



2021 Cohu, Inc. Human Capital Report

Cohu, Inc. and our subsidiary companies operate in a number of countries globally and we are committed to upholding the human rights of workers and to treat them with dignity and respect to the standards of the international community. We fully support the EICC/RBA tenants of human rights and have implemented the Cohu Human and Labor Rights Policy¹ reflecting these standards. Select illustrative metrics are listed below which reflect relevant data for calendar year 2021.

2021 Highlights

- Improved management diversity in the U.S. through hiring
- Improved global gender diversity through hiring
- Conducted annual training for U.S. employee for prevention of harassment and discrimination in the workplace
- Continued to support global employees managing family and health challenges related to COVID-19 impact through flexible work scheduling where possible

Topic/Metric	Description	Cohu (2021)
<u>Freely Chosen Employment</u>	All employment with Cohu is voluntary in nature and employees are free to terminate their employment relationship at any time.	There is no compulsory, forced, bonded, indentured, slave or trafficked labor in any Cohu operation or facility globally.
<u>Child Labor Avoidance</u>	Other than through legitimate workplace apprenticeship programs sponsored by local governments or educational institutions, policy prohibits, and Cohu and does not, employ workers younger than 18 years of age. This is monitored and confirmed through the hiring process and through periodic audits.	There were no violations of Cohu's policy on underage workers in 2021.

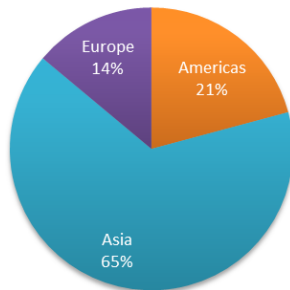
¹ See <https://www.cohu.com/wp-content/uploads/2020/12/Cohu-Human-and-Labor-Rights-Policy-Ver-12.1.20.pdf>

Topic/Metric	Description	Cohu (2021)
<u>Non-discrimination</u>	Cohu provides work environments that are free of harassment and unlawful discrimination and is committed to providing workplaces that are productive, pleasant and based on mutual respect. Cohu has implemented explicit company policies that prohibit harassment and unlawful discrimination or retaliation in any form for making harassment or discrimination claims ² .	During 2021 we had no substantiated claims of this type. Cohu conducts annual training on discrimination and harassment prevention and managing bias in the workplace for U.S. Quarterly ethics and business conduct training is being launched globally in 2022.
<u>Freedom of Association</u>	Open and direct communication between workers and management is the most effective way to resolve workplace issues. Cohu respects the rights of workers to associate freely and to join or not join labor unions or workers' councils in accordance with local laws. Cohu provides numerous communication channels for employees to engage directly with management from regular all-employee meetings at various facilities, to round-table sessions with senior executives, multiple anonymous question forums and hotlines.	This is supported by the metric that in 2021 approximately 16% of Cohu workers were represented by a union or workers council.
<u>Work-Life Balance</u>	Cohu supports employees to balance their career and personal lives through a variety of programs including part-time work schedules, flex-time, remote and hybrid work arrangements. Additionally, Cohu provides paid and unpaid leaves to employees to act as caregivers and to enjoy being new parents; to recover from personal illness or injury; and to complete civic responsibilities such as military service, voting or jury duty.	

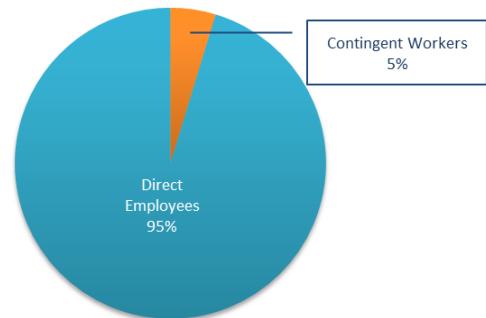
² See <https://cohu.gcs-web.com/static-files/be2ba29b-3a98-4987-9695-4d9a03173556>

