Veeco Instruments Inc. Corporate Sustainability Report

Seventh Edition

June 2026

About this Report

The seventh 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 2025. This report was prepared in accordance with the GRI Standards: Core Option and builds on our 2025 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
- 2025 Sustainability Report
- Environmental & Social Responsibility Statement
- 2025 Code of Conduct

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Message from our CEO

I am very proud of our Seventh Sustainability Report. Publishing a new report annually is a visible demonstration of our commitment to sustainability. Veeco is a relatively small company, but there is nothing small about the contributions we make to the world. Our products enable energy-efficient solid-state lighting. We power cloud computing and data storage, and we make possible many of today's leading-edge devices.

We work with key customers to provide platforms that 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'm confident you will see continued evidence of that shared purpose throughout this Sustainability Report.

Similarly, there is nothing small about our aspirations for our contributions to sustainability. In 2026, our commitment to environment, society, and governance - "ESG" – is just as strong as ever. 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
- ✓ Our continuing commitment to culture through our fifth Employee Culture Survey
- ✓ Strong relationships with major 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

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

1265
Team Members

12
Countries of Operation

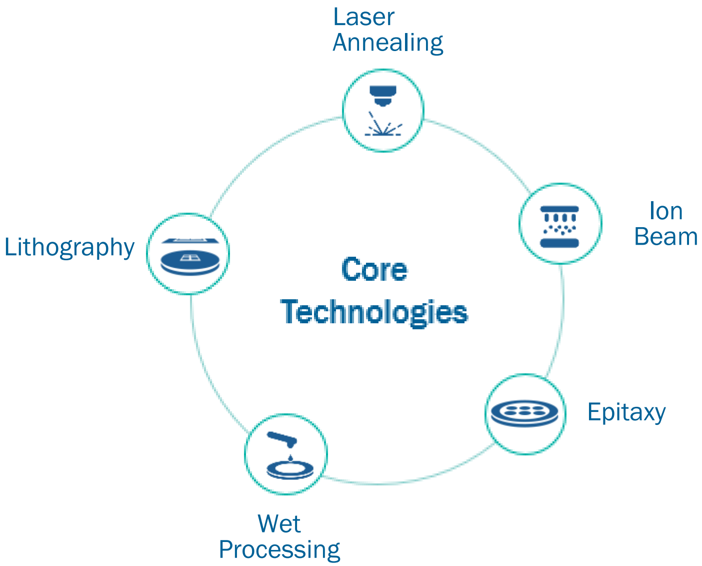
#1 Priority
Safety of our customers and employees

>900
Unique Suppliers

Economic Performance

$664.3M
Annual Revenue in 2025

~$1.7B
Market Capitalization (December 2025)



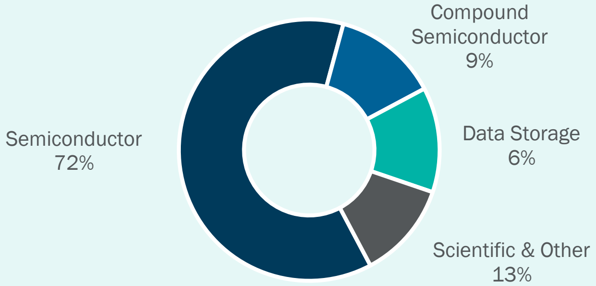
75+
Years of Experience

~350
Patents

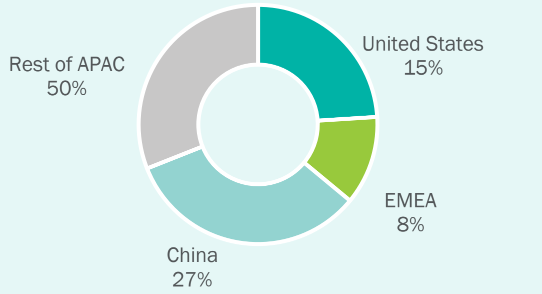
VECO
NASDAQ Listing

Plainview, NY
Headquarters

End-Market Breakdown of Revenue 2025



Geographic Breakdown of Revenue 2025



Global Presence

Served Available Markets

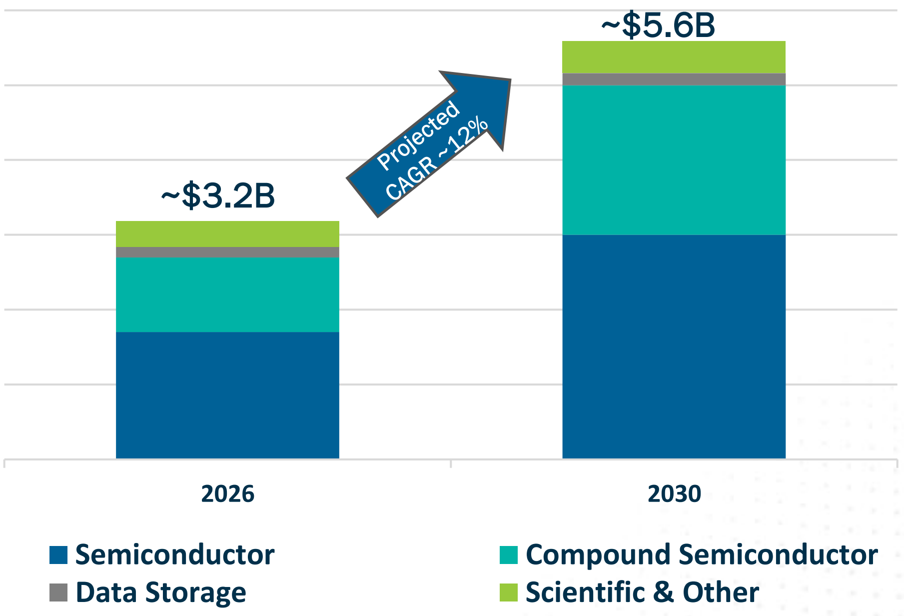
Over the next five years…

Veeco's Served Available Market (SAM) is projected to grow to **~$5.6B.**

“Semiconductor” represents our largest opportunity and is projected to grow to **~$3.0B** driven by Laser Annealing, Ion Beam Deposition, and Advanced Packaging equipment.

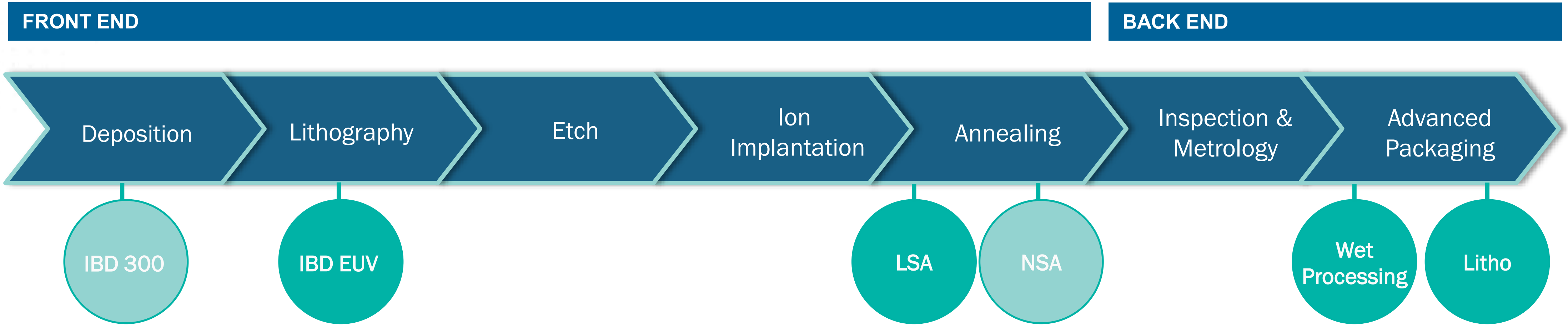
“Compound Semiconductor” opportunities are projected to grow to **~$2.0B** driven by equipment for Silicon Photonics, Other Photonics, and GaN Power.

