

VISHAY PRECISION GROUP, INC.
CORPORATE GOVERNANCE PRINCIPLES

(as approved by the Board of Directors on June 30, 2010)

VISHAY PRECISION GROUP, INC.

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The following principles have been approved by the Board of Directors (the “Board”) of Vishay Precision Group, Inc. (the “Company”), after being recommended by the Board’s Nominating and Corporate Governance Committee. Along with the charters of the Board committees, these principles provide the framework for the governance of the Company. The Board recognizes that there is an ongoing and energetic debate about corporate governance, and the Nominating and Corporate Governance Committee will review these principles and other aspects of the Company’s governance annually or more often if deemed necessary.

I. The Board of Directors

1. Policy and Function

The Board’s role is to provide direction for the management of the business and affairs of the Company. While the Board’s primary responsibility is to represent the interests of stockholders, the Board recognizes that the long-term interests of stockholders are advanced by responsibly addressing the concerns of other interest holders and parties including employees, customers, suppliers and the communities in which the Company, its subsidiaries and operations are located.

In carrying out its role, the Board shall –

- review, approve, oversee and monitor the strategic direction and plans of the Company, as formulated and presented to the Board by management;
- with the assistance of management, assess major risks and other challenges facing the Company and review with management measures to mitigate those risks and address those challenges;
- counsel management on other significant issues confronting the Company;
- review and approve corporate actions that in the view of the Board are likely to have a significant effect on the Company, including the acquisition or disposition of significant businesses and actions that would cause a significant change in the Company’s capital and financial structure;
- appoint and, with the assistance of the Compensation Committee, evaluate the performance of, the Company’s Chief Executive Officer, and appoint, and with the assistance of the Chief

Executive Officer and the Nominating and Corporate Governance Committee, evaluate the performance of the Company's other senior executive officers;

- monitor compliance by the Company and its management with principles of sound and ethical corporate governance in accordance with applicable law, and promote processes for maintaining the integrity of the Company's financial reporting and other public disclosures and the integrity of its relationships with employees, customers, suppliers and other interest holders;
- evaluate whether the Board's leadership structure is appropriate for the Company, including an assessment of whether the positions of Chief Executive Officer and Chairman of the Board are or should be occupied by one or more than one person, and if such positions are occupied by one person, an assessment of whether the Company has or should have a lead independent director; and
- take all other action that is reserved for a board of directors under applicable law.

The Board may rely on the honesty and integrity of the Company's senior executive officers and its auditors and other advisors, except in circumstances where such reliance would be unreasonable.

2. Qualification of Directors

The Nominating and Corporate Governance Committee is responsible for formulating specific criteria for membership on the Board. In general, however, members of the Board shall –

- be persons of sound personal and professional integrity;
- be committed to the diligent representation of the interests of the Company's stockholders, and, in the service of those interests, have a due and fair regard for the Company's employees, customers, suppliers, communities and other interest holders;
- have the requisite time and energy to devote to their duties;
- have a basic understanding of the business, objectives and strategies of the Company;
- have sufficient business, professional or financial background for a basic understanding of the Company's results of operations and financial condition;
- be capable of the exercise sound, independent business judgment; and

- encompass a range and diversity of talents, attributes, skills, experience, background and expertise appropriate for a public company of the size and operational scope of the Company.

Under exceptional and limited circumstances, the Committee may approve the candidacy of a nominee who does not satisfy all of these requirements, except that the Committee will not waive the qualifications of integrity and the absence of materially conflicting interests. Such an exception may also be made for a holder of substantial voting power of the Company (or the holder's representative).

3. Director Independence

A majority of the members of the Board shall be independent. In order for a director to be deemed independent, the Board must affirmatively determine that the director has no material relationship with the Company, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company, and the Company shall disclose this determination in its annual proxy statement or annual report on Form 10-K. To be independent, a director shall also satisfy the other independence criteria set forth in Rule 303A.02(b) of the New York Stock Exchange and any successor rule or regulation. Directors serving on the Company's Audit Committee shall also satisfy the requirements of Rule 10A-3(b)(1) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

A member of the Board who otherwise satisfies the criteria for independence shall be considered independent notwithstanding that the director also serves as a director of an affiliate of the Company.

