

## **UK TAX STRATEGY**

### **UK Tax Strategy - Year ended December 31, 2018**

#### **Ecomal UK Ltd.**

This UK Tax Strategy applies to Vishay Intertechnology, Inc.'s ("Vishay") UK sub-group listed below, in compliance with paragraphs 19(2) under Schedule 19, Finance Act 2016:

UK Sub group under Paragraph 19(2)

- Ecomal UK Limited (head of the sub-group)
  - Europower Holdings Ltd.
    - Europower Components, Ltd.
  - E-Sil Components, Ltd.
    - Vishay Ltd.

Vishay is a leading global manufacturer and supplier of discrete semiconductors and passive components. Semiconductors include MOSFETs, diodes, and optoelectronic components. Passive components include resistive products, capacitors, and inductors. Discrete semiconductors and passive components are essential elements of virtually every type of electronic circuit. They support the microprocessor chips and other integrated circuits ("ICs") that coordinate and control the functions of electronic devices and equipment. We offer our customers "one-stop shop" access to one of the most comprehensive electronic component product lines of any manufacturer in the United States, Europe, and Asia.

Vishay's UK sub-group provides sales services and distribution for UK customers.

#### **Risk Management and Governance in Relation to UK Taxation**

Responsibility for Vishay's tax strategy and the management of its tax risks, along with the supporting governance, rests with its Chief Financial Officer under the direction and supervision of the Chief Executive Officer, and overseen by the consolidated group's Board of Directors. Vishay has tax policies and controls in place to implement the strategy and manage risk, which are monitored by Vishay's global tax team and regional financial personnel.

Vishay has operations in 37 countries and is exposed to a variety of tax risks. We endeavor to ensure the integrity of our reported tax numbers and to be in compliance with our tax obligations wherever we operate. Where a tax position or the tax consequence of a transaction is uncertain, Vishay may obtain third party advice to support the tax position ultimately taken in an attempt to minimize the risk assumed. Our tax strategy is subject to ongoing review by the CFO and team, under the direction and oversight as above, in the changing global tax environment.

### **Tax Planning in Relation to UK Taxation**

We consider that we have low tax risk tolerance and we seek to minimize the risk of uncertainty and tax disputes. The business needs are most important and we do not employ tax planning strategies that are not aligned with commercial needs.

### **Level of Risk in Relation to UK Taxation**

Our UK activities are limited in scope. We aim to be compliant with our responsibilities and when needed we will seek expert advice on specific tax issues that we are not able to handle internally. We seek expert advice from our accountants, tax advisors, and legal counsel before undertaking any major transaction such as, in recent years, an acquisition or group restructuring. We will only take a tax position if that position is more likely than not to be allowed under the applicable tax law.

### **Approach to Dealings with HMRC**

Vishay seeks to comply with its tax filing, reporting and payment obligations in a timely, accurate and transparent manner. This includes disclosing documents and information as requested in all communications with taxing authorities, including HMRC. On several occasions, we, through a third party acting on our behalf, have approached HMRC in advance of a transaction in order to gain clarity and avoid any dispute at a later date. We are committed to an honest and professional relationship with HMRC.

This strategy is adopted and published as of December 20, 2018.