



Enabling a smarter,
safer, and more
connected future.

Sustainability
Report
2022





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Task Force on Climate-Related Financial Disclosures (“TCFD”)
Sustainability Accounting Standards Board (“SASB”)
Stakeholder Engagement Summary



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)

About Cohu

We deliver leading-edge solutions to enable a smarter, safer, and more connected future.

Who we are

At Cohu, we deliver leading-edge solutions to enable a smarter, safer, and more connected future. We build a better world for future generations, helping to protect and improve our planet, driving the next industrial revolution, and improving lives with advances in medical technology. We are a diverse global team, working together to innovate, and are driven to support our customers.

Innovation

We are leading the charge to enable customers to make 5G more accessible to everyone, delivering connectivity everywhere around the globe and bringing autonomous driving to our cities. Our employees and teams around the world are challenged every day to design, build and deliver technical and business solutions to meet our customer requirements.

Industry Leaders

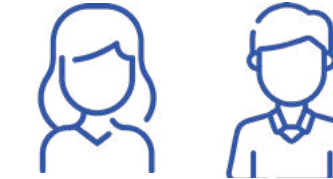
We are the leading supplier of semiconductor test handlers and contactors. We have market leadership in RF power amplifier/front-end module testing. We are the fastest growing provider of inspection & metrology solutions and entering the data analytics market.



1947
Founded



Poway, CA
Headquarters



3,081
Employees
(Worldwide)



24,100+
Equipment
Installed Base



\$813M
Revenue

Message from our CEO

We endeavor to ensure the safety of our employees, 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 have adopted and published the 2023 corporate sustainability goals.

We look forward to engaging with our stakeholders on our progress going forward.



“ In 2022 new hires were 33% female, and 53% from underrepresented communities, a greater percentage than our current employee distribution, and we increased our use of renewable energy to 26%. ”

Luis Müller, CEO and President

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)

Materiality Assessment

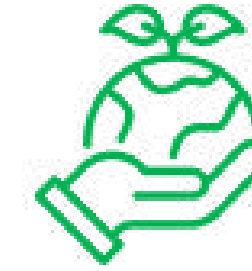
12 important topics that are most relevant and material to our business.

Enterprise Risk Assessment

Cohu maintains, updates and presents annually to the board of directors an Enterprise Risk Assessment, which includes sustainability considerations. In addition, we seek input from senior management and other stakeholders regarding key topics that we should consider as we progress our sustainability initiatives.

After evaluating such inputs, we have determined 12 topics that we believe are most relevant and material to our business. The 12 topics have been organized into three categories: Environmental, Social and Economic. We then assessed and ranked each topic by Cohu’s ability to reasonably control the topic, and what could be the estimated potential magnitude of adverse impact on the business from such topic.

Our business and the global economy evolve rapidly and we will continue to seek input from our stakeholders regarding potential other topical risks facing our business. Please note that this section is not intended to be risk factor disclosure – for a more complete set of risks facing the company, please refer to our most recent Forms 10-K and 10-Q as filed with the SEC.



Environmental	Social	Economic
Climate Change Energy Management Product Lifecycle Waste Management	Culture, Diversity and Inclusion Employee Health and Safety Regulatory Compliance (incl. Export controls)	Data Security Global Economy Product Quality and Safety R&D/Innovation Supply Chain Continuity

Potential Adverse Business Impact to Cohu

	Low	Med.	High
High		Employee Health and Safety Regulatory Compliance (incl. Export controls)	Product Quality and Safety R&D/Innovation
Med.	Energy Management Product Lifecycle Waste Management	Culture, Diversity and Inclusion	Data Security Supply Chain Continuity
Low		Climate Change	Global Economy

Cohu's Ability to Control These Topics



Environmental Impact



Environmental Impact

Energy usage and overall carbon emissions from operations.

Energy Consumed

Cohu consumed 21.7 Mil kWh^{6,7} of total energy. Total energy consumption increased approximately 3% year-over-year.⁸ 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. 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.

Grid Electricity

94% of electricity consumed was grid electricity.⁹ The percentage is calculated as purchased grid electricity consumption divided by total energy consumption.

Renewable Energy

26% of Cohu's energy usage was from renewable energy sources (5.3 Mil kWh).¹⁰ 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.