Total Veeco SAM



Our Role in Semiconductor Manufacturing

Representative Process Steps to Create a Semiconductor Chip



Driving business today New products

Key

IBD: Ion Beam Deposition

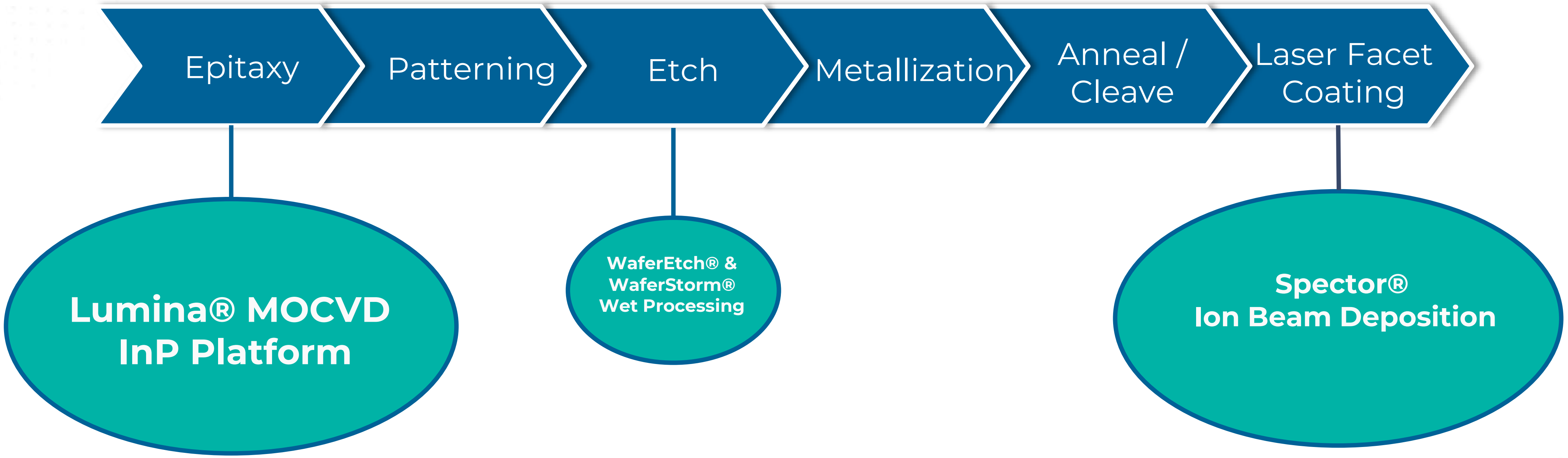
EUV: Extreme ultraviolet

LSA: Laser Spike Annealing

NSA: Nanosecond Annealing

System	Tier 1 Customer	Current Evaluations
LSA	Logic	1
	Memory	1
NSA	Logic	2
	Memory	0
IBD300	Logic	0
	Memory	2

Our Role in Compound Semiconductor Manufacturing



Size of bubble represents approximate market opportunity

Veeco provides differentiated solutions for Key Steps in manufacturing InP Lasers driven by AI Infrastructure

Cumulative ~$2B Total Market Opportunity over the next several years

MAKING A *MATERIAL* DIFFERENCE

Making a Material Difference

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

Core Values, Vision & Mission

Our Core Values, developed by a team of Veeco employees from around the world, guide our governance, inform our decision-making, and underpin our approach to environmental, social, and ethical responsibility.

We will always put our **CUSTOMERS** first

We engage proactively with customers to understand their needs, expectations, and emerging risks. Through our deep collaboration, technical expertise, and diverse perspectives, we deliver solutions that support customer success and long-term value creation. Integrity, transparency, and respect guide our interactions.

We will never compromise on **SAFETY**

When it comes to safety for our employees, customers and suppliers, there is no competing priority. Safety is embedded into our governance, operating procedures, and continuous improvement processes. We promote a culture of accountability where hazards are proactively identified, reported, and addressed promptly to reduce risk and to prevent incidents.

We will always demonstrate **RESPECT**

We are committed to upholding human dignity and fostering a workplace grounded in openness, respect, and inclusion. Our culture encourages open dialogue, ethical conduct, and mutual trust, enabling our Veeco United colleagues to make meaningful contributions and perform to their full potential.

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. Our investments in learning strengthen our resilience and allow us to adapt to evolving stakeholder expectations.

We will always be **ACCOUNTABLE**

Accountability means that we are responsible for our actions, behaviors, performance, and decisions. When problems arise, accountability means clear ownership, transparent communication, and prompt corrective action.

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

We honor and value the richness and diversity of backgrounds, experiences, and perspectives across our global workforce. An inclusive culture supports decision-making, drives innovation, and contributes to improving the human experience while advancing our sustainability goals.

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 actively engage with internal and external stakeholders to understand their expectations and inform our business decisions and ESG strategy.

Through our ESG leadership team and cross-functional management, we identified five key stakeholder groups with whom we regularly engage: employees, customers, investors, supplies, and communities and organizations.

We engage these stakeholders through a range of structured communication channels and forums. Stakeholder feedback is reviewed, prioritized, and incorporated into our business processes, policies, and sustainability initiatives, with actions tracked and communicated where appropriate.

Ongoing, multi-stakeholder engagement and collaboration are essential to addressing material risks and opportunities and supporting Veeco's long-term strategy and responsible growth.

	Engagement	Topics Raised	Our Response
Employees	▪ Veeco Pulse weekly 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	▪ Capability development and training ▪ Culture ▪ Safety ▪ Concerns ▪ Suggestions	▪ 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	▪ In-depth training on product use and safety ▪ Responsive customer service team ▪ Updates on optimization ▪ Customer surveys	▪ Power, Performance, and Cost ▪ ESG Practices and RBA Code of Conduct ▪ Environmental Compliance ▪ Supplier Diversity	▪ Since the publication of our first sustainability report, we've made significant improvements in ESG. We continue to provide a comprehensive overview of Veeco's ESG initiatives, challenges, goals, and progress.
Investors	▪ Shareholder meetings ▪ Quarterly earnings calls ▪ Conferences & Non-Deal Roadshows (NDRs)	▪ Business Strategy & Outlook ▪ Financial Results ▪ Capital Allocation Priorities	▪ Conducted investor outreach, targeting approximately 75% of Veeco's outstanding share ownership, providing transparency and seeking feedback on ESG-related matters. ▪ Aligned our 2025 disclosures with SASB and GRI, and improved ESG transparency more broadly.
Suppliers	▪ Supplier screening / surveys / questionnaires ▪ Supplier visits and audits ▪ Supplier Code of Conduct	▪ Transparency ▪ Capacity ▪ Forecasting	▪ 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	▪ Partnerships ▪ Promotion of shared principles ▪ Disaster relief	▪ Volunteering ▪ Philanthropy	▪ 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 has 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.

01 Stakeholder Engagement

Through conversation, surveys, and other means of engagement the ESG leadership team records and considers key topics and concerns raised by our stakeholders.

02 Topic Identification

The ESG leadership team identifies the topics frequently cited by stakeholders and prioritizes these topics for analysis.

03 Internal Analysis

The ESG leadership team consults with the relevant internal stakeholders about a given topic. Material topics are assessed based on the significance of their economic, environmental, and social impacts on our strategy and success.

04 Degree of Control Analysis

Topics are then considered based upon Veeco's reasonable degree of control over their impacts on society and our business.

05 Material Confirmation

If an identified topic is determined to be important to our stakeholders, reflects a significant organizational impact on our society, and if Veeco has a reasonable degree of control over the subject matter, then it is confirmed to be material.

Materiality Assessment

Our 2026 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.

