



Veeco Instruments Inc. Corporate Sustainability Report

Sixth Edition

June 2025



About this Report

The sixth issue of Veeco's Sustainability Report represents our continued commitment to building and improving our sustainability strategy. It contains information about the Company's activities across our global operations during calendar year 2024. This report was prepared in accordance with the GRI Standards: Core Option and builds on our 2023 Sustainability Report disclosures by further expanding upon specific ESG practices, quantitative metrics, and our aspirations.

The Company has no current plan to seek third-party validation for the information in this report. However, we may pursue third-party validation for subsequent sustainability reports, as either required or appropriate. This report and its material topics have been reviewed with and approved by the Veeco ESG leadership team and by Veeco's Chief Executive Officer and Chief Financial Officer.

This report contains forward-looking statements, including our plans, goals, targets, commitments, and other statements that are not historical facts.

These statements are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements are set forth in the "Risk Factors" of our SEC filings, including our recent Forms 10-K, 10-Q, and 8-K. All forward-looking statements are based on management's current estimates, projections, and assumptions, and we assume no obligation to update them.

For any questions, please contact investorrelations@veeco.com.

Veeco ESG Resources

- [Veeco ESG Landing Page](#)
- [2024 Sustainability Report](#)
- [Environmental & Social Responsibility Statement](#)
- [2024 Code of Conduct](#)

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About Veeco

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Message from our CEO

I am both proud and pleased to provide my thoughts for this, our Sixth Sustainability Report. That we have produced and published six reports is, in itself, something we are proud of. A relatively small company, Veeco has made sustainability a priority as we build on our plans to develop and deliver exceptional technologies, to enable global technology trends and to be a vital partner to our customers. We are working with key customers to provide platforms that will enable advances in semiconductor device manufacturing. Throughout Veeco, our amazing Veeco United colleagues work to solve the most difficult material challenges with, and in support, of our valued customers.

The Veeco United team accomplishes these actions through a shared vision of a future where technology improves the human experience and by living our six Core Values. I am confident you will see evidence of that shared purpose throughout this Sustainability Report.

In 2025, our commitment to environment, society and governance - “ESG” – is unwavering. We believe in the importance of reducing our carbon footprint, building a diverse and inclusive team, leveraging renewable energy sources, and being a responsible neighbor and corporate citizen. With these objectives in mind, we set, and are making steady progress, even as incremental improvements become more challenging.

Highlights you’ll see in this report include:

- Increased focus on hazardous substances through policies and guidelines for both suppliers and employees
- Expanded engagement and philanthropy in our local communities
- Increased focus on Scope 3 emissions
- Prioritized employee health through our Veeco United Health Pledge
- Our continuing commitment to culture through our fourth Employee Culture Survey
- Strong relationships with the majority of suppliers to mitigate supply chain interruptions

In summary, I am very proud of the Veeco United team for all they contribute to ESG, to our customers, to suppliers, to investors and to ourselves as we continue to execute our mission.

Bill Miller
Chief Executive Officer

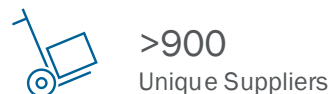
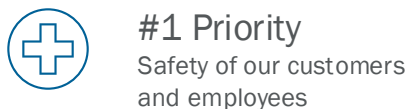
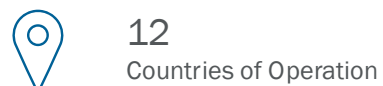
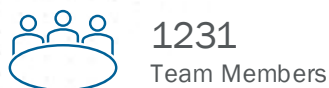


About Veeco

Established in 1945, Veeco is an innovative manufacturer of semiconductor process equipment. Our proven ion beam, laser annealing, lithography, MOCVD, single-wafer etch and clean technologies play an integral role in the fabrication and packaging of advanced semiconductor devices. As we enter the next decade of technology development, there is a magnitude of growing applications that combine electronics into game-changing artificial intelligence systems (AI), virtual and augmented reality (VR/AR), and automated driving assistance systems (ADAS). This new “Experience Age” will make it possible for humans to interact with the world as never before. Veeco’s technologies are already making a material difference in these emerging megatrends, and we see amazing potential to grow in new areas where our unique core competencies in deposition, etch and laser processing systems will make the Experience Age possible. With equipment designed to optimize performance, yield, and cost of ownership, Veeco holds leading technology positions in the markets we serve. Veeco is a public company, listed on the NASDAQ exchange (VECO), incorporated in the State of Delaware.

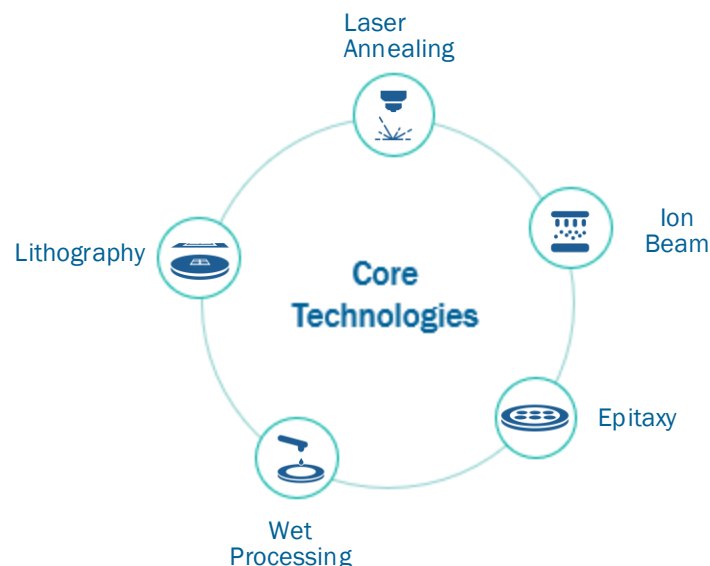
Veeco Fast Facts

Veeco United



Economic Performance

\$717M
Annual Revenue
in 2024



~\$1.5B
Market
Capitalization
(December 2024)

75+
Years of
Experience



~350
Patents

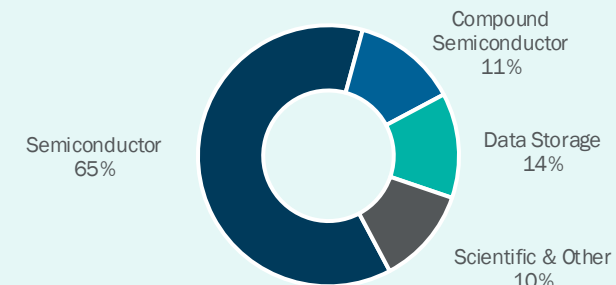


VECO
NASDAQ Listing

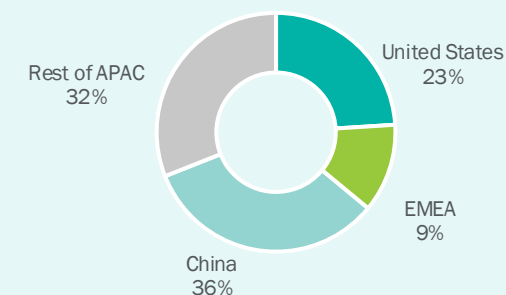


Plainview, NY
Headquarters

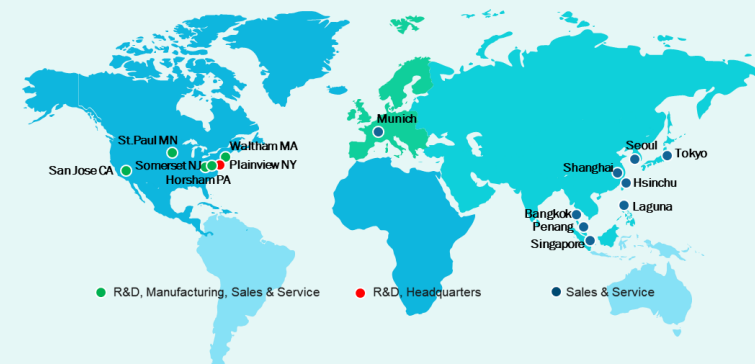
End-Market Breakdown of Revenue 2024



Geographic Breakdown of Revenue 2024



Global Presence



Served Available Markets



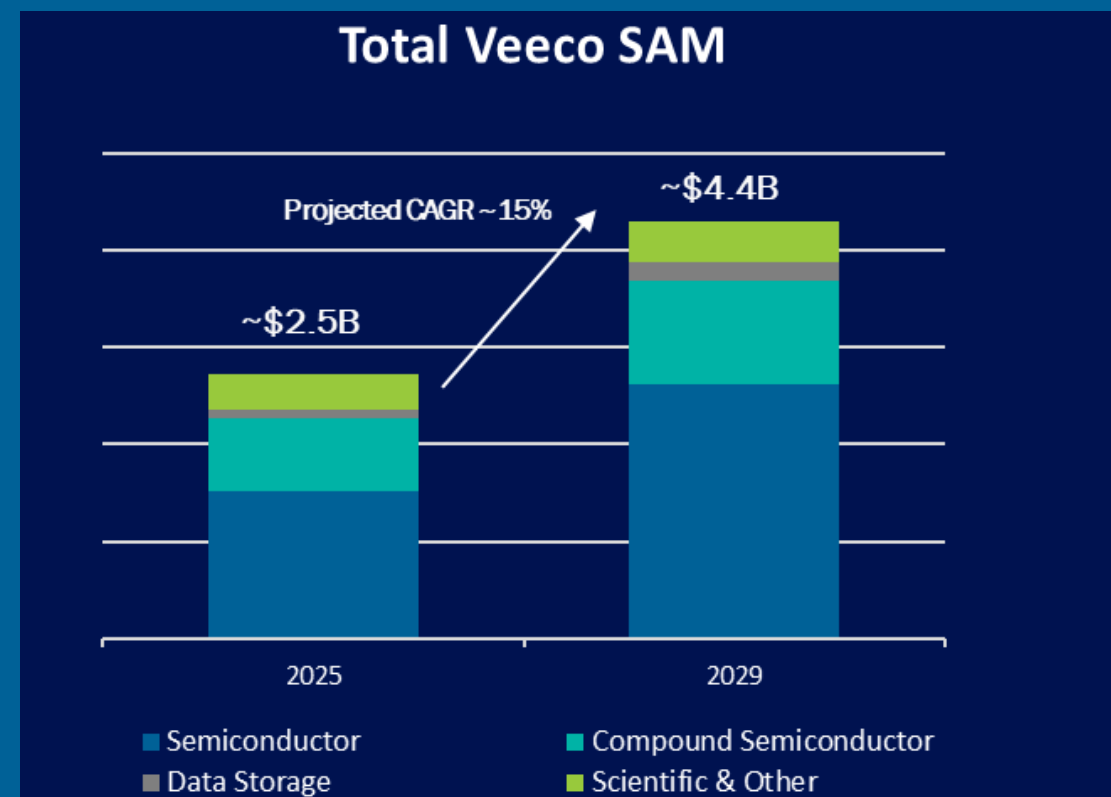
Veeco's Served Available Market (SAM) is projected to grow to ~\$4.4B.



Semiconductor represents our largest opportunity and is projected to grow to ~\$2.7B driven by Laser Annealing, Ion Beam Deposition, and Advanced Packaging equipment.



Compound Semiconductor opportunities are projected to grow to ~\$1.2B driven by equipment for Gallium Nitride (GaN) Power and Photonics.

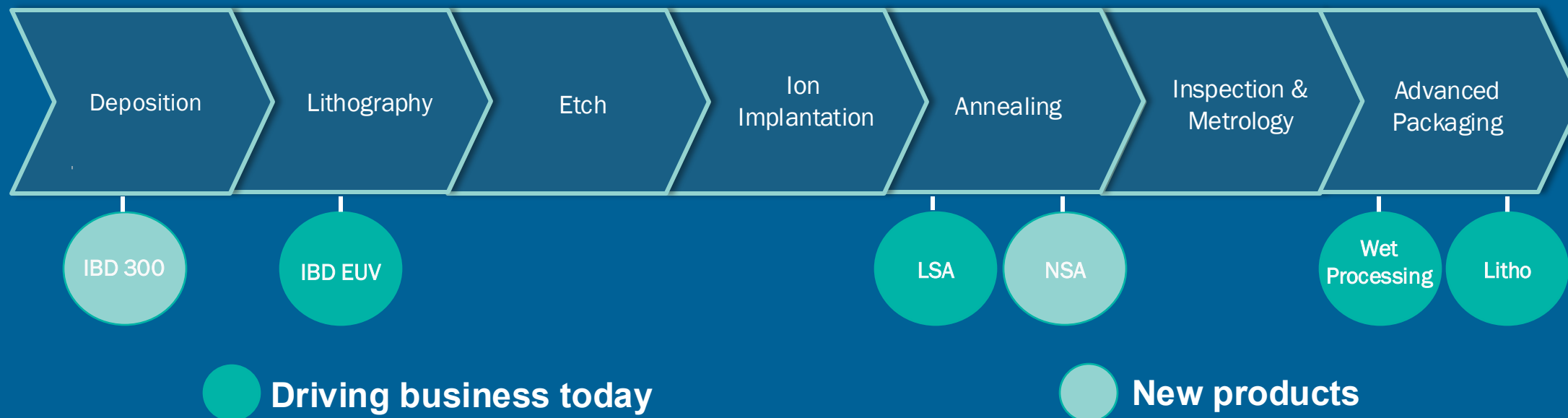


Our Role in Semiconductor Manufacturing

Representative Process Steps to Create a Semiconductor Chip

FRONT END

BACK END



Veeco products are well-placed and critical for several semiconductor manufacturing process steps

IBD – Ion Beam Deposition EUV – Extreme Ultraviolet LSA - Laser Spike Annealing NSA – Nanosecond Annealing



Making a Material Difference

- Mission, Vision & Core Values
- Stakeholder Engagement
- Materiality Assessment
- Material Topics

Core Values, Vision & Mission

We will always put our **CUSTOMERS** first

We strive to truly listen to our customers by working hard to understand their needs and questions. Diverse perspectives and expertise unlock the best solutions for both our customers and Veeco. Patience, respect, and honesty drive all our interactions, especially those with our customers.

We will never compromise on **SAFETY**

When it comes to safety for our employees, customers and suppliers, there is no competing priority. Safety is at the forefront of what we do and designed into our tools and processes. We thank the Veeco United team for living by our commitment to safety by properly identifying and correcting concerns both proactively and as they arise.

We will always demonstrate **RESPECT**

Everyone is entitled to respect and dignity. A culture of openness and inclusion is necessary to building a better company and empowering our employees.

We will never stop **IMPROVING**

Our employees are committed to progress. Lifelong learning drives our non-stop improvement both professionally and personally. We pride ourselves on finding innovative solutions to difficult problems and making our operations more efficient.

We will always be **ACCOUNTABLE**

Accountability means that we are responsible for our actions, behaviors, performance, and decisions. When problems arise, accountability means that we don't point fingers and we don't place blame. Instead, we communicate and take ownership.

We will never forget that **DIVERSITY** and **INCLUSION** makes us stronger

We honor and value the richness and diversity of all colleagues, their contributions to improving the human experience, and to living the Veeco United Core Values. Diverse perspectives allow us to better understand our global market, empower innovation, and create a dynamic culture of inclusion.

VISION

To **ENABLE** a future where technology improves the **HUMAN** experience

MISSION

We **COLLABORATE** with the world's leading technology companies to unlock the **VALUE** of challenging material applications



Stakeholder Engagement

At Veeco, we value and seek feedback from our internal and external stakeholders. Their expectations drive our business processes and ESG strategy.