2021 Global Workforce Statistics

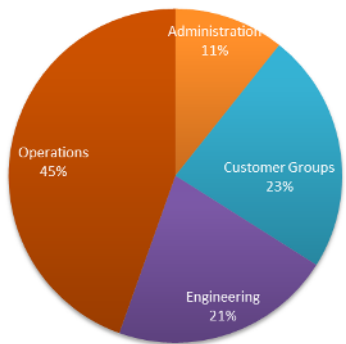
Global Workforce by Region



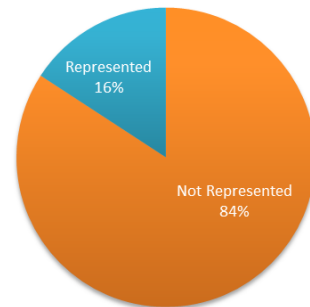
Global Workforce by Employment Type



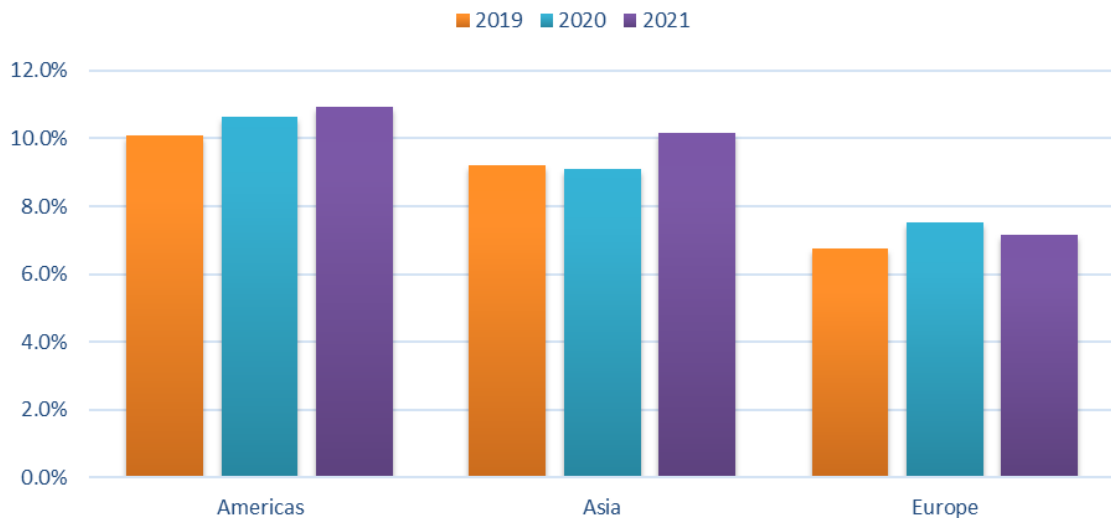
Global Employees by Function



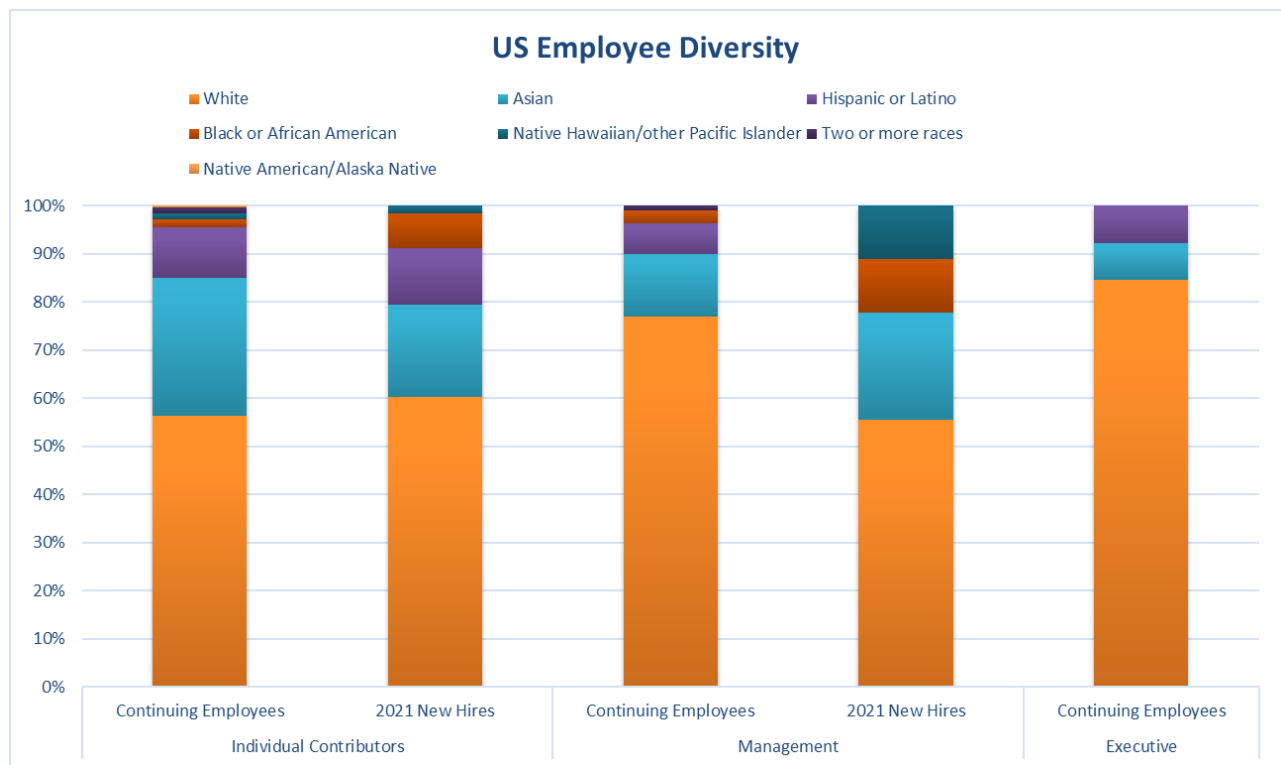
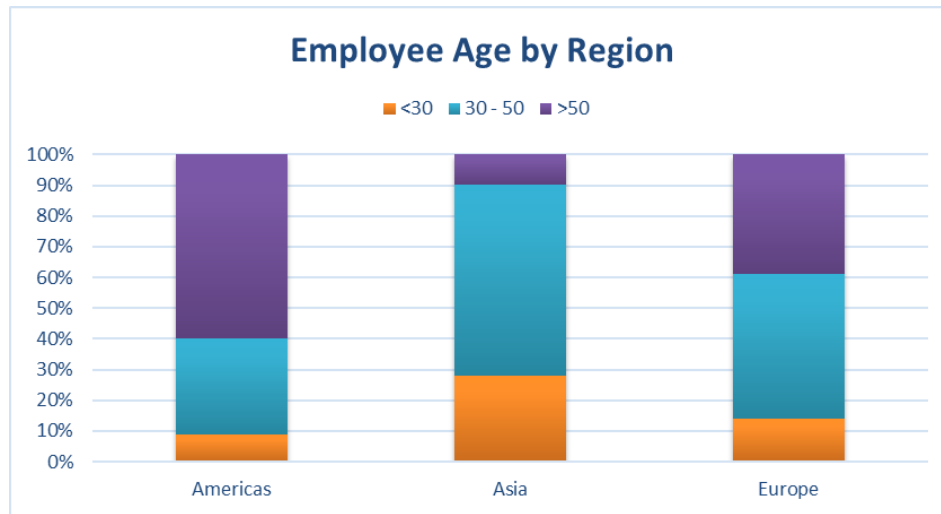
Global Labor Relations