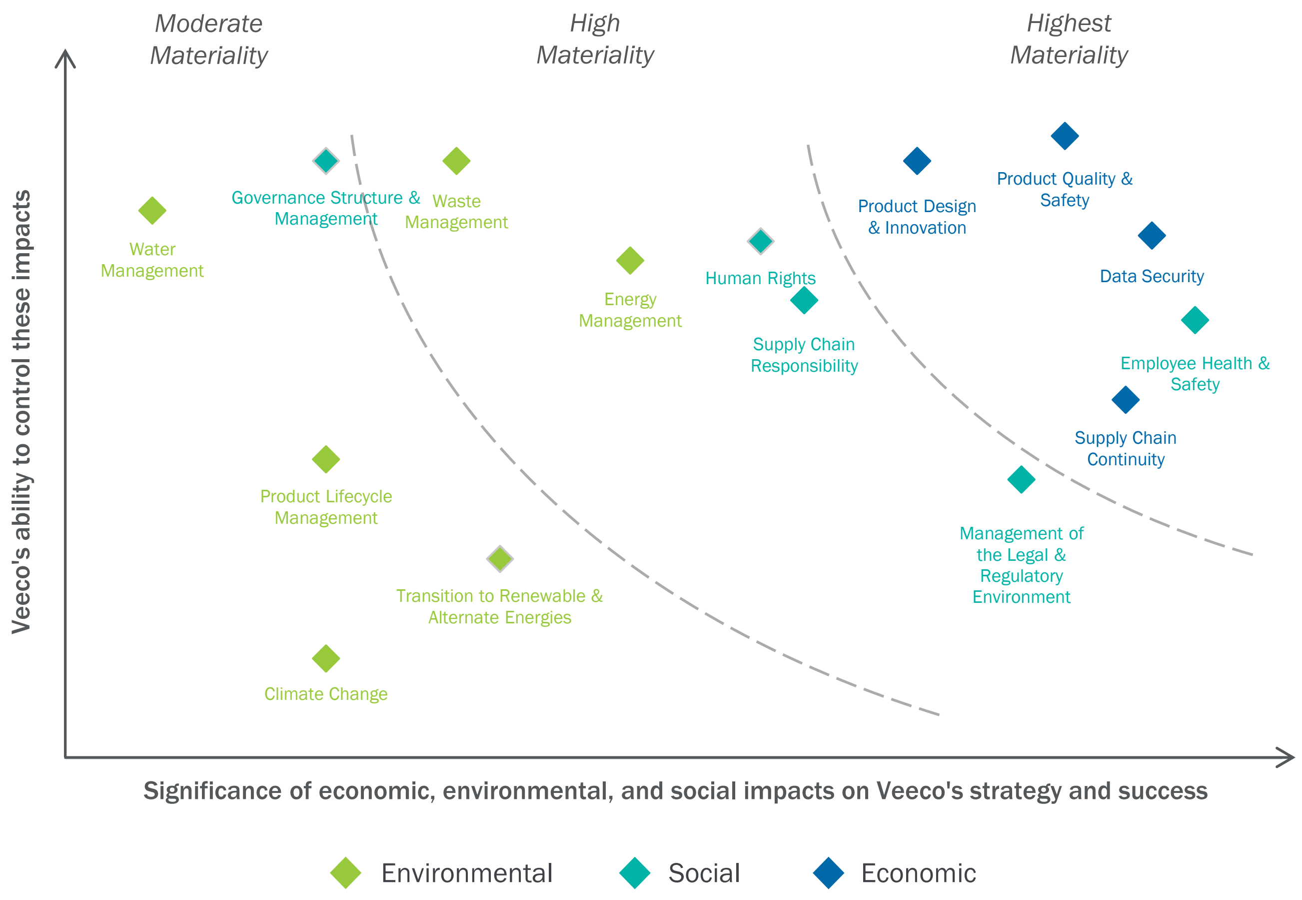
Veeco's impacts are defined by three primary boundaries, which were identified during the internal analysis and assessment of our level of control as part of the materiality process.

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	2025	2024	2023	2022	2021
Environmental							
Source 50% renewable energy for U.S. operations by 2030	%	50.0%	33.5%	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_2e / $M Revenue	16.1	12.7	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%	86%	84%	75%	35%	N/A
	Supplier Response Rates	10% increase over prior year	5% over 2024	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%	50%	30%	20%	0%	0%
Social							
Each employee completes a minimum of 20 hours of training to support personal development	Employee Completion Rate	100%	66%	41%	n/a	n/a	n/a
Make a material difference in our local communities through outreach and volunteerism	Throughout 2025, Veeco continued to support Habitat for Humanity in the U.S. In Singapore, our team participated in the International Coastal Cleanup (ICC) - collecting 357 lbs. of debris and waste from the beach.						
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 “2” 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 of which we can all be proud.

Our Core Values guide every decision and action taken by Veeco. It is through the pursuit and achievement of living these Core Values that we make Veeco a great place to work.

Our Core Values provide the basis for accountability, support, and 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 our Veeco United team. We collaborate with employees through conversations about Veeco's mission, vision and shared values. Our Core Values team engages with leaders throughout the company to support and encourage open dialogue that regularly promotes these core values.

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

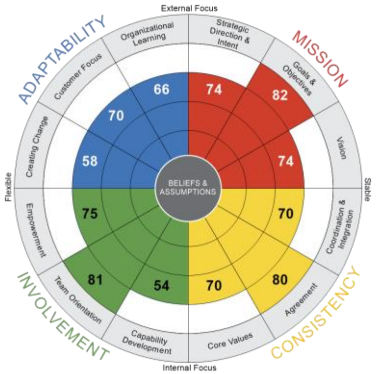
Beginning in 2019, Veeco has conducted a global culture survey designed to measure employee engagement across four culture traits represented by Mission, Involvement, Adaptability, and Consistency. Participation has consistently exceeded 90%, reflecting a high level of engagement across our workforce. Employees 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, focused set of questions based on the full culture survey - with the goal of ensuring we receive employee feedback on an annual basis. Our 2025 Pulse Survey featured six to ten questions focused on top improvement priorities. The insights gathered help us assess the progress, identify areas for continued focus, and guide ongoing cultural initiatives.

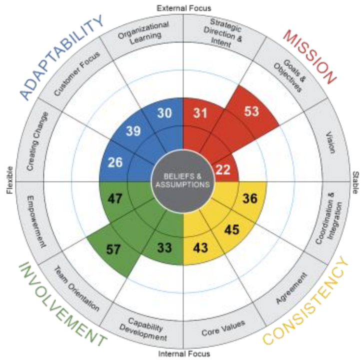
Veeco delayed our full-length 2026 survey until after our planned merger. While the timing shifted, our commitment to advancing and strengthening our culture remains unchanged.

2023

2021



2019



Pulse Surveys conducted in 2024 and 2025

Improvements realized across:

- Strategic Direction (2024)
- Vision (2024)
- Core Values (2024, 2025)
- Empowerment (2024, 2025)
- Capability Development (2024)
- Org Learning (2024, 2025)

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. In 2025, our employees recorded an average of 30 hours of training in support of their professional development and our company-wide 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 2025, we employed 1265 employees, 923 within the United States, 297 in the Asia-Pacific region, and 45 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, 2025, was approximately 7.6%. Our employee average tenure is more than 8 years.

30

Average Training Hours per Employee

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 designed to unlock potential, strengthen capabilities and drive long-term success. In 2024, we launched DRIVE – an innovative program that equips employees and managers with the tools, structure, and guidance to take ownership of their professional growth. We also expanded leadership development through our Frontline Leader Program, which helps new managers succeed through a combination of interactive learning, practical skill-building, and personalized development plans tailored to their unique needs. In 2023, Veeco graduated two cohorts of its Leadership Legacy program (LLP). Designed by Veeco, for Veeco leaders, LLP is delivered over eight sessions to guide and inspire leaders throughout their development journey. Building on this strong foundation, we will be relaunching LLP in 2026 with an updated format and expanded development opportunities for alumni.

Internship and Co-op Program

We believe 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.

Learning Management System

Our SuccessFactors learning platform enables employees to develop skills at their own pace through a wide range of online resources, courses and live sessions. In addition to formal learning, we emphasize action learning – including stretch assignments, cross-functional projects, and opportunities to solve complex challenges as some of the most impactful ways to develop.

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.

Early Career Opportunities

Veeco is committed to investing in the next generation of talent by supporting early career employees as they transition into and grow within the organization. Early Career Professionals (ECPs) play a vital role in Veeco's long-term success, bringing fresh perspectives, technical skills, and energy across our global operations.

In 2025, Veeco continued to build and expand its Early Career Professionals program, designed to support employees early in their careers through structured onboarding, peer connection, and access to development resources. The program aims to foster engagement, accelerate learning, and help employees navigate Veeco's culture, systems, and career pathways.

Key elements of the ECP program include:

- Peer Advisor Program, pairing newer employees with near-peer colleagues to provide guidance, institutional knowledge, and informal career support.
- Early Career learning and engagement sessions, focused on professional skills development, cross-functional exposure, and networking.
- Community-building events, creating opportunities for connection among early career employees across locations and functions.

Veeco's early career efforts are complemented by our Co-op and Internship programs which provides students with hands-on experience across engineering, manufacturing, and corporate functions. These programs support skill development, early exposure to Veeco's culture, and, where appropriate, pathways into full-time early career roles. Together, Veeco's internship, co-op, and ECP initiatives help strengthen the Company's long-term talent pipeline.

Committed to Our Community

Habitat for Humanity

Veeco is proud to continue its partnership with Habitat for Humanity chapters near our offices. Colleagues from our San Jose location volunteered their time with the local chapter, helping to build a home for a deserving family. We'd like to thank the team pictured here for their dedication and participation. They not only made meaningful progress on the home but also strengthened their connections with one another along the way. We look forward to supporting more events across our U.S. 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 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 (EH&S) 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 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 committee's 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 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.

Evaluation of Health and Safety Training Programs

Veeco periodically evaluates the effectiveness of its occupational health and safety training programs through completion tracking, post-training reviews, and monitoring of safety performance indicators. Outcomes from incident investigations, audits, and employee feedback are used to update and refine training content as part of Veeco’s continuous improvement approach.

