

## DSP Group

### Labor & Human Rights Policy

#### **Introduction**

**DSP Group** ("**DSP Group**", "**the Company**", "**We**", "**Our**") is a global company that works to uphold the labor and human rights of its employees, suppliers, managers and directors. As such, the Company respects international human rights and labor standards as well as international laws. This, our Labor and Human Rights Policy ("the Policy") is a critical part of our commitment to fair and decent workplace values and signifies our commitment to treating our employee and non-employee workers with dignity, fairness and respect. The Policy applies to full-time, part-time and temporary employees, suppliers, agents, representatives, consultants, advisors and other independent contractors.

This policy is based on the Responsible Business Alliance's Code of Conduct and as part of this policy we have recognized the United Nations' Universal Declaration of Human Rights.

#### **A. Upholding and Implementing Our Code of Business Conduct and Ethics**

**DSP Group** published its Code of Business Conduct and Ethics ("the Code") on our [website](#) and requests all of our employees, managers and relevant internal and external stakeholders to acknowledge and uphold the standards of ethical conduct outlined in the Code. The purpose of the Code is to ensure that all of **DSP Group's** employees and those acting on behalf of the Company are aware of the standards of ethical behavior and integrity that are expected of them in their business dealings in the context of The Company, to ensure the ethical handling of actual or apparent conflicts of interest, to disclose full, fair, accurate, timely and understandable information in reports, documents and Company files, to comply in all material respects with applicable governmental laws, rules and regulations, to promptly and honestly report any potential violations of the Code, and to demonstrate full accountability for adherence with the Code. Overall, the Code outlines **DSP Group's** expectations with regards to personal behavior and respect for individuals. In addition, **DSP Group** ensures that the Code is implemented through compliance mechanisms and reporting procedures that are managed by the Director of Corporate Compliance, while also encouraging all of our stakeholders to openly and honestly report any potential violations, concerns or questions regarding the Code and its implementation. Furthermore, employees can anonymously submit grievances regarding the Code to **the Company's** VP of Human Resources.

This policy references the Code, but outlines our additional commitments regarding standards for upholding the labor and human rights of our employees and of our supply chain.

#### **B. Labor Commitments**

As a global company that hires a diverse and geographically dispersed workforce **DSP Group** is committed to upholding the basic and essential human rights of all of our workers and employees, which includes treating them with dignity and respecting them according to the standards and best practices adopted and understood by the international community. Such relevant international human rights commitments that we uphold for our employees and our suppliers include those standards outlined in the Responsible Business Alliance's (RBA) Code of Conduct, the United Nations' Guiding Principles on Business and Human Rights, the International Labor Organization's Declaration of Fundamental Principles and Rights at Work and the United Nations' Universal Declaration of Human Rights. In addition, we uphold all relevant local labor laws in our countries of operation and in many cases go beyond compliance.

The following details the various labor commitments that we uphold for our employees and suppliers.

a. Prohibition on Forced or Compulsory Employment or Labor

**DSP Group** is committed to ensuring that all work is voluntary in our Company and throughout our supply chain. We strictly prohibit forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons, which includes the transportation, harboring, recruitment, transfer, or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation or forced labor. Workers' or employees' movement shall not be restricted with regards to the Company facilities. Furthermore, workers and employees are provided with employment contracts in their native language. The agreements differ for each country of operation, but the terms and conditions are set according to the legal labor laws in that country and indeed often go beyond the legal requirements. As part of our employment contract, we ensure that the terms of employment are clear, as are the terms of termination of employment, which includes our commitment to not destroying, concealing, confiscating or denying access by employees to their identity or immigration documents (if relevant), such as government-issued forms of identification, passports or work permits, unless such holdings are required by law. In addition, employees and workers are not required to pay recruitment fees or other related fees regarding their employment, and when it is found that such fees have been paid, the worker shall be reimbursed.

b. Prohibition of Child Labor

We strictly prohibit the use of child labor at any stage of the manufacturing process.<sup>1</sup> Workers under the age of 18 (i.e. Young Workers) shall not perform any work that is likely to jeopardize their health or safety, including night shifts or longer hours than are permitted by local laws. We will cease work with all suppliers or subcontractors that are found to use child labor, and the relevant supplier will be required to take a number of steps in order to assure that it no longer engages in child labor practices henceforth.

c. Fair and Transparent Employment Practices

We work to ensure that the working hours of our employees do not exceed the maximum limits set by local laws, which includes ensuring that a workweek is not more than 60 hours per week. For instance, in our main country of operation, Israel, our full-time employees work 42 hours workweeks and are allowed flexible employment conditions based on certain personal or professional requests. In addition, all of our employees globally are entitled to time off and weekends.

Furthermore, all of our employees are afforded wages and benefits according, at least, to the minimum standards or better set up in our countries of operation. Compensation paid to workers complies in all material aspects with all applicable labor and wage laws, including those governing minimum wage, overtime hours and legally mandated benefits such as pension, retirement, health care and parental leave, among others. In compliance with relevant local laws, employees are compensated for overtime at pay rates that are greater than the regular hourly rates afforded by the law. Any temporary, subcontracted, temporary or outsourced employees are compensated according to a clearly defined contract and within the limits of the local law.

