Veeco

MAKING A *MATERIAL* DIFFERENCE

# PRODUCT SUSTAINABILITY POLICY

APRIL 2026

# TABLE OF CONTENTS



# INTRODUCTION

This policy outlines Veeco's approach to product sustainability, with the goal of reducing environmental impact across the product lifecycle while supporting long-term value creation for customers and stakeholders. Product sustainability at Veeco encompasses circularity, resource efficiency, energy performance, and responsible operational practices, from product design and manufacturing through product use, upgrade, and end-of-life management.

Veeco's current efforts already reflect these principles through offering refurbished tools, maintaining spare parts availability, enabling tool upgrades and retrofits, improving cooling system efficiency, reducing material use in product design and manufacturing, and advancing energy efficiency across operations.

This policy brings these initiatives together into a single framework. It defines Veeco's key areas of focus for product sustainability and provides a foundation for continued progress as our products, technologies, and operational practices evolve.

# RECYLING AND MATERIAL RECOVERY


## Recycling Infrastructure and Waste Management

Proper waste management is essential to protecting our employees, local communities, and the environment. Veeco's EH&S team oversees waste practices across our U.S. sites, which represent 93% of our total occupied square footage. We work with Triumvirate Environmental, our provider, to manage hazardous and non-hazardous waste streams, ensuring compliance with transport and disposal regulations. Our staff are trained in applicable laws and our hazardous waste program includes audits, inspections, and internal reduction targets. For example, our San Jose facility exceeded its 25% hazardous waste reduction goal, achieving a 75% reduction by the end of 2024.

We also partner with certified third-party vendors to recycle materials such as paper, cardboard, scrap metal, plastics, batteries, and printer cartridges. Veeco is committed to responsible e-waste disposal and increased its e-waste recycling rate from 13% in 2023 to 70% in 2024. These efforts support our broader product sustainability goals by reducing landfill contributions, conserving resources, and improving traceability across waste streams.

# REUSE STRATEGIES

## Refurbished Tools and Components

The Veeco Certified Equipment (VCE) program offers customers access to certain refurbished tools that meet performance and reliability standards. Each system undergoes a comprehensive evaluation and reconditioning process, ensuring it delivers functionality comparable to new equipment.

Between 2020 and 2025, six refurbished tools were placed back into service through VCE, helping customers achieve operational goals while supporting more sustainable procurement practices. Refurbishing existing assets avoids the resource intensity of manufacturing new systems, conserving critical materials and reducing associated emissions. This program reflects our commitment to extending product lifecycles and enabling more circular approaches to semiconductor manufacturing.

## Spare Parts Availability

Veeco provides reliable, around-the-clock access to spare parts through a globally distributed support network. 24x7 availability and expedited delivery options ensure that customers can quickly obtain critical in stock components, minimizing downtime and maintaining operational continuity. With well-positioned parts depots and responsive logistics capabilities across key regions, we're able to meet service needs efficiently and reduce delays. This approach not only supports tool longevity but also contributes to resource efficiency by enabling timely repairs and reducing the need for full equipment replacements.

# EXTENSION OF PRODUCT LIFESPAN

## Tool Upgrades and Retrofits

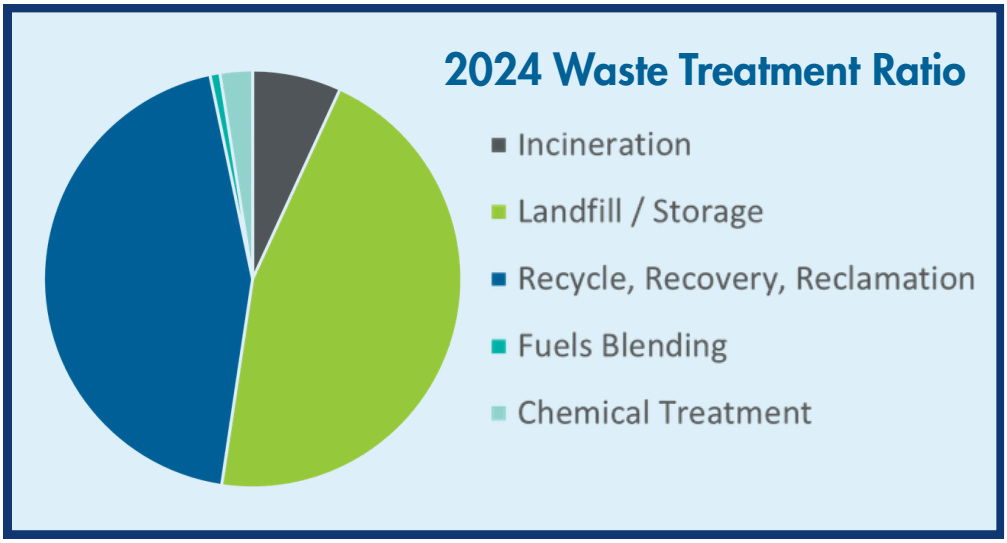
Between 2020 and 2025, Veeco upgraded 267 tools, demonstrating our commitment to product longevity and circularity. Tool upgrades are primarily driven by the need to address obsolescence, improve productivity, and enhance performance, ensuring our equipment continues to meet evolving customer and process demands. These retrofits not only extend the functional life of our tools but also reduce the environmental impact associated with manufacturing new systems. By upgrading or refurbishing existing assets, we significantly reduce the demand for raw materials and manufacturing inputs, preserving valuable resources and minimizing waste across the product lifecycle.