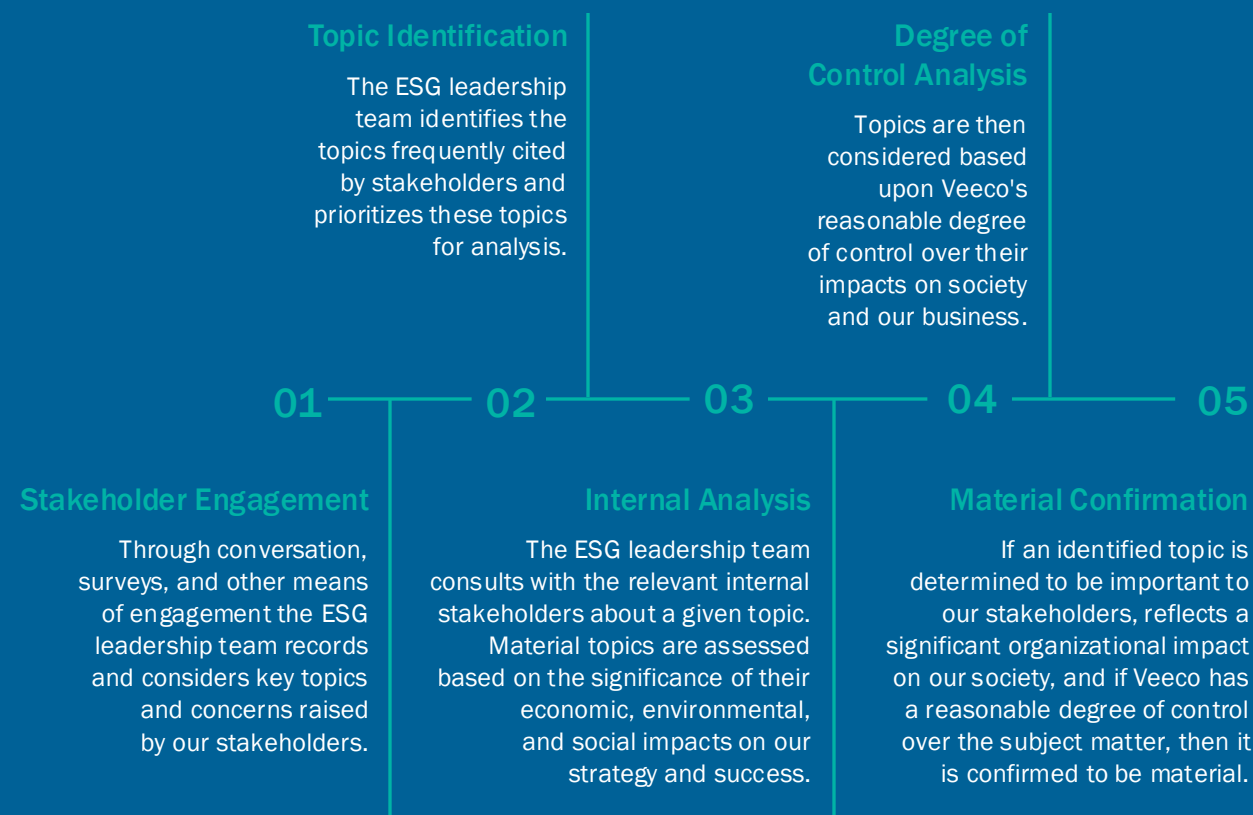
Through our ESG leadership team and other Veeco team members, we identified five key stakeholders with whom we regularly engage: employees, customers, investors, suppliers, and communities & organizations.

We engage with these stakeholders through several communication channels and forums. We have compiled their feedback and enumerated the ways in which we've responded to their needs.

Multi-stakeholder collaboration, engagement, and communication are critical to addressing the most pressing issues facing Veeco and the world.

| | Engagement | Topics Raised | Our Response |
|-----------------------------|--|---|--|
| Employees | <ul style="list-style-type: none"> Veeco Pulse newsletter All-hands, small group, and one-on-one meetings Goal setting, mid-year, and year-end performance assessments Employee surveys Veeco Hotline Training and workshops Executive e-mails and podcasts | <ul style="list-style-type: none"> Capability development and training Culture Safety Concerns Suggestions | <ul style="list-style-type: none"> Global weekly newsletter that highlights important Company happenings Local leaders work continuously with employees in their organizations to respond to issues identified through regular employee surveys. Building a culture based on our core values. Health and safety plans that prioritize the health and well-being of our employees, customers, suppliers, and stakeholders. Encouraging employees to raise any questions, concerns and improvement opportunities. |
| Customers | <ul style="list-style-type: none"> In-depth training on product use and safety Responsive customer service team Updates on optimization Customer Surveys | <ul style="list-style-type: none"> Power, Performance, and Cost ESG Practices and RBA Code of Conduct Environmental Compliance Supplier Diversity | <ul style="list-style-type: none"> We have made significant strides from an ESG perspective since the publication of our first sustainability report. In this report, we provide a comprehensive overview of Veeco's ESG initiatives, challenges, goals, and progress. |
| Investors | <ul style="list-style-type: none"> Shareholder meetings Quarterly earnings calls Conferences & Non-Deal Roadshows (NDRs) | <ul style="list-style-type: none"> Business Strategy & Outlook Financial Results Capital Allocation Priorities | <ul style="list-style-type: none"> Conducted investor outreach, targeting approximately 75% of Veeco's outstanding share ownership, providing transparency and seeking feedback on ESG-related matters. Aligned our 2024 disclosures with SASB and GRI, and improved ESG transparency more broadly. |
| Suppliers | <ul style="list-style-type: none"> Supplier screening / surveys / questionnaires Supplier visits and audits Supplier Code of Conduct | <ul style="list-style-type: none"> Transparency Capacity Forecasting | <ul style="list-style-type: none"> We are continually improving communication and transparency with our suppliers. Updating our supplier on-boarding survey. Clearly delineating expected conduct through our Code of Conduct, Supplier Code of Conduct, Human Rights Policy, Conflict Minerals Policy, and Environmental & Social Responsibility Statement. |
| Communities & Organizations | <ul style="list-style-type: none"> Partnerships Promotion of shared principles Disaster relief | <ul style="list-style-type: none"> Volunteering Philanthropy | <ul style="list-style-type: none"> Habitat for Humanity projects in local communities. Charitable Donations Paid Volunteering |

Materiality Process



In a rapidly changing business and social environment, our materiality process is critical in prioritizing responses to our stakeholders, mitigating risk, and developing our Veeco United culture.

Since publishing our first Sustainability Report in 2020, Veeco continued to refine and advance its materiality assessment process. We've enhanced our responsiveness to both internal and external stakeholders by adopting a more comprehensive engagement approach. Although our methods have progressed, we are committed to further deepening stakeholder engagement and strengthening our materiality assessment in future reports.

Using the Global Reporting Initiative (GRI) framework, we have established a structured materiality assessment process built on three key standards. First, we engage with internal and external stakeholders to compile a list of potentially material topics. These topics are then evaluated based on their economic, environmental, and social impacts on Veeco's business and strategy. Finally, we assess the extent to which Veeco has influence or control over these issues. A topic is confirmed as material if it has a significant impact and falls within Veeco's sphere of control.

Materiality Assessment

Our 2024 materiality assessment process yielded 15 material topics from a potential list of 27 identified topics. We believe our selections capture the full range of Veeco's impacts and their boundaries.

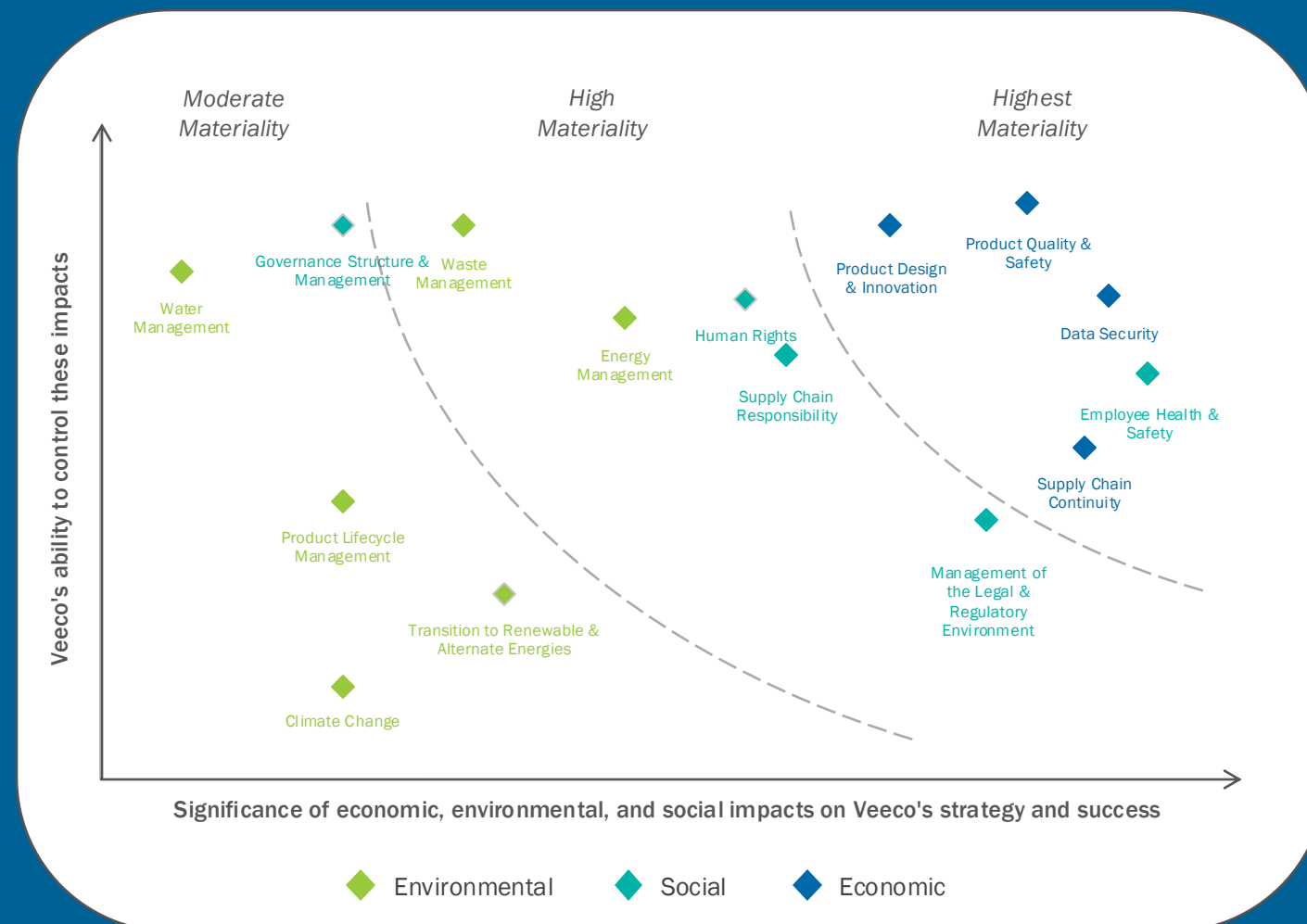
Veeco's impacts are defined by three primary boundaries, which were identified during the internal analysis and assessment of our level of control as part of the materiality process.

The first boundary includes internal impacts. These are effects that directly influence our business performance, strategic direction, organizational culture, and employees.

The second boundary includes upstream impacts, which occur within our supply chain. Our procurement of materials and technologies affects our suppliers, their employees, and their surrounding communities.

The third boundary focuses on downstream impacts, which arise from the use of our products and services. These impacts may affect the health, safety, and well-being of our customers, their organizations, and the communities they serve.

The materiality matrix presented to the right illustrates the results of our stakeholder engagement and materiality assessment. While we consider all identified topics to be important and actively address each one, the matrix highlights the topics that have the greatest influence on Veeco's success and strategy, as well as those where we have the most control.



| Goal | Metric | Target | 2024 | 2023 | 2022 | 2021 |
|--|---|------------------------------|---------------|---------------|---------------------|-------|
| Environmental | | | | | | |
| Source 50% renewable energy for U.S. operations by 2030 | % | 50.0% | 28.5% | 30.4% | 31.9% | 26.8% |
| By 2025, reduce normalized emissions from heating and purchased electricity (scope 1 and 2) by 10% in the U.S. from a 2021 baseline | MT CO ₂ e / \$M Revenue | 16.4 | 13.5 | 14.2 | 16.2 ⁽¹⁾ | 17.9 |
| Expand the product chemical compliance program and drive continuous improvement, including a greater focus on “design for compliance.” by 2025 | % of Veeco Major Products Covered | 90% | 84% | 75% | 35% | N/A |
| | Supplier Response Rates | 10% increase over prior year | 16% over 2023 | 15% over 2022 | N/A | N/A |
| Achieve compliance with regulations for fluorinated gasses in refrigerants and chillers by 2030 | % of Impacted Veeco Products Compliant | 100% | 30% | 20% | 0% | 0% |
| Social | | | | | | |
| Each employee completes a minimum of 20 hours of training to support personal development | Total Hours | 20 | 19.81 avg. | n/a | n/a | n/a |
| Make a material difference in our local communities through outreach and volunteerism | Throughout 2024, Veeco continued to support Habitat for Humanity in several of our U.S. locations. Additionally, Veeco collaborated with Visit.org and Project Helping to assemble career readiness kits for job seekers in special care packages. | | | | | |
| Governance | | | | | | |
| Continue to align our ESG disclosures with international frameworks and rating agencies | Over the years, taking stakeholder feedback into account, we continuously expanded ESG reporting to include the Sustainability Accounting Standards Board (“SASB”) framework (now consolidated under IFRS), Global Reporting Initiative (“GRI”), as well as submitted various sustainability questionnaires. We have disclosed our ESG performance and practices to Institutional Shareholder Services (“ISS”), Climate Disclosure Project (“MSCI”), Responsible Business Alliance (“RBA”), and Morgan Stanley Capital International (“MSCI”). As of the date of this report, our ISS sustainability scores- specifically a “4” for environment, a “1” for social, and a “1” for Governance (on a scale of 1 to 10, with 1 being optimal)- place us well above our peer company averages. | | | | | |



Veeco United Team

- Veeco United Culture
- Employee Health & Safety

Veeco United Culture

Our Veeco United team is essential to every part of our business and everything we do. We are committed to building a corporate culture we can all be proud of.



Our Core Values were developed by a team of Veeco employees from around the world. Our Core Values guide every conversation, decision, and action taken by Veeco. It is through the pursuit and achievement of these Core Values that we make Veeco a great place to work.

Our Core Values provide the basis for accountability, support stability in times of change, inform our decision-making, help to create a thriving community, and engage the hearts and minds of our team.

We bring our Core Values to life through the input, ideas, teamwork, and commitment of all our employees. We collaborate with employees through conversations about Veeco's mission, vision and shared values. Our Core Value team engages with leaders throughout the company to support and encourage open dialogue that promotes these core values on a regular basis.

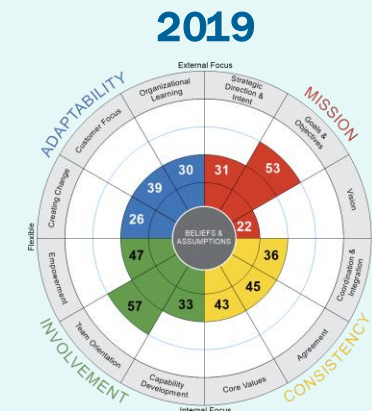
Veeco implements policies aimed at treating all employees fairly and communicating the organization's expectations of them. Changes regarding significant employment policies are reported to the Board quarterly, ensuring proper accountability.