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
 10 Cohu relies upon its energy providers/utilities for this data
 11 See Note 2 above
 12 Water usage among our 10 principal operating sites



Environmental Transparency

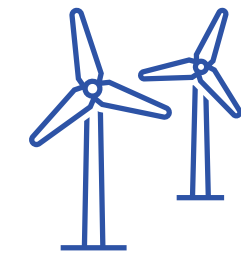
Direct Energy Consumed

21.7 Mil kWh, 94% grid electricity



Use of Renewable Energy

26% (5.3 million kWh) of electricity usage



Greenhouse Gas Emissions

10,760 metric tons CO₂-e



Water Consumed

48.6 Mil Liters



Greenhouse Gas Emissions

Our Scope 1 and 2 emissions were approximately 1,150 and 9,610 metric tons CO₂-e, respectively, for all global locations. We report our greenhouse gas emissions using a U.S. EPA reporting tool.¹¹ 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 the square footage occupied.

Water Consumed

Cohu consumed 48.6 Mil Liters of water.¹²

Hazardous Waste Generated

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 127K kg and 39% (49.3K kg) of such waste was recycled.

All hazardous waste was handled and recycled or disposed of in accordance with local laws and regulations.

Hazardous Reportable Spills

Cohu did not have any reportable hazardous waste spills.

Non-hazardous Waste Generated

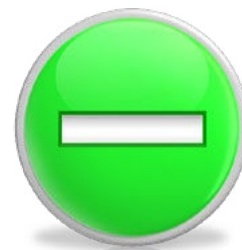
Cohu does not presently track total non-hazardous waste generated. However, we do track recycling initiatives. Cohu recycled approximately 978K Kg of paper, plastic, wood and other non-hazardous waste, a 19% increase in recycling as compared to 2021.

Hazardous Waste Generated



127K Kg
39% was recycled

Hazardous Waste Spills



None

Waste Recycled



978K Kg
19% increase over 2021

Energy Management Highlight

Kolbermoor, Germany

When we expanded the Kolbermoor Innovation Center in 2021, sustainability was at the forefront.

We incorporated green electricity, self-producing energy by a photovoltaic system, and heating pumps on the roof. Energy efficient lighting and heating and energy-saving LCD screens are also installed.

The building is certified as a “KfW Efficiency House 70” energy efficient building.

We are ISO 14001-certified at this facility.



Climate-related Opportunities

Global transition to a lower-carbon economy.

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.

Oversight

Cohu's Board of Director 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.

Global Cross-functional Team

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.

Accelerating Automation with Collaborative Robotics

At our Lincoln, RI manufacturing facility we invested in collaborative robotic assembly improving operational efficiency and workplace safety. The robots work with our employees to automate repetitive work.



LED Lighting

In 2022, Cohu invested in LED lighting conversion projects across two sites increasing the number of sites that have ~100% LED lighting to five.

Reducing Emission from Travel

With the goal to reduce employee travel (and associated Scope 3 emissions), we continue to utilize our remote assisted reality customer support system, used for remote technical support and training, and in 2022, we avoided 486K km in employee travel.

Energy-efficient Manufacturing

At the beginning of 2023, we converted our Osaka, Japan manufacturing site to an energy provider that utilizes 100% renewable energy.

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.



Our Solutions



Products and Services

Focus on creating products that enable healthier lifestyles, greater longevity, and a more habitable planet.

Product Development and Lifecycle Management

Cohu's comprehensive Product Lifecycle process defines the framework and guiding principles to be followed during the development and release of new products. We follow a phased approach to product development from concept to release to manufacturing adhering to international standards and certifications that regulate environmental, health and safety requirements.

We have leveraged the Quality Tiger Task Force model and, utilizing the 8D Quality Tool and 3x5 Why Tool, measure eight disciplines to define a problem, implement short-term containment steps, determine the root cause, and finally develop and implement corrective and preventive actions to prevent recurrences.

Design Process for Sustainability

We consider energy usage in our product design. For example, our Diamondx tester was designed with air-cooled architecture and instruments that do not require compressed air or chilled water and consumes ~75% less power requirement versus a comparable liquid-cooled test system.