2019-2021 Voluntary Turnover by Region

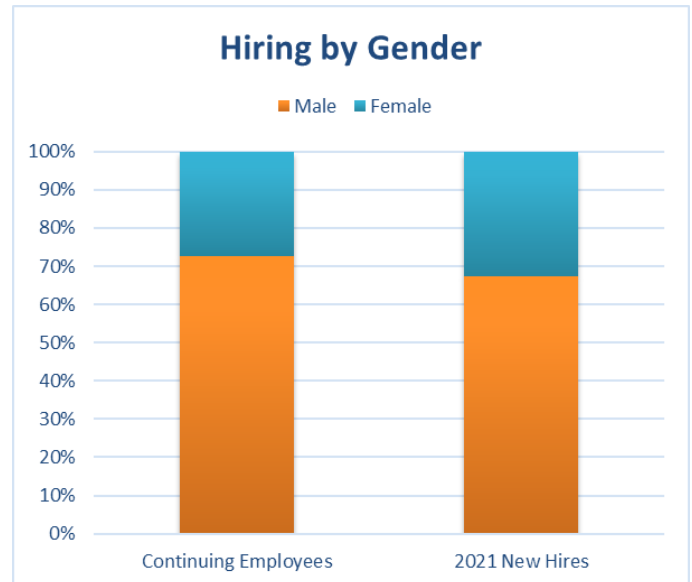
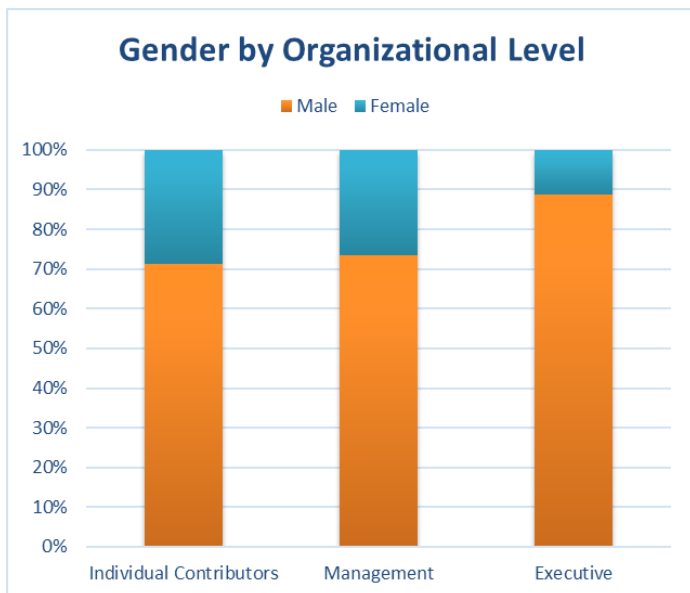
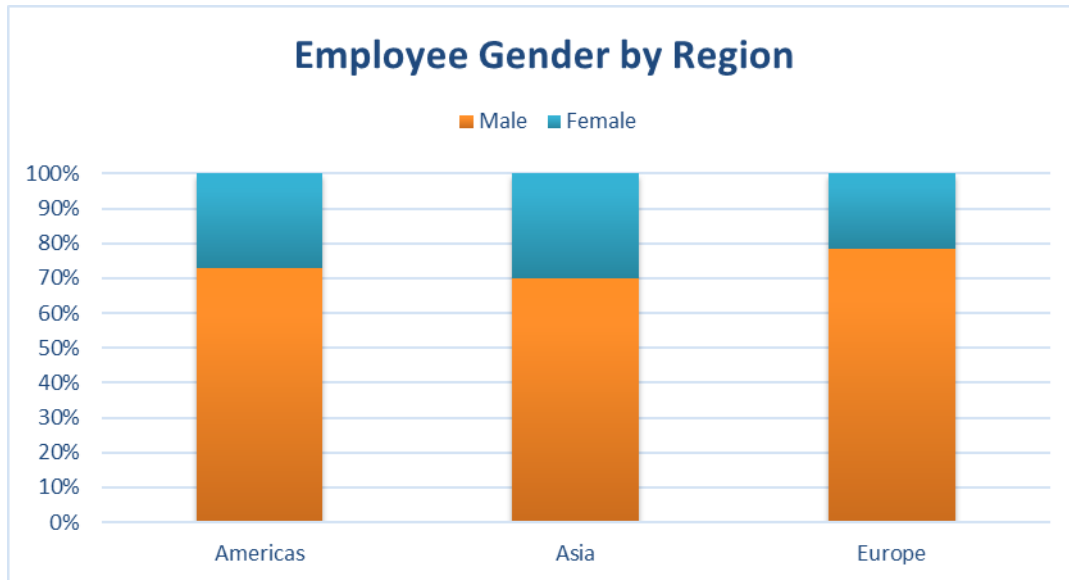