The health and well-being of our employees is essential to developing a unified Veeco United culture. For that reason, we offer one of the most comprehensive [benefits plan](#) available in the industry today to our full-time U.S. employees and their eligible dependents. These include medical, dental, and vision coverage, short and long-term disability income protection, life insurance, retirement plans with generous company matching contributions, and more. Veeco pays the majority or all of the costs for many of these benefits. We believe a healthy and productive Veeco United team is the best way to make a material difference in the world around us.

Employee Culture Survey

Beginning in 2019, and in every other year since then, we conduct a global survey of Company culture designed to measure employee engagement across four culture traits represented by Mission, Involvement, Adaptability, and Consistency. Over 90% of our employees have participated in each survey, a very strong indication of employee engagement at Veeco. Employees have provided over 2,000 responses to open-ended questions in each survey. The findings from these surveys are used to establish an agenda for various initiatives designed to strengthen our Company culture.

In off-cycle years, we conduct a “Pulse Survey” - a shorter set of questions based on the full culture survey - with the goal of ensuring we receive employee feedback on an annual basis. Our 2024 Pulse Survey featured six questions focused on top improvement priorities. The feedback received through these Pulse Surveys tells us about the progress we are making in our culture initiatives and where we have more work to do.



2024 Pulse Survey Improvements realized across:

- Strategic Direction
- Vision
- Core Values
- Empowerment
- Capability Development
- Org Learning

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Talent Development & Training

We believe in investing in professional development to ensure that our employees have opportunities for advancement in their careers. Through the Company’s People Development function, we offer many training and development programs for the benefit of employees located around the world. Additional focus is placed on the development of future Veeco leaders, and we leverage a talent review process as part of succession planning to identify and develop employees for future leadership roles.

Continual improvement and accountability are two of Veeco's Core Values. That is why all full-time employees are required to set goals and objectives annually. We take pride in the fruitful dialogue that emerges from every employee’s goal development, mid-year, and end-of-year performance reviews. Valuing our employees, developing their professional skills, and enhancing satisfaction are all a part of building our Veeco United Culture.

We also believe in the importance of continuous learning, promoted through both mandatory training modules and career development learning opportunities. All employees are required to take mandatory training in EH&S, Global Export Controls, Quality & Customer Satisfaction, FCPA (anti-corruption), Cybersecurity, and Anti-Harassment & Discrimination.

In 2023, we started tracking our training data. As a result, we found that in 2024, our employees recorded an average of 19.8 hours of training in support of their professional development and our companywide goal.

Hiring & Retention

Veeco's success depends on our ability to attract, retain, and motivate employees. Our recruitment programs are regionally focused, and hiring is done at a local level to ensure compliance with applicable regulations. We advertise job openings and source candidates broadly to attract a diverse candidate pool. As a leader in our industry, we are able to attract a strong candidate pool and have been successful in filling vacancies. In fiscal 2024, we hired 134 employees, 102 within the United States, 28 in the Asia-Pacific region, and 4 in the EMEA region. Approximately 25% of our employees are involved in research and development; 56% in operations, manufacturing, service, and quality assurance; and 19% in sales, order administration, marketing, finance, information technology, general management, and other administrative functions.

Turnover is an important indicator of employee satisfaction, so we closely monitor turnover globally and benchmark locally. Our 12-month rolling average for voluntary turnover on December 31, 2024, was approximately 7.4%. Our employee average tenure is more than 8 years.



Valuing Our Employees

Creating a Veeco United team means prioritizing the evolution of our employees and creating an environment of collaboration, growth, and fun. Here are some of the resources available to our employees that promote a positive work environment:



Career Development at All Levels

At Veeco, career development is a priority at every level. From individual contributors to managers and leaders, we offer programs that help unlock potential and drive success. In 2024, we launched DRIVE – an innovative program built to inspire and guide employees and managers on their professional development journeys. We also introduced our Frontline Leader Program – designed to help new managers thrive in their roles through a blend of classroom instruction and personalized development plans tailored to their individual needs. In 2023, Veeco graduated its two Leadership Legacy program (LLP) classes. The LLP was developed by Veeco for Veeco leaders and is delivered over eight sessions to support, guide, and encourage all Veeco leaders in their development.

Internship and Co-op Program

We believe that internship experiences are extremely valuable for both students and Veeco. Our interns and co-op students gain hands-on experience in disciplines ranging from engineering to operations to finance and their contributions are valued by our entire Veeco United team.

Making a Material Difference

In May 2024, we invited all Veeco United employees to record short videos and share their personal stories about how they make a material difference for Veeco, their customers and the world.

SuccessFactors Learning Management System

SuccessFactors is our online learning center where employees can build skills at their own pace. We encourage learning and exploring new topics. Our favorite learning opportunities are action learning – special assignments, cross-functional collaborations, and solving complex problems.

Health & Wellness

We're at our best when our employees are happy, healthy, and engaged. That's why Veeco offers a range of programs that enhance the well-being of our people. Many Veeco locations offer access to biometric screening, flu shots, and an on-site gym.

Committed to Our Community

Habitat for Humanity

Veeco continues its partnership with Habitat for Humanity chapters near our offices. Recently, colleagues from our St. Paul, MN office volunteered their time for the local chapter. The job site, roughly 25 minutes from our facility, consisted of three two-family condominiums and required framing and setting up scaffolding. We thank the team pictured here for their participation, and we look forward to more events across our US locations in the future.



Global Reach but Local Impact

Veeco locations worldwide regularly participate in organized events and activities to support local communities. Our employees take the initiative to support food drives, coat drives, and programs like Toys for Tots. Pictured to the right, our Singapore team recently participated in the cleanup of Selimang Beach and removed an impressive 357 lbs. (162kg) of trash, beautifying the area for everyone.



Veeco’s Health & Safety Management System

Veeco's Environmental Health and Safety Policy, as well as its associated manuals, policies, and procedures, unite to create a comprehensive occupational health and safety management system.

At Veeco, we have implemented safety programs across our organization based on our Core Values and Veeco United culture. Our leadership team has an active role in ensuring we are performing our work as safely as possible. A safe and healthy work environment not only minimizes the incidence of work-related injuries and illnesses, but it also enhances the quality and consistency of Veeco’s products and services, improves employee retention, and boosts morale.

At the core of our management system are the principles of our Environmental, Health, and Safety policy. It is our mission to maintain a safe and environmentally sensitive organization striving to eliminate foreseeable losses resulting in an injury or illness to our employees, property, and the environment.

Our robust health and safety management system helps us meet applicable regulations such as state and OSHA regulatory requirements. The system is designed around Veeco's internally developed policies, industry best practices, and guided by the standards enumerated in ISO 45001. Our San Jose location is aligned with the aforementioned regulations and is ISO 14001 compliant.

Veeco's health and safety management system covers activities and employees of Veeco, as well as workers who are not employees but working on-site at a Veeco facility, in the field, or otherwise on our behalf.

Our Guiding EH&S Principles

- Ensure that the safety of our employees is properly considered as part of the design and operation of equipment.
- Incorporate fire protection, environmental control, and emergency notification equipment as part of the design and operation of our facilities.
- Strive for the conservation of natural resources by minimizing the use of hazardous materials and the generation of hazardous waste in our processes and products and implementing recycling and resource recovery programs.
- Be a responsible corporate citizen, complying with applicable environmental and safety laws, regulations, and industry standards, as well as establishing our own procedures, objectives, and targets.
- Continually improve our management system to support the evaluation and integration of applicable environmental, health, and safety considerations into our business decisions and planning activities.

Health and Safety Governance

Veeco Safety Governance

Our Corporate Safety Program consists of local safety teams, a Safety Review Board and a Global Services Safety Board. The teams are comprised of employees, managers, directors and vice presidents. They all provide input into the activities of our Safety Review Board, Global Services Safety Board and Local Safety Committees in order to address the needs and concerns of our employees regarding health and safety.

Key Elements of our Safety Management System

- ✓ Environmental Policy
- ✓ Objectives and Targets
- ✓ Management Support and Involvement
- ✓ Corrective and Preventive Actions
- ✓ Training
- ✓ Risk Management
- ✓ Continuous Evaluation and Improvement

Site Safety Teams

Each Veeco site has a designated safety committee. These are formal joint management-worker safety committees and are the primary conduit between the departments and site management in identifying and addressing site-specific EHS risks and hazards. The committees work to minimize employee risk and develop work-specific protocols for hazards such as chemical safety, emergency planning, and employee EHS training. Employees are encouraged to take an active role and participate in the monthly meetings.

Quality & Performance

We ensure the quality of our Health and Safety Management System by regularly conducting reviews of incidents, processes, and hazards. Monthly Safety Committee meetings, weekly Safety Team meetings, quarterly, and annual reviews are all pieces of our ongoing commitment to ensure workplace safety and provide outlets for our employees to voice their concerns. Our

team of EH&S and Facility professionals receive regular training and recertification in line with regulatory requirements. Our team includes a Certified Safety Professional, an OSHA Training Certified Professional, and individuals with environmental management and permitting credentials.

Inspections

Veeco works closely with regulatory agencies to ensure that we operate in compliance with relevant regulatory requirements.

Inspections fall into four main categories: routine/surprise inspections, special emphasis inspections, third-party complaints, and employee complaints. Inspections involve a records review, site visits, and close-out meetings.

We have a policy in place for regulatory inspections which outlines responsibilities for pre- and post-inspection actions including a corrective action plan, if required

Safety Training and Onboarding

In accordance with SEMI S19-0311, we have a training curriculum of mandatory and job-specific topics. Mandatory training topics pertain to our EH&S Policy, Incident Reporting, Facility Security, PPE, Site Emergency Response Plan, Site Housekeeping, and Chemical Safety.

Job-specific training is conducted in several areas for employees based on their involvement with certain hazards. Examples of job-specific training include safety procedures related to radiation, chemicals, lasers, material handling, personal protective equipment (PPE), and Gallium arsenide phosphide (Ga-AsP).

Safety training is provided upon commencement of employment and is refreshed annually or every three years, as applicable. Training is provided in a language easily understood by workers and is administered during paid working hours. Training is provided in person by certified trainers and online through our learning management platform.

Protecting Worker Health

Veeco provides its employees with several avenues to preserve and advocate for their safety. We encourage our employees to speak with their managers, HR, or utilize the anonymous Veeco Hotline to report any concerns about their health and safety.

Retaliation for good faith reporting of health & safety issues is explicitly prohibited under Veeco's [Code of Conduct](#).

Our Field Safety Policy details our STOP WORK policy. The policy identifies several questions to ask about the well-being of the employee and the safety situation. If the answer to any of the

questions is no, then employees and contractors are prohibited from commencing or recommending work.

Hazard Identification & Risk Assessment

Veeco maintains a comprehensive set of policies identifying risks involved in our business processes which span across the office, R&D, and production facilities. Risk assessments are conducted on an as needed basis for new processes, equipment, tools, and chemicals. Current hazards and risks have been identified and assessed.

In our hazard identification and risk assessment process we adhere to the hierarchy of controls to avoid, mitigate, and protect our workers from hazards.

Our EH&S team has created a hazard and risk assessment matrix for general and specific job tasks. For each job task at Veeco, hazards, the likelihood of incident occurrence, and outcome severity have been identified. The corresponding PPE requirements for each task are categorized in the matrix as well.

Certain work hazards pose a risk of high-consequence injury in the absence of proper safety procedures. For these hazards we have developed mandatory policies, procedures, trainings, and PPE requirements. Some of the hazards we have identified include radiation exposure, chemical exposure, laser use, hazardous materials, and noise and eye exposure from certain processes.



Incident Reporting

Our Standard Operating Procedures are designed to allow work-health incidents to be fully reported. We ask that our employees immediately report to the EH&S team all incidents resulting in injury, illness, property damage, or a near miss. It is the right and responsibility of our employees to file EH&S complaints to management and regulatory agencies, as appropriate.

Our comprehensive incident reporting and investigation policy details the escalation reporting process for minor and major incidents, as well as where to access report forms. The escalation process involves immediate notification of a manager or site director, notification of the Corporate Senior EHS Manager within 24 hours, follow-up with an incident-specific report between 24 and 72 hours (depending on the severity of the incident), and further notification to relevant departments. The location of the relevant forms and procedures for incident reporting are easily retrievable and employees are trained on their usage. In accordance with whistleblowing laws and our [Code of Conduct](#), retaliation for good faith incident reporting is explicitly prohibited.

Incident Investigation

Incidents of worker injury and near miss events are reviewed on a weekly and annual basis. Our EH&S Team meets weekly with site-specific safety team members to conduct Corrective and Preventive Action (CAPA) tracking. Our CAPA process helps to ensure that the committee reviews incident reports, identifies root causes, and establishes a corrective action plan to reduce the risk of such an event occurring again. It is our mission to continually improve the safety of our operations and protect the health of our employees.

Quarterly reviews of EH&S Metrics and Incidents are conducted by our Safety Board, which includes members of the Veeco executive leadership team. An annual safety presentation is given to members of our Board of Directors.

Incident Rates

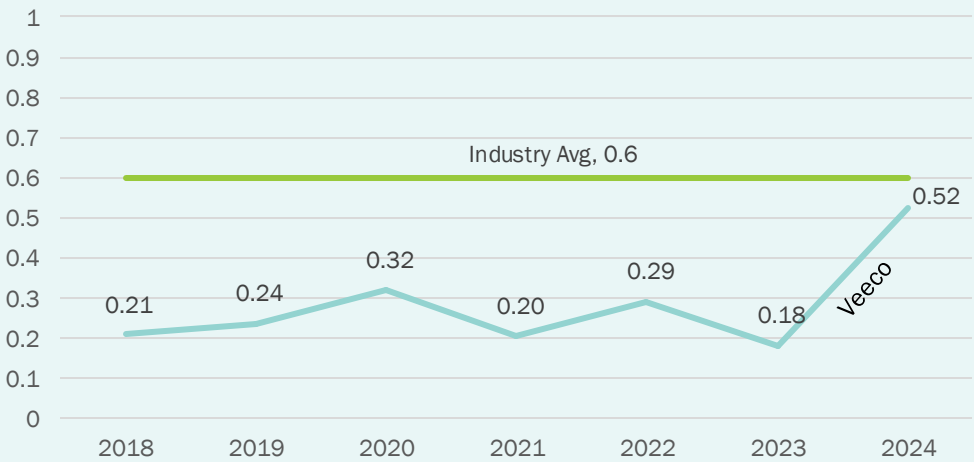
We track safety metrics on a weekly basis. First aid treatment cases, medical treatment cases, lost time treatment cases, and near miss events are all accounted for and addressed in our EH&S Committee Meetings.

In 2024, the main types of work-related injuries were minor lacerations, strains/sprains, and contusions. There were 8 recordable work-related injuries. For 2024, we had the lost time severity rate of 6.38, and we had 0 work-related fatalities.

Veeco’s days away, restricted, or transferred rate is below the semiconductor industry averages, partly due to our diligent efforts in this area. Please see the accompanying “DART Rate” chart.