We design Smart Factory automation compatible solutions into our products; for example, our Neon Inspection system is equipped with an external loader/unloader to integrate with factory robots for customers adopting Industry 4.0 initiatives, and our MATRiX and Eclipse handlers operate with AGV/AMR equipment.

We also provide customers with the flexibility to reconfigure systems to test different applications, thereby extending the useful life of the platform.



Supplier Engagement

As part of our continuing initiatives in driving continuous improvement and reinforcing the philosophy and mentality of quality, we hold an annual Supplier Day where we strengthen our relationship with our suppliers, collaborating to add value to our customers and achieve Zero Defects.

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 considering geopolitical risks in our sourcing strategies.

ISO Certification

We are ISO 9001:2015 certified at our facilities in Lincoln, RI, Norwood, MA, Milpitas, CA and Poway CA, Kolbermoor, Germany, La Chad-de-Fonds, Switzerland, Osaka, Japan, Laguna, the Philippines and Melaka, Malaysia. In addition, our facilities in Kolbermoor, Germany is ISO 14001 certified.

Enabling Efficient End-products

Cohu is proud to support the manufacturing and testing of semiconductor components and technologies that save energy, enable the reduction in greenhouse gas emissions and create a lower carbon economy. We are enabling many products that reduce energy consumption, optimize battery usage and reduce the number of needed components.

Advancing Healthcare

Our probes are used in surgical procedures using robotic surgical instruments which enables minimally invasive surgery, faster recovery time and less eye strain for the surgeon. We are facilitating the testing of MEMS sensors in consumer wearables to collect vital data, analyze the information and send data wirelessly to medical specialties for real-time feedback.

Enabling Renewable Energy

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.

Providing Internet Coverage for the World

Low-earth satellite-based internet constellations are bringing high-speed broadband to areas and people that lack reliable internet access creating life-changing socioeconomic opportunities, access to educational resources and healthcare.

Our RF/Satellite Communication Test and Inspection Cell is being utilized for testing of high-performance RF devices deployed in these satellites and ground-based transceivers. We are enabling accurate signal integrity and temperature control with our testers, handlers, inspection & metrology, and contactors. We are proud to have enabled internet service following the Tonga earthquake and during the ongoing crisis in Ukraine.



Vehicle Electrification Reducing CO2 Emissions

Our solutions are installed at the top semiconductor automotive manufacturers. Our test and inspection solutions are being utilized to test driver-assistance applications increasing safety, powering battery management systems for electric vehicles providing a clean energy source and emitting zero toxic emissions which reduces environmental pollution and noise.

Enabling the Fight Against the Pandemic

We partnered with our customers and prioritized the manufacturing and shipping of our products in the fight against the COVID-19 pandemic. Our testers, handlers, contactors and inspection & metrology solutions are being utilized in life-saving medical devices and applications: patient monitors, ventilators, IR thermometers, digital x-rays, rapid sepsis testing and biometers to measure contactless temperature.

Innovation

Cohu designs differentiating energy-efficient products and services for the semiconductor test industry, delivering sustainable benefits. Lower energy consumption reduces our customers' operating costs and lessens the environmental impact of greenhouse gas emissions from their manufacturing and test facilities.

In 2022, R&D expense as a percentage of total Operating expenses was 36%. 12 Patents were applied for and 11 patents were issued.

Improving Efficiency

Our DI-Core Data Intelligence System delivers real-time online performance monitoring and process control of the entire fleet of equipment to improve utilization. Predictive Maintenance provides early warning to replace parts or to service equipment and Preventative Maintenance provides real-time component and thermal performance analytics, significantly improving overall equipment efficiency for Cohu's large installed base of test handlers and inspection systems.

Optimizing Temperature Control

Cohu's unique T-Core active thermal control (ATC) technology dynamically removes heat from devices during testing to optimize temperature control, minimizing test time and yield loss. Cohu's Volta-Flux Micro Cantilever contactor technology enables efficient heat dissipation from the top and bottom surface of the Die under test for high-voltage and high-current applications.