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 recommencing 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, identify root causes, and establish 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.

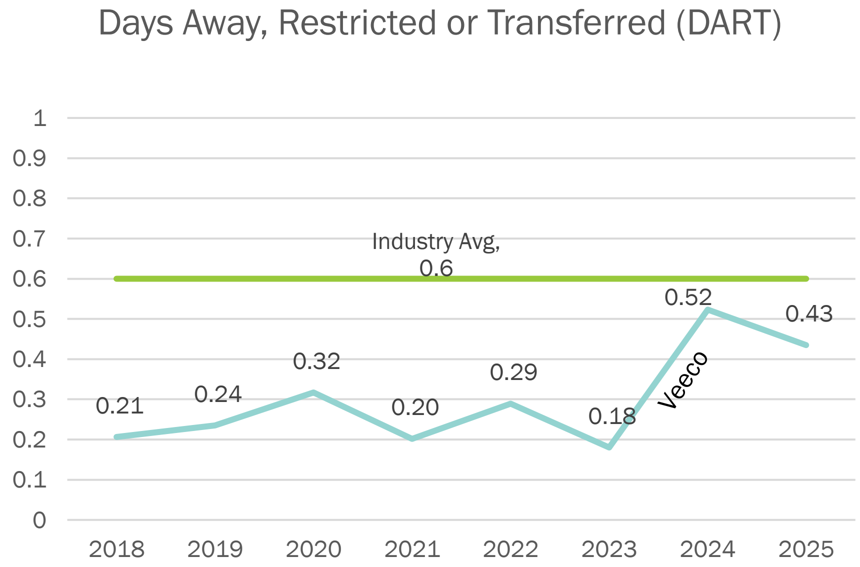
Quarterly reviews of EH&S Metrics and Incidents are conducted by our Safety Board, which includes members of the Veeco executive leadership team. An annual safety presentation is given to members of our Board of Directors.

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 2025, the main types of work-related injuries were minor lacerations, strains/sprains, and contusions. There were 7 recordable work-related injuries. For 2025, we had the lost time severity rate of 3.14, 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.

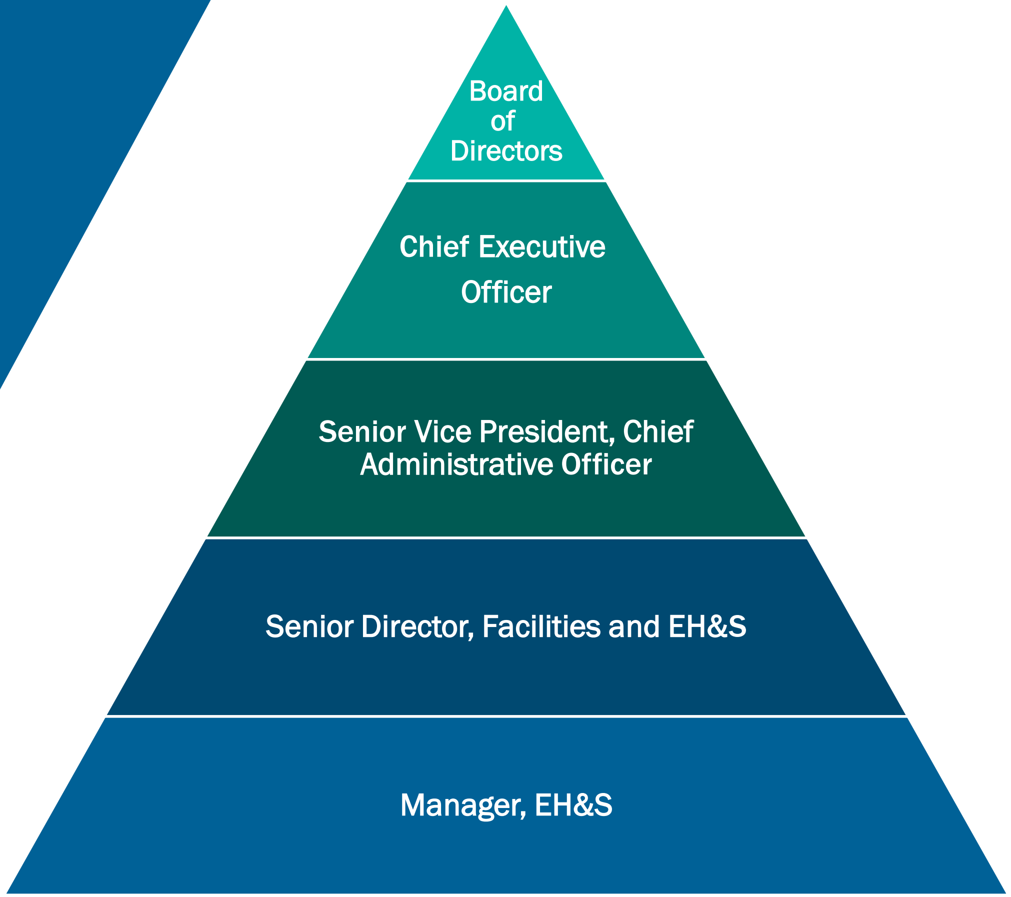


Chain of Command for the Resolution of EH&S Issues

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.

A stated goal of the Veeco Board is staying current on trends, legislation, and key shareholder requirements pertaining to social responsibility matters, environmental sustainability, and good corporate governance practices.



MAKING A **MATERIAL** DIFFERENCE

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 a 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 judgment, 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)	72	1990	Male	-	member	-
Gordon Hunter	No	Yes	74	2010	Male	-	chair	member
Keith Jackson	No	Yes	70	2012	Male	member	-	chair
Kathleen A. Bayless	No	Yes	69	2016	Female	chair	member	-
Thomas St. Dennis	No	Yes	72	2016	Male	member	member	-
William J. Miller, Ph.D.	Yes	No	57	2018	Male	-	-	-
Mary Jane Raymond	No	Yes	65	2019	Female	member	-	-
Sujeet Chand, Ph.D.	No	Yes	68	2021	Male	-	-	member
Lena Nicolaides, Ph.D.	No	Yes	55	2022	Female	-	-	member

(1) Independence determined based on NASDAQ rules.
(2) Age as cited in Veeco's 202 Proxy Statement as of March 19, 2026
(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

66.9 years — Average Age of Director Nominees and Continuing Directors

8/9 — Independent Directors

88.9% — Committee Member Independence

11.4 years — Average Tenure of Director Nominees and Continuing Nominees

0 — Director Nominees and Continuing Directors Who Serve on More Than Three Public Company Boards

88.9% — % of Directors who attended all Board Meetings in 2025

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, as well as public reporting on these topics. The Board, through the Governance Committee, maintains direct oversight of climate-related risks, with clearly defined responsibilities, a structured committee framework, and a recurring review process.

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 a 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 principal executive officer, principal financial officer, principal accounting officer or controller 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.