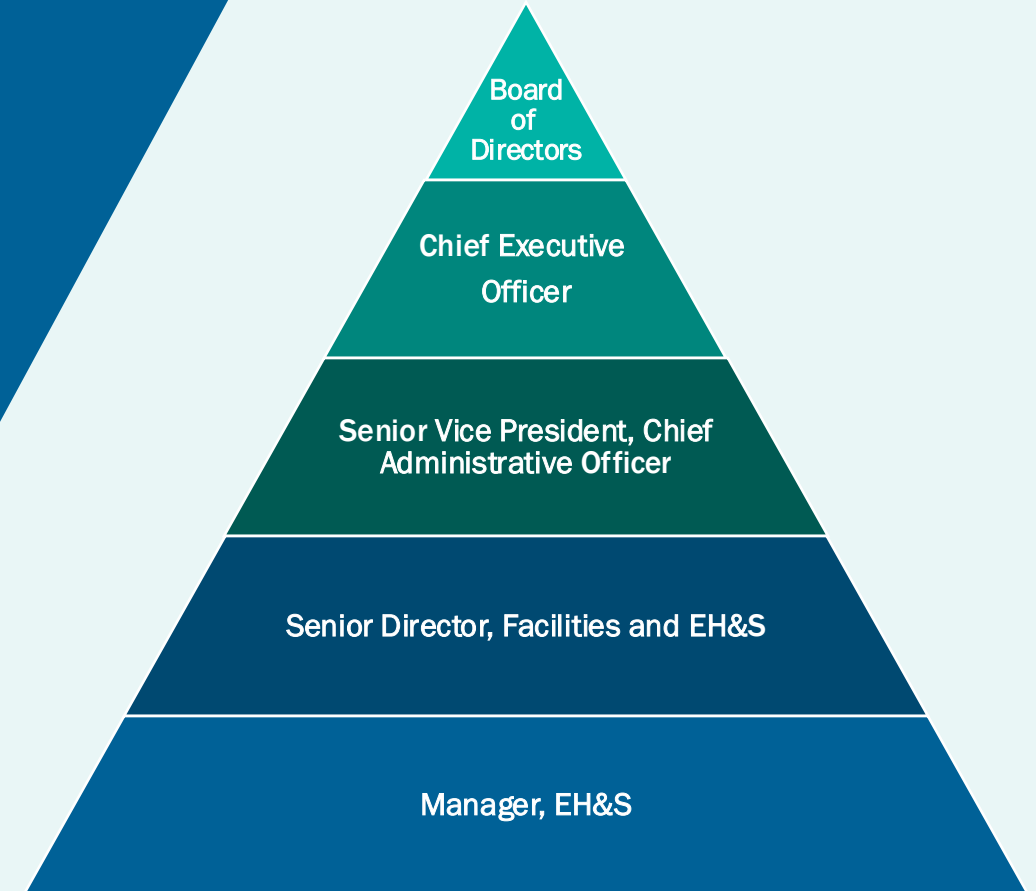
Days Away, Restricted or Transferred (DART)



Chain of Command for the Resolution of EH&S Issues

Veeco's Senior Director, EH&S plays a leading role in the management of our facilities but responsibility for EH&S compliance lies with all Veeco employees. Veeco's EH&S policies and training materials are readily available to all Veeco employees and are posted on Veeco's intranet site.

A "chain of command" for the resolution of EH&S issues has been established and Veeco's Board of Directors has ultimate oversight of Veeco's EH&S, ESG, Hotline, and other legal and regulatory compliance matters. These topics appear as recurring items in Board meeting agendas and are discussed and considered on a regular basis. It is a stated goal of the Veeco Board to stay current on trends, legislation, and key shareholder requirements pertaining to social responsibility matters, environmental sustainability, and good corporate governance practices.





Governance & Ethics

- Corporate Governance
- Board of Directors
- ESG Governance
- Code of Conduct and Reporting Violations
- Human Rights

Corporate Governance

Our Board of Directors and executive leadership team are committed to responsible Corporate Governance to ensure that Veeco is properly managed for the long-term benefit of our stakeholders.

Veeco Corporate Governance Resources

- ✓ [Veeco Code of Conduct](#)
- ✓ [Corporate Governance Guidelines](#)
- ✓ [Board Committee Charters](#)
- ✓ [Code of Ethics for Financial Officers](#)
- ✓ [Director Education Policy](#)
- ✓ [Disclosure Policy](#)

To that end, our Board and management regularly review published guidelines and recommendations of institutional stakeholder organizations while evaluating current best practices of similarly situated public companies. The Board and management, consistent with an established set schedule, periodically reassess and revise, as appropriate, Veeco's corporate governance policies and practices to remain current and in full compliance with applicable laws and prevailing standards, including the Sarbanes-Oxley Act of 2002 and the rules and regulations of both the SEC and NASDAQ.

Veeco undergoes an annual Board, committee, and individual director self-evaluation process. Feedback is shared with each director, committee, and at the full Board level. Veeco's independent directors, guided by the independent Chairman of the Board, meet regularly without management present and conduct an annual performance assessment of the Chief Executive Officer.

Veeco requires that at least two-thirds of the Board of Directors be independent in accordance with NASDAQ listing standards. Currently, eight of Veeco's nine directors are independent.

Additional corporate governance principles and practices have been memorialized in several Veeco policies, including Veeco's [Corporate Governance Guidelines](#).

Nominating and Selecting the Board of Directors

The Governance Committee and Board of Directors are responsible for determining the number of directors on the Board. Through periodic reviews and recommendations, the optimal range has been determined to be between 7 - 10 members; the Board currently consists of nine directors. The Company maintains a set of Corporate Governance Guidelines that, among other things, includes retirement provisions for directors. Board members are elected once every three years.

The Board selects nominees for election and fills any vacancies that may arise between annual stockholder meetings, based on the Governance Committee’s recommendations. When filling a vacancy, the Board shall designate the class to which the new director shall be appointed, taking into consideration the by-laws requirement that the Board classes be as nearly equal as possible.

Directors added to the Board to fill vacancies are expected to be recommended for election at the next annual stockholder meeting at which the relevant Board

class is up for election (or, if proxy materials for such meeting have already been distributed, at the next succeeding annual meeting at which the relevant board class is up for election).

When nominating and selecting Board members, potential candidates are evaluated based on a number of criteria. These include integrity, honesty, sound business judgement, independence, and competency in numerous core areas of importance.

Conflicts of Interest

If an actual, apparent, or potential conflict of interest arises for a director, that director will promptly inform the CEO, the Chair, or the Chair of the Governance Committee, who will bring the matter before the Board to resolve on a case-by-case basis. Directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests, and may rely upon the advice of the Secretary or General Counsel in deciding whether recusal is necessary or appropriate. Service by a director on the Board of one or more other companies must be consistent with Veeco’s conflict of interest policies.

The [Code of Conduct](#) specifies potential violations and disciplinary measures for conflicts of interest related to matters such as employment and financial incentives for both the Board and Veeco employees.

Environment, Climate, and Sustainability

On March 23, 2023, we added Environment, Climate, and Sustainability to our board skills matrix, which is included in our annual proxy statement. This addition reflects our ongoing commitment to Environmental, Social, and Governance (ESG) matters and aligns with our goal of enhancing transparency and ensuring strong Board oversight in these areas. We believe that directors with experience in addressing climate change and other environmental challenges are well equipped to guide our environmental initiatives and support the development of sustainable products.



Composition of the Board of Directors

| Name | Executive | Independent ⁽¹⁾ | Age ⁽²⁾ | Director Since | Gender | AC ⁽³⁾ | CC | GC |
|--------------------------|-----------|----------------------------|--------------------|----------------|--------|-------------------|--------|--------|
| Richard A. D'Amore | No | Yes (Chair) | 71 | 1990 | Male | - | member | - |
| Gordon Hunter | No | Yes | 73 | 2010 | Male | - | chair | member |
| Keith Jackson | No | Yes | 69 | 2012 | Male | member | - | chair |
| Kathleen A. Bayless | No | Yes | 68 | 2016 | Female | chair | member | - |
| Thomas St. Dennis | No | Yes | 71 | 2016 | Male | member | member | - |
| William J. Miller, Ph.D. | Yes | No | 56 | 2018 | Male | - | - | - |
| Mary Jane Raymond | No | Yes | 64 | 2019 | Female | member | - | - |
| Sujeet Chand, Ph.D. | No | Yes | 67 | 2021 | Male | - | - | member |
| Lena Nicolaidis, Ph.D. | No | Yes | 54 | 2022 | Female | - | - | member |

(1) Independence determined based on NASDAQ rules.

(2) Age as cited in Veeco's 2024 Proxy Statement as of March 20, 2025

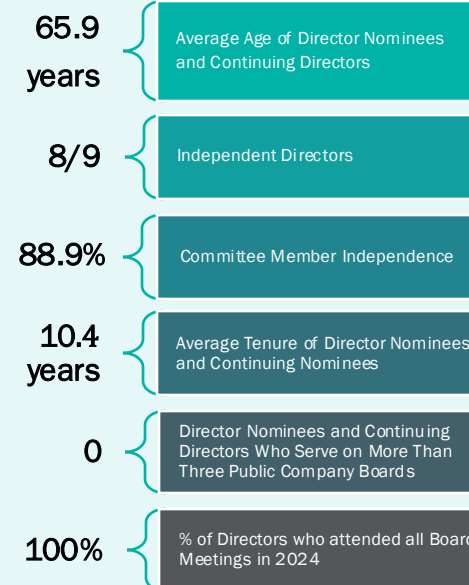
(3) All members of the Audit Committee are financial experts as determined by SEC rules.

AC — Audit Committee

CC — Compensation Committee

GC — Governance Committee

Board Highlights



ESG Governance

Effective ESG governance is critical in an environment of increased consumer and investor demand, a myriad of reporting frameworks, and a dynamically shifting business environment. Veeco’s Board of Directors, executive leadership team, and ESG leadership team have worked to develop a robust ESG governance structure and strategy.



ESG Oversight and Management

As a publicly traded company, members of Veeco’s Board of Directors have ultimate oversight over the Company’s ESG efforts and are elected by the Company’s stockholders at the Company’s Annual Meetings.

While our Board has ultimate responsibility for ESG oversight, the Governance Committee has primary responsibility for our ESG priorities. The [Governance Committee Charter](#) specifies that the Governance Committee is responsible for reviewing the strategy, policies, and performance relating to Veeco’s management of ESG and CSR matters. This includes climate-risks and opportunities public reporting on these topics.

ESG is currently addressed at Governance Committee meetings on a bi-annual (twice a year) basis, and more frequently as needed or appropriate. Following each Governance Committee meeting, the Chair of the Governance Committee provides an update to the full Board.

The Compensation Committee is responsible for workforce-related matters, while the Audit Committee maintains oversight of ethical matters and information security compliance. Management provides regular updates and progress reports to the Board, these committees, and engages with them to discuss ESG strategy and to gain alignment on goals.

ESG Leadership Team

Veeco has established an internal ESG leadership team to help develop and implement our related strategies and initiatives. This cross-functional team consists of members from the following Veeco departments: Environmental, Health & Safety, Engineering, Information Technology, Human Resources, Supply Chain, Investor Relations, Finance, Marketing, and Legal.

This team is tasked with proposing objectives, developing and executing strategy, and weaving ESG principles into the fabric of our day-to-day operations. Members of our ESG Leadership Team report directly to the Governance Committee, on a bi-annual basis or more frequently as needed, to update and consult with the Governance Committee on ESG matters. Veeco remains diligent in its efforts to further our progress in sustainability reporting and implementing sustainable practices moving forward.

Our ESG leadership team is complemented by our Sustainability Analyst who supports the development of our ESG sustainability strategy, initiatives, and reporting.

Report your Concerns in Confidence

If you see or suspect wrongdoing, speak up. It's free, secure and we're available 24/7.

How to contact us:
veecomobile.ethicspoint.com

We believe that managing and promoting an ethical and legally compliant environment is integral to the success of our business operations, which ultimately benefits our people and our community. To this end, Veeco complies with all applicable laws and regulations pertaining to the protection and safety of our employees and the environment in which we operate.

Ethical Standards & Responsibilities

At Veeco, we strive to maintain the highest standard of ethical business practice and respect. Our [Code of Conduct](#) details the responsibilities of our management and employees to maintain Veeco's status and reputation as an organization committed to integrity, ethics, and compliance.

The covered individuals of the Code include employees, board members, channel partners, and others acting on behalf of Veeco. All employees are provided a copy of the Code upon commencement of employment and are required to confirm and certify their understanding and compliance on an annual basis.

Additionally, Veeco's [Code of Ethics for Senior Financial Officers](#) has been established by the Audit Committee of the Board of Directors and applies to the Chief Executive Officer, the Chief Financial Officer, and the Chief Accounting Officer in accordance with Section 406 of the Sarbanes-Oxley Act of 2002.

When it comes to reporting possible Code violations and other concerns, ensuring anonymity and non-retaliation are vital to safeguarding integrity and a compliant workforce. Accordingly, Veeco's [Code of Conduct](#) explicitly forbids retaliation of any kind for good faith reporting of any unethical, unlawful, or otherwise inappropriate conduct.

Reporting Ethics Concerns

Employees are encouraged to seek advice about and report violations to their supervisors or the Legal, Human Resources, and Finance departments. We regularly provide our employees with information and reminders about our confidential third-party hotline service for the reporting of ethical violations or other concerns.

Employees are given access to a toll-free number for the reporting of any concerns, and anonymity, if requested, is ensured. Veeco prohibits retaliating against anyone for reporting or supplying information in good faith about a concern, even if the allegation turns out to be groundless.

All reports, which may be made anonymously, are taken seriously and are rigorously reviewed by members of Veeco's senior management (and the Veeco Board, as appropriate). Promptly after a report is filed, copies are forwarded to Veeco's Chief Financial Officer, Chief Administrative Officer, General Counsel, and the Chair of Veeco's Audit Committee.

As appropriate, this group will review the matter and oversee the ensuing investigation, which may include a review of records and in-person interviews. In addition, the hotline service allows for follow up communications with the reporting person, again on an anonymous basis if preferred. Depending on the results of the investigation, corrective action is promptly implemented.

Human Rights

Veeco's [Human Rights Policy](#) formalizes our commitment to preserving and promoting the fundamental rights of others as reflected in the Responsible Business Alliance (RBA) [Code of Conduct](#).

Our commitment to international human rights standards and local laws is rooted in our Core Values. This commitment is further reinforced through our adherence to the Veeco and RBA Codes of Conduct, along with other Company policies. On the right, you'll find a few Veeco initiatives supporting human rights within our company and across our supply chain. For more information, please click the links to access the full text of these policies.



