

March 4, 2022

Dear Channel Partner,

Thank you for being a valued business partner to **onsemi** as we continue to develop and deliver market-leading technologies to our customers.

onsemi is committed to conducting business in accordance with all legal requirements and we hold ourselves to the highest standards of ethical conduct. As part of our commitment, we conduct business with partners whose values and mission align with ours; at **onsemi**, we require our business partners to comply, as we do, with all applicable laws and regulations.

This includes complying with the economic sanctions, laws and regulations administered by the United States, the European Union, as well as other countries that maintain sanctions programs to further their own national security and foreign policy goals.

We have closely monitored the evolving tensions between Russia and Ukraine, as well as sanctions from governing bodies – and how they may impact our operations, employees, customers and partners.

Our Global Distribution Agreement, as well as our general Terms & Conditions of Sale, require that you comply with export control laws or regulations. **These laws prohibit business in or with parties (a country, entity or individual) that violate any applicable trade sanction regulations.** This includes entities that are named on any Government Denied or Restricted Party List, including but not limited to:

- the United State Department of Commerce's Entity List;
- persons designated by the sanction's programs administered by the U.S.
 Treasury Department's Office of Foreign Assets Control;
- the consolidated list of persons, groups and entities subject to EU financial sanctions:
- any other applicable global government denied or restricted party lists.

U.S. sanctions against Russia currently prohibit transactions with Russian military endusers, Russian Government end-users and Russian State-Owned Enterprises. In addition to the regulatory sanctions, there are additional finance, logistics and insurance risks. Out of an abundance of caution, effective immediately, onsemi is temporarily suspending shipments that are known to directly or indirectly support the regions of Russia, Belarus and Ukraine. At this time, we anticipate this to be a temporary measure as we further gain an assessment of the situation.

Violations of U.S. or other countries' sanction laws can result in financial and administrative penalties, significant reputational risk and subject individual employees to potential criminal penalties. Accordingly, such violations will be considered a material breach by **onsemi** and may lead to the termination of its contractual relationship with business partners.



We acknowledge that the situation is still evolving and will continue to monitor the potential impact. We greatly appreciate your adherence to this letter and the continued partnership with **onsemi**. If you have any questions, please contact <u>continuity@onsemi.com</u>.

Regards,

Mike Balow

Executive Vice President, Sales,

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