2021 Global Workforce Demographics



No executive hires in 2021

2021 Global Workforce Gender Demographics



Forward Looking Statements:

Certain statements contained in this report may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding planned programs, anticipated changes in the makeup of our global workforce and/or any other statements that are predictive in nature and depend upon or refer to future events or conditions, and/or include words such as “may,” “will,” “should,” “would,” “expect,” “anticipate,” “plan,” “likely,” “believe,” “estimate,” “project,” “intend,” and/or other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance.

Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: The ongoing global COVID-19 pandemic has adversely affected, and is continuing to adversely affect, our business, financial condition and results of operations, and the recent COVID-19 resurgence may at any time abruptly impact our business; COVID-19 has caused (and may cause again at any time) disruption or temporary shutdowns of our factories or those of our suppliers; Other significant risks associated with the Xcerra acquisition, integration and synergies including the failure to achieve the expected benefits of the acquisition, and mandatory ongoing impairment evaluation of goodwill and other intangibles whereby Cohu could be required to write off some or all of this goodwill and other intangibles; Continued availability of capital and financing and additional rating agency downgrade actions, and limited market access given our high debt levels; Our Credit Agreement contains various representations and negative covenants that limit our business flexibility; Changes to or replacement of LIBOR may adversely affect interest rates; Adverse investor reaction to the recently suspended cash dividend; Other risks associated with acquisitions; inventory, goodwill and other asset write-downs; Our ability to convert new products into production on a timely basis and to support product development and meet customer delivery and acceptance requirements for new products; Lost productivity, project delays and internal control risks due to ongoing employee “work from home” programs; Our reliance on third-party contract manufacturers and suppliers; Failure to obtain customer acceptance resulting in the inability to recognize revenue and accounts receivable collection problems; Market demand and adoption of our new products; Customer orders may be canceled or delayed; Design-wins may or may not result in future orders or sales; The concentration of our revenues from a limited number of customers; Intense competition in the semiconductor equipment industry; Our reliance on patents and intellectual property; Compliance with U.S. export regulations; Impacts from the Tax Cuts and Jobs Act of 2017 and ongoing tax examinations; Geopolitical issues, trade wars and Huawei/HiSilicon export restrictions (including new restrictions effective in May and August 2020); Retention of key staff; Other health epidemics or natural disasters; ERP system implementation issues particularly as Cohu launched a new ERP system throughout 2020 and plans a broader rollout in 2021; The seasonal, volatile and unpredictable nature of capital expenditures by semiconductor manufacturers and, as such, current demand may materially weaken without any advance notice from customers; and Rapid technological change.

These and other risks and uncertainties are discussed more fully in Cohu’s filings with the SEC, including the most recently filed Form 10-K and Form 10-Q, and the other filings made by Cohu with the SEC from time to time, which are available via the SEC’s website at www.sec.gov. Except as required by applicable law, Cohu does not undertake any obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.