[Human Rights Policy](#)

Our policy focuses on four core areas: Labor Rights, Environmental & Workplace Health and Safety, Ethics, and Management Systems. Veeco is committed to complying with all laws and regulations related to workplace, environmental, and product safety. We adhere to all anti-corruption and privacy laws and have established systems to protect customer data and personal information. Retaliation against whistleblowers is strictly prohibited, and their anonymity is safeguarded. We regularly review and update our Human Rights Policy to ensure alignment with best practices



[Conflict Minerals Policy](#)

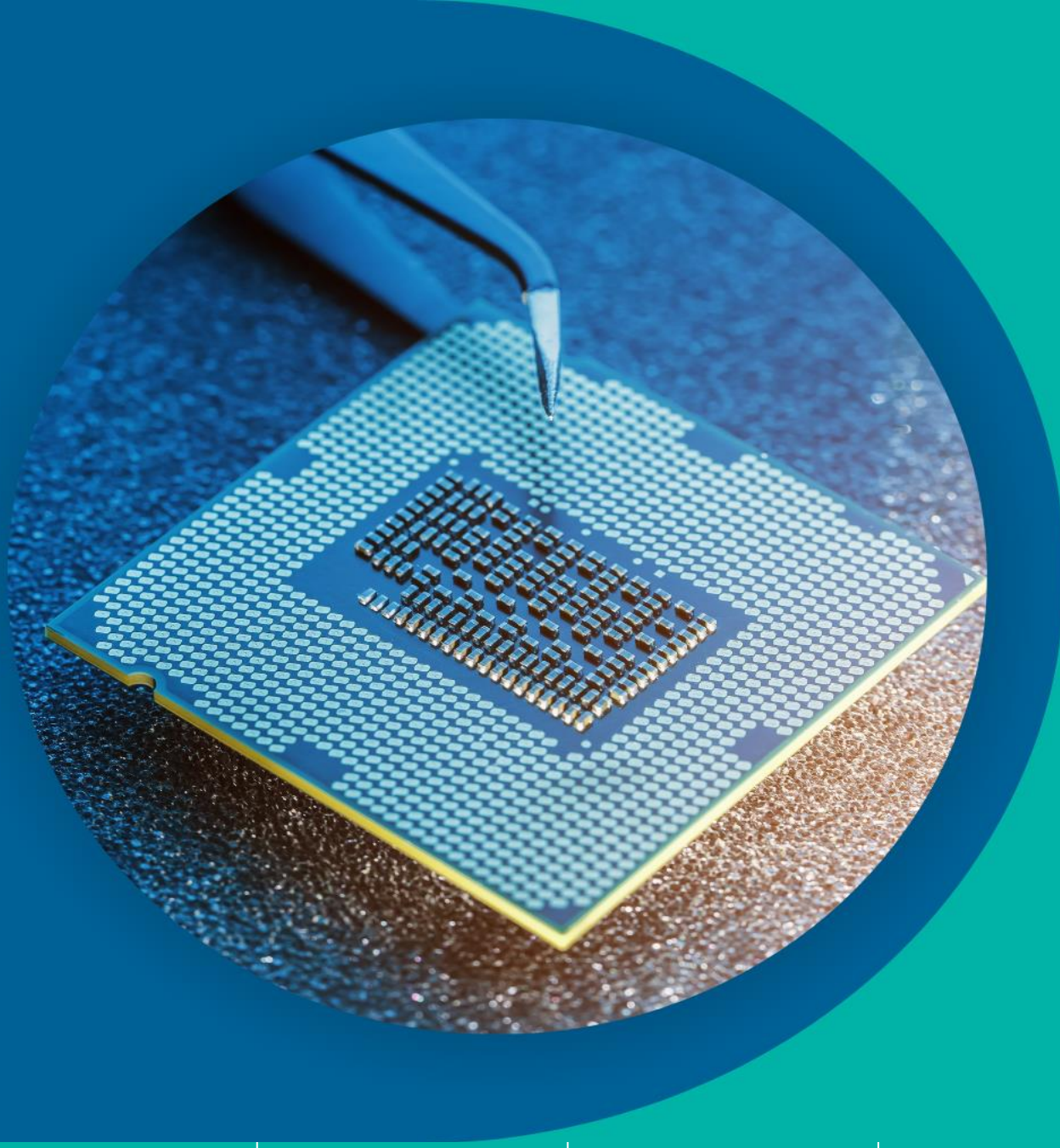
Veeco is committed to ensuring traceability and transparency in mineral sourcing throughout its supply chain. We comply with the Dodd-Frank Act and related U.S. Securities and Exchange Commission rules established on August 22, 2012, which require certain companies to disclose whether their products contain “conflict minerals” sourced from mines in the Democratic Republic of the Congo and neighboring countries.

Veeco expects its suppliers to refrain from selling products that contain conflict minerals that directly or indirectly support or finance armed groups in these regions. We have established a process to gather and evaluate information from both current and potential suppliers regarding the origin of materials used in the manufacturing of Veeco products.



[Supplier Code of Conduct](#)

In October 2020, Veeco introduced its first Supplier Code of Conduct (SCoC). The SCoC sets forth our expectations for suppliers and covers policies related to legal and regulatory compliance, ethics, human rights, health and safety, environmental standards, privacy, intellectual property protection, and reporting mechanisms for violations. While we expect suppliers to monitor their own operations, we also conduct periodic audits and inspections. Non-compliance with the SCoC may result in the termination of the business relationship. We require all new suppliers to review and confirm their adherence to the SCoC, and our standard purchase order terms include a clause ensuring compliance from both the supplier and their sub-tier suppliers.



Product Responsibility

- Product Development & Life Cycle Management
- Sustainability & Circularity
- Product Safety & Quality
- Information Security

Our Customers Inform Product Development

We will always put our **CUSTOMERS** first

Veeco's innovative solutions are a catalyst for the technology of tomorrow. Our customers' businesses serve global digital markets, and we know it is their priority to operate the most efficient systems while achieving their technology goals. It is with this goal in mind that we design our systems to optimize technical advantages to achieve superior cost of ownership.



We are committed to earning and maintaining the trust of our customers by meeting their expectations and requirements. We pursue customer satisfaction using Design for Safety and Design for Reliability principles, a culture of continuous improvement, and close customer engagement and feedback.

Our customers demand improvements in power, performance, and cost. As a company, we strive to meet our customers' needs, protect our employees, and act as a responsible corporate citizen. The internal and external requirements of Veeco point toward creating technology that makes the world more efficient and connected.

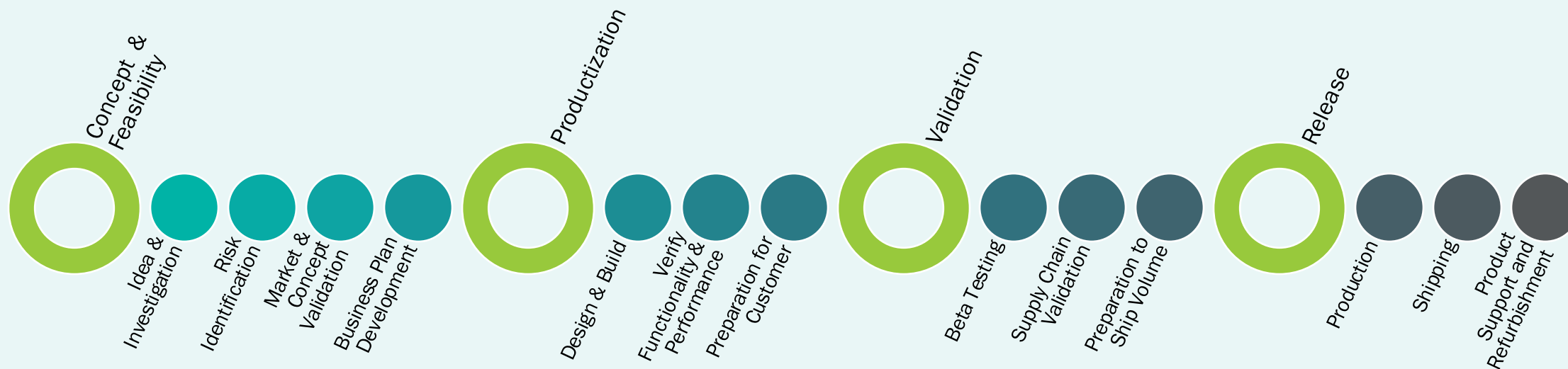
Veeco Principles of Product Development

- ✓ Innovation
- ✓ Understanding our customers and planning for success
- ✓ Optimized resource and investment management
- ✓ Improving Veeco's reputation through world-class technology and a commitment to safety and reliability.

Product Development Life Cycle Management

Veeco's comprehensive Product Life Cycle Policy defines the framework and guiding principles to be followed during the development and release of new products.

The four-step process details our commitment to excellence from Concept and Feasibility, through Productization, Validation, and Release. Our Somerset, NJ, Plainview, NY, Horsham, PA, and San Jose, CA locations are ISO 9001:2015 certified, a testament to Veeco's commitment to continually improve our products, services, and processes.



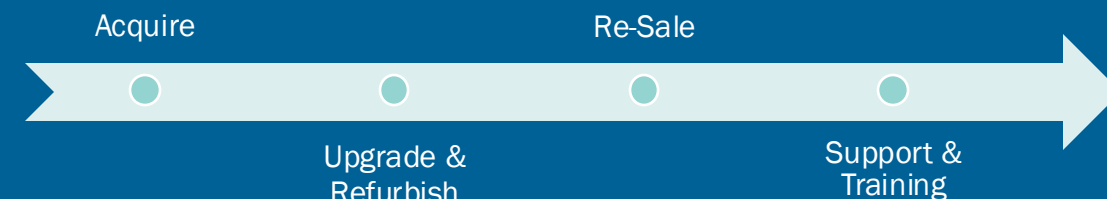
Sustainability & Circularity

Rapid change is occurring in the semiconductor industry as customers, investors, and communities demand greater business responsibility for energy and resource consumption of products during their useful life and for product end-of-life management.

At Veeco, we take our environmental responsibility seriously. Our engineers carefully consider the chemical, water, and material inputs, as well as efficiency throughout our product development process. We continually seek to ensure that our products and processes help our customers achieve optimal production levels and superior cost of ownership.

Following SEMI™ S23 guidelines, we have baselined the energy, utility, and materials usage of key products within our product lines, and initiated roadmaps to enable our customers to use less energy per wafer and per square foot of fab space for greater sustainability in their production. As part of those roadmaps, for our LSA 101 & LSA 201 Laser Spike Annealing systems, our energy-efficient environmental chamber utilizes 40% of the energy of the standard chamber and our new Nanosecond Annealing system, the NSA 500 is even more energy-efficient, utilizing only 60% of the energy of our LSA 101 and LSA 201 systems.

In our ongoing efforts to reduce use of hydrofluorocarbons (HFCs) in our products, we are continuing to qualify replacement for the chillers, compressors and refrigerants used in our products as necessary, including reviewing the GWP (Global Warming Potential) of refrigerants and ensuring that the replacements are in line with the reduced GWP requirements of the Kigali Amendment to the Montreal Protocol.



Refurbish, Repair, Extend

Veeco offers services and support designed to lower cost of ownership, decrease turnaround times, and increase the lifespan of our products. In recent years we have upgraded, repaired, and refurbished tools in the field that have been up to 20 years old. Reutilizing chambers, frames, and electronic cores; replacing pumps and other components; providing control system updates; not only do these services generate revenue and display our commitment to customer service, but they also reduce the need for critical material inputs and reduce e-waste.

Through our Veeco Certified Equipment (VCE) Program, we purchase, refurbish, and resell pre-owned Veeco systems. As appropriate, Veeco acquires previously owned equipment from manufacturers. Retrieved equipment is tested for quality and performance, obsolete components are replaced, and software and control systems are updated. Once fully certified, VCE is delivered to new owners who instantly gain access to our worldwide, trained service team. Veeco warrants VCE hardware and software to ensure the highest quality of service and support.

Product Safety & Quality



Our process equipment systems are used in the production of a broad range of microelectronic components. We understand our systems are long-term assets for our customers and consider it our duty to deliver robust equipment that is safe to operate and easy to maintain. Veeco's Product Safety Policy emphasizes the need to properly consider and factor safety at all times, rapidly investigate and solve product safety issues as they arise and continuously improve product safety performance.

All Veeco products are designed with the safety of the end-user in mind, according to applicable industry and regulatory standards such as SEMI™ S2 (Safety) SEMI S8 (Ergonomics), CE Machinery, Low Voltage and Electromagnetic Compatibility Directives, as well as KCs (Safety), KCC (Electromagnetic Compatibility) and IECEx for select products. With a global base of customers, we also comply with additional standards in regions where our customers are based.

Our Product Safety Policy and its corresponding suite of procedures and forms define our safety principles, applicable standards, risk assessment process, and responsibilities when responding to a safety event. The *Veeco Common Specification for Product Safety and Compliance* provides practical guidance to our engineers to ensure that new products and product improvements are designed for safety.

In line with our policies, all new and existing products are assessed for risks and potential hazards in full consideration of applicable regulations, industry standards, and Best-Known Methods (BKM's), following SEMI S10 & EN ISO 12100 methodologies.

All new products are tested and validated by a qualified third party. This helps us to ensure that our products meet all applicable safety standards while targeting the best results for our customers.

In the event of a real or potential product safety issue, in the field or in our factories, we follow our *Product Safety Event Procedure* to contain, determine root cause and implement corrective and preventive actions, and apply any learnings into our new product development.

Investigating Safety Concerns

We will never compromise on **SAFETY**.

This principle applies to our employees, our customers, and to members of our community. We are dedicated to addressing customer feedback and responding to incidents expeditiously. Veeco has a comprehensive Customer Complaint Escalation Process and Product Safety Event Procedure to manage potential safety events that may arise in connection with the use and operation of our products.

Lessons learned from safety incidents are incorporated into our design-for-safety practices and into risk assessments for all applicable products. If a potential safety issue is identified in a product, impacted customers are notified and made aware of applicable mitigation measures and other solutions.

In the event of a product recall, impacted customers will be notified, and the recall will be disclosed in this report. There have been no recalls since the last publication of this report.

Continuous Improvement of Our Safety Processes and Performance

For each safety issue that arises, we perform a post-mortem investigation to identify systematic improvements needed to prevent similar future occurrences. We regularly review benchmarks and set quality and safety performance goals for our product development team.

Veeco’s Continuous Improvement Mindset



Hazardous & Restricted Substances

As part of our commitment to sustainability, and in furtherance of our core values of putting our customers first and never compromising on safety, Veeco is committed to the management and mitigation of risks related to the use of hazardous and restricted substances in the parts, components and materials used to manufacture our products.

We are committed to complying with the relevant international regulations, including the European Union’s Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Restriction of the use of certain Hazardous Substances in electrical and electronic equipment (RoHS) and the United States Environmental Protection Agency (EPA) Toxic Substances Control Act (TSCA), including Regulation 40 CFR Part 705, Toxic Substances Control Act Reporting and Recordkeeping Requirements for Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS).

Since 2022, when we established a formal chemical compliance program, released an internal guiding policy, engaged a leader in supply chain data management for program administration, and completed initial supplier outreach for REACH, RoHS and TSCA on priority Veeco products, we have significantly strengthened and expanded the program.

In 2024, we continued to expand our chemical compliance program increasing coverage to include 84% of Veeco major systems and their components and are on track to meet our goal of 90% by end of 2025. We continued monitoring US EPA TSCA restricted and PFAS substances and launched a formal PFAS monitoring and management program.

Working with our third-party supply chain data management company, we held an extensive series of training webinars for our suppliers and internal supply chain team, which resulted in 16% increase in supplier responses over 2023. Also in 2024, we added resources to increase focus on compliance for finishes in Veeco build-to-print parts.

We are continuously monitoring, managing, and assessing the risks related to the use of hazardous chemicals in our parts and products, and performing chemical assessments on legacy and new products for any potential substances of very high concern. As needed, we are complying with inventory reporting requirements to government entities and customers.

Looking forward to 2025, we are planning to continue our comprehensive training program for our suppliers and supply chain team, improving our internal tools and providing training to our engineers to facilitate greater “design for compliance,” and continuing formal PFAS monitoring, including expanding to address new global regulations.



Substances of Concern in Products

European Chemical Agency (ECHA) calls for additional data requirements beyond those established in the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation. Veeco has partnered with a third-party data management company to report European Union (EU) Waste Framework Directive about articles containing Candidate list of Substances of Very High Concern above 0.1% percent weight by weight (w/w). Veeco will report information on the articles to EU SCIP (Substances of Concern in Products) database. The SCIP database aims to increase the knowledge of hazardous chemicals in articles and products throughout their whole lifecycle, including at the waste stage.