## Maintenance and Support Services

Veeco's global support network provides 24x7 access to technical experts, spare parts, and fast-track installation services to keep tools running efficiently. Local refurbish and repair programs, along with capital extension options, help extend tool lifespans and reduce the need for full replacements. These services support product sustainability by minimizing downtime, lowering material demand, and keeping equipment in use longer. In addition, Veeco provides comprehensive training to customers on tool installation to ensure safe, efficient setup and long-term operational success.

# Waste Minimization

## Hazardous Waste Disposal




Veeco reduces hazardous waste through certified recycling and resource recovery programs. All waste service providers are audited, and Veeco receives and reviews these audit reports to ensure compliance with regulatory and environmental standards.

## Wastewater Management

### Internal Operations

Our manufacturing processes are primarily dry, resulting in minimal wastewater generation. Water use within our facilities is largely limited to equipment cooling and sanitation, and all discharged water is sent to local treatment facilities. Veeco utilizes closed-loop cooling systems to reduce water consumption and prevent contaminated discharge.

Over the past five years, Veeco has reduced total water withdrawals by nearly 20% through improved operational controls and quarterly monitoring of water use. In addition to internal operational efficiencies, the Company has implemented site-level water conservation measures, including improved irrigation controls at facilities located in high–water-stress regions. Veeco has had zero violations of water discharge regulations and remains fully compliant with all applicable laws.

### Supply Chain

We work with manufacturing partners to encourage responsible water practices. Some partners do not generate wastewater, while others use systems to neutralize water before discharge and divert rainwater away from sewer systems to reduce energy demand. Certain facilities do not have dedicated treatment systems, but where wastewater is generated, it is managed in compliance with local regulations.

# Tool Lifespans

Veeco tools are engineered for longevity, with a general life expectancy of up to 30 years when properly maintained. While exact lifespan estimates are difficult to quantify due to the absence of service contracts with many customers, internal expertise and historical data suggest that our tools consistently demonstrate exceptional durability.

Our modular design philosophy allows for component-level upgrades and replacements, which minimizes the need for full system overhauls and extends the functional life of each tool. This approach supports both sustainability and cost-efficiency, enabling customers to adapt tools to evolving technological needs without discarding the entire system.

Veeco's legacy tools provide compelling evidence of our commitment to long-term performance. Our oldest active tool, sold in 1994, serves as a benchmark for durability and upgradeability. Over the years, it has undergone multiple enhancements and continues to operate effectively. Tools have been known to survive extreme conditions such as floods, pierced chambers, and over a decade in storage, and still return to service with minimal intervention.

By designing tools that last, adapt, and recover, we help reduce waste, conserve resources, and support circularity throughout the product lifecycle.

# MATERIAL EFFICIENCY IN PRODUCTS

Material efficiency is built into how Veeco designs and engineers its products. Our goal is to use materials responsibly while delivering the performance, reliability, and long service life required for advanced semiconductor manufacturing. Rather than minimizing material use at the expense of durability, we focus on reducing material intensity per unit of performance, such as per tool, process module, or wafer processed.