Compact Low-Power Technology

Cohu's Diamond_x product line was designed to deliver cost reductions in both capital and operating costs. Our air-cooled architecture and instruments do not require compressed air or chilled water. Diamond_x consumes 2.8 kVA of electrical power, ~75% less power is required versus a comparable liquid-cooled test system. The Diamond_x includes compact low-power (CLP) technology which uses less energy to operate. Cohu's CLP technology greatly reduces greenhouse gas emissions.

Reducing our Carbon Footprint

Remote Intervention Support

Cohu's field service engineers are supporting customers remotely through the use of visual technology to carry out remote interventions.

Our engineers are able to walk our customers step-by-step through the troubleshooting process supported by visual aids ensuring that critical equipment downtime at a customer site can be solved remotely and effectively.

Our solution has been shown to reduce travel for service interventions, reduce our carbon footprint and improve response time for faster resolution.

In 2022, we avoided 486K km in employee travel.





People and Culture



People and Culture

We strive to create a culture where everyone feels welcomed, valued and respected.

Employee Diversity & Inclusion

Cohu and our subsidiary companies operate in numerous countries globally and we endeavor to uphold 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 tenets of human rights and have implemented the Cohu Human and Labor Rights Policy¹² reflecting these standards. Select illustrative metrics are listed below which reflect relevant data for calendar year 2022.

Non-discrimination

Cohu provides work environments that are free of harassment and unlawful discrimination and endeavors to provide workplaces that are productive, pleasant, and based on mutual respect. Cohu has implemented explicit company policies that prohibit harassment and unlawful discrimination or any retaliation for making such claims in good faith.¹³ During 2022 we had no substantiated harassment or discrimination claims. Cohu conducts annual non-discrimination, harassment prevention and managing bias in the workplace training. In 2022 we implemented quarterly ethics and business conduct training programs.

Freely Chosen Employment

All employment with Cohu is voluntary and employees are free to terminate their employment relationship at any time. In 2022, there was no compulsory, forced, bonded, indentured, slave or trafficked labor in any Cohu operation or global facility.



2022 Highlights

- **Hired a greater percentage of female employees than current 29% representation, and 40% of U.S. employees identify as from underrepresented communities**
- **Returned 4.5% of profits globally to eligible non-executive employees, which driven by our strong 2022, amounted to \$7.9M**
- **Provided more than 46,700 cumulative training hours to employees globally, investing approximately \$866,000 in training, seminars and educational assistance fees**
- **Continued our excellent employee safety record, with a 2022 global recordable incident rate of 0.24, which is 60% below our industry benchmark**

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

¹³ See <https://cohu.gcs-web.com/static-files/be2ba29b-3a98-4987-9695-4d9a03173556>

Child Labor Avoidance

Other than through legitimate workplace apprenticeship programs sponsored by local governments or educational institutions, we prohibit employment of 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 2022.

Freedom of Association

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 2022 approximately 16% of Cohu workers were represented by a union or workers council.



Work-Life Balance

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.

We encourage and support employees in the quest to live a healthier lifestyle through Wellness Programs, team sporting activities and a bike-to-work program.