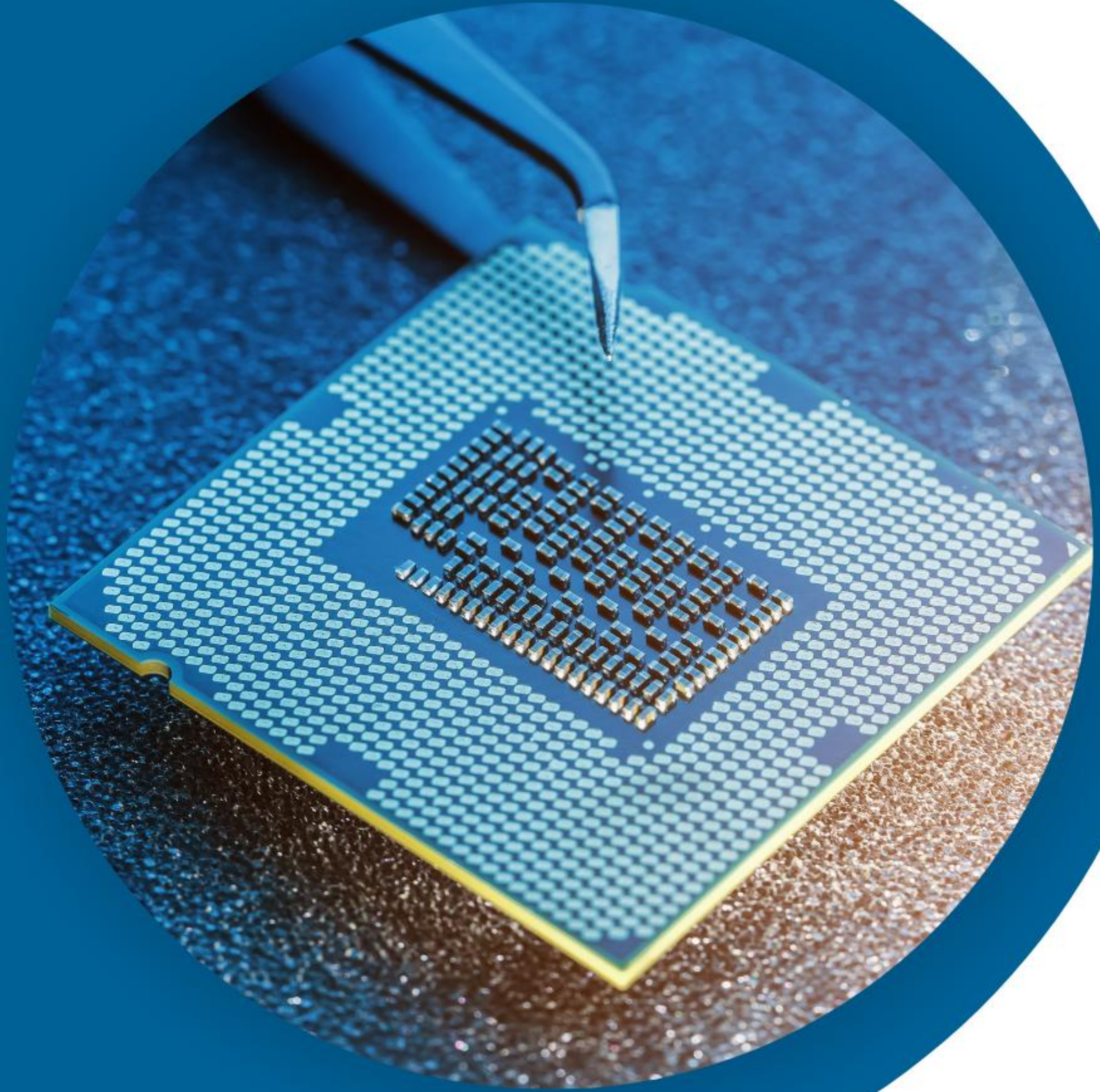
Conflict Minerals Policy

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.

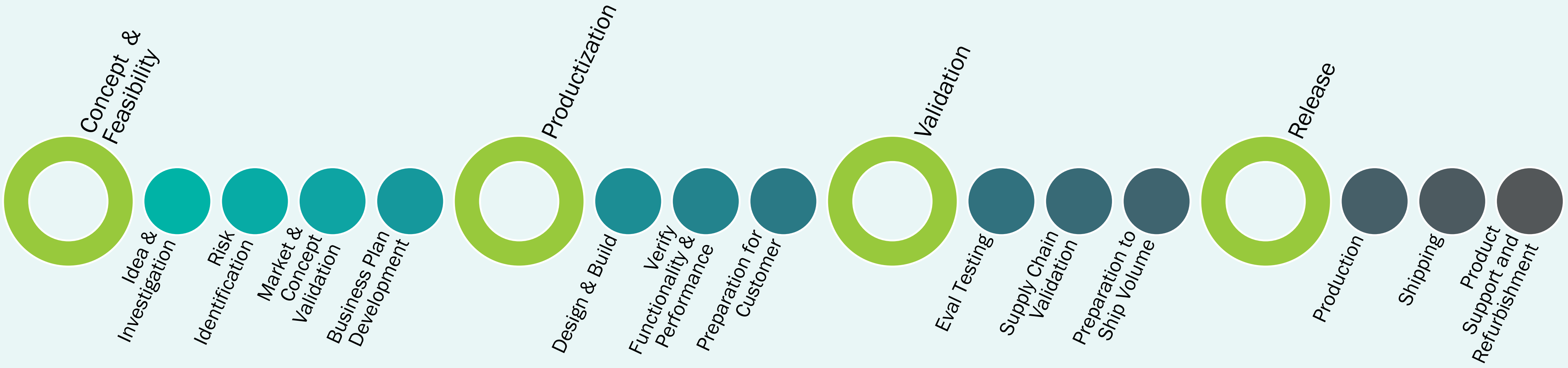
Veeco Principles of Product Development

- ✓ 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

Veeco advances product sustainability through a lifecycle-based approach that emphasizes durability, adaptability, and responsible resource use from design and manufacturing through use, upgrade, refurbishment, and end-of-life considerations.

Our focus is on reducing lifecycle environmental impact while delivering long-term value, performance, and reliability in demanding production environments. Circularity, material efficiency, energy performance, and responsible operational practices are intentionally integrated across our products and services.

A core pillar of this strategy is product longevity enabled by modular, upgradeable design. Veeco tools are engineered for extended service lives—often spanning decades—and are built to support component-level repair, replacement, and retrofit. This architecture allows customers to respond to evolving process and technology requirements without full system replacement, reducing resource intensity, waste generation, and overall lifecycle impact. Tools delivered as far back as the mid-1990s continue to operate productively today, reflecting the durability and adaptability of our installed base.

Circular use of materials is reinforced through refurbishment and service capabilities that keep equipment in use longer. Veeco offers refurbished tools through certified programs and maintains global spare-parts availability to support timely repair and continued operation. Between 2020 and 2025, hundreds of tools were upgraded or retrofitted to address obsolescence, enhance performance, and improve throughput. By extending asset life and redeploying existing systems, these practices reduce demand for virgin materials and avoid the environmental impacts associated with manufacturing new equipment.

Design for Longevity

Enable Circularity

Improve Use-Phase Efficiency

Operate Responsibly

Newer tool designs explicitly advance energy and material efficiency during customer use, where lifecycle impacts are most significant. Recent platforms incorporate improvements that lower energy consumption per wafer, reduce overall tool footprint, and increase throughput and yield without increasing total system energy demand. Faster process times, improved defect performance, reduced source-material usage, and higher productivity per square foot of fab space contribute to lower operational energy intensity per unit of output while maintaining industry-leading performance and reliability.

Within our operations, Veeco applies responsible manufacturing practices that support waste reduction, recycling, water stewardship, and the safe handling of hazardous materials. We continue to strengthen transparency, internal controls, and data-driven continuous improvement related to product sustainability. Additional detail is available in the 2026 Veeco Product Sustainability Policy.

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 Regulation, 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 EN ISO 12100 methodology.

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.

The Veeco Product Safety Committee, which includes members of our Executive Leadership Team, ensures compliance with the Veeco Product Safety Policy, provides oversight on any product safety events, and helps drive product safety improvement through continuous learning. The committee holds quarterly reviews and reports annual to the Governance Committee of the Board of Directors.

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 2025, we continued to expand our chemical compliance program, increasing coverage to include 86% of Veeco's major systems and their components, and we are on track to meet our goal of 90% by the end of 2026. 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, supplier engagement was elevated to a structured program expectation, aligned with ESG and regulatory requirements. In 2025, we established ongoing monitoring of regulatory developments and routinely updated policy and procedures.

We continuously monitor, manage, and assess risks associated with the use of hazardous chemicals in our parts and products. This includes conducting chemical assessments for both legacy and new products to identify and address any potential substances of very high concern. As needed, we comply with applicable chemical inventory reporting obligations to government authorities and customers.

Looking ahead to 2026, we will continue to strengthen our supplier and supply chain training programs, enhance internal compliance tools, and expand targeted training for engineers to further embed design-for-compliance principles. In parallel, we will maintain and expand formal PFAS monitoring efforts to address evolving global regulatory requirements.

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 the European Union (EU) Waste Framework Directive about articles containing the 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 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 the environment by finding appropriate alternatives 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 to 2025

- ✓ Expanded covered products to include 86% of major Veeco systems and components
- ✓ Established recurring training sessions for internal and external stakeholders, delivering comprehensive training with a strong focus on REACH, RoHS, TSCA, and PFAS regulations, enabling more consistent application of chemical compliance.
- ✓ Increased supplier response rate on substances included in purchased parts used in our products year-over-year
- ✓ Provided resources to the team to enable design for compliance
- ✓ Added PFAS to chemical compliance program to support EPA federal obligations and enhanced further to support emerging state-level reporting requirements, and global regulatory expectations.
- ✓ Expanded from 5 to 10 TSCA substances
- ✓ Added resources to help analyze Veeco build-to-print parts and identify and replace parts with substances above threshold
- ✓ Released external Chemical Compliance Policy and PFAS commitment statement
- ✓ Strengthened early-stage compliance decision making and reduced downstream risk through education, internal processes and dedicated resources
- ✓ Demonstrated continuous engagement with our customers through timely, accurate responses to material compliance inquiries.

