



**2023
Sustainability
Goals**



2023 Sustainability Goals

Updated and published our corporate sustainability goals.

We endeavor to ensure the safety of our colleagues, customers and business partners, and we strive to operate our business in an environmentally responsible way to conserve the world’s natural resources. To encourage action and continuous improvement within our global organization, we annually update and publish our corporate sustainability goals. We look forward to engaging with our stakeholders on our progress going forward.

Climate Change

Topic	Goal	2022 Results ¹
(1) Reduce GHG emissions	Review strategies to reduce GHG emissions at our principal operating sites.	Scope 1 and 2 emissions were approximately 10,760 metric tons CO2-e for all global locations. We believe the increase over 2021 ² was primarily driven by global employee return to office initiatives as COVID-19 pandemic impacts subsided.
(2) Renewable energy sources	Investigate renewable electricity energy sources on-site and off-site.	We increased our use of renewable energy sources. 26% (5.3 Mil kWh) of electricity energy usage was from renewable sources.
(3) Infrastructure	Invest in more energy-efficient facility infrastructure technology.	We invested in LED lighting conversion projects across two sites increasing the number of sites that have ~100% LED lighting to five sites. 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 electricity energy provider that utilizes 100% renewable energy.
(4) Water usage	Investigate and deploy water use reduction measures where feasible.	Total water consumed was 48.6 Mil Liters.
(5) Waste management	Implement best practices in waste management to increase the amount of waste that is recycled.	978K Kg of paper, plastic, wood and other non-hazardous waste were recycled, an increase of 19% as compared to 2021. The total amount of hazardous waste was 127K kg, of which 39% (49.3K kg) was recycled. All hazardous waste was handled and recycled or disposed of in accordance with local laws and regulations.

¹ References to “Mil” means millions; “K” means thousands

² 2021 emissions were 9,988 metric tons CO2-e

Safety

Topic	Goal	2022 Results												
(1) Employee Safety	Strive for an injury-free workplace at all Cohu facilities and, in aggregate across our sites, remaining below the most recent U.S. Bureau of Labor Statistics Injury, Illness and Fatality statistics for our industry.	<table border="1" data-bbox="1869 395 3038 639"> <thead> <tr> <th colspan="3" data-bbox="1869 395 3038 446">U.S. Bureau of Labor Statistics 2021 Injury, Illness & Fatality Rates</th> </tr> <tr> <th data-bbox="1869 446 2469 497">Industry</th> <th data-bbox="2469 446 2692 497">NAICS Code</th> <th data-bbox="2692 446 3038 497">Total Recordable cases³</th> </tr> </thead> <tbody> <tr> <td data-bbox="1869 497 2469 577">Instrument manufacturing for measuring and testing electricity and electrical signals</td> <td data-bbox="2469 497 2692 577">334515</td> <td data-bbox="2692 497 3038 577">0.6</td> </tr> <tr> <td data-bbox="1869 577 2469 639">Cohu's 2022 Injury, Illness & Fatality Rates</td> <td data-bbox="2469 577 2692 639"></td> <td data-bbox="2692 577 3038 639">0.2</td> </tr> </tbody> </table> <p data-bbox="1849 652 2985 727">Cohu's 2022 recordable incident rate was 0.24, or 60% below our industry benchmark.</p>	U.S. Bureau of Labor Statistics 2021 Injury, Illness & Fatality Rates			Industry	NAICS Code	Total Recordable cases ³	Instrument manufacturing for measuring and testing electricity and electrical signals	334515	0.6	Cohu's 2022 Injury, Illness & Fatality Rates		0.2
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Diversity and Inclusion

Topic	Goal	2022 Results
(1) Racial/ethnic group representation of employees	For U.S. employees, maintain excellent record of diversity among U.S. employees.	<p data-bbox="1849 999 3118 1118">At year-end 2022, 40% of U.S. employees identify from underrepresented communities, while among 2022 new hires 53% identify as from underrepresented communities.</p> <p data-bbox="1849 1164 3062 1245">At year-end 2022, Cohu's Board of Directors had 2 members who identify from underrepresented communities (25% of total).</p>
(2) Female representation	Continue to increase female representation in the global workforce and our management team. Strive for global new hire representation to be greater than current incumbent employee female representation.	<p data-bbox="1849 1281 3085 1361">At year-end 2022, female representation was 29%, while among 2022 new hires female representation was 33%.</p> <p data-bbox="1849 1408 3125 1647">At year-end 2022, Cohu's Board of Directors had 2 female members (25% of total). Our Board values ethnic, cultural, gender, economic, professional and educational diversity in evaluating new Board candidates and seeks to incorporate a wide range of these attributes within Cohu's Board. Consistent with these values, 4 of the past 5 new directors appointed to our Board, dating back to 2019, have identified as female.</p>

³ The incident rates represent the number of injuries and illnesses per 100 full-time workers and were calculated as: (N/EH) x 200,000 where N = number of injuries and illnesses. EH = total hours worked by all employees during the calendar year 200,000 base for 100 equivalent full-time workers (working 40 hours per week, 50 weeks per year)

Innovation

Topic	Goal	2022 Results
(1) R&D investment	R&D investment ⁴ at least 35% of total Operating Expenses.	R&D expense as a percentage of total Operating Expenses was 36%.
(2) Patents	Protect IP and pursue patents as appropriate.	12 Patents applied for; 11 patents issued.

⁴ Based on GAAP Operating Expenses, but excluding Applications Engineering for semiconductor tester products

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.