



Enabling a smarter,
safer, and more
connected future.

Sustainability
Data Report
2022



About this Report

Cohu has evaluated its sustainability initiatives under a framework promulgated by the Sustainability Accounting Standards Board (“SASB”).¹ Based on a benchmarking evaluation of our peers, beginning in 2022, we are aligning our disclosures to the SASB Technology and Communications Sector – Semiconductor Standard. Under this definition, the Semiconductor industry includes companies that design or manufacture semiconductor devices, integrated circuits, their raw materials and components, or capital equipment. As a manufacturer of semiconductor capital equipment, we believe that this category is most appropriate for Cohu’s business. In addition, we include in our report various other environmental and social factors that we consider most relevant to our business, and have also endeavored to align our disclosures to Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations. We have calculated our approximate greenhouse gas emissions using a tool published by the U.S. EPA² and as further described below.

This report covers Cohu’s principal global operating sites, comprising ten (10) sites³ located in the United States, Europe and Asia, and including all manufacturing, and research and development sites. Regarding incidental sales and service offices, GHG Emissions were estimated based on the square footage of such sites. Water usage data was not available at such incidental sites, but we believe that such usage is immaterial to our overall water consumption. Unless otherwise noted, the figures provided below are for calendar year 2022 and human capital information is as of year-end 2022. We have used reasonable efforts to collect disparate energy, water and waste data from our principal worldwide sites. Although we believe such data to be accurate, any complex and manual data collection process may contain errors. This data has not been reviewed or audited by any third party and is provided on an “as is” basis to the reader.

¹ See <https://www.sasb.org/>

² See <https://www.epa.gov/climateleadership/simplified-ghg-emissions-calculator>

³ We divested one site and consolidated another in 2021. We had 10 principal operating sites during this reporting period (2022)

2022 Highlights

- Energy usage increased by 3% year-over-year, as more employees returned to the office post COVID-19 pandemic
- 26% of our electrical energy usage was from renewable sources
- Two operating sites have on-site solar power and our Germany facility is certified “KfW Efficiency House 70”
- Through our remote assisted reality customer support system we avoided 486K km in employee travel
- Continued to enhance our disclosures:
 - Mapped and better aligned to SASB, added TCFD disclosures
 - Submitted our data to CDP
 - Published consolidated EEO-1 report
- Hired more female employees than our current 29% representation, 40% of U.S. employees are from underrepresented communities
- Returned a record \$7.9M, approx. 4.5% of profits⁴ globally to employees
- Invested approx. \$866K to provide >46,700 cumulative training hours to employees globally
- Excellent employee safety record, with a 0.24 incidents in 2022, which is 60% below our industry benchmark⁵

⁴ Our profit-sharing plan is based on non-GAAP Pre-Tax Income metrics

⁵ Latest published Industry benchmark of 0.6 (recordable incidents per 100 employees, per year) is based on 2021 U.S. Bureau of Labor Statistics Injury, Illness and Fatality statistics for our industry (NAICS Code 334515)

Energy Management

Topic/Metric	Description	Cohu (2022) ⁵
(1) Total energy consumed	Energy consumption includes energy from all sources, including energy purchased from sources external to Cohu and energy produced by Cohu itself (self-generated). For example, purchased electricity, and heating, cooling, and steam energy are all included within the scope of energy consumption. Energy consumption includes only energy directly consumed by Cohu during the reporting period, as tracked at our ten principal operating sites. Cohu reports its energy usage in Kilowatt-Hours (kWh).	<p><u>21.7 Mil kWh</u></p> <p>Total energy consumption increased approximately <u>3%</u> year-over-year.⁷ We believe the increase was primarily driven by global employee return to office initiatives as Covid-19 pandemic impacts subsided.</p> <p>Total energy used by country (Mil kWh):⁸</p> <p><u>U.S., 9.6</u> <u>Germany, 1.3</u> <u>Switzerland, 0.3</u> <u>Malaysia, 4.1</u> <u>Philippines, 4.1</u> <u>Japan, 2.3</u></p> <p>Cohu endeavors to reduce its energy consumption where reasonably practicable, but it should be noted that our cost of energy is less than 1.4% of total operating expenses.</p>
(2) Percentage grid electricity	The percentage is calculated as purchased grid electricity consumption divided by total energy consumption.	Grid electricity consumed was <u>94%</u> of total energy use. ⁹