Per- and poly-fluoroalkyl substances

As part of our Product Chemical Compliance program, we are closely and continuously monitoring the U. S. EPA (Environmental Protection Agency), U.S. individual state(s), European Union (EU) ECHA (European Chemical Agency) regulations, and other Southeast Asian countries notifications on per- and polyfluoroalkyl substances (PFAS). Multiple regulatory agencies are evaluating PFAS and associated risks.

In October of 2023, the U.S. EPA TSCA (Toxic Substances Control Act) Section 8(a)(7) statutory rule was finalized, requiring submission of PFAS manufacturing and importing data from 2011-2022 including PFAS that are incorporated into imported articles.

In 2024, Veeco launched a formal PFAS monitoring and management program working with our third-party supply chain data management company. We provided training to our supply chain, collected PFAS data from our suppliers, reviewed Veeco build-to-print parts and performed due diligence in identifying and classifying PFAS chemicals in the materials based on applications.



We are on track to meet the reporting requirements of EPA TSCA Section 8(a)(7) and are actively sharing PFAS information with our customers in response to inquiries.

Veeco engaged our third-party supply chain data management company in 2024 to add PFAS to our chemical compliance platform. In addition to gathering the data for PFAS identification required by the US EPA TSCA ruling, we monitored certain PFAS families of chemicals that have been identified under the EU REACH Candidate list of SVHC (Substances of Very High Concern) and the Stockholm Convention.

With increased regulatory risks, we are actively engaged with our suppliers and customers to responsibly manage hazardous chemicals in our products. We are looking forward to future regulatory guidance from EPA and ECHA. Veeco will work in good faith to reduce the environmental impact of our products on human health and environment by finding appropriate alternates wherever practicable.

Hazardous & Restricted Substances Timeline

2022

- ✓ Established a formal chemical compliance program covering priority Veeco products
- ✓ Completed initial supplier outreach on REACH, RoHS & TSCA
- ✓ Released internal Chemical Compliance Policy
- ✓ Provided internal training to key functions on Chemical Compliance for Veeco products
- ✓ Identified parts with substances above thresholds

2023

- ✓ Expanded products covered by the program by >2X, to include 75% of major Veeco systems and their components
- ✓ Provided resources to the team to enable design for compliance
- ✓ Trained suppliers & contract manufacturers on chemical compliance
- ✓ Increased supplier response rate by 15% over 2022
- ✓ Initiated replacement of parts with substances above threshold
- ✓ Expanded from 5 to 10 TSCA substances
- ✓ Conducted initial supplier reach out on PFAS
- ✓ Released external Chemical Compliance Policy

2024

- ✓ Expanded covered products to include 84% of major Veeco systems and their components
- ✓ Added PFAS to formal chemical compliance program to support EPA PFAS reporting
- ✓ Provided refresher training internally & externally with a focus on PFAS
- ✓ Increased supplier response rate by 16% over 2023
- ✓ Added resources to enable a more thorough analysis of Veeco build-to-print parts
- ✓ Continued replacement of parts with substances above threshold
- ✓ Improved communication on the status of compliance with REACH, RoHS, TSCA, PFAS and other regulations.
- ✓ Released PFAS commitment statement.

2025

- ✓ Expand covered products to include 90% of major Veeco systems and their components
- ✓ Expand PFAS chemical compliance program to support EPA federal, state and global PFAS reporting requirements
- ✓ Provide comprehensive training internally and externally with a focus on REACH, RoHS, TSCA and PFAS regulations.
- ✓ Improve internal tools to enable greater design for compliance
- ✓ Continue replacement of parts with substances above threshold where practicable
- ✓ Continue responding and sharing information on material compliance with customers on REACH, RoHS, TSCA, and PFAS regulations.

Information Security

Veeco’s Information Security team is tasked with proactively monitoring, identifying, and mitigating risks to Veeco’s data and confidential information. These risks include unauthorized access to customer data, theft of company intellectual property, compromise of company systems impacting normal business operations, and compliance with regulatory requirements in a complex global regulatory landscape.

To mitigate these risks Veeco retains dedicated information security resources to monitor and address all identified risks through the application of layered security controls in alignment with the National Institute of Science & Technology (NIST) Cybersecurity Framework (CSF). Veeco periodically retains external services to assess its maturity within the NIST CSF and to further identify technology risks within its environment. Veeco supplements its information security program with a cyber insurance policy.

In addition, we require our employees to undergo annual information security awareness training and we conduct quarterly phishing exercises to help ensure that employees understand their information security-related responsibilities.

Veeco’s Vice President of Information Technology delivers an annual report to the full Board of Directors and quarterly reports to the Audit Committee in the remaining three sessions on our information security program. These reports include the status of risk identification and mitigation efforts, projects to strengthen the company’s security posture and improve resiliency, and updates on the evolving threat landscape.

Veeco [previously disclosed](#) an information security breach on November 1, 2018, which has since been remediated. Expenses directly related to this breach totaled approximately US\$687,000 in 2018 and US\$624,000 in 2019. No such costs were incurred since 2019. The Company has suffered no known breaches before or after the 2018 breach and has not incurred any penalties or entered any settlement agreements regarding information security breaches.





Supply Chain Responsibility

- Supply Chain Management
- Veeco's Supplier Code of Conduct

Supply Chain Management

Meeting our customers' device requirements for applications such as front-end semiconductor manufacturing, 5G, AI, automotive, and data storage requires close collaboration across the supply chain.

Veeco's success and ability to produce world class technology is dependent on our suppliers. We are committed to developing mutually beneficial business partnerships by supporting the continued viability and continuity of our suppliers. For this sustainability report, the focus will be on direct suppliers. These suppliers fall into three categories: companies that provide high technology commercial products, manufacturers that assemble according to our specifications, and manufacturers that provide custom-designed components.

Given the limited number of companies that produce our highly specialized parts and components, we are committed to the creation of lasting and mutually beneficial relationships. As a demonstration of this commitment, we have worked with 89% of our critical suppliers for over 15 years. Our partnerships help us strengthen supply chain continuity and facilitate the development of current and future technology.

Creating Shared Value

Veeco's international sourcing and business partnerships help to foster societal and economic progress. Our commitments to sustainability through our supply chain screening, [Supplier Code of Conduct](#), and supplier auditing drives our corporate growth and supports the local economies in which we operate. We aim to continue developing our strategy to promote a more sustainable global society.

Target Setting

We continually strive to improve our communication, supplier assessments, and procurement practices to advance the efficiency and sustainability of our supply chain. Our goals in this area include the following:

- ✓ Improving quality performance of our parts and services.
- ✓ Verification of supplier diversity certifications.
- ✓ Improving supplier performance metrics and scorecards.
- ✓ Increasing transparency and improving communication with our suppliers.

Veeco's Supplier Code of Conduct

In October of 2020, Veeco documented its commitment to a responsible and compliant supply chain by publishing our first [Supplier Code of Conduct \(SCoC\)](#). Starting in 2023, it is now included in our supplier onboarding process and suppliers are required to acknowledge the SCoC in order to be added to Veeco's approved supplier list.

Veeco's SCoC is designed to maintain the highest standards of ethical, social, and environmental responsibility. As a condition of doing business with Veeco, our suppliers, vendors, consultants, and service providers are required to follow the Supplier CoC, which includes providing safe working conditions, treating workers with dignity and respect, non-discrimination, acting fairly and ethically, and using environmentally responsible practices whenever conducting business with Veeco.

Veeco supports the Responsible Business Alliance Code of Conduct and expects our suppliers to fully adhere to its principles and practices, as well as our [Code of Conduct](#), [Human Rights Policy](#), and [Conflict Minerals Policy](#).

While we expect our suppliers to self-monitor and independently ensure compliance with our comprehensive standards, Veeco reserves the right to audit and inspect suppliers' facilities to validate this compliance.



Human Rights

- Non-discrimination
- Prohibit the use of child labor or forced labor
- Antitrust and Anti-corruption
- Fair compensation
- Respect workers' rights to freedom of association and collective bargaining
- Provide grievance procedures
- Working hours and rest days



Health & Safety

- Mandatory OH&S standards
- Sanitation access
- Business continuity plans



Environmental Compliance

- Mandatory compliance with all applicable environmental laws and regulations
- Identify hazardous pollutants
- Waste reduction



Privacy & Intellectual Property

- Protect the intellectual property of Veeco and all relevant parties
- Comply with all relevant regulations



Reporting Violations

- Encourage suppliers to work with their primary Veeco contact or email legal@veeco.com.



15
Countries of Supply



> 900 Suppliers



[Conflict Minerals Policy](#)



[Human Rights Policy](#)

Supply Chain Screening

As part of Veeco’s on-boarding process, suppliers are required to comply with Veeco’s [Supplier Code of Conduct](#) (SCoC), [Code of Conduct](#) (CoC), [Environmental & Social Responsibility Statement](#), [Conflict Minerals Policy](#), Supplier Quality Manuals, [Human Rights Policy](#), and other related Veeco policies. Our SCoC includes information on our policies regarding anti-corruption, export controls, and antitrust. We also screen our suppliers for any recent history of criminality, fraud, debarment from exporting privileges, and debarment from participating in government contracts.

All new suppliers added during the reporting period were required to respond to our on-boarding survey for social and SCoC compliance.

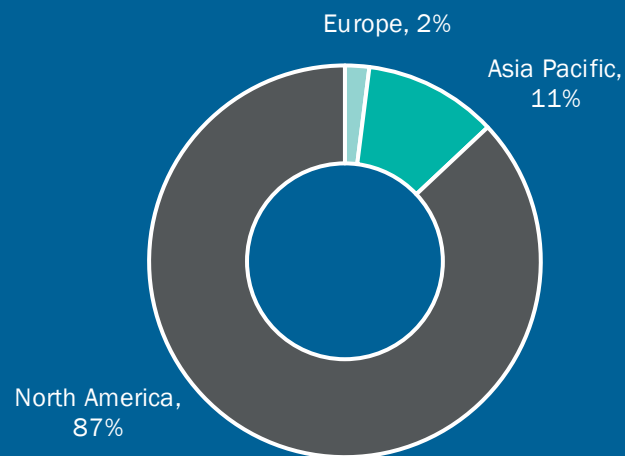
Due Diligence

We take our commitment to responsible supply chain management seriously. Preventing human rights abuses, including for example the use of child or forced labor, are of the highest concern. We conduct periodic onsite audits for critical suppliers for an in-depth review of their process and quality controls, management accountability, and compliance with environmental and social regulations.

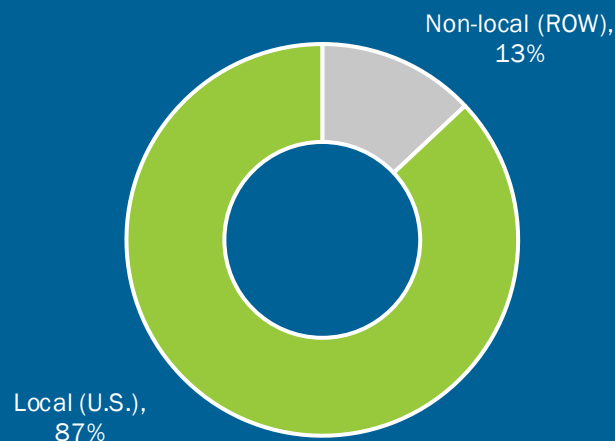
We believe the highly technical and specialized nature of our direct suppliers reduces the potential for human rights abuses such as the use of child or compulsory labor. We do not typically add critical suppliers based on labor cost alone. Instead, we seek out high-quality and technologically advanced suppliers who have a history of respecting human rights.

We source technology and products from Asia and have identified this region to be of a higher risk for certain violations of our SCoC. As such, onsite audits are performed with respect to business partners in the Asia-Pacific region by our supplier management team in Asia. During our audits, we check for compliance with our SCoC requirements and information security standards. Onsite inspections are conducted consistent with the Standardized Supplier Quality Assessment (SSQA) methodology. Singapore is a significant location of operation and supply for Veeco and was selected based upon risk minimization principles and long-term success probability. The [International Trade Union Confederation](#) classifies Singapore as being in the second best of six possible labor rights classifications and was ranked first regionally and third globally on the [International Property Rights Index](#).

Procurement Spend by Region 2024



Local Procurement Spend 2024



Global Growth & Local Procurement

We operate a global business and interact with over 900 highly specialized suppliers in 15 countries. At Veeco, we recognize the importance of procuring our materials and components locally, which can make a positive impact in those communities. In addition, we can reduce our emissions associated with the transit of materials and build a more stable supply chain by sourcing from local suppliers.

In 2024, our spend on local suppliers, defined as suppliers operating within the country of our manufacturing locations (the United States), accounted for 87% of our procurement budget.

Supply Chain Disruptions

Like many of our peers, we saw the effects of global supply chain disruptions due to global and regional conflicts, post-pandemic constrained labor markets and increased global demand, resulting in longer lead times. However, we have seen improvements in our supply chain, as evidenced by a significant decline in lead times and a further improvement to suppliers on time deliveries. Material lead times have improved significantly and have generally returned to pre-pandemic levels. We will continue to work with our suppliers to identify and mitigate potential gaps to ensure continuity of supply, as well as continue to focus our efforts on cost containment initiatives.



Environment

- Climate Change & Emissions
- Energy
- Waste
- Water

Environmental Commitment

We will always demonstrate RESPECT

At Veeco, respect is a core value that shapes our actions and drives how we engage with the environment. We recognize that as a global company we are members of an international community. Our [Environmental & Social Responsibility Statement](#) outlines our commitment to reducing negative effects on communities, natural resources, and public health through responsible practices.

We focus on managing our environmental footprint by monitoring, reporting, auditing, and developing strategies to reduce resource use and improve efficiency.

Veeco also works closely with federal, state, and local agencies to ensure full compliance with environmental regulations. We are proud to report that we have received no fines or sanctions for non-compliance during the reporting period.

Our talented EH&S staff, along with our ESG leadership, is committed to tracking and reporting our material environmental metrics. This sustainability report reflects our continued dedication to transparency and environmental stewardship.

Our Environmental Principles

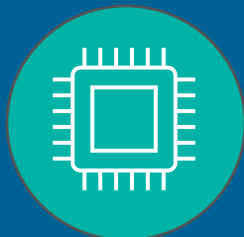
- ✓ Pollution prevention and resource reduction
- ✓ Water management, monitoring, and conservation
- ✓ Energy usage and greenhouse gas emissions should be regularly monitored, and cost-effective strategies to enhance efficiency or reduce consumption should be considered
- ✓ Safe handling and minimization of hazardous substance use/generation
- ✓ Responsible management and disposal of solid non-hazardous waste
- ✓ Monitoring, regulating, and managing potentially harmful air emissions released into the environment
- ✓ Compliance with environmental regulations, including permitting and reporting requirements
- ✓ Adhering to restrictions and regulatory requirements regarding prohibited or restricted materials

Product Applications Contributing to Global Sustainability



5G & Internet of Things

The 5G revolution is accelerating the deployment of smart technology and enabling the internet of things. Water usage, air quality, and energy monitoring are all becoming possible with greater connectivity, enabled by millions of sensors and internet-enabled devices. Veeco's core technologies are used in the manufacture of RF devices, high-density hard disk drives, MEMS, and optoelectronics which are all part of solving the challenge of scaling ubiquitous communication.



Power Electronics

Our systems driven by GaN-on-Si technology have application potential across consumer electronics, EVs, and renewable energy. GaN has several favorable attributes compared to silicon: it requires less power to drive circuitry, enables smaller devices, and has less capacitance resulting in greater efficiency when charging devices. All these applications of GaN-on-Si have GHG mitigation potential.