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<sup>1</sup> The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

d. Human Rights and Non-Discrimination in the Workplace and Conflict Minerals Commitment

As we work to uphold the highest standards of ethical behavior and human rights, we also ensure that there is no harsh and inhumane treatment of our employees including sexual harassment, abuse, corporal punishment, mental or physical coercion or verbal abuse, or that any threats are issued. These and other behavior expectations of our employees, including relevant disciplinary actions or procedures, are outlined in the Code.

We uphold a strict policy of non-discrimination in the workplace, including ensuring a workplace that is free of harassment. We do not engage in any forms of discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, protected genetic information or marital status in our hiring and employment practices including wages, promotions, rewards and access to training. All of our employees are provided with reasonable accommodations for exercising their religious practices.

We are committed to ethical sourcing and work to ensure that our suppliers uphold humane employment and sourcing practices. As such, we implement a Conflict Minerals Policy ("Conflict Minerals Policy") that outlines our commitments to sourcing our products responsibly and our expectation of suppliers to source materials from responsible sources. We have designed our conflict minerals reporting efforts to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Action ("Dodd Frank"), which requires that conflict minerals, i.e. columbite-tantalite (coltan), cassiterite, and wolframite (including their derivatives, tin, tantalum, tungsten), and gold (also known as "3TG"), and any other minerals and their derivatives be sourced from sources that do not directly fund conflict or inhumane activities in the Democratic Republic of the Congo or adjoining countries (i.e. "Covered Countries"). As such, **DSP Group** conducts thorough due diligence on our supply chain according to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas to ensure that none of the 3TG that is necessary for the production or functionality of our products originate from sources that may potentially fund or propagate human rights abuses.

e. Freedom of Association and Collective Bargaining

We respect the rights of all of our workers to organize collectively, in accordance with the local laws. Our employees are free to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly, while also respecting the rights of workers to refrain from such activities.

**C. Health and Safety Standards in the Workplace and For Our Suppliers**

a. Occupational Safety

We work to ensure that our workers and employees are not exposed to any safety hazards (e.g. chemical, electrical and other energy sources, fire, vehicles and fall hazards) and that any and all relevant hazards are identified, assessed and controlled for through proper design and management of health and safety risks. As such, we uphold a management system for ensuring engineering and administrative controls, preventative maintenance and safe work procedures, as well as safety training for our employees. Where relevant, all employees and workers are provided with the necessary protective gear or personal protective equipment and educational materials on how to use the equipment in order to address hazards.

b. Emergency Preparedness

We work to identify, assess and prepare for any emergency situation in order to minimize impacts and improve response times. This includes mechanisms for developing emergency reporting, notifying employees, developing evaluation procedures, implementing training and drills for employees, ensuring proper fire detection and suppression equipment, that exits are properly marked and that recovery plans are established.

c. Occupational Injury and Illness

We have procedures in place to prevent, manage, track and report on relevant occupational injuries and illnesses including promotion of casualty reporting, classification and reporting of injuries and illnesses, provision of necessary medical equipment, investigation of cases and implementation of corrective action plans, and facilitation of speedy return to work for our employees.

d. Facilities for Our Employees

Workers and employees are provided to access to clean toilet and sanitation facilities, potable water and sanitary food preparation, storage and eating facilities (where relevant). Furthermore, we work to ensure that workers are not exposed to any potential environmental health risks such as chemical, biological or physical agents, which are regularly identified, evaluated and controlled for through a hierarchy of controls that is administered by the Company. Hazards are maintained through our management system, and when it is determined necessary, employees are provided with the necessary personal protective equipment in order to address the risk or hazard.

e. Communication on Health and Safety Matters

We strive to provide our employees and workers with the appropriate workplace health and safety information and training, in their native language, so that all can understand the identified workplace hazards that employees may be exposed to. These hazards include, but are not limited to, mechanical, electrical, chemical, fire and physical hazards. All relevant information is posted in the facility or in clearly identifiable locations. All employees are encouraged to raise safety concerns.

**This policy may be updated periodically at the discretion of the Company.**

Grievance Mechanism & Reporting Concerns and violations of this Policy can be reported to our Chief Financial Officer or our Corporate VP of Human Resources through our official grievance channels:

Online via [<http://www.dspg.com/contact-us/>]

By mail to the following [[Dror.Levy@dspg.com](mailto:Dror.Levy@dspg.com)] or [[Naama.Luquer-Hareli@dspg.com](mailto:Naama.Luquer-Hareli@dspg.com)]

Company prohibits retaliation against those who raise concerns or ask questions regarding matters of ethics or legal compliance or participating in an investigation in good faith. Nothing in this Policy is intended to modify or otherwise limit Company's contractual or legal rights.

Updates and Amendments This Policy will be reviewed regularly and updated as needed.