Employee Metrics

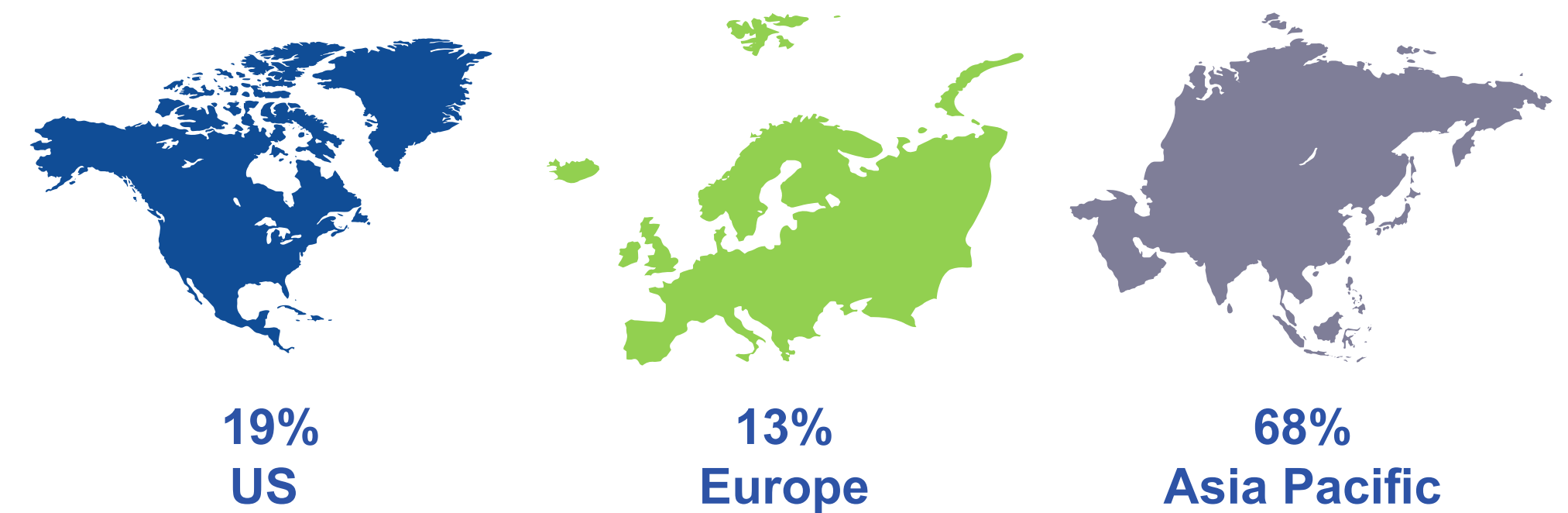
We improved our overall diversity in 2022; 33% of our new hires were female, which was a greater percentage than our overall female representation. 53% of our U.S. new hires identify from underrepresented groups, which again was a higher percentage than our overall underrepresented community representation.



Race/Ethnicity (U.S.)	% of Total
Underrepresented groups*	40%
White	60%

Race/Ethnicity	2022 U.S. New Hires%	Continuing U.S. Employees %
White	47%	61%
Asian	35%	24%
Hispanic/Latino	12%	10%
Black/African American	3%	2%
Native Hawaiian/Pacific Islander	-	1%
Two or more races	3%	1%
Native American/Alaskan	-	0.2%

Global Workforce by Region



Note - continuing table adds to greater than 100%

Cohu tracks race/ethnicity only in the US

* Includes employees who identified as Native American/Alaskan, Asian, Black/African American, Hispanic/Latino, Native Hawaiian/Pacific Islander

Board Diversity

2 of 8 Directors are female, or 25%

2 of 8 Directors are ethnically/racially diverse, or 25%

Talent Development

Our employees and teams around the world are encouraged to expand their knowledge and skills through participation in internal and external educational programs.

Investment in Development

Cohu provided more than 46,700 cumulative training hours to employees globally, investing approximately \$866,000 in training, seminars, and educational assistance fees.

71% (10 of 14 members) of the executive leadership team have been promoted from within.

Preparing the Next Generation of Leaders

In 2022, a 6-month long Leadership Development Program was launched targeted toward thirty-four (34) rising global senior managers and directors.

The program was designed to help develop Cohu's top talent in mid-level management to be ready for future potential leadership roles. Participants consist of Cohu talent across all sites, and the program is a blend of in-person instructor-led program and online learnings curriculum.

In 2023, we are initiating an Emerging Leader Program providing just-in-time training for newly promoted or hired leaders, that provides the foundation skills and competencies required to be an effective leader. The program will provide a blend of learning methodologies, focusing on self-led courses and several experiential instructor-led courses.



Health and Safety Training

Cohu provides comprehensive health and safety training that builds awareness and skills. All manufacturing employees undergo some level of environmental health and safety training when they join Cohu. Training information is also tailored to what is needed for specific jobs, such as hazardous materials, handling, ergonomic working and ESD.

Employees take ISO 9001:2015 training upon hire and periodic refresher employee training as required for their roles.



Co-operative and Internship Programs

We are striving to develop the next generation of semiconductor experts and offering students the opportunity to gain insights into the semiconductor world.

Cohu has a long history of partnerships with more than eleven (11) global higher education institutions, in Malaysia, the Philippines, United States and Germany, offering students apprenticeship and internship opportunities.

Together, we offer students a unique opportunity to integrate their academic knowledge with hands-on work experience, helping to build a foundation of skills and experience in the semiconductor test industry.

