

## COHU, INC. COMPENSATION COMMITTEE CHARTER

### I. Purpose

The purpose of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Cohu, Inc. ("Cohu") is to discharge the responsibilities of the Board relating to compensation of Cohu's executives and directors, to produce an annual report on executive compensation for inclusion in Cohu's proxy statement (in accordance with applicable rules and regulations), to provide general oversight of Cohu's compensation structure including equity compensation plans and benefits programs and to perform the specific duties and responsibilities set forth herein.

### II. Membership

The Committee shall consist of at least three members, consisting entirely of independent directors, and shall designate one member as chairperson. For purposes hereof, an "independent" director is a director who is independent, as determined by the Board, within the meaning of applicable stock exchange listing standards. Additionally, members of the Committee must qualify as "non-employee directors" for purposes of Rule 16b-3 under the Securities and Exchange Act of 1934, as amended, and as "outside directors" for purposes of Section 162(m) of the Internal Revenue Code. Committee members shall be appointed and may be removed by the Board of Directors upon the recommendation of the Nominating and Governance Committee. From time to time the chairperson may establish such other rules as are necessary and proper for the conduct of the business of the Committee.

### III. Meetings and Procedures

The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, but in no event shall the Committee convene fewer than three times per year. The Chairperson will establish an agenda, with input from management and other Committee and Board members. The Committee may meet either in person or telephonically, and at such times and places as the Committee determines. The majority of the members of the Committee shall be present to constitute a quorum for the transaction of Cohu's business. The Committee shall report regularly to the full Board with respect to its activities. As a matter of practice, the Committee expects to discuss significant matters, as determined by the Committee, with the full Board prior to taking final action on such matters.

### IV. Outside Advisors

The Committee will have the authority to retain at the expense of Cohu such outside compensation consultants, counsel, and other experts and advisors as it determines is appropriate to assist it in the full performance of its functions, including sole authority to retain and terminate any compensation consultant used to assist the Committee in the evaluation of director, CEO or senior executive compensation, and to approve the consultant's fees and other retention terms.

### V. Duties and Responsibilities

1. **Set Executive Compensation.** The Committee will review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer (the "CEO") and other executive officers of Cohu, evaluate the performance of the CEO and other Section 16 Executive Officers in light of those goals and objectives and approve their annual compensation levels including salaries, bonuses, stock options, other stock incentive awards and long-term cash incentive awards based on this evaluation. In addition, the Committee may, in its discretion, review and act upon management proposals to designate key employees to receive stock options and stock awards or other bonuses.

2. **Approve Employment Agreements.** The Committee will review and approve employment agreements and severance arrangements for the CEO and other Section 16 Executive Officers, including change-in-control provisions, plans or agreements.

3. **Annual Reporting.** The Committee shall:

(a) Review and discuss with management the Compensation Discussion and Analysis (“CD&A”) required by Securities and Exchange Commission (“SEC”) Regulation S-K, Item 402 (“Item 402”). Based on such review and discussion, the Committee shall determine whether to recommend to the Board that the CD&A in the form prepared by management be included in the Company’s Annual Report on Form 10-K and, as applicable, the Company’s proxy statement.

(b) Prepare and review the Committee report included in the Company's annual proxy statement in accordance with applicable rules and regulations of the SEC in effect from time to time. The report will state whether the Committee reviewed and discussed with management the CD&A required by Item 402, and whether, based on such review and discussion, the Committee recommended to the Board that the CD&A be included in the Company’s proxy statement or other applicable regulatory filing.

4. **Oversight of Equity-Based and Incentive Compensation Plans.** The Committee will supervise and administer Cohu’s incentive and deferred compensation, stock option, restricted stock and restricted stock units and employee stock purchase plans, and may approve, amend, modify, interpret or ratify the terms of, or terminate, any such plan to the extent that such action does not require stockholder approval; make recommendations to the Board with respect to incentive-compensation plans and equity-based plans as appropriate; provide for accelerated vesting of options and restricted stock or restricted stock units (“RSUs”), and determine the post-termination exercise periods for options and restricted stock or RSUs, in connection with divestitures or otherwise; and delegate certain of such functions to the extent set forth in Section VI below.

5. **Oversight of Employee Benefit Plans.** The Committee will monitor the effectiveness of non-equity based benefit plan offerings, in particular benefit plan offerings and perquisites pertaining to executives, and will review and approve any new material employee benefit plan or change to an existing plan that creates a material financial commitment by Cohu. In its discretion, the Committee may otherwise approve, amend, modify, ratify or interpret the terms of, or terminate, any non-equity based benefit plan or delegate such authority to the extent set forth in Section VI below.

6. **Set Director Compensation.** The Committee will review the cash and equity compensation of directors for service on the Board and its committees and recommend to the Board the initial and annual retainer and Chair fees, Board and Committee meeting fees, if any, and equity compensation.

7. **Perform Annual Evaluation.** The Committee will annually evaluate the (i) performance of the Committee, and report the results of such evaluation to the Nominating and Governance Committee and the Board, and (ii) the adequacy of the Committee's charter.

8. **Oversee Executive Succession Planning and Leadership Development.** The Committee will review senior management selection and oversee executive succession planning. As part of this process, the Committee will review the leadership development process for senior management positions. The Committee also will review compensation, incentive and other programs to promote such development.

9. **General.** The Committee will perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

## **VI. Delegation of Authority**

The Committee may create a subcommittee of the Committee consisting of one or more directors on the Committee and may delegate any of its duties and responsibilities to such subcommittee, unless otherwise prohibited by applicable laws or listing standards. The Committee may delegate any of its duties and responsibilities including the administration of

equity incentive or employee benefit plans, to one or more directors on the Committee, another director or other persons, unless otherwise prohibited by applicable laws or listing standards. Any subcommittee, director or other person will provide a written or oral report to the Committee regarding any activities undertaken pursuant to such delegation. The Committee may terminate any such subcommittee and revoke any such delegation at any time.