6 All uses of "Mil" means millions; "K" means thousands

7 Energy usage among our 10 principal operating sites

8 As compared to 2021 figure of 21.0 Mil kWh

9 20.4 Mil kWh grid electricity vs. total of 21.7M Mil kWh

Topic/Metric	Description	CoHu (2022) ⁵
(3) Percentage renewable	Renewable energy is defined as energy from sources that are replenished at a rate greater than or equal to their rate of depletion, such as geothermal, wind, solar, hydro and biomass. The percentage is calculated as renewable electricity energy consumption divided by total electricity energy consumption.	26% renewable energy (<u>5.3 Mil kWh</u>) ¹⁰
(4) Greenhouse Gas Emissions	<p>We report our greenhouse gas emissions using a U.S. EPA reporting tool.¹¹</p> <p>We collect activity data and calculate Scope 1 emissions (direct emissions from owned or controlled sources) and Scope 2 emissions (indirect emissions from the generation of purchased energy). Scope 3 data is not available at this time. The organizational boundary that we have used is both 100% financial control and 100% operational control, and thus approximates 100% of emissions from all our direct operations. We collected actual energy usage data from each of our principal operating sites and estimated emissions from our incidental sales and services offices based upon square footage occupied</p>	<p>Scope 1 and 2 emissions were approximately <u>10,760 metric tons CO2-e</u> for all global locations.</p> <p>Est. totals by Country (metric tons CO2-e):</p> <p><u>U. S., 4409</u> <u>Germany, 607</u> <u>Switzerland, 123</u> <u>Malaysia, 1870</u> <u>Philippines, 1863</u> <u>Japan, 1046</u> <u>Other Countries,¹² 842</u></p>
(5) Total water consumed	Total water directly consumed. CoHu reports its water consumption in liters.	<p><u>48.6 Mil Liters</u></p> <p>Water use by country was as follows (Mil Liters):¹³</p> <p><u>U. S., 3.5</u> <u>Germany, 1.0</u> <u>Switzerland, 0.4</u> <u>Malaysia, 11.9</u> <u>Philippines, 16.7</u> <u>Japan, 15.1</u></p>

10 CoHu relies upon its energy providers/utilities for this data

11 See Note 2 above

12 Primarily China, France, Italy, Taiwan, Singapore and South Korea

13 Water usage among our 10 operating sites

Waste Management

Topic/Metric	Description	CoHu (2022) ⁵
(1) Amount of hazardous waste generated; percentage recycled	Total amount of hazardous waste generated, in kilograms. We also disclose hazardous waste recycled.	Several of CoHu’s manufacturing sites generate material amounts of hazardous waste: Poway, CA; Lincoln, RI; Osaka, Japan and Laguna, Philippines. The total amount of hazardous waste was <u>127K kg</u> . <u>39% (49.3K kg)</u> of such waste was recycled. All hazardous waste was handled and recycled or disposed of in accordance with local laws and regulations
(2) Number and aggregate quantity of reportable spills, quantity recovered	Total number and quantity (in kilograms) of reportable hazardous substance spills.	CoHu did <u>not</u> have any reportable hazardous waste spills.
(3) Non-hazardous waste generated and recycled	Total amount of non-hazardous waste generated, in kilograms. Disclose non-hazardous waste recycled.	CoHu does not presently track <u>total non-hazardous</u> waste generated. However, we do track recycling initiatives. CoHu recycled approximately <u>978K Kg</u> of paper, plastic, wood and other non-hazardous waste, a <u>19%</u> increase in recycling as compared to 2021.