Photonics, LED & MicroLED

Compared to incandescent bulbs, LEDs use roughly 90% less energy to produce the same amount of light. A global LED shift is estimated to have an emission mitigation potential of over 16 gigatons of CO₂ by 2050. Veeco's systems were used to produce LEDs that, when compared to incandescent lights, represented a reduction of 500 million tons of carbon dioxide from the atmosphere by 2017. As the LED market has been commoditized, we have shifted to more advanced photonics and MicroLEDs enabling new and more efficient display technologies.

The Cloud & Data Centers

Data centers are the foundation of the world's digital transformation. Since 2010, the world has seen exponential growth of data, doubling every two years on average. This represents a fifty-fold growth between 2010 and 2020 alone. Yet, energy consumption increased by only 6% during approximately the same time period. Improvements in efficiency and longevity of global data centers address concerns pertaining to resource extraction, climate change, and e-waste generation. Veeco's ion beam technologies support increased areal density of hard disk drive heads, enabling greater quantities of data stored per hard disk drive. Additionally, Veeco's GaN equipment enables more efficient power electronics for data center applications.

Semiconductor & Artificial Intelligence

Our semiconductor product offerings, such as systems for laser annealing, advanced packaging and EUV mask blank production, enable our customers to create highly efficient logic and memory devices for applications such as AI and High-Performance computing. These devices, in turn, lead to more efficient products across a broad spectrum of applications.

Sustainable Initiatives

According to [S&P Global](#), the Technology Hardware and Semiconductor Industry is among the sectors with the highest ESG risk. At Veeco, we believe that technology leaders need to address e-waste, resource consumption, and life-cycle management concerns to keep pace in a rapidly changing industry landscape. Our engineers and management team have implemented numerous best practices and innovative solutions to minimize Veeco's environmental footprint and contribute to a more circular economy.

Veeco Certified Equipment & Global Services

Our global services team and VCE program are great examples of Veeco’s commitment to our customers’ satisfaction. Together, these offerings allow us to extend the lifetime and value of our industry-leading technology. Services to repair, upgrade, and reuse our capital equipment represent a sizable share of our revenue, while also reducing the amount of materials and waste generated by our tools. VCE and our Global Services are important elements in driving a more circular economy.

DocuSign Digital Signature Platform

Our use of DocuSign exemplifies our commitment to reducing environmental impact through innovative digital solutions. By eliminating the need for physical documents, DocuSign has enabled our recruiting team to significantly lower resource consumption and waste. In just the last three months, this digital process helped reduce 1,843 pounds of CO₂ emissions, conserve 2,312 gallons of water, and save 758 pounds of wood.

Reusable Crates

Veeco's engineers have been collaborating with our customers to develop and implement shipping solutions that minimize costs and waste. In mid-May of 2021, certain shipments of equipment to our San Jose location began utilizing reusable crates that have a prolonged life – each crate can serve about 10 trips. Our engineers estimated that the shift could save thousands of dollars annually, as well as reduce the number of pine trees that end up in landfills.

Consolidation of Shipments

Our shipping and logistics team tries to consolidate the number of shipments coming in and out of our manufacturing and warehouse sites whenever possible. We do this by having dedicated members that check open deliveries multiple times every day and ensure all items that are available for shipping are consolidated. By reducing shipment volume, we simultaneously reduce costs, emissions, and packaging waste.



San Jose Facility

We are proud that our newest facility in San Jose is ISO 14001 certified for its environmental management system. Located in the heart of Silicon Valley, and operational since 2022, this state-of-the-art facility incorporates numerous energy efficiency and sustainability features. These resource optimizations are reducing both costs and consumption of water and energy.



Energy Efficiency

- Energy efficient LED lighting and controls
- High efficiency condensing boilers
- Variable speed motor controllers
- Increased temperature differential across chillers, cooling towers, boilers, coils and heat exchangers
- Chiller plant energy optimization control algorithms which calculate and deliver optimized energy use over the full range of system performance
- Low power consumption HEPA filters
- Makeup air units equipped with desiccant dehumidification wheels
- Chiller differential pressure monitoring
- Heated compressed air dryers

Water Conservation

- Cooling tower water softeners drastically reduced the water bleed rate
- Process chilled water loop economizers

Climate Change

As a global company with a diverse network of customers and suppliers, Veeco is committed to corporate responsibility and addressing climate change. We aim to reduce our emissions by enhancing our greenhouse gas (GHG) accounting, improving operational efficiency, and implementing a comprehensive climate change strategy. Additionally, we are dedicated to advancing technologies that help our customers develop more efficient devices, supporting the transition to a decarbonized future.

In accordance with our [Environmental & Social Responsibility Statement](#), as well as our [Code of Conduct](#), we are committed to sustainable business practices and protection of the environment. We recognize it is our responsibility to optimize our business processes, improve our products, and work closely with our stakeholders to address and adapt to climate-related risks and opportunities.

As Veeco continues to grow and increase production, we are focused on reducing our reliance on fossil fuels, enabling us to produce more of the innovative technologies that define our business, while also minimizing our carbon footprint. We believe our solutions will be essential in advancing high-performance computing, mobility, immersive user experiences, and more energy-efficient cloud computing.

We're excited to share the first phase of Veeco's climate strategy, including the identification of key risks, opportunities, and targets. We look forward to further refining and developing this strategy in the coming quarters and beyond.

Veeco's Climate Strategy

- Identifying Risks and Opportunities
 - As set forth in this report, we developed a list of the most pressing risks and opportunities presented by climate change to our business. These will help inform our future conduct as it relates both to financial and corporate responsibility concerns.
- Quantitative Metrics
 - We increased our efforts to track and report on several key climate metrics. These include Scope 1, 2, and 3 emissions, energy consumption, and the share of our energy derived from renewable sources.
- Performance and Targets
 - Our accounting of key metrics allowed us to establish our baseline and targets for climate performance related to renewable energy and GHG accounting. In April 2022, we issued our first GHG emissions reduction goal.
- Emissions Mitigation
 - Veeco's policies require minimization of emissions and air pollution wherever feasible, while accounting for technical and cost considerations. We are continuing to work on ways to reduce the climate impacts of our operations, strategize on solutions to reduce emissions, and develop our climate strategy.

Identifying Climate Risks, Opportunities, and Targets

Risks

Natural Disasters and Extreme Weather Events

Classification: Physical & Economic

Human influence on the climate has intensified the frequency and severity of extreme weather events globally. Heatwaves, heavy precipitation, sea level rise, droughts, wildfires, tropical cyclones, and other natural disasters pose a risk to our operations and supply chain.

Regulation

Classification: Regulatory & Economic

Veeco has offices and manufacturing facilities in 12 countries and suppliers in 15. Climate legislation, regulation, and international accords have the potential to expose our business and supply chain to a variety of legal, regulatory, and financial risks.

Market Demand

Classification: Economic

Increased demand for energy and carbon-efficient technology presents a financial risk if we fail to innovate and keep pace with market trends.

Business Reputation

Classification: Economic & Social

The growth of ESG accounting and non-financial disclosure has led to a more transparent business environment. Investors and customers are demanding robust ESG strategies and modern perspectives from businesses.

Strategic Integration of Climate Risks

Classification: Strategic & Governance

Veeco identifies climate-related risks in regulatory filings and sustainability disclosures. To further align with investor expectations, we are enhancing transparency around how these risks inform our strategic priorities, including operational resilience, and long-term business objectives.

Opportunities

Technology Demand

Classification: Economic & Environmental

Veeco's innovation helps to drive tomorrow's technologies. The response to climate change will demand technological solutions centered around power efficiency and communication. Our ion beam, laser annealing, lithography, MOCVD, and other technologies will be pivotal in driving more efficient computing, GaN-RF devices (5G), and microLEDs. Veeco will strive to meet the market demand for smaller, more efficient, lower cost, and higher performance systems. We believe our technology will be pivotal in enabling high-performance computing, mobility and the immersive user experience, and more efficient cloud computing.

Efficiency and Circularity

Classification: Economic & Environmental

Reducing the amount of material inputs, increasing resource recovery, and decreasing our energy consumption offers complimentary benefits: cost savings and environmental conservation. We believe that optimizing the sustainability of our supply chain, extending product lifespans, and increasing the efficiency of our products will provide enhanced market opportunities.

Cooperation

Classification: Economic & Social

Global problems require collaboration across industries, governments, and NGOs. Climate concerns, along with an ESG paradigm shift, are necessitating more meaningful and robust stakeholder engagement. This can strengthen our relationships with stakeholders, offer more opportunities for their input, and allow us to serve them better.

Targets

Renewable Energy

Goal: 50% by 2030 in the U.S.

Baseline: ~25% of U.S. Energy

Based upon a third-party analysis of our U.S. energy consumption, renewable portfolio standards (RPS) of the states in which we operate, and climate strategy, we believe that a goal of 50% renewable energy by 2030 is both ambitious and achievable.

Emissions

Goal: By 2025, reduce normalized emissions from heating and purchased electricity (scope 1 and 2) by 10% in the U.S.

Baseline: 17.9 Metric Tons CO₂e per \$M Revenue

Since setting this target in April 2022, we reduced our normalized Scope 1 and 2 emissions by 8.4%. We are continuing to monitor our performance and take steps to reach our 2025 goal.

Carbon & Energy Accounting

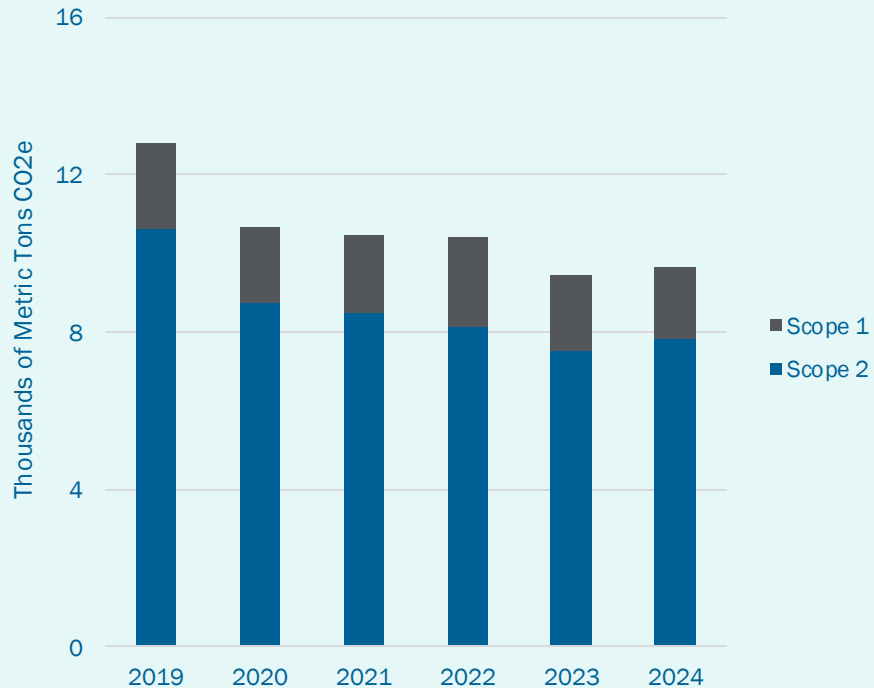
Goal: 100% of Veeco's Global Locations

Baseline: 93% of Veeco's Owned and Leased Space

We are working to close remaining gaps in our global emissions and energy data. Our international offices represent 7% of Veeco's environmental footprint, and while collecting data from these sites is more complex, we are committed to achieving full coverage in the future.

Greenhouse Gas Emissions: Scope 1 & 2

Veeco Absolute Scope 1 & 2 Emissions



Scope 1: Natural Gas Boilers

The Greenhouse Gas (GHG) Emissions Protocol defines Scope 1 emissions as direct GHG emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Our calculation of Scope 1 emissions encompasses emissions from natural gas boilers at our U.S. based facilities measured in tons of CO₂e.

Between 2023 and 2024, we observed a 5% reduction in our total Scope 1 GHG emissions. This was driven in part by a 28% reduction in our Plainview headquarters and a 9% reduction at our San Jose site, which now operates with newer, more energy-efficient infrastructure.

Scope 2: Purchased Electricity

The GHG Protocol defines Scope 2 emissions as indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Our calculation of market-based Scope 2 emissions encompasses emissions from purchased electricity at our U.S. based facilities measured in tons of CO₂e. These locations were selected based upon the availability of data and their material electrical use.

From 2019 to 2024, we observed roughly a 26% reduction in our Scope 2 GHG emissions, reflecting our ongoing commitment to minimizing our environmental footprint through targeted energy efficiency initiatives and responsible sourcing of electricity.

Greenhouse Gas Emissions: Scope 3

Business Air Travel, Employee Commuting, and Supply Chain and Product Shipments

The GHG Protocol defines Scope 3 emissions as indirect GHG emissions that occur in the value chain of the reporting company, including both upstream and downstream activities. These emissions result from sources not owned or directly controlled by the company but that are linked to its operations.

In 2024, we added two new categories to our Scope 3 emissions reporting: employee commuting, and supply chain and product shipment emissions. These supplement our existing data on business air travel and provide a more complete picture of Veeco’s indirect emissions.

U.S.- based Business Travel

In 2024, U.S.-based air travel resulted in approximately **2,121 metric tons of CO₂e**. This estimate reflects business-related flights taken within the United States and supports our continued efforts to understand and reduce the environmental impact of corporate travel.

Employee Commuting

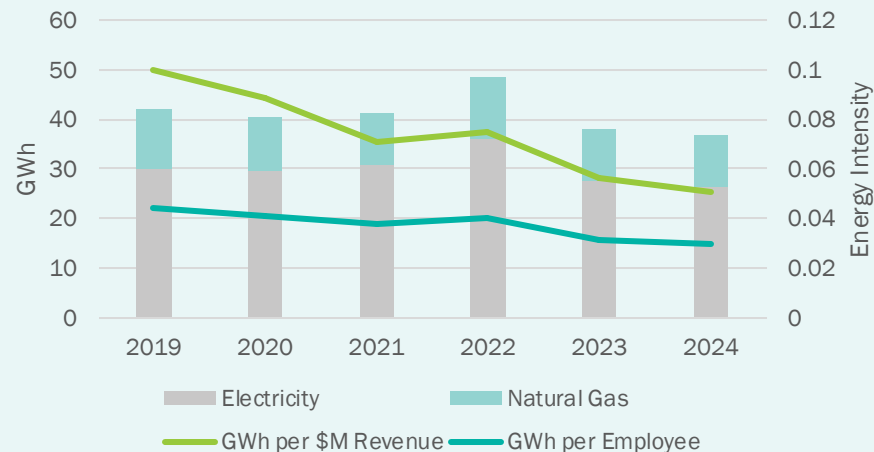
Based on a survey completed by 25% of Veeco employees, we determined that employee commuting emissions totaled **364 metric tons of CO₂e**. When normalized to represent the full employee population, total annual commuting emissions are estimated at 1,456 metric tons of CO₂e.

As part of our efforts to recognize and encourage lower-carbon transportation choices, we estimated emissions avoided through alternative commuting methods. We estimate that the use of public transit, biking, walking, and electric vehicles resulted in the avoidance of emissions equivalent to **47,920 miles driven** by a typical gasoline-powered passenger vehicle.