2026

- Expand product coverage and compliance maturity.
- Advance PFAS compliance and reporting readiness.
- Deliver scalable compliance training and enablement both internally and externally with continued focus on emerging regulations.
- Strengthen design-for-compliance capabilities to embed chemical compliance into early design and sourcing decisions.
- Enhance customer engagement and transparency related to REACH, RoHS, TSCA and PFAS material compliance by supporting audits, regulatory submissions, and sustainability reporting.

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 our 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 support 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.

16
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.

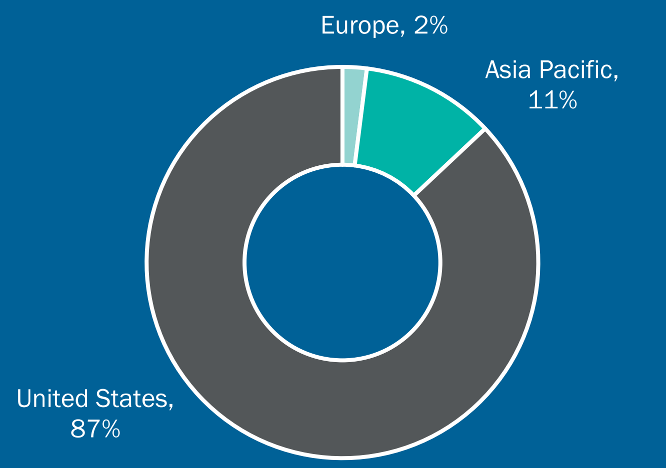
Due Diligence

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.

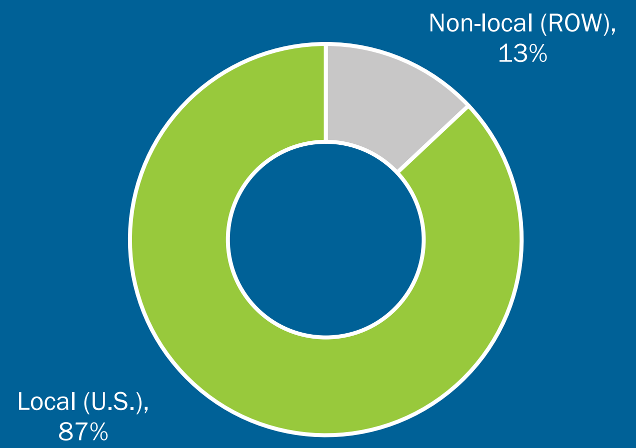
We believe the highly technical and specialized nature of our direct suppliers reduces the potential for human rights abuses such as the use of child or compulsory labor. We seek out high-quality and technologically advanced suppliers who have a history of respecting human rights.

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 suppliers based on labor cost alone.

Procurement Spend by Region 2025



Local Procurement Spend 2025



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 2025, 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 and increased global demand that resulted in longer lead times. However, we have seen improvements in our supply chain, as evidenced by a significant reduction in lead times and further improvements in supplier on-time deliveries.

We continue to work with our suppliers to identify and mitigate potential gaps to ensure continuity of supply and 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 CO_2 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.

Compound Semiconductor Manufacturing

Compound semiconductors enable more energy-efficient and higher-performance devices across AI infrastructure, power electronics, and photonics. Technologies such as GaN and InP support faster data transmission, reduced power losses, and smaller device footprints, helping to lower energy consumption in applications like data centers, communications, and advanced sensing.

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. DocuSign has enabled our recruiting team to significantly lower resource consumption and waste by eliminating the need for physical documents. In 2025, this digital process helped reduce 2,119 pounds of CO_2 emissions, conserve 2,658 gallons of water, and save 903 pounds of wood.

System Rebuilds & Grid Upgrades

Veeco extends tool lifespans through system rebuilds and grid upgrades, including cleaning, refurbishing, and updating key components before returning systems to service. These efforts reduce material demand, minimize waste, and support circularity. In 2025, we completed 1,803 grid rebuilds.

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.

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

Climate-Related Opportunities

- **Circularity & Refurbishment**
  Veeco's Certified Equipment refurbishment program supports lifetime extension of tools, reduces material consumption, and strengthens circularity positioning in a market that increasingly values low-waste equipment offerings.
- **Energy Efficiency & Technology Demand**
  Demand for energy-efficient semiconductor manufacturing tools, including GaN-on-Si, microLED, and high-performance computing equipment, represents a major opportunity for Veeco.
- **Facility Efficiency**
  Upgrades such as ISO 14001 environmental certification, energy-efficient chambers, and improved building systems reduce emissions, strengthen operational resilience, and lower utility costs.
- **Renewable Energy & Emissions Reduction**
  Increasing renewable electricity procurement, currently 29% in U.S. operations, improves Scope 2 emissions performance and enhances ESG competitiveness.
- **Water Stewardship**
  Veeco achieved a 62% reduction in water withdrawal at our Plainview site since 2020 and will continue reducing consumption in high-stress regions.
- **Waste Reduction & Product Stewardship**
  Veeco reduced hazardous waste by 75% at its San Jose facility and increased e-waste recycling to 70%, creating both cost savings and differentiation in environmental performance metrics valued by customers and regulators.

Governance & Risk Management Approach

Governance Approach

•Veeco's Board of Directors oversees ESG topics through the Governance Committee, which reviews Veeco's climate strategy twice per year.

•The ESG Leadership Team manages climate strategy execution and includes cross-functional leaders and a dedicated Sustainability Analyst.

Risk Management

•Risks identified through scenario analysis, materiality assessments, stakeholder engagement, and regulatory monitoring.

•Water risk is tracked using the WRI Aqueduct tool to assess stress in operational regions.

•Climate risks are fully integrated into enterprise risk management and reviewed biannually.

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 CO_2e per $M Revenue

Veeco achieved this goal in advance of the 2025 target, reducing normalized Scope 1 and 2 emissions by 29% since setting the target in April 2022.

Building on this progress, Veeco is establishing a new emissions-reduction objective beginning in 2026: to achieve a 5% year-over-year reduction in normalized Scope 1 and 2 emissions, using 2025 as the baseline.

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.

Physical Climate Risks

Veeco's facilities and operations may be exposed to physical climate impacts across short-, medium-, and long-term horizons. These risks vary by region and include acute hazards such as storms, flooding, and heatwaves, as well as long-term shifts, including water scarcity and rising sea-levels.

- **Storms, Flooding & Precipitation**
  The Northeastern U.S., face elevated risks that may intensify by mid-century.
- **Heatwaves & Temperature Extremes**
  Increasing frequency and intensity of storms, severe rainfall events, and flooding may disrupt facility operations, supply chain continuity, and outbound product shipments.
  Higher temperatures and prolonged heat events may increase cooling loads in manufacturing areas, raise energy demand at operations centers, and intensify pressure on HVAC systems. These impacts may also affect supplier productivity and logistics, particularly in high-heat regions.
- **Water Scarcity**
  Water stress presents a significant operational risk, particularly in high-stress regions such as Plainview, NY, where long-term trends indicate rising scarcity. Water constraints may affect process cooling, facility utilities, and supplier operations.
- **Rising Sea-levels**
  Rising sea-levels pose long-term exposure risk to coastal logistics routes and suppliers. Higher baseline coastal flooding increases potential for shipment delays and supply chain instability.

Climate Transition Risks

Veeco faces several risks associated with evolving regulations, technology shifts, and stakeholder expectations.

- **Regulatory**
  Growing climate-related regulations, including U.S. EPA requirements, EU compliance frameworks, PFAS restrictions, and U.S. state laws such as SB 261, may increase reporting burdens and compliance costs.
- **Technology & Manufacturing**
  As semiconductor manufacturing shifts toward lower-impact processes, Veeco must continue to invest in energy-efficient tools, closed-loop cooling systems, and sustainable chemistries. Lagging adoption may reduce competitiveness.
- **Supply Chain & Materials**
  Emerging regulatory scrutiny around materials (e.g., PFAS, REACH/RoHS, TSCA) may increase supplier qualification costs, require reformulation of components, or constrain availability of certain inputs.
- **Carbon Pricing & Disclosure**
  Increasing carbon pricing programs, Scope 3 expectations, and mandatory climate reporting may increase operational and administrative costs. Transitioning to lower-carbon energy sources will require investments in efficiency and procurement strategy.
- **Logistics & Transportation**
  Supplier and customer shipping could be affected by climate-related disruptions such as storm-related port closures or high-heat transportation slowdowns, affecting operational continuity and delivery schedules.
- **Market**
  Customer preference for low-carbon, circular, and energy-efficient semiconductor tools continues to grow. Companies that cannot meet these expectations risk loss of market share.
- **Reputation**
  Investor and customer confidence may be affected by perceived gaps in climate transparency, sustainability performance, or emissions reduction progress.