4. Other Directorships; Changes in Affiliation

A director may serve on the boards of directors of other public companies, provided that such service does not interfere or conflict with his or her service as a director of the Company. Directors are expected to inform the Chairman of the Board and the chairman of the Nominating and Corporate Governance Committee of any directorships of public companies that they have been offered before accepting such directorships. Service on other boards must be consistent with the Company's conflicts of interest policies, and no director may serve on the board of a competitor, whether or not prohibited by applicable law.

Directors are expected to report to the Chairman of the Board and the chairman of the Nominating and Corporate Governance Committee when they experience a significant change in their business or professional affiliation or responsibility and to offer to resign from the Board at that time. The Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board, shall determine whether the director continues to satisfy the criteria of the

Committee for membership on the Board or whether the director's resignation should be accepted.

5. Size of the Board

The Board believes that the number of directors should be in the range of five to nine, and the Board periodically evaluates the appropriate size for the Board based on then current circumstances.

6. Term Limits and Retirement

The Board does not believe that directors should be subject to term limits. The Board is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, contributing to the Board's ability to work as a collective body, while giving the Company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. The Nominating and Corporate Governance Committee will evaluate the desirability of each incumbent director's continued service on the Board when considering the re-nomination of that incumbent for an additional term.

The Board has adopted a retirement policy for directors under which directors may not stand for election or re-election after age 75, unless the Board makes an affirmative determination that, because of the importance and value of the continued service of a director, the retirement policy should be waived as to that director; provided that in no event may a director stand for re-election after age 85. This policy does not apply to any person who controls 20% or more of the voting power of the Company.

7. Chairman of the Board and Chief Executive Officer

The Board believes that it is important to retain the flexibility to combine or separate the responsibilities of the offices of Chairman of the Board and Chief Executive Officer, as from time to time may be in the best interests of the Company.

8. Director Compensation

The form and amount of compensation for service as a director, including compensation for committee service, shall be determined by the Board upon the recommendation of the Compensation Committee.

Director compensation should be in amounts and in form that are customary for directors of public companies with the size and scope of operations similar to those of the Company. The Board is aware that questions as to the independence of the directors may be raised when the compensation and perquisites given to directors exceed customary levels. Similar questions may be raised if the Company makes substantial charitable contributions to organizations

with which a director is affiliated or enters into consulting contracts with, or provides other indirect forms of compensation to, a director or an organization with which the director is affiliated, even where the payments are not so large as to automatically deprive the director of independent status.

Directors who are employees of the Company or any of its subsidiaries shall not receive any compensation for their service as directors.

9. Share Ownership by Directors

It is the policy of the Company that each director should, over a period of time, accumulate a personal investment in the Company. The Board believes, however, that the appropriate level of investment for each director will vary depending on the circumstances of the director and that it is not desirable to establish any fixed level of required investment.

II. Meetings of the Board of Directors

1. Attendance

Directors are expected to attend Board meetings and the meetings of the committees on which they serve, and to devote the time necessary to adequately prepare for these meetings, generally through the review of “board books” and other materials distributed in advance of the meetings. Attendance at meetings may be by conference telephone, although at least annually directors should convene at a meeting in which all or at least a substantial majority are present in person.

2. Frequency of Board Meetings

Regular meetings of the Board shall be convened at least four times a year. In addition to these regularly scheduled meetings, special meetings of the Board may be called to address specific issues, and Board members may be called upon to act by written consent.

3. Agendas; Advance Distribution of Materials

The Chairman shall establish and circulate with the other board materials referred to below an agenda for each Board meeting. Each director shall be entitled to suggest the inclusion of items on the agenda. Members of the Board shall also be entitled to raise for consideration at any meeting subjects that are not on the agenda for that meeting. However, the Chairman of the Board shall determine whether discussion of such matters is appropriate at the meeting or whether it is preferable to postpone consideration of such matters to a later meeting based upon time constraints or the advisability of circulating materials to the directors in advance of discussion.