Product Safety

Topic/Metric	Description	CoHu (2022) ⁵
(1) Number of recalls issued; total units recalled	Number of recalls issued and the total number of units recalled.	CoHu did <u>not</u> have any product recalls.
(2) Total amount of monetary losses as a result of legal proceedings associated with product safety	Total amount of monetary losses incurred during the reporting period as a result of legal proceedings associated with product safety.	CoHu did <u>not</u> have any claims, legal proceedings or monetary losses associated with product safety.

Product Lifecycle Management

Topic/Metric	Description	CoHu (2022) ⁵
<p>(1) Revenue from renewable energy-related and energy-efficiency related products</p>	<p>Total revenue from renewable energy-related and energy efficiency-related products. Renewable energy-related products are defined as products and/or systems that enable the incorporation of renewable energy into established energy infrastructure.</p>	<p>CoHu provides semiconductor equipment used to automate, handle and test semiconductor devices used across many industries. CoHu does not disclose customer specific revenue, but we have identified nine key customers that provide semiconductor solutions to manage and reduce power consumption and enable solar and wind power generation. We are enabling these important technologies including power management devices, controllers, inverters, sensors, motor drivers and gate drivers. We are proud to be a key supply chain partner to these customers.</p>

Material Sourcing

Topic/Metric	Description	Cohu (2022) ⁵
<p>(1) Description of the management of risks associated with the use of critical materials</p>	<p>Approach to managing its risks associated with the use of critical materials in products, including physical limits on availability and access, changes in price, and regulatory and reputational risks. Examples of critical materials include Antimony, cobalt, fluorspar, gallium, germanium, graphite, indium, magnesium, niobium, tantalum, and tungsten; platinum group metals (platinum, palladium, iridium, rhodium, ruthenium, and osmium); Rare earth elements, which include yttrium, scandium, lanthanum, and the lanthanides (cerium, praseodymium, neodymium, promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium, ytterbium, and lutetium).</p>	<p>A de minimis portion of Cohu’s manufacturing processes utilize critical materials such as Cobalt, Palladium and Rhodium. In such cases, usage is monitored, buffer stock is maintained, and multiple suppliers are utilized where possible. We have recently reviewed our critical materials supply chain for potential risks arising from the Russia-Ukraine conflict and believe we have reasonably addressed any such risks. Cohu also uses generally available semiconductors (which such semiconductors may contain critical materials) in many of its Systems and relies upon its suppliers to maintain a business continuity plan. Cohu also maintains second sources where possible.</p> <p>Further, in response to risks of shortages in certain semiconductors, we strive to extend the sourcing horizon to 12 – 18 months for certain semiconductors incorporated into our products. However, Cohu could incur supply chain disruptions and delays if a semiconductor supplier failed to maintain an effective business continuity plan and Cohu was unable to maintain a second source.</p>

Business Ethics

Topic/Metric	Description	Cohu (2022) ⁵
(1) Description of policies and practices for prevention of corruption and bribery, and anti-competitive behavior	Management's system and due diligence procedures for assessing and managing corruption and bribery risks both internally and associated with business partners in its value chain.	Cohu's ethics and compliance management system is multifaceted including periodic employee reminders and certification to our Code of Business Conduct and Ethics, internal mechanisms for reporting and following up on suspected violations, formal procedures for upward reporting to Cohu's Audit Committee, periodic training and employee awareness programs (including FCPA training), ongoing cybersecurity training, quarterly compliance certifications by senior management and written anti-corruption policies
(2) Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Total amount of monetary losses incurred during the reporting period as a result of legal proceedings associated with incidents relating to bribery and corruption.	Cohu did <u>not</u> have any claims, legal proceedings or monetary losses associated with bribery or corruption.
(3) Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Total amount of monetary losses incurred during the reporting period as a result of legal proceedings associated with anti-competitive behavior, such as those related to enforcement of laws and regulations on price fixing, antitrust behavior (e.g., exclusivity contracts), patent misuse, or network effects and bundling of services and products to limit competition.	Cohu did <u>not</u> have any claims, legal proceedings or monetary losses associated with anti-competitive regulations.
(4) Political Activity	Political contributions or lobbying expenses.	Cohu did <u>not</u> make any direct monetary contributions to any political campaign, nor incur any direct expenses for lobbying to influence any laws. Cohu may occasionally be a member of business associations where such associations may lobby on industry issues.