Climate Analysis

Veeco references widely recognized global temperature pathways to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and to support a qualitative consideration of potential climate-related risks and opportunities.

Veeco does not currently conduct formal or quantitative climate scenario analyses. Rather, these scenarios are used as a high-level framework to support internal awareness and disclosure regarding the effect of different climate futures on operations, supply chain continuity, regulatory expectations, and market dynamics.

Insights from this qualitative scenario framing support management understanding of climate-related considerations and complement Veeco's materiality assessment, risk management processes, and sustainability disclosures.

+1.5°C Scenario

A pathway characterized by accelerated global decarbonization and more stringent climate-related regulation.

Potential implications for Veeco include:

- Increased regulatory and disclosure requirements across jurisdictions
- Greater customer demand for energy-efficient, lower-impact semiconductor manufacturing tools
- Heightened expectations for product sustainability, upgradeability, and circularity
- Increased importance of renewable energy sourcing and supply chain engagement

+2°C Scenario

A moderate transition pathway with gradual policy evolution and incremental increases in transition and physical risks.

Potential implications for Veeco include:

- Continued focus on operational efficiency and energy management
- Stable but evolving customer expectations related to tool performance and efficiency
- Ongoing need to monitor regulatory developments and supply chain resilience
- Incremental physical risks requiring monitoring at facilities and logistics points

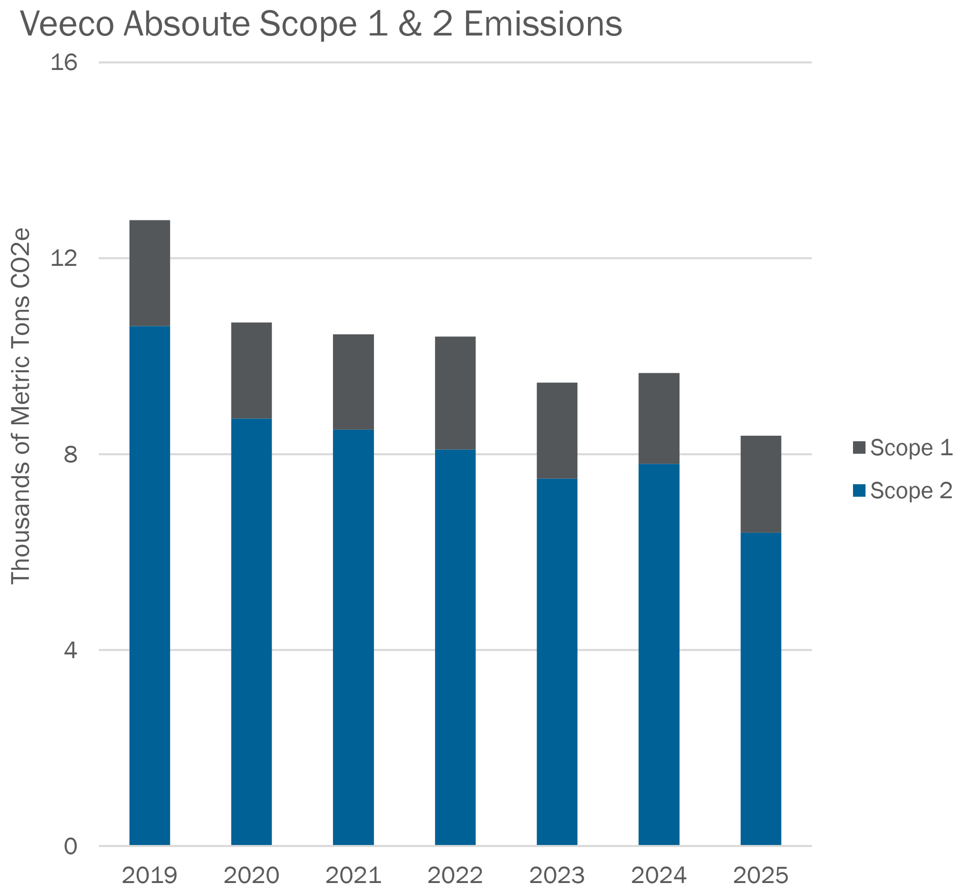
≥3°C Scenario

A higher-emissions pathway with limited global mitigation and greater exposure to physical climate risks.

Potential implications for Veeco include:

- Increased exposure to extreme weather events affecting operations and logistics
- Greater water stress risks at certain locations
- Heightened risk of supply chain disruption
- Increased emphasis on facility resilience, continuity planning, and water stewardship

Greenhouse Gas Emissions: Scope 1 & 2



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 CO_2e.

Between 2024 and 2025, we observed a 4% increase in our total Scope 1 GHG emissions.

Scope 2: Purchased Electricity

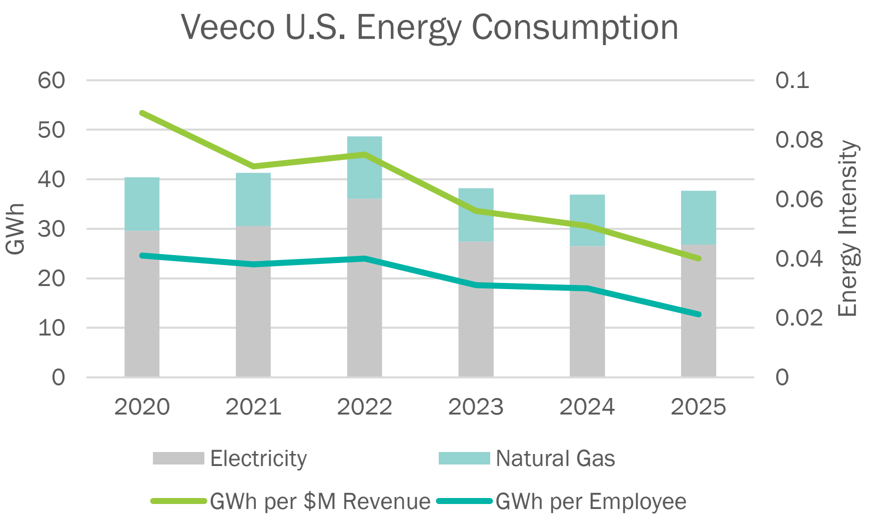
The GHG Protocol defines Scope 2 emissions as indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Our calculation of market-based Scope 2 emissions encompasses emissions from purchased electricity at our U.S.-based facilities measured in tons of CO_2e. These locations were selected based on the availability of data and their material electrical use.

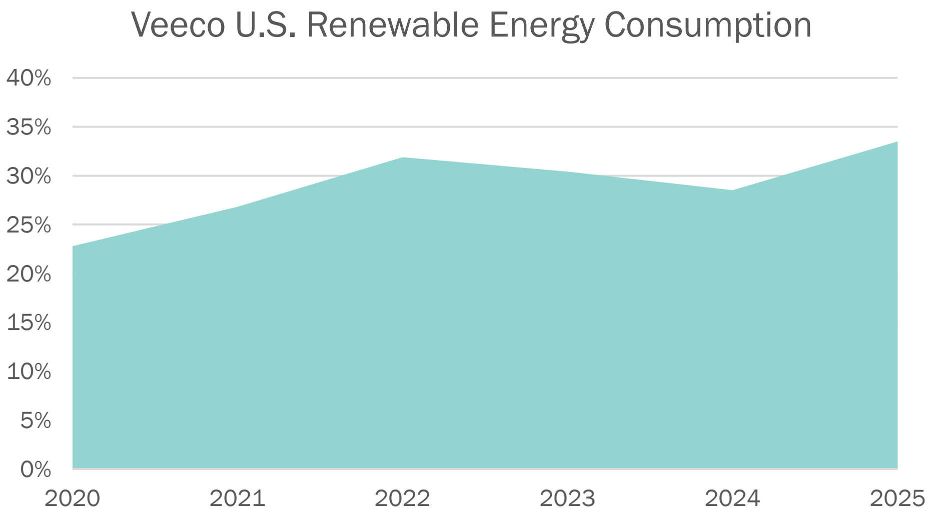
From 2024 to 2025, we observed roughly a 10% reduction in our Scope 2 GHG emissions, reflecting our ongoing commitment to minimizing our environmental footprint through targeted energy efficiency initiatives and responsible sourcing of electricity.

Greenhouse Gas Emissions: Scope 3

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.

