguards human rights. The Company strives to source conflict-free minerals for all of its operations and is working towards responsible sourcing of minerals by monitoring their suppliers' compliance with the Responsible Minerals Sourcing Policy. Further, Vishay has designed a due diligence process to determine the source and chain of custody of conflict materials. This process was influenced by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The Reasonable Country of Origin Inquiry (RCOI) Process and the Due Diligence Process have a significant overlap. The process is designed to conform to the OECD Framework and Related Supplements for gold, tantalum, tin, and tungsten. As part of the Company's due diligence strategy, Vishay also uses a third-party software system to distribute, track, and assign risk assessment metrics to supplier responses.

## Community Metrics

Additionally, Vishay educates key personnel involved in the procurement process on the Company's Responsible Minerals Sourcing Policy and program. If agreed with the supplier, Vishay also provides training or meetings to communicate Vishay's expectations under the Company's policies to explain any issues that might arise.

Year	% Validated Conflict-Free Smelters
2013	49%
2022	95%
2023	99%

We incorporate policies such as the Responsible Minerals Sourcing Policy and Conflict Minerals Report as part of our management system for 3TG. The Company also communicates with in-scope suppliers and specifies its expectations through the following sources:

- 1 Vishay's Responsible Minerals Policy
- 2 Conflict Material requirements as part of new or renewed supplier agreements
- 3 Provide the necessary and most up to date industry standard declarations upon request.

Additionally, Vishay educates key personnel involved in the procurement process on the Company's Responsible Minerals Sourcing Policy and program. If agreed with the supplier, Vishay also provides training or meetings to communicate Vishay's expectations under the Company's policies to explain any issues that might arise.

# Governance

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## BUSINESS CONDUCT

As a global corporation, we have implemented a systematic approach to ensure compliance with local and international regulations and to conduct business with the highest ethical standards. By prioritizing integrity, transparency, and accountability, we build trust with our stakeholders, mitigate risks, and drive long-term value for our organization. Our Board of Directors and executive leadership play a crucial role in driving our sustainability strategy, overseeing our ethical conduct, and ensuring alignment with our business objectives.

### Vishay's Material Impacts, Risks, and Opportunities related to Business Conduct

Corporate Governance	
Corporate culture	Impact
Corruption and bribery	Risk
Management of relationship with suppliers	Risk
Stakeholder engagement	Opportunity
Board skills and diversity	Risk
Innovation and Intellectual Property (IP)	Risk

Sustainability-related impacts, risks, and opportunities listed above are reflective of initial risks and opportunities relevant to the industry and our operations which we continue to evaluate for financial and impact materiality ahead of CSRD compliance.



## Business Conduct Policies, Oversight, and Management Strategy

Our corporate governance practices and policies underpin our commitment to responsible and ethical business conduct. Vishay has published a comprehensive set of corporate governance-related documents on our website at [www.vishay.com](http://www.vishay.com).

### Our Business Conduct Resources



#### Corporate Governance

**Principles:** The principles and practices that the Board of Directors will follow in carrying out its responsibilities



#### Code of Business Conduct and Ethics

Outlined expectations of all employees reflecting what we believe to be ethically and legally correct business practices. The Code requires acknowledgement and compliance for all employees.



#### Code of Ethics for Financial Officers

Guidance to our Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer or Controller, and financial managers.



#### Suppliers and Business Partners Code of Conduct

Requirements and expectations of suppliers of materials and services to Vishay, including areas pertaining Human Rights and Labor Practices, Operating Practices, Environment and Safety Standards, Responsible Mineral Sourcing, etc.



#### Anti-Corruption Policy:

Outlines adherence to the U.S. Foreign Corrupt Practices Act "FCPA" and equivalent international laws. The FCPA prohibits bribery of foreign officials from the Company and its employee, agent, or representative.



#### Ethics Helpline & Whistleblower Policy

Documents procedure for filing complaints and expectation of our employees to report any suspected violations of company policy or unethical conduct to appropriate company personnel. All employees are protected from retaliation for reporting such matters in good faith.

### Other Governance Policies And Procedures



**Nominating and Corporate Governance Committee Policy Regarding Qualifications of Directors**



**Executive Stock Ownership Guidelines**



**Director Stock Ownership Guidelines**



**Clawback Policy**



**Hedging-Pledging Policy**



**Related Party Transactions Policy**

## Business Conduct Policies, Oversight, and Management Strategy

Our Board of Directors (Board) comprises 11 highly experienced directors from a wide range of industries, bringing diverse competencies, professional experiences, and backgrounds. This diversity contributes to a variety of viewpoints and perspectives within our Board. Read more about each member of our Board at our 2024 Proxy Statement.