Employee Diversity and Inclusion; Human Capital

Topic/Metric	Description	Cohu (2022) ⁵												
<p>(1) Percentage of gender and racial/ethnic group representation of employees</p>	<p>U.S. employees are categorized in accordance with the Equal Employment Opportunity Commission’s Employer Information EEO-1 report (EEO-1 Survey) Instruction Booklet</p>	<p>Cohu tracks race/ethnicity only in the U.S. (based on 580 U.S. employees):</p> <table border="1" data-bbox="1582 592 2835 709"> <thead> <tr> <th>Race/Ethnicity</th> <th>% of Total</th> </tr> </thead> <tbody> <tr> <td>Underrepresented communities ¹⁴</td> <td>40%</td> </tr> <tr> <td>White</td> <td>60%</td> </tr> </tbody> </table> <p>Gender (Global, based on 3,081 employees):</p> <table border="1" data-bbox="1582 799 2842 915"> <thead> <tr> <th>Gender</th> <th>% of Total</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>29%</td> </tr> <tr> <td>Male</td> <td>71%</td> </tr> </tbody> </table> <p>Globally, Cohu hired female employees in a higher proportion to our current workforce (33% of new hires versus overall workforce representation of 29%), and, in the U.S., hired employees who identify from underrepresented communities in a higher proportion to our current workforce (53% of new hires versus overall workforce representation of 40%).</p> <p>In addition, at year-end 2022, Cohu had <u>two</u> female members on its Board of Directors (25% of the Board), and <u>two</u> racially/ethnically diverse members (25% of the Board).</p> <p>For further information, please also see our 2022 Human Capital Report at https://www.cohu.com/wp-content/uploads/2022/01/Cohu-Human-Capital-Report-2022-VerF-3.8.23.pdf and most recent Consolidated EEO-1 Report at https://www.cohu.com/wp-content/uploads/2023/01/Cohu-Inc.-EEO-1-Summary-2021.pdf</p>	Race/Ethnicity	% of Total	Underrepresented communities ¹⁴	40%	White	60%	Gender	% of Total	Female	29%	Male	71%
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<p>(2) Employee training and development</p>	<p>Total hours invested and leadership development initiatives.</p>	<p>Provided more than 46,700 cumulative training hours to employees globally, investing approximately \$866,000 in training, seminars and educational assistance fees.</p> <p>71% (10 of 14 members) of the executive leadership team have been promoted from within.</p> <p>A 6-month long Leadership Development Program was initiated targeted toward thirty-four (34) rising senior managers and directors.</p>												

¹⁴ Includes employees who identify as Native American/Alaskan, Asian, Black/African American, Hispanic/Latino and/or Native Hawaiian/Pacific Islander

Activity Metrics

Topic/Metric	Description	CoHu (2022) ⁵
(1) Number of employees	Number of employees worldwide.	As of December 31, 2022, we had approximately 3,081 employees, in 24 countries. Approximately 19% of our employees are located in the Americas, 13% are located in EMEA (Europe, the Middle East and Africa) and 68% are located in Asia Pacific.