Information necessary for understanding of matters to be discussed at a meeting of the Board shall be distributed before the meeting in writing (including by electronic transmission) to the extent feasible. Management of the Company shall assist the Chairman of the Board in the preparation and distribution of these materials. The materials should be as concise as possible, but should be sufficiently comprehensive to enable directors to make informed decisions. The materials shall be distributed sufficiently in advance of the meeting to afford the directors adequate time to review the materials. Subjects of a highly sensitive nature may be raised for discussion at a meeting without written materials being distributed in advance of the meeting.

4. Presentations

At least once a year, management shall make a presentation to the Board on the long-term strategic plans for the Company and the principal issues, risks and challenges facing the Company. The Board shall also devote attention on an annual basis to the report of the Compensation Committee on the performance of the Chief Executive Officer.

The Chairman of the Board shall schedule other reports and presentations to the Board by the Company's senior executive officers and the heads of its principal businesses and operating units as necessary to keep the Board informed concerning the Company's business and senior personnel. Members of the Board shall be entitled reasonably to request that the Chairman arrange for such reports and presentations.

5. Meetings of Non-Management Directors

The Company's non-management directors shall meet in regularly scheduled executive sessions (that is, without the presence of any management directors) at least three times each year. Non-management directors means those directors who are not officers of the Company as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended. In addition, if there are any non-management directors who are not independent directors, the independent directors shall meet in executive session at least once each year.

6. Presiding Director

The chairman of the Nominating and Corporate Governance Committee shall serve as the presiding director for meetings of the non-management directors and the independent directors and disclosure to this effect shall be made in the Company's annual proxy statement or annual report on Form 10-K. The proxy statement or annual report shall also disclose a method for stockholders and other interest parties to contact the presiding director, or the non-management directors as a group, as determined by the Nominating and Corporate Governance Committee.

7. Director Orientation and Continuing Education

The Company shall provide an orientation program for new directors and a continuing education program for all non-management members of the Board. These programs shall include presentations by senior management and, as appropriate, the Company's advisors on –

- the Company's management structure;
- the Company's strategic plans;
- significant financial, accounting and risk management issues facing the Company;
- the Company's internal audit apparatus;
- the Company's Code of Business Conduct and Ethics and compliance programs; and
- current legal and governance issues relevant to the responsibilities of the Board.

8. Access to Information

Non-management directors shall have complete access to individual members of management and other employees of the Company on a confidential basis. Directors shall also have full access to all books and records of the Company. Board members are expected to use their judgment to assure that such access is not unnecessarily distracting or disruptive to the Company's operations.

Directors are encouraged to keep themselves informed of the Company's affairs between Board meetings, through contacts with management and otherwise. Management shall assist, as requested, in arranging such contacts and in providing directors with information concerning the Company and its operations.

III. Committees of the Board

1. Designation of Committees

The Board has established the following committees to assist the Board in discharging its responsibilities:

- Audit Committee;
- Compensation Committee; and
- Nominating and Corporate Governance Committee.

The Audit, Compensation and Nominating and Corporate Governance Committees have such responsibilities as are specified in Section 303A of the rules of the New York Stock Exchange for listed companies, and such other responsibilities as are provided in the charters of these committees.

Committee members shall be appointed annually by the Board, taking into consideration the recommendation of the Nominating and Corporate Governance Committee. The members of the Audit, Compensation and Nominating and Corporate Governance Committees shall be independent as required by the rules of the New York Stock Exchange and applicable law.

The Company does not have a policy favoring formal rotation of committee members or the committee chairs, in the belief that continuing participation by directors in the work of the committees on which they serve promotes stability and efficiency. The Nominating and Corporate Governance Committee and the Board may consider the rotation of committee membership and chairmanship, however, as it deems appropriate.