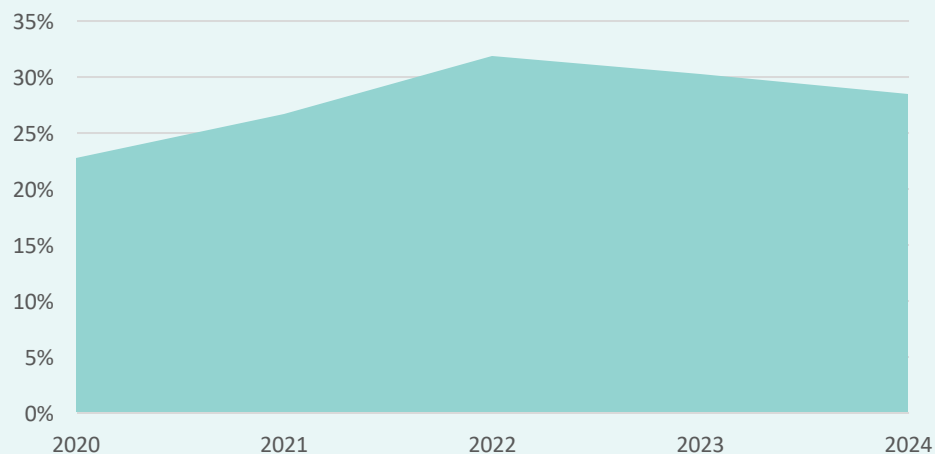
Supply Chain and Product Shipments

For the 2024 reporting year, we collected full shipment data from one provider and partial data from two others. Combined, these three providers represent approximately 80% of Veeco’s total shipments. Based on the data we received, we estimate that our current emissions reporting covers 67% of all product shipments, totaling **2,483 metric tons of CO₂e**. As we continue to improve data collection across our logistics network, we anticipate expanding this estimate in future reporting cycles.

Veeco U.S. Energy Consumption



Veeco U.S. Renewable Energy Consumption



Energy Management

At Veeco, we understand the importance of monitoring our energy usage to manage our expenses and minimize our greenhouse gas emissions. We are dedicated to responsibly acquiring our energy and utilizing renewable sources whenever possible. As a part of this pledge, we aim to achieve a 50% renewable energy usage target in our U.S. facilities by 2030.

Data on our energy usage, both electrical and natural gas, was provided to us by our local energy providers in the form of utility bills. Our EH&S team monitors our energy use on a monthly basis at each of our global facilities and reviews data quarterly.

In 2024, our U.S. manufacturing facilities relied on natural gas for heating (10.4 GWh) and on the electric grid for our corporate, production, and R&D activities (26.5 GWh).

29% of our total U.S. electric energy consumption in 2024 was powered by renewable sources. In a partnership with the New York Power Authority, we sourced 55% of our Plainview, NY facility’s electricity from renewable hydropower generated from Niagara Falls. We are under contract to continue procuring hydropower through the ReCharge NY initiative through 2026.

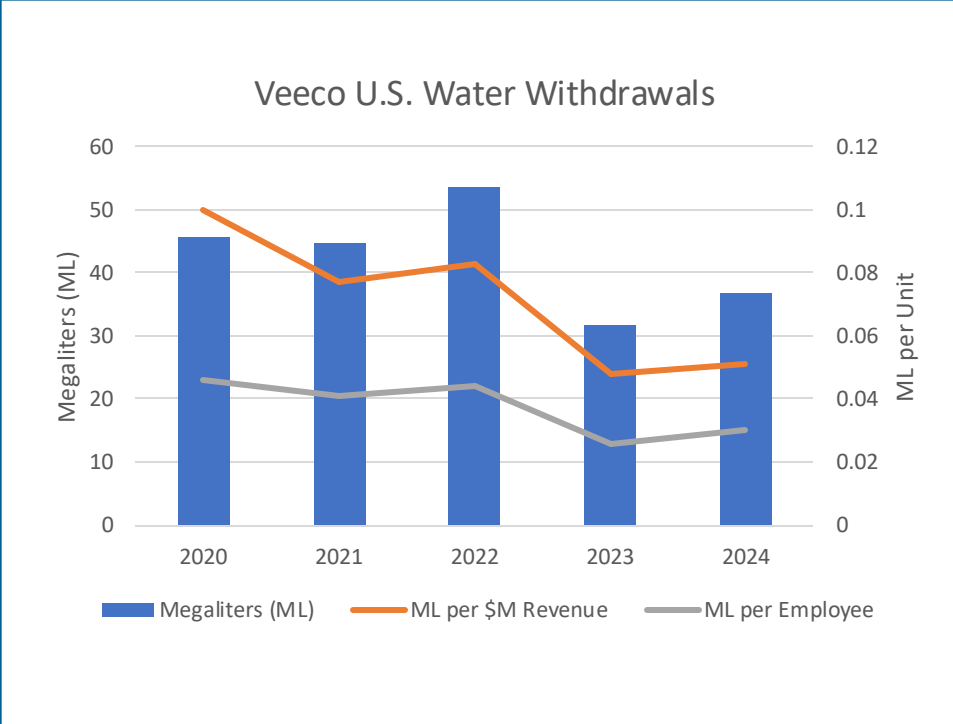
At our most energy-intensive facilities, San Jose and Somerset, we have building automation systems that track and optimize electricity consumption. These systems optimize our HVAC, pumps, motors, and other equipment so they can run efficiently. These efforts resulted in a 25.7% reduction in electricity usage and an 9% reduction in natural gas usage for our San Jose location from 2023 to 2024. Additionally, our Somerset facilities decreased natural gas usage by 2% from 2023 to 2024.

We created location-based energy efficiency initiatives to reduce our environmental footprint and utility costs and have begun testing ways to reduce energy use and greenhouse gas emissions at our Somerset facility. Successful measures can be replicated at other Veeco facilities.

We are continuously investigating the feasibility of increasing our renewable energy generation and sourcing, as well as opportunities to transition to less carbon-intensive generation options.

Water Management

As a vital resource in our communities, and in our operations, we place great importance on responsibly managing water as a shared resource.



Our [Environmental & Social Responsibility Statement](#) requires Veeco to monitor our water sources, use, and discharge. We seek opportunities to conserve water where possible and appropriate.

Our facilities team monitors our water withdrawal quarterly, develops opportunities to reduce consumption, and works to meet or exceed all applicable laws and regulations governing the consumption and discharge of water. From the beginning of our reporting period in 2020, we managed an almost 20% reduction in water withdrawn over 5 years. Despite our efforts, in 2024 our total water withdrawn was 36.7 megaliters, a 15% increase from 2023.

All water used in our direct operations is obtained from local water authorities and all discharged water goes to local publicly owned treatment works. Our water use is primarily for cooling systems and sanitation.

Within our R&D operations, we use recirculating, closed-loop cooling systems to cool our equipment. Closed-loop cooling is more efficient and does not require the replacement of water lost due to evaporation.

Compared to other companies in the semiconductor sector, Veeco uses a small amount of water. A typical semiconductor manufacturing facility uses [7 to 15 megaliters of ultra-pure water per day](#). Veeco, on the other hand, is a semiconductor capital equipment manufacturer, and we use less than 0.1 megaliters of water per day. This is because the only water we require for non-sanitation purposes is for testing our systems and for use in product development, which is comparatively minor.

In 2024, our water usage was approximately 0.05 Megaliters per \$M of revenue, or 0.03 Megaliters per employee.

Water Stress

Water stress was identified by utilizing the [World Resource Institute’s Aqueduct Water Risk Atlas \(AWRA\)](#) tool. This tool evaluates water stress based on the ratio of total water withdrawals to available renewable surface and groundwater supplies. A higher ratio indicates greater competition for water resources.

In the U.S., less than 2.5% of our withdrawn water comes from regions classified as experiencing extremely high-water stress.

We conduct regular water monitoring to track usage, identify reduction opportunities, and improve efficiency. These efforts support our goals of reducing our water footprint, achieving cost savings, and demonstrating our commitment to sustainable water management.

2024 Veeco U.S. Water Withdrawal and Stress

| Location | Regional Water Stress according to the AWRA | Water Withdrawal (thousands of gallons) | Water Withdrawal (megaliters) | % of Veeco U.S. Consumption |
|---------------|---|---|-------------------------------|-----------------------------|
| Horsham, PA | Medium-High (20-40%) | 1,022.92 | 3.87 | 10.54% |
| Plainview, NY | Extremely High (>80%) | 730.00 | 2.76 | 7.52% |
| San Jose, CA | Low-Medium (10-20%) | 6,348.65 | 24.03 | 65.41% |
| Somerset, NJ | High (40-80%) | 819.76 | 3.10 | 8.45% |
| St. Paul, MN | Low (<10%) | 731.75 | 2.10 | 7.54% |
| Waltham, MA | Medium-High (20-40%) | 53.49 | 0.20 | 0.55% |
| Total | | 9,706.57 | 36.06 | 100% |

Water Reduction Initiatives

In 2024, we took additional steps to further reduce our water usage at facilities that experience higher water stress. At our Plainview facility, the only U.S. location in an extremely high-water stress region, our efforts produced a reduction in water usage by more than 62%, compared to 2020. In our Somerset facility, we were able to reduce water usage by more than 3%, compared to 2020.

Through effective EH&S oversight, we were able to reduce the amount of irrigation utilizing rain sensors. This not only helped us to conserve water, but it also reduced our environmental impact and lowered our utility costs.



Recent Water Reduction Highlights:

- ✓ 62% reduction in water usage in Plainview, NY.
- ✓ >3% reduction in water usage in Somerset, NJ.
- ✓ Irrigation: Somerset, NJ and Plainview, NY Implementation of rain sensors

Waste Management

Consistent with our [Environmental, Health & Safety Policy](#), Veeco endeavors to conserve natural resources by minimizing the use of hazardous materials and the generation of hazardous waste in our processes and products. We also implement appropriate recycling and resource recovery programs where possible



Proper management of our waste is important for the protection of our employees, local communities, and the environment. Our EH&S team oversees waste management at our sites, while location managers spearhead individual initiatives to reduce and recycle waste.

In order to identify areas of improvement and ensure compliance with applicable laws and regulations, the amount of waste generated and disposal methods at each site are monitored and evaluated.

Veeco's waste data is restricted to U.S. locations, which comprise 93% of our total occupied square footage. Our waste data is reported to us by our third-party waste disposal service providers. For that reason, it is not comprehensive of all Veeco waste streams, as only select waste service providers accurately report tonnage to us. Notably, most single-stream recycling and general office/lab waste is omitted from our data, as reliable waste reports have only been provided to us by select hazardous, e-waste, and recycling service providers. We believe that our U.S. Resource Conservation and Recovery Act (RCRA) hazardous waste data is comprehensively reported. We are working to expand the scope of waste data in future reports.

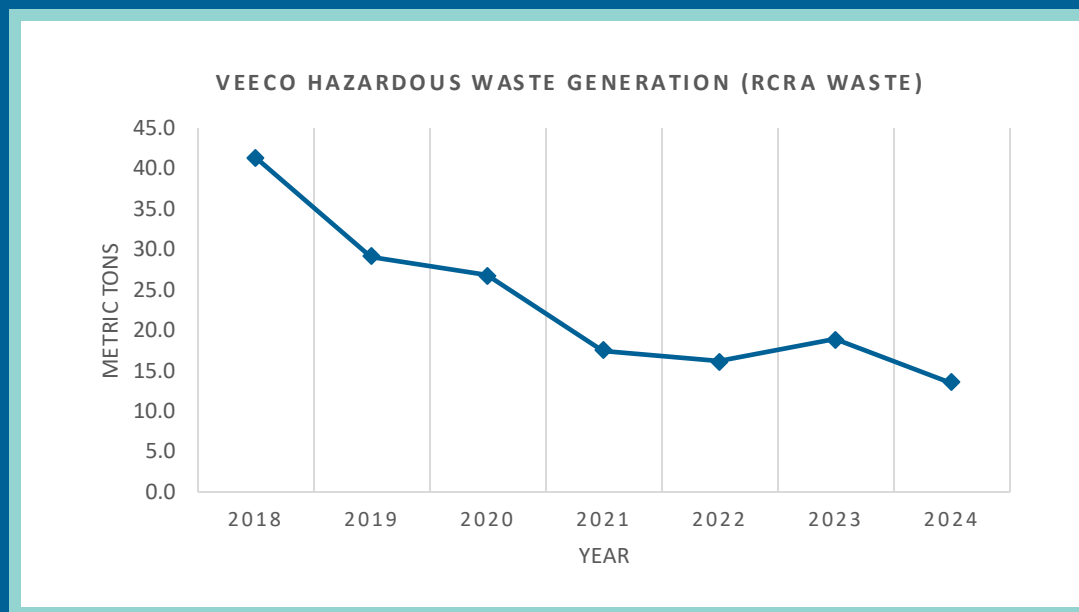
Veeco's EH&S Policy: Waste

- ✓ Strive for the conservation of natural resources by minimizing the use of hazardous materials and the generation of hazardous waste in our processes and products.
- ✓ Be a responsible corporate citizen, complying with applicable environmental and safety laws, regulations and industry standards at minimum and establishing our own procedures, objectives and targets when appropriate.

Hazardous Waste Management

Veeco engages with certified and licensed contractors to ensure continual compliance with all transport and disposal regulations covering hazardous waste generated from our sites. Our staff responsible for managing hazardous waste has been properly trained in accordance with applicable laws and regulations. Audits, inspections, and regular reviews of our operations are key elements in our comprehensive hazardous waste management system.

Our EH&S team sets internal targets for hazardous waste reductions. Our San Jose facility, a small quantity generator (SQG), set a 25% hazardous-waste reduction target by the end of 2025 using 2023 as a baseline. The program called for reanalyzing cooling water so that it could be treated through our wastewater treatment system. By the end of 2024, our San Jose facility exceeded this target and reduced hazardous waste by approximately 75%.



Recycling

Waste produced at Veeco sites is recycled by our certified third-party waste service providers. Materials such as paper, cardboard, scrap metal, glass, plastic, aluminum, and printer cartridges are recycled by our U.S. locations.

Our employees at our Horsham facility are making additional strides to reduce the amount of waste being sent to landfills. Every week, plastic bags are collected from the site and sent to a vendor that uses the recycled plastic to make decks and outdoor furniture. Additionally, fluorinated ethylene propylene (FEP) tubes used for chemical distribution are collected for recycling

Non-hazardous Waste Management

Non-hazardous waste, such as oil, light bulbs, and other substances, is proactively managed by our Facilities team. We use licensed third-party service providers to manage the disposal of these non-hazardous, though potentially harmful, office and lab items.

E-Waste Management

Veeco is committed to responsibly dispose of electronic waste through certified third-party vendors. E-waste can leach toxic metals into landfills, which is why we have set targets for increasing the amount of e-waste we recycle. In 2024, we recycled 70% of our e-waste, an increase from 13% in 2023.

Our Path Forward

At Veeco, we view sustainability as a practical and necessary part of how we do business. This report highlights the meaningful steps we have taken to reduce our environmental footprint, improve supply chain responsibility, and nurture a culture of accountability.

In the past year, we have successfully reduced our CO2e and Scope 1 emissions, expanded our Scope 3 reporting to include new categories, enriched our workforce with an average of 19.81 employee training hours, and decreased hazardous waste generation. These achievements demonstrate our commitment to continuous improvement.

Looking ahead, we plan to further broaden our Scope 3 emissions reporting, continue minimizing our impact on water, waste, and energy emissions, and make significant strides toward our 2030 sustainability goals, while maintaining a strong commitment to the communities we serve.

While there is still work to be done, Veeco remains focused on steady progress, driven by clear goals and transparency. We are confident that by building on this foundation, we will continue to advance our sustainability journey in the years to come.





MAKING A **MATERIAL** DIFFERENCE