Information Security Risk Management

Topic/Metric	Description	Cohu (2022) ⁵
<p>(1) Information security risk management and assessment</p>	<p>Management’s system and due diligence procedures for assessing and managing information security risks associated with its business operations.</p>	<p>Cohu has a multifaceted information security program with the goal toward continuous improvement. The company conducts regular external audits, testing and benchmarking based on the CIS (Center for Internet Security) and NIST (National Institute for Standards and Technology) control frameworks.</p> <p>Cohu regularly trains and tests employees globally, using internal and external resources, on information security risks and compliance.</p> <p>Board oversight of information security matters is the responsibility of the company’s Audit Committee. In 2022, management briefed the Board of Directors on information security matters four times.</p> <p>Cohu maintains an information security risk insurance policy. In the last three years, there have been <u>no</u> material information security breaches, claims, expenses, penalties or settlements.</p>

Task Force on Climate-Related Financial Disclosures (“TCFD”)

TCFD recommendations are designed to solicit consistent, informative and actionable, forward-looking information on the material financial impacts of climate-related risks and opportunities, including those related to the global transition to a lower-carbon economy.

Topic	Recommended Disclosure	Response
<p>(1) Governance</p>	<p>A) Describe the Board’s overall oversight of climate-related risks and opportunities.</p>	<p>Cohu’s Board of Directors Nominating and Governance Committee is responsible for oversight of the company’s sustainability (including environmental, social and corporate governance) initiatives. As part of this responsibility, the Committee periodically reviews our sustainability/ESG program.</p>
	<p>B) Describe management’s role in assessing and managing risks and opportunities.</p>	<p>Cohu has a global, cross-functional team that develops the long-term strategy, goals, metrics tracking, and annual reporting and disclosure processes for our sustainability activities. The team also collectively prepares Cohu’s Sustainability Report and related disclosures. This group regularly solicits input from, and reviews results with, our CEO and CFO.</p>
<p>(2) Strategy</p>	<p>A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>Reducing the contributors to, and impact of, climate change involves generation of energy from renewable sources, more efficient generation from traditional sources, and more efficient use of energy, regardless of source. In both supply and demand, semiconductor technology is fundamental to reductions in greenhouse gas emissions.</p> <p>As discussed above under “Product Lifecycle Management,” we have numerous customers that provide semiconductor solutions to manage and reduce power consumption and enable solar and wind power generation. We are enabling these important technologies including power management devices, controllers, inverters, sensors, motor drivers and gate drivers. We are proud to be a key supply chain partner to these customers.</p> <p>On a more immediate basis, in 2022, Cohu invested in LED lighting conversion projects across two sites increasing the number of sites that have ~100% LED lighting to five sites.</p> <p>With the goal to reduce employee travel (and associated Scope 3 emissions), we continue to utilize our assisted reality customer support system, used for remote technical support and training, and in 2022, we avoided 486K km in employee travel. Further, at the beginning of 2023, we converted our Osaka, Japan manufacturing site to an energy provider that utilizes 100% renewable energy.</p>

Topic	Recommended Disclosure	Response
	<p>B) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>We work closely with our customers to understand their product roadmaps and then align our R&D and business development efforts to meet those requirements.</p> <p>Internally, each year, the company considers capital and operating expenses as needed to support our Sustainability activities. For example, expenses for the projects described above under “TCFD (2) A) Strategy.”</p> <p>Further, we have committed budget and plan to incorporate solar power into a new building we are constructing in 2023/24 located in the Philippines.</p>
	<p>C) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Although we do not consider ourselves a significant emitter, Cohu endeavors to reduce its global carbon footprint. Our plan is to take reasonable ongoing steps and we believe that Sustainability is a continuous improvement process. As described in this report, specific examples of our recent actions include: i) LED lighting conversion projects; ii) employee travel reduction through use of our remote assisted reality virtual customer support system; iii) converting sites where feasible to providers that utilize renewable energy sources; iv) considering solar energy projects; and v) localized site-specific energy conservation plans.</p>
<p>(3) Risk Management</p>	<p>A) Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>As a supplier of semiconductor test equipment for the industry, our climate-related risks are primarily market related and localized weather/natural disaster-related. Therefore, we monitor the end market demand trends for our products, including potential climate-related trends at the executive level and review with our Board of Directors quarterly. We also evaluate climate-related risks (including weather/natural disaster events) within our business continuity plans for each principal operating site. Further, we annually prepare a corporate Enterprise Risk Assessment (including climate change and other Sustainability risks) and present the report to our Board of Directors.</p>
	<p>B) Describe the organization’s processes for managing climate-related risks.</p>	<p>Cohu follows similar processes as noted above for identifying and assessing risk. We also monitor potential climate-related risks to our facilities worldwide. See also “TCFD (3) C) Risk Management” below.</p>
	<p>C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>Our risks are at the market level and are incorporated into the annual and mid-term planning processes of the company. As mentioned above, such risks are addressed (including mitigation strategies) in our site business continuity plans and our annual Enterprise Risk Assessment. Further, Cohu endeavors to increase the resilience of our global supply chain through various Sustainability initiatives with our suppliers, maintaining manufacturing expertise across many of our sites, and also considering geopolitical risks in our sourcing strategies.</p>