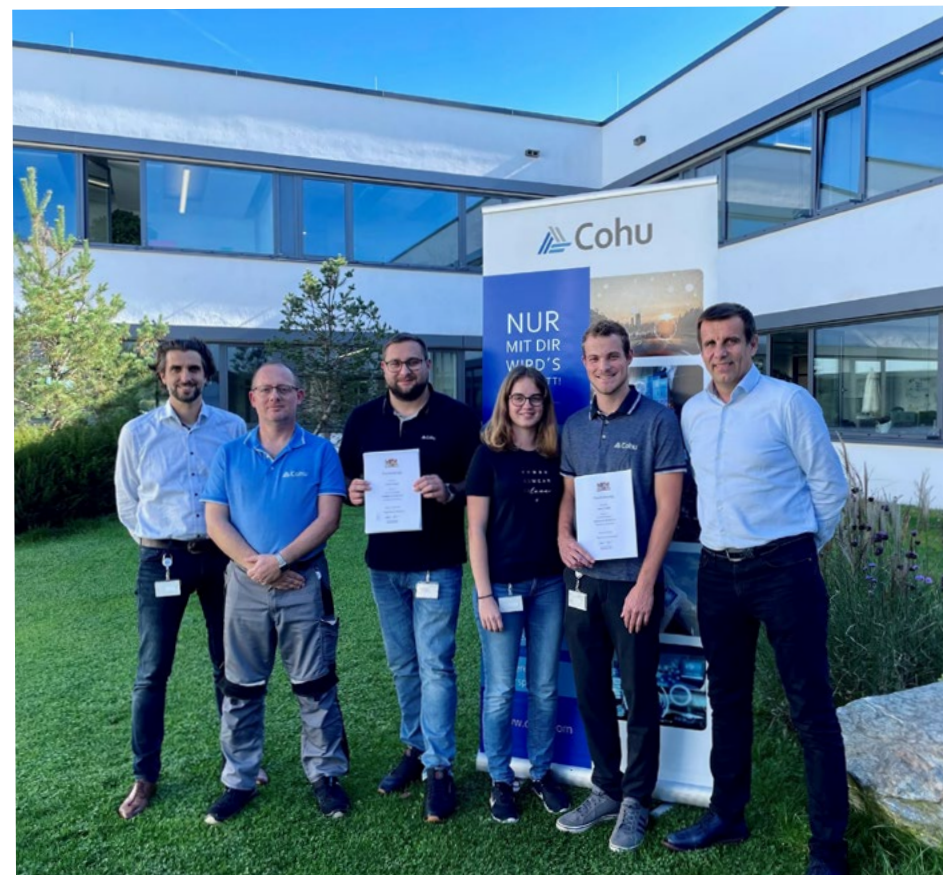
Apprenticeship State Prize

In Germany, our Kolbermoor apprentices have received the State Prize from the Government of Upper Bavaria for their apprenticeship academic achievements.

Our programs are designed to give students practical work experience and exposure to innovative technologies. Many co-ops and interns join us full-time upon graduation.

Outstanding Co-op Employer Award

Cohu was honored to receive “The Outstanding Co-op Employer Award” from Boston’s Northeastern University, College of Engineering, Department of Co-operative Education.



Supporting STEM

Our mission at CoHu is to make girls and young women aware of the career opportunities available in our industry. We are proud to continue to support German Girls’ Day in our Kolbermoor, Germany facility. Our mechatronics apprentice team held an Open House Workshop where female students, aged 12 years and older, have the opportunity to obtain firsthand insights into engineering career opportunities.

The participants have the opportunity to test their technical skills with hands-on exercises.

Outstanding Co-Op Employer Award



Supporting and Encouraging Community Involvement

We support and partner with our employees participating in philanthropy and community service including charitable activities, educational and financial support, and charitable drives.

Blood Donation Drive

Our Employee Welfare and Involvement Council in the Philippines organized a Blood Drive in collaboration with the Philippine Red Cross achieving over 50 donations, resulting in the delivery of adequate, safe and quality blood supply to the most vulnerable.