The Board met eight times during the year ended December 31, 2023, and held regularly scheduled executive sessions with the independent directors. The Board maintains several committees, including the Executive Committee, Nominating and Corporate Governance Committee, Audit Committee, Compensation Committee, and Equity Award Committee.

Notably, our Nominating and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities related to ESG matters. This includes periodically reviewing and reporting to the Board on the Company's ESG policies, programs, and goals, as well as progress toward achieving those goals. The Committee also addresses issues related to corporate social responsibility, diversity, sustainability, philanthropy, and the impact of the Company's procedures and processes on employees, stockholders, citizens, and communities. The Committee meets at least twice a year and reports to the Board regularly.

### Our Board's Role in Risk Oversight



**Nominating and Corporate Governance Committee:** oversees corporate governance risks, including matters relating to the composition and organization of the Board and recommends to the Board how its effectiveness can be improved by changes in its composition and organization.



**Audit Committee:** reviews our policies and guidelines with respect to risk assessment and risk management, including our material financial risk exposures and cybersecurity risk, and oversees the steps management has taken to monitor and control those exposures.



**Compensation Committee:** considers risk issues when establishing and administering our compensation programs for executive officers and other key personnel.

Our committees routinely report to the Board on managing these risks. Management members responsible for risk management report directly to the Board or the relevant committee overseeing specific risks. Senior management regularly attends Board and committee meetings to address any questions related to risk management. The Board and its committees exercise risk oversight by evaluating reports from management and making inquiries into areas of interest.

On the management level, our corporate director of Ethics oversees business conduct globally and consolidate an Ethics report annually. Employees and relevant stakeholders can communicate their concerns through the regional Ethics Hotline and other channels to our regional ethics directors. We have dedicated ethics directors in the Americas, Europe, Israel, and Asia, who report to the corporate Director of Ethics at the global level. When appropriate, ethical issues are investigated independently, discussed at the executive level and may be brought to the Board. We also comply with regional requirements, such as the German Whistleblower Protection Act.

During the year of 2023, we experienced no public legal cases regarding corruption or bribery.

### Sustainability Oversight

In 2023, we appointed a Director of Sustainability & ESG and established a Sustainability Committee to oversee our sustainability efforts. This committee is responsible for guiding our ESG-related strategic initiatives, monitoring progress, and ensuring alignment with our sustainability goals across the organization.



## Business Conduct Policies, Oversight, and Management Strategy

Vishay recognizes that corporate governance practices are constantly evolving. To foster a cohesive and ethical corporate culture, we employ the following best practices, ensuring integrity and encouraging continuous improvement.

### Board Governance:

- Separate Executive Chairman of the Board and Chief Executive Officer roles.
- Require all directors to attend at least 75% of all meetings annually.
- Maintain significant stock ownership guidelines for directors, equal to five times the value of their annual cash retainer (subject to a five-year phase-in).
- Conduct annual self-evaluations of the Board as a whole.
- Allow unrestricted access for directors to management or employees.
- Ensure the Audit Committee is composed entirely of independent directors.



### Code of Conduct:

- Conduct ethics training for new employees, including those joining through acquisitions. Training sessions, often conducted by our Director of Ethics, cover the Business Code of Conduct, including prevention and detection of corruption or bribery.
- Ensure employees are aware of the Ethics Helpline and have access to guidance and policies.
- Regularly review our Code of Conduct to ensure its applicability and require employees' acknowledgment.
- Communicate and expect our suppliers to follow the Suppliers and Business Partners Code of Conduct and conduct continuous audits.
- No fund, services, or assets of any kind may be either contributed or loaned, directly or indirectly, to any political party or to the campaign of any person for political office, or expended in support of or in opposition to such party or person.
- Maintain an average of 31 days to pay invoices from date when contractual or statutory term of payment starts to be calculated.

## Business Conduct Metrics

Metric	2023 Data	Unit
Percentage of functions-at-risk covered by training programs	100%	-
Financial political contributions made	0	\$
In-kind political contributions made	0	\$
Financial and in-kind political contributions made	0	\$
Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated	30	Days
Percentage of payments aligned with standard payment terms	98%	-
Number of outstanding legal proceedings for late payments	0	#





The DNA of tech.®