Topic	Recommended Disclosure	Response
(4) Metrics and Target	A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	We disclose our emissions data annually in this report and also through the CDP Survey.
	B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	See within this report. Scope 3 data is not available.
	C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	We expect to monitor and report at least annually on the various initiatives described above under “TCFD (2) Strategy.” We also published for the first time in 2022 our Sustainability goals and, in this report, have updated our goals for 2023.

Sustainability Accounting Standards Board ("SASB")

SASB Standards provide details about Cohu’s sustainability activities. These standards were developed to identify sustainability issues that can influence the long-term value of the company.

Topic	Metric	Response
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds. Category: Quantitative Cohu Unit of Measure: metric tons CO2-e Code: TC-SC-110a.1	Scope 1: 1,150 metric tons CO2-e Scope 2: 9,610 metric tons CO2-e Gases: CO2: 0.1
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets. Category: Discussion and Analysis Cohu Unit of Measure: n/a Code: TC-SC-110a.2	See above under “TCFD (2) Strategy.”
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable. Category: Quantitative Cohu Unit of Measure: kWh, Percentage (%) Code: TC-SC-140a.1	Reported in kWh: 21.7 Mil kWh Grid electricity consumed was 94% of total energy use. 26% of electricity consumed was derived from renewable sources.

Topic	Metric	Response
Water Management	(1) Total water withdrawn, (2) total water consumed, (3) percentage of each in regions with High or Extremely High Baseline Water Stress Category: Quantitative Cohu Unit of Measure: liters Code: TC-SC-320a.1	Cohu only tracks total water consumed, which in 2022 was 48.6 Mil Liters.
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled. Category: Quantitative Cohu Unit of Measure: kg, Percentage (%) Code: TC-SC-320a.1	127K kg, of which 39% was recycled.
Employee Health and Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards. Category: Discussion and Analysis Cohu Unit of Measure: recordable incident rate Code: TC-SC-320a.2	See Cohu’s Employee Health and Safety Policy. Cohu’s 2022 recordable incident rate per 100 employees per year was 0.24, or 60% below our industry benchmark of 0.60. ¹
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations. Category: Quantitative Cohu Unit of Measure: Reporting currency Code: TC-SC-330a.1	None.