Supporting Ukrainian Refugees

Cohu and our employees donated to Ukrainian relief efforts through the Malteser International Relief Agency where donations went towards psychosocial support, food distribution and medical assistance.



Supporting Children and the Elderly

We support and encourage our employees' volunteer work in our communities. In 2022, our employees completed a 5K/10K Run for a Cause Fundraiser to support their local community with cash and supplies donations.

The proceeds from the fundraiser were donated to the charity Bahay ni Maria in Calamba to support a home for abandoned elderly and children with special needs.



Corporate Responsibility



Business Ethics

Corporate responsibility is an integral part of our business strategy and operating philosophy.

Corporate Responsibility

At Cohu, corporate responsibility is an integral part of our business strategy and operating philosophy. A firm commitment to ethical behavior is embedded in our business processes and practices. We view our corporate responsibility as having integrity in all we do including respecting our people and the environment and holding ourselves to the highest ethical standards and compliance criteria at all levels of our organization. We firmly believe that this provides the foundation to create a culture of accountability and the best opportunity to create long-term, sustainable value for our stakeholders and the global community.

Ethics and Compliance Management System

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), cybersecurity training, quarterly compliance certifications by senior management and written anti-corruption policies.

Bribery and Corruption

Cohu did not have any claims, legal proceedings or monetary losses associated with bribery or corruption.

Anti-Competitive Behavior

Cohu did not have any claims, legal proceedings or monetary losses associated with anti-competitive behavior regulations.

Political Activity

Cohu did not 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.



EthicsPoint

Employee input is essential to maintain a positive, safe and ethical environment. Employees are encouraged to communicate comments and concerns through EthicsPoint, an independent internet-based reporting system ensuring communications are completely confidential and anonymous. EthicsPoint tool and access is made easily visible and available to all of our global employees.

Anonymous reports and the results of any investigations are reported to the Audit Committee of the Board of Directors.

Stakeholder Engagement

We engage with internal and external stakeholders to drive our sustainability goals and priorities.

Employees

- Quarterly in-person and virtual employee meetings where we invite questions and answers
- Quarterly CEO/CFO and executive interview videos providing business updates and actual performance to targets
- Regular executive leadership emails to our global employees detailing organizational changes
- Innovation Weeks are held to spur creative thinking, alignment and engagement
- iZone spaces have been established in our innovation centers as a place to meet and generate new ideas in a relaxed environment, helping to stimulate creativity

Customers

- Conducted customer training classes worldwide covering product use and safety topics
- Strategic engagement on product roadmaps and technical exchanges to ensure we are addressing our customers' technology needs
- Completed an RBA audit at our principal manufacturing site, Melaka, Malaysia
- Delivered multiple technical presentations at industry shows and events

Investors

- Held Analyst/Investor Day in May 2022
- Conducted one-one-investor meetings
- Engaged third party to conduct investor perception interviews

¹⁴ See Supporting and Encouraging Community Involvement on page 19

Suppliers

- Supplier Day where we strengthen our relationship with our suppliers, collaborating to add value to our customers and achieve Zero Defects
- Supplier Code of Conduct signed by suppliers covering approx. 85% of Coahu Melaka's total spend
- Conducted periodic on-site audits for new fabrication part and contract manufacturers

Community & Organizations ¹⁴

- Coahu's German location donated €10,000 to Ukraine refugee support along with our Apprentices donating their social fund and German employees conducting clothing and supply collection
- Blood Drive in collaboration with the Philippine Red Cross achieving over 50 donations, resulting in the delivery of adequate, safe and quality blood supply to the most vulnerable
- 5K/10K Run for a Cause Fundraiser proceeds were donated to the charity Bahay ni Maria in Calamba, the Philippines to support a home for abandoned elderly and children with special needs



Corporate Objectives

Quantifiable and measurable corporate objectives are established annually.

We are transparent in communicating objectives so our vision is clear across the organization, giving all of our employees a shared sense of purpose working toward the same end goal. Goals are cascaded through the organization to ensure objectives are achieved and help provide employees with focus and direction of their daily activities.

Responsible Sourcing

A firm commitment to ethical behavior is embedded in our business processes and practices.