The full Board shall be provided notice of the meetings of the committees, along with copies of the meeting agendas. Such notice may be delivered in advance or as soon after the meetings as is reasonable in the circumstances. Any director shall be entitled to receive copies of the minutes of any committee meeting. In addition, the committees shall make reports to the full Board as provided in their charter and as otherwise shall be appropriate.

IV. Performance Evaluation

1. The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively.
2. The Nominating and Corporate Governance Committee shall have oversight of the evaluation process, as provided in the charter of this committee. This oversight shall include soliciting, collating, organizing, summarizing and reporting responses of the directors concerning the functioning of the Board and its committees and suggestions for improvement.
3. Each committee of the Board shall separately conduct an annual performance evaluation of the committee and present the results of the evaluation to the full Board, as provided in the respective committee charters. These evaluations may be based, in whole or in part, on the director responses collected by the Nominating and Corporate Governance Committee.

V. Management Succession

1. The Chief Executive Officer shall meet annually with the Nominating and Corporate Governance Committee to discuss possible successors to senior management personnel, including the Chief Executive Officer.

2. The Chief Executive Officer shall also prepare and annually submit to the Nominating and Corporate Governance Committee an emergency succession plan, which shall provide for the efficient and timely transfer of the responsibilities of the Chief Executive Officer on an interim basis in the event of the sudden death, incapacity or departure of the Chief Executive Officer. The Nominating and Corporate Governance Committee shall review the emergency plan and shall evaluate whether the person or persons designated to succeed the Chief Executive Officer are both willing and qualified to assume this position on an emergency basis.

3. The Nominating and Corporate Governance Committee reports to the full Board on succession plans for the Chief Executive Officer, along with the Committee's evaluation of these plans.

VI. Integrity and Ethical Conduct

1. All directors, officers and employees of the Company are expected at all times to act honestly, ethically and in compliance with law in every aspect of their relationship with the Company, its business, assets and operations.

2. All directors, officers and employees are expected to comply with the Company's Code of Business Conduct and Ethics, and the Chief Executive Officer, the Chief Financial Officer, the principal accounting officer, the controller and other senior financial personnel of the Company are expected to also comply with the Code of Ethics that is specifically applicable to these personnel.

3. As one means of furthering the Company's commitment to ethical and lawful conduct, the Company requires that no director or executive officer shall participate in any transaction in which the Company or its subsidiaries are financially interested, unless the Nominating and Corporate Governance Committee approves in advance the participation of the director or executive officer after full disclosure, in accordance with and subject to the terms and conditions set forth in the Nominating and Corporate Governance Committee's Related Party Transaction Policy. Such transactions include, but are not limited to, transactions required to be disclosed by the Company under Item 404 of SEC Regulation S-K, and shall include any other transaction in which the Company or any of its subsidiaries has an expectation of profit or the reasonable possibility of loss or liability, as more particularly set forth in the Related Party Transaction Policy.

Participation includes both direct, personal participation of a director or executive officer and indirect participation because of the involvement of immediate family members, or entities controlled by the director or executive officer and/or their immediate family members.

This requirement is in addition to any other requirements that may apply by law to directors and executive officers or to any other Company personnel.

4. The Company also requires that no charitable contribution that is more than nominal in amount be made to a charitable organization with which a director or executive officer or members of their immediate families are affiliated unless the contribution is approved in advance by the Nominating and Corporate Governance Committee or by the full Board.

5. The Company's executive officers and other senior management personnel have a special obligation to promote ethics, integrity and legal compliance in the Company's workplace. Senior management shall be especially vigilant against any actions that would discourage or penalize compliance with the Company's Code of Business Conduct and Ethics or applicable law. This includes taking prompt and appropriate disciplinary measures against any person that, directly or indirectly, retaliates against an employee who in good faith reports or raises issues concerning a violation of the Company's Code of Business Conduct and Ethics or applicable law or assists in any investigation of such matters.