¹ Latest published Industry benchmark of 0.6 (recordable incidents per 100 employees, per year) is based on 2021 U.S. Bureau of Labor Statistics Injury, Illness and Fatality statistics for our industry (NAICS Code 334515)

Topic	Metric	Response
Recruiting & Managing a Global & Skilled Workforce	<p>Percentage of employees that are (1) foreign nationals and (2) located offshore.</p> <p>Category: Quantitative Cohu Unit of Measure: Percentage (%) Code: TC-SC-410a.1</p>	<p>A substantial majority of our customers' sites are located outside of the U.S. Accordingly, in support of our customer base, Coahu has 2,497 employees that are located outside of the U.S., or 81% of total employees.</p>
Product Lifecycle Management	<p>Percentage of products by revenue that contain IEC 62474 declarable substances.</p> <p>Category: Quantitative Cohu Unit of Measure: n/a) Code: TC-SC-410a.2</p>	<p>Cohu uses different metrics for evaluating risk, performance and compliance in this area. Although as a manufacturer of "large-scale stationary industrial tools," we are excluded from EU guidelines such as the RoHS directive and REACH regulation, we consider these guidelines in the development programs. We endeavor, where reasonably practicable, to reduce and eliminate any use of hazardous substances and replace non-compliant parts with RoHS-compliant alternatives.</p>
	<p>Processor energy efficiency at a system-level for: (A) servers, (B) desktops, and (C) laptops.</p> <p>Category: Quantitative Cohu Unit of Measure: Various, by product category Code: TC-SC-440a.1</p>	<p>Cohu manufactures semiconductor capital test equipment for semiconductor manufacturers. All of our sales are "Business-to-Business" and we do not manufacture end-use/consumer products.</p> <p>We sell large complex systems and consider energy usage in our product designs. For example, our Tester designs, unlike our competition, are all based on air-cooled technology. An air-cooled system, on average, requires less floor space and uses approximately 75% less electricity than a comparable liquid-cooled system.</p>
Materials Sourcing	<p>Description of the management of risks associated with use of critical materials.</p> <p>Category: Discussion and Analysis Cohu Unit of Measure: n/a Code: TC-SC-520a.1</p>	<p>See Coahu's Annual Conflict Minerals Report.</p>

Topic	Metric	Response
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations. Category: Quantitative Cohu Unit of Measure: Reporting currency Code: TC-SC-520a.1	None.
Total production	Category: Quantitative Cohu Unit of Measure: installed systems Code: TC-SC-000.A	Cohu has approximately 24,100 installed systems at 280+ customer locations worldwide.
Percentage of production from owned facilities	Category: Quantitative Cohu Unit of Measure: n/a Code: TC-SC-000.B	Omitted: Cohu does not disclose this information.

Stakeholder Engagement Summary

Cohu engages with internal and external stakeholders to drive our sustainability goals and priorities. We have identified five major ESG stakeholders: our employees, customers, investors, suppliers, and community. Cohu collaborates with these stakeholders by listening to their feedback and expectations to help guide the implementation of our ESG actions. We are pleased to present our 2022 engagement summary and highlights.

Topic	Engagement	Key Topics	2022 Highlights
<p>Employees</p>	<ul style="list-style-type: none"> • All-hands meetings • Small group and one-on-one meetings • Goal setting, mid-year, and year-end performance assessments • Training and workshops • Executive e-mails and videos • Cohu hotline 	<ul style="list-style-type: none"> • Culture • Communication • Capability development and training 	<ul style="list-style-type: none"> • Produced 4 quarterly videos with CEO/CFO presentations and executive interviews • 28 “all hands” meetings held across global functional areas and business units • Annual corporate objectives cascaded throughout the organization • Regular executive leadership emails to global employees discussing organization changes or key leadership hires • “Innovation Weeks” held at handler development centers to spur creative thinking, alignment and engagement with employees • Periodic CEO skip level meetings at principal operating sites • \$7.9M returned to employees in 2022 profit sharing • Provided more than 46,700 cumulative training hours to employees globally investing approximately \$866,000 in training, seminars and educational assistance fees • Initiated Leadership Development Program for 34 rising senior managers/directors