Conflict Materials

Cohu, Inc. supports taking responsible steps to ensure that the products received from our supply chain are responsibly sourced. Furthermore, Cohu supports efforts to increase transparency in the supply chain and supports regulations that ensure companies conduct business with integrity, respect for human rights and performing to the highest ethical standards.

At Cohu, we support efforts to prevent the use of conflict minerals that finance or benefit armed groups in The Democratic Republic of the Congo or adjoining countries. Conflict minerals include tin, tungsten, tantalum and gold (3T&G), each of which are necessary to the production of our products. Cohu companies do not source these minerals in their raw form. These minerals are contained within certain electronic components and products that we purchase.

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act imposes new supply chain reporting requirements on publicly traded companies to promote transparency regarding the use of conflict minerals. This rule requires public companies such as Cohu to publicly disclose if any conflict minerals (defined as Tantalum, Tin, Gold or Tungsten) are in their products and if any of these minerals originated in the Democratic Republic of the Congo (DRC) or surrounding countries. Accordingly, Cohu companies require their suppliers to submit a Conflict Minerals Reporting Declaration disclosing if any conflict minerals contained in products delivered to us.

In support of this reporting requirement, all Cohu companies maintain ongoing activities to gather information to determine if their products have any conflict minerals content. Their Management Teams are familiar with conflict minerals rules and oversee 3T&G sourcing due diligence in addition to supplementary requirements embodied within the Cohu Supplier Code of Conduct.

Material Sourcing

A de minimis portion of Cohu's manufacturing processes utilize critical materials such as Cobalt, Palladium and Rhodium. In such cases, usage is monitored and 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 has ceased any sales and support to Russian entities. 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. Cohu could incur supply chain disruptions if a semiconductor supplier failed to maintain an effective business continuity plan and Cohu was unable to maintain a second source.

Supplier Code of Conduct

Cohu and all of its affiliated business units, are dedicated to conducting business in an ethical, legal, and socially responsible manner. Cohu expects its suppliers to share this commitment by complying with the Cohu Supplier Code of Conduct. In addition to adherence to legal requirements, the Code addresses subjects that are intended to encourage suppliers to advance environmental, social and environmental responsibilities, and business ethics throughout its operations. Cohu participates in the Responsible Business Alliance (RBA) and adheres to the RBA Code of Conduct for our operations and as our Supplier Code of Conduct.

Information Security Risk Management

Ensuring high standards of confidentiality, integrity, and availability of information.

Cybersecurity

Cohu has a multifaceted information security program with the goal of continuous improvement. The company conducts regular external audits and benchmarking based on the CIS (Center for Internet Security) and NIST (National Institute for Standards and Technology) control frameworks.

Board Oversight

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.

No Material Breaches

Cohu maintains an information security risk insurance policy. In the last three years, there have been no material information security breaches, claims, expenses, penalties or settlements.

Employee Training

Cohu regularly trains and tests employees globally, using internal and external resources, on information security risks and compliance. We doubled our employee cybersecurity awareness training events in 2022, as compared to 2021.



Cybersecurity Awareness Month

October 2022 was Cybersecurity Awareness Month. To further promote Cybersecurity awareness, Cohu offered virtual training sessions to employees to instruct them on how to identify cyber concerns and take the appropriate action. These security awareness training combined with simulated phishing attacks were hosted by our Security Awareness Partner.

Employees are provided with a 3rd generation USB Data Blocker to physically block data transfer/synching capabilities when charging their mobile or other devices.



**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												
<p>(1) Employee Safety</p>	<p>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.</p>	<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
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												

Diversity and Inclusion

Topic	Goal	2022 Results
<p>(1) Racial/ethnic group representation of employees</p>	<p>For U.S. employees, maintain excellent record of diversity among U.S. employees.</p>	<p>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>At year-end 2022, Cohu's Board of Directors had 2 members who identify from underrepresented communities (25% of total).</p>
<p>(2) Female representation</p>	<p>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>	<p>At year-end 2022, female representation was 29%, while among 2022 new hires female representation was 33%.</p> <p>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



Appendices



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

Appendices

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
(1) Governance	A) Describe the Board’s overall oversight of climate-related risks and opportunities.	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.
	B) Describe management’s role in assessing and managing risks and opportunities.	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.
(2) Strategy	A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<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”)
Appendices

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

Appendices

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.