Scope 3 Categories	Results (metric tons c02e)	% of Scope 3 Total
Category 2: Capital Goods	2,721.4	18.9%
Category 3: Fuel- and Energy-Related Activities	1,560.2	10.8%
Category 5: Waste Generated in Operations	33.0	0.2%
Category 6: Business Travel	1,751.7	12.2%
Category 7: Employee Commuting	1,605.9	11.2%
Category 8: Upstream Leased Assets	Not Applicable	Not Applicable
Category 9: Downstream Transportation and Distribution	6,709.5	46.7%
Category 13: Downstream Leased Assets	Not Applicable	Not Applicable
Category 14: Franchises	Not Applicable	Not Applicable
Category 15: Investments	Not Applicable	Not Applicable
Total	**14,381.7**	**100%**





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 2025, our U.S. manufacturing facilities relied on natural gas for heating (10.9 GWh) and on the electric grid for our corporate, production, and R&D activities (26.8 GWh).

34% of our total U.S. electric energy consumption in 2025 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.

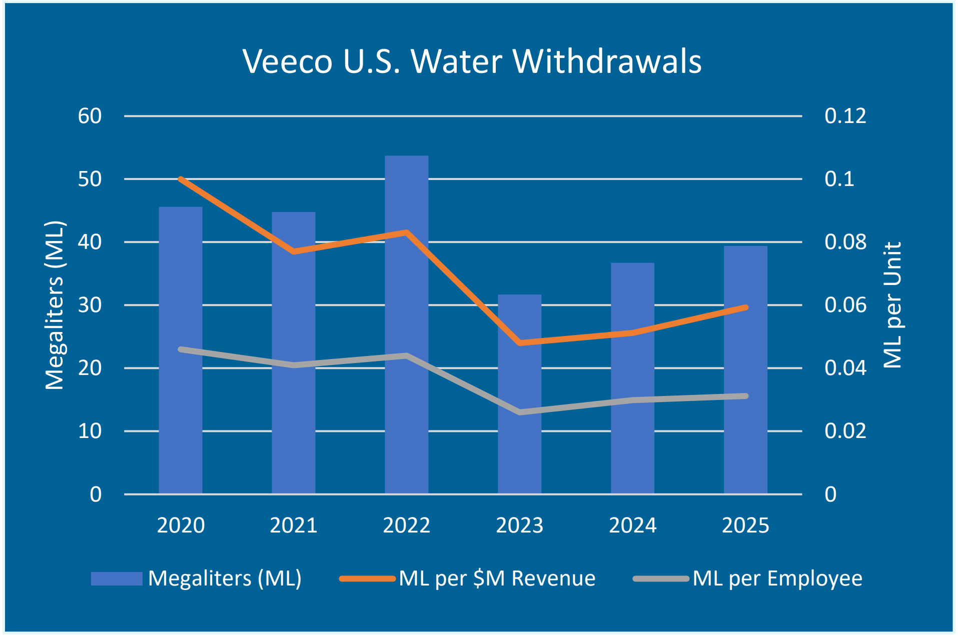
At our most energy-intensive facilities, San Jose and Somerset, we have building automation systems that track and optimize electricity consumption. These systems optimize our HVAC, pumps, motors, and other equipment so they can run efficiently. These efforts resulted in a 25% reduction in electricity usage and an 9% reduction in natural gas usage for our San Jose location from 2023 to 2025. Additionally, our Somerset facilities decreased electricity usage by 4% from 2024 to 2025.

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 14% reduction in water withdrawn over 5 years. In 2025, our total water withdrawn was 39.4 megaliters, a 7% increase from 2024.

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 2025, our water usage was approximately 0.06 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. Our assessment considers water accessibility, availability, and quality to provide a comprehensive view of regional water risk.

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.

2025 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	3.9	10%
Plainview, NY	Extremely High (>80%)	730	3.1	8%
San Jose, CA	Low-Medium (10-20%)	6,348	23.7	60%
Somerset, NJ	High (40-80%)	819	5.3	13%
St. Paul, MN	Low (<10%)	731	3.2	8%
Waltham, MA	Medium-High (20-40%)	53	0.2	1%
Total		**10,413**	**39.4**	**100%**

Water Reduction Initiatives

In 2025, we took 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 67%, compared to 2020. In our San Jose facility, we were able to reduce water usage by more than 14%, 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:

- ✓ 57% reduction in water usage in Plainview, NY.
- ✓ 14% reduction in water usage in San Jose, CA.
- ✓ 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.

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.

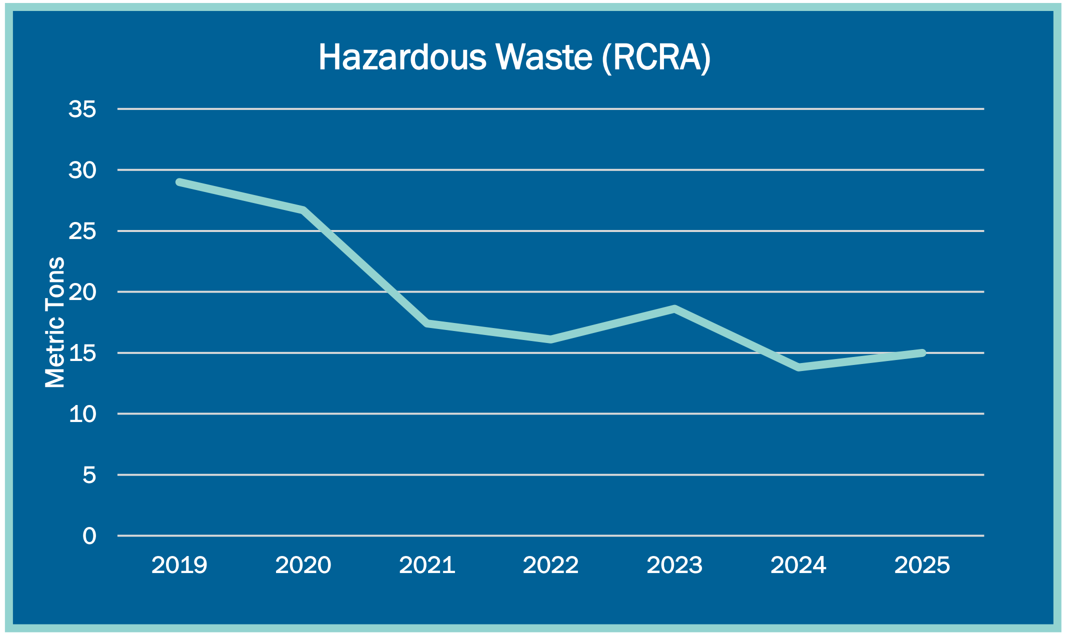
Veeco's EH&S Policy: Waste

- ✓ 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), reanalyzed its cooling water so that it could be treated through our wastewater treatment system. Company-wide, we set a 25% hazardous-waste reduction target by the end of 2025 using 2023 as a baseline. By the end of 2025, we had reduced hazardous waste by approximately 19.5%, falling short of the 25% target. Going forward, we are establishing a new goal of 5% annual hazardous-waste reduction.



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 2025, we recycled 67% of our e-waste, an increase from 13% in 2023.

Our Path Forward

At Veeco, sustainability is embedded in how we operate, innovate, and grow. This report reflects the tangible progress we made in 2025 across environmental stewardship, workforce development, supply chain responsibility, and governance.

In 2025, we surpassed our normalized Scope 1 and 2 emissions reduction target, achieving a 29% reduction against a 10% goal. Scope 2 emissions fell approximately 10% year over year, and 34% of our U.S. electricity was sourced from renewables. We expanded our Scope 3 reporting to cover six categories, including downstream transportation and distribution. Our employees averaged 29.8 hours of professional training, and our San Jose facility reduced hazardous waste by 75%. At our Plainview site, water withdrawals decreased by more than 67% compared to 2020, and e-waste recycling rose to 70%.

Looking ahead, we are setting a new emissions objective for 2026: a 5% year-over-year reduction in normalized Scope 1 and 2 emissions. We will continue expanding Scope 3 coverage, advancing toward our 50% U.S. renewable energy target by 2030, and driving water and waste reductions across our facilities.

Veeco remains committed to steady, measurable progress. We are confident in our ability to deliver meaningful results for our stakeholders, our communities, and the environment, building on the foundations included in this report.

29%
Scope 1 & 2 emissions reduction (10% goal)

~10%
Scope 2 emissions, year over year

34%
U.S. electricity from renewables

6
Scope 3 reporting categories

29.8 hrs
Avg. training per employee

75%
Hazardous waste reduction, San Jose

67%+
Water withdrawal reduction (Plainview)

70%
E-waste recycling rate

Veeco

MAKING A ***MATERIAL*** DIFFERENCE