Topic	Engagement	Key Topics	2022 Highlights
Customers	<ul style="list-style-type: none"> • In-depth training on product use and safety • Responsive customer service team • Participation in compliance programs and ESG initiatives 	<ul style="list-style-type: none"> • Training • ESG Initiatives • Compliance • Strategic Engagement on Product Roadmaps 	<ul style="list-style-type: none"> • Held approximately 70 customer training classes worldwide covering product use and safety topics • Completed an RBA¹ audit at our principal manufacturing site, Melaka, Malaysia • In support of key customer ESG initiatives: <ul style="list-style-type: none"> • submitted extensive compliance data to RBA • submitted our emissions data to CDP²
Investors	<ul style="list-style-type: none"> • Annual Shareholder Meeting • Quarterly earnings calls • Investor Conferences and roadshows 	<ul style="list-style-type: none"> • Business Strategy and Outlook • Financial Results • Capital Priorities 	<ul style="list-style-type: none"> • Held Analyst/Investor day in May 2022 • Conducted approximately 170 one-on-one investor meetings • Engaged third party to conduct investor perception interviews
Suppliers	<ul style="list-style-type: none"> • Supplier screening, questionnaires • Supplier visits and audits • Supplier Code of Conduct 	<ul style="list-style-type: none"> • Transparency • Capacity • Forecasting 	<ul style="list-style-type: none"> • Held QBRs with key suppliers • Supplier Code of Conduct signed by suppliers covering approximately 85% of Cohu Melaka’s total spend • Cohu’s Supplier Code of Conduct aligns with RBA principles • Conducted periodic on site audits for new fabrication part and contract manufacturers • To reduce transit expenses (and associated emissions), “near shoring” efforts are increasing localized material content being shipped to our Melaka, Malaysia facility

¹ Responsible Business Alliance, the industry coalition dedicated to responsible business conduct in global supply chains.

² CDP, formerly the Carbon Disclosure Project, is a third-party global disclosure system for environmental reporting

Topic	Engagement	Key Topics	2022 Highlights
<p>Community and Organizations</p>	<ul style="list-style-type: none"> • Partnerships • Promotion of shared principles • Disaster relief • Volunteering 	<ul style="list-style-type: none"> • Diversity and Inclusion • Donations 	<ul style="list-style-type: none"> • We improved our overall diversity in 2022; 33% of our new hires were female, which was a greater percentage than our overall female representation. 53% of our U.S. new hires identify from underrepresented groups, which again was a higher percentage than our overall underrepresented community representation • CoHu’s German location donated 10,000 EUR to Ukraine refugee support along with our Apprentices donating their social fund and German Employees conducting clothing and supply collection

Forward-Looking Statements

Certain statements contained in this release and accompanying materials may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding including statements regarding risk management strategies for compliance, cybersecurity and critical materials, Sustainability goals, metrics and objectives, and 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 and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: cyclical COVID-19 pandemic impacts; new product investments and product enhancements which may not be commercially successful; inability to effectively manage multiple manufacturing sites in Asia and secure reliable and cost-effective raw materials; failure of sole source contract manufacturer; ongoing inflationary pressures on material and operational costs coupled with rising interest rates; economic recession; the semiconductor industry is seasonal, cyclical, volatile and unpredictable; the semiconductor equipment industry is intensely competitive; rapid technological changes and product introductions and transitions; a limited number of customers account for a substantial percentage of net sales; significant exports to foreign countries with economic and political instability and competition from a number of Asia-based manufacturers; loss of key personnel; reliance on foreign locations and geopolitical instability in such locations critical to CoHu and its customers; natural disasters, war and climate-related changes; increasingly restrictive trade and export regulations impacting our ability to sell products, specifically within China; significant goodwill and other intangibles as percentage of our total assets; risks associated with the MCT

acquisition, such as integration and synergies, and other risks associated with additional potential acquisitions, investments and divestitures; levels of debt; financial or operating results that are below forecast or credit rating changes impacting our stock price or financing ability; law/regulatory and including tax law changes; significant volatility in our stock price; and the risk of cybersecurity breaches.

These and other risks and uncertainties are discussed more fully in CoHu’s filings with the SEC, including our most recent 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.