A primary driver of material efficiency is product longevity. Veeco tools are designed to operate for decades under demanding conditions, which significantly reduces the need for replacement equipment and the associated material impacts of manufacturing new systems. Structural components are engineered to withstand thermal cycling, mechanical stress, and chemical exposure, helping prevent premature failure and material waste.

Modular design plays a central role in this approach. Veeco tools are built from serviceable subsystems that can be repaired, replaced, or upgraded independently. This allows customers to address obsolescence, improve performance, or adapt to new processes without replacing entire tools. By keeping most of the original system in service, material use over the product lifecycle is significantly reduced.

In addition, Veeco's spare parts, component rebuild, and refurbished tool programs further improve material efficiency by enabling repair, reuse, and redeployment of existing assets. These practices reduce demand for virgin materials and limit waste across the installed base.



# MATERIAL EFFICIENCY IN PRODUCTION

Efficient use of materials is a key component of Veeco's product sustainability strategy. Across our U.S. sites, we implement practices that reduce packaging waste, extend the life of components, and promote reuse and recycling. These efforts not only conserve resources but also support safer workplaces and reduce our environmental footprint.

At our San Jose facility, bare silicon wafers are recycled through a certified third-party vendor. Additionally, secondary water used in chillers and heat exchangers is treated through our Acid Waste Neutralization (AWN) system before being discharged to the sanitary sewer, ensuring responsible water management.

Our Somerset and Horsham sites have adopted a range of packaging and material reuse initiatives:

- Cardboard boxes received from vendors are recycled, and wooden or plastic pallets are reused where possible.
- Non-reusable pallets are compacted and disposed of responsibly.
- Materials are transported between warehouses and plants using reusable plastic bins and metal transfer racks, significantly reducing single-use packaging.
- Trolleys are used in place of skids to move parts internally, further minimizing material waste.
- Plastic bags are reused whenever feasible, and scrap materials such as stainless steel tubing and cut cables are collected for recycling.

Veeco also prioritizes component repair and reuse. Defective parts identified on the manufacturing floor are repaired in collaboration with suppliers. Our Return Material Authorization (RMA) teams work with customers to refurbish and return parts, extending product lifecycles and reducing the need for new materials.

# PRODUCT ENERGY EFFICIENCY

As our product portfolio evolves, newer tool designs increasingly incorporate improvements that reduce per-wafer energy and natural resource consumption while increasing yield, throughput, and space efficiency. These gains enable customers to reflect improved energy intensity and operational efficiency in their reporting.

As examples:

- The next-generation Veeco Ion Beam Deposition tool significantly reduces per-wafer energy and natural resource consumption by dramatically improving performance. Yield potential has increased by up to 10× through defect reduction; throughput has improved by nearly 50%, and; reliance on rare noble gases has been reduced—all without a significant increase in overall system energy usage. In addition, a 25% reduction in tool footprint enables customers to achieve better per-wafer energy efficiency while increasing energy productivity per square foot of fab space.

- Our latest nanosecond laser annealing tool delivers world-class performance with approximately 50% lower total energy consumption and footprint, enabling higher fab energy efficiency per square foot.

- Veeco's Lumina+ MOCVD system delivers an approximately 20% reduction in energy consumption per wafer and a more than 25% reduction in source material usage, while maintaining industry-leading uniformity and repeatability for As/P processes. Proven TurboDisc technology and enhanced efficiency enable higher throughput and lower cost per wafer, supporting customers' operational performance and energy-efficiency objectives.

- Our newest GaN MOCVD tool maintains industry-leading deposition performance while enabling higher growth rates and shorter process times, delivering approximately a 20% reduction in energy consumption per wafer and supporting lower overall operational energy use.

# Veeco Product Lifecycle

The diagram below serves as a visual summary of Veeco's product lifecycle in the semiconductor industry, bringing together the key stages discussed in this policy and highlighting where circularity and resource-efficiency practices are applied, from design and manufacturing through use, upgrade, refurbishment, and end-of-life management.

# CONCLUSION

At Veeco, we believe that advancing technology and protecting the environment go hand-in-hand. While we are still building our capabilities in lifecycle assessment and product sustainability metrics, we are committed to transparency, continuous improvement, and responsible innovation. We aim to reduce environmental impact and deliver long-term value to our customers by designing durable and upgradeable tools and incorporating circularity principles into our product strategy. This policy reflects our ongoing efforts to create more sustainable products and contribute to a more sustainable future.